
■JX Holdings (5020) analysts' meeting for the JX Group 2nd Medium-Term Management Plan and Long-Term Vision

1. Date & Time: Thursday, March 28, 2013, 16:30 - 18:00
 2. Attendees: 160
 3. Principal questions:
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— This document contains forward-looking statements. A cautionary statement appears in the endnote. —

Q. JX's 2nd Medium-Term Management Plan envisions a large increase in earnings in the form of 110 billion yen in returns from strategic investments aimed at business expansion. May we expect similar returns from investments in the future?

A. While investment returns from upstream businesses can vary significantly depending on resource prices, assuming that prices remain at their current levels, we think that it is reasonable to expect essentially the same level of returns in the future.

Q. What is the shareholder return policy?

A. Our basic policy is to redistribute profits reflecting consolidated business results while striving to maintain stable dividends. Based on this basic policy, during the 2nd Medium-Term Management Plan period (fiscal 2013-15), we will strive to maintain annual dividends of 16 yen per share, while considering the shareholder return in view of such factors as business results, investment plans, and financial position circumstances of the balance sheet for each term.

Q. In the Energy Business, as domestic demand for petroleum products decreases, how will JX work to expand the business?

A. In response to lower domestic demand for petroleum products, we will strive to enhance profitability by strengthening the global competitiveness of our refineries and establishing a strong supply chain. As an "Energy Conversion Company", we will seek to enhance our electricity, gas, coal, solar and fuel cell, and hydrogen businesses, as well as our lubricants, basic chemicals, and specialty and performance chemicals businesses for which demand can be expected to increase overseas.

Q. In the Oil and Natural Gas E&P Business, JX aims to achieve production volume of 200,000 barrels per day in 2020. What specific strategy will you take to achieve this goal?

A. We will focus on exploration and development in core countries and core candidate countries as we aim to increase production while developing core technologies. We will also consider resource acquisition through careful selection.

Q. In the resource development business of the Metals Business, there are plans to increase

mining interests in the future through the development of Quechua and Frontera copper deposits. How will JX progress these projects during the 2nd Medium-Term Management Plan?

- A. During the 2nd Medium-Term Management Plan, we will focus on completing the development of Caserones while re-examining the profitability of Quechua and promoting exploration activities for Frontera. Accordingly, even if development is decided on, investments will most likely be made beyond the 2nd Medium-Term Management Plan.

This document contains forward-looking statements. Actual results may differ materially from those expressed or implied by forward-looking statements due to various factors, including but not limited to the following:

- (1) macroeconomic conditions and changes in the competitive environment in the energy, resources, or materials industries;
- (2) revision of laws and tightening of regulations;
- (3) risk of lawsuits and other legal risks.