

JX Group Strategy Presentation

Become a world-leading integrated energy, resources and materials business group

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The Future of Energy, Resources and Materials

JX Holdings, Inc.

— This material contains certain forward-looking statements. A cautionary statement is contained in the endnote. —

Businesses of JX Group

Integrated operation from resources development to domestic sales



JX Holdings, Inc.

JX Nippon Oil & Energy

Market Share of domestic sales of petroleum products *1

36 %
(No.1 in Japan)

Paraxylene production capacity

2,620 thousand tons/year
(No.1 supplier in Asia)



JX Nippon Oil & Gas Exploration

Crude oil and natural gas production (a project company basis)

Approx. **130** thousand barrels/day (B/D) *2

Worldwide business activities in such area as North Sea(UK), Gulf of Mexico(USA), Middle East, South East Asia and others



JX Nippon Mining & Metals

Refined copper production capacity

1,170 thousand tons/year *3

Equity entitled copper mine production

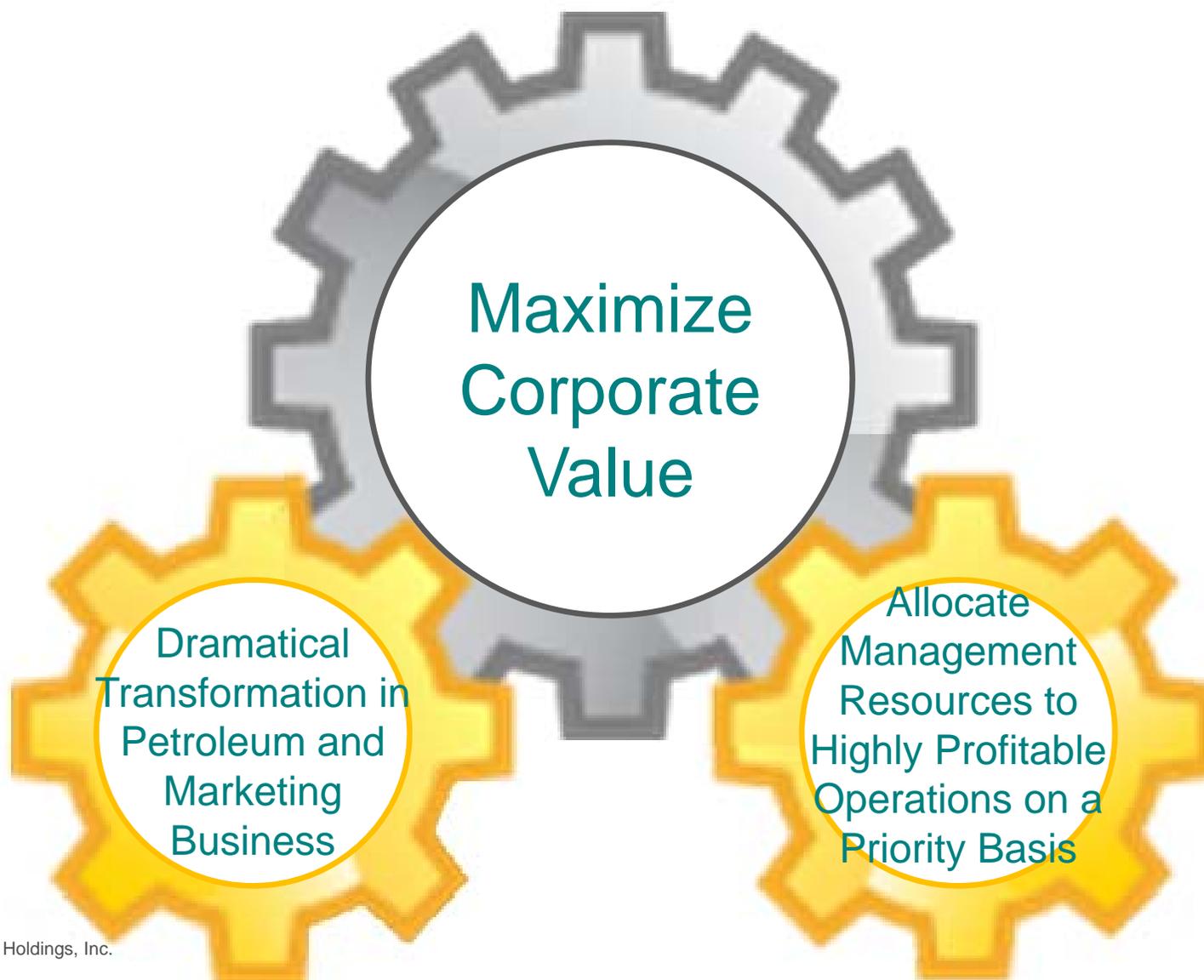
Approx. **100** thousand tons/year

Electronic Materials; Products with World No.1 Market Shares



- Listed subsidiaries
 - NIPPO
 - Toho Titanium
- Common function companies
- Independent companies

*1 Gasoline, Kerosene, Diesel Fuel, and Fuel Oil A
 *2 Crude Oil Equivalent (Average daily production from Jan. to Dec. 2011)
 *3 Pan Pacific Copper(66.0% equity stake) ; 610 thousand tons/year + LS-Nikko Copper(39.9% equity stake) ;560 thousand tons/year



Dramatical Transformation of the Petroleum Refining & Marketing Business

Establish most competitive structure for petroleum refining and marketing in the domestic market



✓ Capacity Reduction Plan

2008.Dec. 2014.Apr.
1,790 ⇒ 1,210 thousand BD

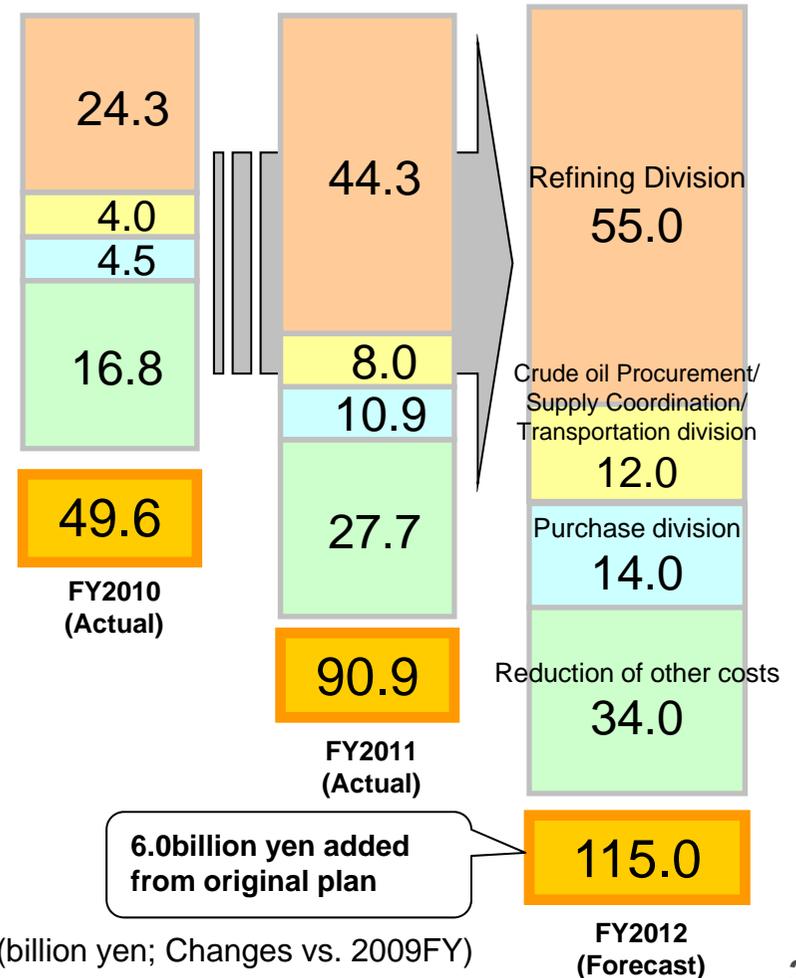
➤ JX Group Capacity Reduction Plan

	Due Date	Reduction Capacity	Completion
STEP1	October, 2010	(400) thousand B/D	<input checked="" type="checkbox"/>
STEP2	March, 2014	(180) thousand B/D	<input type="checkbox"/>

➤ Capacity Reduction Plans of other companies

Company	Due Date	Reduction Capacity	Completion
Fuji Oil	Oct. 2010	(52) thousand B/D	<input checked="" type="checkbox"/>
Showa Shell	Sep. 2011	(120) thousand B/D	<input checked="" type="checkbox"/>
Cosmo Oil	Jul. 2013	(140) thousand B/D	<input type="checkbox"/>
Idemitsu	Mar. 2014	(120) thousand B/D	<input type="checkbox"/>

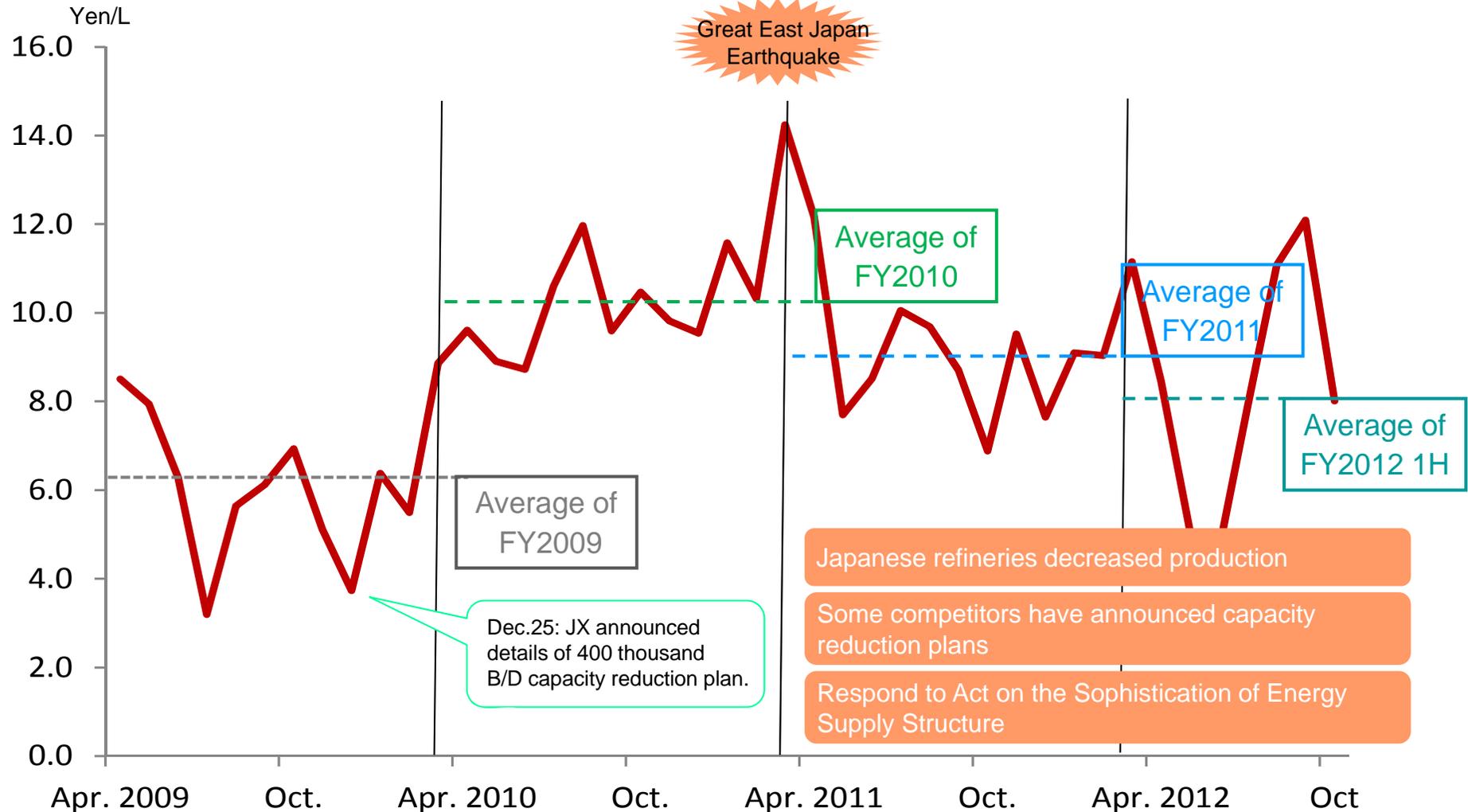
✓ Integration Synergies and Enhanced Efficiency of Refineries



Respond to Act on the Sophistication of Energy Supply Structure (deadline : Mar. 2014)

Margins of Gasoline, Kerosene, Diesel Fuel and Fuel Oil A

Stabilization of a petroleum margins



Forecast of Ordinary Income

Excl. inventory valuation factors

Ordinary income is on the 300 billion yen level stably



	FY2009 * (Actual)	FY2012 (Forecast)	FY2010-FY2012 Total (Forecast basis on announcement in Nov. 2012)	FY2010-FY2012 Total (Mid-Term Plan announced in May 2010)
	(JPY billion)	(JPY billion)	(JPY billion)	(JPY billion)
Net Sales	9,008.0	11,110.0		
Operating Income	130.4	210.0		
Non-Operating Income (Expenses), Net	56.9	80.0		
Ordinary Income	187.3	290.0	1,111.5	790.0
-Inventory Valuation	202.6	(10.0)	164.1	50.0
Ordinary Income Excl. inventory valuation	(15.3)	300.0	947.4	740.0
Refining & Marketing	(135.8)	137.0	446.3	291.0
Oil & Natural Gas E&P	49.0	90.0	247.0	189.0
Metals	45.4	50.0	183.5	201.0
Listed subsidiaries and others	26.1	23.0	70.6	59.0
Special Gain (Loss), Net	(35.3)	(29.0)		
Net Income	73.1	140.0		

Capital Expenditures

Capital expenditures which exceeds depreciation
towards future growth is performed



	FY 2010-2012 Total (Forecast basis on announcement in Nov. 2012) (JPY billion)
Refining & Marketing	360.0
E&P of Oil & Natural Gas	260.0
Metals	300.0
Listed Subsidiaries and Others	60.0
Capital Expenditure & Investment	980.0
Depreciation & amortization	580.0

<Main contents of growth strategies>

- ✓ Enhance overseas business to meet increasing demand in Asia (Chemicals, Lubricants, Coals)
- ✓ Enhance domestic logistics and marketing network
- ✓ Develop New Energy business(New energy)

- ✓ Maintain and expand production Volume over the medium/long term

- ✓ Develop highly profitable business structure by increasing equity entitled copper mine production
- ✓ Improve profitability by business development satisfying high-growth market needs (Electronic Materials, Recycling & Environmental services)

Refining & Marketing Business

Capturing foreign demand
~ Petrochemical (paraxylene)



Outline of PX joint venture project with SK Global Chemical of Korea

Location : Ulsan, Korea

Capacity : 1,000 thousand
ton / year

Production Start : 2014 (scheduled)

Investment : approx. 1,000 billion Won

Ownership :

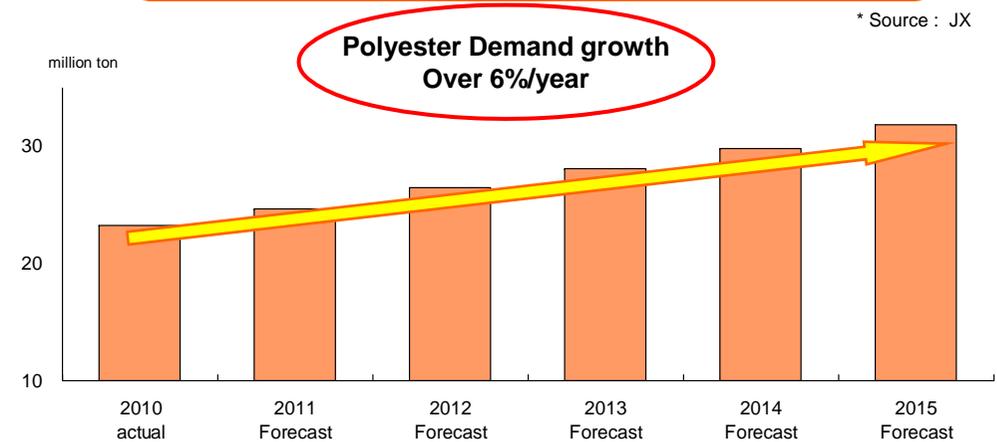
JX Nippon Oil and Energy 50%

SK Global Chemical 50%

Group Capacity
expanding to 3,120
thousand ton

Forecast of Polyester Demand in Asia

- Volume calculated as PX -



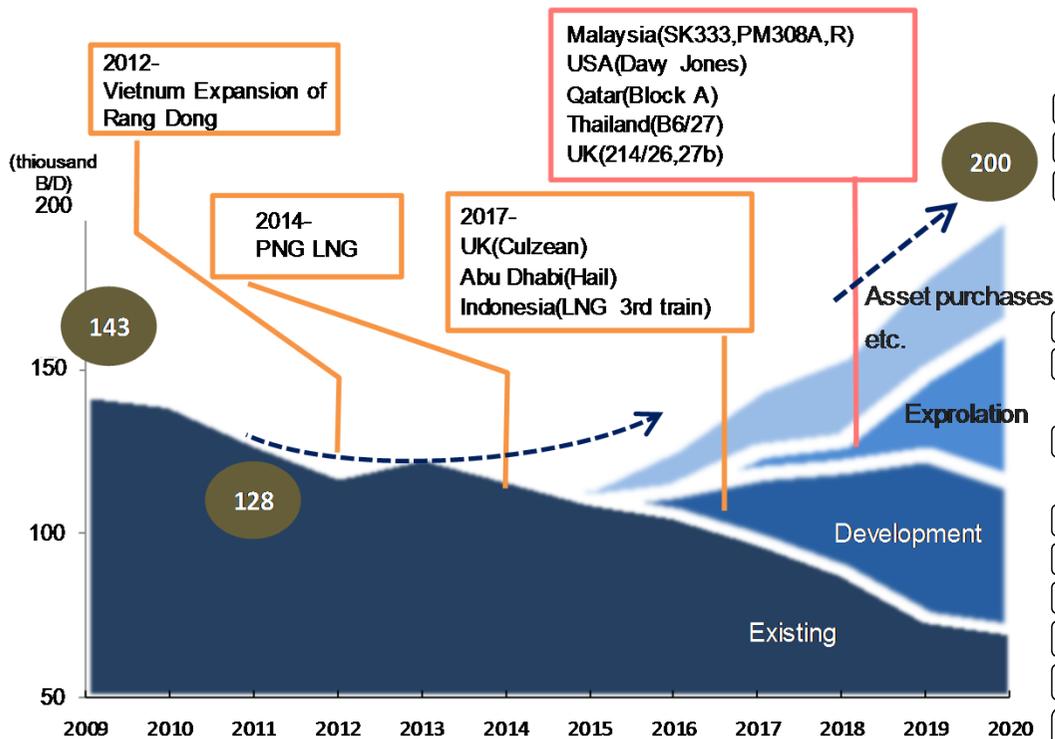
Main use of PX





Oil and Gas E&P Business

Transition of Production Volume



Recent results of Crude Oil and Natural Gas E&P

Country (Block)	Type	Acquisition of rights	Discovery of oil and gas strata	Extent of strata confirmed	Success of flow test
U.K.		●			
Jan. 2011 Vietnam(16-2)	Natural Gas		●		
Feb. 2011 UAE	Crude oil	●			
U.S.(Davy Jones)	Natural gas			●	
Vietnam(05-1b)	Crude oil/ Natural gas		●		
Mar. 2011 U.K.(Culzean)	Natural gas			●	
Apr. 2011 Australia(WA-290-P)	Natural gas		●		
Papua New Guinea(PPL219)	Crude oil		●		
May 2011 Qatar (Block A)	Natural gas	●			
Australia(WA-191-P)	Crude oil		●		
Jul. 2011 Vietnam (101-100/04)	Crude oil	●			
Jan. 2012 Malaysia (Deepwater Block R)	Crude oil	●			
Mar. 2012 U.S.(Davy Jones)	Natural gas				●
Sep. 2012 Myanmar(M-11)	Natural gas	●			
Oct. 2012 Australia(WA435-P, WA437-P)	Natural gas	●			
Oct. 2012 U.K.(18 blocks)	Crude oil/ Natural gas	●			

Notes:

- Jan. 2012: Made decision of development
- Renewed rights to oil fields in production.



Metals Business

Caserones Copper Mine(Chile)



Full-Fledged Developing forward 2013

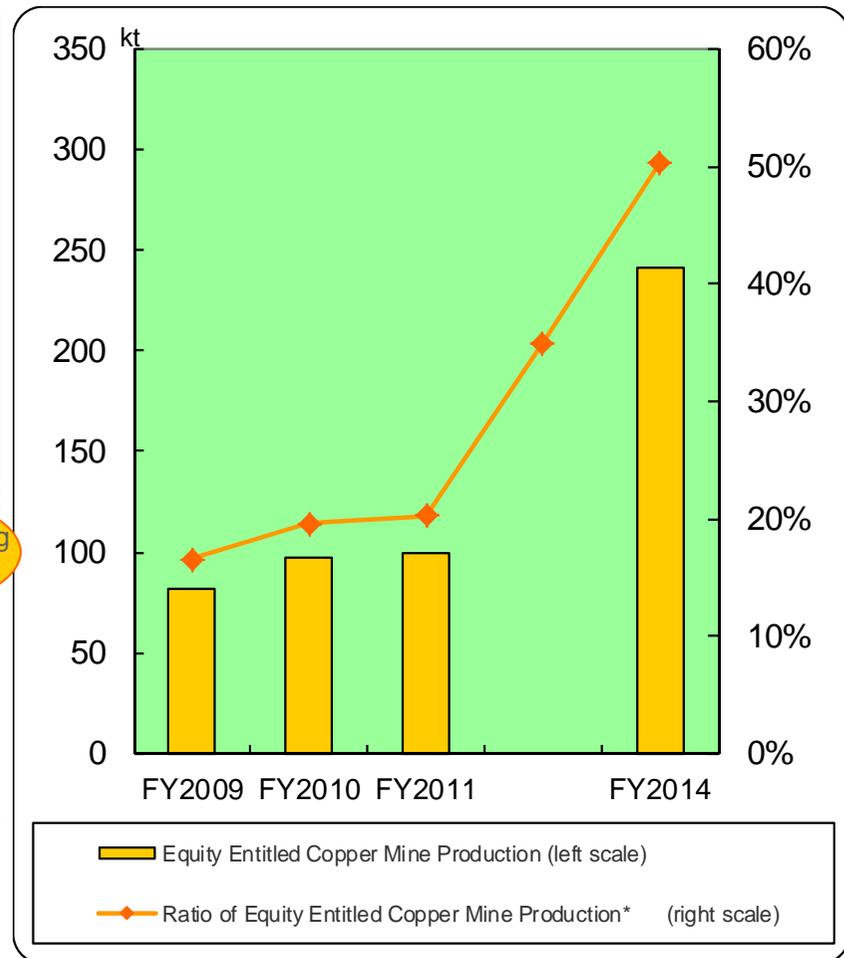
■ Period for production 2013 to 2040 (28 years)

■ Production volume 28 years total :
3,550kt (Copper Content)

Approx. 180kt / year (for 10 years following start-up)

■ Ownership ratio

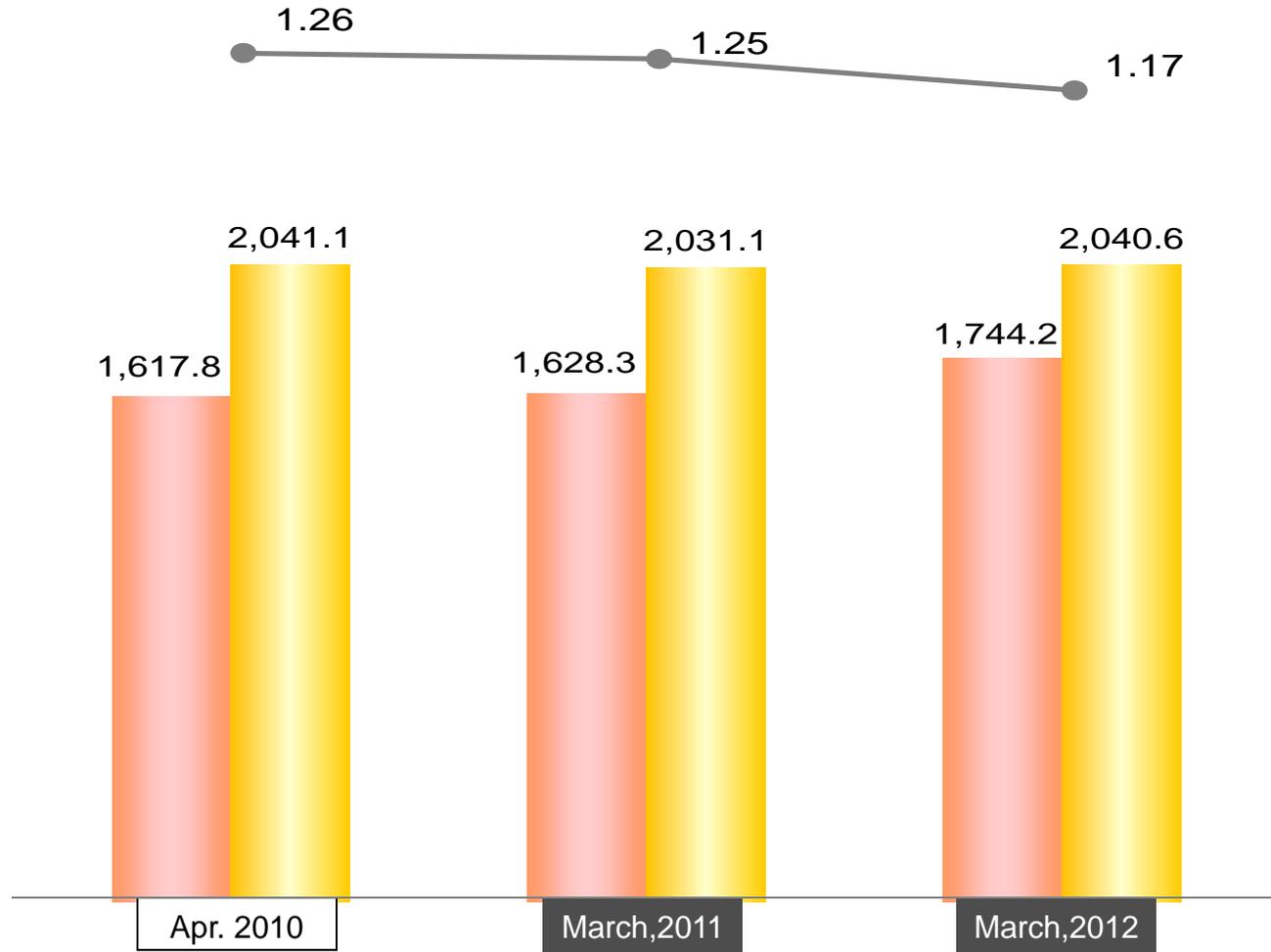
Pan Pacific Copper	75%
(Jointly established JX Nippon Mining & Metals (66%) and Mitsui Mining & Smelting (34%))	
Mitsui & Co., Ltd	25%



* Equity entitled copper production content in copper concentrate divided by the volume of the same necessary for the domestic smelters.

JX Group
Financial Position

Balancing growth investment and
financial condition improvement



■ Shareholders' equity (Billion yen)
 ■ Interest-bearing debt (Billion yen)
 ● Net debt/equity ratio (Time)



Basic Dividend Policy

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

Dividends

	End of 2 nd Quarter	Year-end	Full Year
FY2010	7.5	8.0	15.5
FY2011	8.0	8.0	16.0
FY2012	8.0	8.0 (Forecast)	16.0 (Forecast)

Summary of 1st Mid-term Management Plan and Guideline of 2nd Mid-term Management Plan

April 2010

1st Mid-term Management Plan
(from FY2010 to FY2012)

Realizing management integration efficiency

Scheduled to release spring in 2013

2nd Mid-term Management Plan
(from FY2013 to FY2015)

Progress to new stage by creation and innovation

➤ Management Integration

➤ Dramatical Transformation in Petroleum and Marketing Business

➤ Allocate Management Resources to Highly Profitable Operations on a Priority Basis

➤ Realizing Profit from several measures executed in 1st Mid-term Management Plan

➤ Allocate Management Resources to Highly Profitable Operations on a Priority Basis

Maximizing Corporate Value

Main Topics (2012 April - October)



JX Holdings

Jun. Held the Second Ordinary General Meeting of Shareholders.

JX Nippon Oil & Energy

- May. Power Carbon Technology Co., Ltd., completed the construction of a plant for manufacturing anode materials for lithium-ion batteries.
- Jun. Started Joint Venture to produce paraxylene with SK group of South Korea.
- Jul. Failure found in the safety test performed under the High Pressure Gas Safety Act at the Mizushima B Refinery.
- Aug. Decided to start Mega Solar Power Plants from Jan. 2013 at Sendai Refinery and Kudamatsu Terminal.
- Aug. Decided to establish of a company that makes and sells lubricant in Vietnam.
- Sep. Unified the type of Residential-Use Fuel Cell (ENE • FARM) to Solid Oxide Fuel Cell (SOFC).
- Sep. Started Joint Venture to produce lubricant Base Oil with SK group of South Korea from Oct. 2012.
- Oct. Established a LNG terminal management subsidiary

JX Nippon Oil & Gas Exploration

- Jun. Decided to drill "METI Kisoshisui" well in Spring 2013 at South West Offshore of Sado Island, Niigata Pref.
- Aug. Exchange of Pierce field and Kinnoull field in UKNorth Sea.
- Sep. Participates in Block M-11, Offshore Myanmar.
- Oct. Acquired a Participating Interest in an Exploration Permit in the North West Shelf Offshore Australia
- Oct. Newly Awarded Exploration Blocks in the UK North Sea

JX Nippon Mining & Metals

- Apr. Completed facilities for recover rare metals from used lithium-ion batteries.
- Jun. Confirmed fumarolic gas from survey well that was drilled for the purpose of geothermal development in the Toyoha,.
- Sep. Integration and Reorganization of the JX Nippon Mining & Metals Group Precision Fabricated Products Business.
- Sep. Acquires Equity Interest in a Copper/Gold Exploration Project in Chile and Argentina.
- Sep. Completion of New Cathode Materials Production Facility for Automotive Lithium-Ion Batteries .



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.