

Security Code

Tokyo 5020

Supplementary Information

【Full Report】

February 2, 2011



The Future of Energy, Resources and Materials

JX Holdings, Inc.

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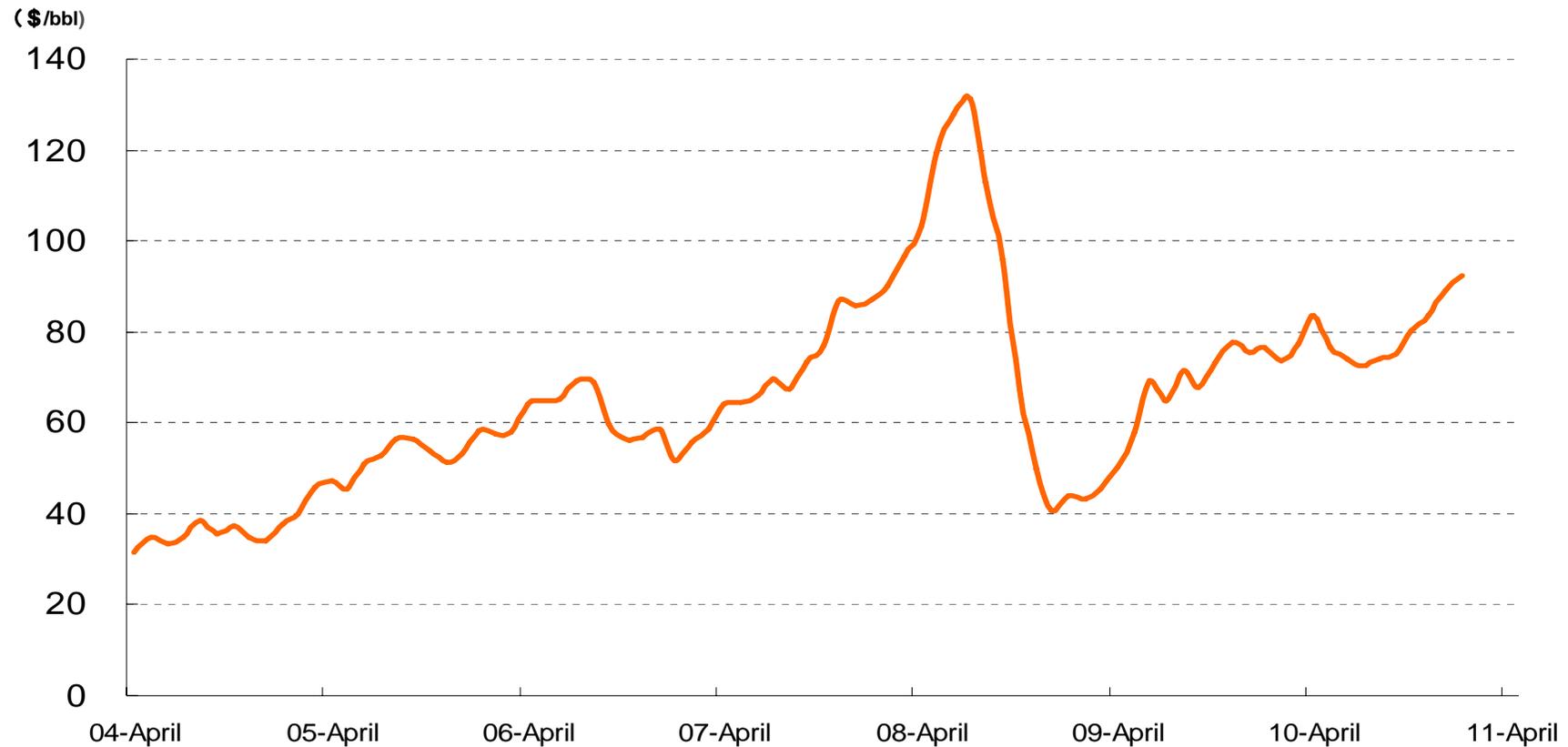
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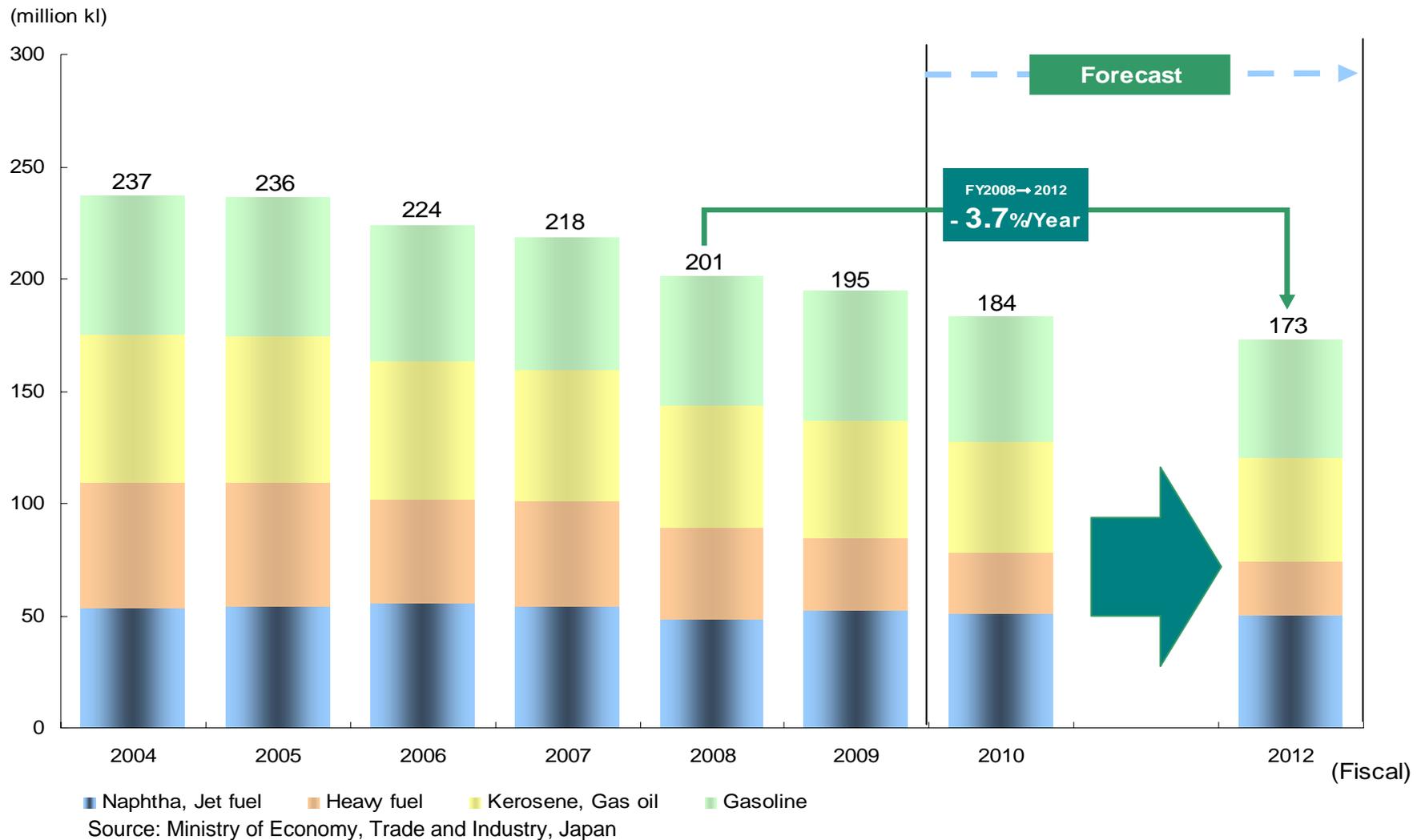


Historical Dubai Crude Oil Price

Average Price	FY04	FY05	FY06	FY07	FY08	FY09				FY10		
						1Q	2Q	3Q	4Q	1Q	2Q	3Q
Dubai Crude Oil	37	54	61	77	82	59	68	75	76	78	74	84

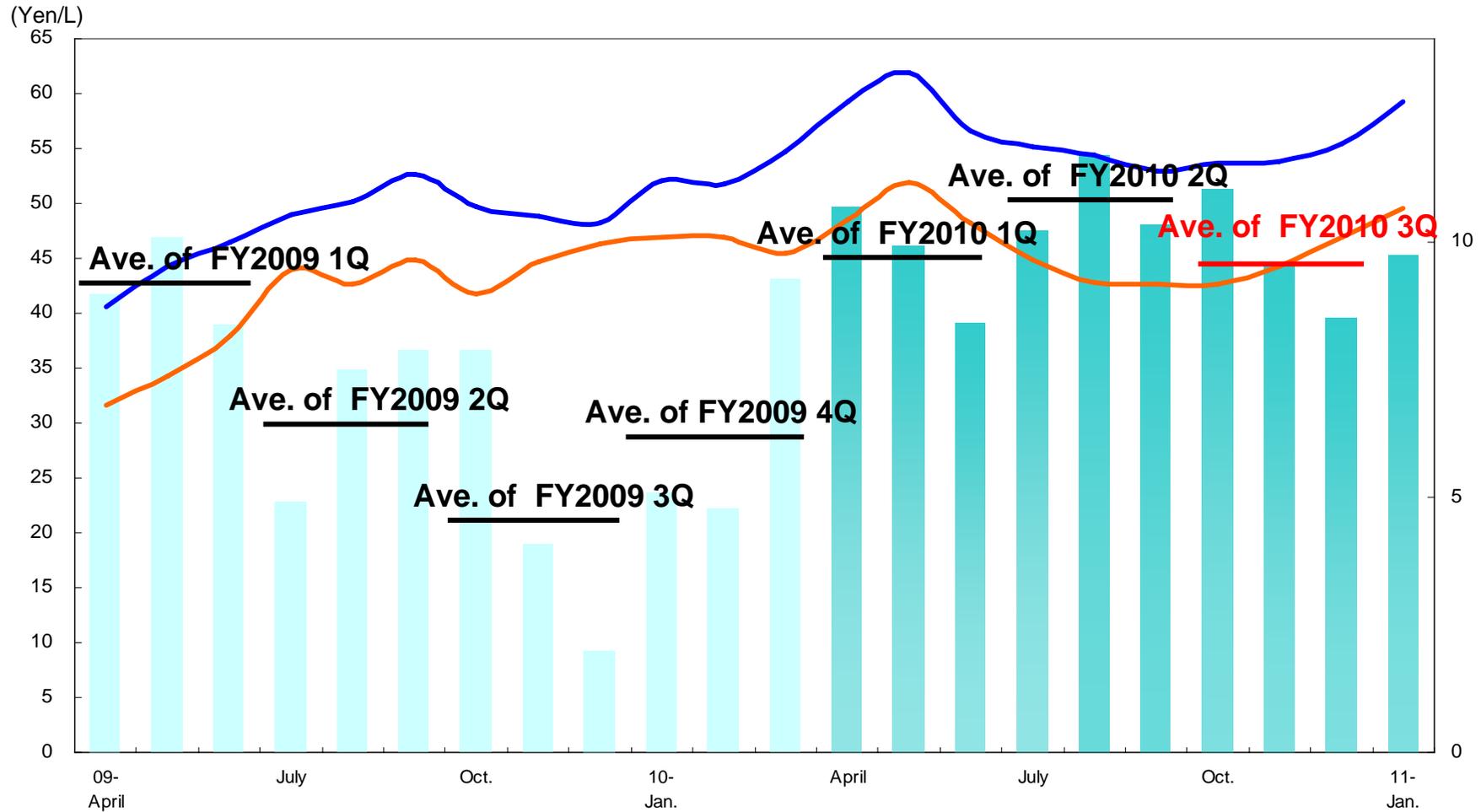


Demand for Petroleum Products (Japan)





Domestic Market Margin* (Gasoline)



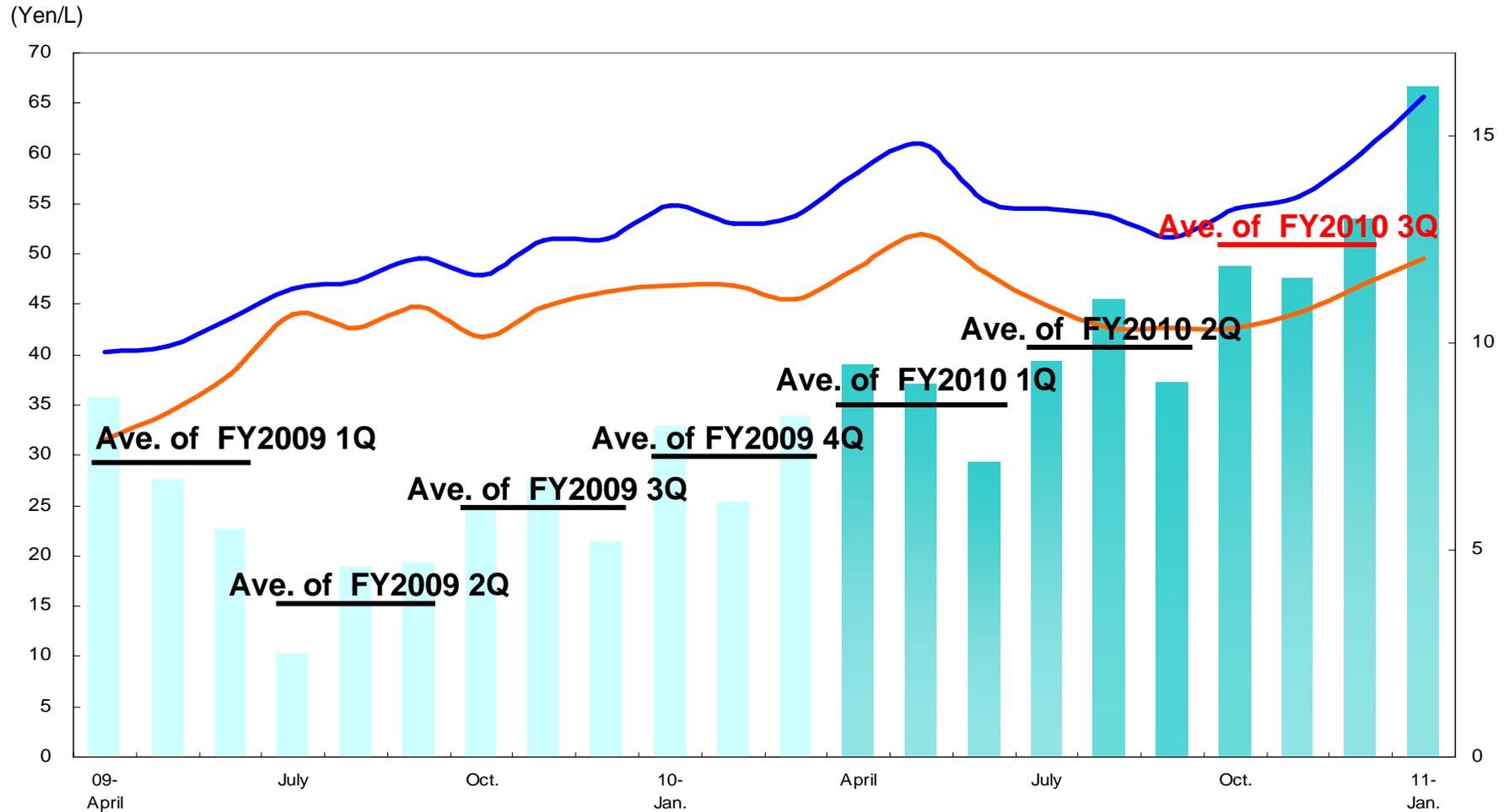
Margin (Right axis) Spot price (Left axis) Clude oil CIF Price (Left axis)

* : Margin = Spot Price – All Japan Crude Oil CIF (including petroleum tax and interest) – Taxes

Source : Trade statistics (Ministry of Finance, Japan)



Domestic Market Margin* (Kerosene)



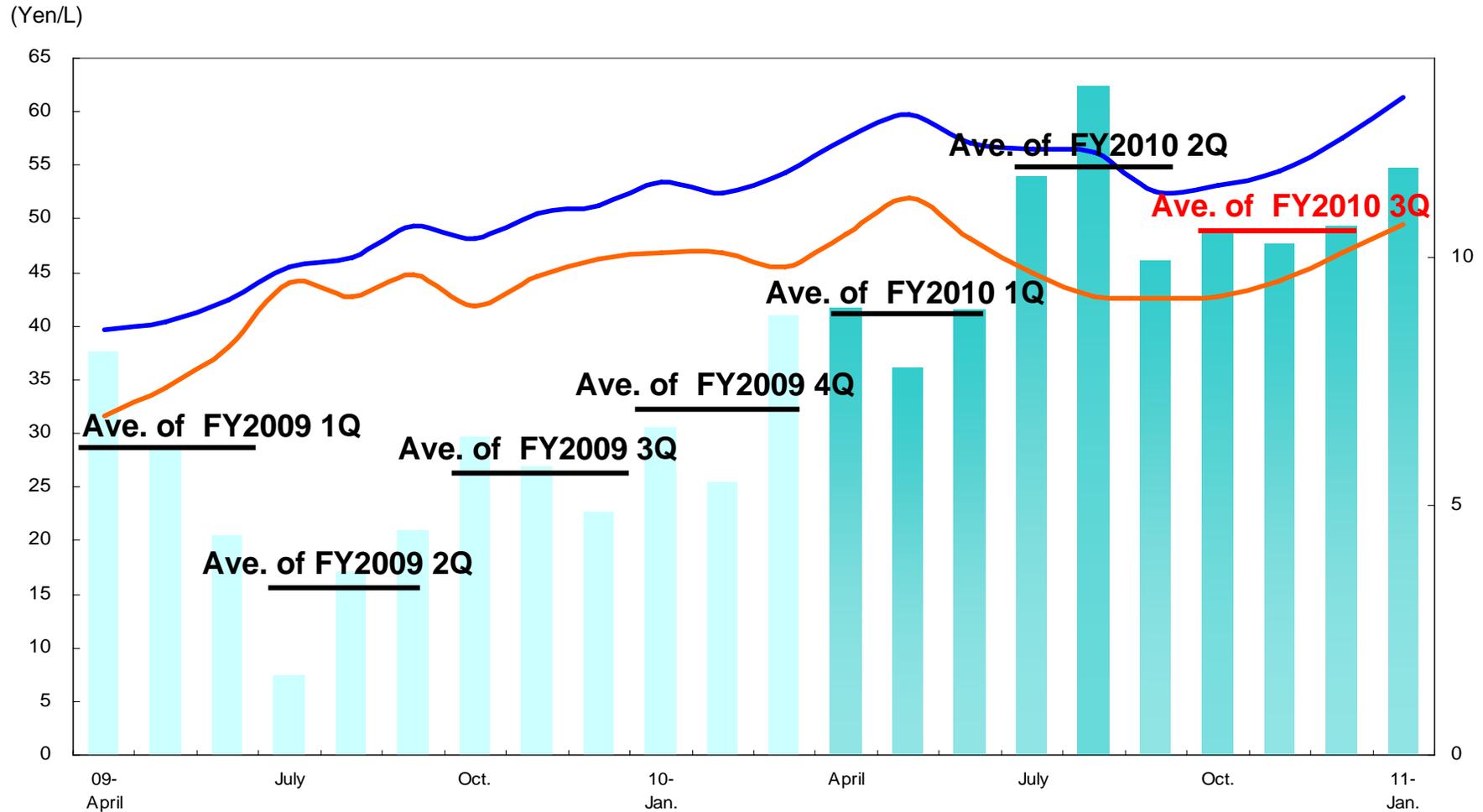
Margin (Right axis) Spot price (Left axis) Clude oil CIF Price (Left axis)

* : Margin = Spot Price – All Japan Crude Oil CIF (including petroleum tax and interest) – Taxes

Source : Trade statistics (Ministry of Finance, Japan)



Domestic Market Margin* (Diesel Fuel)



Margin (Right axis) Spot price (Left axis) Clude oil CIF Price (Left axis)

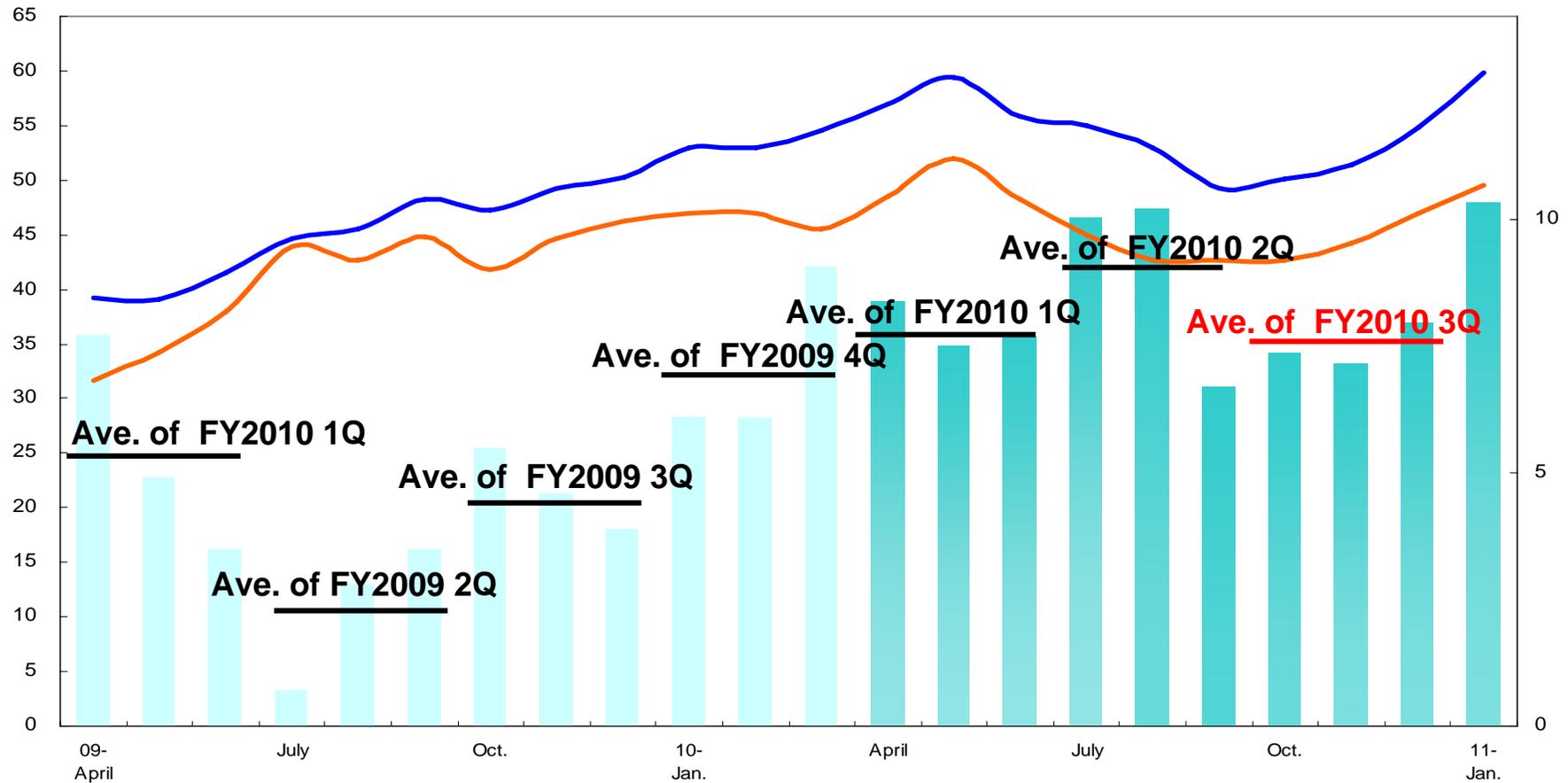
* : Margin = Spot Price – All Japan Crude Oil CIF (including petroleum tax and interest) – Taxes

Source : Trade statistics (Ministry of Finance, Japan)

Domestic Market Margin* (Heavy Fuel Oil A)



(Yen/L)



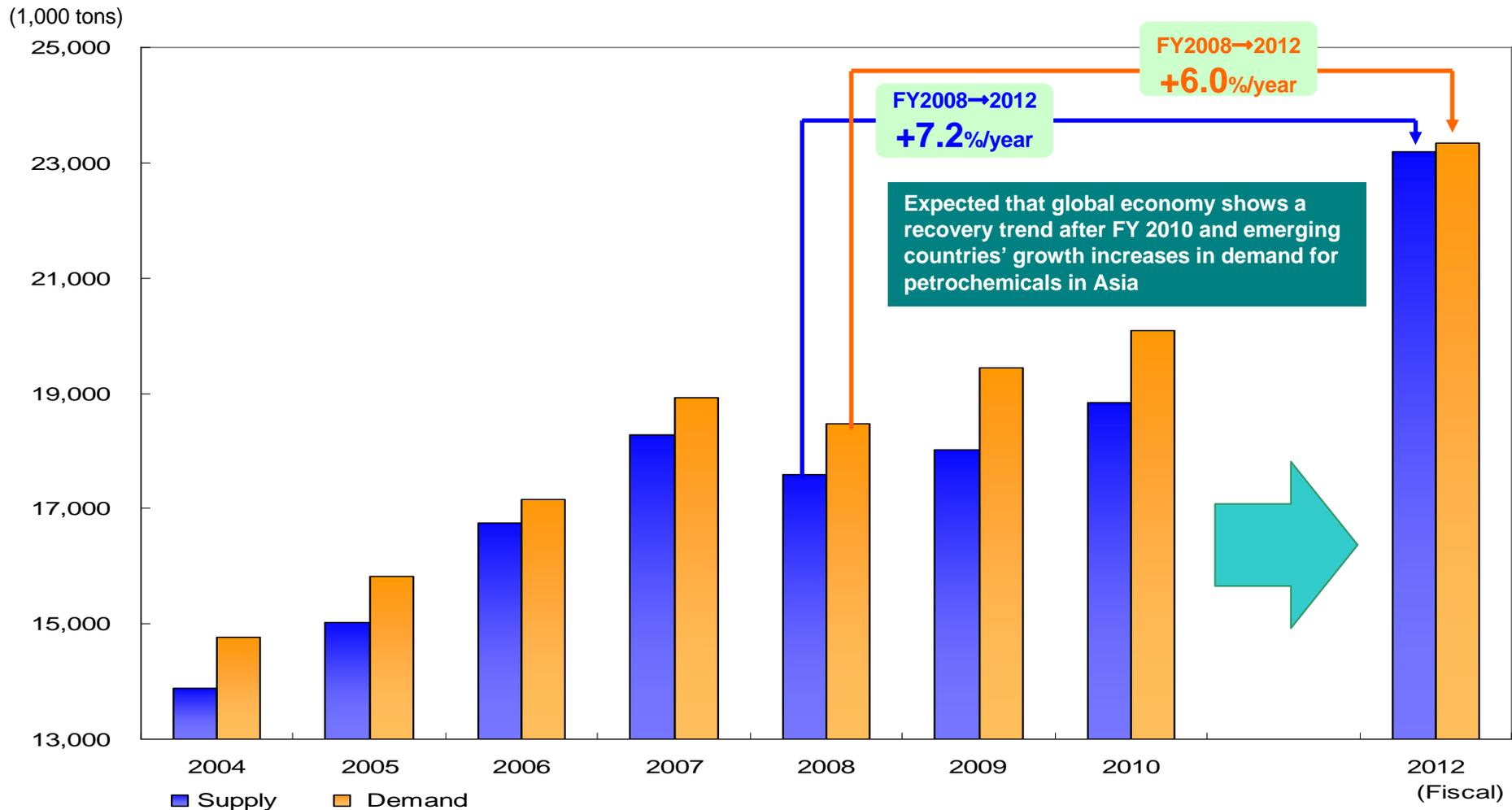
Margin (Right axis) Spot price (Left axis) Clude oil CIF Price (Left axis)

* : Margin = Spot Price – All Japan Crude Oil CIF (including petroleum tax and interest) – Taxes

Source : Trade statistics (Ministry of Finance, Japan)



Demand for Petrochemicals in Asia (Paraxylene)

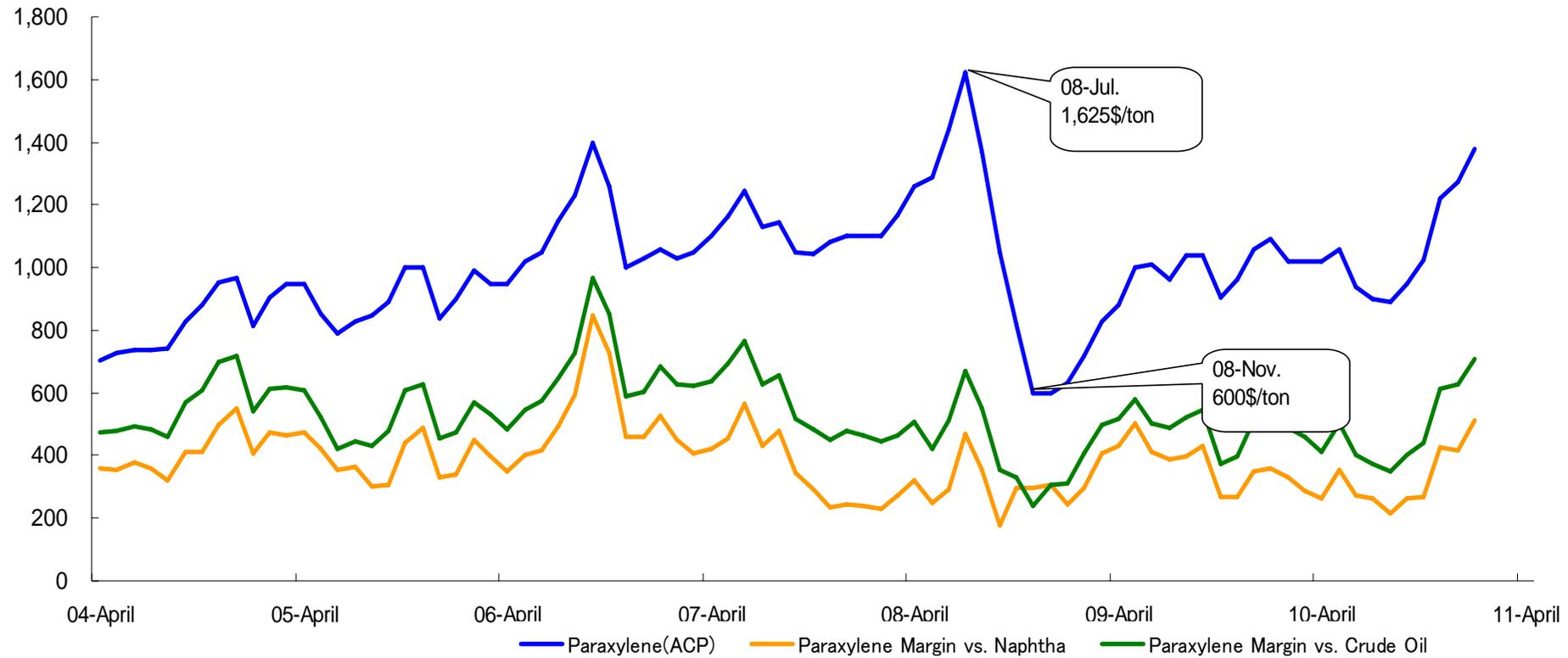


Source: Company Data



Paraxylene Price and Margin (vs. Crude Oil, vs. Naphtha)

Average Price	FY04	FY05	FY06	FY07	FY08	FY09				FY10			
						1Q	2Q	3Q	4Q	1Q	2Q	3Q	11-Jan
Asian Contract Price	829	903	1,103	1,119	1,020	964	1,013	976	1,043	1,007	913	1,173	1,380
Margin vs. Crude Oil	563	514	660	556	425	533	519	427	492	439	376	560	708
Margin vs. Naphtha	416	389	511	351	309	449	404	296	327	297	248	370	511



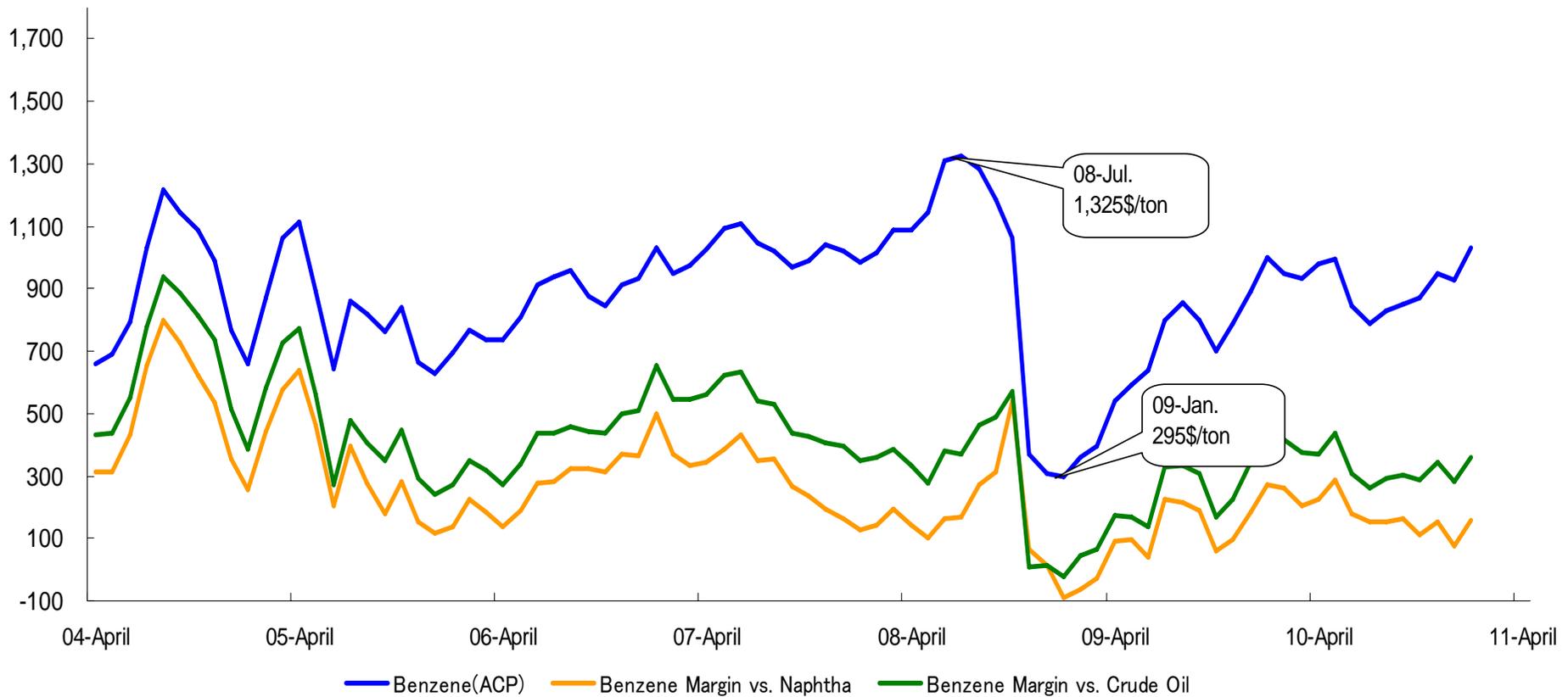
Note*1. In case of ACP undecided, average price of spot market is adopted.



Benzene Price and Margin (vs. Crude Oil, vs. Naphtha)

Average Price	FY04	FY05	FY06	FY07	FY08	FY09				FY10			
						1Q	2Q	3Q	4Q	1Q	2Q	3Q	11-Jan
Asian Contract Price	914	786	907	1,034	844	590	818	793	962	940	823	917	1,030
Margin vs. Crude Oil	648	397	464	471	249	160	324	245	410	372	286	304	358
Margin vs. Naphtha	501	271	315	265	133	76	209	113	245	230	158	113	161

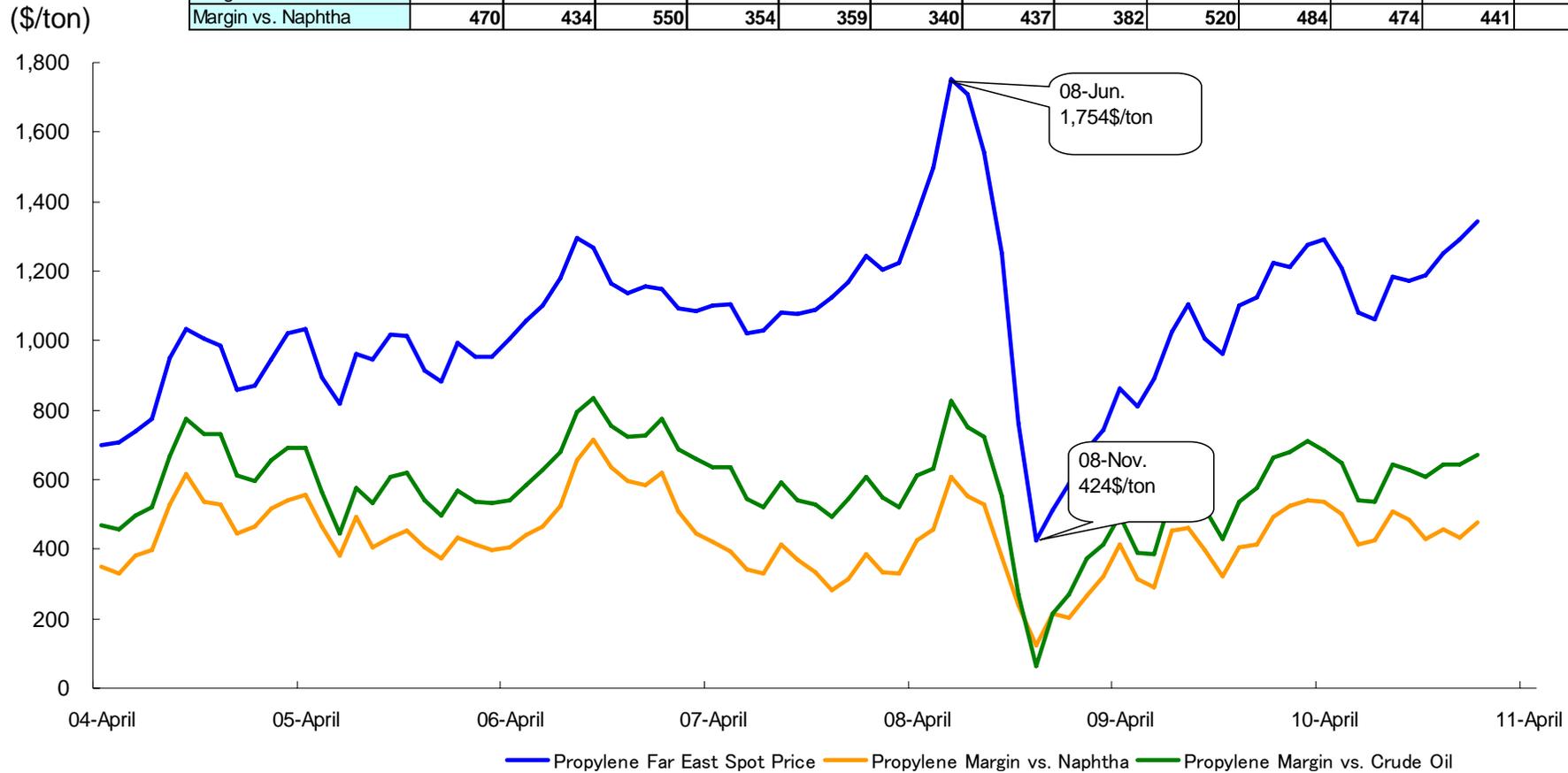
(\$/ton)





Propylene Price and Margin (vs. Crude Oil, vs. Naphtha)

Average Price	FY04	FY05	FY06	FY07	FY08	FY09				FY10			
						1Q	2Q	3Q	4Q	1Q	2Q	3Q	11-Jan(expected)
Far East Spot Price	883	948	1,138	1,123	1,070	854	1,046	1,062	1,237	1,193	1,140	1,244	1,345
Margin vs. Crude Oil	617	559	695	563	475	424	552	513	685	625	602	631	673
Margin vs. Naphtha	470	434	550	354	359	340	437	382	520	484	474	441	475



Sales Volume of FY 2009, FY2010 3Q & Forecast of FY 2010



	FY2009 1-3Q VS. FY2010 1-3Q		Changes vs. FY 2009 1-3Q
	FY2009	FY2010	
	million KL	million KL	
Gasoline	15.20	15.34	0.9%
Premium	2.27	2.18	-4.2%
Regular	12.85	13.08	1.7%
Naphtha	3.23	2.79	-13.7%
JET	1.15	1.09	-5.1%
Kerosene	4.57	4.24	-7.2%
Diesel Fuel	9.09	9.08	-0.1%
Heavy Fuel Oil A	4.80	4.46	-7.1%
Heavy Fuel Oil C	4.84	4.82	-0.5%
For Electric Power	2.51	2.74	8.9%
For General Use	2.33	2.08	-10.7%
Total Domestic Fuel	42.88	41.82	-2.2%
Crude Oil	0.83	1.02	22.3%
Lubricants & Specialities	2.40	2.65	10.9%
Petrochemicals (million ton)	4.30	4.24	-1.5%
Exported Fuel	8.08	7.79	-3.7%
LPG (million ton)	1.43	1.46	1.7%
Coal (million ton)	2.89	4.16	44.1%
Total Excluding Barter Trade & Others	62.81	63.14	0.5%
Barter Trade & Others	19.74	17.44	-11.6%
Total	82.55	80.58	-2.4%

	FY2009 VS. FY2010		Changes vs. FY 2009
	FY2009	FY 2010(Forecast as of Feb. 2)	
	million KL	million KL	
Gasoline	20.02	20.03	0.0%
Premium	2.95	2.86	-3.1%
Regular	16.96	17.06	0.6%
Naphtha	4.27	3.96	-7.3%
JET	1.56	1.49	-4.5%
Kerosene	7.99	7.61	-4.8%
Diesel Fuel	12.06	12.04	-0.2%
Heavy Fuel Oil A	6.82	6.35	-6.9%
Heavy Fuel Oil C	6.31	6.32	0.2%
For Electric Power	3.25	3.56	9.5%
For General Use	3.06	2.76	-9.8%
Total Domestic Fuel	59.03	57.80	-2.1%
Crude Oil	1.14	1.45	27.2%
Lubricants & Specialities	3.32	3.62	9.0%
Petrochemicals (million ton)	5.82	5.88	1.0%
Exported Fuel	10.30	10.76	4.5%
LPG (million ton)	2.01	2.03	1.0%
Coal (million ton)	4.44	5.36	20.7%
Total Excluding Barter Trade & Others	86.06	86.90	1.0%
Barter Trade & Others	27.05	23.11	-14.6%
Total	113.11	110.01	-2.7%

Notes: Figures for FY 2009 and FY 2010 1Q are pro forma summations of Nippon Oil and Japan Energy.



Number of Service Stations (Fixed-Type)

	FY04	FY05	FY06	FY07	FY08	FY09	Dec'10
JX Group	15,082	14,640	14,076	13,474	13,318	12,687	12,332
EMGK ^{*1}	6,701	6,464	6,044	5,635	5,064	4,761	4,586
Idemitsu Kosan	5,358	5,249	5,059	4,913	4,598	4,338	4,181
Showa Shell Sekiyu	4,808	4,689	4,560	4,481	4,256	4,102	3,948
Cosmo Oil	4,709	4,552	4,359	4,188	3,913	3,768	3,656
Others ^{*2}	1,500	1,439	1,388	1,383	687	683	663
Oil Companies	38,158 (79.5%)	37,033 (78.8%)	35,486 (79.4%)	34,074 (79.2%)	31,836 (77.5%)	30,339 (75.8%)	29,366 (75.9%)
Private Brands and Others ^{*3}	9,842 (20.5%)	9,967 (21.2%)	9,214 (20.6%)	8,926 (20.8%)	9,264 (22.5%)	9,661 (24.2%)	9,334 (24.1%)
Total ^{*3}	48,000	47,000	44,700	43,000	41,100	40,000	38,700

<Number of Company-Owned Service Stations>

	FY09	Dec'10
JX Group	2,893	2,776

<Number of Self-Service Stations>

	FY09	Dec'10
JX Group	2,378	2,401
Total for Japan ^{*4}	6,906	6,957

Notes: *1. Figures are total of Esso, Mobil, Tonen General Sekiyu and Kygnus Sekiyu.

*2. Figures are total of Kyushu Oil, Taiyo Petroleum and Mitsui Oil & Gas. (until FY 2007)

*3. Estimated by JX Holdings.

*4. This figures include only self-service retail outlets that are affiliated to oil companies.

JX Group's Market Share and Demand in Japan

Historical CDU^{*1} Utilization Rate



Domestic Share of Sales

	FY09 1-3Q (%)	FY10 1-3Q (%)
Gasoline	34.7	34.3
Kerosene	42.7	39.5
Diesel Fuel	37.9	37.1
Heavy Fuel Oil A	42.8	41.3
Four Light Oil	37.6	36.6
Total Domestic Fuel	34.0	32.7

Demand in Japan

	FY09 1-3Q (1,000 KL)	FY10 1-3Q (1,000 KL)	Changes against FY09 1-3Q (%)
Gasoline	43,833	44,655	101.9
Kerosene	11,422	11,624	101.8
Diesel Fuel	24,191	24,667	102.0
Heavy Fuel Oil A	11,189	10,768	96.2
Four Light Oil	90,635	91,714	101.2
Total Domestic Fuel	141,539	143,277	101.2

CDU Utilization Rate (Excluding the impact of periodic repair)

	(Unit : million BD)								
	FY04 (⁰⁴ / ₄ - ⁰⁵ / ₃)	FY05 (⁰⁵ / ₄ - ⁰⁶ / ₃)	FY06 (⁰⁶ / ₄ - ⁰⁷ / ₃)	FY07 (⁰⁷ / ₄ - ⁰⁸ / ₃)	FY08 (⁰⁸ / ₄ - ⁰⁹ / ₃)	FY09 (⁰⁹ / ₄ - ¹⁰ / ₃)	FY10 1H (¹⁰ / ₄ - ¹⁰ / ₉)	FY10 3Q (¹⁰ / ₁₀ - ¹⁰ / ₁₂)	FY10 1-3Q (¹⁰ / ₄ - ¹⁰ / ₁₂)
JX Group	94%	93%	91%	89%	85%	78%	81%	90%	84%
Total for Japan	84% (4.78)	87% (4.77)	83% (4.39)	83% (4.49)	84% (4.59)	82% (4.41)	—	—	—

* 1. Crude Distillation Unit

* 2. Utilization Rate (JX) excluding Condensate splitter of Mizushima and Kashima.

* 3. All Japan Refining Capacity excluding Condensate splitter of Mizushima and Kashima.

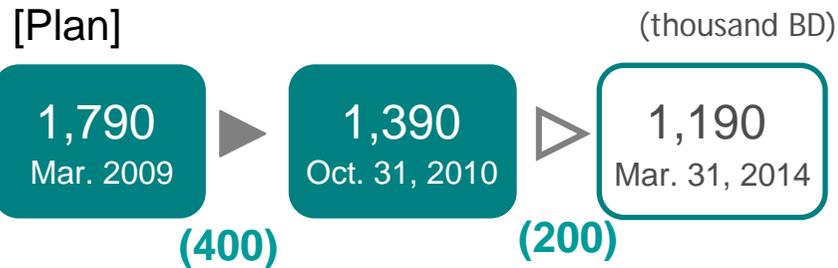
* 4. Considering the impact of long-shut down of 2nd CDU of Mizushima(former NOC), a Utilization Rate is 84% for FY10 1H and 86% for FY10 1-3Q.

Source: Petroleum Association of Japan and Company data



Capacity Reduction Plan and JX Group Refineries

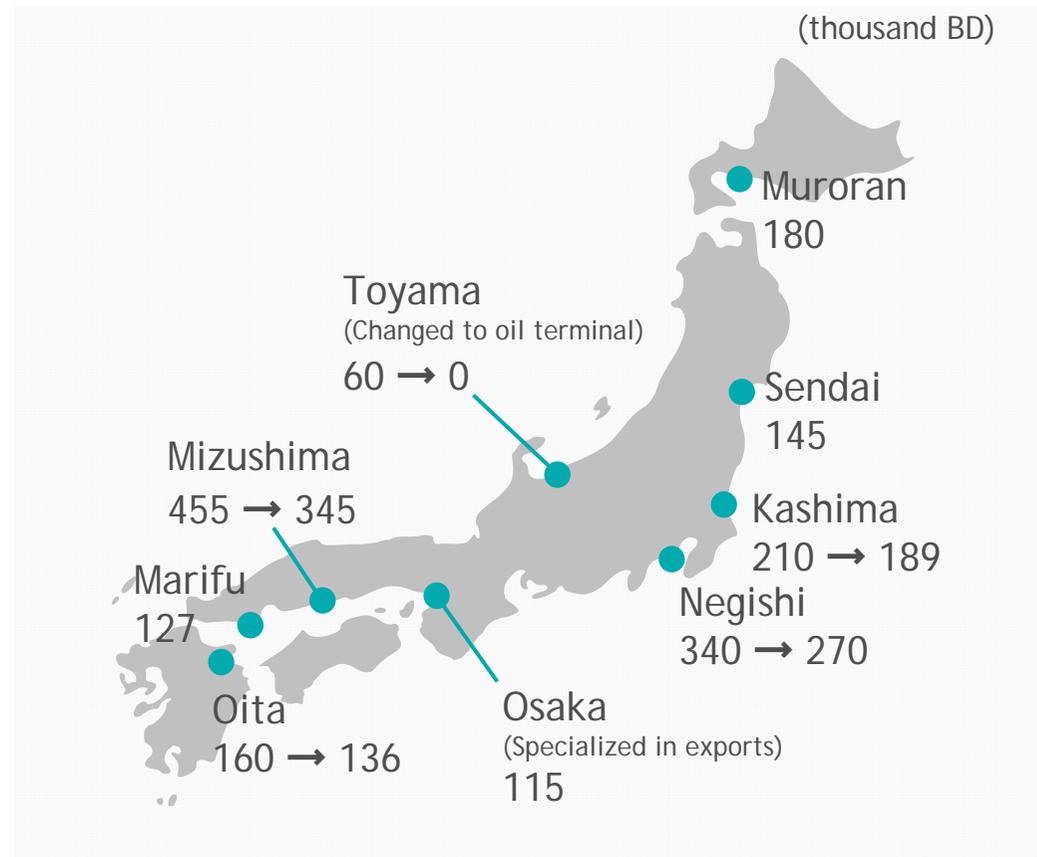
JX Group Capacity Reduction Plan



Breakdown of 400 thousand BD reduction

Refinery	Reduction (thousand BD)	Progress
Negishi	70	Oct. 31, 2010 Terminated operation of 2 nd CDU
Osaka	115	Oct. 1, 2010 Joint venture with CNPC; Specialized in exports
Mizushima	110	Jun. 30, 2010 Terminated operation of 2 nd CDU
Oita	24	May 31, 2010 Terminated operation of 1 st CDU
Kashima	21	May 31, 2010 Reduced capacity of 1 st CDU
Toyama	60	Mar. 31, 2009 Closed Toyama refinery of Nihonkai Oil Co., Ltd.
Total	400	

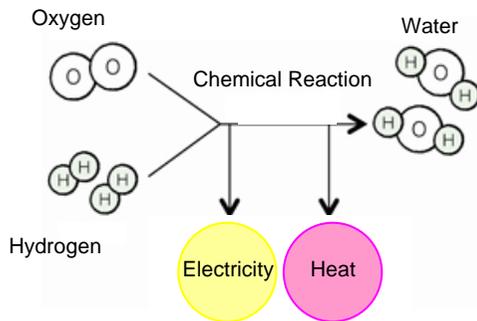
JX Group Refineries (As of Oct. 31, 2010)



New Energy (Residential-Use Fuel Cell : ENE·FARM)

Merit of ENE·FARM

Environment Friendly



The case using ENE·FARM for a year

Reduce about 30% of CO2 emission



CO2 amount that 80 Japan cedar absorb in a year

Conservation of Energy

Conventional System *1

- Power Transmission Loss 5%
- Rejection Heat Loss 55~60%

Energy Efficiency 35-40%

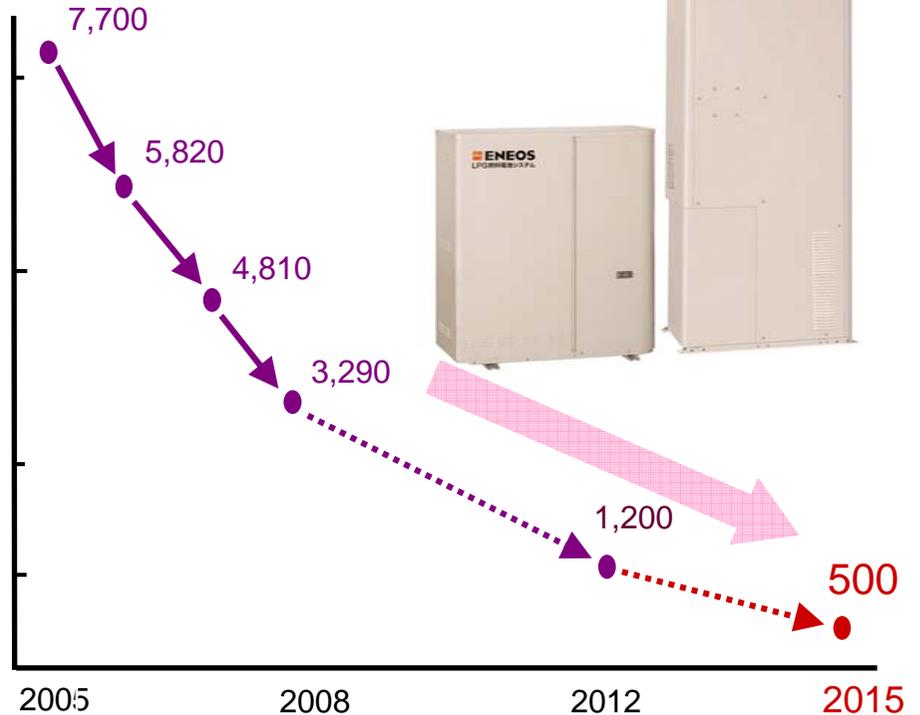
ENE·FARM

- Power Transmission Loss 0%
- Rejection Heat Loss 15~20%

Energy Efficiency 80-85%

Cost Down Target of ENE·FARM

(thousand yen)



*1 Using energy of thermal power generation and boiler

JX Group's Reserve Standards



JX Group's criteria for evaluating reserves conforms to the SPE Standards, drafted by the SPE (Society of Petroleum Engineers), WPC (World Petroleum Congress), AAPG (American Association of Petroleum Geologists), and SPEE (Society of Petroleum Evaluation Engineers) and announced in March 2007.

JX Group's reported reserves are in line with reserves as defined by the SPE Standards. The degree of certainty of the reserve values is categorized, in order, as either Proved, Probable, or Possible. Following trends common at other industry firms, JX Group's has used Proven and Probable reserves to arrive at its total reserves.

Definition of Proved Reserves:

Reserves judged to have a high level of certainty from analysis of geoscience and production/petroleum engineering data, based on economic conditions, operational methods and laws and regulations assumed by JX Group in light of discovered reservoirs—there is at least a 90% probability that actual recovered volume will equal or exceed estimates of oil and natural gas deposits reasonably evaluated as commercially recoverable.

Definition of Probable Reserves:

There is at least a 50% probability that additional oil and natural gas reserves will equal or exceed actual recovered volume of the total of estimated proved and probable reserves. While these additional reserves are evaluated in the same manner as proved reserves, the probability of recoverability of probable reserves is lower than proved reserves, but higher than possible reserves.



Outline of E&P of Oil and Natural Gas Projects

Project Name/Company	Sales Volume(Jan.-Mar. 2010) (1,000BOED) *1	Reserves (million BOE) *2	
[Gulf of Mexico(U.S.A.)] Nippon Oil Exploration U.S.A. Limited	11	48	
[Canada] Japan Canada Oil Company Limited	14	280	
[North Sea, U.K.] Nippon Oil Exploration and Production U.K. Limited	12	21	
[Vietnam] Japan Vietnam Petroleum Co., Ltd.	11		
[Myanmar] Nippon Oil Exploration (Myanmar) Ltd.	9		
[Malaysia] Nippon Oil Exploration (Malaysia) Ltd. Nippon Oil Exploration (Sarawak) Ltd.	17 33		
[Indonesia] Nippon Oil Exploration (Berau) Ltd.	12		<Sub Total> 352
[Papua New Guinea] Japan Papua New Guinea Petroleum Company Ltd. Southern Highlands Petroleum Co., Ltd.	6 1		
[Australia] Nippon Oil Exploration (Australia) Pty Ltd.	1	<Sub Total> 88	
[United Arab Emirates, Qatar and others] *3 Abudhabi Oil Co., Ltd., United Petroleum Development Co., Ltd. and others	14	24	
Total	141	813	

+113
(Compared to Dec., 2008)

*1 Project company basis .

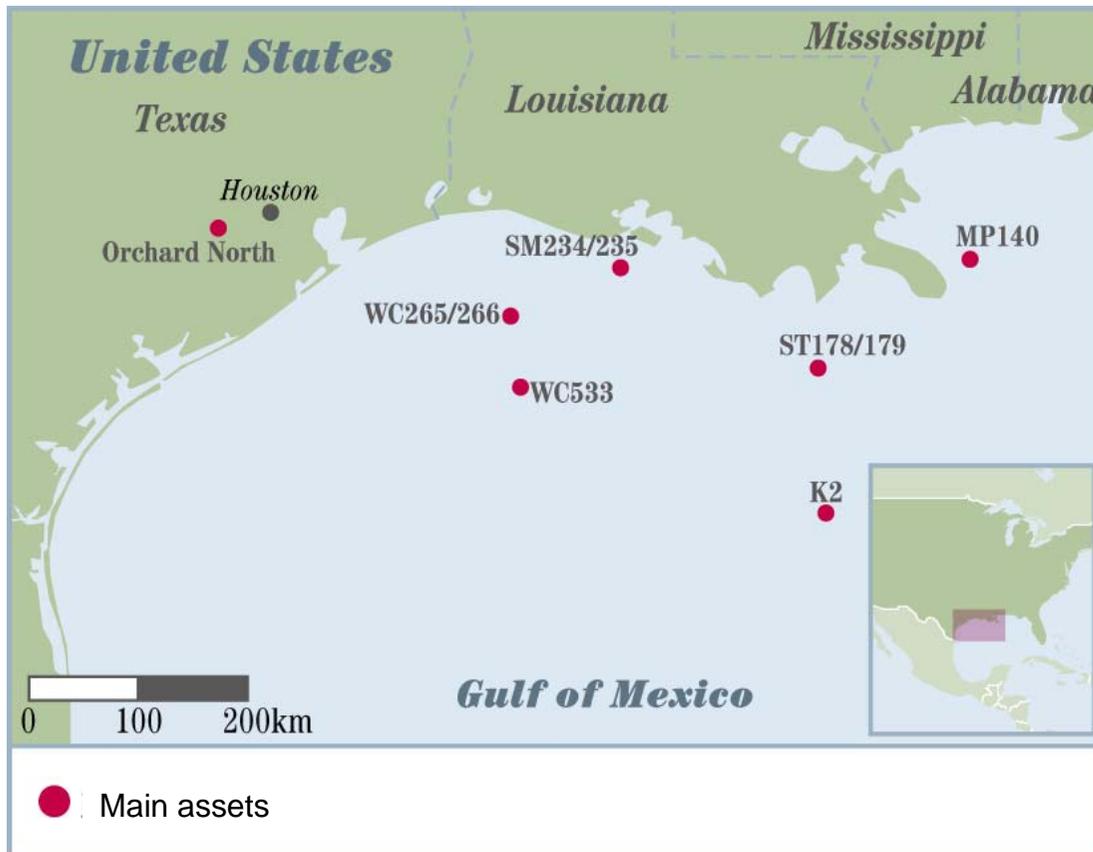
*2 Proved reserves and probable reserves as of end of Dec., 2009, including reserves from projects currently under development.

*3 JX Group's equity basis

Principal Individual E&P Project Overview ①



Gulf of Mexico



'10 Jan - Sep Sales Volume

10,700 boed
(oil: 4,500 b/d, gas: 37mmcf/d)

Project Company

Nippon Oil Exploration U.S.A. Ltd. (NOEX USA)
(100%)
(%) = JX Group Shareholding

Range Of Interests in Individual Fields

11.6% to 100%

Operators

NOEX USA, Anadarko, ConocoPhillips, others

- In 1990, NOEX USA began exploration, development, and production operations at an onshore field in Texas and offshore blocks in both deep as well as shallow waters in the Gulf of Mexico.
- In addition to continuing such existing operations as those in the Orchard North Gas Field, Aconcagua Gas Field, and Virgo Gas Field, NOEX USA purchased interests in certain producing assets in the Gulf of Mexico from Devon in 2005 and from Anadarko in 2007.
- In January 2010, NOEX USA made a gas discovery on the Davy Jones prospect.
- In September 2010, NOEX USA sold some assets of shallow water and deep water area.

Principal Individual E&P Project Overview ②



Canada



'10 Jan - Sep Sales Volume

14,300BOED
(Oil 14,300b/d)

Project Company

Japan Canada Oil Co., Ltd. (100%)
(%) = JX Group Shareholding

Interest in Individual Fields

5%

Operator

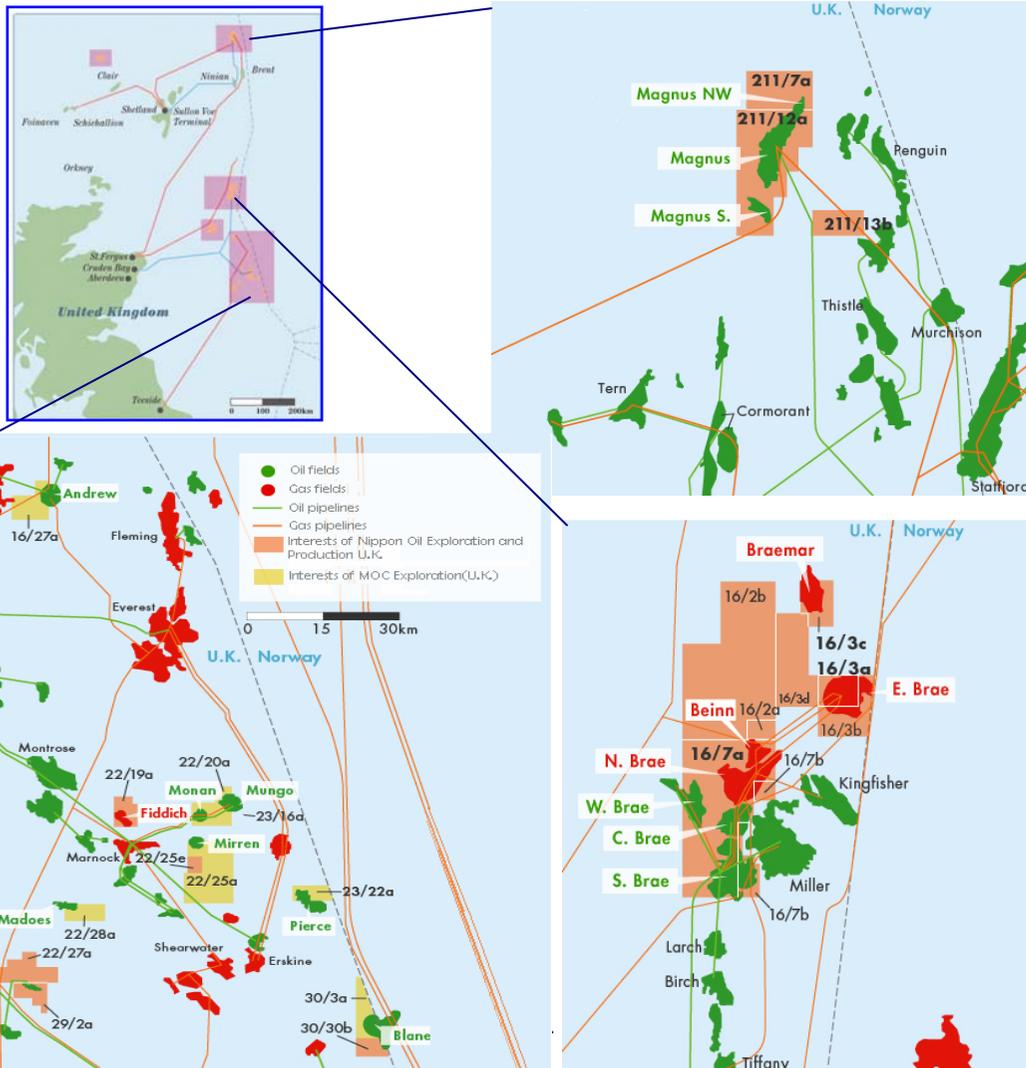
Syncrude Canada

● In 1992, NOEX acquired a 5% stake in the Syncrude project from PetroCanada. Subsequently, this stake was transferred to Mocal Energy Limited (a wholly owned subsidiary of NOEX).

Principal Individual E&P Project Overview ③



U.K. North Sea ①



'10 Jan - Sep Sales Volume
11,700BOED
(oil: 7,000b/d, gas: 28mmcf/d)

Project Company

JX Nippon Exploration and Production (U.K.) Ltd.
(100%)

(%) = JX Group Shareholding

Range of Interests in Individual Fields

2.1% to 38.2%

Operators

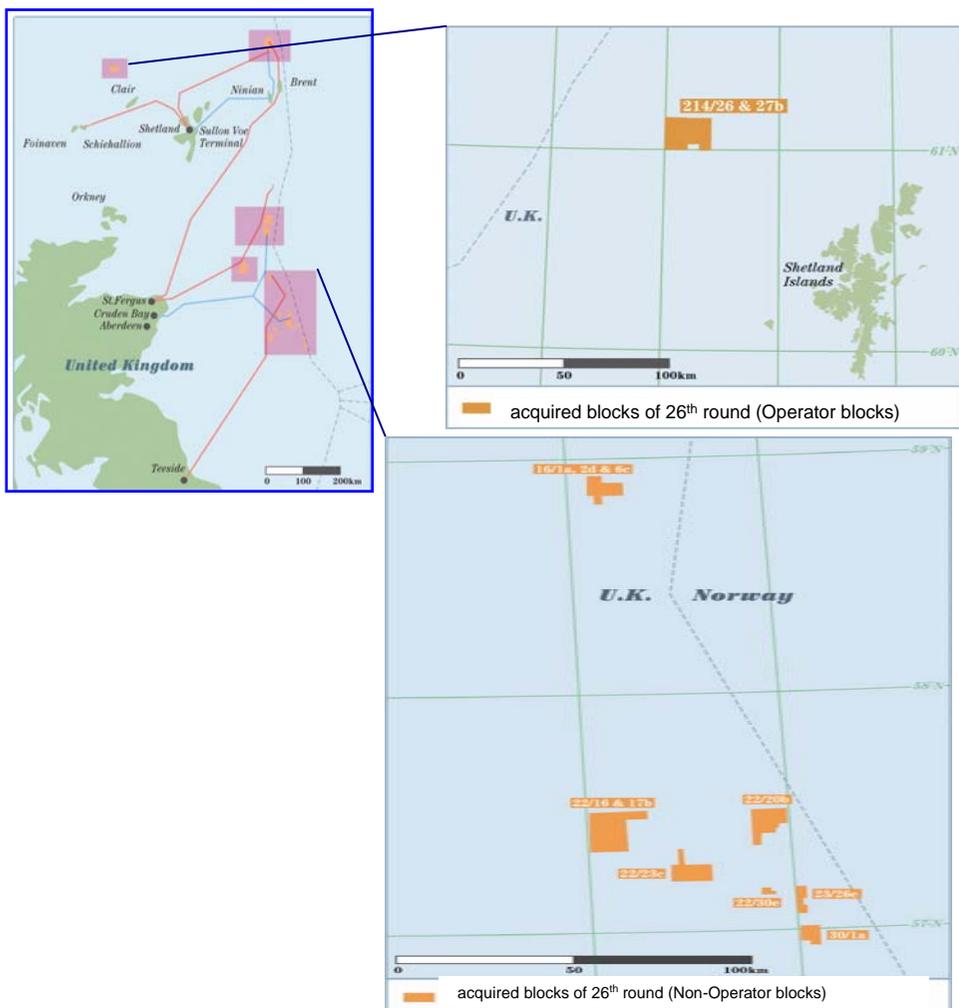
BP, Shell, Marathon, others

- In 1994, acquired a working interest in blocks, including those in the Andrew Oil Field, the Mungo/Monan Oil Fields, the Pierce Oil Field, the Mirren/Madoes Oil Fields, and the Blane Oil Field. It is currently expanding its exploration, development, and production operations.
- In 1996, acquired an interest in the Magnus Oil Field, in 2002, it acquired interests in the Brae Gas Fields and the Fiddich Oil Field, and in 2004, it acquired an interest in the West Don oil field. Exploration, development and production activities are progressing.

Principal Individual E&P Project Overview ④



U.K. North Sea ②



New blocks are acquired in 26th round in 2010.

Project Company

JX Nippon Exploration and Production (U.K.) Ltd
(100%)

Operator blocks

Interests of individual Fields

40%

the west of Shetland Islands

214/26, 214/27b

Non-Operator blocks

Range of Interests of individual Fields

10-25%

Operators

GDF Suez, BP, Maersk, TAQA

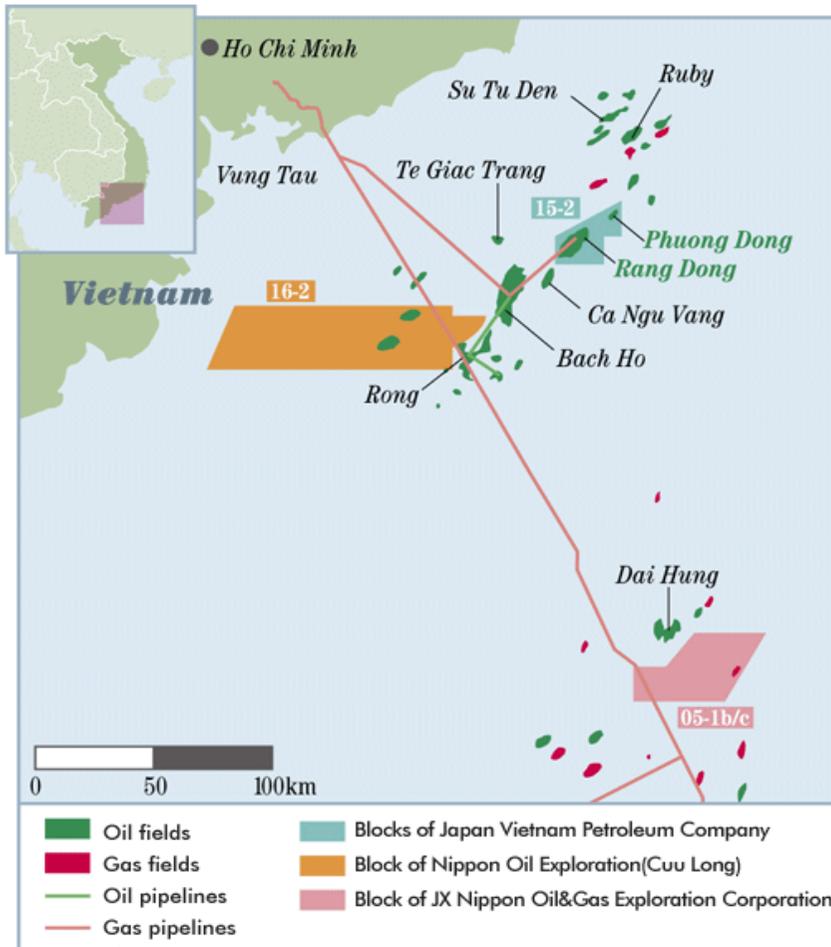
middle North Sea

22/16, 22/17b, 22/20b, 22/23c, 22/30e,
23/26e, 30/1a, 16/1a, 16/2d, 16/6c

Principal Individual E&P Project Overview ⑤



Vietnam ① (Block 15-2)



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‘10Jan - Sep Sales Volume
11,000BOED
 (oil: 7,700b/d, gas: 20mmcf/d)

Project Company
 Japan Vietnam Petroleum Co., Ltd. (JVPC)
 (97.1%)
 (%) = JX Group Shareholding

Interest in Individual Fields
 Rang Dong : 46.5%
 Phuong Dong : 64.5%

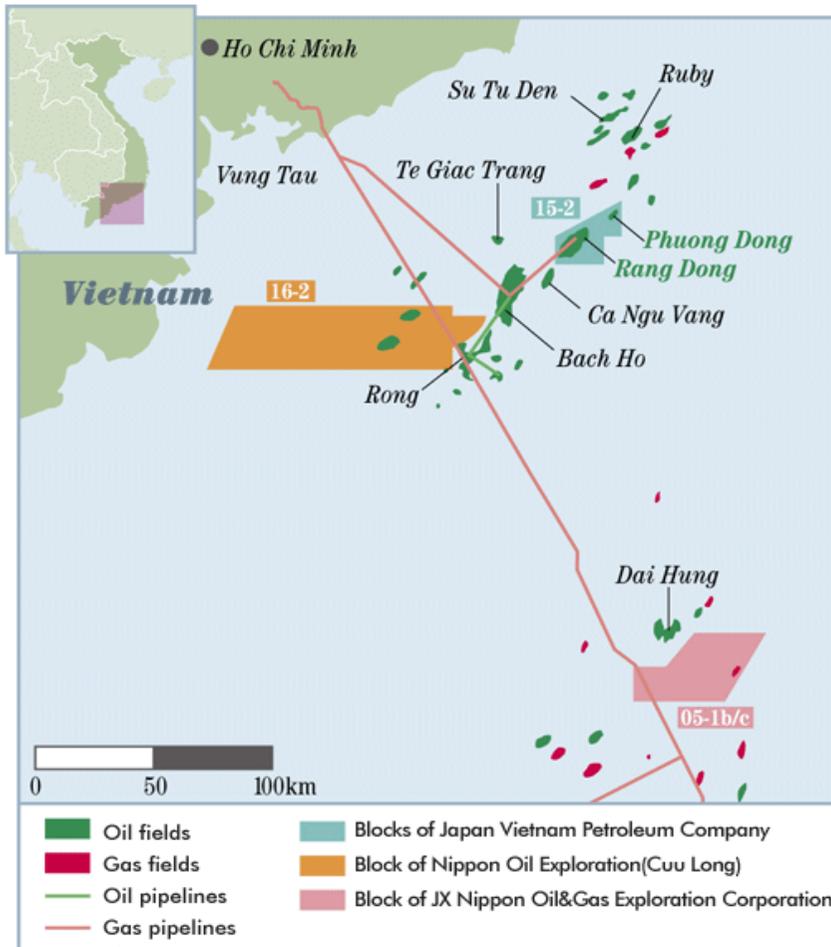
Operator
 JVPC

- In 1992, JVPC acquired a working interest in block 15-2 offshore Vietnam.
- In 1994, JVPC discovered the Rang Dong Oil Field within block 15-2, and it began production in that field from 1998.
- In February 2008, Rang Dong CDM Project received CER (Certified Emission Reductions) issuance approval under the Kyoto Protocol.
- In July 2008, Rang Dong Oil Field achieved a cumulative production volume of 150 million barrels.
- In August 2008, JVPC began production in the Phuong Dong Field.

Principal Individual E&P Project Overview ⑥



Vietnam ② (Block 16-2)



Project Company

Nippon Oil & Exploration (Cuu Long) Co., Ltd.

(35.0%)

(%) = JX Group Shareholding

Interest 40%

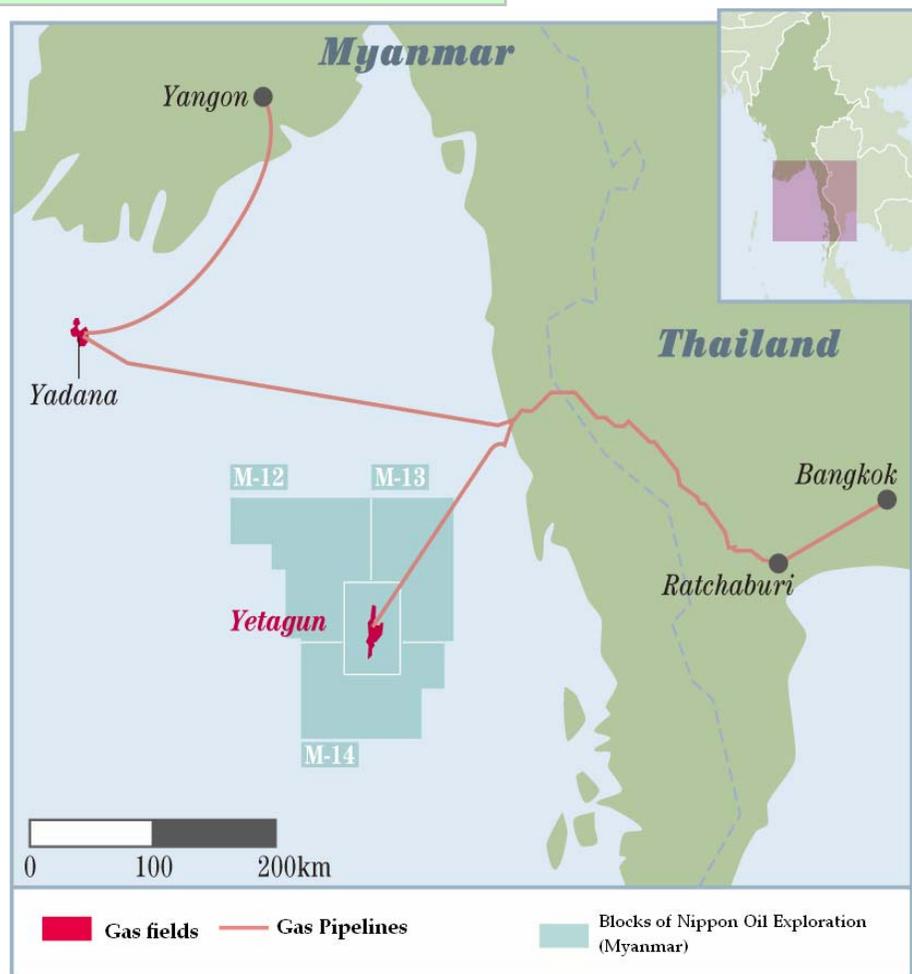
Operator PVEP

- In November 2007, acquired a working interest in block 16-2 offshore Vietnam.
- In November 2009, using test well No,1, made a gas and condensate discovery.
- In August 2010, using test well No,2, made a gas and condensate discovery.

Principal Individual E&P Project Overview ⑦



Myanmar



‘10Jan - Sep Sales Volume
 8,900BOED
 (oil: 900b/d, gas: 48mmcf/d)

Project Company
 Nippon Oil Exploration (Myanmar), Limited
 (NOEX Myanmar)(50%)
 (%) = JX Group Shareholding

Interest in Individual Fields
 19.3%

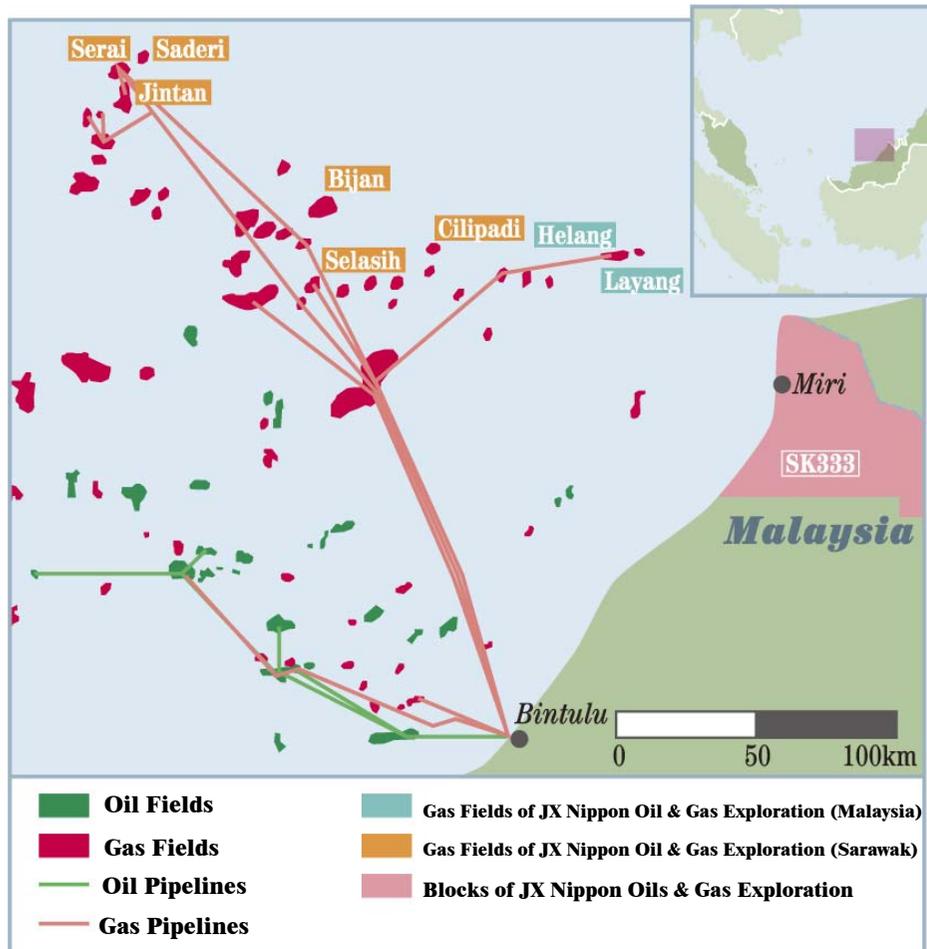
Operator
 PETRONAS Carigali

- In 1991, NOEX Myanmar acquired a working interest in blocks M-13/14 offshore Myanmar.
- The following year, it acquired a working interest in block M-12 and discovered the Yetagun Gas Field in that block.
- In 2000, production at the Yetagun Gas Field commenced, with the produced gas supplied to the Ratchaburi power plants in Thailand.

Principal Individual E&P Project Overview ⑧



Malaysia ① (Block SK-10)



'10 Jan - Sep Sales Volume

17,100BOED
(oil: 3,100b/d, gas: 84mmcf/d)

Project Company

JX Nippon Oil & Gas Exploration (Malaysia), Limited
(78.7%)
(%) = JX Group Shareholding

Range of Interest in Individual Fields

75%

Operator

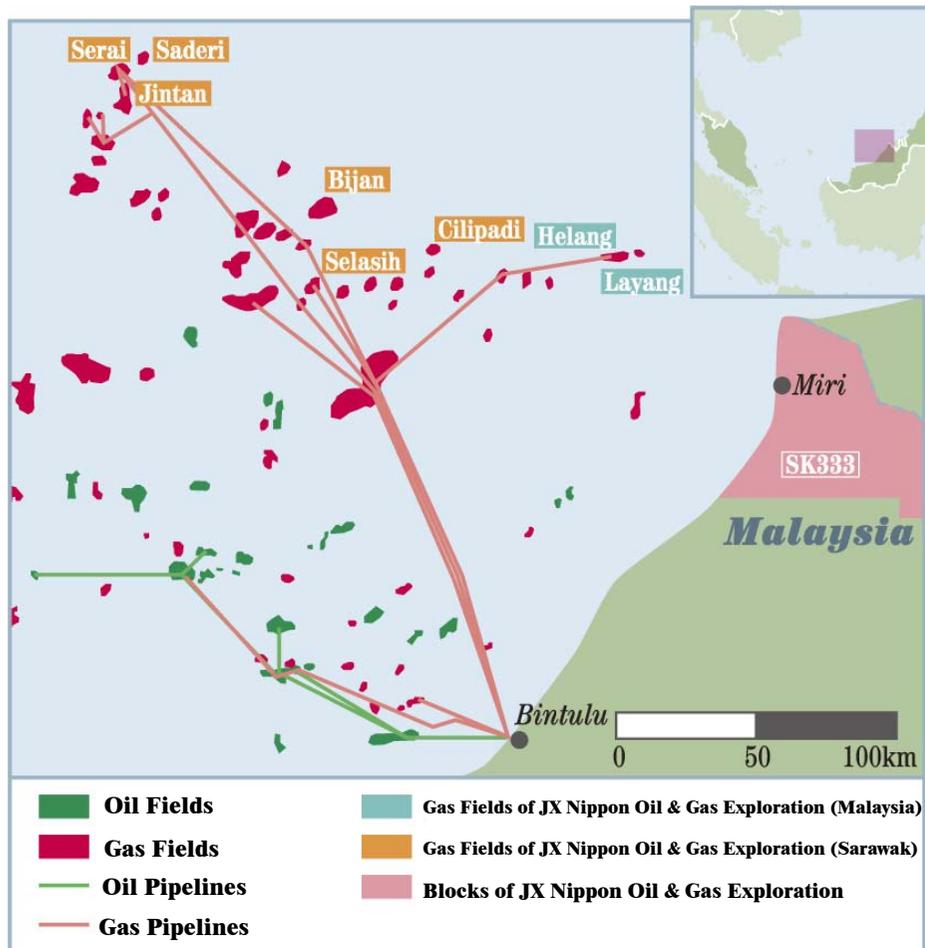
JX Nippon Oil & Gas Exploration (Malaysia), Limited

- In 1987, acquired a working interest in Block SK-10 offshore Sarawak, Malaysia.
- In 1990, discovered the Helang Gas Field, where production commenced in 2003.
- In 1991, discovered the Layang Gas Field.

Principal Individual E&P Project Overview ⑨



Malaysia ② (Block SK-8)



'10 Jan - Sep Sales Volume
 32,900BOED
 (oil: 2,600b/d, gas: 182mmcf/d)

Project Company
 JX Nippon Oil & Gas Exploration (Sarawak), Limited
 (76.5%)
 (%) = JX Group Shareholding

Interest in Individual Fields
 37.5%

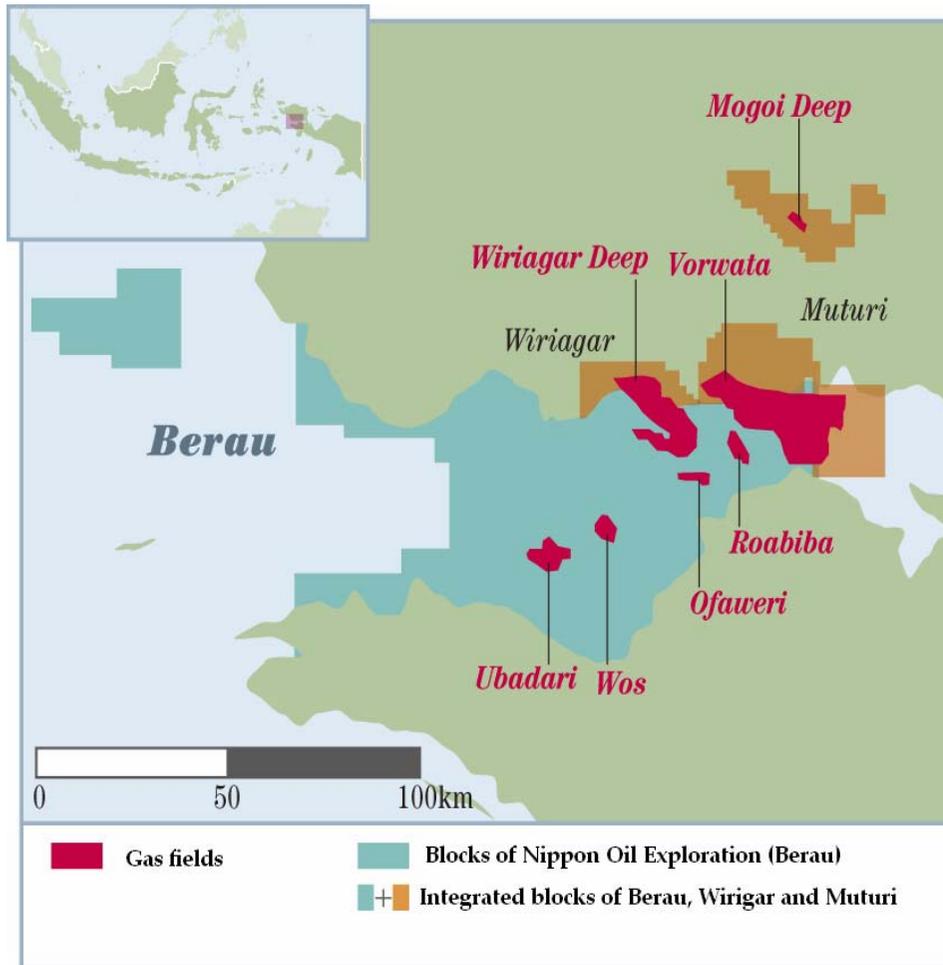
Operator
 Shell

- In 1991, acquired a working interest in Block SK-8 offshore Sarawak, Malaysia.
- From 1992 through 1994, the Jintan and Serai Gas Fields were discovered in that block, and production there commenced in 2004.
- In 2008, the Saderi Gas field commenced production.

Principal Individual E&P Project Overview ⑩



Indonesia



'10 Jan - Sep Sales Volume

12,200BOED
(oil: 500b/d, gas: 70mmcf/d)

Project Company

Nippon Oil Exploration (Berau), Limited
(NOEX(Berau)) (51%)
(%) = JX Group Shareholding

Interest in Individual Fields

12.2% (after unitization)

Operator

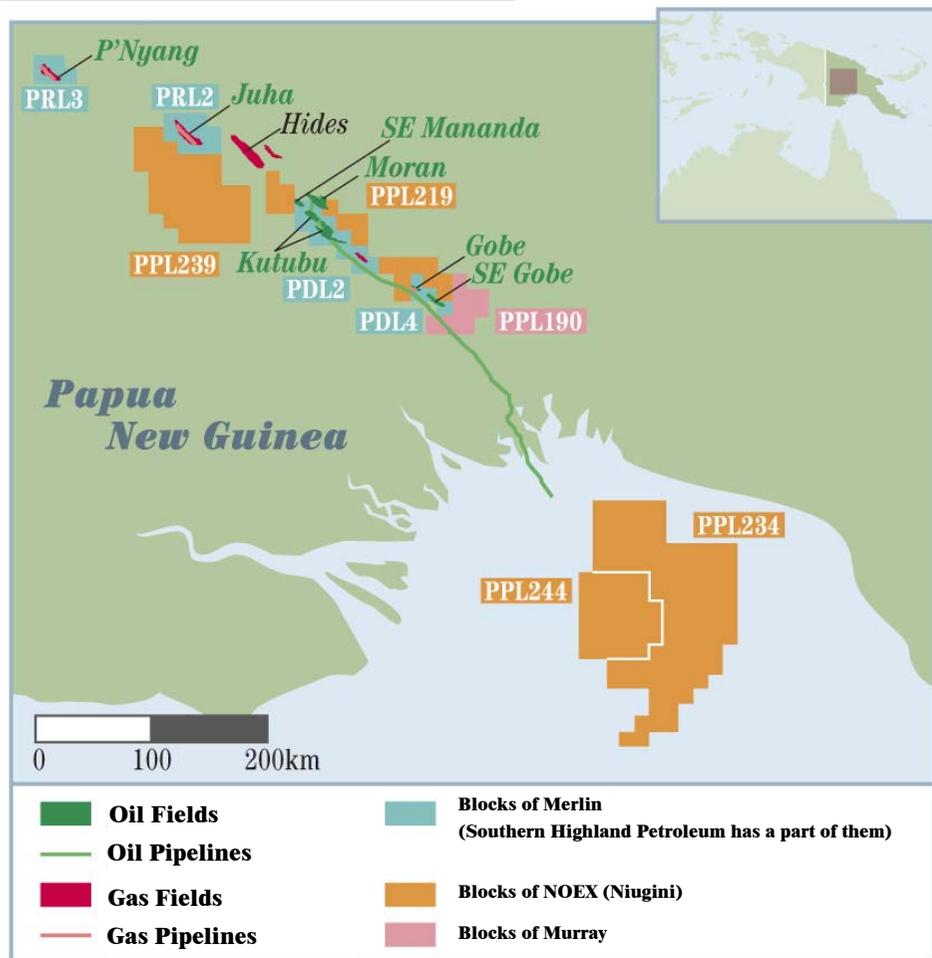
BP

- From 1990, using three test wells natural gas was discovered in the area. Subsequently, the Vorwata Gas Field, Wiriagar Deep Gas Field, and other gas structures were discovered.
- From December 2002, those with interests in the Berau, Wiriagar, and Muturi blocks agreed to become partners in unitizing the blocks and undertake development work cooperatively.
- Production commenced in June 2009, and the first cargo of LNG has lifted in July 2009.

Principal Individual E&P Project Overview ⑪



Papua New Guinea



'10 Jan - Sep Sales Volume

6,800BOED
(Oil : 6,800b/d)

Project Company

Japan Papua New Guinea Petroleum Co., Ltd. (36.4%)
 Nippon Oil Exploration (PNG) Pty. Ltd. (100%)
 Nippon Oil Exploration (Niugini) Pty. Ltd. (25%)
 Southern Highland Petroleum Co. Ltd. (80%)
 Murray Petroleum Co., Ltd. (29.6%)
 (%) = JX Group Shareholding

Range of Interests in Individual Fields

4.7 to 73.5%

Operator

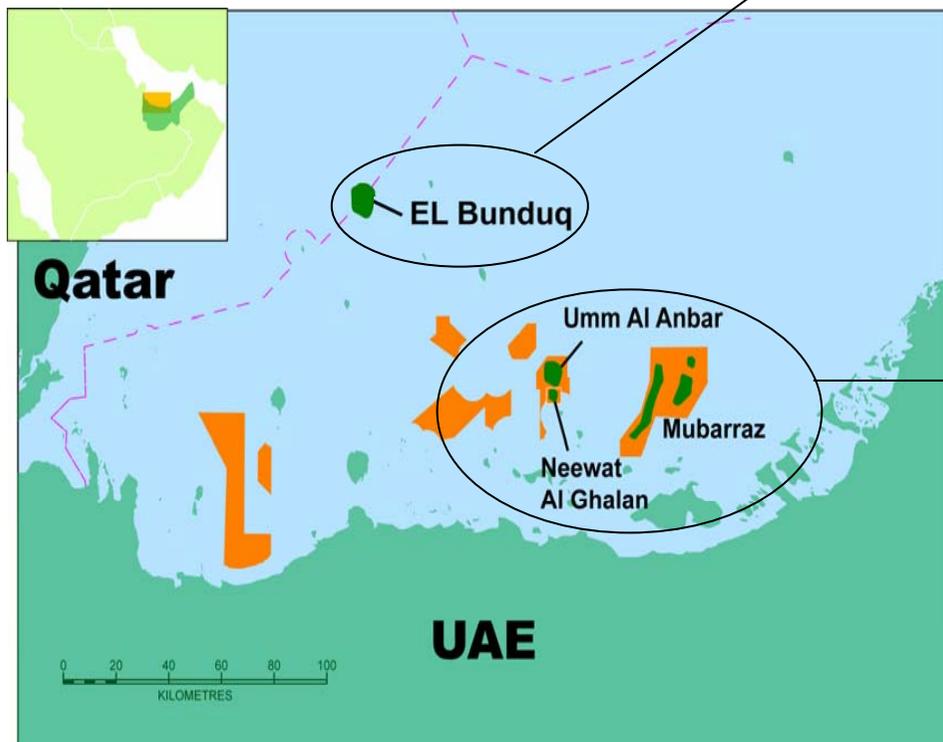
Oil Search, Exxon Mobil, others

- In 1990, Japan Papua New Guinea Petroleum acquired exploration rights in Papua New Guinea from Merlin. And, acquired original exploration rights. Subsequently, exploration, development, and production activities have been undertaken in the Kutubu, Moran, Gobe, SE Gobe, and SE Mananda oil fields.
- In December 2008, Merlin, Japan Papua New Guinea Petroleum's 100% subsidiary, acquired the PNG LNG Project equity and oil field equity that AGL Energy owned.
- In December 2009, PNG LNG Project was made a final decision to proceed with the development.

Principal Individual E&P Project Overview ⑫



UAE, Qatar



Project Company

United Petroleum Development Co., Ltd (45%)

(%) = JX Group Shareholding

Interest in Individual Fields

97%

Operator

Bunduq Co., Ltd

- In 1970, United petroleum Development acquired a working interest of El Bunduque Oil Field.

- In 1975, oil production commenced in El Bunduq oil field.

- In 1983, oil production was resumed by a secondary recovery scheme using water injection.

- In 2006, El Bunduque achieved a cumulative production volume of 200 million barrels.

Project Company

Abu Dhabi Oil Co., Ltd (31.5%)

(%) = JX Group Shareholding

Interest in Individual Fields

100%

Operator

Abu Dhabi Oil Co., Ltd

- In 1967, acquired working interest in block of Mubarraz.

- In 1973, oil production commenced in Mubarraz Oil Field.

- In 1989, oil production commenced in Umm Al Anbar Oil Field.

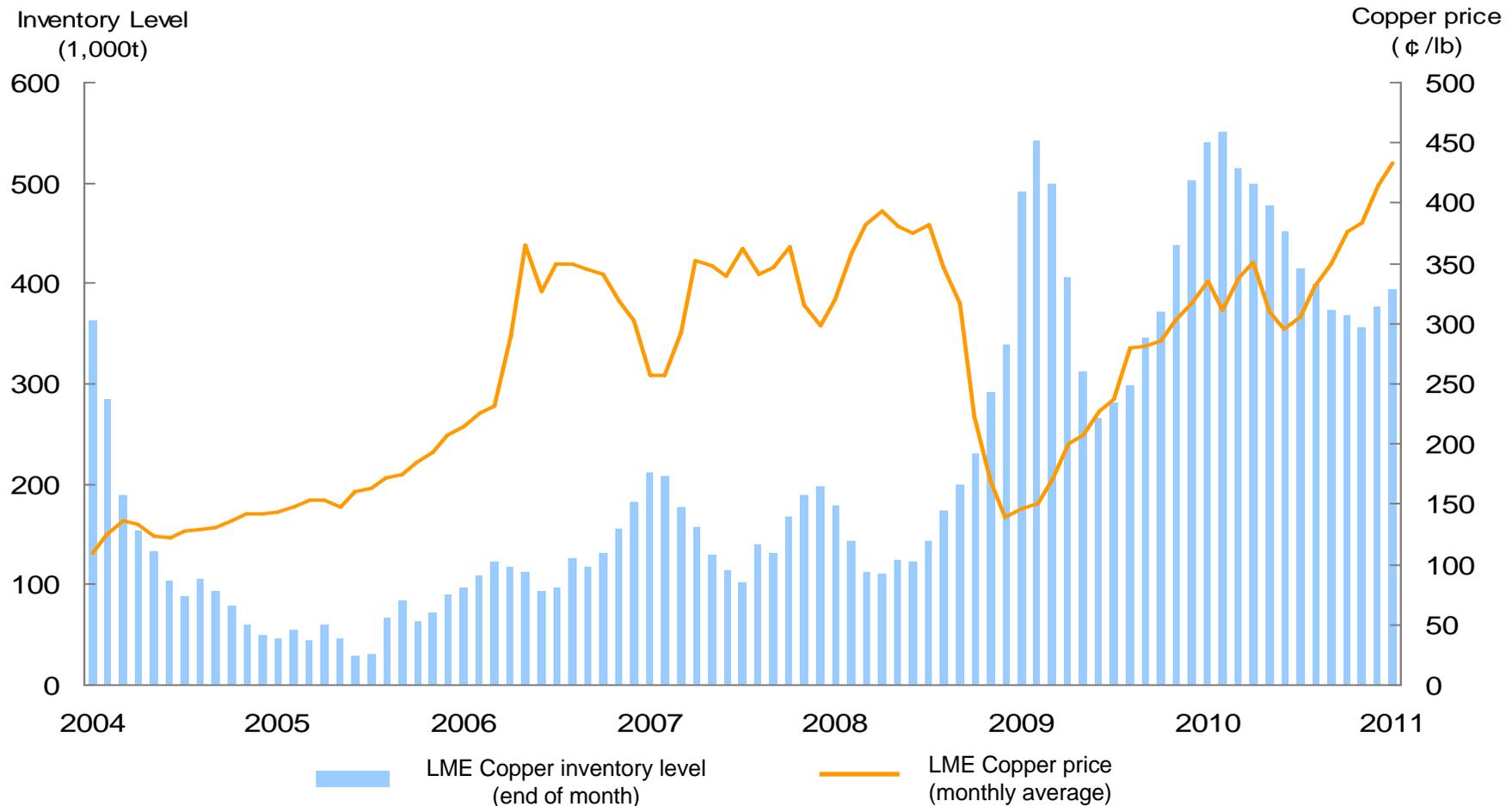
- In 1995, oil production commenced in Neewat Al Ghalan Oil Field.

- In 2009, 3 fields achieved cumulative production volume of 300 million barrels

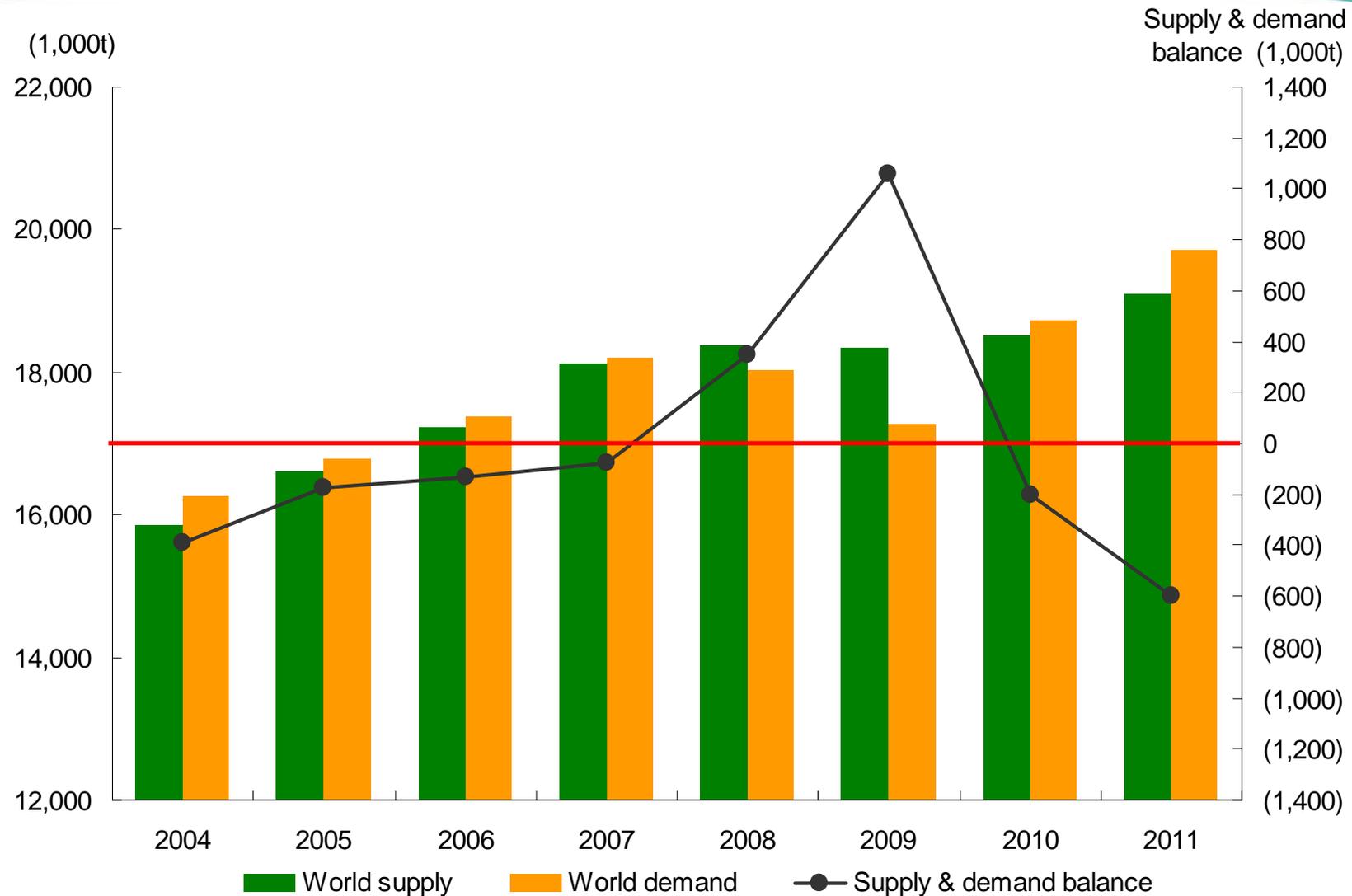
Copper Price and Inventory Level



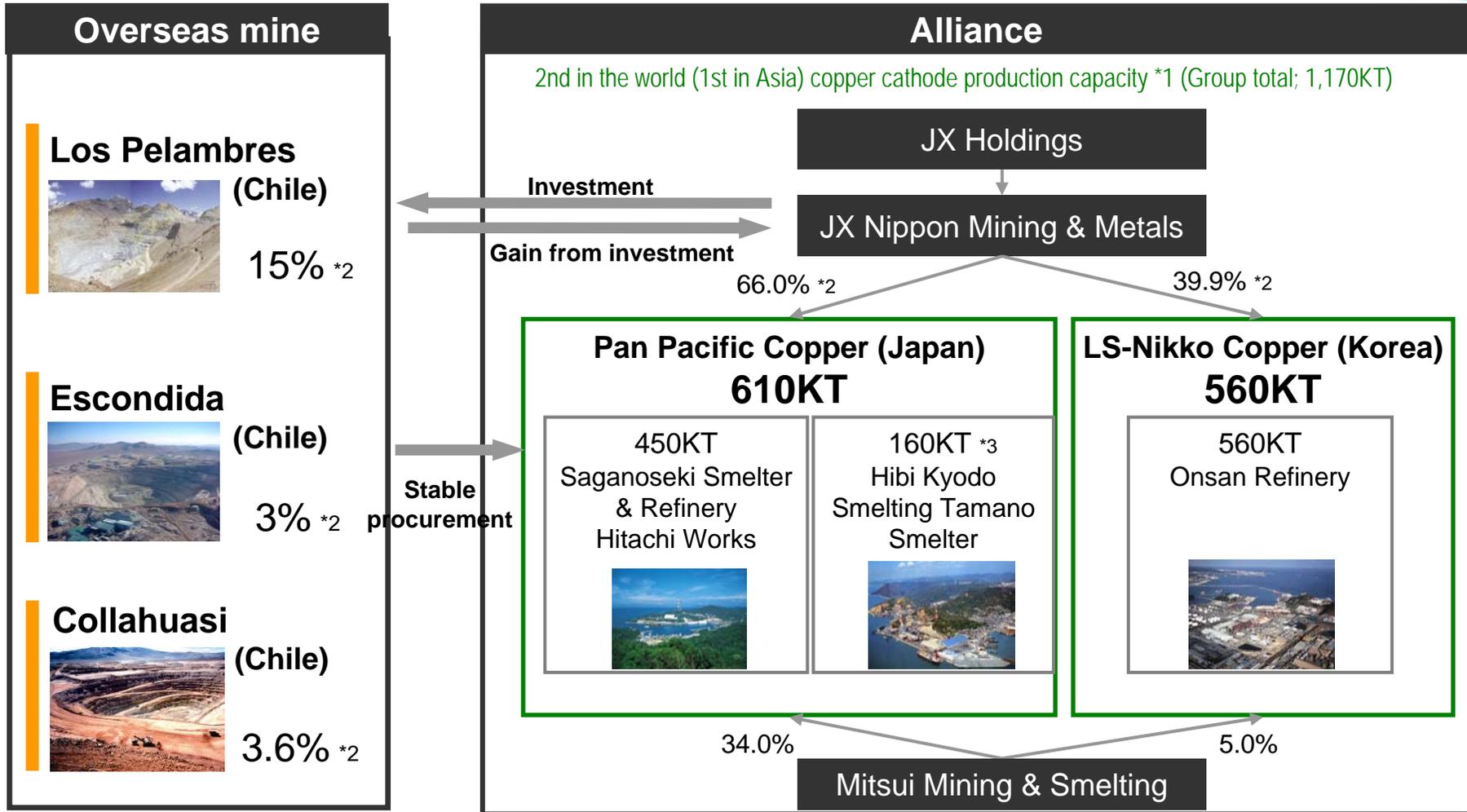
	FY04	FY05	FY06	FY07	FY08	FY09				FY10		
						1 Q	2 Q	3 Q	4 Q	1 Q	2 Q	3 Q
Copper Price	136	186	316	344	266	212	266	302	328	319	329	392



World Copper Cathodes Supply & Demand



Copper Smelting & Refining



Notes: *1 Source: Brook Hunt. *2 Shares held by JX Nippon Mining & Metals
 *3 Total Capacity is 260KT. PPC has 63.51% equity.

Nikko-Chloride Process (N-Chlo Process)



N-Chlo Process

The N-Chlo Process is a new hydro-metallurgical process that we have uniquely developed.

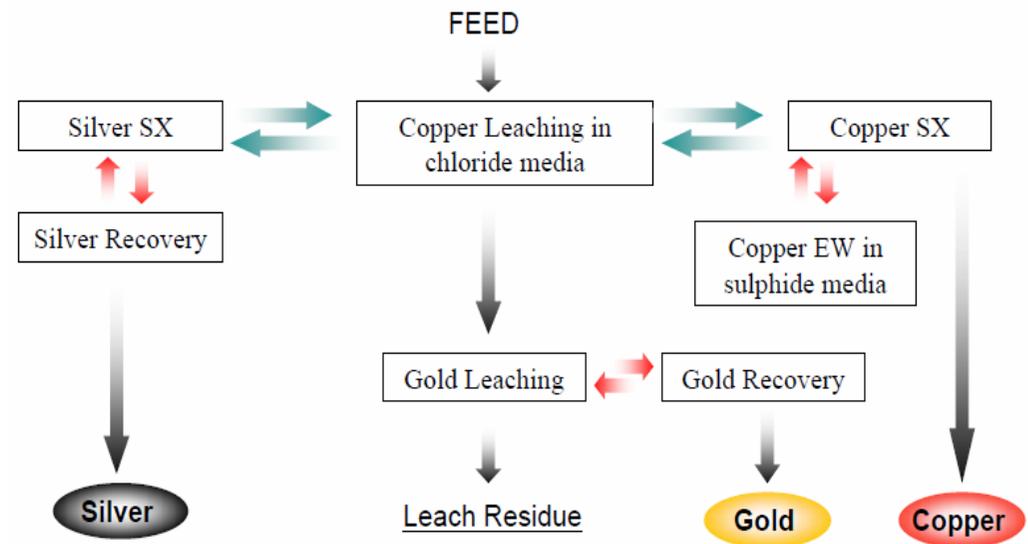
The process enables the effective recovery of not only copper from low-grade copper concentrate, but also such precious metals as gold and silver.

This process does not generate sulfur oxides (SOX), and it is possible to substantially reduce energy consumption and CO₂ emissions, compared with pyro-metallurgical smelting which is the most commonly used method in the copper smelting industry.

We constructed a pilot plant in Australia and have been conducting demonstration test since latter half of 2009. (Copper Content : about 100 ton/year)



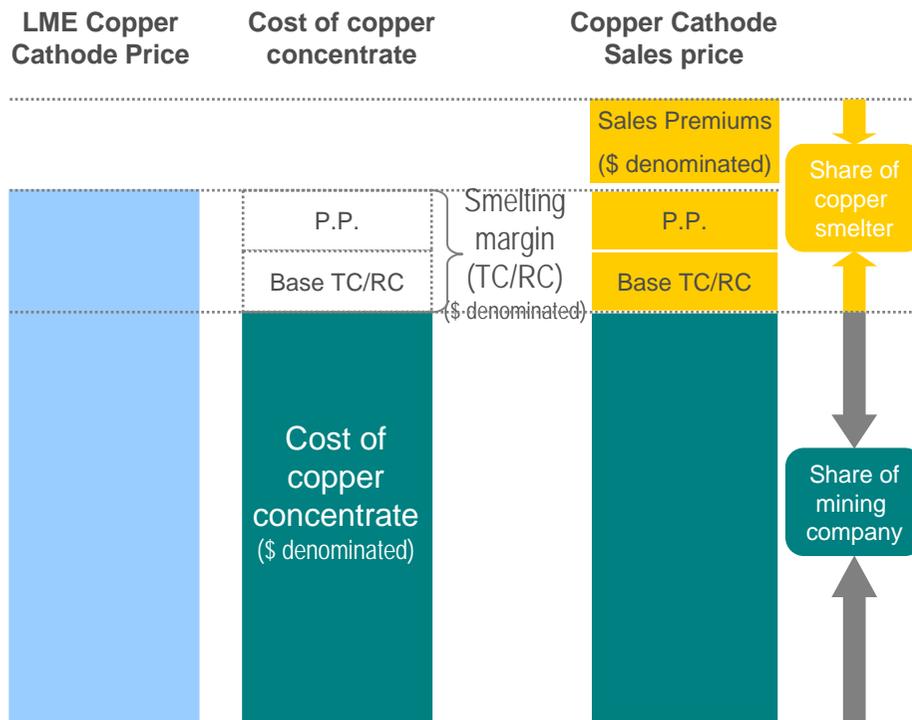
Structure of N-Chlo Process



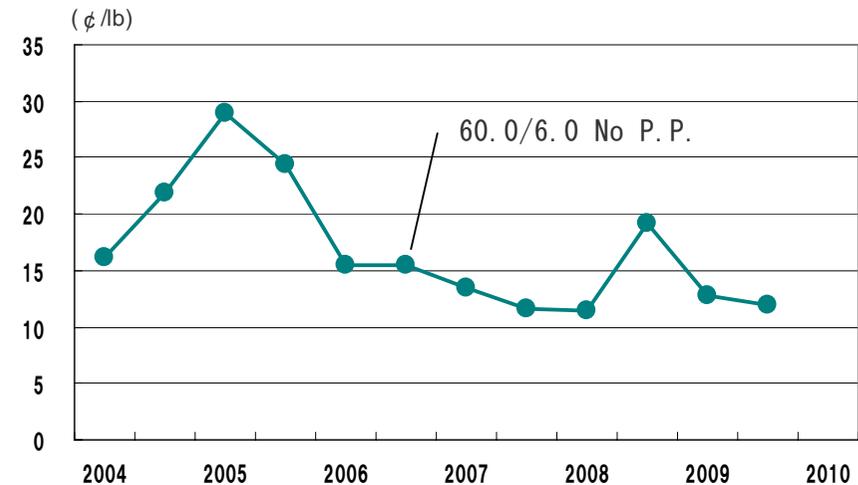


Earnings Structure of Copper Smelter & Refinery / Trends of Base TC/RC

Earnings Structure of Copper Smelter & Refinery



Trends of Base TC/RC (Contract basis)



Source : Company data

Cost of copper concentrate : The price of copper concentrate, which custom smelters pay to mining companies, is LME copper cathode price less TC/RC, which is smelting margin.

TC (Treatment charge) + RC (Refining charge) : Consisting of "Base TC/RC" and "P.P."

P.P. (Price participation) : The system under which mines and smelters share margins when LME copper price exceeds benchmark price.

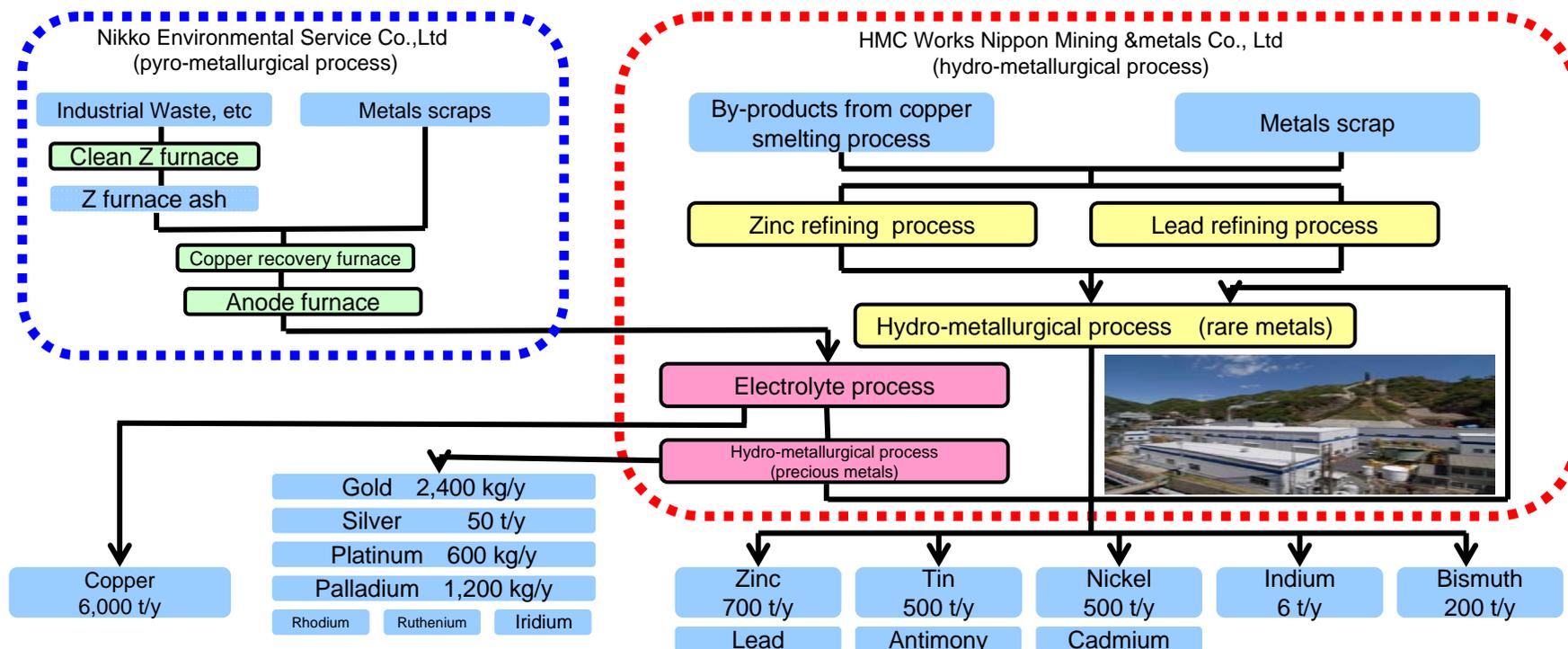
Sales price : LME price plus sales premiums, which is established by reference to various factors including importation costs, import tariffs, and others

Metal's Recycling



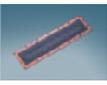
Metal's Recycling Complex in Hitachi

- Recovering 16 kinds of metals efficiently by hydrometallurgical process
- An original zero emission process that combines with pyro-metallurgical process of Nikko Environmental Services Co., Ltd at adjacent site.
- Favorable location adjacent to the metropolitan area – the biggest urban mine in Japan
- The role as a raw material (indium, nickel, etc) supplier to Electronic Material Business



Electronic Materials



Main IT-related products	Global market share	Primary applications	End-use applications				
			PCs	Mobile phones	Digital, Avs	Telecom infra	Auto mobiles
 Treated rolled copper foil	 75% No. 1	Flexible printed circuit boards	○	⊙	⊙		
 Electro-deposited copper foil	 12% No. 3	Rigid printed circuit boards	⊙	○	⊙	○	○
 Semiconductor targets	 60% No. 1	CPUs, memory chips, etc.	⊙	○	⊙	○	○
 ITO targets for FPDs *1	 45% No. 1	Transparent electrodes	⊙	○	○		
 HD media targets	 30% No. 2	HDD (Hard disk drives), etc.	⊙	○	○		
 Phosphor bronze	 19% No. 1	Connectors	⊙	○	○		○
 Corson alloy (C7025)	 40% No. 1	Lead frames, Connectors	⊙	○	○		○
 Titanium copper alloy	 60% No. 1	High-class connectors, etc.	○	⊙	○		
 In-P compound semiconductors	 50% No. 1	Optical communication devices High-speed IC			○	⊙	○

Polysilicon for Photovoltaic Power Generation

Overview of the joint venture

Company name:

Japan Solar Silicon Co.,Ltd. (JSS)

Ownership:

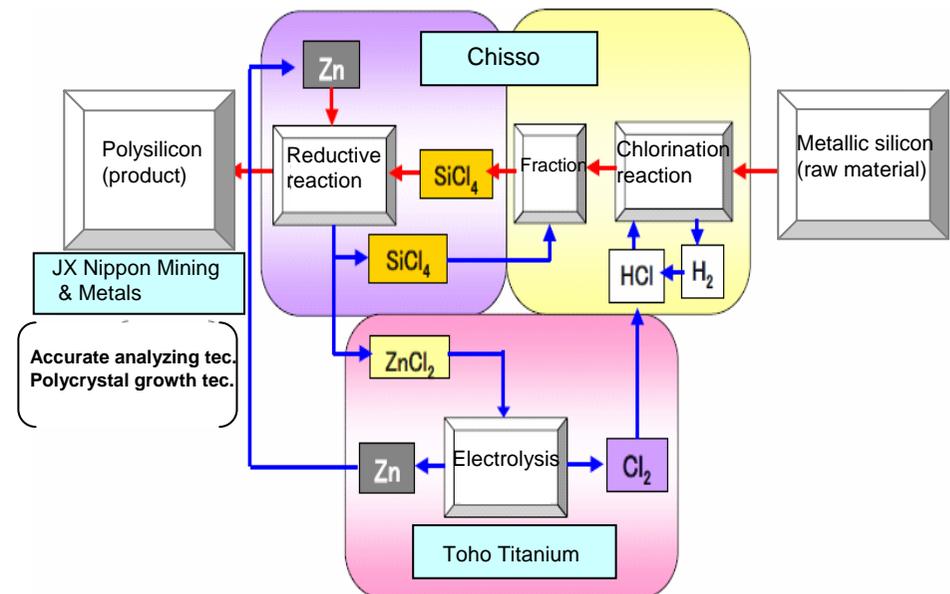
Chisso Corp.	50%
JX Group	50%
-JX Nippon Mining & Metals	30%
-Toho Titanium Co., Ltd.	20%

Characteristics of the zinc-reduction process (JSS method)

	JSS Method	Siemens Method
Purity	8-9N	11N
Capex (1,000t-Si/y)	¥ 7-10 bn/	¥ 13-16 bn/
Electric power consumption for unit production	40KWh/kg-Si	110KWh/kg-Si

Source: Company data

Overview of the zinc-reduction process (JSS method)



Polysilicon for photovoltaic power generation

- ✓ Concentration of technology that JX Nippon Mining & Metals, Toho Titanium and Chisso
- ✓ High response efficiency and low cost