

Consolidated Financial Results for the First Quarter of the Fiscal Year Ending March 31, 2008 ("Fiscal 2007")
NIPPON MINING HOLDINGS, INC. (URL: <http://www.shinnikko-hd.co.jp/>)

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The accompanying financial statements are prepared in accordance with accounting principles generally accepted in Japan.

1. Operating results for the First Quarter of Fiscal 2007 (the period from April 1, 2007 to June 30, 2007)

(1) Operating results (Consolidated basis)

Note: Percentage figures represent changes from the corresponding previous periods.

	Sales		Operating income		Income before special items		Net income	
	millions of yen	%	millions of yen	%	millions of yen	%	millions of yen	%
For the three months ended June 30, 2007	960,004	12.4	22,630	(18.3)	40,842	(2.7)	24,622	9.9
For the three months ended June 30, 2006	854,158	34.1	27,695	(24.4)	41,972	(9.5)	22,401	(22.6)
For the year ended March 31, 2007 (Fiscal 2006)	3,802,447	-	132,258	-	224,236	-	106,430	-

	Basic EPS		Fully diluted EPS	
	yen	sen	yen	sen
For the three months ended June 30, 2007	26	56	26	55
For the three months ended June 30, 2006	26	45	26	44
For the year ended March 31, 2007 (Fiscal 2006)	117	98	117	91

(2) Financial position (Consolidated basis)

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	millions of yen	millions of yen	%	yen sen
As of June 30, 2007	2,167,616	714,837	29.5	690 86
As of June 30, 2006	1,950,949	529,157	24.3	559 89
As of March 31, 2007	2,056,407	701,064	30.3	671 56

(3) Cash flows (Consolidated basis)

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	millions of yen	millions of yen	millions of yen	millions of yen
For the three months ended June 30, 2007	(3,893)	(24,937)	50,661	67,395
For the three months ended June 30, 2006	(43,301)	(26,491)	70,112	64,124
For the year ended March 31, 2007 (Fiscal 2006)	41,200	(97,576)	37,401	45,249

2. Forecasts for Fiscal 2007 (April 1, 2007 - March 31, 2008) (Consolidated basis)

	Sales		Operating income		Income before special items		Net income		Basic EPS	
	millions of yen	%	millions of yen	%	millions of yen	%	millions of yen	%	yen	sen
Interim	1,980,000	9.5	53,000	(29.8)	94,000	(18.7)	52,000	(28.3)	56	10
Full year	3,994,000	5.0	119,000	(10.0)	190,000	(15.3)	105,000	(1.3)	113	29

Note: Percentage figures represent changes from the corresponding previous periods respectively.

3. Other

(1) Important changes in scope of consolidation during period: No

(2) Adoption of simplified accounting methods: No

(3) Changes in accounting methods from the most recent consolidated fiscal year:

From the first quarter of Fiscal 2007, the Company and its domestic consolidated subsidiaries applied the depreciation method for the tangible fixed assets acquired on and after April 1, 2007, prescribed in the revised Corporate Tax Law in line with the 2007 Tax Reform. As a result, in comparison to the previous depreciation method, this change had slight impact on the financial results of the first quarter of Fiscal 2007.

Concurrently, the Company and its domestic consolidated subsidiaries also applied the depreciation method for the tangible fixed assets acquired before April 1, 2007, which allowed them to depreciate those assets to 1 yen of the residual value using the straight-line method evenly over a period of five years after they reach the depreciable limits.

Due to this additional depreciation, depreciation costs increased by 1,442 million yen, operating income decreased by 1,398 million yen and income before special items and income before income taxes and minority interests decreased by 1,399 million yen for the first quarter of Fiscal 2007, as compared with the case in which the previous method were applied.

*The aforementioned forecasts are based on information available as of August 8, 2007. The actual results are subject to change due to changes in the business environment.

Consolidated Balance Sheets (Unaudited)

Account title	First quarter of Fiscal 2006 (As of June 30, 2006)		First quarter of Fiscal 2007 (As of June 30, 2007)		Fiscal 2006 (As of March 31, 2007)		Increase (decrease)
	millions of yen	%	millions of yen	%	millions of yen	%	millions of yen
Assets	1,950,949	100.0	2,167,616	100.0	2,056,407	100.0	111,209
Current assets	951,258	48.8	1,110,046	51.2	996,793	48.5	113,253
Cash and time deposits	64,928		68,654		46,475		22,179
Notes and accounts receivable, trade	330,086		379,162		371,539		7,623
Securities	1		-		-		-
Inventories	480,278		579,814		494,954		84,860
Other current assets	77,585		83,525		84,971		(1,446)
Less: Allowance for doubtful accounts	(1,620)		(1,109)		(1,146)		37
Fixed assets	999,691	51.2	1,057,570	48.8	1,059,614	51.5	(2,044)
Property, plant and equipment	611,925		652,605		649,901		2,704
Buildings and structures	131,652		133,729		133,528		201
Machinery and equipment, other	167,298		179,193		183,833		(4,640)
Land	285,440		281,081		281,591		(510)
Construction in progress	27,535		58,602		50,949		7,653
Intangible assets	74,380		89,409		92,754		(3,345)
Investments and other long-term assets	313,386		315,556		316,959		(1,403)
Investments in securities	255,202		263,486		263,062		424
Long-term loans	14,168		9,124		10,175		(1,051)
Deferred tax assets	11,240		11,366		11,237		129
Other	33,872		32,591		33,522		(931)
Less: Allowance for doubtful accounts	(1,096)		(1,011)		(1,037)		26
Total assets	1,950,949	100.0	2,167,616	100.0	2,056,407	100.0	111,209
Liabilities	1,421,792	72.9	1,452,779	67.0	1,355,343	65.9	97,436
Current liabilities	1,001,146	51.3	1,076,096	49.6	973,495	47.3	102,601
Notes and accounts payable, trade	277,826		320,920		253,935		66,985
Short-term borrowings	456,383		441,137		447,635		(6,498)
Commercial paper	51,000		101,000		26,000		75,000
Accounts payable, other	137,969		127,118		137,670		(10,552)
Accrued income taxes	9,765		6,879		29,713		(22,834)
Other current liabilities	68,203		79,042		78,542		500
Long-term liabilities	420,646	21.6	376,683	17.4	381,848	18.6	(5,165)
Long-term debt	273,386		213,572		215,802		(2,230)
Deferred tax liabilities	40,589		64,199		62,739		1,460
Allowance for retirement benefits	59,546		60,407		61,304		(897)
Allowance for periodic repair works	15,602		13,587		14,569		(982)
Other long-term liabilities	31,523		24,918		27,434		(2,516)
Net assets	529,157	27.1	714,837	33.0	701,064	34.1	13,773
Shareholders' equity	434,106	22.2	595,444	27.5	578,371	28.1	17,073
Common stock	40,000	2.0	73,920	3.4	73,920	3.6	-
Capital surplus	192,949	9.9	226,762	10.5	226,762	11.0	0
Retained earnings	201,614	10.3	295,386	13.6	278,259	13.5	17,127
Less: Treasury stock, at cost	(457)	(0.0)	(624)	(0.0)	(570)	(0.0)	(54)
Valuation and translation adjustment	40,133	2.1	44,885	2.0	44,105	2.2	780
Unrealized gain on marketable securities	36,058	1.9	38,898	1.8	35,987	1.8	2,911
Deferred hedge gain (loss)	489	0.0	105	0.0	1,528	0.1	(1,423)
Surplus from land revaluation	(3,317)	(0.2)	(3,355)	(0.2)	(3,355)	(0.2)	-
Accumulated translation adjustment	6,903	0.4	9,237	0.4	9,945	0.5	(708)
Stock acquisition rights	-	-	181	0.0	181	0.0	-
Minority interests in consolidated subsidiaries	54,918	2.8	74,327	3.5	78,407	3.8	(4,080)
Total liabilities and net assets	1,950,949	100.0	2,167,616	100.0	2,056,407	100.0	111,209

Consolidated Statements of Income (Unaudited)

Account title	For the three months ended June 30, 2006		For the three months ended June 30, 2007		Increase (decrease) millions of yen	Fiscal 2006 (from April 1, 2006 to March 31, 2007)	
	millions of yen	%	millions of yen	%		millions of yen	%
Net sales	854,158	100.0	960,004	100.0	105,846	3,802,447	100.0
Cost of sales	784,480	91.9	891,219	92.8	106,739	3,485,283	91.7
<i>Gross profit</i>	69,678	8.1	68,785	7.2	(893)	317,164	8.3
Selling, general and administrative expenses	41,983	5.4	46,155	4.8	4,172	184,906	4.8
<i>Operating income</i>	27,695	3.2	22,630	2.4	(5,065)	132,258	3.5
Other income	19,073	2.2	23,069	2.4	3,996	112,484	3.0
Interest income	624		670		46	2,805	
Dividend income	721		1,035		314	1,751	
Exchange gain	1,264		681		(583)	5,133	
Amortization of negative goodwill	458		458		-	1,837	
Equity in income of non-consolidated subsidiaries and affiliates	14,428		17,989		3,561	94,895	
Other	1,578		2,236		658	6,063	
Other expenses	4,796	0.5	4,857	0.5	61	20,506	0.5
Interest expenses	3,142		3,216		74	13,102	
Other	1,654		1,641		(13)	7,404	
<i>Income before special items</i>	41,972	4.9	40,842	4.3	(1,130)	224,236	5.9
Special profit	712	0.1	2,958	0.3	2,246	17,453	0.5
Gain on sales of property, plant and equipment	275		1,204		929	2,108	
Gain on sales of investments in securities, net	90		36		(54)	13,629	
Compensation income for expropriation	-		1,266		1,266	-	
Other	347		452		105	1,716	
Special loss	1,202	0.1	394	0.1	(808)	21,607	0.6
Loss on sales of property, plant and equipment	122		45		(77)	260	
Loss on disposal of property, plant and equipment	353		309		(44)	5,077	
Impairment losses	-		-		-	1,877	
Loss on write-down of investments in securities	391		-		(391)	1,256	
Reorganization and restructuring costs	149		-		(149)	5,204	
Provision for allowance for environmental remediation	-		-		-	2,710	
Provision for allowance for cost of disposal of unutilized property, plant and equipment	-		-		-	4,465	
Other	187		40		(147)	758	
<i>Income before income taxes and minority interests</i>	41,482	4.9	43,406	4.5	1,924	220,082	5.8
Income taxes	8,044	0.9	9,624	1.0	1,580	66,661	1.8
Deferred income tax	5,704	0.7	4,010	0.4	(1,694)	18,739	0.5
Minority interests in earnings of consolidated subsidiaries	5,333	0.7	5,150	0.5	(183)	28,252	0.7
Net income	22,401	2.6	24,622	2.6	2,221	106,430	2.8

Consolidated Statements of Changes in Net Assets (Unaudited)

For the three months ended June 30, 2006

(millions of yen)

	Shareholders' equity					Valuation and translation adjustment				Stock acquisition rights	Minority interests in consolidated subsidiaries	Total net assets
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total	Unrealized gain on marketable securities	Deferred hedge gain (loss)	Surplus from land revaluation	Accumulated translation adjustment			
Balance at March 31, 2006	40,000	192,948	192,148	(430)	424,666	39,471	-	(3,340)	6,682	-	46,027	513,506
Cash dividends paid			(12,715)		(12,715)							(12,715)
Bonuses to directors			(449)		(449)							(449)
Net income			22,401		22,401							22,401
Acquisition of treasury stock				(27)	(27)							(27)
Disposition of treasury stock		1		0	1							1
Reclassification with surplus from land revaluation			(23)		(23)							(23)
Increase arising from changes of consolidation, net			252		252							252
Net changes of net assets other than shareholders' equity						(3,413)	489	23	221	-	8,891	6,211
Total changes	-	1	9,466	(27)	9,440	(3,413)	489	23	221	-	8,891	15,651
Balance at June 30, 2006	40,000	192,949	201,614	(457)	434,106	36,058	489	(3,317)	6,903	-	54,918	529,157

For the three months ended June 30, 2007

(millions of yen)

	Shareholders' equity					Valuation and translation adjustment				Stock acquisition rights	Minority interests in consolidated subsidiaries	Total net assets
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total	Unrealized gain on marketable securities	Deferred hedge gain (loss)	Surplus from land revaluation	Accumulated translation adjustment			
Balance at March 31, 2007	73,920	226,762	278,259	(570)	578,371	35,987	1,528	(3,355)	9,945	181	78,407	701,064
Cash dividends paid			(7,421)		(7,421)							(7,421)
Net income			24,622		24,622							24,622
Acquisition of treasury stock				(54)	(54)							(54)
Disposition of treasury stock		0		0	0							0
Decrease arising from changes of consolidation, net			(74)		(74)							(74)
Net changes of net assets other than shareholders' equity						2,911	(1,423)	-	(708)	-	(4,080)	(3,300)
Total changes	-	0	17,127	(54)	17,073	2,911	(1,423)	-	(708)	-	(4,080)	13,773
Balance at June 30, 2007	73,920	226,762	295,386	(624)	595,444	38,898	105	(3,355)	9,237	181	74,327	714,837

For the year ended March 31, 2007

(millions of yen)

	Shareholders' equity					Valuation and translation adjustment				Stock acquisition rights	Minority interests in consolidated subsidiaries	Total net assets
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total	Unrealized gain on marketable securities	Deferred hedge gain (loss)	Surplus from land revaluation	Accumulated translation adjustment			
Balance at March 31, 2006	40,000	192,948	192,148	(430)	424,666	39,471	-	(3,340)	6,682	-	46,027	513,506
Issuance of stock	33,920	33,818			67,738							67,738
Cash dividends paid			(20,137)		(20,137)							(20,137)
Bonuses to directors			(449)		(449)							(449)
Net income			106,430		106,430							106,430
Acquisition of treasury stock				(152)	(152)							(152)
Disposition of treasury stock		4		4	8							8
Grant of treasury stock with exercise of stock acquisition rights		(8)		8	0							0
Reclassification with surplus from land revaluation			15		15							15
Increase arising from changes of consolidation, net			252		252							252
Net changes of net assets other than shareholders' equity						(3,484)	1,528	(15)	3,263	181	32,380	33,853
Total changes	33,920	33,814	86,111	(140)	153,705	(3,484)	1,528	(15)	3,263	181	32,380	187,558
Balance at March 31, 2007	73,920	226,762	278,259	(570)	578,371	35,987	1,528	(3,355)	9,945	181	78,407	701,064

Consolidated Statements of Cash Flows (Unaudited)

Account title	For the three months ended June 30, 2006	For the three months ended June 30, 2007	Fiscal 2006 (from April 1, 2006 to March 31, 2007)
	millions of yen	millions of yen	millions of yen
Cash flows from operating activities			
Income before income taxes and minority interests	41,482	43,406	220,082
Depreciation and amortization	11,257	14,043	48,808
Impairment losses	-	-	1,877
Amortization of goodwill	674	624	2,787
Amortization of negative goodwill	(458)	(458)	(1,837)
Interest and dividend income	(1,345)	(1,705)	(4,556)
Interest expenses	3,142	3,216	13,102
Equity in income of non-consolidated subsidiaries and affiliates	(14,428)	(17,989)	(94,895)
Gain on sales of investments in securities, net	(90)	(36)	(13,629)
Loss on write-down of investments in securities	391	-	1,256
Loss (gain) on sales and disposal of property, plant and equipment, net	200	(850)	3,229
Reorganization and restructuring costs	149	-	5,204
Decrease (increase) in trade receivables	4,396	(9,723)	(36,331)
Increase in inventories	(29,186)	(82,208)	(42,631)
Increase (decrease) in trade payables	487	68,384	(23,951)
Increase (decrease) in accrued consumption tax	(281)	(2,067)	12,979
Other, net	(23,049)	(6,545)	(28,029)
Subtotal	(6,659)	8,092	63,465
Receipts of interest and dividends	3,391	23,290	68,762
Payments for interest	(2,807)	(3,099)	(13,331)
Payments for special retirement benefit	-	-	(1,378)
Payments for income taxes	(37,226)	(32,176)	(76,318)
Net cash provided by (used in) operating activities	(43,301)	(3,893)	41,200
Cash flows from investing activities			
Decrease in time deposits, net	29	-	186
Proceeds from sales or maturities of securities	-	-	1
Payments for acquisition of investments in securities	(13,736)	(1,114)	(1,083)
Proceeds from sales or maturities of investments in securities	135	52	14,758
Net payments for acquisition of business assets	-	-	(22,338)
Net payments for acquisition of investments in newly consolidated subsidiaries	-	-	(14,013)
Payments for acquisition of property, plant and equipment	(12,812)	(24,030)	(78,056)
Proceeds from sales of property, plant and equipment	948	1,928	4,335
Payments for acquisition of intangible assets	(2,074)	(999)	(7,995)
Payments for long-term prepaid expenses	(577)	(714)	(1,888)
Decrease (increase) in short-term loans, net	(160)	(673)	1,028
Payments for lending of long-term loans	(7)	(93)	(279)
Collection of long-term loans	866	606	7,423
Other, net	897	100	345
Net cash used in investing activities	(26,491)	(24,937)	(97,576)
Cash flows from financing activities			
Increase (decrease) in short-term borrowings, net	77,933	(10,768)	58,679
Increase (decrease) in commercial paper, net	10,000	75,000	(15,000)
Proceeds from borrowings of long-term bank loans and other	5,100	12,000	29,702
Repayments of long-term bank loans and other	(10,439)	(10,665)	(82,819)
Proceeds from issuance of stock	-	-	67,738
Proceeds from issuance of stock to minority shareholders	-	-	13,090
Proceeds from third-party share allotment of consolidated subsidiary	2,000	-	4,000
Cash dividends paid	(12,715)	(7,421)	(20,137)
Cash dividends paid to minority shareholders	(1,402)	(7,258)	(17,369)
Other, net	(365)	(227)	(483)
Net cash provided by financing activities	70,112	50,661	37,401
Effect of exchange rate changes on cash and cash equivalents	(484)	232	(135)
Net increase (decrease) in cash and cash equivalents	(164)	22,063	(19,110)
Cash and cash equivalents at beginning of period	63,857	45,249	63,857
Increase due to subsidiaries newly included consolidation	431	83	502
Cash and cash equivalents at end of period	64,124	67,395	45,249

Segment Information (Unaudited)

Segment Information summarized by product group

For the three months ended June 30, 2006 (from April 1, 2006 to June 30, 2006) (millions of yen)

	Petroleum	Metals	Other Operations	Total	Eliminations or corporate	Consolidated
Sales						
(1) Outside customers	600,318	249,589	4,251	854,158	-	854,158
(2) Inter-group	921	333	4,810	6,064	(6,064)	-
Total	601,239	249,922	9,061	860,222	(6,064)	854,158
Operating costs and expenses	591,844	231,995	9,031	832,870	(6,407)	826,463
Operating income	9,395	17,927	30	27,352	343	27,695
Income before special items	10,285	30,068	1,134	41,487	485	41,972

Breakdown of Metals segment (millions of yen)

	Resources and Metals	Electronic Materials	Metal Manufacturing	Eliminations	Total
Sales					
(1) Outside customers	206,942	30,341	12,306	-	249,589
(2) Inter-group	11,512	1,390	4,587	(17,156)	333
Total	218,454	31,731	16,893	(17,156)	249,922
Operating costs and expenses	206,673	28,245	14,446	(17,369)	231,995
Operating income	11,781	3,486	2,447	213	17,927
Income before special items	24,219	3,053	2,583	213	30,068

For the three months ended June 30, 2007 (from April 1, 2007 to June 30, 2007) (millions of yen)

	Petroleum	Metals	Other Operations	Total	Eliminations or corporate	Consolidated
Sales						
(1) Outside customers	675,741	278,246	6,017	960,004	-	960,004
(2) Inter-group	977	279	6,114	7,370	(7,370)	-
Total	676,718	278,525	12,131	967,374	(7,370)	960,004
Operating costs and expenses	668,766	264,306	12,068	945,140	(7,766)	937,374
Operating income	7,952	14,219	63	22,234	396	22,630
Income before special items	9,267	29,470	1,456	40,193	649	40,842

Breakdown of Metals segment (millions of yen)

	Resources and Metals	Electronic Materials	Metal Manufacturing	Eliminations	Total
Sales					
(1) Outside customers	234,001	31,848	12,397	-	278,246
(2) Inter-group	13,157	1,320	4,906	(19,104)	279
Total	247,158	33,168	17,303	(19,104)	278,525
Operating costs and expenses	237,969	29,816	15,476	(18,955)	264,306
Operating income (loss)	9,189	3,352	1,827	(149)	14,219
Income (loss) before special items	24,383	3,237	1,999	(149)	29,470

Segment Information (Unaudited)

For the year ended March 31, 2007 (from April 1, 2006 to March 31, 2007)

(millions of yen)

	Petroleum	Metals	Other Operations	Total	Eliminations or corporate	Consolidated
Sales						
(1) Outside customers	2,750,827	1,021,563	30,057	3,802,447	-	3,802,447
(2) Inter-group	4,877	2,525	35,640	43,042	(43,042)	-
Total	2,755,704	1,024,088	65,697	3,845,489	(43,042)	3,802,447
Operating costs and expenses	2,679,793	971,757	62,280	3,713,830	(43,641)	3,670,189
Operating income	75,911	52,331	3,417	131,659	599	132,258
Income before special items	81,918	134,050	7,590	223,558	678	224,236

Breakdown of Metals segment

(millions of yen)

	Resources and Metals	Electronic Materials	Metal Manufacturing	Eliminations	Total
Sales					
(1) Outside customers	844,795	124,218	52,550	-	1,021,563
(2) Inter-group	42,241	5,333	17,846	(62,895)	2,525
Total	887,036	129,551	70,396	(62,895)	1,024,088
Operating costs and expenses	841,897	130,294	64,320	(64,754)	971,757
Operating income (loss)	45,139	(743)	6,076	1,859	52,331
Income (loss) before special items	127,762	(2,198)	6,627	1,859	134,050

Note: Main products for each segment are the following:

Petroleum	resource development, gasoline, naphtha, kerosene, gas oil, heavy fuel oil, petrochemicals, liquefied petroleum gas, lubricating oil, ship transport, etc.
Metals	<Resources and Metals> resource development, copper, gold, silver, sulfuric acid, ship transport, etc. <Electronic Materials > copper foils, sputtering targets, compound semiconductor materials, etc. <Metal Manufacturing > wrought copper and copper alloy products, special steel products, precision products, etc.
Other Operations	information service, engineering, electric wires, cables, titanium, land transport, common group administrative activities such as fund procurement, etc.