November 8, 2016

For Immediate Release

Company Name: JX Holdings, Inc.
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Notification of the Difference between the Forecasts and the Actual of Consolidated Results for the First Half of the Fiscal Year 2016 and Revisions to the Annual Forecasts

JX Holdings, Inc. (the "Company") would like to provide notification of the difference between the forecasts and the actual of consolidated results for the first half of the Fiscal year 2016 ended September 30, 2016, released on August 4, 2016.

Additionally, the Company announces the revisions made to the annual forecasts of consolidated results for the fiscal year 2016 ending March 31, 2017, released on May 11, 2016, based on recent performance trends.

1. The Difference between the Forecasts and the Actual of Consolidated Results for the First Half of the Fiscal Year 2016 (April 1, 2016 – September 30, 2016)

(Millions of yen)

	Net Sales	Operating Income	Ordinary Income	Profit attributable to owners of parent	Net Income per Share (yen)
Previously Announced Forecast (A) (Announced on August 4, 2016)	3,970,000	85,000	110,000	60,000	24.13
Actual result (B)	3,669,759	47,496	70,960	25,361	10.20
Increase/Decrease (B-A)	(300,241)	(37,504)	(39,040)	(34,639)	(13.93)
Percentage Increase/Decrease	(7.6%)	(44.1%)	(35.5%)	(57.7%)	(57.7%)
(Reference) Previous First Half Year Results (FY 2015)	4,552,555	(45,450)	(27,665)	(44,945)	(18.08)

2. Revisions to the Annual Forecasts of Consolidated Results for the Fiscal Year 2016 (April 1, 2016 – March 31, 2017)

(Millions of yen)

	Net Sales	Operating Income	Ordinary Income	Profit attributable to owners of parent	Net Income per Share (yen)
Previously Announced Forecast (A) (Announced on May 11, 2016)	8,800,000	230,000	260,000	125,000	50.27
Revised Forecast (B)	8,000,000	190,000	230,000	100,000	40.22
Increase/Decrease (B-A)	(800,000)	(40,000)	(30,000)	(25,000)	(10.05)
Percentage Increase/Decrease	(9.1%)	(17.4%)	(11.5%)	(20.0%)	(20.0%)
(Reference) Previous Results (FY 2015)	8,737,818	(62,234)	(8,608)	(278,510)	(112.01)

3. Reasons

(Reasons for the Difference between the Forecasts and the Actual of Consolidated Results for the First Half of the Fiscal Year 2016)

The net sales for the first half of the Fiscal Year 2016 decreased from the previous forecast (announced on August 4, 2016) reflecting mainly an increased appreciation of the yen against the US dollar.

Due to a scaling down of the positive inventory valuation factors resulting from an increased appreciation of the yen against the US dollar, the operating income fell short of the previous forecast.

With respect to the ordinary income excluding the inventory valuation factors, it was 62 billion yen (a decrease of 8 billion yen compared with the previous forecast), due to mainly an increased appreciation of the yen against the US dollar.

For the above reasons, the profit attributable to owners of parent will fall short of the previous forecast.

First Half of the Fiscal Year
(Inventory Valuation Factors*)

(Billions of yen)

	Previously Announced Forecast (A)	Actual result (B)	Increase/Decrease (B-A)
Inventory Valuation Factors	40	9	(31)
Operating Income Excluding Inventory Valuation Factors	45	39	(6)
Ordinary Income Excluding Inventory Valuation Factors	70	62	(8)

*The impact of inventory valuation on the cost of sales by using the weighted-average method and writing down the book value.

(Reasons for the Revisions to the Annual Forecasts of Consolidated Results for the Fiscal Year 2016)

The Company estimates that the net sales for the Fiscal Year 2016 will fall short of the previous forecast announced on May 11, 2016 mainly the increased appreciation of the yen against the US dollar.

Although the cost reduction will contribute to increase the profits, due to an increased appreciation of the yen against the US dollar, a decline in the LME price for copper and a decrease in margins of petroleum products, the Company estimates that the operating income will be 190 billion yen (a decrease of 40 billion yen compared with the previous forecast), and the ordinary income will be 230 billion yen (a decrease of 30 billion yen).

With respect to the ordinary income excluding the inventory valuation factors, it will be 180 billion yen (a decrease of 40 billion yen compared with the previous forecast), due to above reasons.

Full Year
(Inventory Valuation Factors*) (Billions of yen)

	Previously Announced Forecast (A)	Revised Forecast (B)	Increase/Decrease (B-A)
Inventory Valuation Factors	40	50	10
Operating Income Excluding Inventory Valuation Factors	190	140	(50)
Ordinary Income Excluding Inventory Valuation Factors	220	180	(40)

*The impact of inventory valuation on the cost of sales by using the weighted-average method and writing down the book value.

This forecast assumes the yearly average; a crude oil price (Dubai crude) of \$44 per barrel (\$45 at 2nd half); an international copper price (LME price) of 213 cents per pound (210 cents at 2nd half); and an exchange rate of 105 yen per U.S. dollar (105 yen at 2nd half). (Previous forecast: crude oil price of \$40 per barrel; an international copper price of 230 cents per pound; and an exchange rate of 110 yen per U.S. dollar.)

Cautionary Statement Regarding Forward-Looking Statements

This notice contains certain forward-looking statements. However, actual results may differ materially from those reflected in any forward-looking statement due to various factors, including, but not limited to, the following: (1) macroeconomic conditions and changes in competitive environment in the energy, resources, and materials industries; (2) changes in laws and regulations; and (3) risks related to litigation and other legal proceedings.

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