Construction of Kushiro LNG Terminal

JX Nippon Oil & Energy Corporation (President: Yasushi Kimura) is pleased to announce the decision to construct an LNG satellite terminal (hereinafter Kushiro LNG Terminal) in Kushiro City, Hokkaido, Japan.

The Kushiro LNG Terminal, which is scheduled to commence operations in April 2015, will have unloading facilities for LNG coastal tanker, one LNG tank with a capacity of 10,000KL and other related facilities. The Terminal will supply natural gas and LNG to the eastern part of Hokkaido, where demand for natural gas and LNG is expected to grow. LNG will be supplied to the Kushiro LNG Terminal from the Hachinohe LNG Terminal, which is also scheduled to start operations in April 2015.

While construction and operation of the Kushiro LNG Terminal will be implemented solely by JX Nippon Oil & Energy Corporation, we will cooperate with Hokkaido Gas Co., Ltd, which is currently constructing an LNG importing Terminal in Hokkaido, to develop the natural gas and LNG markets in eastern Hokkaido.

As a comprehensive energy supplier, JX Nippon Oil & Energy Corporation will continue its endeavors to contribute to the local communities by promoting further utilization of environmentally-friendly natural gas and LNG, and also undertaking regional development initiatives.

[Kushiro LNG Satellite Terminal]

•Constructer and Operator: JX Nippon Oil & Energy Corporation

Location: Kushiro City, Hokkaido, Japan

(Site for former Nippon Oil's Kushiro West Port Oil Depot)

• Site area: 45.000m²

• Facilities: LNG tank (10,000KL x 1), unloading facilities for LNG coastal tanker, natural gas vaporizer

and loading facilities for tank trucks, etc.

Commencement of operation: April 2015 (scheduled)

Diagram of LNG supply to the northern part of the Tohoku region and the eastern part of Hokkaido

