

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.



Since the Birth of JX Group

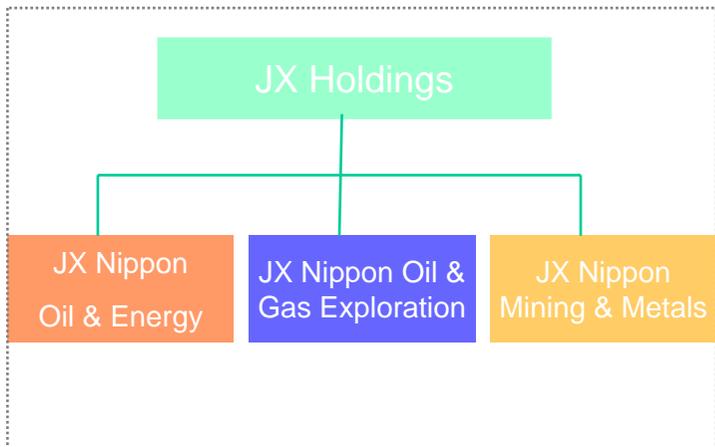
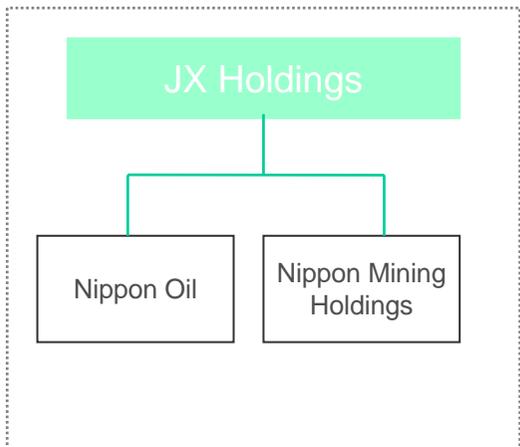


FY 2010-2012 Medium-Term Management Plan & Long-Term Vision announced

JX Holdings established / listed

Three core operating companies of JX Group established

Integration and reorganization of subsidiaries

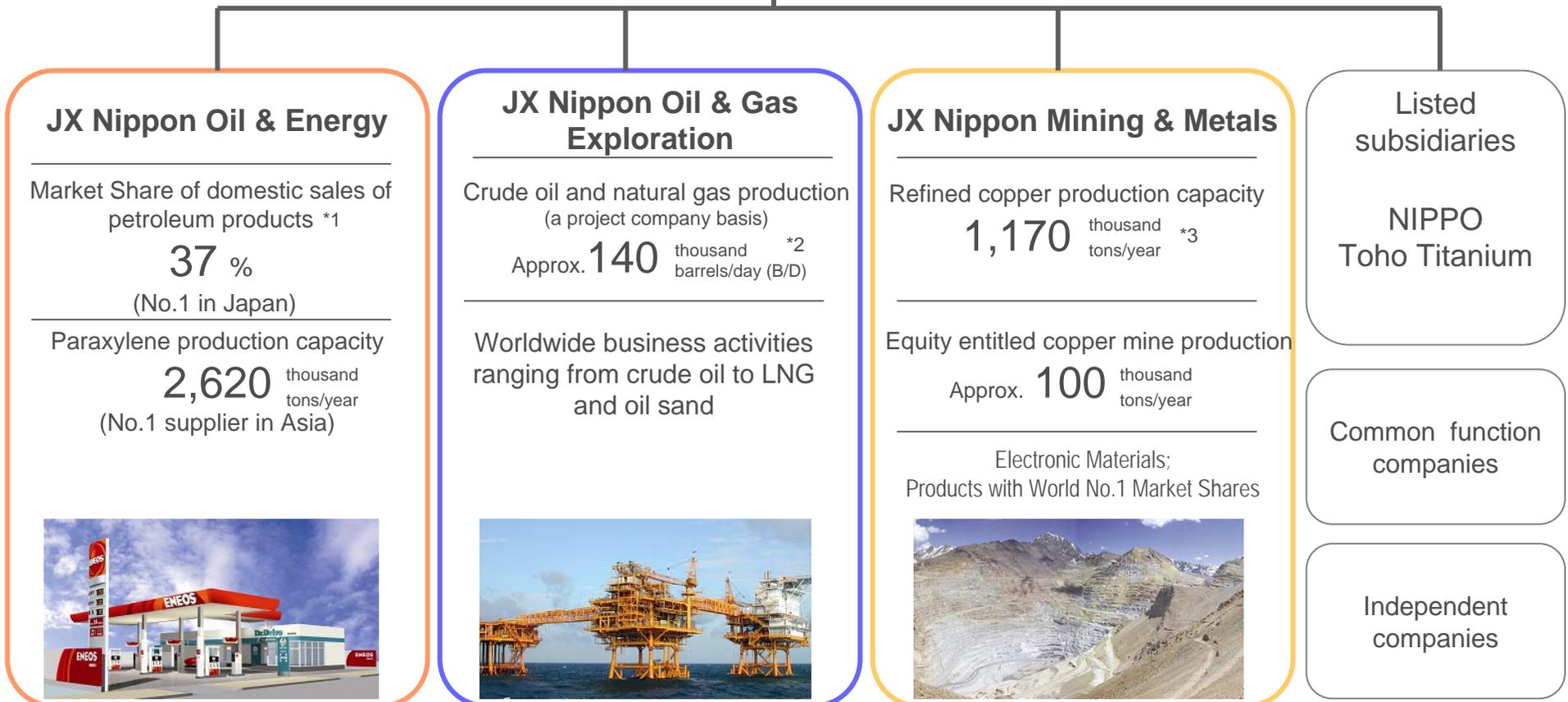


- Common Function Subsidiaries
- Shipping Companies
- Engineering Companies
-
-
-



Businesses of JX Group

JX Holdings, Inc.



JX Nippon Oil & Energy

Market Share of domestic sales of petroleum products *1

37 %

(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. **140** thousand barrels/day (B/D) *2

Worldwide business activities ranging from crude oil to LNG and oil sand



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. 2010)

*3 Pan Pacific Copper(66.0% equity stake) ; 610 thousand tons/year + LS-Nikko Copper(39.9% equity stake) ;560 thousand tons/year

Basic Strategies



Transformation in Petroleum Refining & Marketing

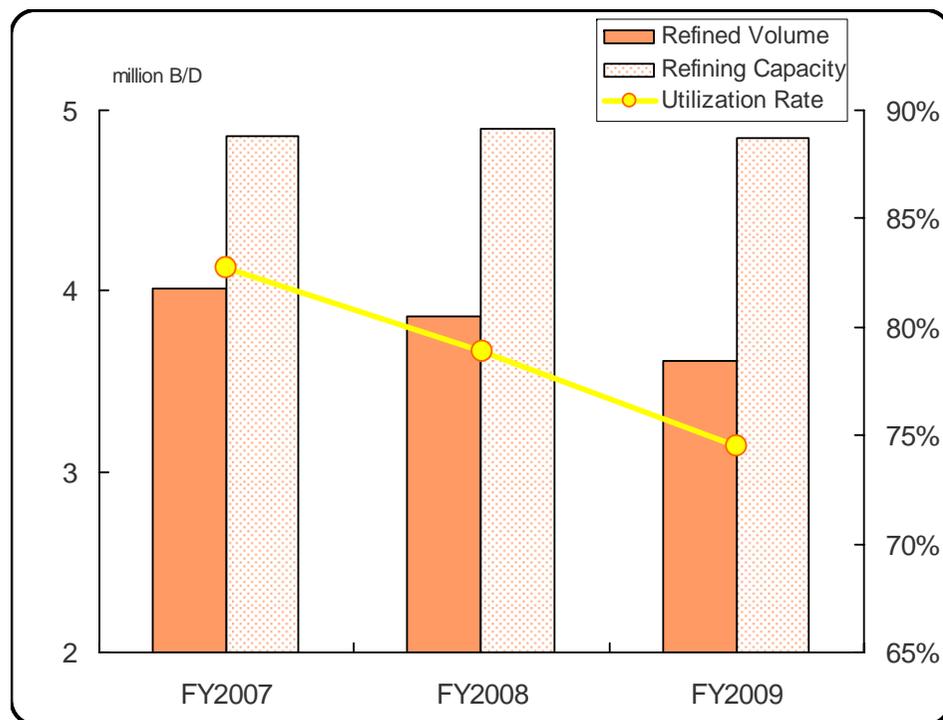
Reduction of Refining Capacity



Build Japan's most competitive refinery platform ahead of domestic demand decline

Refining Capacity and Refined Volume in Japan

[Before JX established]



Source: Petroleum Association of Japan

JX Group Capacity Reduction Plan

	Plan	Reduction Capacity	Completion
STEP1	~March, 2011	(400) thousand B/D	<input checked="" type="checkbox"/> October, 2010
STEP2	~March, 2014	(200) thousand B/D	<input type="checkbox"/>

Capacity Reduction Plans of other companies

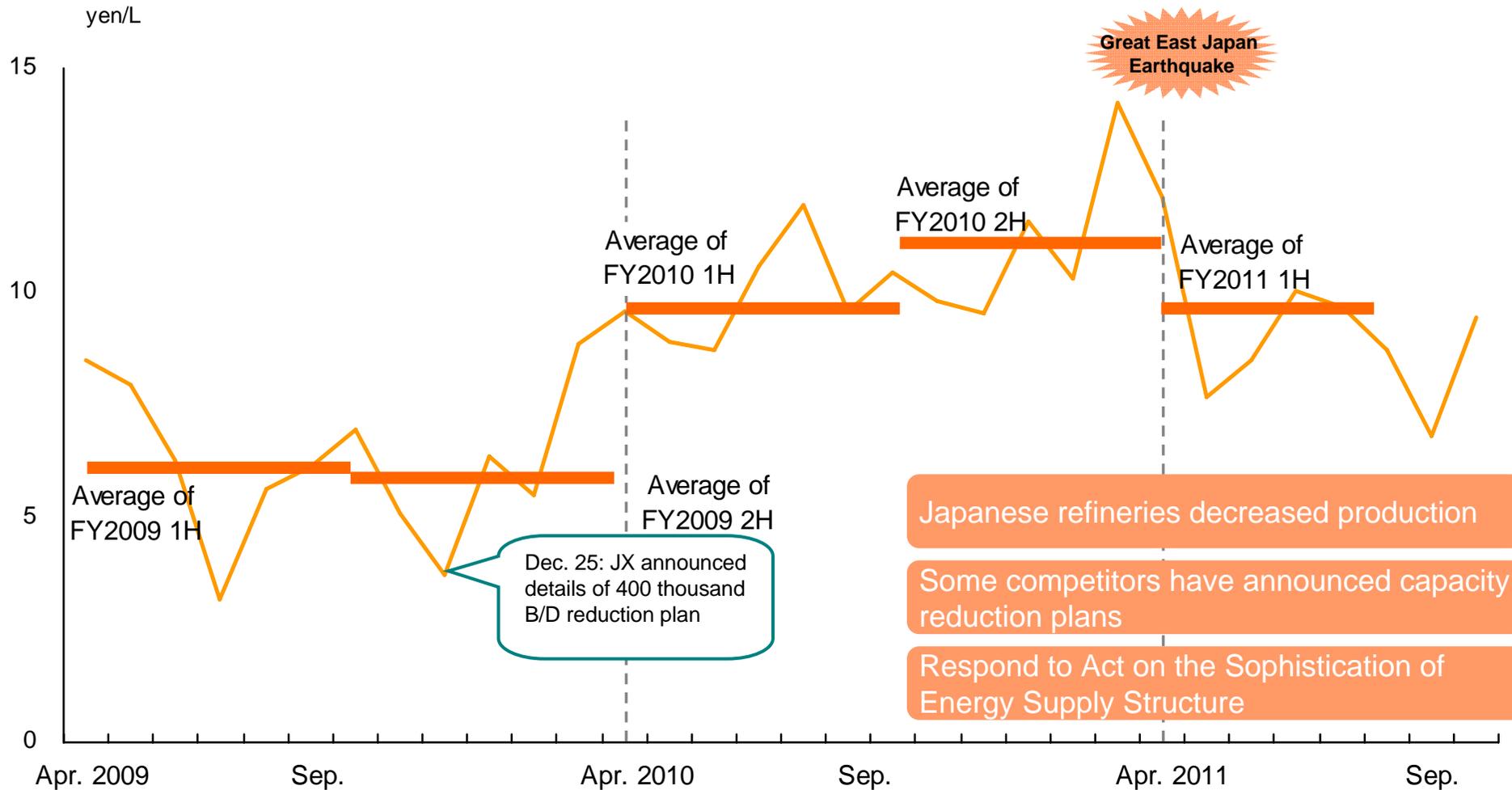
Company	Plan	Reduction Capacity	Completion
Fuji Oil	Oct. 2010	(52) thousand B/D	<input checked="" type="checkbox"/>
Showa Shell	Sep. 2011	(120) thousand B/D	<input checked="" type="checkbox"/>
Idemitsu	Mar. 2014	(120) thousand B/D	<input type="checkbox"/>

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



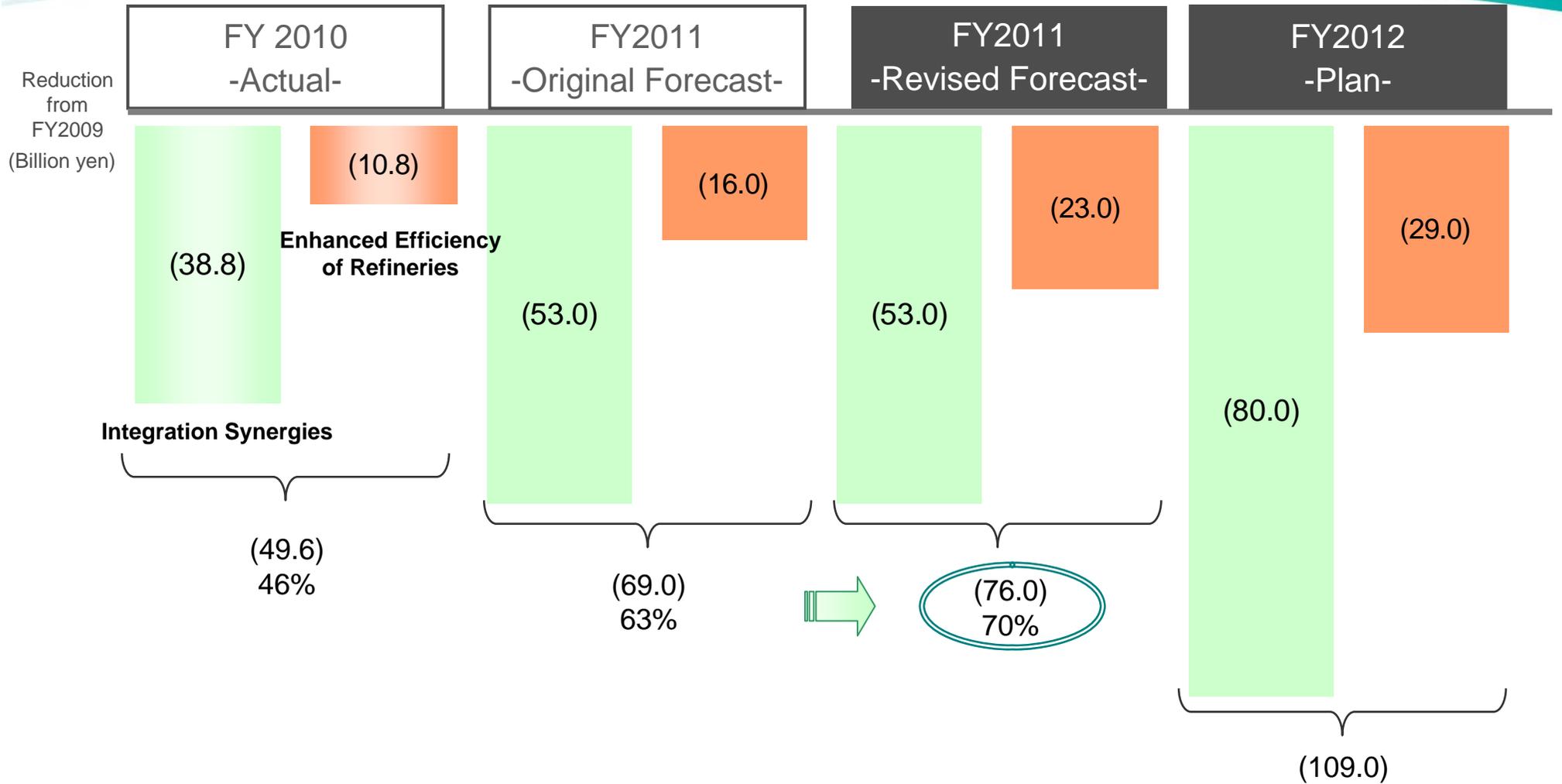
Domestic Market of Petroleum Products

Spreads* of Gasoline, Kerosene, Diesel Fuel and Fuel Oil A



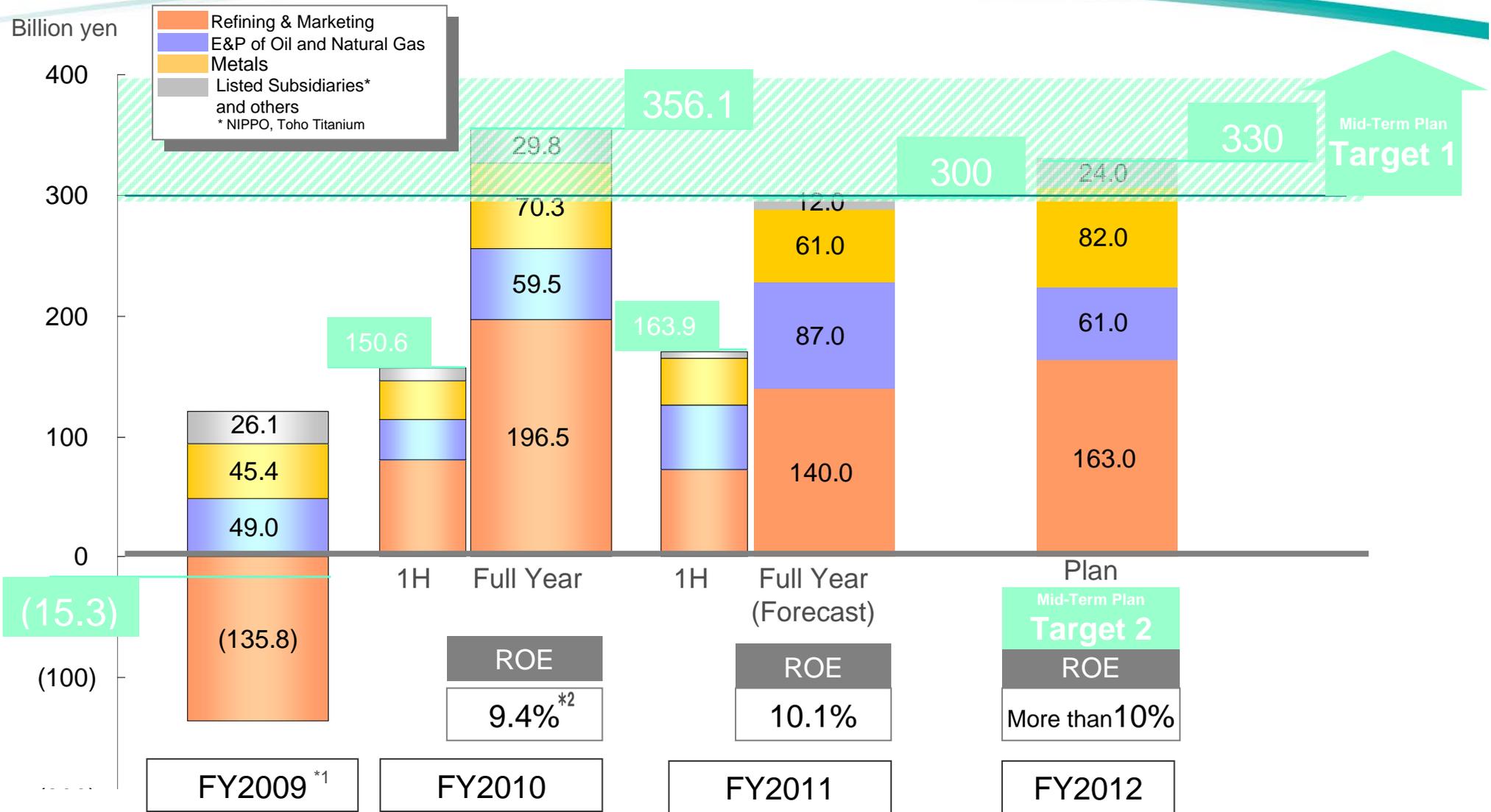


Integration Synergies & Enhanced Efficiency of Refineries





Ordinary Income Excluding Inventory Valuation Factors





Project Outline

Location : Ulsan, Korea

Capacity : 1,000 thousand ton / year

Production Start : 2014 (scheduled)

Investment : approx.1,000 billion Won (approx. 80 billion Yen)

Ownership :

JX Nippon Oil and Energy 50% - 1 share

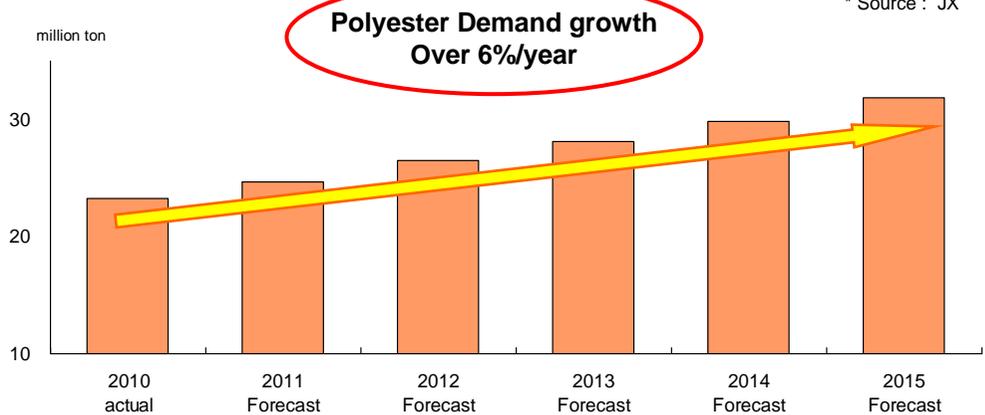
SK Global Chemical 50% +1 share

World's largest Class

Forecast of Polyester Demand in Asia

- Volume calculated as PX -

* Source : JX



Global PX Plant Capacity

* Source : JX

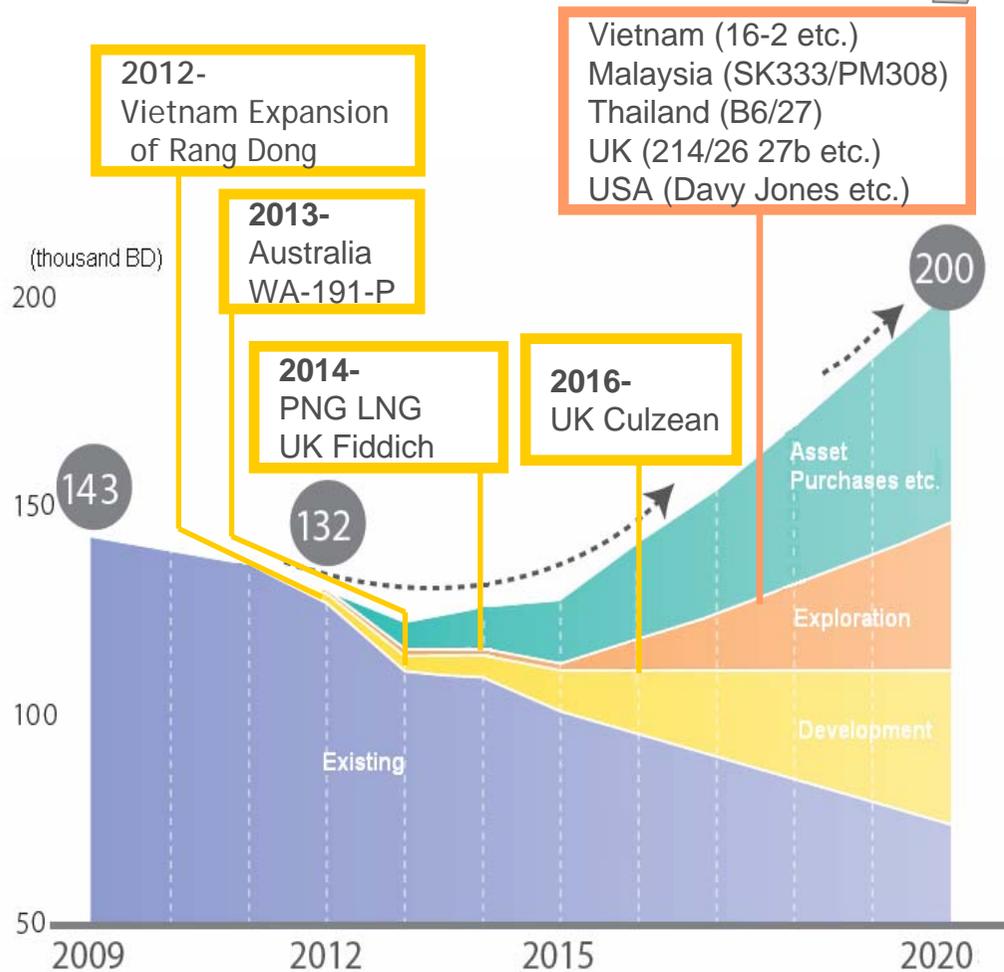
		Capacity
No.1	China Urumqi Petrochemicals	1,000 thousand ton/year
No.2	Korea S-Oil	900 thousand ton/year
No.3	China CNOOC	840 thousand ton/year
No.4	Kuwait KARO	822 thousand ton/year
No.5	Oman Oman Oil	790 thousand ton/year

Growth Strategy

Positioning exploration activities as the basis and expanding production/reserve volume



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	Renewed rights to oil fields in production
Oct. 2010	U.K.	●			
Jan. 2011	Vietnam (16-2)		●		
Feb. 2011	UAE	●			●
	U.S.(Davy Jones)			●	
	Vietnam(05-1b)		●		
Mar. 2011	U.K.(Culzean)			●	
Apr. 2011	Australia(WA-290-P)		●		
	Papua New Guinea(PPL219)		●		
May 2011	Qatar	●			
	Australia(WA-191-P)		●		
Jul. 2011	Vietnam (101-100/04)	●			

Overseas Copper Mine Development



Caserones Copper Mine (Chile)



■ **Period for production** 2013 to 2040 (28 years)

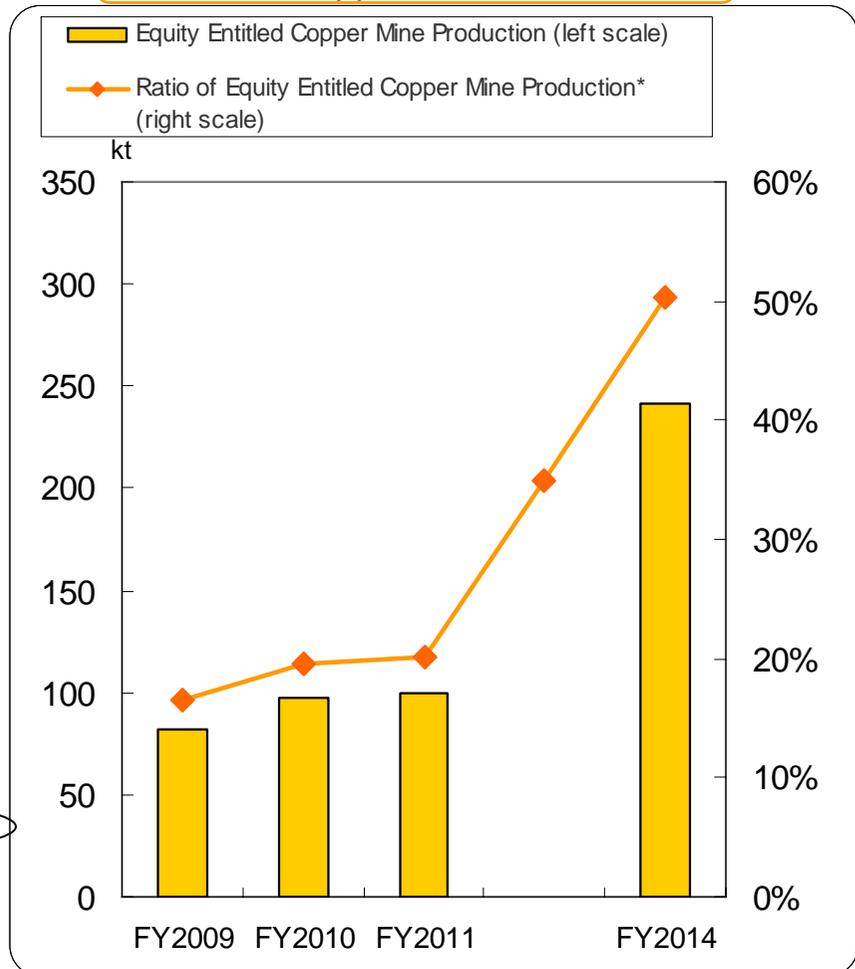
■ **Production volume** 28 years total :
3,550kt (Copper Content)

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%

Mining Production and Ratio of Equity Entitled Copper Mine Production



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

Reconstruction from East Japan Great Earthquake

Reconstruction progresses ahead of original schedule

Strengthen the measures to cope with disaster

Reduce expenditure for reconstruction (170→140 billion yen)



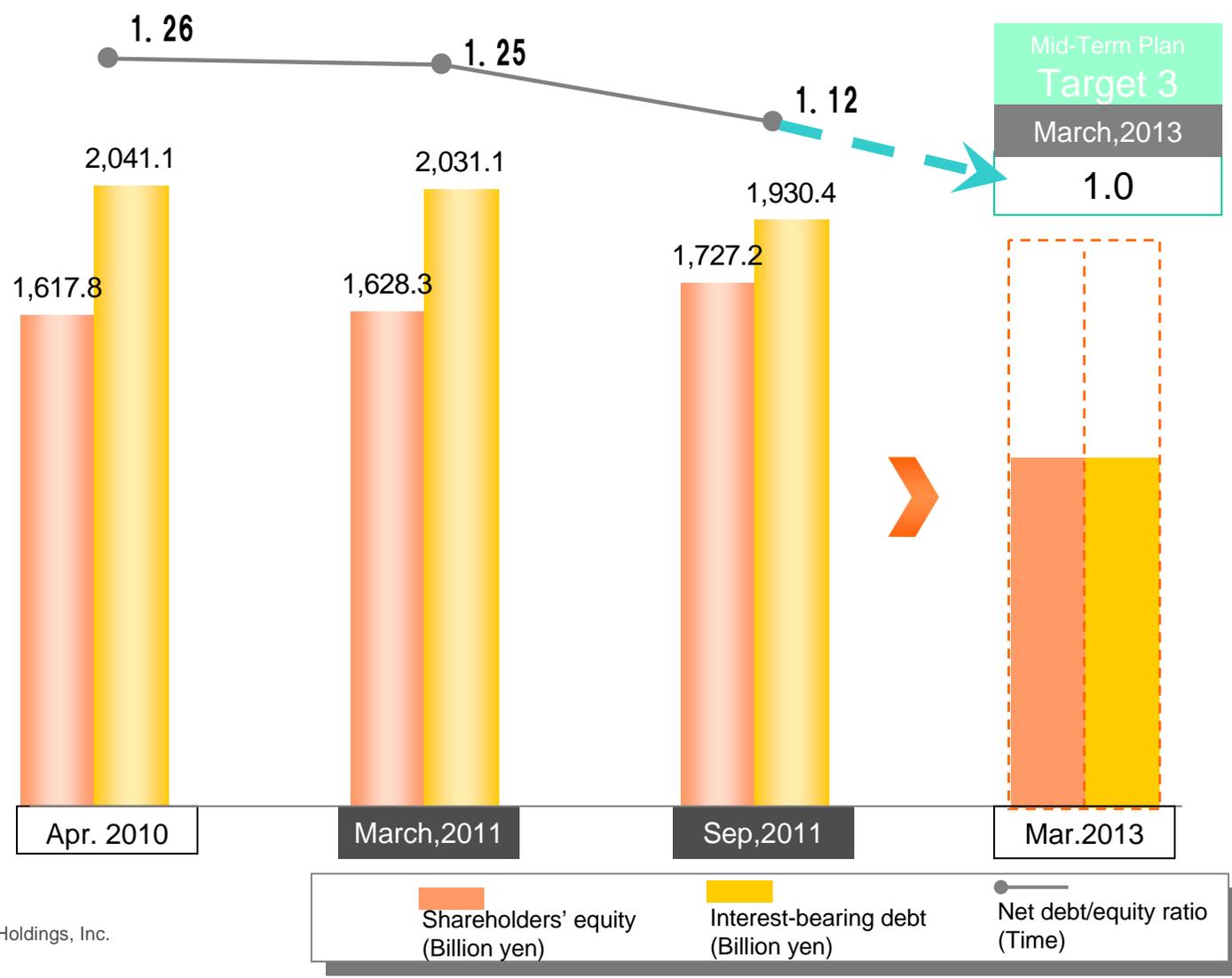
Kashima Refinery :
Crude Oil Tanker sail into port reconstructed pier



Sendai Refinery :
Land shipping equipment during construction



Balance growth investment with improvements in financial condition





Basic Dividend Policy

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

FY 2011 Dividends

Cash dividend per share

End of 2nd quarter	Year-end (Forecast)	Full year (Forecast)
¥8.0	¥8.0	¥16.0
(+ ¥0.5 vs FY2010)		(+ ¥0.5 vs FY2010)



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.