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For Immediate Release

Company Name: JX Holdings, Inc.
 Representative: Isao Matsushita,
 Representative Director, President
 Code number: 5020, First Sections of the Tokyo Stock
 Exchange, and Nagoya Stock Exchange
 Contact person: Ryuji Suzuki, Group Manager,
 Investor Relations Group,
 Finance & Investor Relations Department
 (Tel.: +81-3-6275-5009)

Notification of the Difference between the Forecasts and the Actual Results for the First Half of the Fiscal Year 2014 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 2014 ended September 30, 2014, released on July 31, 2014.

Additionally, the company announces the revisions made to the annual forecasts of consolidated results for the fiscal year 2014 ending March 31, 2015, 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 2014 (April 1, 2014 – September 30, 2014)

	(Millions of yen)				
	Net Sales	Operating Income	Ordinary Income	Net Income	Net Income per Share (yen)
Previously Announced Forecast (A) (Announced on July 31, 2014)	5,700,000	10,000	45,000	30,000	12.07
Actual result (B)	5,442,426	14,266	41,990	17,659	7.10
Increase/Decrease (B-A)	(257,574)	4,266	(3,010)	(12,341)	(4.97)
Percentage Increase/Decrease	(4.5%)	42.7%	(6.7%)	(41.1%)	(41.2%)
(Reference) Previous First Half Year Results (FY 2013)	5,777,689	139,429	176,115	89,706	36.08

**2. Revisions to Annual Forecasts of Consolidated Results for the Fiscal Year 2014
(April 1, 2014 – March 31, 2015)**

(Millions of yen)

	Net Sales	Operating Income	Ordinary Income	Net Income	Net Income per Share (yen)
Previously Announced Forecast (A) (Announced on July 31, 2014)	12,050,000	175,000	245,000	120,000	48.26
Revised Forecast (B)	11,720,000	105,000	180,000	70,000	28.15
Increase/Decrease (B-A)	(330,000)	(70,000)	(65,000)	(50,000)	(20.11)
Percentage Increase/Decrease	(2.7%)	(40.0%)	(26.5%)	(41.7%)	(41.7%)
(Reference) Previous Results (FY 2013)	12,412,013	213,657	302,329	107,042	43.05

3. Reasons

(Reasons for the Difference between the Forecasts and the Actual of Consolidated Results for the First Half of the Fiscal Year 2014)

The net sales for the first half of the Fiscal Year 2014 decreased from the previous forecast (announced on July 31, 2014) reflecting a decrease in the price of crude oil and a decrease in the sales volume of petroleum products.

Due to a decrease in expense, the operating income exceeded the previous forecast, despite an increase in the negative inventory valuation factors (the impact of inventory valuation on the cost of sales by using the average method) resulting from a decrease in crude oil prices. The ordinary income and the net income declined lower than the expected, due to loss on valuation of debt in foreign currency resulting from the progress of the weak yen, and a special loss such as loss on valuation of investment in securities and restructuring cost.

The ordinary income excluding the inventory valuation factors will be 72 billion yen, an increase of 7 billion yen compared with 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	(20)	(30)	(10)
Operating Income Excluding Inventory Valuation Factors	30	44	14
Ordinary Income Excluding Inventory Valuation Factors	65	72	7

*The impact on the cost of sales by using the average method.

(Reasons for the Revisions to the Annual Forecasts of Consolidated Results for the Fiscal Year 2014)

The Company estimates that the net sales for the Fiscal Year 2014 will be 11,720 billion yen (a decrease of 2.7% compared with the previous forecast announced on July 31, 2014) reflecting a decrease in the price of crude oil and a decrease in the sales volume of petroleum products.

Due to an increase in the negative inventory valuation factors resulting from a decrease in crude oil prices, the Company estimates that its operating income will be 105 billion yen (a decrease of 70 billion yen compared with the previous forecast), ordinary income will be 180 billion yen (a decrease of 65 billion yen).

With respect to the ordinary income excluding the inventory valuation factors, it will be 250 billion yen (a decrease of 20 billion yen), due to the decrease in profit in Oil and Natural Gas Exploration and Production business, resulting from a decrease in crude oil prices.

Full Year

(Inventory Valuation Factors*)

(Billions of yen)

	Previously Announced Forecast (A)	Revised Forecast (B)	Increase/Decrease (B-A)
Inventory Valuation Factors	(25)	(70)	(45)
Operating Income Excluding Inventory Valuation Factors	200	175	(25)
Ordinary Income Excluding Inventory Valuation Factors	270	250	(20)

*The impact on the cost of sales by using the average method.

This forecast assumes the yearly average; a crude oil price (Dubai crude) of \$99 per barrel (\$95 at 2nd half); an international copper price (LME price) of 316 cents per pound (320 cents at 2nd half); and an exchange rate of 104 yen per U.S. dollar (105 yen at 2nd half). (Previous forecast: crude oil price of \$105 per barrel; an international copper price of 317 cents per pound; and an exchange rate of 101 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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