

Security Code

Tokyo 5020

JX Holdings IR Materials

2. Financial Results for FY 2013 1H
- From April 1, 2013 to September 30, 2013 -

November, 2013



The Future of Energy, Resources and Materials

JX Holdings, Inc.

Outline of Financial Results for FY2013 1H

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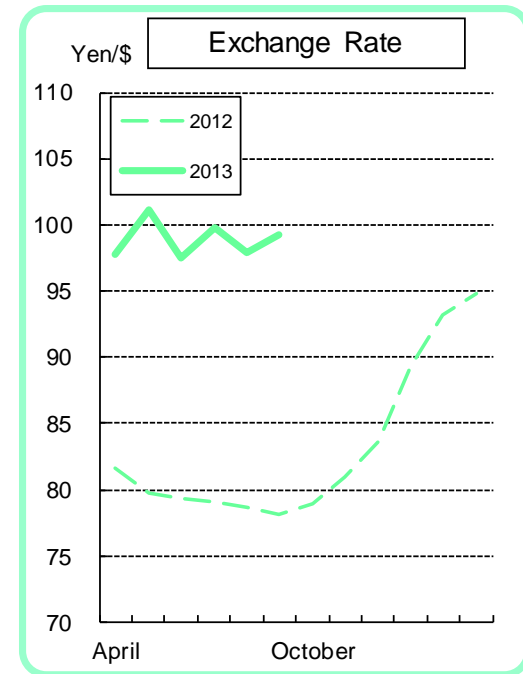
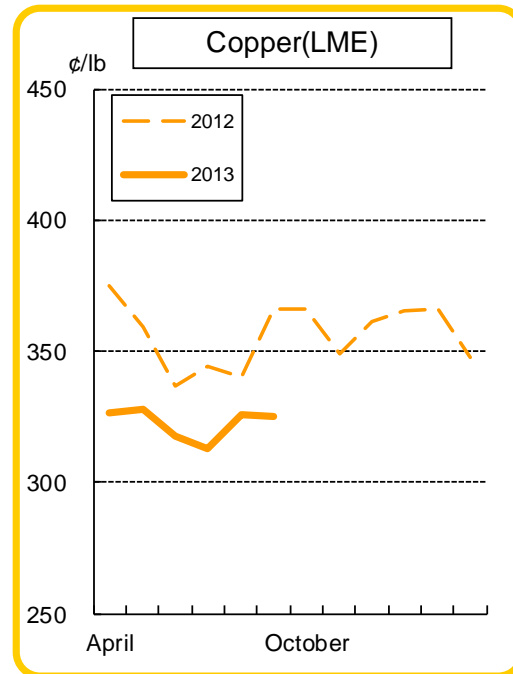
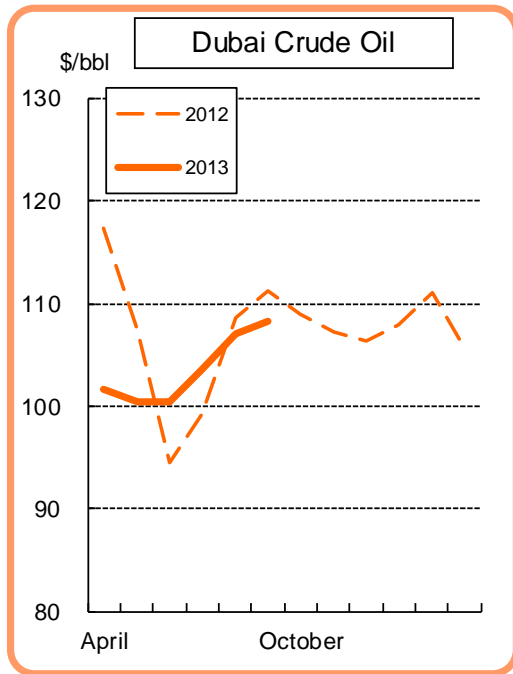
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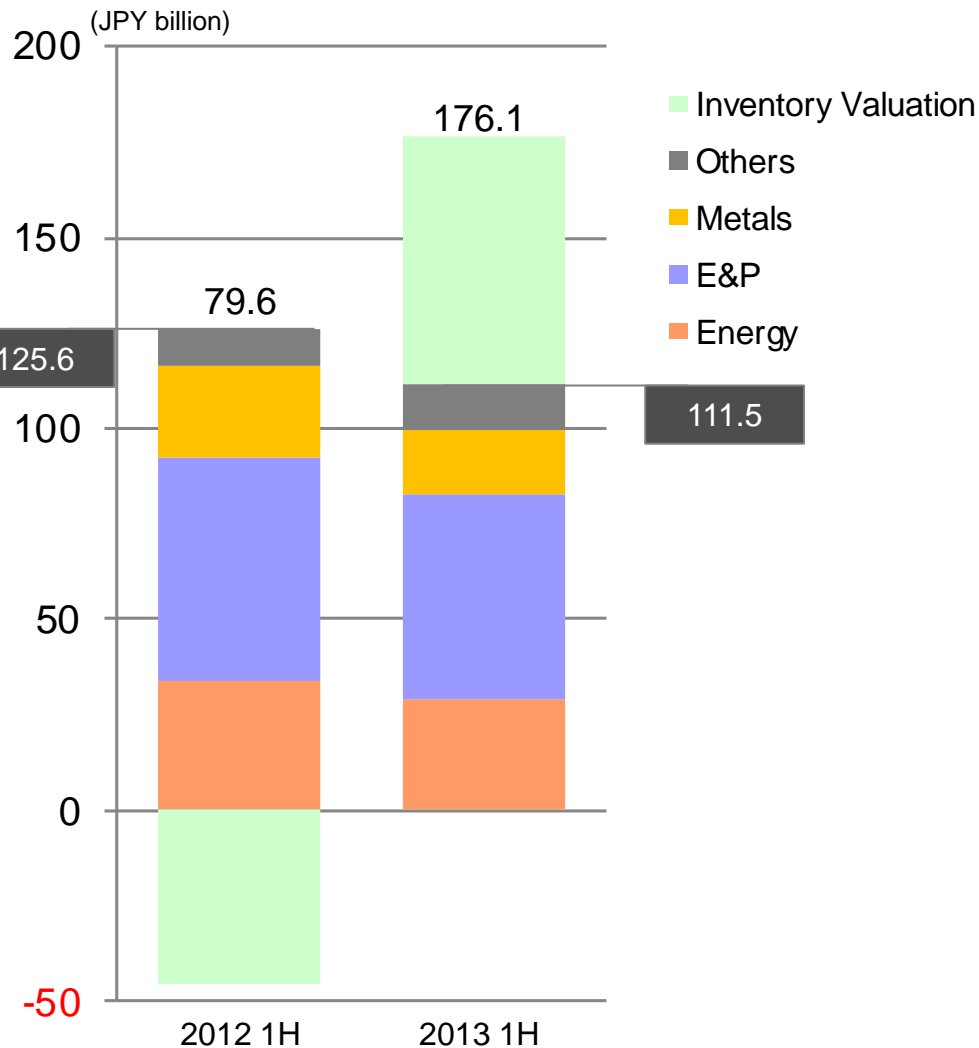
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Business Environment (From Apr. 2013 to Sep. 2013)



- The global economy has remained uncertain, because of the stagnant European economy and slow down of economic growth in emerging countries. With regard to the Japanese economy, there has been a modest recovery due to the accelerating depreciation of the yen and high stock price.
- Crude price dropped in 1st quarter of 2013FY due to concerns over the economic slowdown in the U.S. and China, but it rose from July because of geopolitical factor in Egypt and Syria.
- Copper price drifted downward because of concerns over further demand slowdown in China.
- Japanese yen against U.S. dollar maintained downward momentum, reflected by the monetary relaxation measures by Bank of Japan.

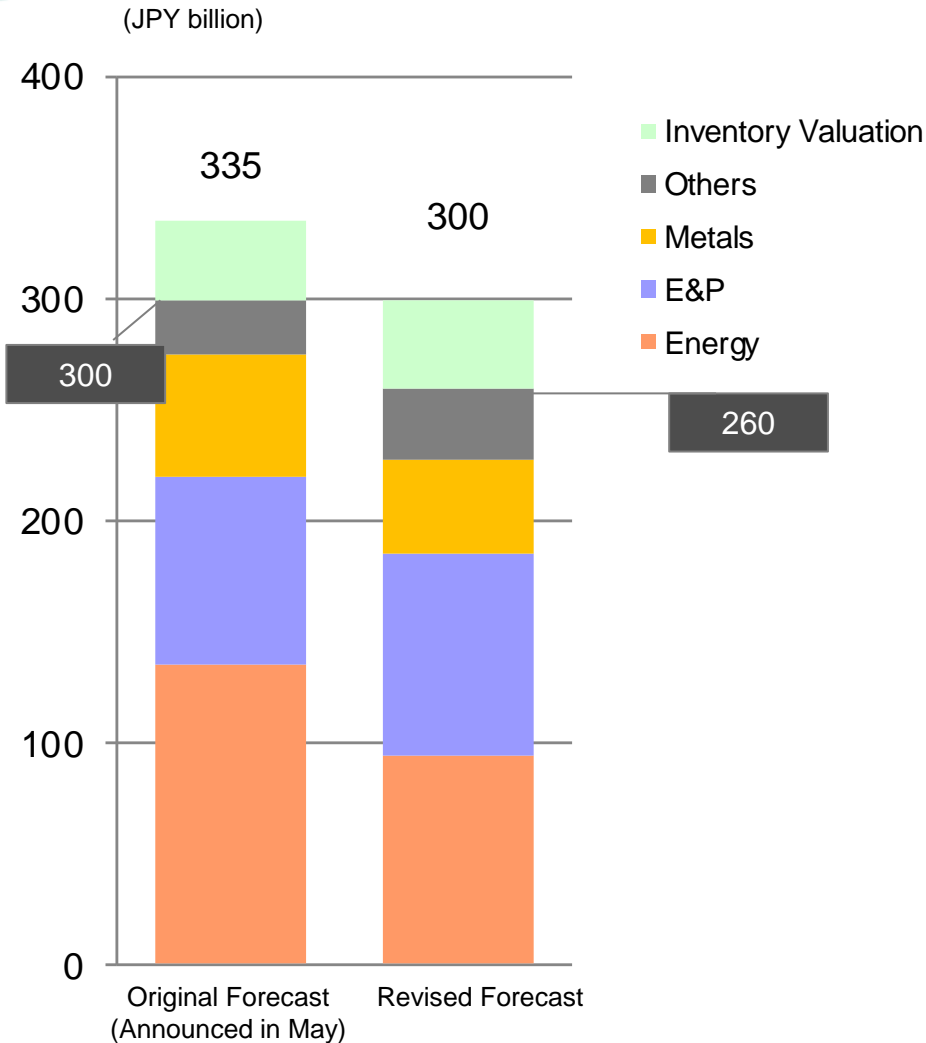
Outline of Financial Results for FY2013 2Q (Ordinary Income)



(FY2013 2Q vs. FY2012 2Q)

- Ordinary income increased due to inventory valuation factor crude price rise and yen depreciation.
- Ordinary income excluding inventory valuation decreased due to depressed petroleum margin and decline in copper price despite positive effect of yen depreciation.

Outline of Forecast for FY2013 (Ordinary Income)



➤ Key Factors

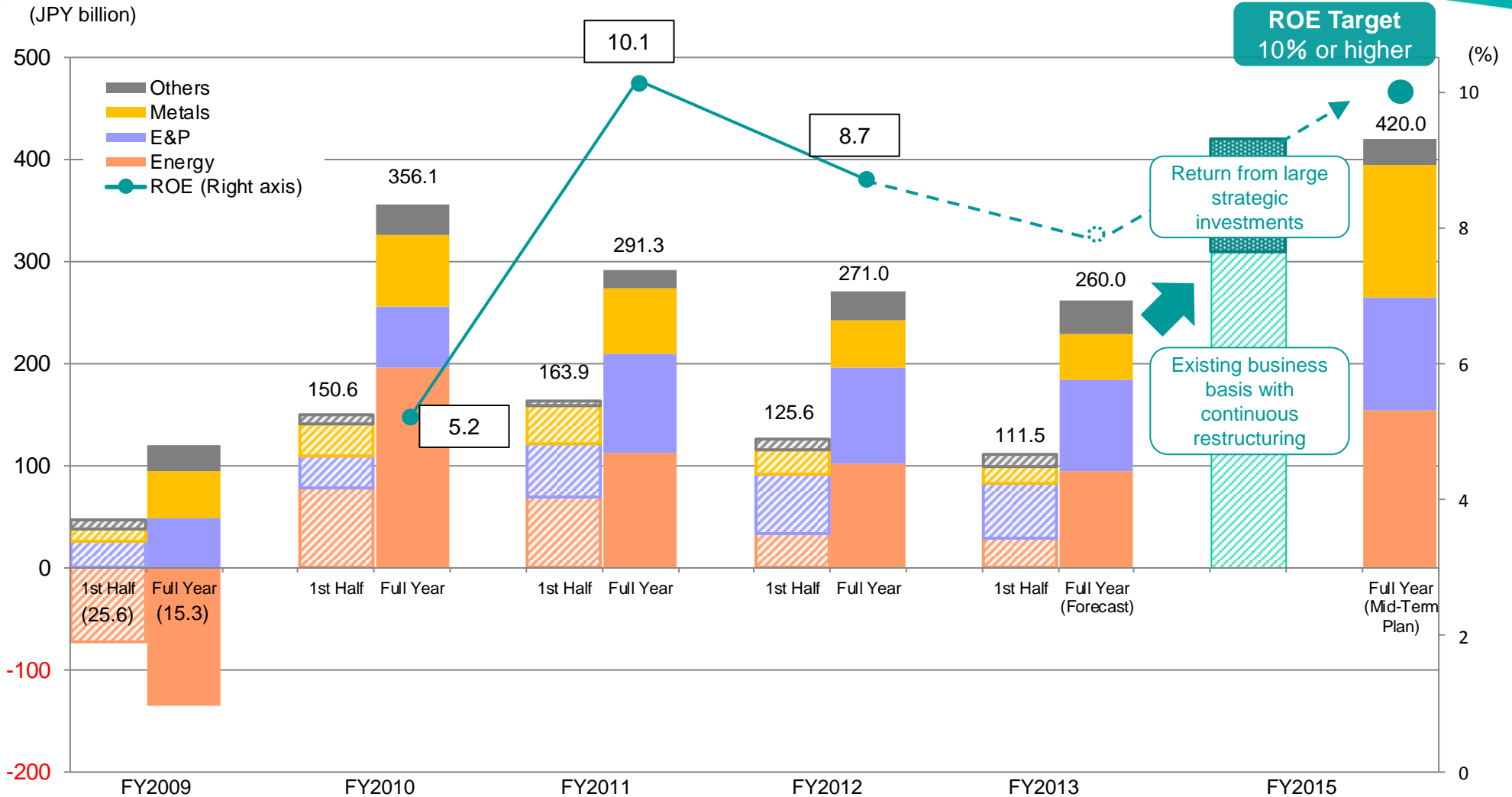
	Revised Forecast (From Oct. 2013 to Mar. 2014)	Original Forecast (From Apr. 2013 to Mar. 2014)
Crude Price (\$/Bbl)	100	105
Copper Price (¢/lb)	320	340
Exchange Rate (yen/\$)	95	95

(Revised Forecast vs. Original Forecast)

➤ Ordinary Income is forecasted to decrease due to depressed petroleum margin in 1st quarter and decline in copper and by-products price, despite our effort of cost reduction.



Ordinary Income (excl. inventory valuation), ROE

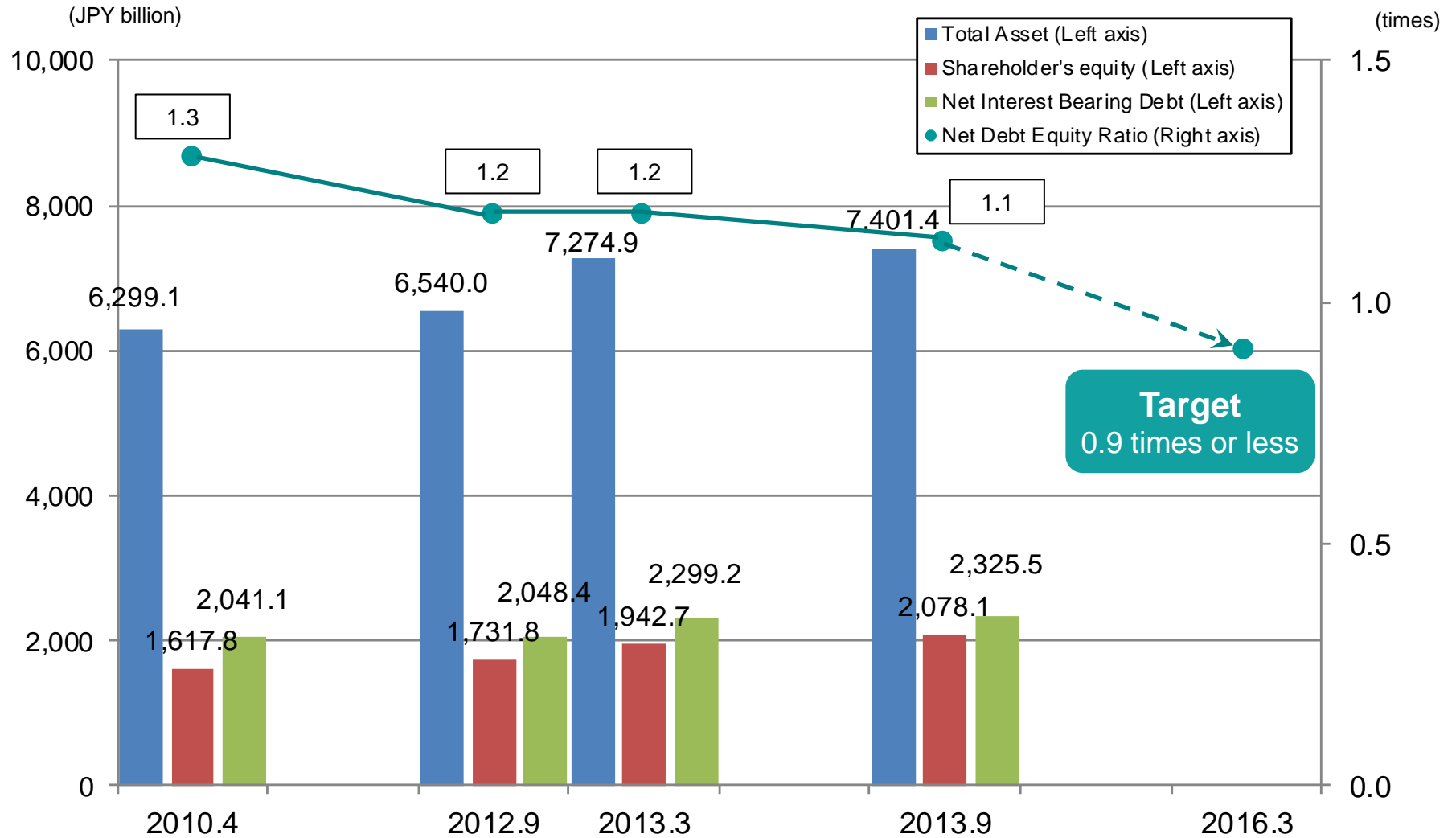


1st Mid-term Mgt. Plan –Foundation for a major leap forward-

2nd Mid-term Mgt. Plan –Start a leap forward-



Major Index (Net Debt Equity Ratio)



Progress of Business Strategy (from Apr. 2013 to Oct. 2013)

JX Holdings

- Jun. Held the Third Ordinary General Meeting of Shareholders.
- Jul. Issued 5th and 6th unsecured bonds.
- Sep. Continue to be included as a member stock of the Dow Jones Sustainability Indexes.
- Oct. Won first place of the Securities Analysts Association of Japan's Awards for Excellence in Corporate Disclosure for the Oil and Mining category.

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.

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.
- Jun. Confirmed gas and condensate in Vietnam.
- Jul. Completed exploratory drilling offshore Niigata Prefecture.
- 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 .

JX Nippon Mining & Metals

- Apr. Started operation in Kakegawa Works, a new base for producing precision components and connectors.
- Oct. Updated on Caserones Copper and Molybdenum Deposit Development Project In Chile.**

Major Project (Energy Business)

SDA in Kashima Refinery

Decided to install SDA (Solvent de-asphalting) equipment and power generation facility in Kashima Refinery

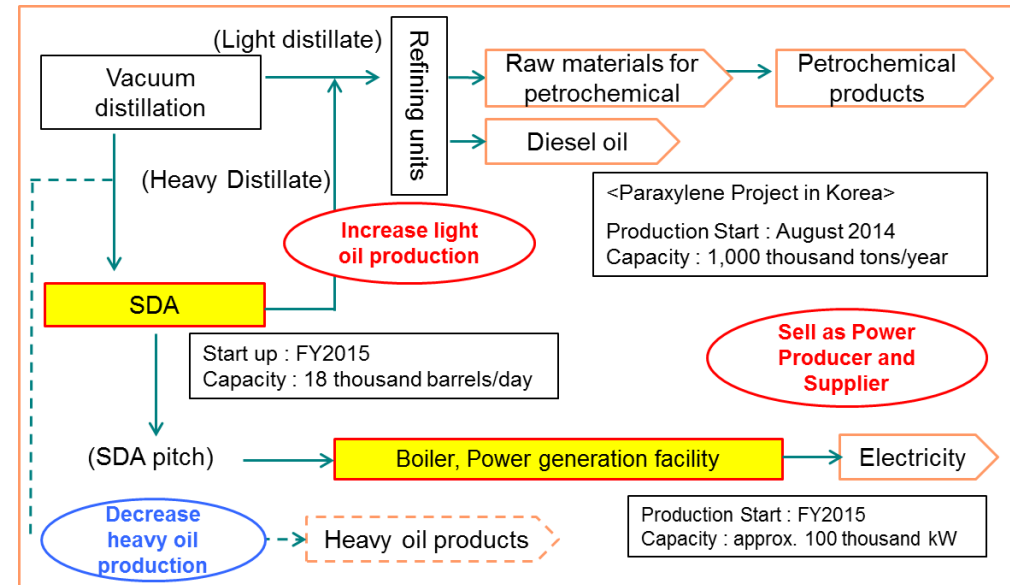
⇒Progress of effective utilization of bottom oil

<SDA>

- Start up : FY2015
- Capacity : 18 thousand B/D
- Separate heavy distillate generated in refining process into light oil and extra heavy oil (SDA pitch)
- Part of petrochemical material is processed to raw material for paraxylene production at joint venture project in Korea

<Power Generation Facility>

- Start up: FY2015
- Capacity : approximately 100 thousand Kw
- Use SDA pitch as fuel for power generation



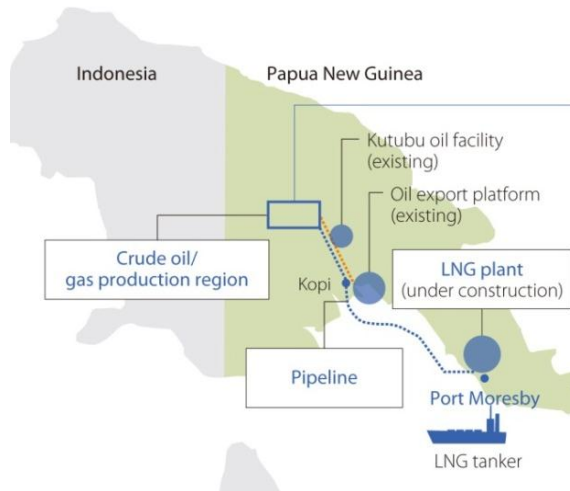
Major Project (Oil and Natural Gas E&P Business)

Latest Results

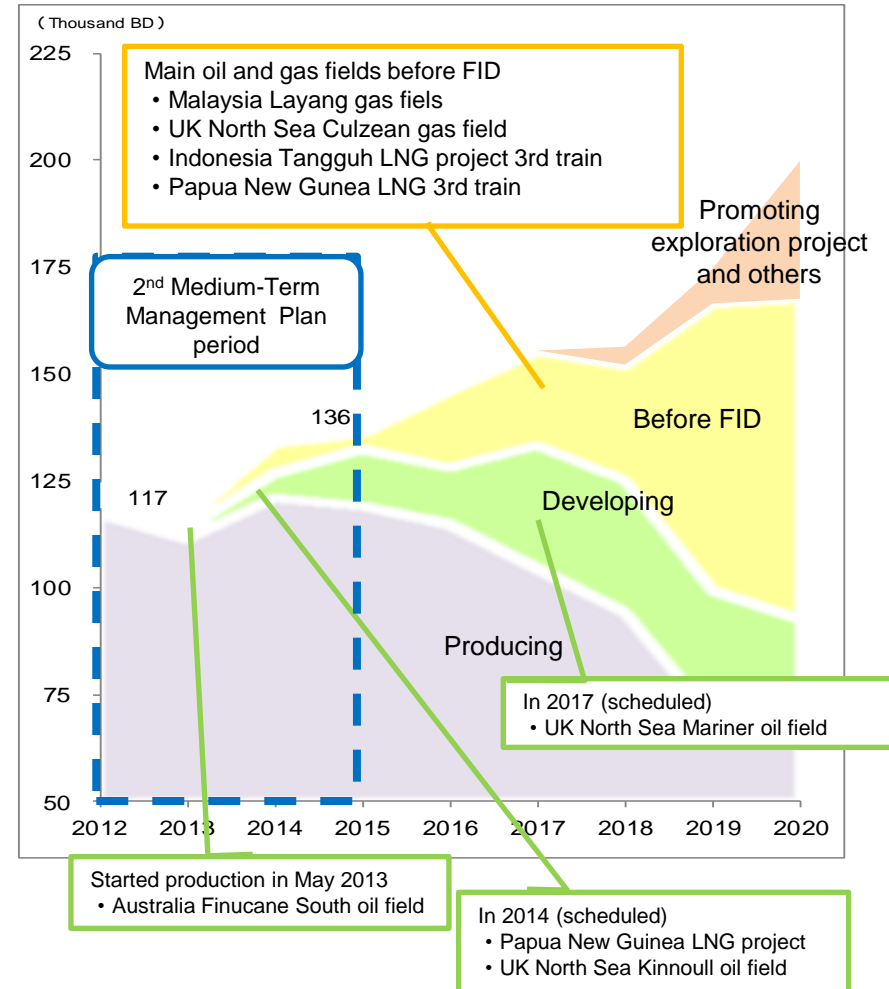
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Progress of LNG Project in PNG

- Sales contracts of 6.5 million tones of LNG have been concluded.
- Development toward the first shipment in 2014 is advancing smoothly.



Production Plan

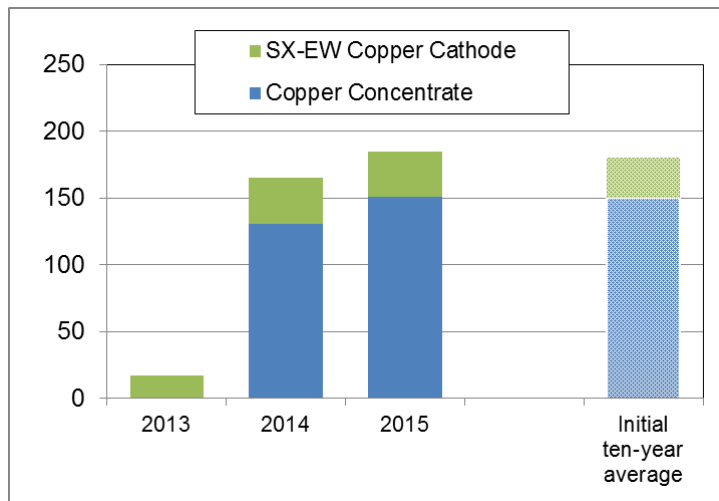


Major Project (Metals Business)

Progress of Caserones project

Announced in 11 Oct. 2013

- Initial Investment \$ 4.2 billion
- Start of copper concentrate production Jan. 2014
- Total Production(28 years)
 - Copper : 3,550kt
 - Copper Concentrate : 3,140kt
 - Copper Cathode by SX-EW Process : 410kt
 - Molybdenum : 87kt (3kt/year)
- Production Plan (No major change)
 - Contribute stable procurement of copper concentrate for 28 years
 - Profit plan in 2015 unchanged despite initial investment increase



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, while considering shareholder return in view of such factors as business results, investment plans and financial position for each term.

Reference) Dividend from FY2010-2013

	2010	2011	2012	2013 (Forecast)
Dividend (yen/share)	15.5	16.0	16.0	16.0
EPS (yen/share)	34 *	69	64	60

*Excluding impact of negative goodwill



Financial Results for 1H FY2013 (April 1, 2013~September 30, 2013)



Main Topics (April 2013 – October 2013)

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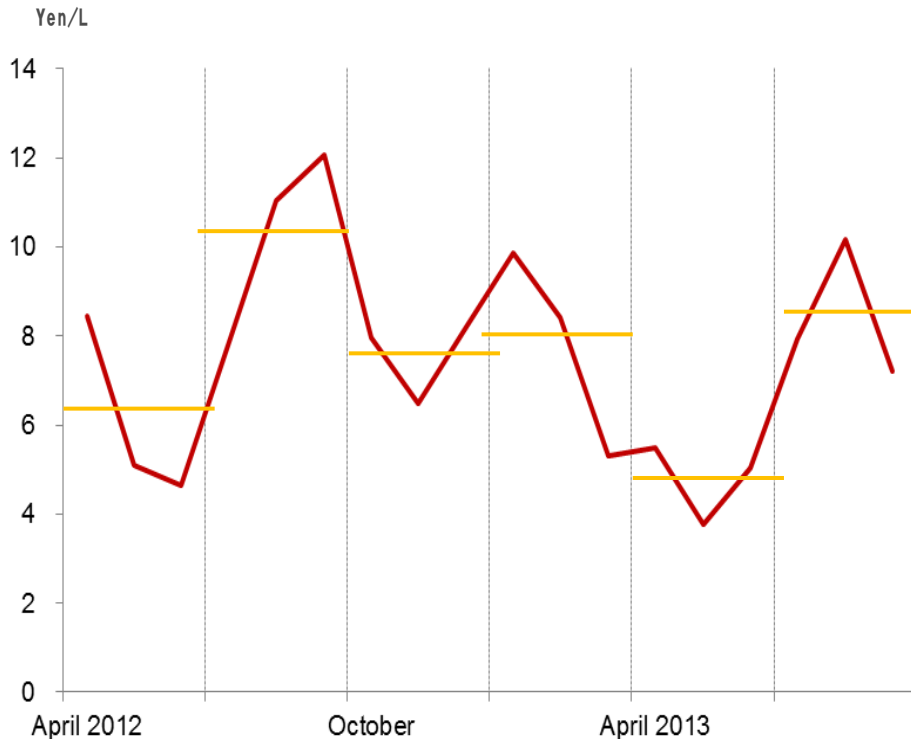
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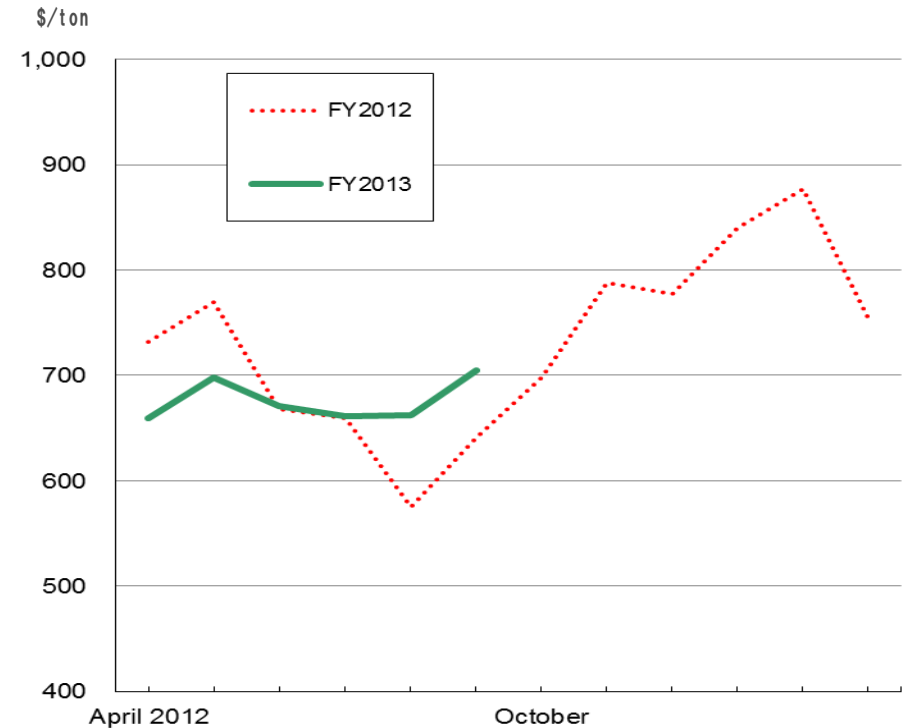
Margins of Petroleum and Petrochemical Products

Gasoline, Kerosene, Diesel Fuel and Fuel Oil A



Margin=Spot Product Price* – All Japan Crude Oil CIF
 *Spot product price includes petroleum tax and interest.

Paraxylene



Margin=Asian Contract Price(ACP) – Crude Oil Price(Dubai Spot Price)

Outline of 1H FY2013



* Average from March to August
(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

1H FY2012 (Actual)	
	108
Jan.-Jun.2012	<367> 353
Jan.-Jun.2012	< 80> 79
	JPY Billion
	5,189.1
	37.4
	42.2
	79.6
	(46.0)
	125.6
	(10.8)
	26.8

1H FY2013 (Actual)	
	103
Jan.-Jun.2013	<342> 323
Jan.-Jun.2013	< 96> 99
	JPY Billion
	5,777.7
	139.4
	36.7
	176.1
	64.6
	111.5
	(7.0)
	89.7

Changes			
	-5		-5%
<-25>	-30	<-7%>	-8%
<+16>	+20	<+20%>	+25%
	JPY Billion		
	+588.6		+11%
	+102.0		+273%
	-5.5		-13%
	+96.5		+121%
	+110.6		-
	-14.1		-11%
	+3.8		-
	+62.9		+235%

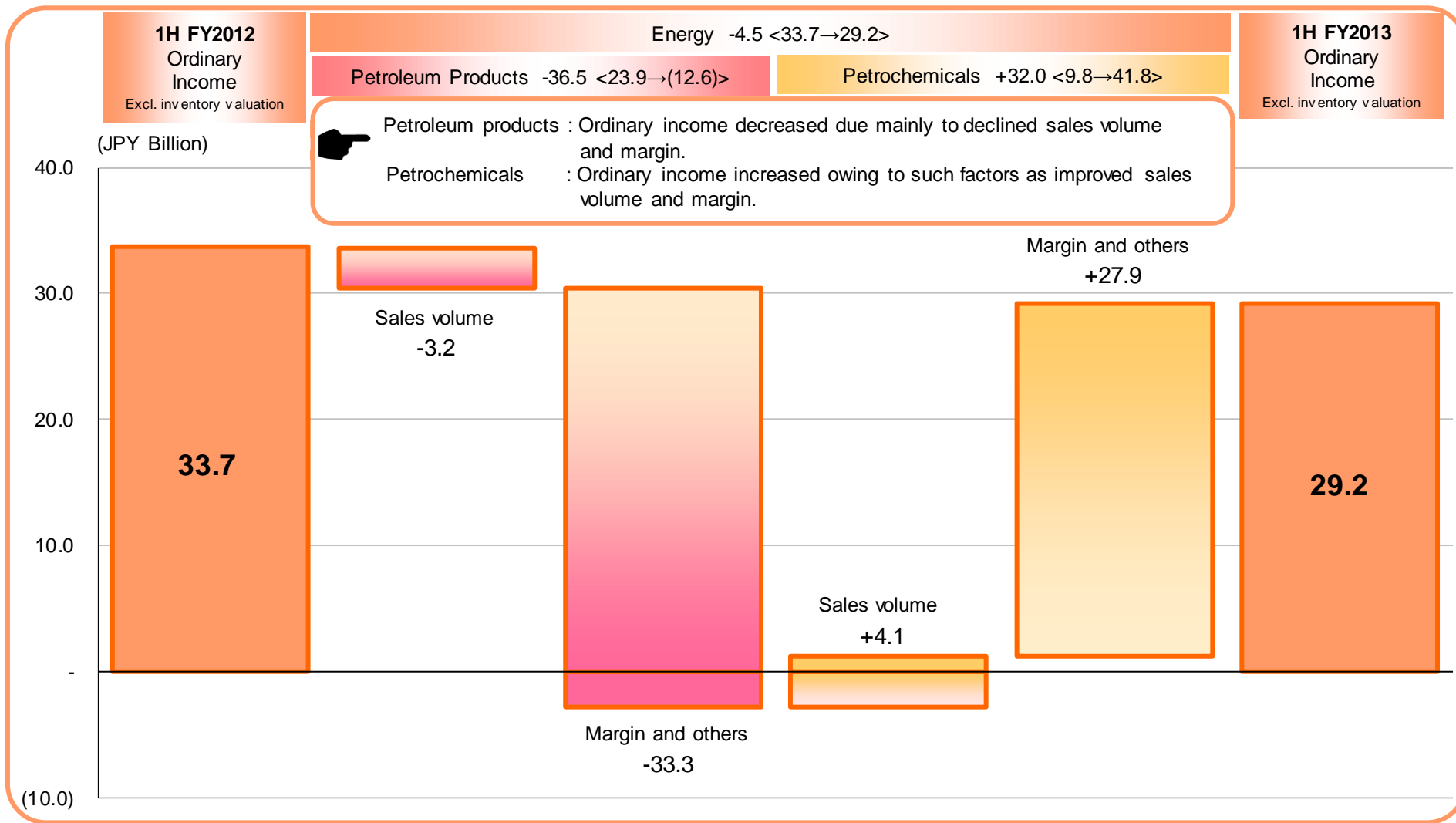
1H FY2012 vs. 1H FY2013

Changes in Ordinary Income (Loss) by Segment



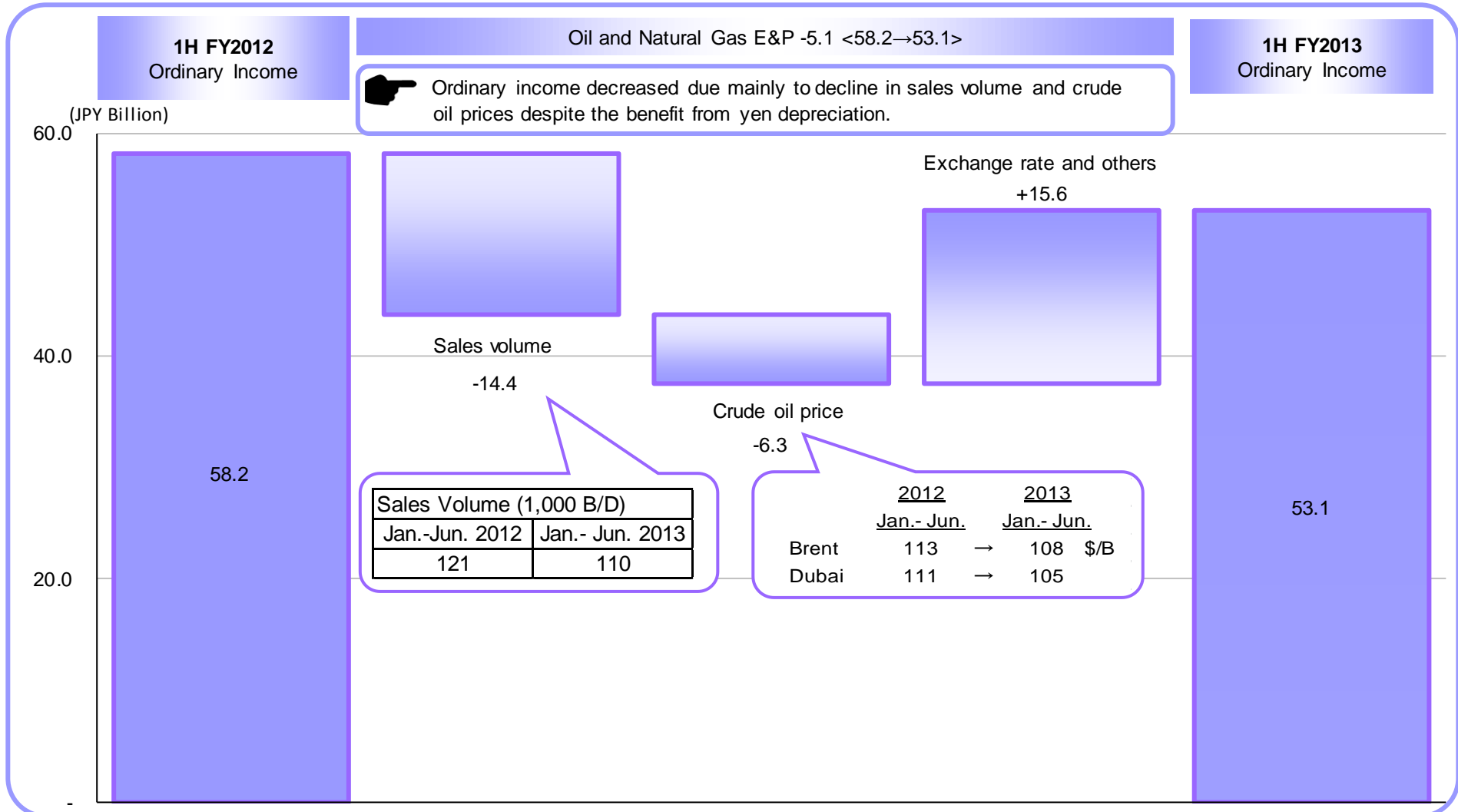
	1H FY2012 (Actual)	1H FY2013 (Actual)	Changes	
	JPY Billion	JPY Billion	JPY Billion	
Energy	(9.6)	91.4	+101.0	-
- Inventory Valuation	(43.3)	62.2	+105.5	-
Excl. Inventory Valuation	33.7	29.2	-4.5	-13%
- Petroleum Products	23.9	(12.6)	-36.5	-
- Petrochemicals	9.8	41.8	+32.0	+327%
Oil & Natural Gas E&P	58.2	53.1	-5.1	-9%
Metals	21.6	19.6	-2.0	-9%
- Inventory Valuation	(2.7)	2.4	+5.1	-
Excl. Inventory Valuation	24.3	17.2	-7.1	-29%
Others	9.4	12.0	+2.6	+28%
Total	79.6	176.1	+96.5	+121%
Excl. Inventory Valuation	125.6	111.5	-14.1	-11%

1H FY2012 vs. 1H FY2013 Changes in Ordinary Income - Energy Business -



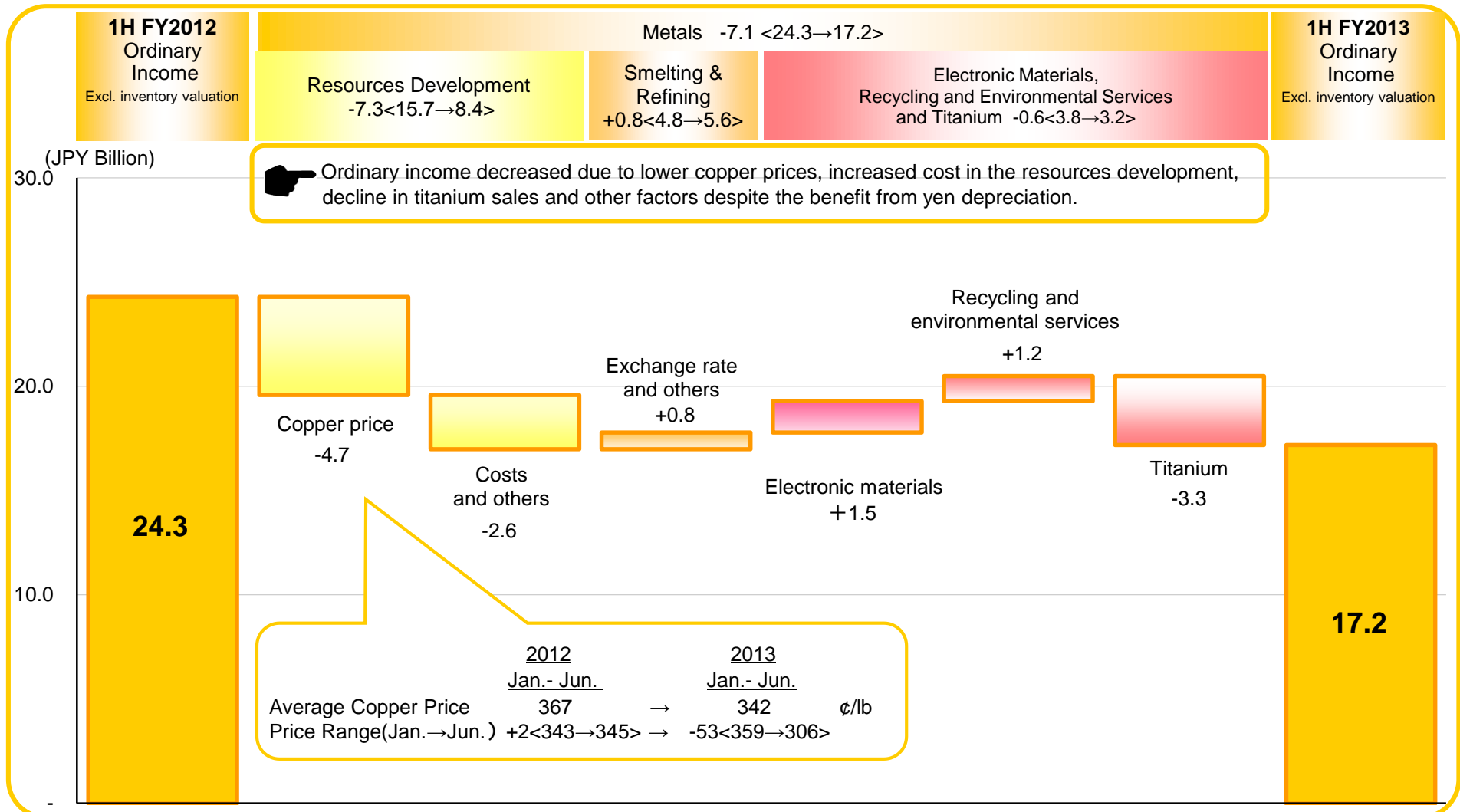
1H FY2012 vs. 1H FY 2013

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



1H FY2012 vs. 1H FY2013

Changes in Ordinary Income - Metals Business-

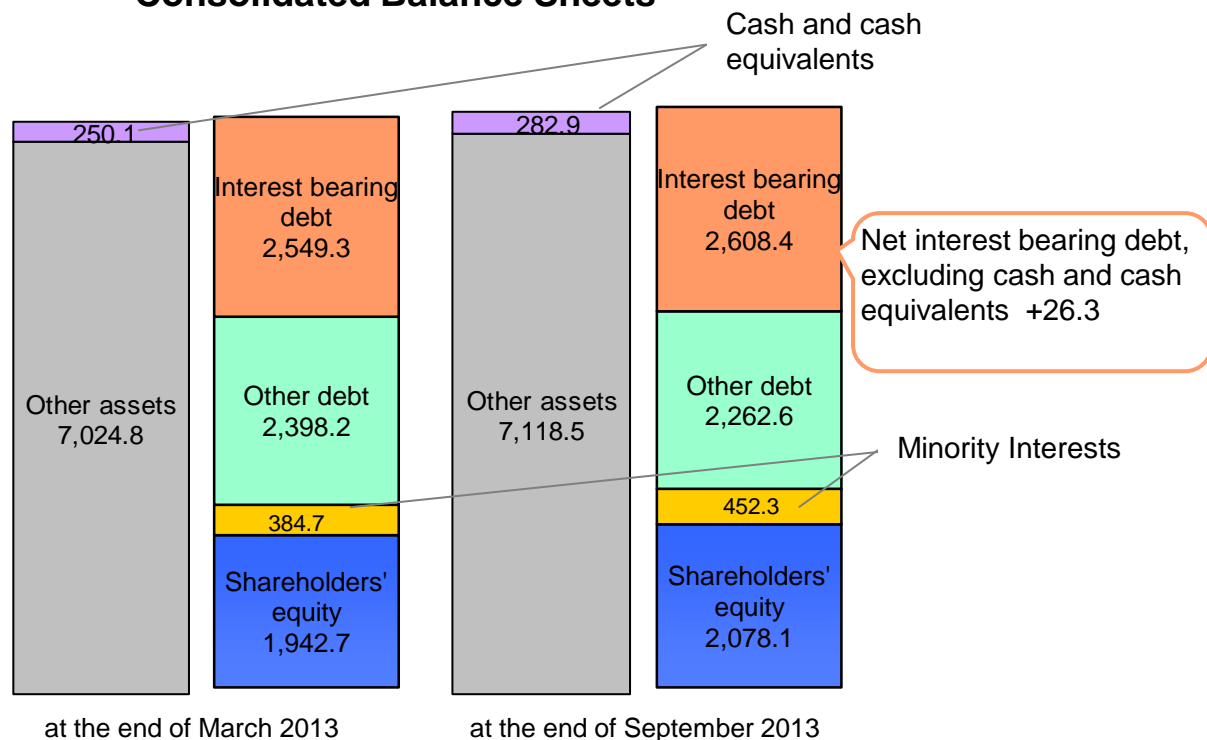


Consolidated Balance Sheets

Consolidated Statement of Cash Flows



Consolidated Balance Sheets



Consolidated Cash Flows

1H FY2013		(JPY Billion)
Ordinary income		176.1
Depreciation and amortization		90.6
Decrease in working capital		15.2
Corporate tax and others		(37.4)
Cash flows from operating activities		244.5
Cash flows from investing activities		(248.1)
Free cash flows		(3.6)
Dividends and others		7.9
Net cash flows		4.3

	At the end of March 2013 (Actual)	At the end of September 2013 (Actual)
Shareholders' equity ratio	26.7%	28.1
Net D/E ratio	1.18	1.12

Forecast for FY2013

- From April 1, 2013 to March 31, 2014 -

- ✓ Key Factors (October 2013 - March 2014)
 - Crude Oil Price (Dubai) : 100\$/bbl
 - Copper Price : 320¢/lb
 - Exchange Rate : 95Yen/\$

Outline of FY2013 Forecast

* 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
Special Gain (Loss), Net
Net Income

FY2013 Original Forecast (announced in May)	
	105
Jan.-Dec. 2013	<345> 340
Jan.-Dec. 2013	< 94> 95
JPY Billion	12,250.0
	255.0
	80.0
	335.0
	35.0
	300.0
	(25.0)
	170.0

FY2013 Revised Forecast	
	102
Jan.-Dec. 2013	<331> 321
Jan.-Dec. 2013	< 96> 97
JPY Billion	11,860.0
	215.0
	85.0
	300.0
	40.0
	260.0
	(25.0)
	150.0

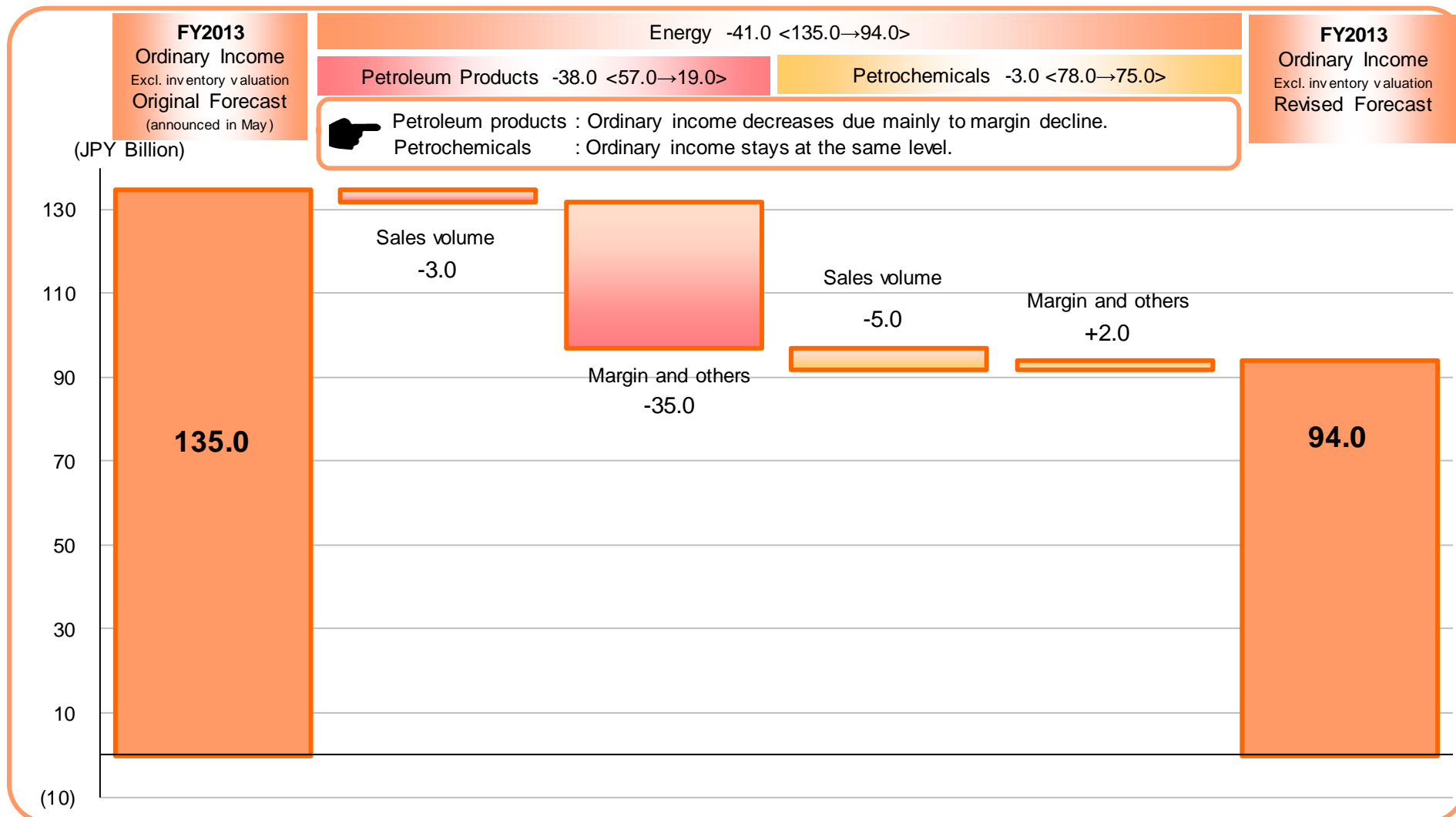
Changes			
	-3		-3%
<-14>	-19	<-4%>	-6%
<+2>	+2	<+2%>	+2%
JPY Billion	-390.0		-3%
	-40.0		-16%
	+5.0		+6%
	-35.0		-10%
	+5.0		+14%
	-40.0		-13%
	±0.0		-
	-20.0		-12%

FY2013 Original Forecast vs. FY2013 Revised Forecast Changes in Ordinary Income (Loss) by Segment

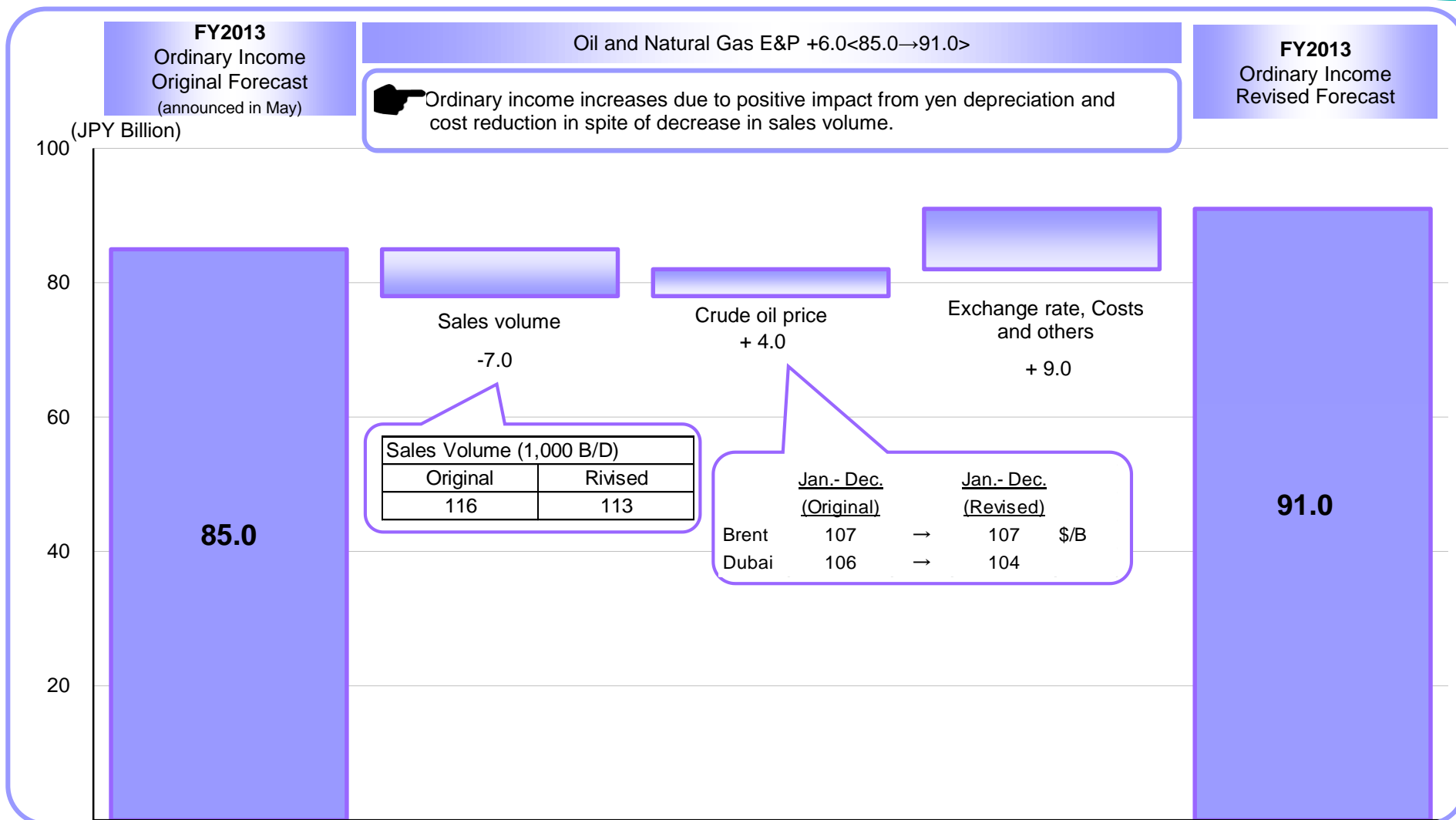


	FY2013 Original Forecast (announced in May)	FY2013 Revised Forecast	Changes	
	JPY Billion	JPY Billion	JPY Billion	
Energy	170.0	132.0	-38.0	-22%
- Inventory Valuation	(35.0)	(38.0)	(+3.0)	+9%
Excl. Inventory Valuation	135.0	94.0	-41.0	-30%
- Petroleum Products	(57.0)	(19.0)	(-38.0)	-67%
- Petrochemicals	(78.0)	(75.0)	(-3.0)	-4%
Oil & Natural Gas E&P	85.0	91.0	+6.0	+7%
Metals	55.0	44.0	-11.0	-20%
- Inventory Valuation	(-)	(2.0)	(+2.0)	-
Excl. Inventory Valuation	55.0	42.0	-13.0	-24%
Others*	25.0	33.0	+8.0	+32%
Total	335.0	300.0	-35.0	-10%
Excl. Inventory Valuation	300.0	260.0	-40.0	-13%

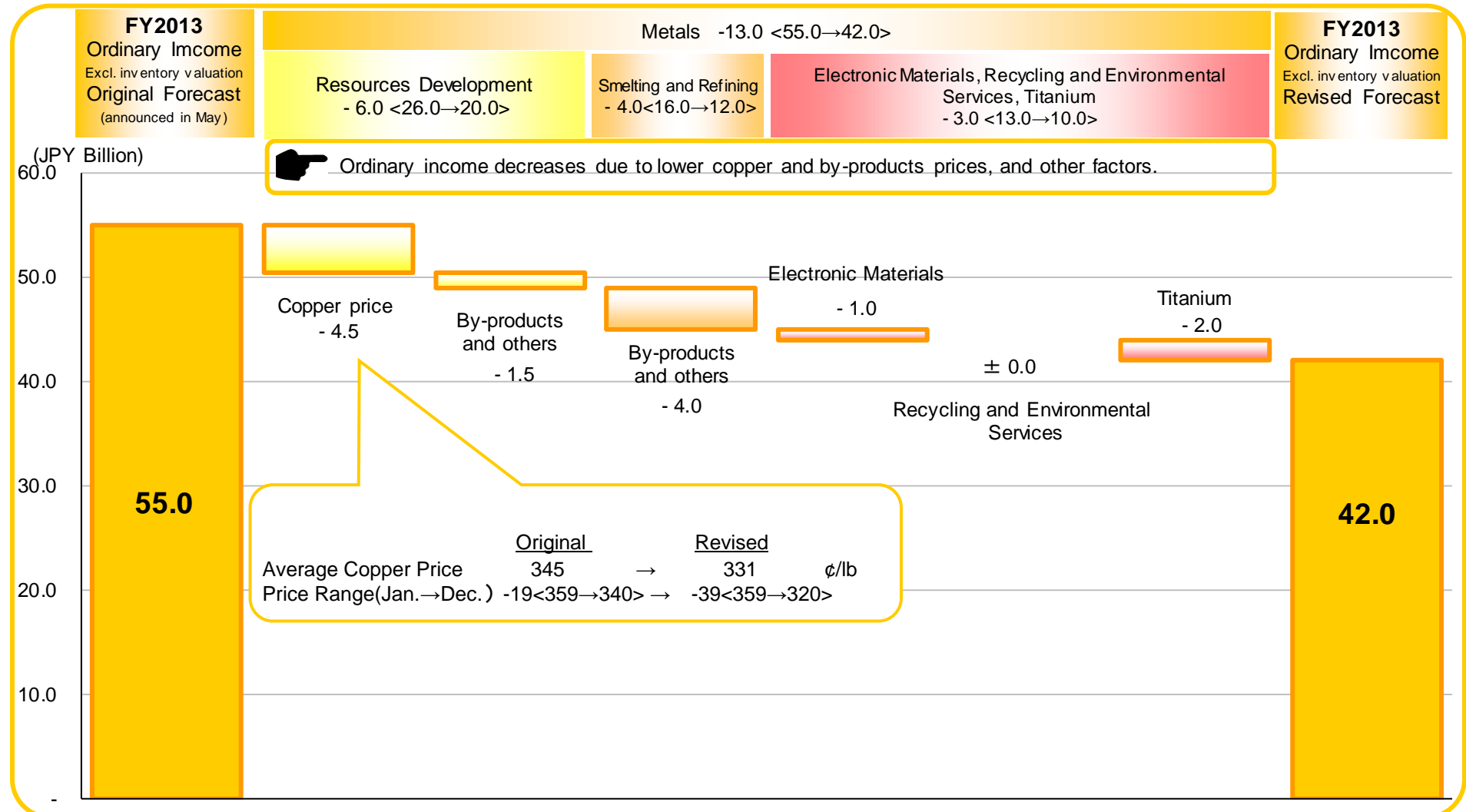
FY2013 Original Forecast vs. FY2013 Revised Forecast Changes in Ordinary Income - Energy Business -



FY2013 Original Forecast vs. FY2013 Revised Forecast Changes in Ordinary Income - Oil and Natural Gas E&P Business-



FY2013 Original Forecast vs. FY2013 Revised Forecast Changes in Ordinary Income - Metals Business -



FY2012 Actual vs. FY2013 Forecast

Changes in Ordinary Income (Loss) by Segment



	FY2012 Actual	FY2013 Forecast	Changes	
	JPY Billion	JPY Billion	JPY Billion	
Energy	161.6	132.0	-29.6	-18%
- Inventory Valuation	58.8	38.0	-20.8	-35%
Excl. Inventory Valuation	102.8	94.0	-8.8	-9%
- Petroleum Products	56.1	19.0	-37.1	-66%
- Petrochemicals	46.7	75.0	+ 28.3	+61%
Oil & Natural Gas E&P	93.6	91.0	-2.6	-3%
Metals	44.0	44.0	± 0.0	+0%
- Inventory Valuation	(1.5)	2.0	+ 3.5	-
Excl. Inventory Valuation	45.5	42.0	-3.5	-8%
Listed subsidiaries and Others	29.1	33.0	+ 3.9	+13%
Total	328.3	300.0	-28.3	-9%
Excl. Inventory Valuation	271.0	260.0	-11.0	-4%

Key Factors



		FY2012			FY2013		
		1Q	1H	Full Year	1Q	1H	Full Year
		Actual	Actual	Actual	Actual	Actual	Forecast (announced in Nov.)
All segments	Exchange rate [Yen/\$]	80	79	83	99	99	97
Energy	Crude oil price [Dubai] * [\$/bbl]	116	108	109	103	103	102
Oil and Natural Gas E&P	Sales volume <Crude oil equivalent> [1,000 bbl/day]	131	121	117	115	110	113
	Crude oil price [Brent] [Jan.-Dec.] [\$/bbl]	119	113	109	113	108	107
Metals	Copper price [LME] [Jan.-Dec.] [¢/lb]	377	367	361	360	342	331
	Equity entitled copper mine production [1,000 tons/period · year]	25	52	105	28	59	126
	PPC refined copper sales [1,000 tons/period · year]	134	267	551	148	289	582
	Treated rolled copper foil sales [1,000 km/month]	2.8	2.7	2.7	2.5	3.0	3.2
	Precision rolled products sales [1,000 tons/month]	3.4	3.5	3.3	3.3	3.4	3.6
	Gold recovery volume by Recycling & Environmental Services [tons/period · year]	1.1	2.9	5.8	1.3	3.1	6.1

*1 Crude oil arrival basis

Sensitivity Analysis (FY2013 basis)

■ Key factors (From October 2013 to March 2014)

Exchange Rate: 95Yen/\$

Crude Oil : 100\$/bbl
(Dubai spot)

Copper Price (LME) : 320 ¢/lb

■ Sensitivity analysis (Only for Fiscal 2013)

Key factors	Appreciation	Segment	(JPY Billion) Impact
Exchange Rate	+1 Yen/\$ yen depreciation	Energy (In-house fuel costs rise, margin improvement in petrochemicals)	±0.0
		Oil and Natural Gas E&P	+0.5
		Metals (Margin improvement, exchange gain)	+0.5
		Subtotal	+1.0
		Inventory valuation gain	+7.0
		Total	+8.0
Crude Oil (Dubai spot)	+1\$/bbl	Energy (In-house fuel costs rise)	-1.0
		Oil and Natural Gas E&P	+0.5
		Subtotal	-0.5
		Inventory valuation gain	+7.0
		Total	+6.5
Copper Price (LME)	+10¢/lb	Metals	+2.0
		Total	+2.0

In the segments of Oil and Natural Gas E&P and Metals, sensitivity analyses above are only for 3 months from October 2013 to December 2013



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.