

Security Code

Tokyo 5020

# Financial Results for FY 2010 1H

- From April 1, 2010 to September 30, 2010 -

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November 5, 2010



The Future of Energy, Resources and Materials

**JX Holdings, Inc.**

## Consolidated Financial Results FY 2010 1H

- From April 1, 2010 to September 30, 2010 -

- ✓ The inventory valuation factor turned to negative, however, underlying ordinary income increased due to improvement of margin on petroleum products and rise of copper price.

# FY 2010 1H Results Outline



\*1 Unaudited Pro Forma Combined Financial Results of Nippon Oil and Nippon Mining  
 \*2 Average from Mar. to Aug. (nearly equal to arrived crude cost)

Crude Oil(Dubai) (\$/B)	*2
Copper Price (¢/lb)	
Exchange Rate (Yen/\$)	
Net Sales	
Operating Income	
Non-operating Income(Expenses), Net	
Ordinary Income	
Ordinary Income Excl. Inventory Valuation	
Special Gain (Loss)	
Net Income	

Net Income per Share (Yen / Share)

FY 2009 *1	
1H	
('09/4-9)	
	60
('09/1-6)	239
<184>	
	95
JPY Billion	
4,087.5	
	96.0
	24.4
	120.4
	(25.6)
	(18.7)
	63.0

Including 226.5 of one time amortization of negative goodwill

FY 2010	
1H	
('10/4-9)	
	76
('10/1-6)	324
<323>	
	89
JPY Billion	
4,531.5	
	76.4
	38.7
	115.1
	150.6
	222.5
	286.7

115

< Excl. Impact of Negative Goodwill 24 >

Changes	
	+ 16
<+139>	+ 85
	-6
JPY Billion	
+ 444.0	
	-19.6
	+ 14.3
	-5.3
	+ 176.2
	+ 241.2
	+ 223.7

# FY 2009 1H Actual vs. FY 2010 1H Actual Changes in Ordinary Income by Segment



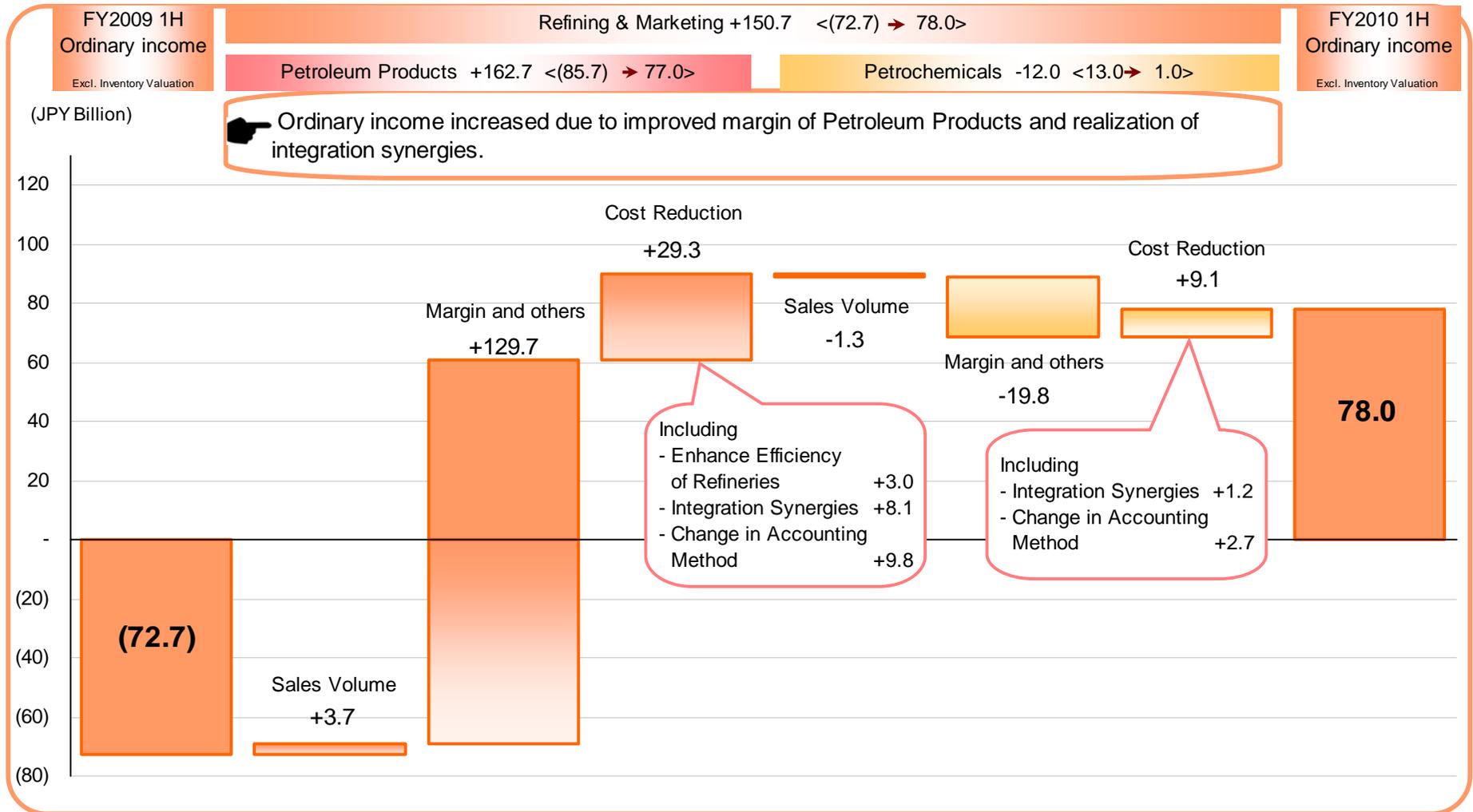
\* Unaudited Pro Forma Combined Financial Results of  
Nippon Oil and Nippon Mining

	FY 2009 <sup>*</sup> 1H (09/4-9)	FY 2010 1H (10/4-9)	Changes
	JPY Billion	JPY Billion	JPY Billion
Refining & Marketing	72.1	42.8	-29.3
- Inventory Valuation	144.8	(35.2)	-180.0
Excl. Inventory Valuation	(72.7)	78.0	+ 150.7
- Petroleum Products	(85.7)	77.0	+ 162.7
- Petrochemicals	13.0	1.0	-12.0
E&P of Oil & Natural Gas	25.3	32.1	+ 6.8
Metals	15.2	30.5	+ 15.3
- Inventory Valuation	1.9	(0.3)	-2.2
Excl. Inventory Valuation	13.2	30.8	+ 17.6
Listed subsidiaries <sup>*</sup> and Others	7.8	9.7	+ 1.9
-Inventory Valuation	(0.7)	-	+ 0.7
Excl. Inventory Valuation	8.5	9.7	+ 1.2
Total	120.4	115.1	-5.3
Excl. Inventory Valuation	(25.6)	150.6	+ 176.2

\*NIPPO Corporation and Toho Titanium Co.,Ltd.

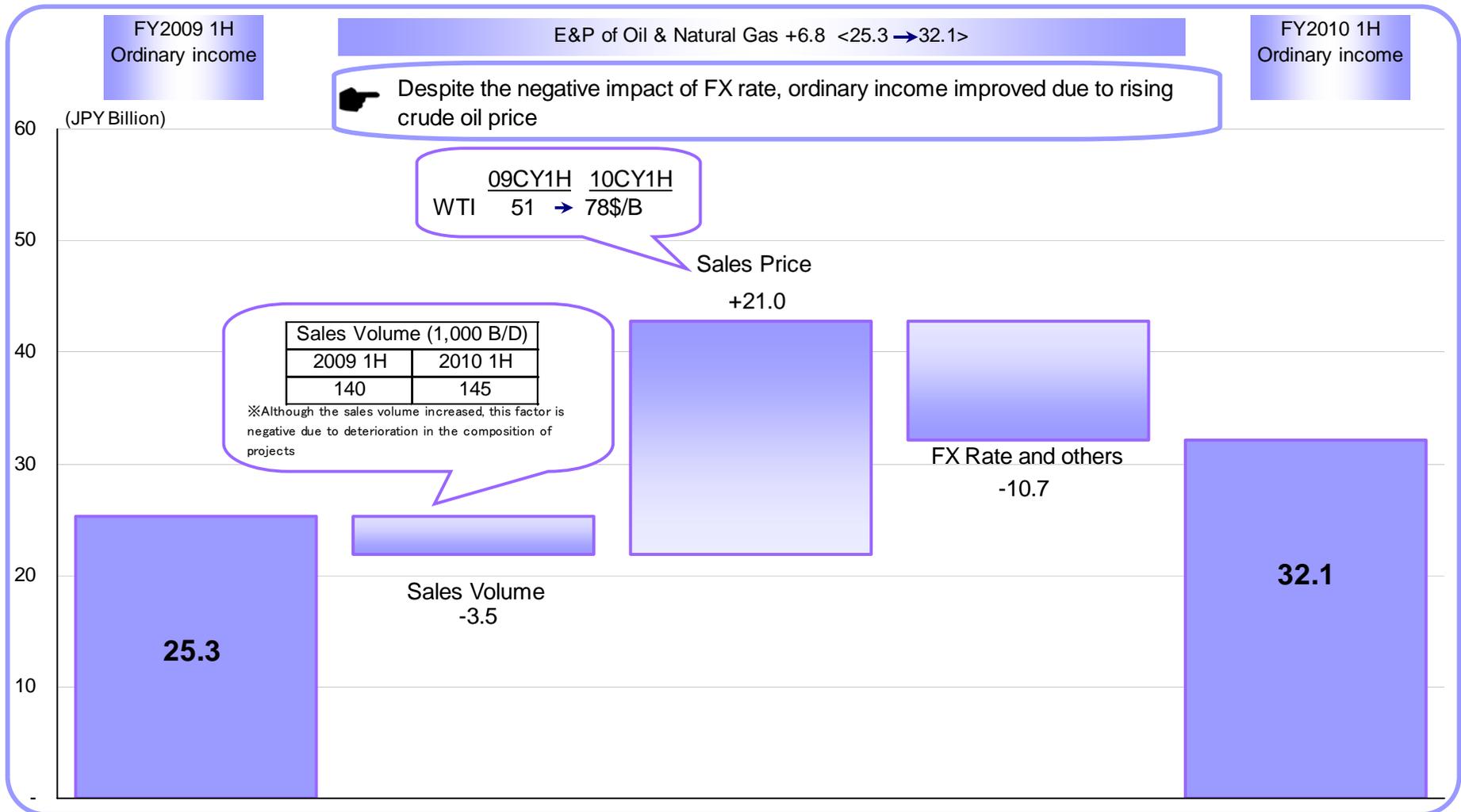
# FY 2009 1H Actual vs. FY 2010 1H Actual

## Changes in Ordinary Income - Refining and Marketing -

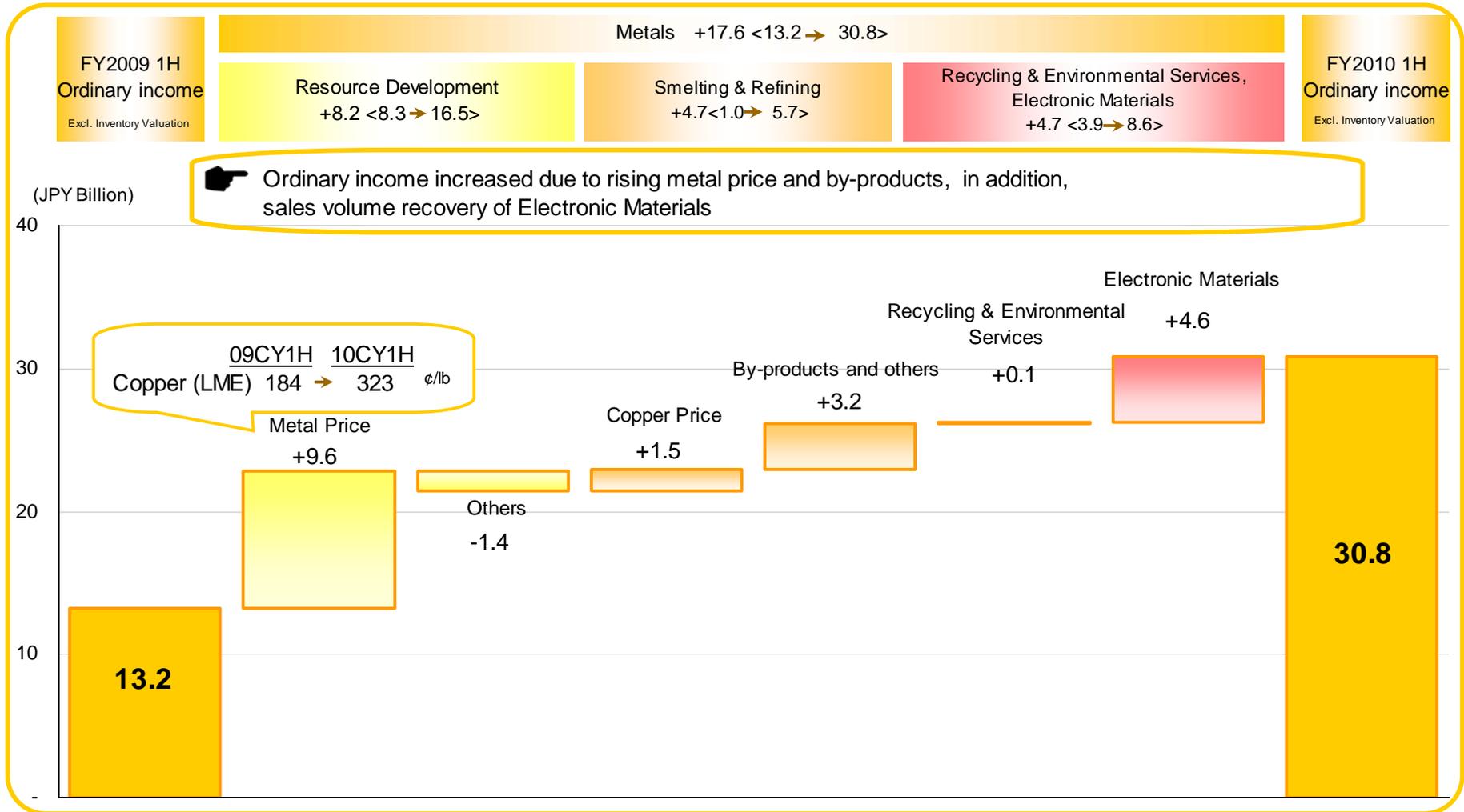


# FY 2009 1H Actual vs. FY 2010 1H Actual

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



# FY 2009 1H Actual vs. FY 2010 1H Actual Changes in Ordinary Income - Metals -



## Forecast for FY 2010

- From April 1, 2010 to March 31, 2011 -

- ✓ Forecasted ordinary income increased due to improved margin of petroleum products, despite inventory valuation turned to negative originated from strong yen.
- ✓ Integration synergies increased from original plan.
- ✓ Assumptions of 2H  
Crude Oil (Dubai) : 80\$/bbl   Cupper Price : 320¢/lb   Exchange Rate : 80¥/\$

# FY 2010 Forecast Outline



\* Average from Mar. to Feb. (nearly equal to arrived crude cost)

	Original Forecast FY 2010 (Announced in May)	Revised Forecast FY 2010	Changes
Crude Oil(Dubai) (\$/B) *	80	78	-2
Copper Price (¢/lb)	( <sup>10/1-12</sup> ) <280> 280	( <sup>10/1-12</sup> ) <324> 322	<+44> + 42
Exchange Rate (Yen/\$)	90	84	-6
	JPY Billion	JPY Billion	JPY Billion
Net Sales	9,160.0	9,390.0	+ 230.0
Operating Income	170.0	150.0	-20.0
Non-operating Income(Expenses), Net	50.0	70.0	+ 20.0
Ordinary Income	220.0	220.0	0
Ordinary Income Excl. Inventory Valuation	Including 180.0 of one time amortization of negative goodwill 170.0	Including 226.5 of one time amortization of negative goodwill 255.0	+ 85.0
Special Gain (Loss)	140.0	175.0	+ 35.0
Net Income	270.0	320.0	+ 50.0
Net Income per Share (Yen / Share)	109	129	
	< Excl. Impact of Negative Goodwill	38 >	

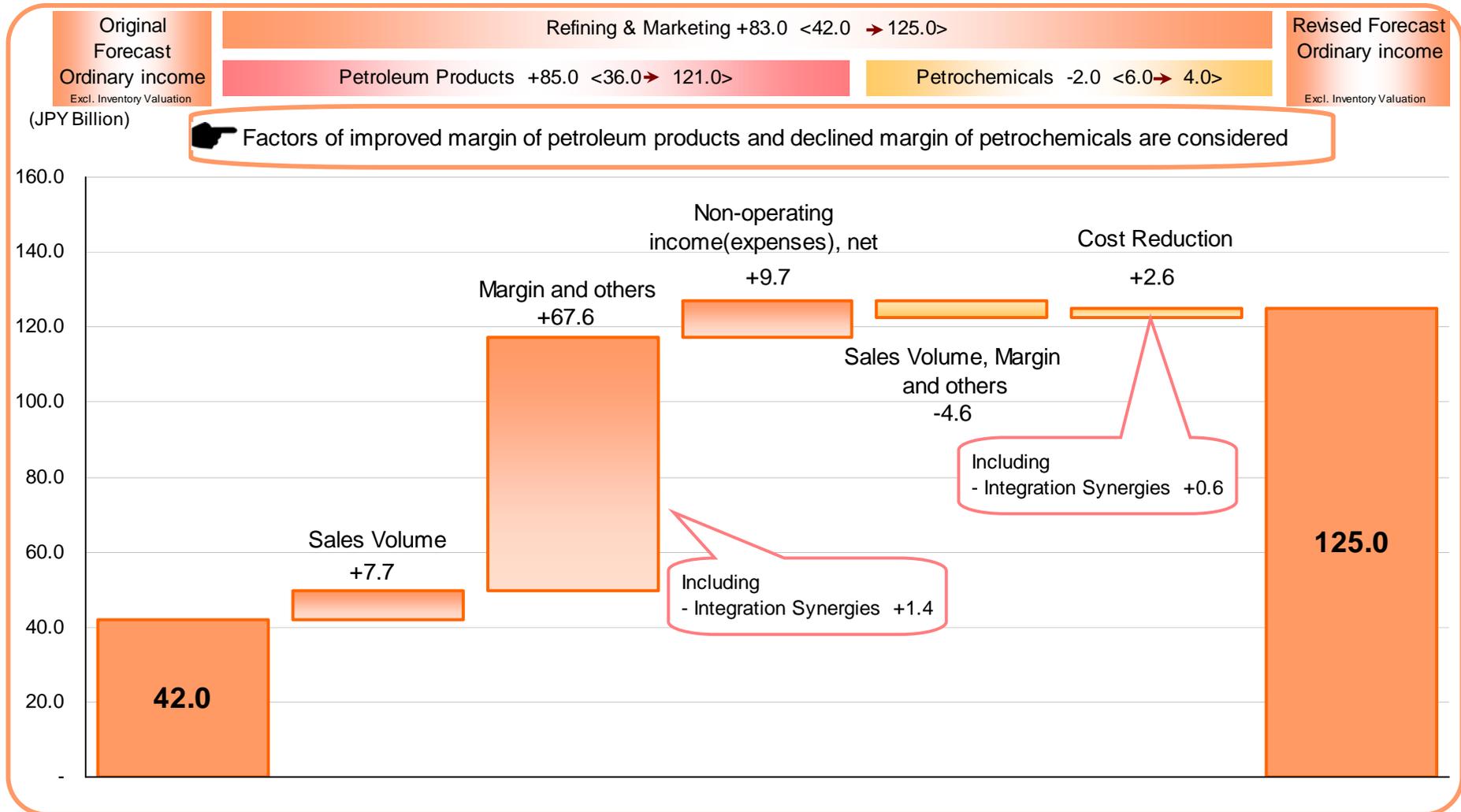
# FY 2010 Original Forecast vs. FY 2010 Revised Forecast Changes in Ordinary Income by Segment



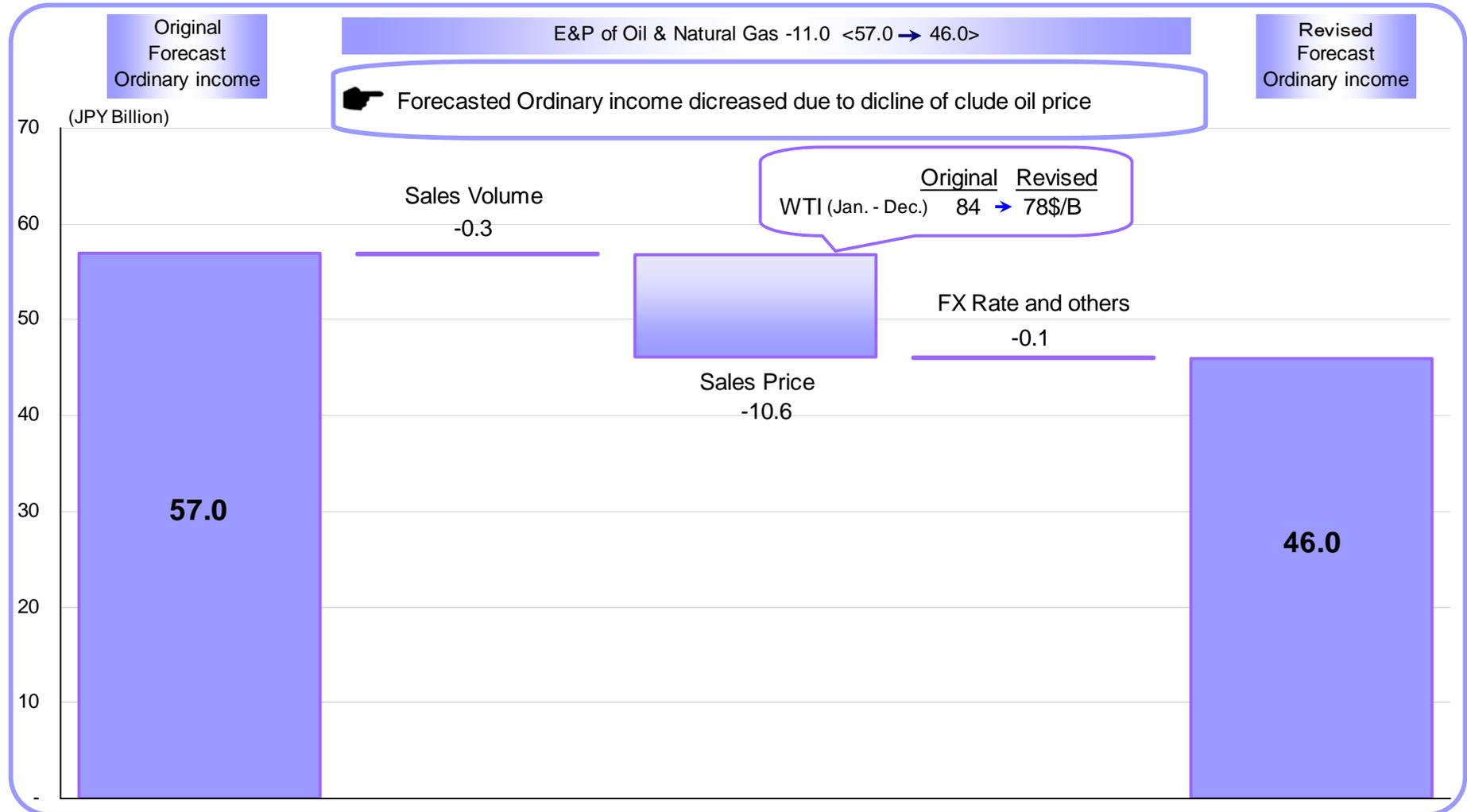
	Original Forecast FY 2010 (Announced in May)	Revised Forecast FY 2010	Changes
	JPY Billion	JPY Billion	JPY Billion
Refining & Marketing	92.0	90.0	-2.0
- Inventory Valuation	50.0	(35.0)	-85.0
Excl. Inventory Valuation	42.0	125.0	+ 83.0
- Petroleum Products	36.0	121.0	+ 85.0
- Petrochemicals	6.0	4.0	-2.0
E&P of Oil & Natural Gas	57.0	46.0	-11.0
Metals	53.0	61.0	+ 8.0
- Inventory Valuation	0.0	0.0	0
Excl. Inventory Valuation	53.0	61.0	+ 8.0
Listed subsidiaries* and Others	18.0	23.0	+ 5.0
Total	220.0	220.0	0
Excl. Inventory Valuation	170.0	255.0	+ 85.0

\*NIPPO Corporation and Toho Titanium Co.,Ltd.

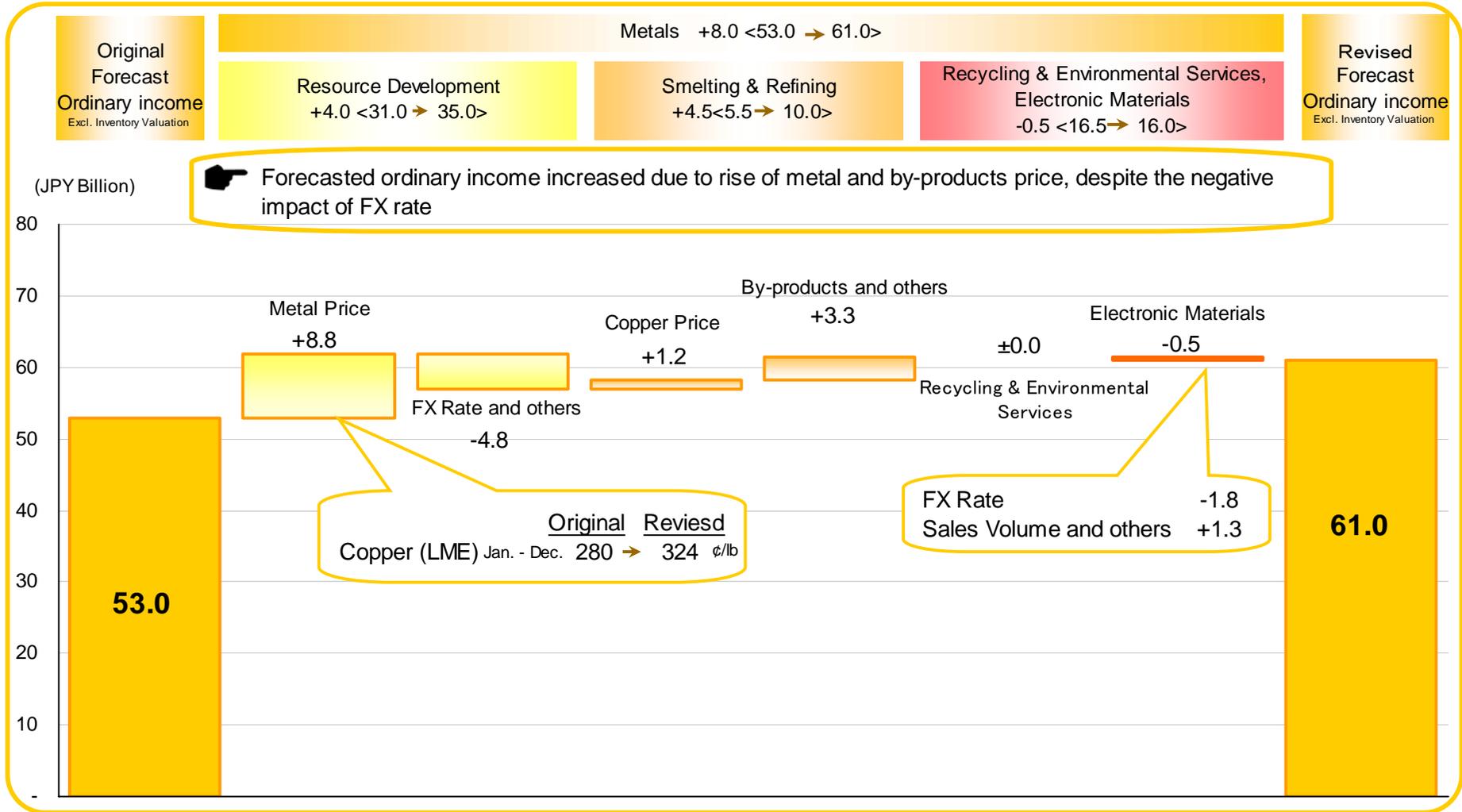
# FY 2010 Original Forecast vs. FY 2010 Revised Forecast Changes in Ordinary Income - Refining and Marketing -



# FY 2010 Original Forecast vs. FY 2010 Revised Forecast Changes in Ordinary Income - E&P of Oil and Natural Gas -



# FY 2010 Original Forecast vs. FY 2010 Revised Forecast Changes in Ordinary Income - Metals -



# Integration Synergies and Enhanced Efficiency of Refineries



(JPY billion)	FY 2010	FY 2010		FY 2010
	Full Year Original Forecast	1H Actual	Full Year Revised Forecast	Changes
( Integration Synergies )				
Refining Division	7.0	3.8	9.0	+2.0
Crude Oil Procurement/ Supply Coordination/ Transportation division	3.0	1.4	3.0	0.0
Purchase division	3.0	1.4	3.0	0.0
Reduction of other costs	8.0	2.7	8.0	0.0
Subtotal	21.0	9.3	23.0	+2.0
( Enhanced efficiency of refineries )				
Enhanced efficiency of refineries	9.0	3.0	9.0	0.0
Total	30.0	12.3	32.0	+2.0

## Supplementary Information

**Supplementary Information is abstracted from data updated for financial disclosure purposes. You can download the full report from our website.**

▶ <http://www.hd.jx-group.co.jp/english/ir/library/statement/2010/>

# Outlook of Business Performance



(JPY billion)	FY 2009		FY 2010		Reference
	1H	Full Year	1H	Full Year	FY 2010
	Actual	Actual	Actual	Revised Forecast	Original Forecast
<b>Net Sales</b>	<b>4,087.5</b>	<b>9,008.0</b>	<b>4,531.5</b>	<b>9,390.0</b>	<b>9,160.0</b>
Refining & Marketing	3,482.4	7,607.6	3,834.3	7,950.0	7,760.0
E&P of Oil & Natural Gas	67.7	145.9	77.1	145.0	160.0
Metals	353.8	780.7	461.3	870.0	810.0
Listed Subsidiaries and Others*	183.7	473.8	158.8	425.0	430.0
<b>Operating Income</b>	<b>96.0</b>	<b>130.4</b>	<b>76.4</b>	<b>150.0</b>	<b>170.0</b>
Refining & Marketing	63.1	56.5	36.9	79.0	91.0
E&P of Oil & Natural Gas	16.1	28.5	24.9	36.0	49.0
Metals	7.0	16.9	10.8	20.0	16.0
Listed Subsidiaries and Others*	9.9	28.5	3.8	15.0	14.0
<b>Non-Operating Income (Expenses), Net</b>	<b>24.4</b>	<b>56.9</b>	<b>38.7</b>	<b>70.0</b>	<b>50.0</b>
Refining & Marketing	9.0	9.5	5.9	11.0	1.0
E&P of Oil & Natural Gas	9.2	20.5	7.2	10.0	8.0
Metals	8.2	30.5	19.7	41.0	37.0
Listed Subsidiaries and Others*	(2.1)	(3.6)	5.9	8.0	4.0
<b>Ordinary Income</b>	<b>120.4</b>	<b>187.3</b>	<b>115.1</b>	<b>220.0</b>	<b>220.0</b>
Refining & Marketing	72.1	66.0	42.8	90.0	92.0
E&P of Oil & Natural Gas	25.3	49.0	32.1	46.0	57.0
Metals	15.2	47.4	30.5	61.0	53.0
Listed Subsidiaries and Others*	7.8	24.9	9.7	23.0	18.0
<b>Net Income</b>	<b>63.0</b>	<b>73.1</b>	<b>286.7</b>	<b>320.0</b>	<b>270.0</b>

\* "Listed Subsidiaries and Others" includes "Eliminations or Corporate"

# Ordinary Income by Segment



(JPY billion)	FY 2009		FY 2010		Reference
	1H	Full Year	1H	Full Year	FY 2010
	Actual	Actual	Actual	Revised Forecast	Original Forecast
<b>Ordinary Income (Loss)</b>	<b>120.4</b>	<b>187.3</b>	<b>115.1</b>	<b>220.0</b>	<b>220.0</b>
<b>Refining &amp; Marketing</b>	<b>72.1</b>	<b>66.0</b>	<b>42.8</b>	<b>90.0</b>	<b>92.0</b>
Petroleum Products	(85.7)	(147.6)	77.0	121.0	36.0
Petrochemicals	13.0	11.8 <sup>*1</sup>	1.0	4.0	6.0
Inventory Valuation	144.8	201.8	(35.2)	(35.0)	50.0
<b>E&amp;P of Oil &amp; Natural Gas</b>	<b>25.3</b>	<b>49.0</b>	<b>32.1</b>	<b>46.0</b>	<b>57.0</b>
<b>Metals</b>	<b>15.2</b>	<b>47.4</b>	<b>30.5</b>	<b>61.0</b>	<b>53.0</b>
Resource Development	8.3	27.4	16.5	35.0	31.0
Smelting & Refining	1.0	7.7	5.7	10.0	5.5
Recycling & Environmental Services	2.3	4.9	2.4	5.0	5.0
Electronic Materials	1.6	5.4	6.2	11.0	11.5
Inventory Valuation	1.9	2.0	(0.3)	0.0	0.0
<b>Listed Subsidiaries and Others<sup>*2</sup></b>	<b>7.8</b>	<b>24.9</b>	<b>9.7</b>	<b>23.0</b>	<b>18.0</b>
Listed Subsidiaries and Others <sup>*2</sup>	8.5	26.1	9.7	23.0	18.0
Inventory Valuation	(0.7)	(1.1)	-	-	-

\*1 Breakdown of Refining & Marketing division in 2009 is revised from the announcement in May 2010

\*2 "Listed Subsidiaries and Others" includes "Eliminations or Corporate"

# Key Factors



		FY 2009		FY 2010		Reference
		1H	Full Year	1H	Full Year	FY 2010
		Actual	Actual	Actual	Revised Forecast	Original Forecast
All segments	Exchange Rate [¥/\$]	95	93	89	84	90
Refining & Marketing	Crude oil FOB [Dubai spot] *1 [\$ /B]	60	67	76	78	80
	Sales volume excluding barter trade & others [million kl/period·year]	40.4	85.5	41.0	85.9	84.4
	— Sales volume of paraxylene [million tons/period·year]	1.1	2.1	1.0	2.1	2.3
	Paraxylene spread [ACP] (vs. Dubai crude oil price) [\$ /ton]	526	490	407	443	530
E&P Oil and Natural Gas	Sales volume <Crude oil equivalent> [1,000 bbl/day]	140	143	145	143	139
	Natural gas price <HenryHub> [\$ /mmbtu]	4.1	3.9	4.7	4.4	4.8
Metals	Copper price [LME] [¢ /lb]	239	277	324	322	280
	Equity entitled copper mine production*2 [1,000 tons/period·year]	40	82	46	99	100
	PPC copper cathode sales [1,000 tons/period·year]	301	605	304	586	610
	Gold recovery volume by Metals Recycling [1,000 tons/period·year]	2.8	6.3	3.6	7.6	7.5
	TRCF*3 sales [1,000 km/month]	2.6	2.7	3.6	3.6	3.0
	Precision Rolled Products sales [1,000 tons/month]	3.1	3.5	4.1	4.2	4.3

\*1 Crude oil arrival basis

\*2 Total of Nippon Mining & Metals and PPC

\*3 Treated Rolled Copper Foil

# Sensitivity Analysis



## ■ Assumption (From Oct. 2010)

Exchange Rate: 80¥/\$

Crude Oil FOB : 80\$/bbl  
(Dubai spot)

Copper Price (LME) : 320 ¢/lb

## ■ Sensitivity Analysis (Fiscal 2010)

		(billion yen/ year)	
Key factors	Appreciation	Segment	Impact
Exchange Rate	¥1/\$ yen appreciation	Refining & Marketing (energy costs decrease, margin deterioration in petrochemicals, etc.)	0.4
		E&P of Oil and Natural Gas	(0.5)
		Metals (margin deterioration, foreign exchange gain/loss)	(0.4)
		Subtotal	(0.5)
		Inventory valuation gain/loss	(6.0)
		<b>Total</b>	<b>(6.5)</b>
Crude Oil FOB (Dubai spot)	+1\$/bbl	Refining & Marketing (energy costs increase etc.)	(1.3)
		E&P of Oil and Natural Gas	0.3
		Inventory valuation gain/loss	6.0
		<b>Total</b>	<b>5.0</b>
Copper Price (LME)	+10¢/lb	Metals (Resource Development)	0.8
		Metals (Smelting & Refining)	0.2
		<b>Total</b>	<b>1.0</b>

# FY 2010 1H Forecast vs. FY 2010 1H Actual Changes in Ordinary Income by Segment



	Forecast FY 2010 1H (Announced in August)	FY 2010 1H	Changes
	JPY Billion	JPY Billion	JPY Billion
Refining & Marketing	16.0	42.8	+ 26.8
- Inventory Valuation	(7.0)	(35.2)	-28.2
<b>Excl. Inventory Valuation</b>	<b>23.0</b>	<b>78.0</b>	<b>+ 55.0</b>
- Petroleum Products	28.0	77.0	+ 49.0
- Petrochemicals	(5.0)	1.0	+ 6.0
E&P of Oil & Natural Gas	32.0	32.1	+ 0.1
Metals	28.0	30.5	+ 2.5
- Inventory Valuation	0.0	(0.3)	-0.3
<b>Excl. Inventory Valuation</b>	<b>28.0</b>	<b>30.8</b>	<b>+ 2.8</b>
Listed subsidiaries* and Others	9.0	9.7	+ 0.7
<b>Excl. Inventory Valuation</b>	<b>9.0</b>	<b>9.7</b>	<b>+ 0.7</b>
<b>Total</b>	<b>85.0</b>	<b>115.1</b>	<b>+ 30.1</b>
<b>Excl. Inventory Valuation</b>	<b>92.0</b>	<b>150.6</b>	<b>+ 58.6</b>

Margin of Petroleum Products + 36.0  
 Margin of Petrochemicals + 6.0  
 Cost Reduction +11.0  
 and others

\* NIPPO Corporation and Toho Titanium Co.,Ltd.

# FY 2009 Actual vs. FY 2010 Revised Forecast

## Changes in Ordinary income by Segment

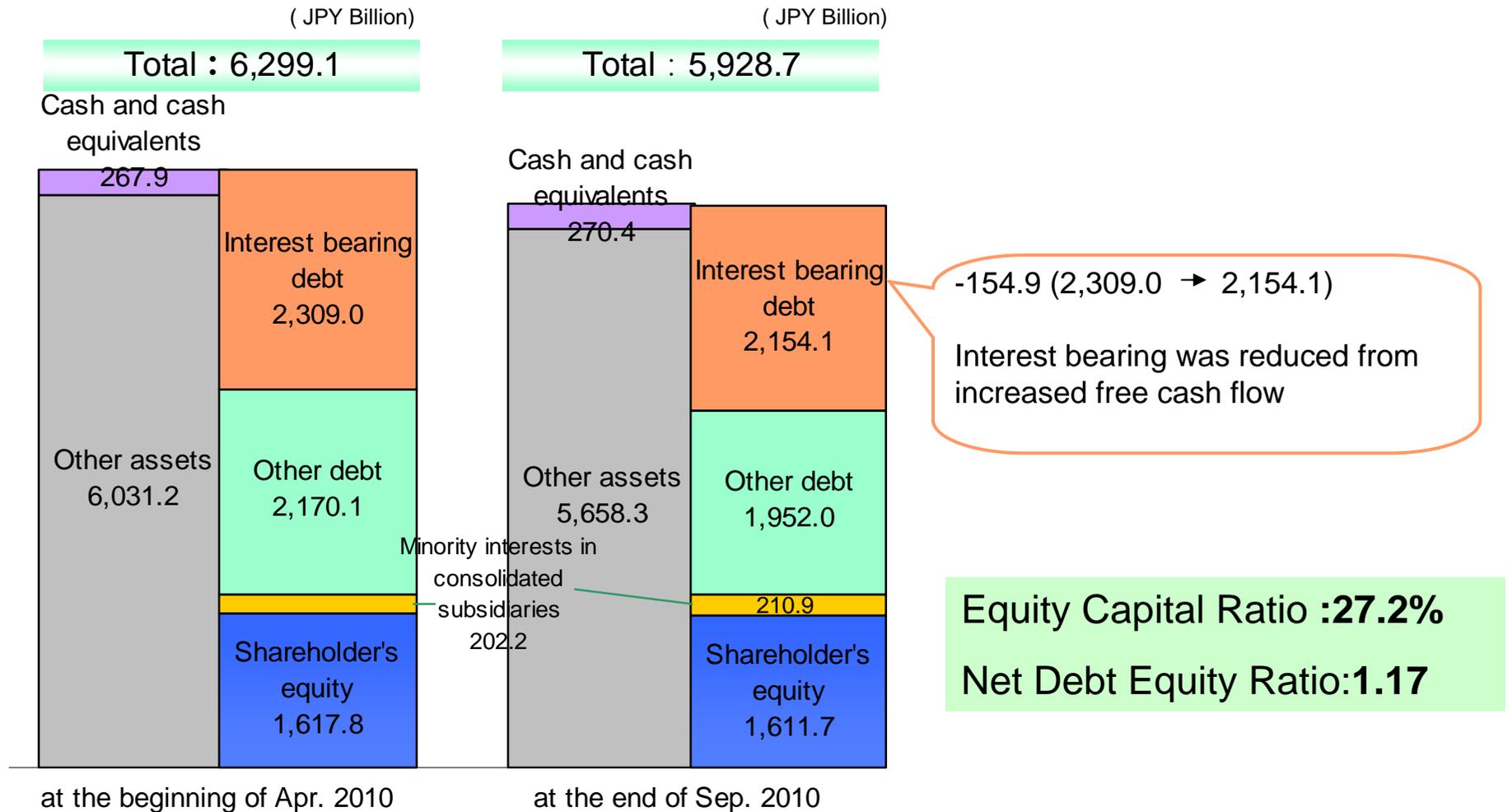


	FY 2009 (Actual)	FY 2010 (revised Forecast)	Changes	
	JPY Billion	JPY Billion	JPY Billion	
Refining & Marketing	66.0	90.0	+ 24.0	Sales Volume - 5.0 Margin of Petroleum Products + 227.0 Margin of Petrochemicals - 20.0 Cost Reduction + 65.0 and others
- Inventory Valuation	201.8	(35.0)	-236.8	
Excl. Inventory Valuation	(135.8) <sup>*1</sup>	125.0	+ 260.8	
- Petroleum Products	(147.6)	121.0	+ 268.6	
- Petrochemicals	11.8	4.0	-7.8	
E&P of Oil & Natural Gas	49.0	46.0	-3.0	Sales Volume - 11.0 Sales Price + 23.0 FX Rate - 23.0 and others
Metals	47.4	61.0	+ 13.6	Copper Price +11.0 Recycling & Environmental Services and Electronic Materials +6.0 and others
- Inventory Valuation	2.0	0.0	-2.0	
Excl. Inventory Valuation	45.4	61.0	+ 15.6	
Listed subsidiaries <sup>*2</sup> and Others	24.9	23.0	-1.9	
-Inventory Valuation	(1.1)	-	+ 1.1	
Excl. Inventory Valuation	26.1	23.0	-3.1	
Total	187.3	220.0	+ 32.7	
Excl. Inventory Valuation	(15.3)	255.0	+ 270.3	

\*1 Breakdown of Refining & Marketing business in 2009 is revised from the announcement in May, 2010

\*2 NIPPO Corporation and Toho Titanium Co.,Ltd.

# Balance Sheet

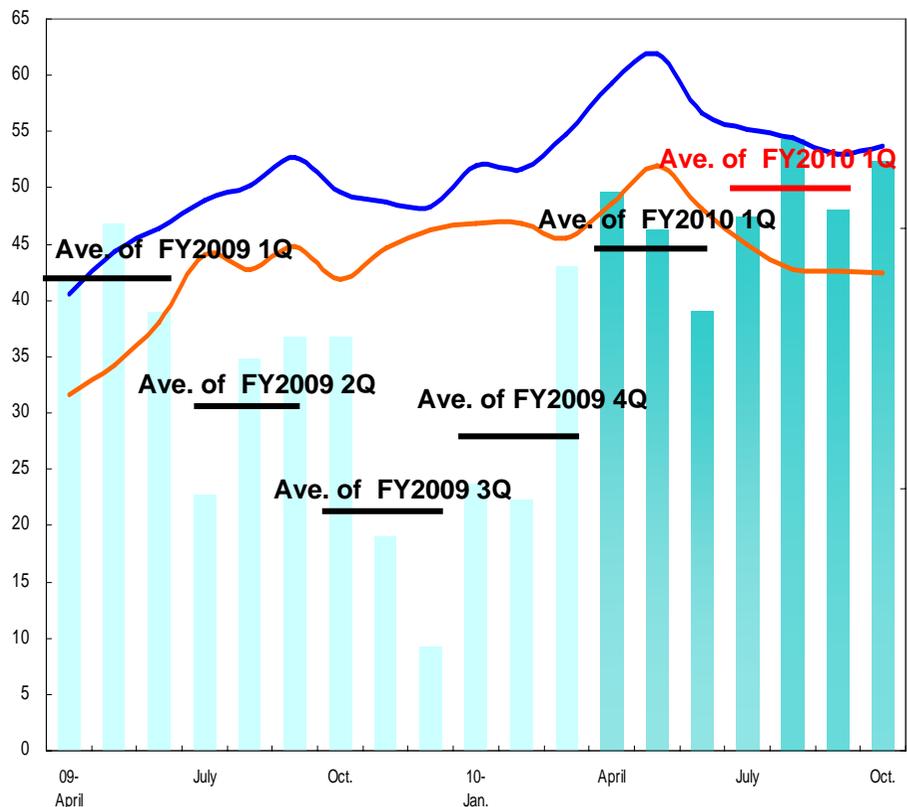


# Domestic Market Margin (Gasoline and Kerosene)



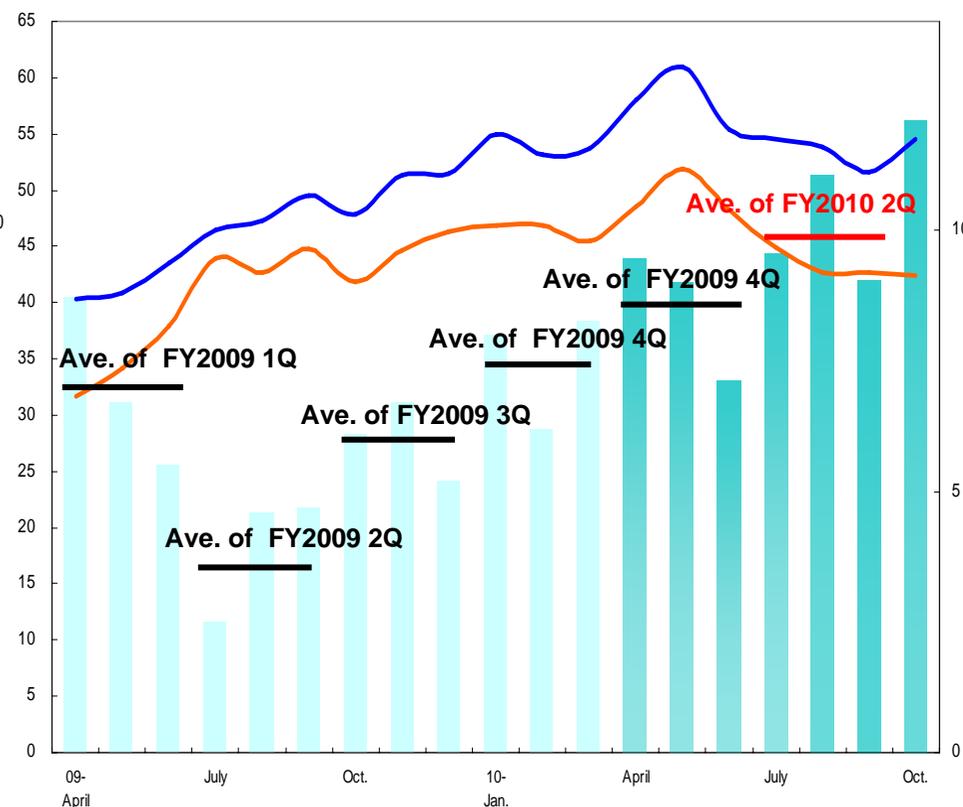
## Gasoline

(Yen/L)



## Kerosene

(Yen/L)



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

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

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

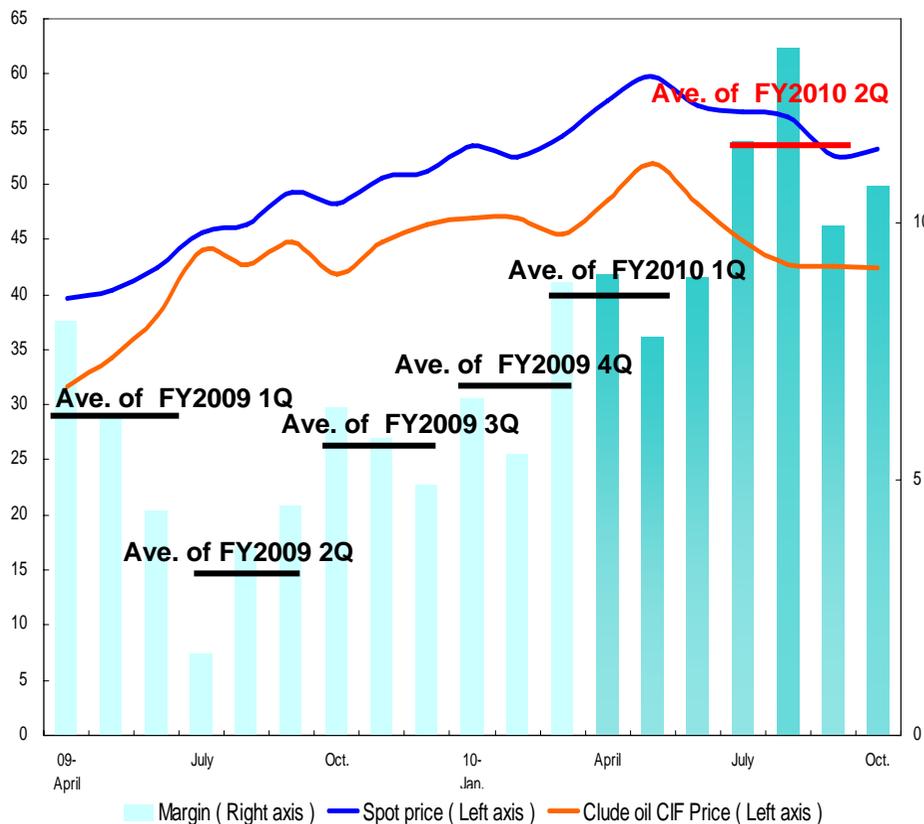
Source : Trade statistics (Ministry of Finance, Japan)

# Domestic Market Margin (Diesel Fuel and Heavy Fuel Oil A)



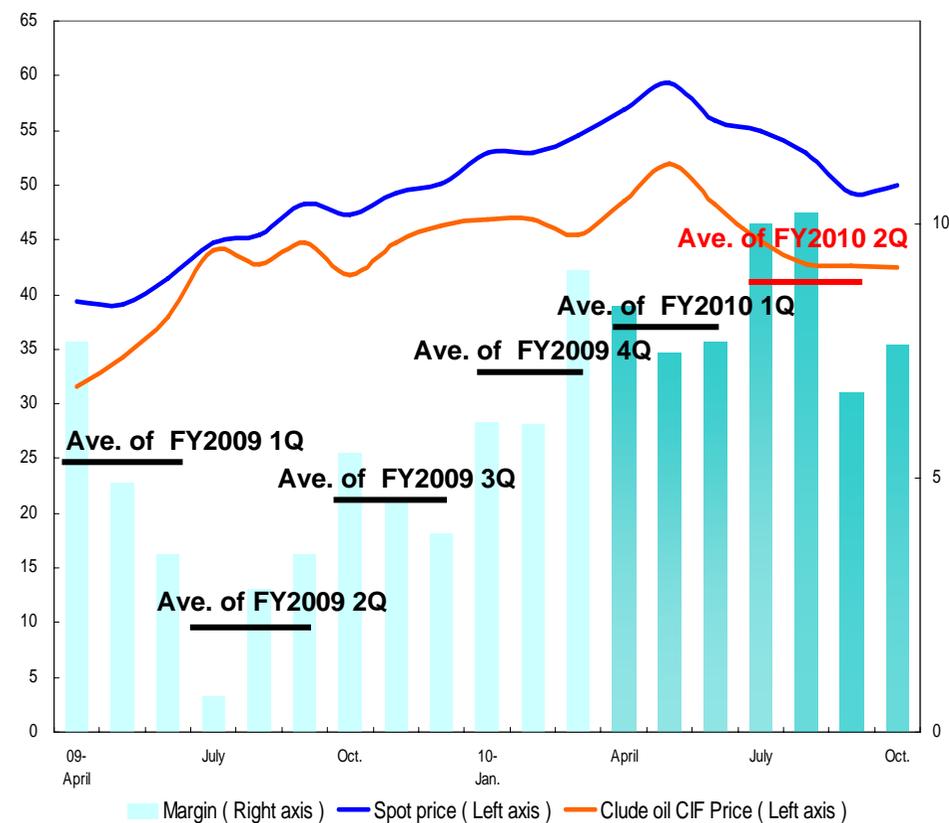
## Diesel Fuel Oil

(Yen/L)



## Heavy Fuel Oil A

(Yen/L)



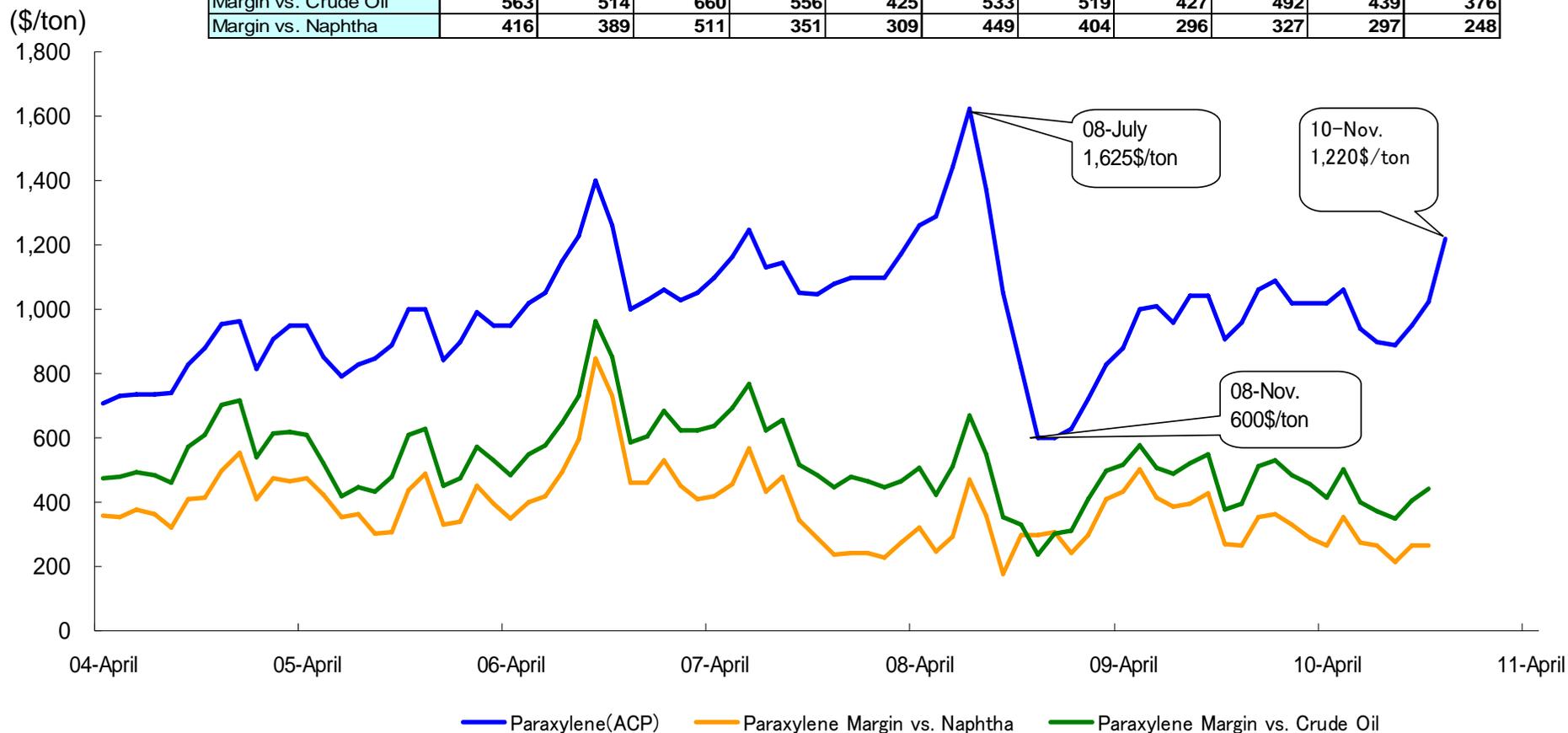
Note : Margin = Spot Price – All Japan Crude Oil CIF (including petroleum tax and interest) – Taxes

Source : Trade statistics (Ministry of Finance, Japan)



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

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



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

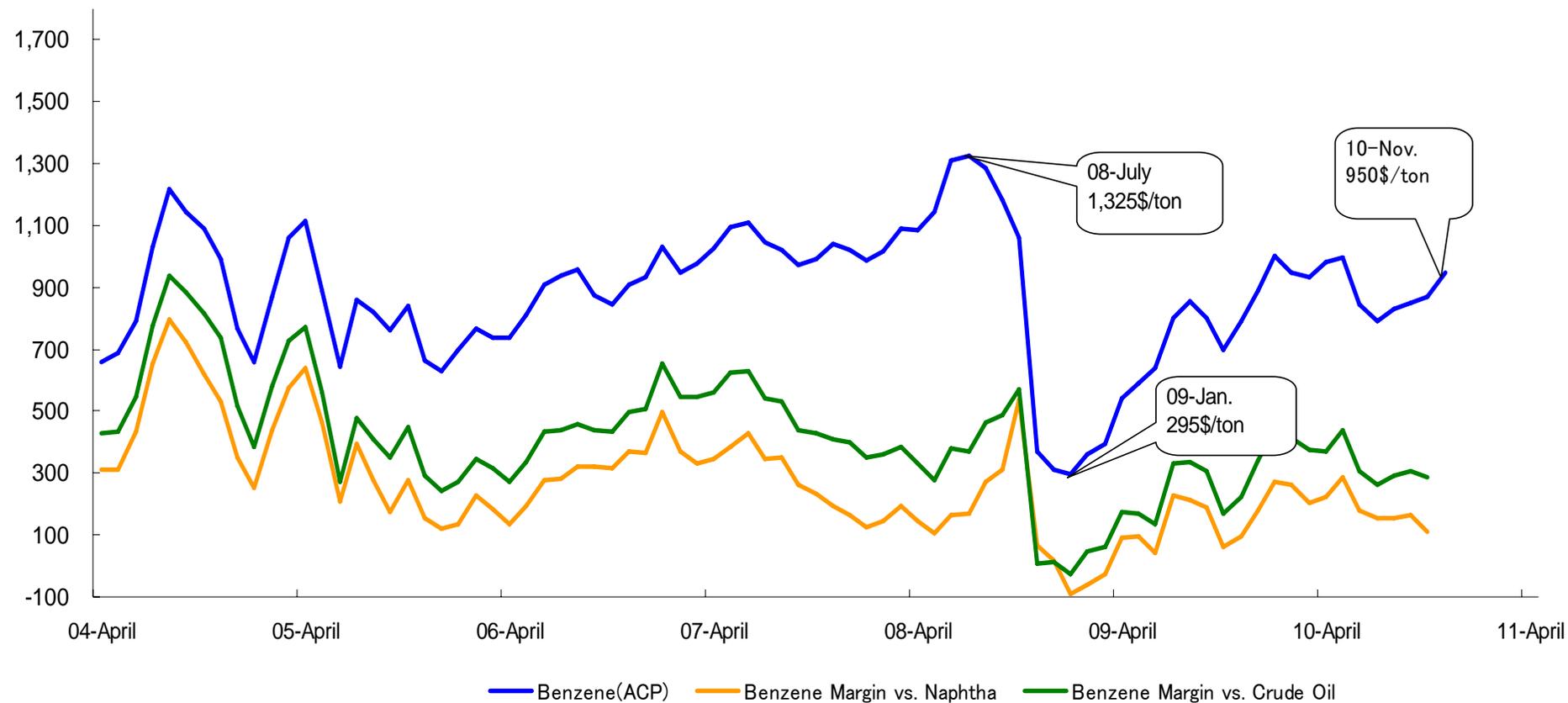


# Benzene Price and Margin ( vs. Crude Oil, vs. Naphtha)

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

(\$/ton)

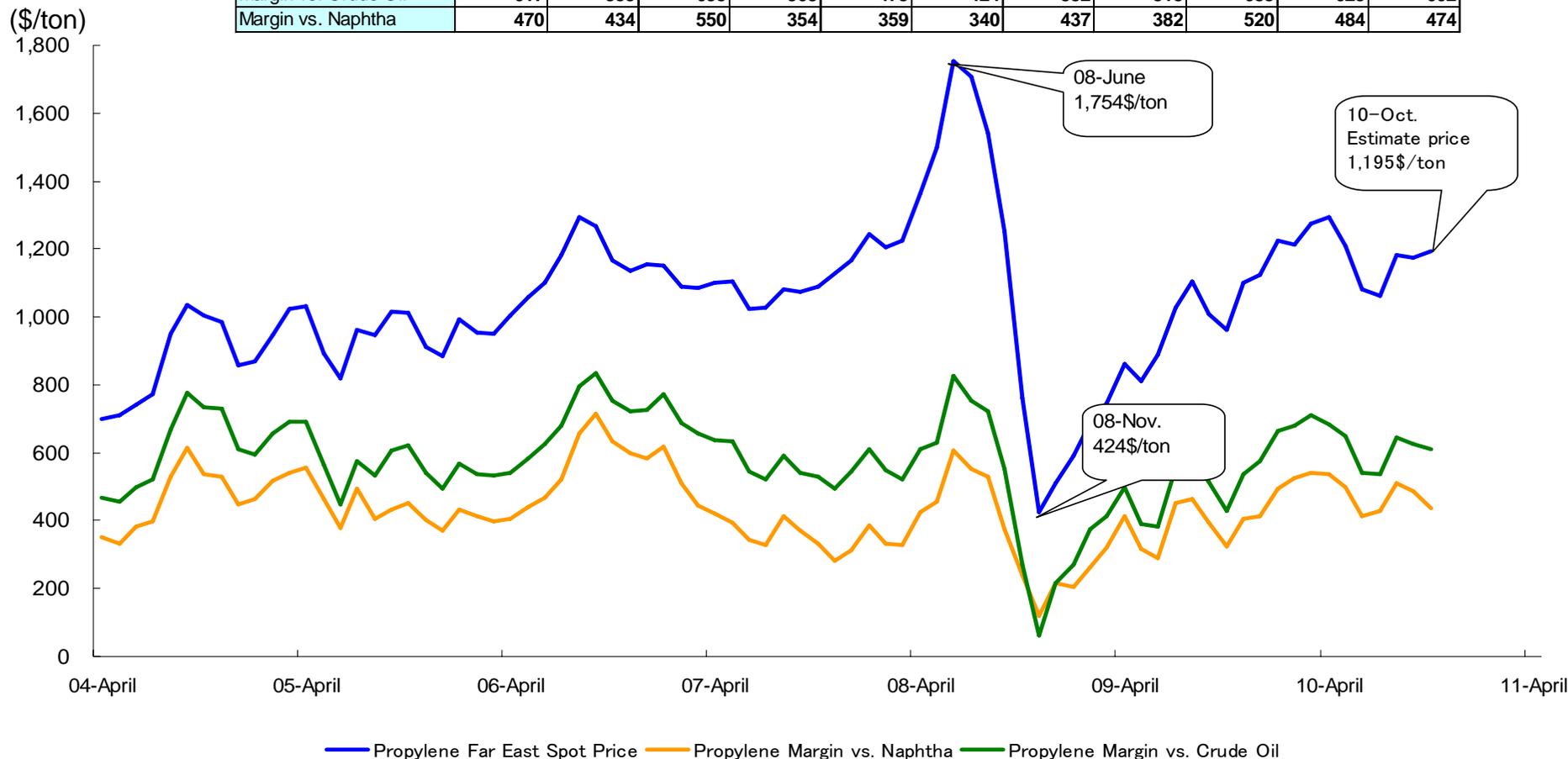
(\$/ton)





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

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



## Sales Volume of FY 2009, FY2010 1H &amp; Forecast of FY 2010



	FY 2009 1H JX Group *	FY 2009 JX Group *
	million KL	million KL
<b>Gasoline</b>	<b>10.10</b>	<b>20.02</b>
Premium	1.53	2.95
Regular	8.52	16.96
<b>Naphtha</b>	<b>2.12</b>	<b>4.27</b>
<b>JET</b>	<b>0.77</b>	<b>1.56</b>
<b>Kerosene</b>	<b>1.95</b>	<b>7.99</b>
<b>Diesel Fuel</b>	<b>5.91</b>	<b>12.06</b>
<b>Heavy Fuel Oil A</b>	<b>2.94</b>	<b>6.82</b>
<b>Heavy Fuel Oil C</b>	<b>3.27</b>	<b>6.31</b>
For Electric Power	1.74	3.25
For General Use	1.53	3.06
<b>Total Domestic Fuel</b>	<b>27.06</b>	<b>59.03</b>
<b>Crude Oil</b>	<b>0.50</b>	<b>1.14</b>
<b>Lubricants &amp; Specialities</b>	<b>1.51</b>	<b>3.32</b>
<b>Petrochemicals (million ton)</b>	<b>2.84</b>	<b>5.82</b>
<b>Exported Fuel</b>	<b>5.76</b>	<b>10.30</b>
<b>LPG (million ton)</b>	<b>0.91</b>	<b>2.01</b>
<b>Coal (million ton)</b>	<b>1.81</b>	<b>4.44</b>
<b>Total Excluding Barter Trade &amp; Others</b>	<b>40.39</b>	<b>86.06</b>
<b>Barter Trade &amp; Others</b>	<b>12.76</b>	<b>27.05</b>
<b>Total</b>	<b>53.15</b>	<b>113.11</b>

FY 2010 1H JX Group *	FY 2010(Forecast as of Nov 5) JX Group	Changes vs. FY 2009 1H	Changes vs. FY 2009
million KL	million KL		
10.28	19.85	1.8%	-0.8%
1.47	2.86	-3.6%	-3.1%
8.76	16.87	2.7%	-0.5%
1.86	4.19	-12.3%	-1.9%
0.73	1.48	-5.6%	-5.1%
1.94	7.27	-0.8%	-9.0%
5.95	11.97	0.9%	-0.7%
2.80	6.38	-4.9%	-6.5%
3.26	5.76	-0.2%	-8.7%
1.94	3.05	11.5%	-6.2%
1.32	2.71	-13.7%	-11.4%
<b>26.82</b>	<b>56.90</b>	<b>-0.9%</b>	<b>-3.6%</b>
0.77	1.26	52.4%	10.5%
1.63	3.53	8.4%	6.3%
2.78	5.99	-1.8%	2.9%
5.38	11.09	-6.4%	7.7%
0.89	2.00	-3.0%	-0.5%
2.74	5.13	51.3%	15.5%
<b>41.01</b>	<b>85.90</b>	<b>1.6%</b>	<b>-0.2%</b>
11.04	22.16	-13.5%	-18.1%
<b>52.05</b>	<b>108.06</b>	<b>-2.1%</b>	<b>-4.5%</b>

\* 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	FY10 1H
<b>JX Group</b>	15,082	14,640	14,076	13,474	13,318	12,687	12,460
<b>EMGK</b> *1	6,701	6,464	6,044	5,635	5,064	4,761	4,630
<b>Idemitsu Kosan</b>	5,358	5,249	5,059	4,913	4,598	4,338	4,237
<b>Showa Shell Sekiyu</b>	4,808	4,689	4,560	4,481	4,256	4,102	3,984
<b>Cosmo Oil</b>	4,709	4,552	4,359	4,188	3,913	3,768	3,692
<b>Others</b> *2	1,500	1,439	1,388	1,383	687	683	665
<b>Oil Companies</b>	38,158 (79.5%)	37,033 (78.8%)	35,486 (78.9%)	34,074 (79.2%)	31,836 (77.5%)	30,339 (75.8%)	29,668 (75.7%)
<b>Private Brands and Others</b> *3	9,842 (20.5%)	9,967 (21.2%)	9,514 (21.1%)	8,926 (20.8%)	9,264 (22.5%)	9,661 (24.2%)	9,532 (24.3%)
<b>Total</b> *3	48,000	47,000	45,000	43,000	41,100	40,000	39,200

## <Number of Company-Owned Service Stations>

	FY09	FY10 1H
JX Group	2,893	2,817

## <Number of Self-Service Stations>

	FY09	FY10 1H
JX Group	2,378	2,386
Total for Japan *4	6,906	6,915

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<sup>\*1</sup> Utilization Rate



### Domestic Share of Sales

	FY09 (%)	FY10 1H (%)
Gasoline	34.8	34.4
Kerosene	41.9	39.4
Diesel Fuel	37.6	37.3
Heavy Fuel Oil A	42.5	41.7
Four Light Oil	37.6	36.5
Total Domestic Fuel	34.0	33.0

### Demand in Japan

	FY09 1H (1,000 KL)	FY10 1H (1,000 KL)	Changes against FY09 1H (%)
Gasoline	29,100	29,892	102.7
Kerosene	4,964	5,494	110.7
Diesel Fuel	15,624	16,059	102.8
Heavy Fuel Oil A	6,944	6,708	96.6
Four Light Oil	56,633	58,154	102.7
Total Domestic Fuel	89,875	91,755	102.1

### CDU Utilization Rate (Excluding the impact of periodic repair)

(Unit : million BD)

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

- \* 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(JX) of FY10 1H rises to about 84%.

Source: Petroleum Association of Japan and Company data



# Outline of E&P of Oil and Natural Gas Projects

Project Name/Company	Sales Volume(Jan.-Jun. 2010) (1,000BOED) *1	Reserves (1million BOE) *2
[Gulf of Mexico(U.S.A.)] Nippon Oil Exploration U.S.A. Limited	11	48
[Canada] Japan Canada Oil Company Limited	15	280
[North Sea, U.K.] Nippon Oil Exploration and Production U.K. Limited	13	21
[Vietnam] Japan Vietnam Petroleum Co., Ltd.	11	
[Myanmar] Nippon Oil Exploration (Myanmar) Limited	9	
[Malaysia] Nippon Oil Exploration (Malaysia) Ltd. Nippon Oil Exploration (Sarawak) Ltd.	20 33	
[Indonesia] Nippon Oil Exploration (Berau) Ltd.	11	<Subtotal> 352
[Papua New Guinea] Japan Papua New Guinea Petroleum Company Ltd. Southern Highlands Petroleum Co., Ltd.	7	
[Australia] Nippon Oil Exploration (Australia) Pty Ltd.	1	<Subtotal> 88
[United Arab Emirates, Qatar and others] Nippon Oil Exploration (Myanmar) Ltd. Abudhabi Oil Co., Ltd., United Petroleum Development Co., Ltd. and others *3	14	24
Total	145	813

+113  
(Compared to Dec., 2008)

\*1 Project company basis .

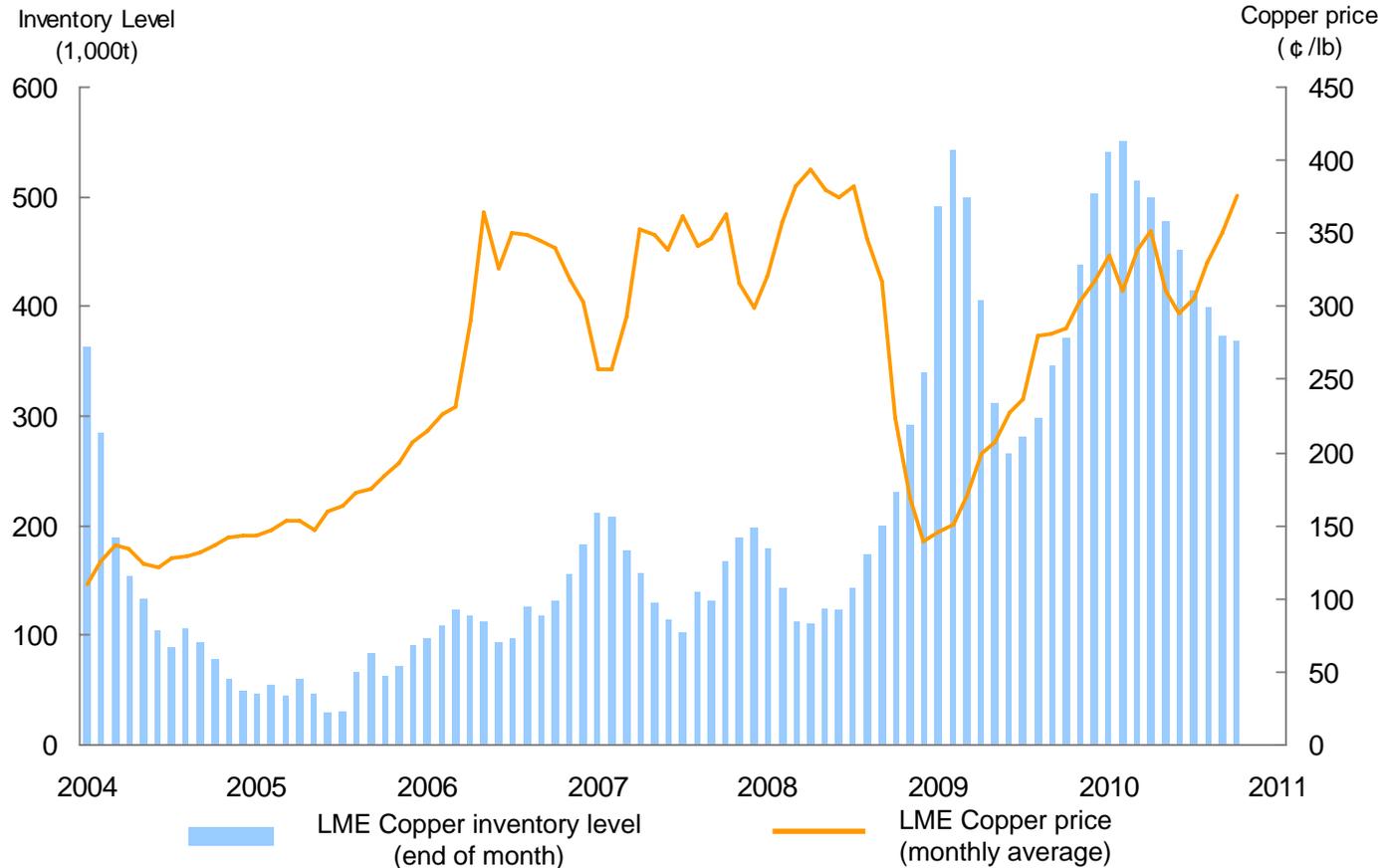
\*2 Proved reserves and probable reserves as of end of Dec., 2009, including reserves from projects currently under development.

\*3 JX Group's equity basis

# Copper Price and Inventory Level



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





## Cautionary Statement Regarding Forward-Looking Statements

This notice contains certain forward-looking statements. These forward-looking statements may be identified by words such as “believes”, “expects”, “anticipates”, “projects”, “intends”, “should”, “seeks”, “estimates”, “future” or similar expressions or by discussion of, among other things, strategy, goals, plans or intentions. Actual results may differ materially in the future from those reflected in forward-looking statements contained in this notice, due to various factors including but not limited to:

- (1) macroeconomic condition and general industry conditions such as the competitive environment for companies in energy, resources and materials industries;
- (2) regulatory and litigation matters and risks; (3) legislative developments; and
- (4) changes in tax and other laws and the effect of changes in general economic conditions.