

Exchange of Pierce field and Kinnoull field in UKNorth Sea

August 7, 2012

PRESS RELEASE

JX Nippon Oil and Gas Exploration Corporation (President and CEO, Shigeo Hirai) announces that its wholly owned subsidiary, JX Nippon Exploration and Production (U.K.) Limited ("JXNEPUK"), has acquired a 6.27% participating interest in the Kinnoull oil field from Summit Petroleum Limited ("Summit"), a wholly owned subsidiary of Sumitomo Corporation. The consideration comprises the transfer by JXNEPUK to Summit of a 3.75% participating interest in the Pierce oil field and an additional amount of cash payable by JX to Summit.

The Kinnoull field, located nearby the Andrew field in which JXNEPUK already holds an 11.18% participating interest, is currently under development as a tie-back to the Andrew platform. The field is scheduled to begin production in 2013. The acquisition of an interest in the Kinnoull field strengthens JXNEPUK's portfolio of assets in the UK North Sea, providing synergies in the Andrew Area and establishing it as a key part of the business.

The JX Group has been conducting oil and gas exploration, development and production in the UK Continental Shelf (UKCS) for nearly twenty years. It is committed to expanding further its activities in the UKCS, which is one of the core areas of the Group's worldwide upstream business.

1. JX Nippon Exploration and Production (U.K.) Limited

- (1) President and CEO: Kemmei Nakata
- (2) Shareholders: JX Nippon Oil & Gas Exploration Corporation 100%
- (3) Paid-in capital: GBP57.51 million
- (4) Established: December 2, 1996

2. Summit Petroleum Limited

- (1) President and CEO: Kevin Smith
- (2) Shareholders: Sumitomo Corporation 100%
- (3) Paid-in capital: US\$11.4 million
- (4) Established: May 15, 2009

3. Kinnoull and Pierce Location Map

