

[Translation]

December 18, 2019

To whom it may concern:

Company name: JXTG Holdings, Inc.
Representative: Tsutomu Sugimori
Representative Director, President
Code number: 5020, First Section of the Tokyo Stock
Exchange and the Nagoya Stock Exchange
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Commencement of Commercial Production of Oil from Layang Field of Block SK10 offshore Sarawak, Malaysia

JXTG Holdings, Inc. (“JXTG Holdings”) today announced that its consolidated subsidiary JX Nippon Oil & Gas Exploration Corporation (“JX Nippon”) (President and CEO, Hiroshi Hosoi) is pleased to announce that its subsidiary JX Nippon Oil & Gas Exploration (Malaysia) Limited, the Operator of Block SK10 offshore Sarawak, Malaysia together with PETRONAS Carigali Sdn Bhd, commenced commercial oil production from Layang Field on 3 December, 2019.

JXTG Holdings expects no material impact from the above on its consolidated earnings for the period ending March 2020.

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Attachment

Commencement of Commercial Production of Oil from Layang Field of Block SK10 offshore Sarawak, Malaysia

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December 18, 2019

PRESS RELEASE

Mr. Hiroshi Hosoi, President and CEO of JX Nippon Oil & Gas Exploration Corporation is pleased to announce that its subsidiary JX Nippon Oil & Gas Exploration (Malaysia) Limited, the Operator of Block SK10 offshore Sarawak, Malaysia together with PETRONAS Carigali Sdn Bhd, commenced commercial oil production from Layang Field on 3 December, 2019.

Layang Field (“Layang”), in addition to its natural gas production since May 2017, commenced oil production by using a Floating Production, Storage and Offloading System (FPSO) named “FPSO Helang”.

The production of oil from Layang is estimated at about 3,000 barrels per day, and about 10,000 barrels of oil equivalent per day (BOED) with natural gas combined.

“FPSO Helang” is also planned to be utilized for production and shipping of oil from Helang Field (“Helang”) in Block SK10. The production of oil and natural gas from Layang and Helang with the use of “FPSO Helang” is estimated to reach about 20,000 BOED.

This expansion of production facilities in Block SK10 comprised of Layang, Helang and Beryl Gas Field, the company’s one of main projects, will enhance the value of the asset and increase its profitability.

With the expected steady growth of oil and natural gas demand in Asia, we will continue to maintain and strengthen our long-term good relationship with Malaysia and enhance our capacity to raise revenue through our E&P business activity as Operator.

Attachments

1. Summary of Block SK10, offshore Sarawak, Malaysia and Company Profile of JX Nippon Oil & Gas Exploration (Malaysia) Limited
2. Location of Layang Field, Helang Gas Field and Beryl Gas Field
3. Photo of “FPSO Helang”

Summary of Block SK10, Offshore Sarawak, Malaysia and Company Profile
of JX Nippon Oil & Gas Exploration (Malaysia) Limited

1. Summary of Block SK10, offshore Sarawak, Malaysia

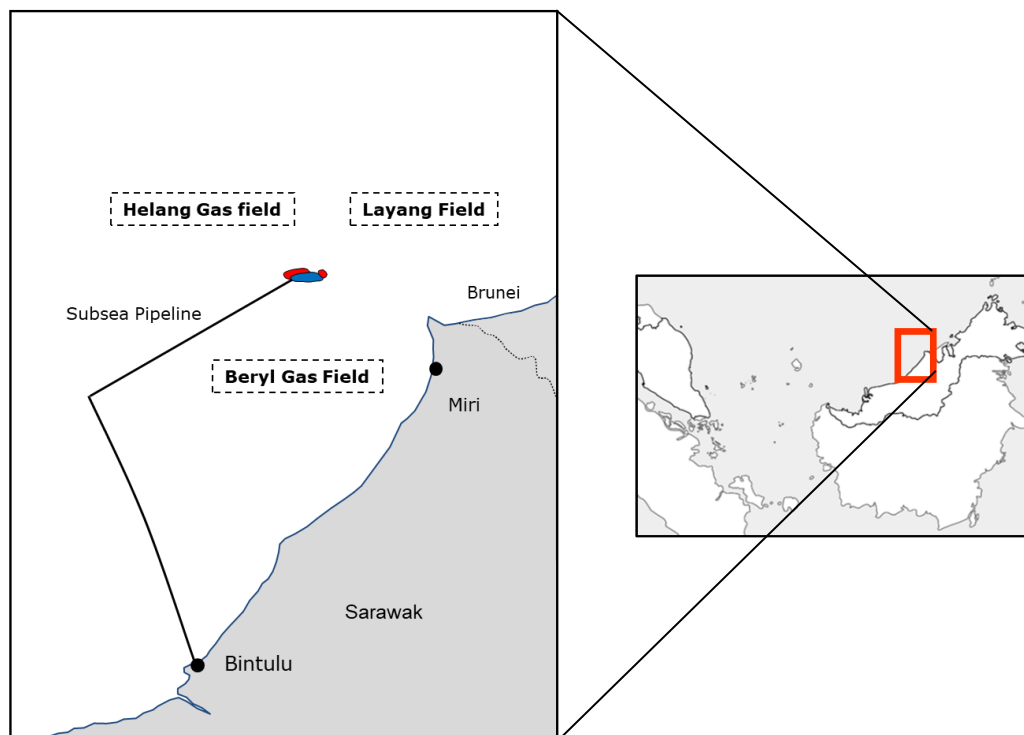
(1) Signing Date	November 1987	
(2) Participants	JX Nippon Oil & Gas Exploration (Malaysia) Limited (Operator) PETRONAS Carigali Sdn. Bhd.(*)	
(3) History	Signing of PSC with PETRONAS	Nov 1987
	Signing of JOA with PETRONAS Carigali Sdn. Bhd	Nov 1987
	Discovery of Helang Field	Nov 1990
	Discovery of Layang Field	May 1991
	Commencement of commercial production of gas from Helang Field	Nov 2003
	Commencement of commercial production of gas from Layang Field	May 2017
	Commencement of commercial production of gas from Beryl Gas Field	Sep 2018
	Commencement of commercial production of oil from Layang Field	Nov 2019

(*) A wholly owned subsidiary of PETRONAS

2. Company Profile of JX Nippon Oil & Gas Exploration (Malaysia) Limited

(1) Company Name	JX Nippon Oil & Gas Exploration (Malaysia) Limited
(2) Date of Establishment	October 14, 1987
(3) Location of Head Office	1-1-2 Otemachi, Chiyoda-ku, Tokyo
(4) Capital	13.1 billion yen (as of Nov 2019)
(5) Representative	Takao Hashimoto, Representative Director and CEO (Director, Executive Officer, Senior Vice President and Executive Director of Business Division 1 of JX Nippon Oil & Gas Exploration Corporation)
(6) Shareholder	JX Nippon Oil & Gas Exploration Corporation (78.7%)
	INPEX CORPORATION (15.0%)
	Mitsubishi Corporation (6.3%)
(7) Business Activities	The exploration and development of petroleum, natural gas, other mineral resources in and around Malaysia.
	The recovery, processing, storage, sale and purchase of petroleum, natural gas, other mineral resources and the by-products of these and to carry on related business in connection with above objects.

< Location of Layang Field, Helang Gas Field and Beryl Gas Field >



<Photo of FPSO Helang>

