

Financial Results for FY 2014

- From April 1, 2014 to March 31, 2015 -

Representative Director, President

Isao Matsushita

Director, Senior Vice President

Yukio Uchida

May 11, 2015



The Future of Energy, Resources and Materials

JX Holdings, Inc.

Agenda



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Today's Highlight



Financial Results for FY2014

Reference Pages 3-5

- ◆ Summary of Business Environment
 - Crude and copper price decline rapidly in 2'nd half. Yen's depreciation progressed rapidly due to monetary easing by the Bank of Japan.
 - Petroleum demand fell 5% from last year. Petroleum margin depressed from October due to time lag generated by crude oil rapid decline. Petrochemical margin remained low level
- ◆ Financial Results for FY2014
 - Progressed constructing business structure we aimed in 2'nd Mid-term Management Plan by concentrating to start-up major project.
 - Ordinary loss was 150.1 billion yen due to inventory valuation loss with crude price slump
 - Ordinary income except for inventory valuation loss was 255.2 billion yen of 72.2 billion yen improvement
 - Net loss was 277.2 billion yen with impairment loss and others

Forecast for FY2015

Reference Pages 6-14

Setting forecast for FY2015 reflecting substantial change of business environment

- ◆ Forecast for FY2015
 - Ordinary income except for inventory valuation is forecasted 290 billion yen, ROE is approximately 8%, Net debt equity ratio is approximately 1.1 times
 - CAPEX is forecasted in the reach of 2'nd Mid-term Management Plan, 1,300 billion yen in spite of increase due to yen's depreciation
- ◆ Recognition of Issue and Way to Resolution
 - Early Construction of Business Structure Corresponding to Environmental Change

Business Environment 1 (From Apr. 2014 to Mar. 2015)

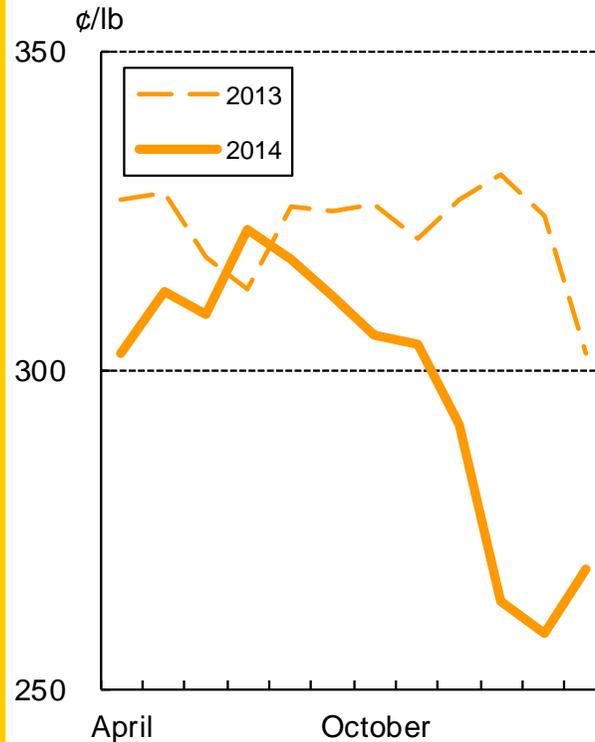


- Crude and copper price decline rapidly in 2'nd half.
- Yen's depreciation progressed rapidly due to monetary easing by the Bank of Japan.

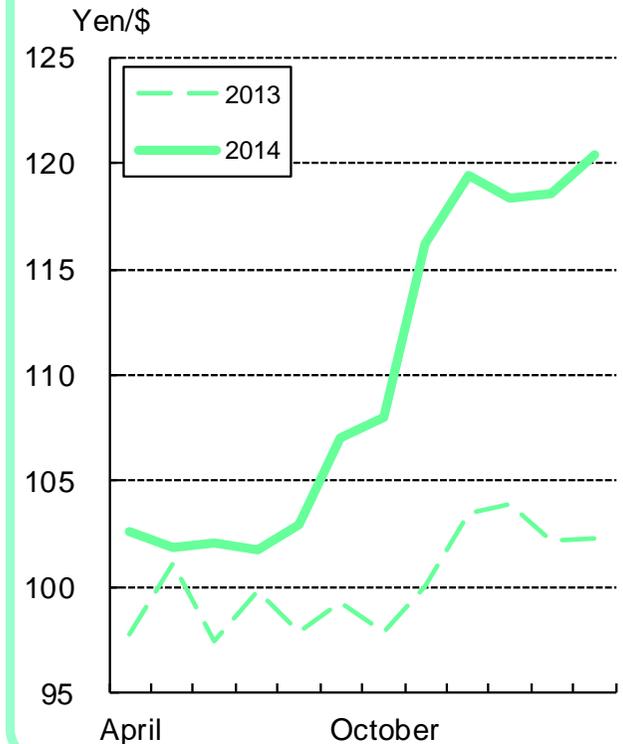
Dubai Crude Oil



Copper (LME)



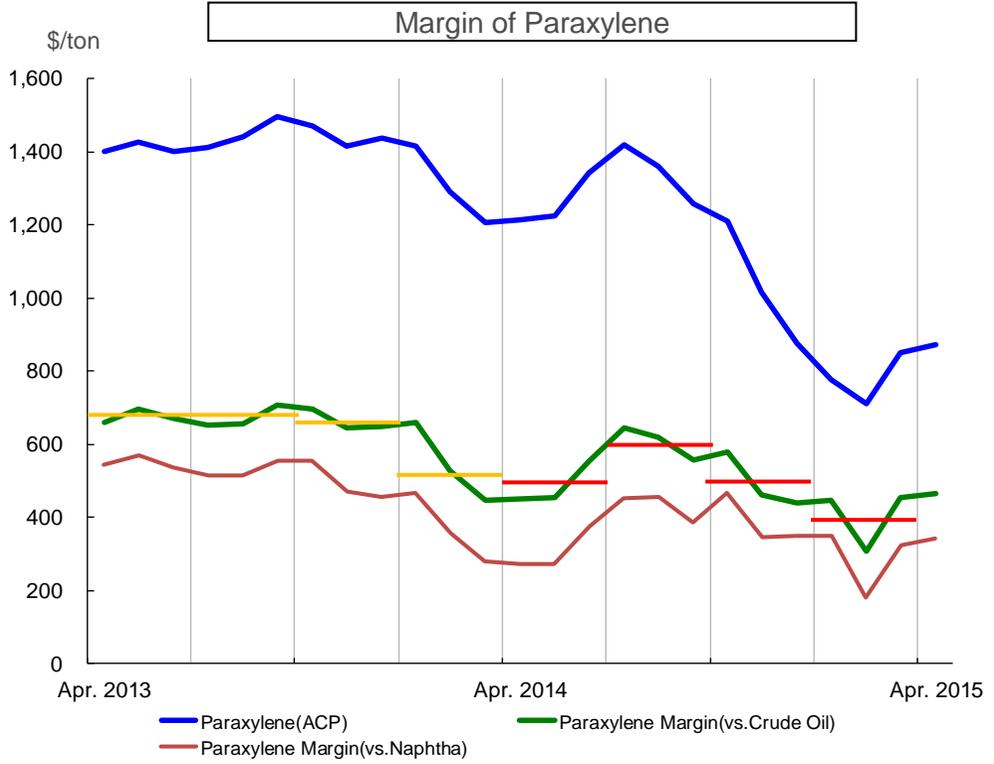
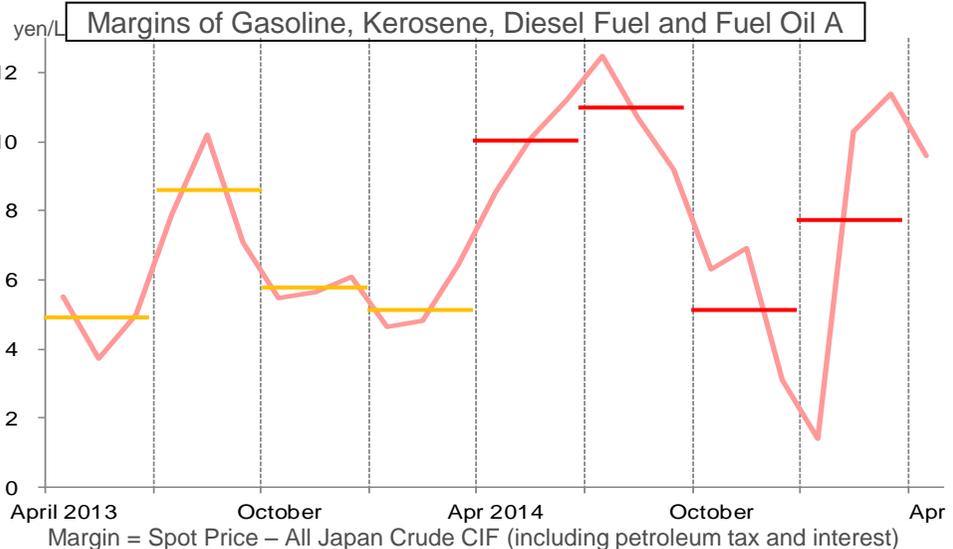
Exchange Rate



Business Environment 2 (Margin of Petroleum Products and Paraxylene)



- Petroleum margin declined rapidly from October due to time lag generated by crude oil rapid decline
- Paraxylene margin remained low level
- Petroleum demand fell down due to the influence of consumption tax increase, bad weather in FY2014 and others



Petroleum Demand in Japan (10 thousand KL)

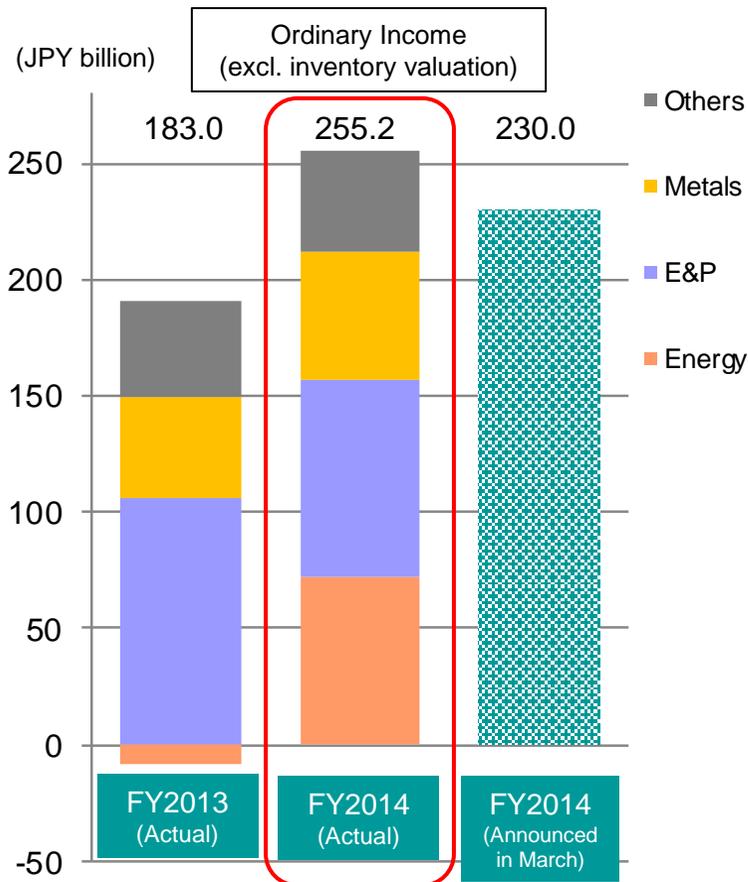
	FY2013	FY2014	Changes
Gasoline	5,548	5,298	-4.5%
Kerosene	1,791	1,666	-7.0%
Diesel Fuel	3,409	3,358	-1.5%
Fuel Oil A	1,344	1,236	-8.0%
Fuel Oil B/C	2,189	1,811	-17.3%
Others	5,079	4,926	-3.0%
Total	19,360	18,295	-5.5%

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



Summary of Financial Results for FY2014

- Ordinary loss was 150.1 billion yen due to inventory valuation loss with crude price slump
- Ordinary income except for inventory valuation loss was 255.2 billion yen of 72.2 billion yen improvement
- Net loss was 277.2 billion yen with impairment loss due to resource price drop and start-up delay in major projects and others



	FY2013 (Actual)	FY2014 (Actual)	FY2014 (Forecast announced in March)	Changes (vs. FY2013)	Changes (vs. last forecast)
Ordinary Income/Loss	302.3	(150.1)	(190.0)	-452.4	+39.9
Ordinary Income (excl. Inventory Valuation)	183.0	255.2	230.0	+72.2	+25.2
Net Income/Loss	107.0	(277.2)	(320.0)	-384.2	+42.8

Progress of major projects

- Paraxylene Project (South Korea)
 - ✓ Started operation in June, 2014
- PNG LNG Project
 - ✓ First shipment in May, 2014
- Kinnoull Oil Field (U.K. North Sea)
 - ✓ Started production in December, 2014
- Caserones Copper Mine
 - ✓ Started production of copper concentrate in May, 2014
 - ✓ Working in early full operation



Promoted construction of business structure expected in 2'nd Mid-term Management Plan though there is some delay

Forecast for FY2015

	FY2014 (Actual)	Forecast for FY2015	2'nd Mid-term Mgt. Plan
Key Factors (FY2015)	Exchange Rate	110 yen/\$	90 yen/\$
	Crude Price (Dubai spot)	83 \$/bbl	60 \$/bbl
	Copper Price(LME)	297 ¢/lb	270 ¢/lb
Index	Ordinary Income	-150.1 billion yen	310 billion yen
	Ordinary Income Excl. inventory valuation	255.2 billion yen	290 billion yen
	ROE	-13.6%	8%
	Net D/E Ratio	1.2 times	1.1 times
	Capex	920 billion yen (FY2013-2014 total)	1,300 billion yen or less (FY2013-2015 total)
			400 billion yen or more
			10% or higher
			0.9 times or lower
			1,300+α billion yen (FY2013-2015 total)

- Setting forecast for FY2015 reflecting resource price decline, demand and margin of petroleum and petrochemical products, and delay of return from strategic investment
- Piling up profit by taking all measures and improving financial position by compressing investment in FY2015



Making this year preparation for
3'rd Mid-term Management Plan

Approach to the Forecast for FY2015

Recognition of Issue

- ✓ Building management system corresponding to business environment change

Energy

- Strengthening profitability in Petroleum Refining and Marketing business

E&P of Oil and Natural Gas

- Business strategy under crude price

Metals

- Establishing highly profitable and well-balanced business structure

Way to Resolution

- ✓ Promoting restructuring existing business
- ✓ Promoting cash flow generating action (Revising investment plan, Selling assets)

- Building strong and competitive production and marketing structure
- Considering corresponding to 2nd Sophisticated Methods of the Energy Supply Structure

- Improve profitability by cost reduction
- Promoting replacement of asset portfolio

- Realizing early and stable full operation of Caserones copper mine
- Strengthening profitability of middle and down stream business

Constructing Business Structure Corresponding to Environmental Change

Cost Reduction

Implementing cost reduction with a focus on reducing expenditure, energy conservation and efficiency aiming profit expansion in existing business



Ensure profitability, which does not depend on the market environment

Cash Flow Creation

Generating 200 billion yen of cash flow through selling assets and freezing CAPEX

Property Sales	135 billion yen
Freezing CAPEX	65 billion yen
Total	200 billion yen

Implemented 80 billion yen in FY2014



Building strong financial base which can withstand risks

Constructing Business Structure Corresponding to Environmental Change



Ordinary Income, ROE^{*1}

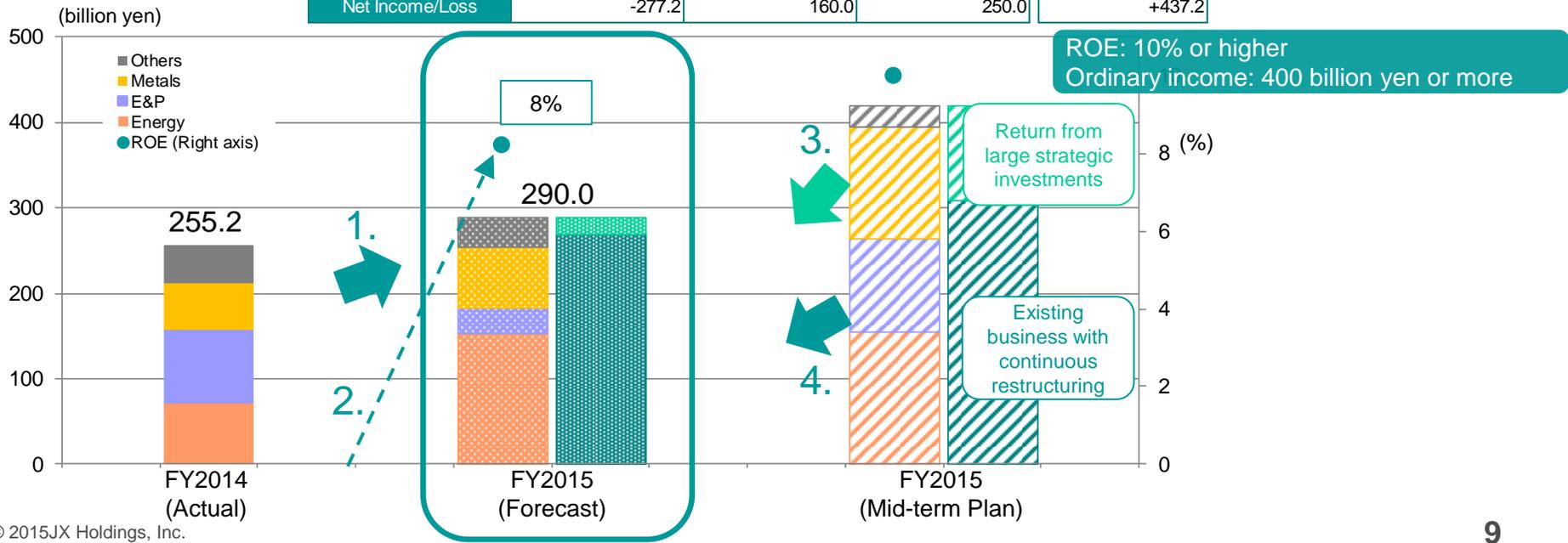
- 1. Ordinary income excluding inventory valuation improved due to fuel cost reduction and deepening of improvement in each stage of supply chain in energy business, enhanced TC/RC and sales increase of electronic materials though profit from up-stream business declined due to resources price's down.
- 2. ROE improved to 8% from last year
- 3. Return from strategic investment declined significantly due to delay of major projects such as Caserones and low market price of resources
- 4. Profit from existing business declined due to low market price of resources and petroleum products sales down.

vs.
FY2014

vs.
Mid-term
Plan

Ordinary Income excl. inventory valuation

	FY2014(Actual)	FY2015(Forecast)	FY2015(Mid-term Plan)	Change(vs. FY2014)	(billion yen)
Ordinary Income/Loss	-150.1	310.0	More than 400.0	+460.1	
Ordinary Income (excl. Inventory Valuation)	255.2	290.0		+34.8	
Net Income/Loss	-277.2	160.0	250.0	+437.2	

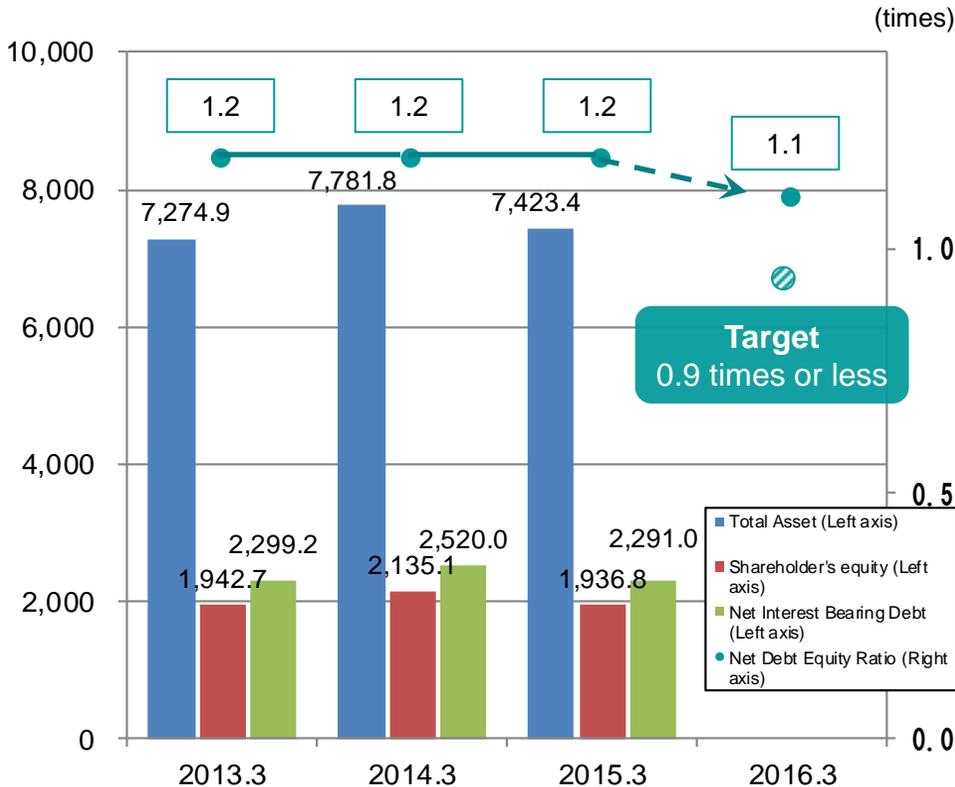


*1 Including impact of inventory valuation



Net D/E Ratio, CAPEX, Cash Flow

Change of Net D/E Ratio



Shareholders' equity ratio

26.7% 27.4% 26.1% 27.0%

CAPEX

	2'nd Mid-Term Plan	FY2013-2014 (Actual)	FY2015 (Forecast)	FY2013-2015 (Forecast)
Energy	540	300	160	460
E&P	390	310	130	440
Metals	300	270	60	330
Others	70	40	30	70
Summary	1,300	920	380	1,300

Cash Flow (FY2013-FY2015 total)

	(Revised Forecast)	(Original Plan)	(JPY billion)
Ordinary income	462.2	1,100.0	
Depreciation and amortization	642.2	650.0	
Decrease in working capital	357.1	(330.0)	
Cash flows from operating activities	1,461.5	1,420.0	
Cash flows from investing activities	(1,165.0)	(1,240.0)	
Free cash flows	296.5	180.0	

Including 65 billion yen increase due to yen's depreciation and others

Shareholder Return Policy

Basic Shareholder Return Policy

Redistribute profits by reflecting consolidated business results while striving to maintain stable dividends

Indication of Shareholder Return for 2nd Medium-Term Management Plan Period

Based on the basic policy, during the 2nd medium-term management plan period (FY2013-2015), we will strive to maintain dividends of 16 yen per share per annum. When we secure stable profitability in existing business and foresee realization of return from strategic investments, we will expand shareholder return centering on increase of dividend.

Reference) Dividend from FY2010-2015

	2010	2011	2012	2013	2014	2015 (Forecast)
Dividend (yen/share)	15.5	16.0	16.0	16.0	16.0	16.0
EPS (yen/share)	34	69	64	43	-111	64

*Excluding impact of negative goodwill

Action in Energy Business

Strategies of 2'nd Medium-Term Management Plan	Initiatives up to April 2015
Strengthening profitability in petroleum refining and a marketing, the core business	Stopped petroleum refining operation at Muroran Refinery to transform to petrochemical plant Started to install a solvent de-asphalting (SDA) equipment in Kashima Refinery Decided to install a petroleum coke power generation equipment in Mizushima Refinery Proceeding renewal of Dr. Drive car care and maintenance service
Enhancing business as an Energy Conversion Company	Commenced commercial operation of LNG terminal in Hachinohe and Kushiro Proceeding mega solar power generation business Opened hydrogen supply station. Decided to compete in retail electricity sales for homes.
Establishing presence in overseas markets	Commenced importing and marketing businesses of fuel oil in Indonesia Commenced commercial production of paraxylene facilities of Ulsan Aromatics, of South Korea Established lubricants joint venture company in India Started consideration to join reform and construction of refineries in Indonesia and Vietnam

Recognition of Issue and Way to Resolution

- Building strong and competitive production and marketing structure
- Considering corresponding to 2nd Sophisticated Methods of the Energy Supply Structure

◆ Strengthening profitability in Petroleum Refining and Marketing business

- Safe and stable operation
- Cost reduction through energy saving and utilizing bottom oil
- Building strong sales network
- Flexible supply corresponding to demand



Deepening improvement in each stage of supply chain

Action in E&P of Oil and Natural Gas Business

Strategies of 2'nd Medium-Term Management Plan	Initiatives up to April 2015
<p>Expanding reserves and production volume, mainly through exploration</p> <p>Establishing superiority by focusing on core countries and core technologies</p>	<p>(Australia)</p> <p>Commenced production at Finucane South Field</p> <p>Made a gas discovery in WA49-R block</p> <p>Made an oil discovery in WA435-P block</p>
	<p>(Malaysia)</p> <p>Made an oil discovery in Deepwater Block R</p>
	<p>(Vietnam)</p> <p>Made a gas and condensate discovery in 05-1b block and 05-1c block</p>
	<p>(Papua New Guinea)</p> <p>Started operation of LNG project</p>
	<p>(U.S.)</p> <p>Started enhanced oil recovery project using processed flue gas from coal power generation plant.</p>
	<p>(U.K.)</p> <p>Commenced production at Kinnoul oil field</p>
	<p>Made an oil discovery in 22/16 block</p>

Recognition of Issue and Way to Resolution

- Improve profitability by cost reduction
- Promoting replacement of asset portfolio

◆ Business strategy under crude price

- Implementing drastic cost reduction
- Screening investment under current crude price assumption
- Implementing restructuring optimal asset portfolio that can endure low crude price and serve as a foundation for future growth

Action in Metal Business

Strategies of 2'nd Medium-Term Management Plan	Initiatives up to April 2015
(Resource Development) Establishing highly profitable structure by increasing copper mine equity interests	Commenced copper concentrate production at Caserones Copper Mine
	Decided commercial application of biomining technology
(Copper Smelting and Refining) Establishing a copper smelting and refining business structure with world-class cost-competitiveness	Completed construction of a new copper concentrate and sulfuric acid carrier "KORYU".
	Electrolytic refining method efficiency in the Tamano Smelter. (Parmanent Cathode Method)
(Electronic Materials Business) Secureing world's top share in each product market	The Kakegawa factory started operation of production for precision materials and connector etc.
	The new factory which produced Sputtering target materials was completed in Taiwan.
	Started to sale of titanium copper foil of high-strength.
	Decided the buildup of facilities for metal plating in China.
	Started electroless Under Bump Metallurgy metal plating service in Taiwan
(Recycling and Environmental Service Business) Building an international resource recycling business with an environmentally friendly zero emission system	The collection, efficiency of various metal production bases.
	Acquired Minister of the Environment authorization of the waste detoxification handling of low-concentrated PCB business.

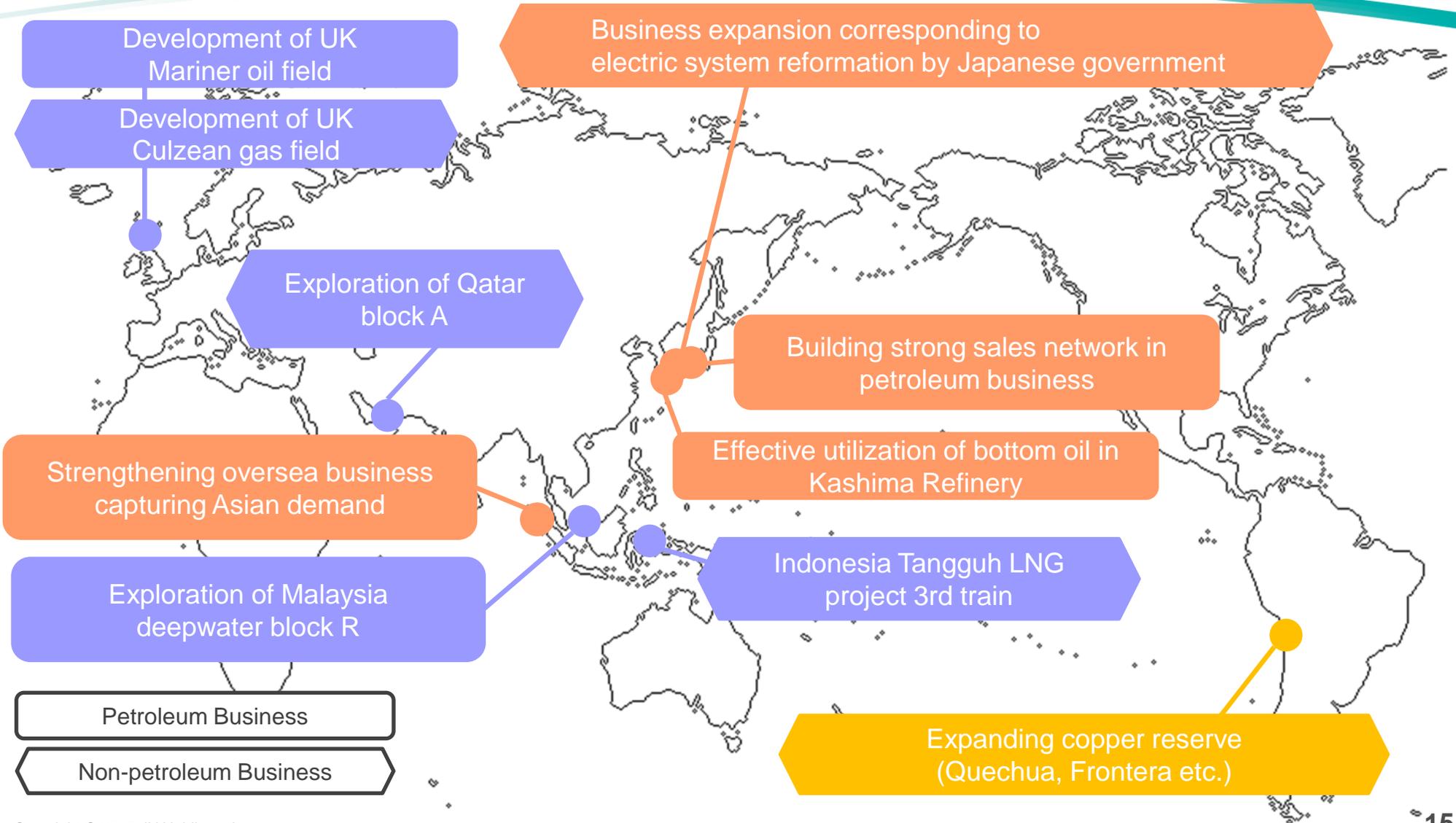
Recognition of Issue and Way to Resolution

- Realizing early and stable full operation of Caserones copper mine
- Strengthening profitability of middle and down stream business

◆ Establishing highly profitable and well-balanced business structure

- Copper Smelting & Refining :
Establishing stable and efficient operation system
- Electronic Materials Business :
Developing market by technical capabilities as strengths
- Recycling & Environmental Service Business :
Expanding collection of cargo overseas

Projects in Progress and Consideration



Progress of Business Strategy 1 (from Oct. 2014 to Apr. 2015)

JX Nippon Oil & Energy

- Oct. Decided to restructure residential use home fuel cell business.
- Oct. Decided to compete in retail electricity sales for homes.
- Nov. Started power transmission at Akita mega solar.
- Nov. Decided to establish marketing company of lubricants in Mexco.
- Nov. Decided to commence mega solar operations in Akita, Ibaraki, Saitama, and Hiroshima Prefecture.
- Dec. Decided to develop new mining areas in the Bulga Coal Mine in Australia.
- Dec. Concluded a memorandum for the refinery repair project in Indonesia.
- Dec. Concluded a memorandum for considering to acquire equity of VIETNAM NATIONAL PETROLEUM GROUP and to construct new refinery.
- Dec. Opened the first shop of the commercial hydrogen station and decided sales price of hydrogen
- Jan. Decided to reorganize subsidiary marketing company.
- Feb. Opened the commercial hydrogen stations at Tokyo, Saitama, Aichi and Kanagawa
- Feb. Started power transmission at mega solar in Ehime and Kagawa .
- Feb. Opened the commercial hydrogen stations at Saitama, Aichi and Chiba
- Feb. Started power transmission at mega solar in Oita and Okinawa.
- Apr. Started commercial operation at Hachinohe and Kushiro LNG terminal.

JX Nippon Oil & Gas Exploration

- Dec. Acquired new exploration block in U.K. North Sea.
- Dec. Commenced production at Kinnoul oil field.
- Jan. Farmout participating interest in Deepwater Block R, offshore Malaysia.
- Jan. Made on oil discovery at deepwater block R offshore Malaysia.

JX Nippon Mining & Metals

- Dec. Concluded joint venture agreement on titanium sponge production in the Kingdom of Saudi Arabia
- Mar. Started electroless Under Bump Metallurgy metal plating service in Taiwan

Progress of Business Strategy 2 (from Apr. 2014 to Sep. 2014)

JX Nippon Oil & Energy

- May. Decided to commence mega solar operations in Ehime and Kagawa Prefecture.
- Jun. Started commercial production of paraxylene plant of Ulsan Aromatics in Korea.
- Jun. 1st import naphtha arrived at Muroran plant. (converted from refinery)
- Jun. Released cell incubation medium for regeneration medicine and cell therapy research expected as next-generation medical treatment.
- Jul. Decided to install coke power generation facility in Mizushima refinery.
- Jul. Decided to establish hydrogen business company.
- Jul. Started power transmission at Iwaki mega solar.
- Jul. Decided to establish joint venture company of lubricants marketing in India.

JX Nippon Oil & Gas Exploration

- May. Decided to develop Layang oil and gas field. (Vietnam)
- May. Started shipment of LNG in PNG LNG project. (Papua New Guinea)
- Jul. Decided to start enhanced oil recovery project using processed flue gas from coal power generation plant. (United States)
- Aug. Discovered oil in WA-435-P offshore Canning Basin, western Australia.
- Aug. Discovered gas and condensate offshore southern Vietnam blocks 05-1b and 05-1c.

JX Nippon Mining & Metals

- Apr. Decided to promote business restructuring of titanium.
- May. Started copper concentrate production at Caserones copper and molybdenum development project in Chile.
- Jul. Decided restructuring of electro-deposited copper foil business.
- Aug. Decided commercial application of bio-leaching technology.
- Sep. 1st copper concentrate shipping from Caserones arrived at Saganoseki Smelter & Refinery.

Progress of Business Strategy 3 (from Apr. 2013 to Mar. 2014)

JX Nippon Oil & Energy

- Apr. Opened Japan's first hydrogen supply station combined with existing petro station in Ebina City of Kanagawa Prefecture .
- May Opened the Chukyo area's first hydrogen supply station combined with existing petro station in Nagoya City of Aichi Prefecture.
- Aug. Decided to commence mega solar operations in Fukushima, Akita, and Okinawa Prefecture.
- Aug. Announced to install a solvent de-asphalting (SDA) equipment and an power generation facility in the Kashima Refinery .
- Oct. Decided to commence mega solar operations in Yamaguchi Prefecture.
- Oct. Concluded a business collaboration agreement with LIXIL Corporation.
- Nov. Completed construction of a mega solar power station in Kasumigaura.
- Feb. Decided to commence importing and marketing businesses of fuel oil in Indonesia.
- Feb. Concluded MOU to build lubricants joint venture company in India
- Mar. Concluded a LNG business contract with Malaysia LNG Sdn. Bhd..

JX Nippon Oil & Gas Exploration

- May Commenced production at Finucane South Field in Australia.
- Jun. Acquired a participating interest in two exploration permits in Australia.
- Jul. Made a gas discovery in the Carnarvon Basin in Australia.
- Sep. Entered into a production sharing contract for Deepwater exploration Block 2F, in Malaysia .
- Nov. Extended the production sharing contract term of Block 15-2 offshore Vietnam in Rang Dong Oilfield.
- Nov. Entered into a production sharing contract for Deepwater Block 3F offshore Sarawaku in Malaysia.

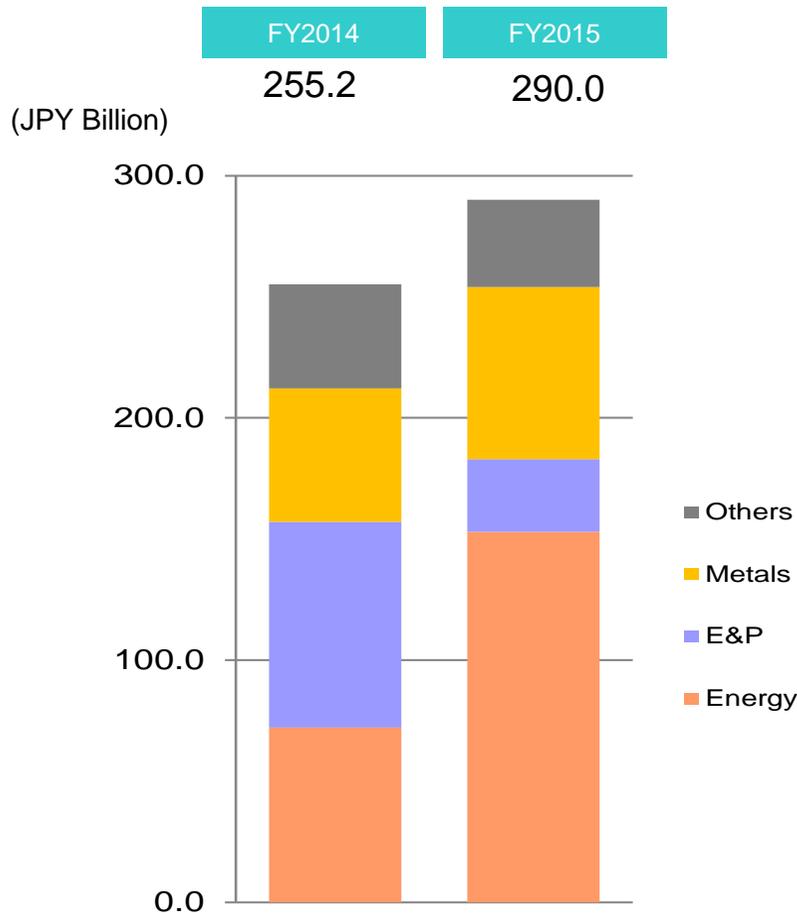
JX Nippon Mining & Metals

- Apr. Started operation in Kakegawa Works, a new base for producing precision components and connectors.
- Nov. Completed the New Longtan Works in Taiwan to manufacture of sputtering targets for flat panel displays and for semiconductors.
- Dec. Completed construction of a new copper concentrate and sulfuric acid carrier "KORYU".
- Jan. Toho Titanium Co., Ltd. signed a basic agreement on joint venture to produce titanium sponge in Saudi Arabia.
- Mar. Acquired Minister of the Environment authorization of the waste detoxification handling of low-concentrated PCB business.

Forecast for FY2015

- From April 1, 2015 to March 31, 2016-

Change of Ordinary Income excl. inventory valuation
(vs. FY2014)



➤ Key Factors

	FY2014 (Actual)	FY2015 (Forecast)
Crude Oil(\$/Bbl)	83	60
Copper Price(¢/lb)	297	270
Exchange Rate(Yen/\$)	110	115

Ordinary income excluding inventory valuation

- is expected to decrease on upstream business, due to resources price's down.
- is expected to increase mainly due to fuel cost reduction and deepening of improvement in each stage of supply chain in energy business.
- is expected to increase mainly due to increased sales volume and the benefit from yen depreciation on metal business.

(JPY billion)	2014(Actual)	2015(Forecast)	Changes
<u>Energy</u>	<u>72.2</u>	<u>153.0</u>	<u>+80.8</u>
<u>E&P</u>	<u>84.9</u>	<u>30.0</u>	<u>-54.9</u>
<u>Metals</u>	<u>55.1</u>	<u>71.0</u>	<u>+15.9</u>
<u>Others</u>	<u>43.0</u>	<u>36.0</u>	<u>-7.0</u>
Subtotal excl. Inventory Valuation	255.2	290.0	+34.8
<u>Inventory Valuation</u>	<u>-405.3</u>	<u>20.0</u>	<u>+425.3</u>
<u>Total</u>	<u>-150.1</u>	<u>310.0</u>	<u>+460.1</u>

Outline of FY2015 Forecast

* Average from March to February
(nearly equal to arrived crude cost)

Crude Oil (Dubai)* (\$/bbl)
Copper (¢/lb)
Exchange Rate (Yen/\$)

FY2014 (Actual)	
	88
Jan.-Dec. 2014	<u><311> 297</u>
Jan.-Dec. 2014	<u>< 106> 110</u>
	JPY Billion
Net Sales	10,882.5
Operating Income	(218.9)
Non-operating Income (Expenses), Net	68.8
Ordinary Income	(150.1)
-Inventory Valuation	(405.3)
Ordinary Income Excl. Inventory Valuation	255.2
Special Gain (Loss), Net	(104.9)
Net Income	(277.2)

FY2015 (Forecast)	
	60
Jan.-Dec. 2015	<u><268> 270</u>
Jan.-Dec. 2015	<u>< 116> 115</u>
	JPY Billion
Net Sales	9,660.0
Operating Income	250.0
Non-operating Income (Expenses), Net	60.0
Ordinary Income	310.0
-Inventory Valuation	20.0
Ordinary Income Excl. Inventory Valuation	290.0
Special Gain (Loss), Net	(10.0)
Net Income	160.0

Changes			
	-28		-32%
<-43>	-27	<-14%>	-9%
<+ 10>	+5	<+ 9%>	+5%
	JPY Billion		
	-1,222.5		-11%
	+468.9		-
	-8.8		-13%
	+460.1		-
	+425.3		-
	+34.8		+14%
	+94.9		-
	+437.2		-

FY2014 Actual vs. FY2015 Forecast

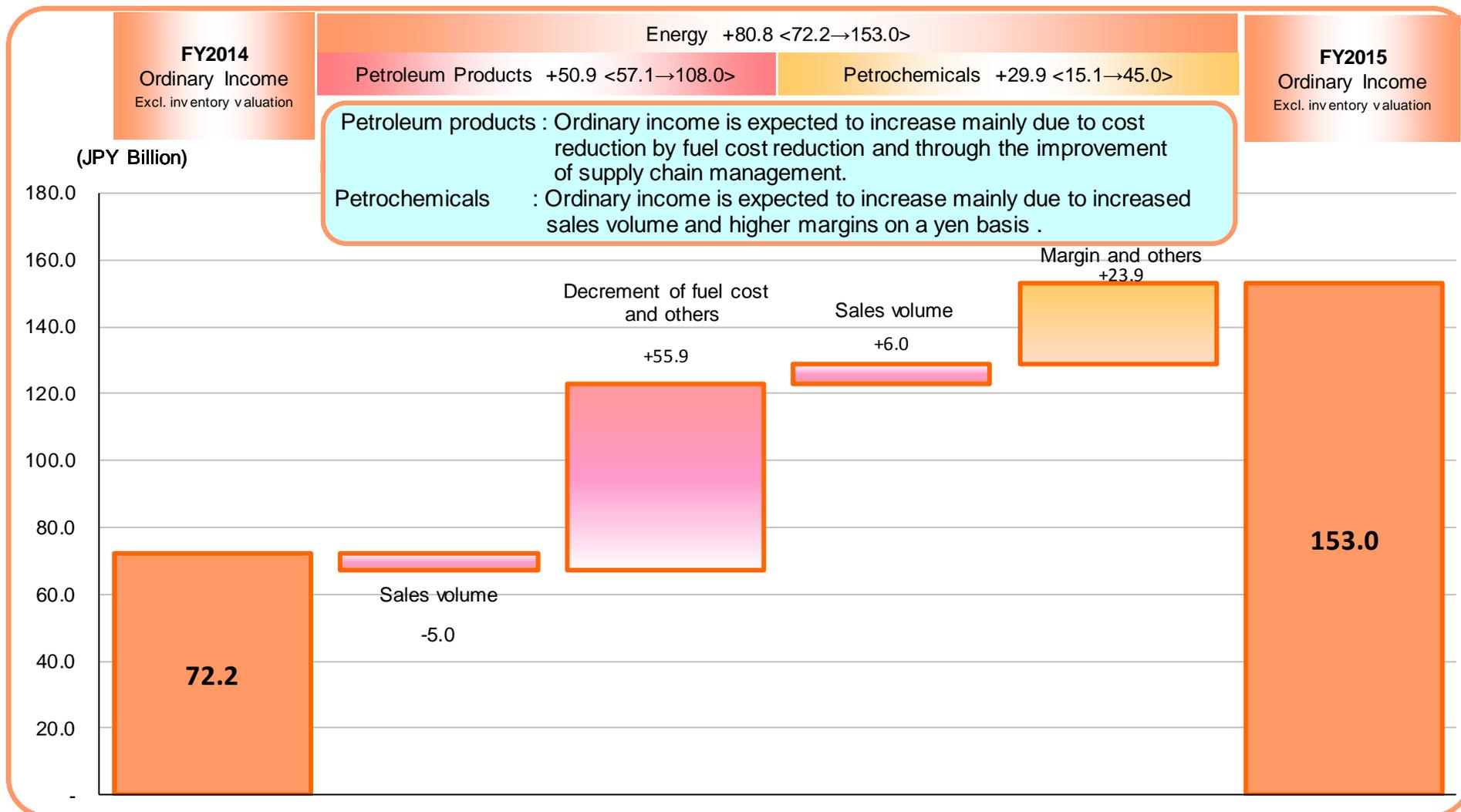
Changes in Ordinary Income (Loss) by Segment



	FY2014 (Actual)	FY2015 (Forecast)	Changes	
	JPY Billion	JPY Billion	JPY Billion	
Energy	<u>(334.6)</u>	<u>173.0</u>	<u>+507.6</u>	-
- Inventory Valuation	<u>(406.8)</u>	<u>20.0</u>	<u>+426.8</u>	-
Excl. Inventory Valuation	<u>72.2</u>	<u>153.0</u>	<u>+80.8</u>	+112%
- Petroleum Products	<u>57.1</u>	<u>108.0</u>	<u>+50.9</u>	+89%
- Petrochemicals	<u>15.1</u>	<u>45.0</u>	<u>+29.9</u>	+198%
Oil and Natural Gas E&P	<u>84.9</u>	<u>30.0</u>	<u>-54.9</u>	-65%
Metals	<u>56.6</u>	<u>71.0</u>	<u>+14.4</u>	+25%
- Inventory Valuation	<u>1.5</u>	<u>-</u>	<u>-1.5</u>	-
Excl. Inventory Valuation	<u>55.1</u>	<u>71.0</u>	<u>+15.9</u>	+29%
Others	<u>43.0</u>	<u>36.0</u>	<u>-7.0</u>	-16%
Total	<u>(150.1)</u>	<u>310.0</u>	<u>+460.1</u>	-
Excl. Inventory Valuation	<u>255.2</u>	<u>290.0</u>	<u>+34.8</u>	+14%

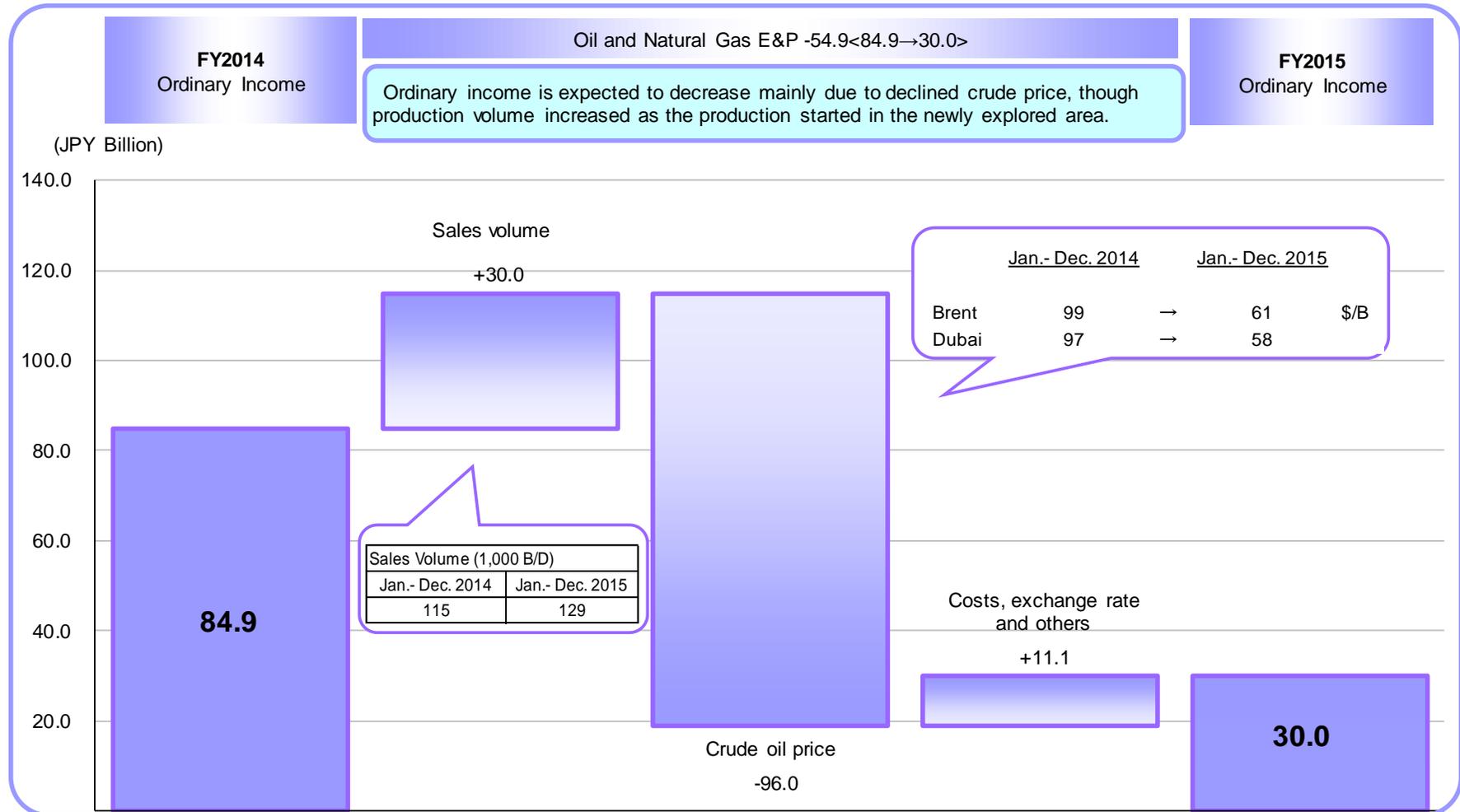
FY2014 Actual vs. FY2015 Forecast

Changes in Ordinary Income - Energy Business -



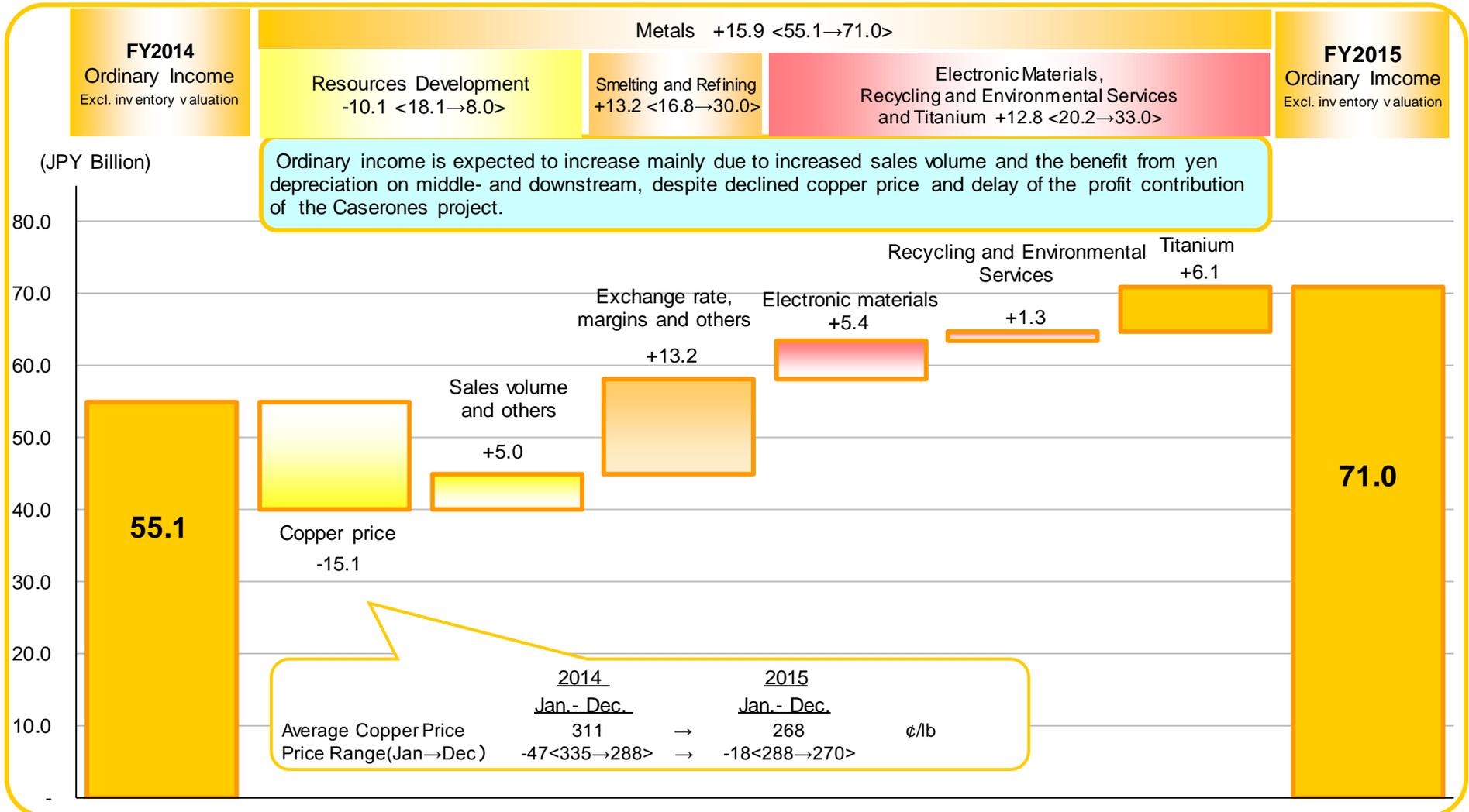
FY2014 Actual vs. FY2015 Forecast

Changes in Ordinary Income - Oil and Natural Gas E&P Business-



FY2014 Actual vs. FY2015 Forecast

Changes in Ordinary Income - Metals Business -



Key Factors



		FY2010	FY2011	FY2012	FY2013	FY2014	FY2015
		Actual	Actual	Actual	Actual	Actual	Forecast
All segments	Exchange rate [Yen/\$]	86	79	83	100	110	115
Energy	Crude oil price [Dubai] [Apr.-Mar.]* [\$/barrel]	82	109	109	105	88	60
Oil and Natural Gas E&P	Sales volume <Crude oil equivalent> [1,000 barrels/day]	140	128	117	115	115	129
	Crude oil price [Brent] [Jan.-Dec.] [\$/barrel]	80	111	109	109	99	61
Metals	Copper price [LME] [Jan.-Dec.] [¢/pound]	342	400	361	332	311	268
	Equity entitled copper mine production [1,000 tons/year]	111	105	105	127	148	259
	PPC refined copper sales [1,000 tons/year]	588	566	551	588	623	619
	Treated rolled copper foil sales [1,000 km/month]	3.3	2.6	2.7	3.0	4.1	4.3
	Precision rolled products sales [1,000 tons/month]	3.8	3.5	3.3	3.4	3.8	4.1
	Gold recovery volume by Recycling & Environmental Services [tons/year]	6.5	7.0	5.8	6.1	5.9	6.7

*1 Crude oil arrival basis

Sensitivity Analysis (FY2015 basis)



■ Key factors (From April 2015 to March 2016)

Exchange Rate: 115Yen/\$

Crude Oil : 60\$/bbl
(Dubai spot)

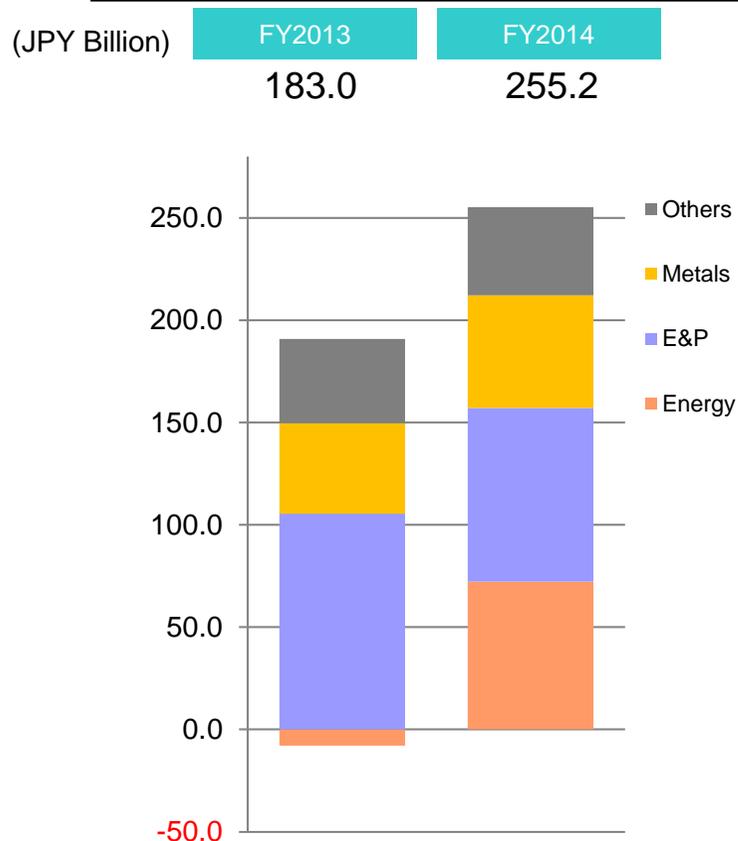
Copper Price (LME) : 270 ¢/lb

■ Sensitivity analysis

Key Factors	Change	Segment	(JPY Billion) Impact
Exchange Rate	1 Yen/\$ yen depreciation	Energy (In-house fuel costs rise, margin improvement in petrochemicals)	+0.5
		Oil and Natural Gas E&P	+0.5
		Metals (Margin improvement, exchange gain)	+1.0
		Subtotal	+2.0
		Inventory valuation gain	+4.0
		Total	+6.0
Crude Oil (Dubai spot)	+1\$/bbl	Energy (In-house fuel costs rise)	-2.0
		Oil and Natural Gas E&P	+2.0
		Subtotal	0.0
		Inventory valuation gain	+8.0
		Total	+8.0
Copper Price (LME)	+10¢/lb	Metals	+6.0
		Total	+6.0

Financial Results for FY2014 (April 1, 2014~March 31, 2015)

Change of Ordinary Income excl. inventory valuation
(vs. FY2013)



- Ordinary income excluding inventory valuation,
- increased due to improved refinery margin on energy business.
 - increased due to benefit from yen depreciation on metal business.

(JPY billion)	FY2013	FY2014	Changes
<u>Energy</u>	<u>-7.9</u>	<u>72.2</u>	<u>+80.1</u>
<u>E&P</u>	<u>105.5</u>	<u>84.9</u>	<u>-20.6</u>
<u>Metals</u>	<u>44.2</u>	<u>55.1</u>	<u>+10.9</u>
<u>Others</u>	<u>41.2</u>	<u>43.0</u>	<u>+1.8</u>
Subtotal excl. Inventory Valuation	183.0	255.2	+72.2
<u>Inventory Valuation</u>	<u>119.3</u>	<u>-405.3</u>	<u>-524.6</u>
<u>Total</u>	<u>302.3</u>	<u>-150.1</u>	<u>-452.4</u>

Outline of FY2014



* Average from March to February.
(nearly equal to arrived crude cost)

Crude Oil (Dubai)* (\$/bbl)
Copper (¢/lb)
Exchange Rate (Yen/\$)
Net Sales
Operating Income
Non-operating Income (Expenses), Net
Ordinary Income
-Inventory Valuation
Ordinary Income Excl. Inventory Valuation
Special Gain (Loss), Net
Net Income

FY2013 (Actual)	
	105
Jan.-Dec.2013	<332> 322
Jan.-Dec.2013	< 98> 100
	JPY Billion
	12,412.0
	213.7
	88.6
	302.3
	119.3
	183.0
	(82.0)
	107.0

FY2014 (Actual)	
	88
Jan.-Dec.2014	<311> 297
Jan.-Dec.2014	<106> 110
	JPY Billion
	10,882.5
	(218.9)
	68.8
	(150.1)
	(405.3)
	255.2
	(104.9)
	(277.2)

Changes			
	-17		-16%
<-21>	-25	<-6%>	-8%
<+8>	+10	<+8%>	+10%
	JPY Billion		
	-1,529.5		-12%
	-432.6		-
	-19.8		-22%
	-452.4		-
	-524.6		-
	+72.2		+39%
	-22.9		-
	-384.2		-

Main factors of Special Gain and Loss of FY2014

- Special Loss accrued due to declined resource prices and the revision of production plan on the main projects.

	(JPY billion)
Special Gain and Loss (Net)	-104.9
Special Loss on upstream business	-86.2
Details	
Loss on valuation of shares in an investment target operating company related to the coal exploration and production business	-24.4
Impairment losses on fixed assets related to the oil and natural gas exploration and production business	-23.3
Impairment losses on fixed assets related to the copper mine exploration and production business	-38.5

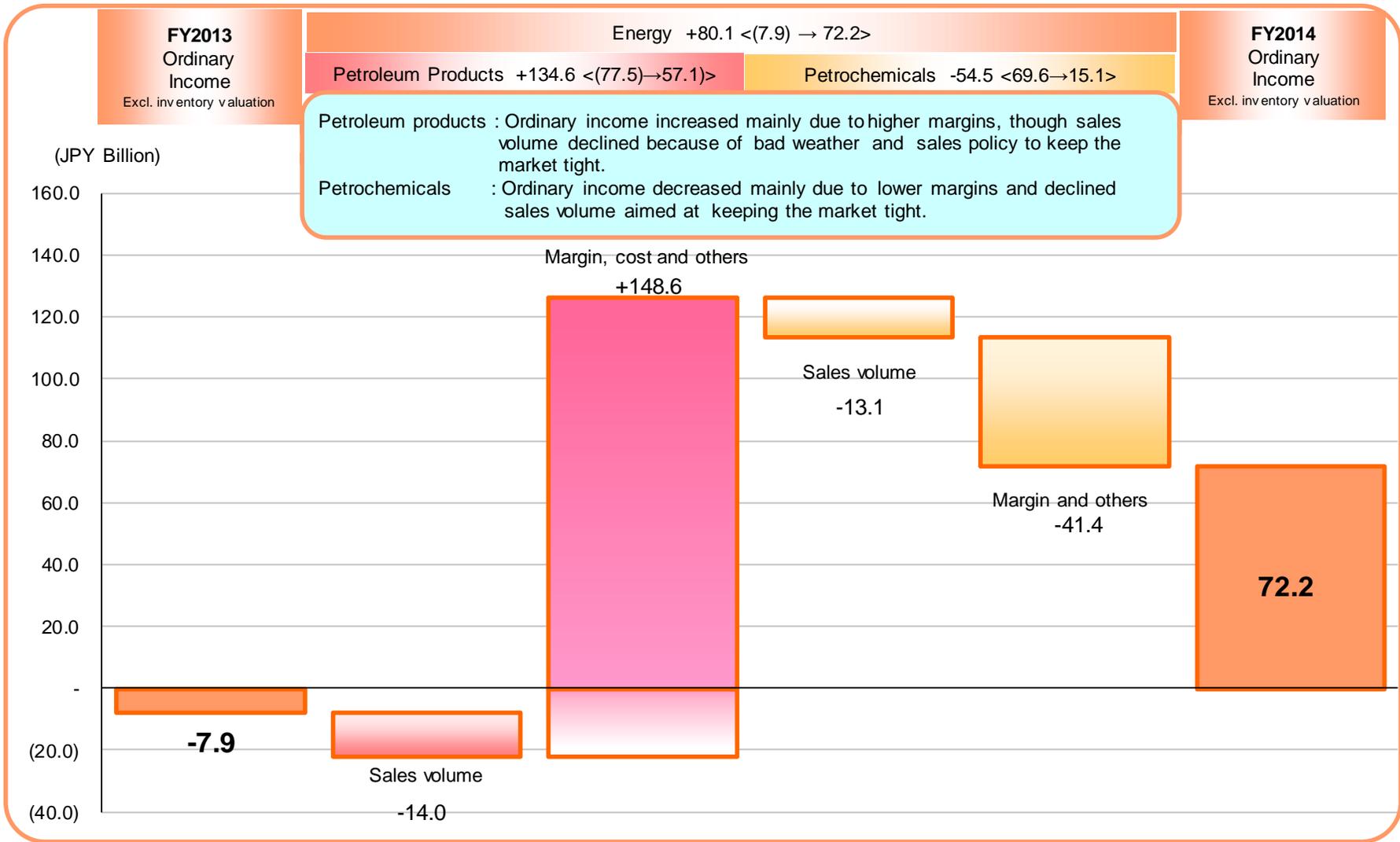
FY2013 Actual vs. FY2014 Actual

Changes in Ordinary Income (Loss) by Segment



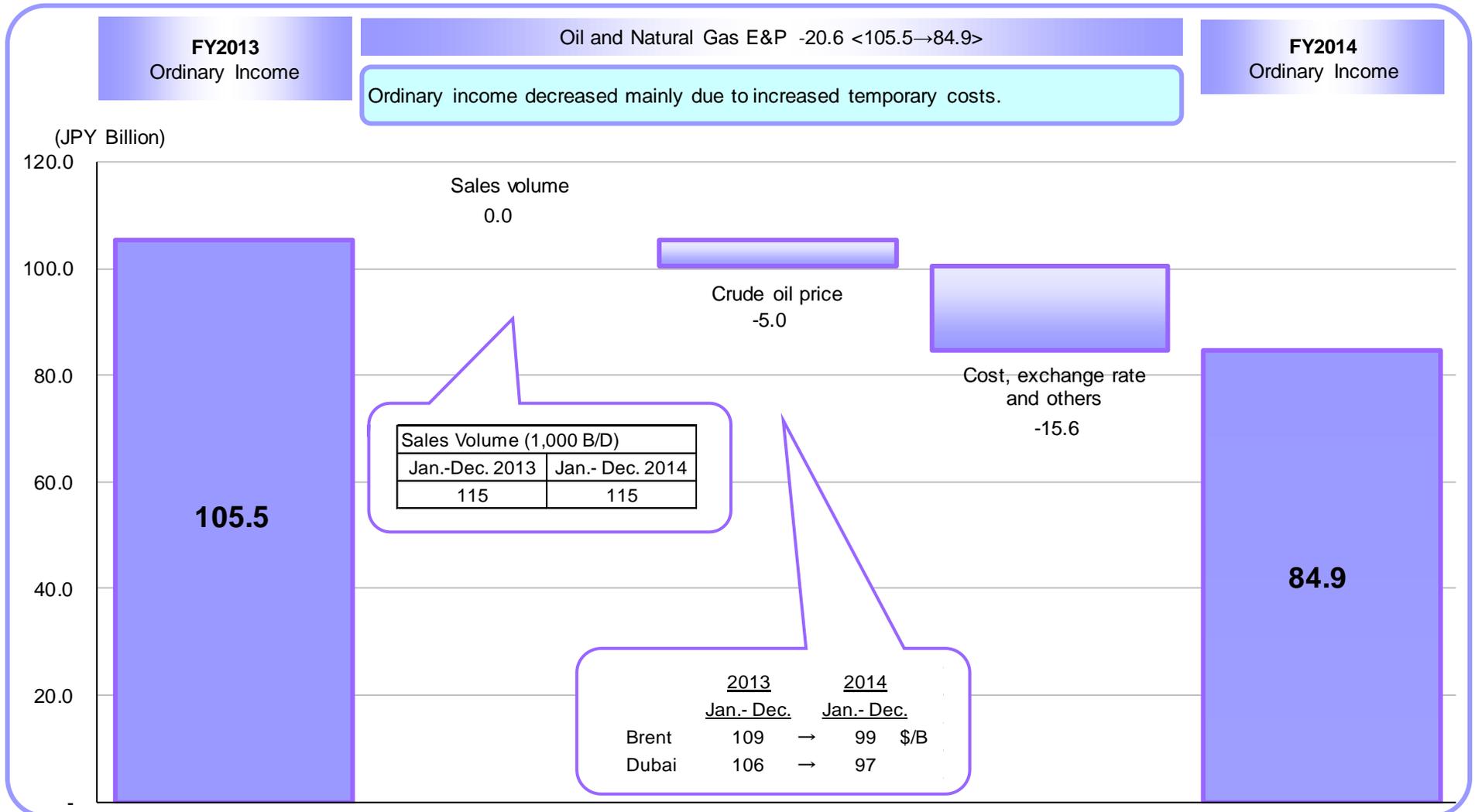
	FY2013 (Actual)	FY2014 (Actual)	Changes	
	JPY Billion	JPY Billion	JPY Billion	
Energy	108.2	(334.6)	-442.8	-
- Inventory Valuation	116.1	(406.8)	-522.9	-
Excl. Inventory Valuation	(7.9)	72.2	+80.1	-
- Petroleum Products	(77.5)	57.1	+134.6	-
- Petrochemicals	69.6	15.1	-54.5	-78%
Oil and Natural Gas E&P	105.5	84.9	-20.6	-20%
Metals	47.4	56.6	+9.2	+19%
- Inventory Valuation	3.2	1.5	-1.7	-53%
Excl. Inventory Valuation	44.2	55.1	+10.9	+25%
Others	41.2	43.0	+1.8	+4%
Total	302.3	(150.1)	-452.4	-
Excl. Inventory Valuation	183.0	255.2	+72.2	+39%

FY2013 Actual vs. FY2014 Actual Changes in Ordinary Income - Energy Business -



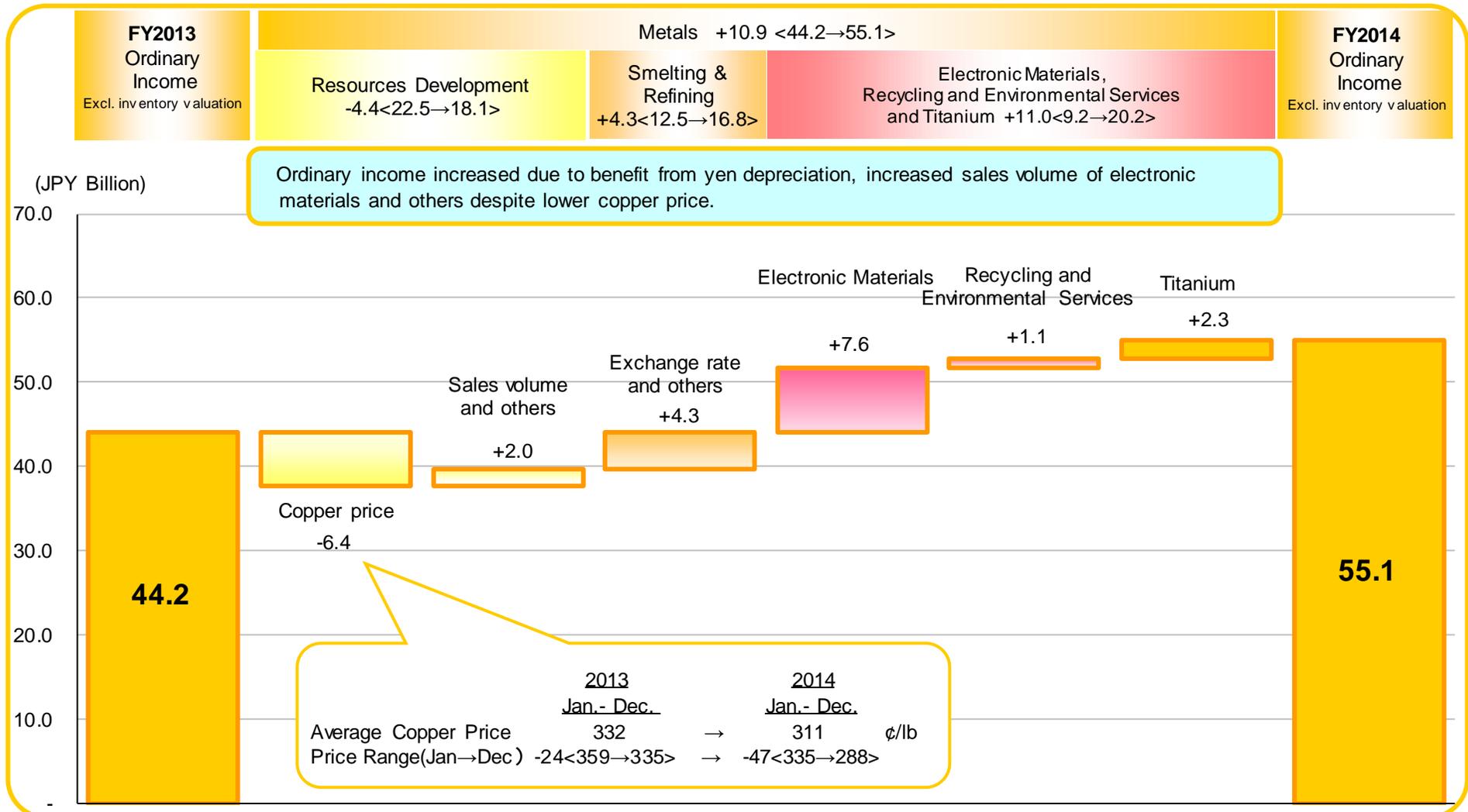
FY2013 Actual vs. FY2014 Actual

Changes in Ordinary Income - Oil and Natural Gas E&P Business -



FY2013 Actual vs. FY2014 Actual

Changes in Ordinary Income - Metals Business-

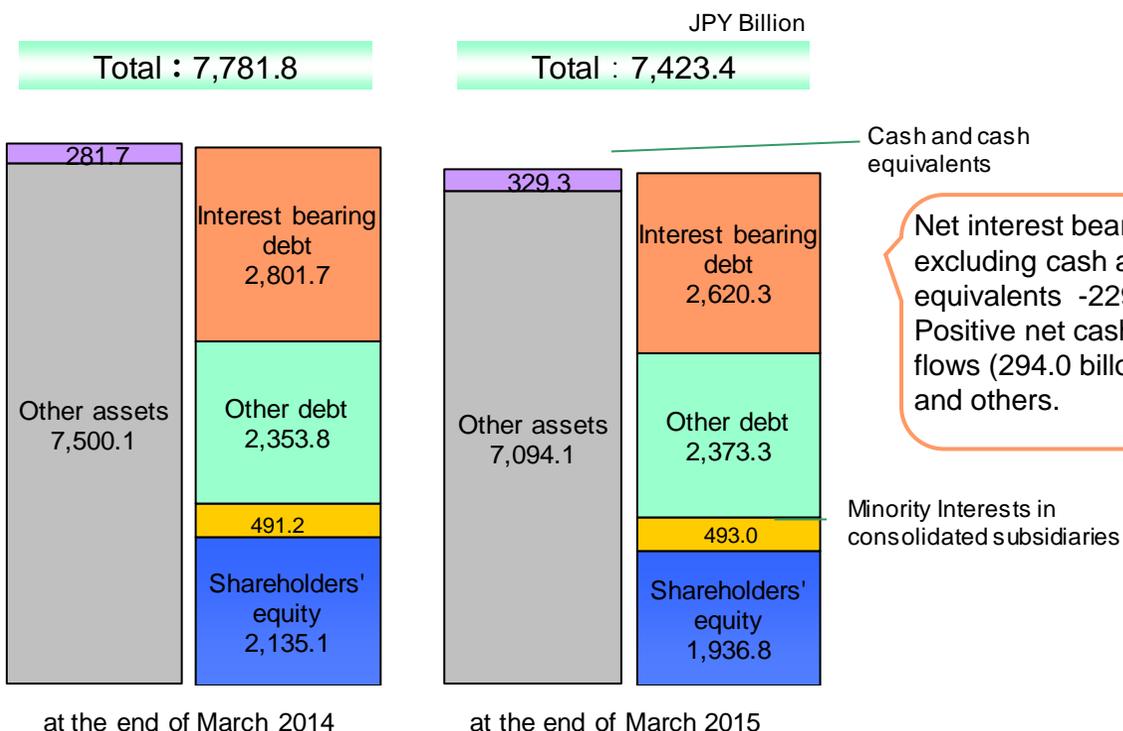


Consolidated Balance Sheets

Consolidated Statement of Cash Flows



Consolidated Balance Sheets



Consolidated Cash Flows

FY2014	(JPY Billion)
Ordinary income	(150.1)
Depreciation and amortization	197.3
Decrease in working capital	725.0
Corporate tax and others	(35.0)
Cash flows from operating activities	737.2
Cash flows from investing activities	(377.8)
Free cash flows	359.4
Dividends and others	(65.4)
Net cash flows	294.0

	At the end of March 2014 (Actual)	At the end of March 2015 (Actual)
Shareholders' equity ratio	27.4%	26.1%
Net D/E ratio	1.18	1.18

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 the 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.