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For Immediate Release

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# Notification of the Difference between the Forecasts and the Actual Results for the First Half of the Fiscal Year 2012, 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 2012 ended September 30, 2012, released on August 3, 2012.

Additionally, the company announces the revisions made to the annual forecasts of consolidated results for the fiscal year 2012 ending March 31, 2013, 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 2012 (April 1, 2012 – September 30, 2012)

(Millions of yen)

| | Net Sales | Operating Income | Ordinary Income | Net Income | Net Income per Share (yen) |
|---|---|---|---|---|---|
| Previously Announced Forecast (A) (Announced on August 3, 2012) | 5,050,000 | 5,000 | 40,000 | 5,000 | 2.01 |
| Actual result (B) | 5,189,137 | 37,401 | 79,618 | 26,842 | 10.79 |
| Increase/Decrease (B-A) | 139,137 | 32,401 | 39,618 | 21,842 | 8.78 |
| Percentage Increase/Decrease | 2.8% | 648.0% | 99.0% | 436.8% | 436.8% |
| (Reference) Previous First Half Year Results (FY 2011) | 5,079,597 | 195,250 | 238,680 | 126,710 | 50.95 |

**2. Revisions to Annual Forecasts of Consolidated Results for the Fiscal Year 2012 (April 1, 2012 – March 31, 2013)**

(Millions of yen)

| | Net Sales | Operating Income | Ordinary Income | Net Income | Net Income per Share (yen) |
|---|---|---|---|---|---|
| Previously Announced Forecast (A) (Announced on August 3, 2012) | 10,400,000 | 150,000 | 220,000 | 100,000 | 40.21 |
| Revised Forecast (B) | 11,110,000 | 210,000 | 290,000 | 140,000 | 56.30 |
| Increase/Decrease (B-A) | 710,000 | 60,000 | 70,000 | 40,000 | 16.09 |
| Percentage Increase/Decrease | 6.8% | 40.0% | 31.8% | 40.0% | 40.0% |
| (Reference) Previous Results (FY 2011) | 10,723,889 | 327,844 | 407,765 | 170,595 | 68.60 |

**3. Reasons**

(Reasons for the Difference between the Forecasts and the Actual of Consolidated Results for the First Half of Fiscal Year 2012)

The net sales for the first half of Fiscal Year 2012 exceeded the previous forecast (announced on August 3, 2012) reflecting an increase in crude oil prices.

Due to the decrease in the negative inventory valuation factors (the impact of inventory valuation on the cost of sales by using the average method) accompanying an increase in crude oil prices and improvement of petroleum product margins, the operating income, the ordinary income, and the net income also exceeded the previous forecasts.

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 | (60) | (46) | 14 |
| Operating Income Excluding Inventory Valuation Factors | 65 | 83 | 18 |
| Ordinary Income Excluding Inventory Valuation Factors | 100 | 126 | 26 |

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

(Reasons for the Revisions to the Annual Forecasts of Consolidated Results for Fiscal Year 2012)

The Company estimates that the net sales for Fiscal Year 2012 will be 11,110 billion yen (which is an increase of 6.8% compared with the previous forecast announced on August 3, 2012) reflecting an increase in crude oil prices.

Due to the decrease in the negative inventory valuation factors accompanying an increase in crude oil prices, the Company estimates that its operating income will be 210 billion yen (which is an increase of 60 billion yen compared with the previous forecast), ordinary income will be 290 billion yen (which is an increase of 70 billion yen).

With respect to the ordinary income excluding the inventory valuation factors, despite the negative factors, such as the suspension of operation at the Mizushima-B Refinery, it will be 300 billion yen (which is the same as the previous forecast) due to the increase of income in Oil and Natural Gas Exploration and Production Segment reflecting an increase in crude oil prices and the improvement of net non-operating income.

Full Year
(Inventory Valuation Factors*) (Billions of yen)

| | Previously Announced Forecast (A) | Revised Forecast (B) | Increase/Decrease (B-A) |
|---|---|---|---|
| Inventory Valuation Factors | (80) | (10) | 70 |
| Operating Income Excluding Inventory Valuation Factors | 230 | 220 | (10) |
| Ordinary Income Excluding Inventory Valuation Factors | 300 | 300 | - |

*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 $108 per barrel ($110 at 2nd half); an international copper price (LME price) of 357 cents per pound (360 cents at 2nd half); and an exchange rate of 80 yen per U.S. dollar (80 yen at 2nd half). (Previous forecast: crude oil price of $102 per barrel; an international copper price of 352 cents per pound; and an exchange rate of 80 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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