

Supplementary Explanation for Financial Results for Fiscal 2008 1Q

- From April 1, 2008 to June 30, 2008 -

July 30, 2008

Disclaimers concerning forward-looking statements are prepared on the last page of this material.

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Nippon Mining Holdings, Inc.

Code Tokyo 5016



Fiscal 2008 1Q Actual >> Key Points



Key factors

Fiscal 2007 1Q Fiscal 2008 1Q <3 months>

- Exchange rate
121 105 ¥/\$
- Crude Oil FOB (Dubai spot)
64.8 116.9 \$/bbl
- Copper price (LME)
347 383 ¢/lb

Sales

¥ 1,123.0 bn (+ 17% YoY)

Income before special items

¥ 47.3 bn (+ 16% YoY)

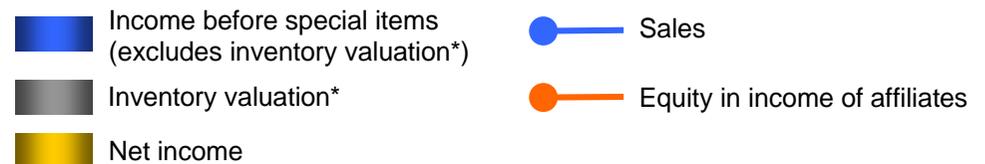
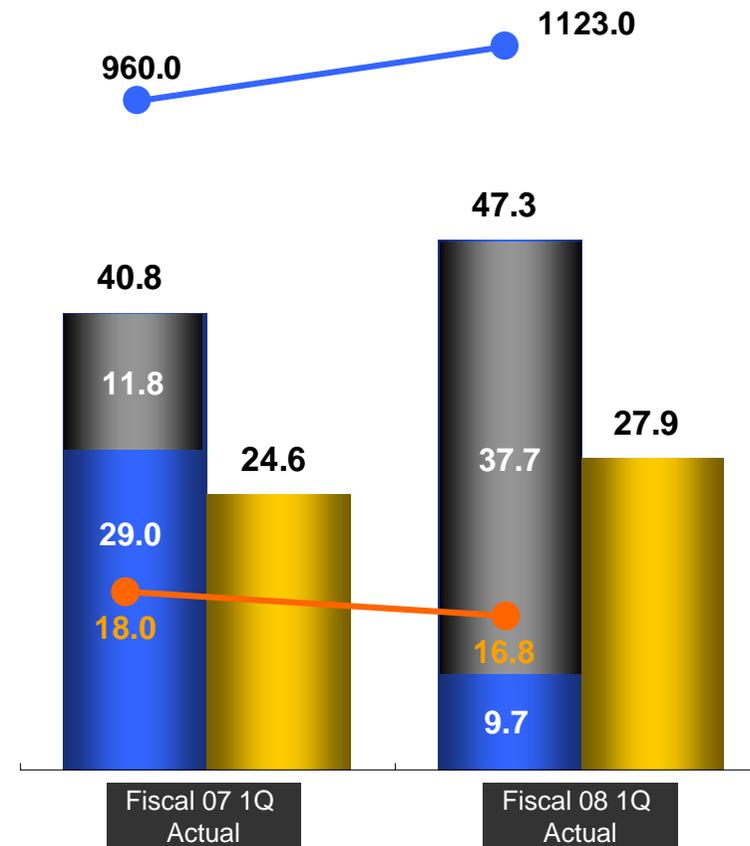
- Equity in income of affiliates
¥ 16.8 bn (- 6% YoY)

Net income

¥ 27.9 bn (+ 13% YoY)

Sales, Income, etc. (Fiscal 2008 1Q Consolidated)

(¥bn)



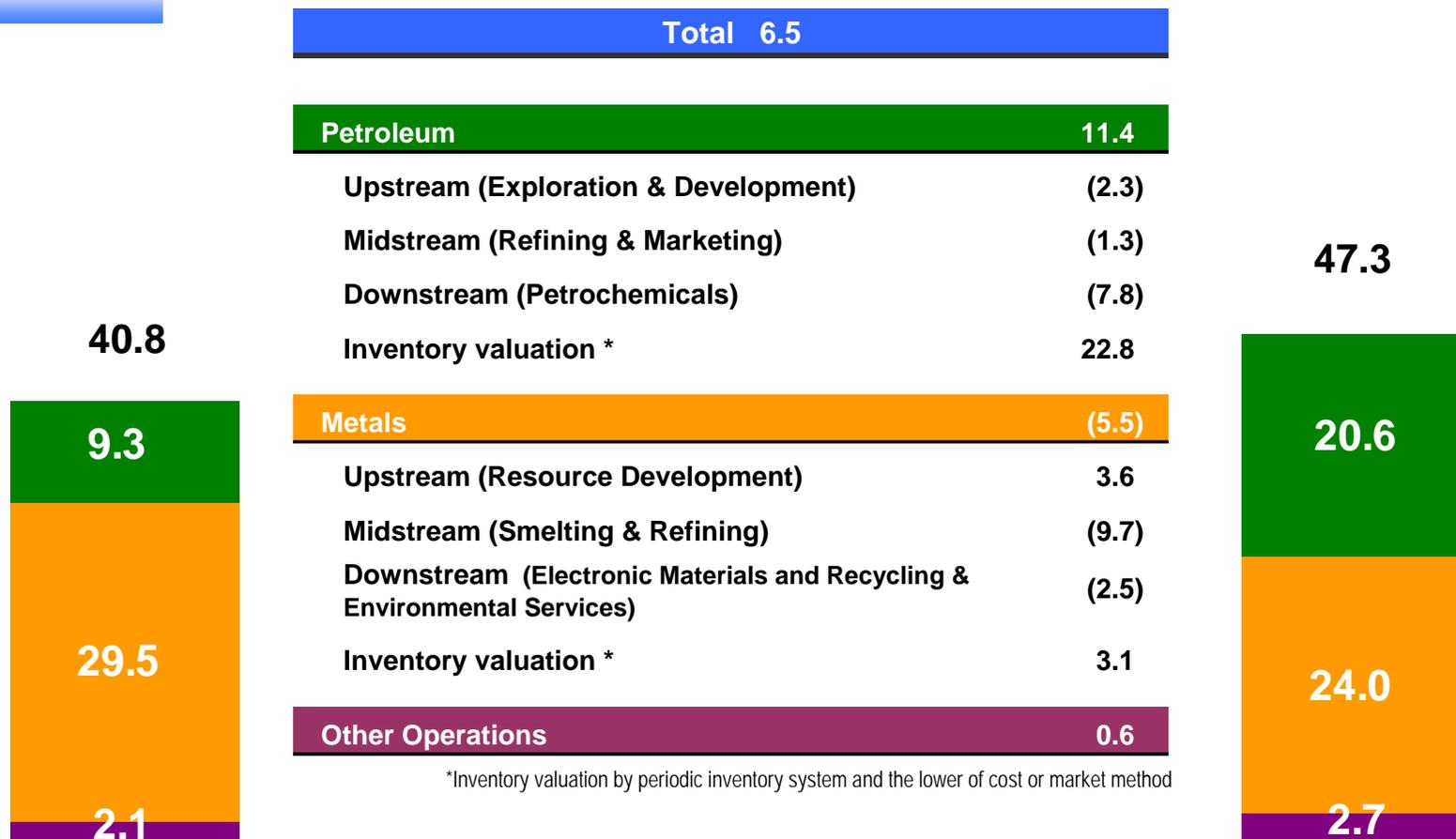
*Inventory valuation by periodic inventory system and the lower of cost or market method

Fiscal 2008 1Q >> Changes in income before special items by segment Fiscal 08 1Q Actual vs. Fiscal 07 1Q Actual (1)



Total

(¥bn)



Fiscal 07 1Q Actual



Fiscal 08 1Q Actual

Fiscal 2008 1Q >> Changes in income before special items by segment Fiscal 08 1Q Actual vs. Fiscal 07 1Q Actual (2)



Petroleum

Petroleum 11.4

(¥bn)

Petroleum excluding inventory valuation (11.4)

Upstream (Exploration & Development) (2.3)

Crude oil price up 2.3

Foreign currency translation etc. (4.6)

Midstream (Refining & Marketing) (1.3)

Energy costs increase (4.6)

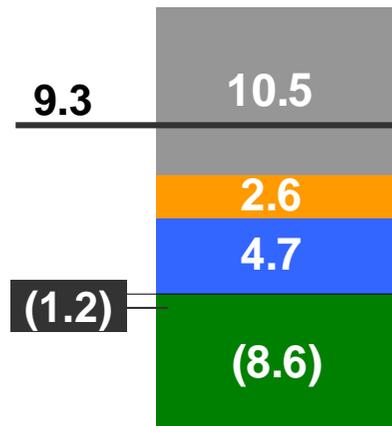
Margin etc. 3.3

Downstream (Petrochemicals) (7.8)

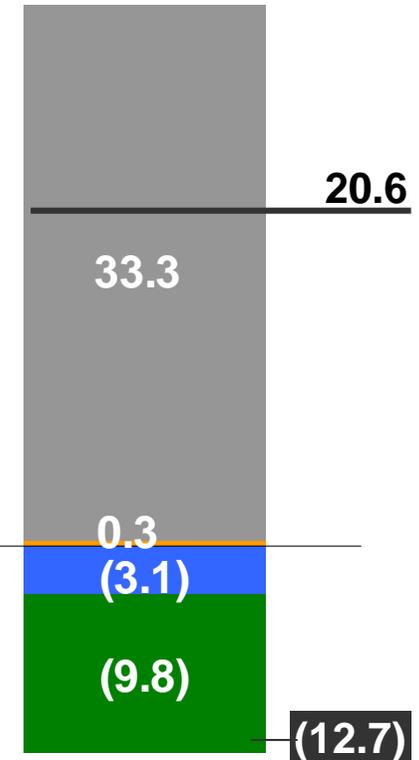
Energy costs etc. increase (1.9)

Margin deterioration etc. (5.9)

Inventory valuation 22.8



Fiscal 07 1Q Actual



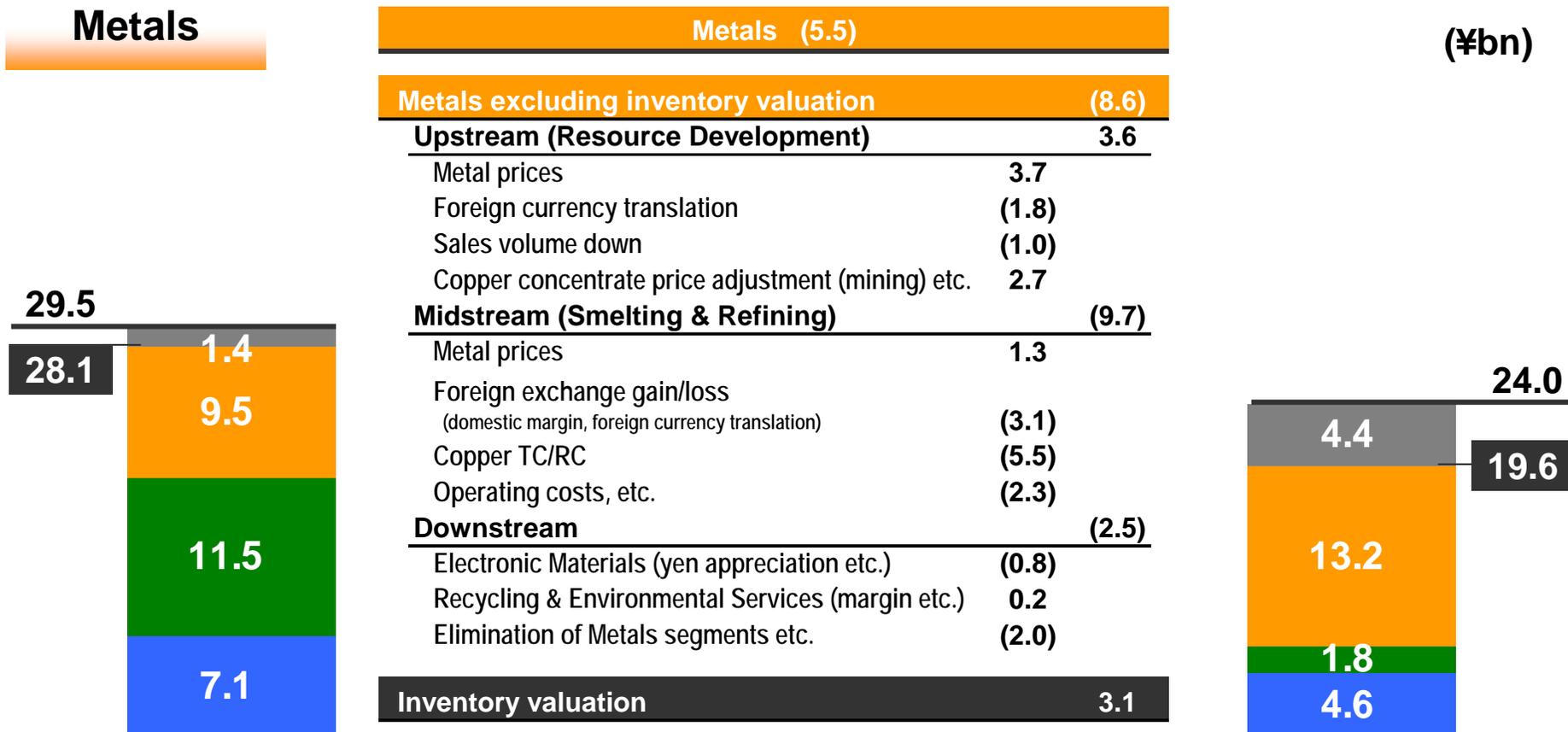
Fiscal 08 1Q Actual

- Upstream (Exploration & Development)
- Midstream (Refining & Marketing)
- Downstream (Petrochemicals)
- Inventory valuation (by periodic inventory system and the lower of cost or market method)
- * Income before special items excluding the impact of inventory valuation

Fiscal 2008 1Q >> Changes in income before special items by segment Fiscal 08 1Q Actual vs. Fiscal 07 1Q Actual (3)



Metals



Fiscal 07 1Q Actual

Fiscal 08 1Q Actual

- Upstream (Resource Development)
- Midstream (Smelting & Refining)
- Downstream (Electronic Materials and Recycling & Environmental Services)
- Inventory valuation (by periodic inventory system and the lower of cost or market method)
- *

* Income before special items excluding the impact of inventory valuation

Fiscal 2008 2Q (6 months) Forecast >> Key Points



Key factors

Fiscal 2007 2Q Fiscal 2008 2Q <6 months>

Exchange rate

119 105 ¥/\$
(2Q <3 months>: 117 105 ¥/\$)

Crude Oil FOB (Dubai spot)

67.4 121.0 \$/bbl
(2Q <3 months>: 70.1 125 \$/bbl)

Copper price (LME)

348 367 ¢/lb
(2Q <3 months>: 350 350 ¢/lb)

Sales

¥ 2,340.0 bn (+16% YoY)

Income before special items

¥ 100.0 bn (+4% YoY)

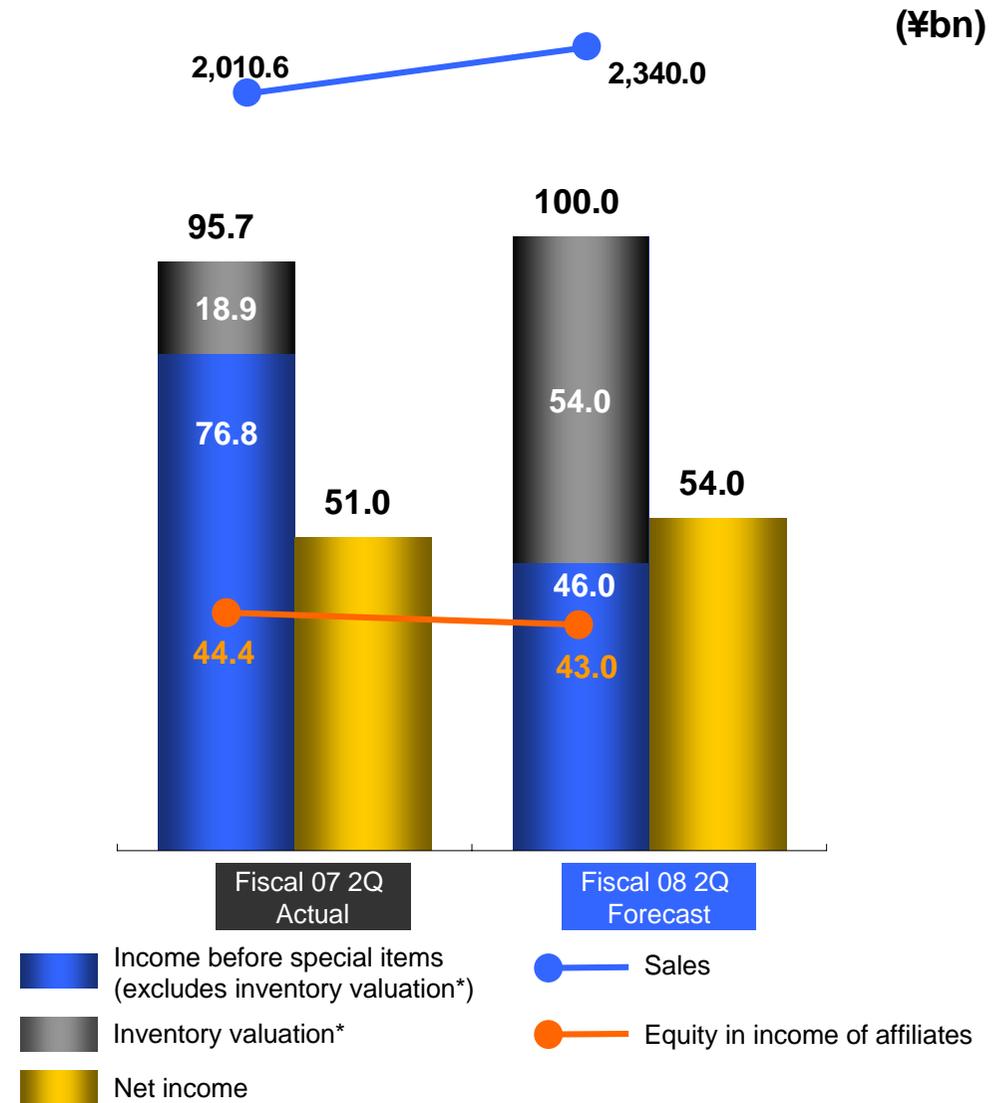
- Equity in income of affiliates

¥ 43.0 bn (-3% YoY)

Net income

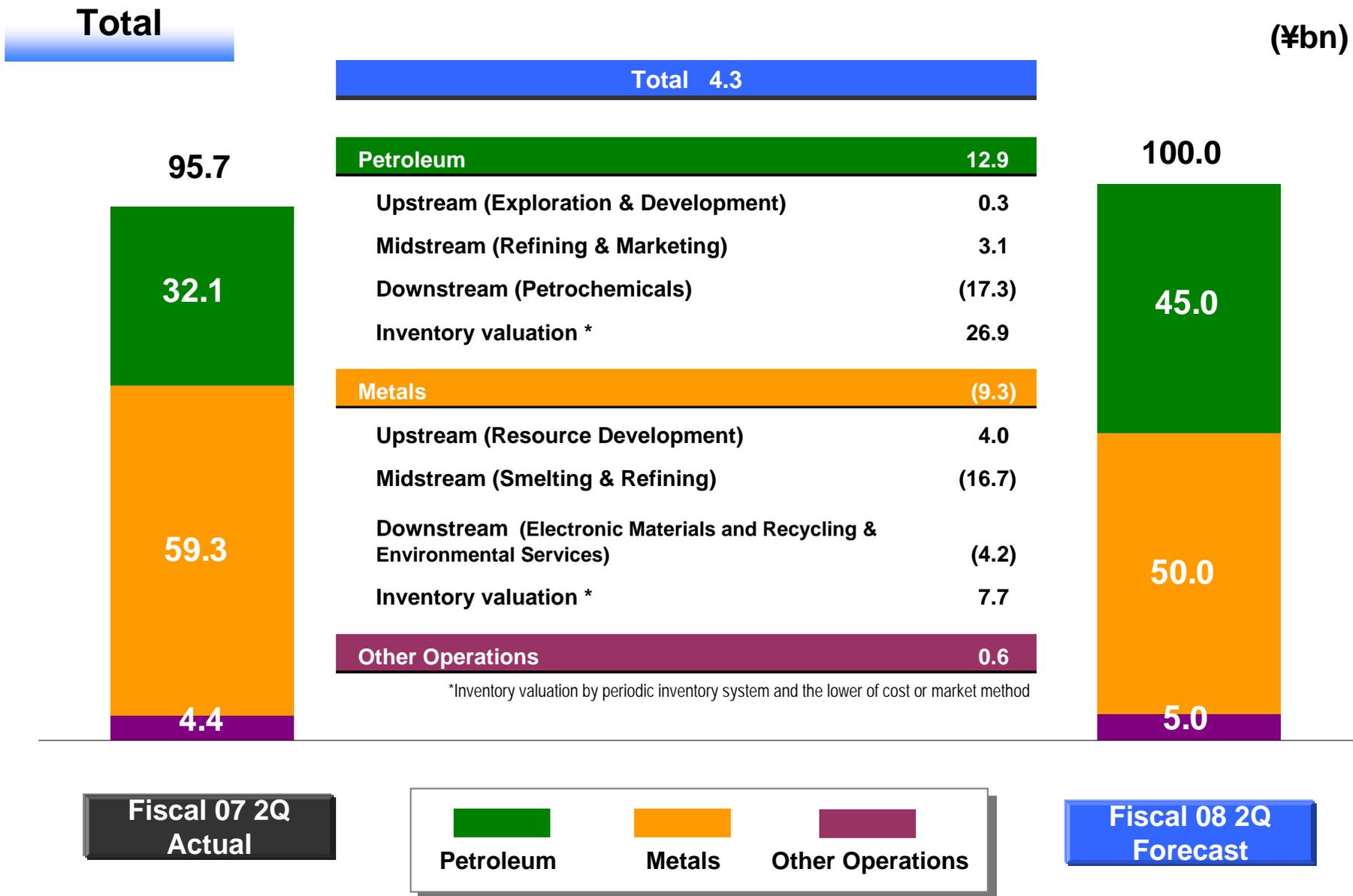
¥ 54.0 bn (+6% YoY)

Sales, Income, etc. (Fiscal 2008 2Q Consolidated)



*Inventory valuation by periodic inventory system and the lower of cost or market method

Fiscal 2008 2Q >> Changes in income before special items by segment
Fiscal 08 2Q Forecast vs. Fiscal 07 2Q Actual (1)

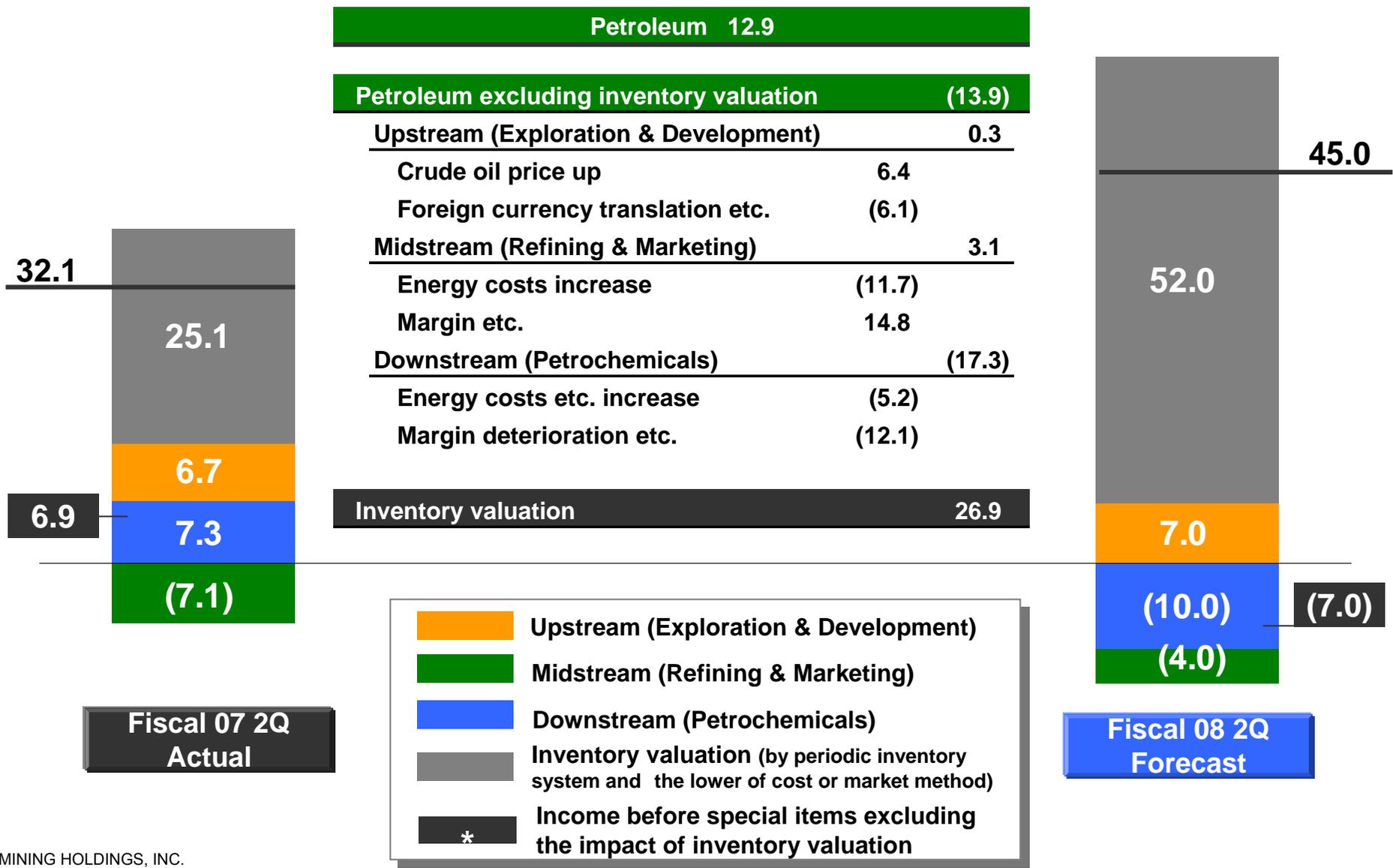


Fiscal 2008 2Q >> Changes in income before special items by segment
Fiscal 08 2Q Forecast vs. Fiscal 07 2Q Actual (2)

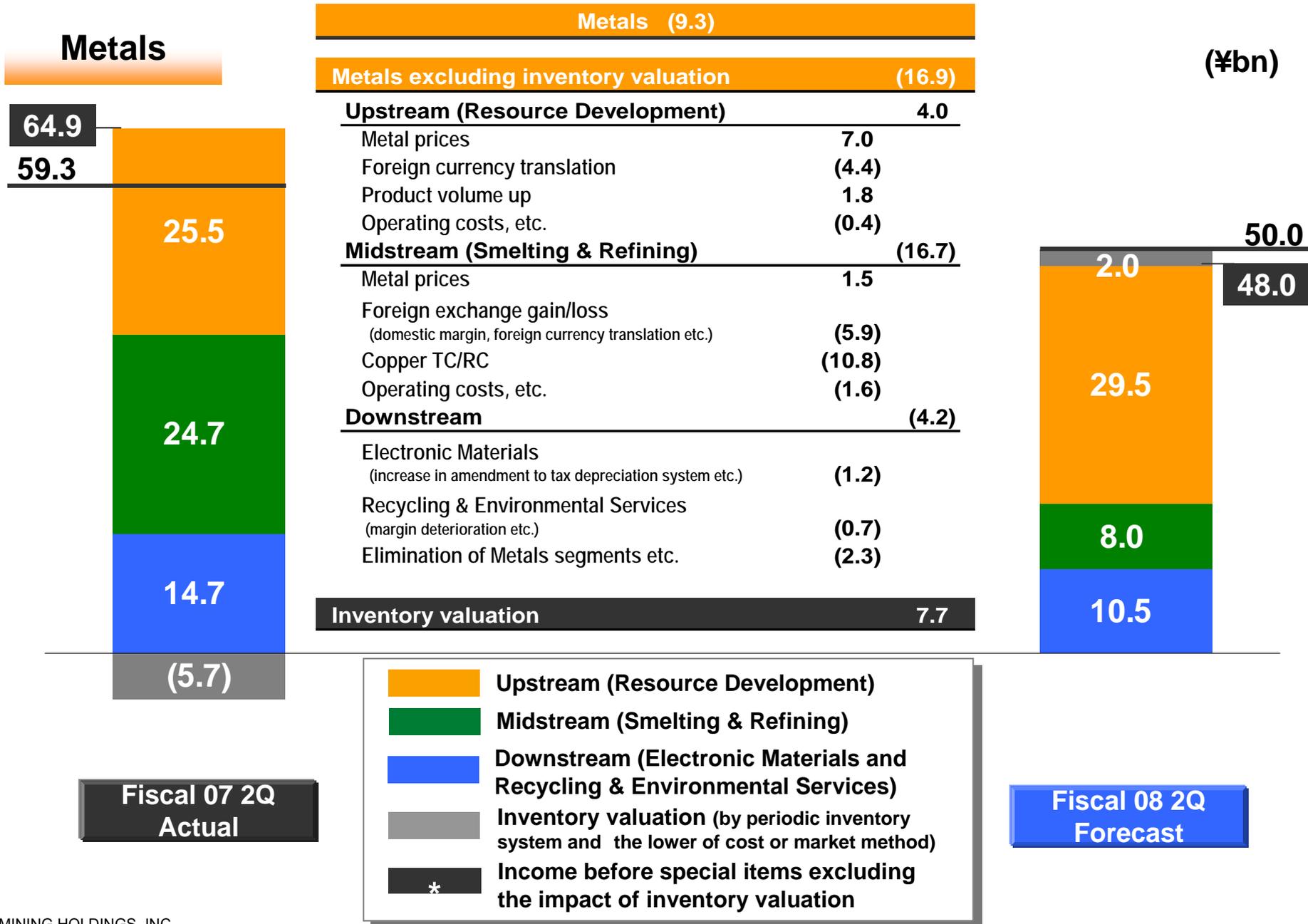


Petroleum

(¥bn)



Fiscal 2008 2Q >> Changes in income before special items by segment Fiscal 08 2Q Forecast vs. Fiscal 07 2Q Actual (3)



Balance sheets / Financial indicators



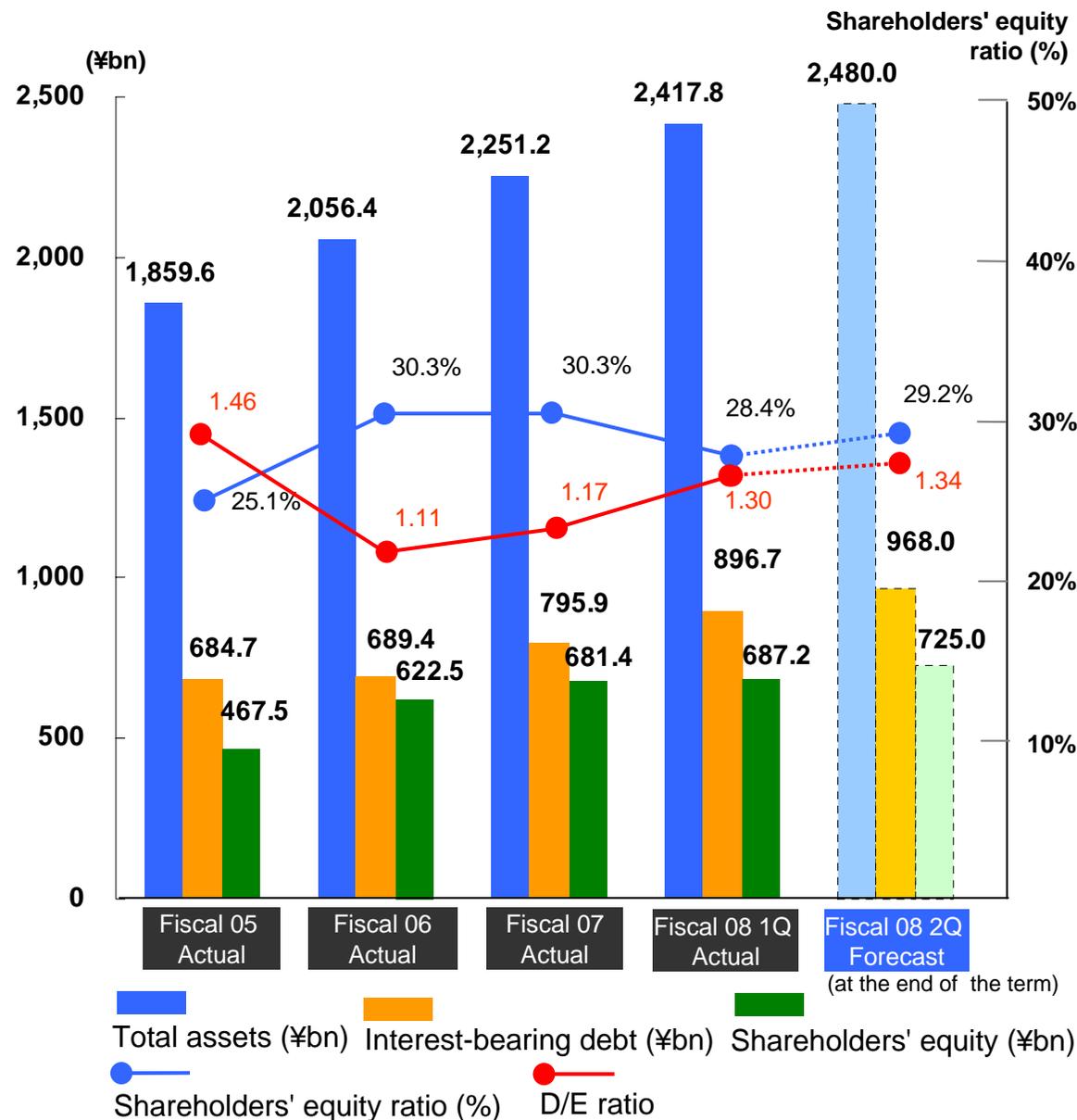
Balance sheets / Financial indicators

As of Jun. 30, 2008 (Actual)

Total assets	¥ 2,417.8 bn
Interest-bearing debt	¥ 896.7 bn
Shareholders' equity	¥ 687.2 bn
Shareholders' equity ratio	28.4%
D/E ratio	1.30

As of Sep. 30, 2008 (Forecast)

Total assets	¥ 2,480.0 bn
Interest-bearing debt	¥ 968.0 bn
Shareholders' equity	¥ 725.0 bn
Shareholders' equity ratio	29.2%
D/E ratio	1.34



Cash flows

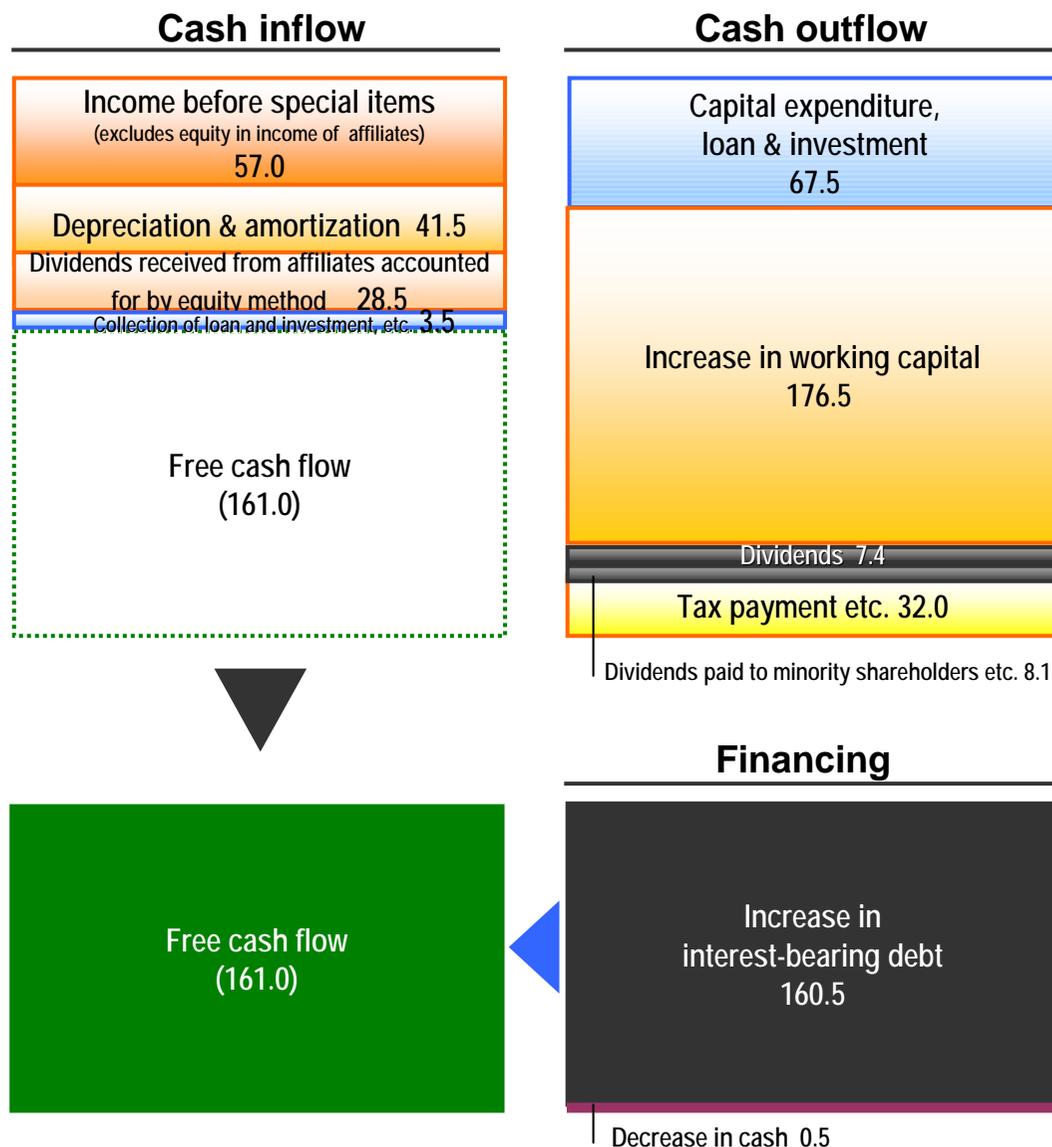


(¥bn)

Cash flows

- Capital expenditure, loan & investment
¥ 67.5 bn
- Increase in working capital
¥ 176.5 bn
- Free cash flow
¥ (161.0) bn
(due to increase in capital expenditure,
loan & investment and working capital)
- Increase in interest-bearing debt
¥ 160.5 bn

Fiscal 2008 2Q (6 months) Forecast



Sensitivity analysis (Fiscal 2008)



	Appreciation	Segment	Impact on income before special items
Impact on income before special items by changes in key factors			(¥bn/y)
Foreign exchange	¥5/\$ yen depreciation	Petroleum	2.0
		Metals	5.5
		Total	7.5
Crude oil FOB (Dubai spot)	5\$/bbl	Petroleum (energy costs, upstream profits)	(5.0)
Copper price (LME)	5¢/lb	Metals (equity in income of affiliates, margin)	1.3
Impact on income before special items by inventory valuation			(¥bn)
Foreign exchange	¥5/\$ (yen depreciation)	Petroleum (inventory gain/loss)	11.0
Crude oil FOB (Dubai spot)	5\$/bbl	Petroleum (inventory gain/loss)	12.0
Reference:			
Impact on income in case price shifts are unrealized (including time-lag)			(¥bn/y)
Foreign exchange	¥5/\$ (yen depreciation)	Petroleum (cost up)	(73.0)
Crude oil FOB (Dubai spot)	5\$/bbl	Petroleum (cost up)	(78.0)

Appendix(2) | Fiscal 2008 1Q >> Changes in income before special items by segment

Detailed analysis charts



	Fiscal 2008 1Q Actual (A)					Fiscal 2007 1Q Actual (B)					Difference (A) - (B)									
	Nippon Mining Holdings, Inc. & consolidated subsidiaries				Equity in income of affiliates	Total	Nippon Mining Holdings, Inc. & consolidated subsidiaries				Equity in income of affiliates	Total	Nippon Mining Holdings, Inc. & consolidated subsidiaries				Equity in income of affiliates	Total		
	Excluding extra factors *1	Inventory valuation *2	Changes in regulation for depreciation *3				Excluding extra factors *1	Inventory valuation *2	Changes in regulation for depreciation *3				Excluding extra factors *1	Inventory valuation *2	Changes in regulation for depreciation *3					
(billions of yen)																				
Petroleum	(12.0)	33.3	(0.4)	(0.3)	20.6	(2.4)	10.5	-	1.1	9.3	(9.7)	22.8	(0.4)	(1.4)	11.4					
Upstream (Exploration & Development)	0.6			(0.3)	0.3	1.1			1.5	2.6	(0.6)	-	-	(1.8)	(2.3)					
Midstream (Refining & Marketing)	(9.6)	33.3	(0.2)		23.5	(8.2)	10.5		(0.4)	1.9	(1.5)	22.8	(0.2)	0.4	21.5					
Downstream (Petrochemicals)	(2.9)	0.0	(0.2)		(3.1)	4.7				4.7	(7.7)	0.0	(0.2)	-	(7.8)					
Metals	3.2	4.4	(0.5)	16.9	24.0	12.2	1.4	-	15.9	29.5	(9.0)	3.1	(0.5)	1.0	(5.5)					
Upstream (Resource Development)	(2.1)			15.2	13.2	(2.3)			11.8	9.5	0.3	-	-	3.4	3.6					
Midstream (Smelting & Refining)	0.5	(0.0)	(0.3)	1.6	1.8	7.5	(0.0)		4.0	11.5	(7.0)	(0.0)	(0.3)	(2.4)	(9.7)					
Downstream	4.8	4.4	(0.2)	0.0	9.0	7.0	1.4		0.0	8.4	(2.2)	3.1	(0.2)	(0.0)	0.6					
Recycling & Environmental Services	2.2		(0.0)		2.2	2.0				2.0	0.3	-	(0.0)	-	0.2					
Electronic Materials	3.2	4.4	(0.2)	0.0	7.4	3.7	1.5		0.0	5.2	(0.6)	2.9	(0.2)	(0.0)	2.2					
Eliminations in Metals segment	(0.6)	0.0		0.0	(0.6)	1.3	(0.1)		0.0	1.2	(1.9)	0.1	-	(0.0)	(1.8)					
Other Operations	2.5	(0.1)	(0.0)	0.2	2.7	1.1	(0.0)		1.0	2.1	1.4	(0.1)	(0.0)	(0.7)	0.6					
Total	(6.3)	37.7	(0.9)	16.8	47.3	11.0	11.8	-	18.0	40.8	(17.3)	25.8	(0.9)	(1.2)	6.5					
Upstream	(1.5)	-	-	15.0	13.5	(1.2)	-	-	13.3	12.1	(0.3)	-	-	1.6	1.3					
Midstream	(9.2)	33.3	(0.5)	1.6	25.3	(0.7)	10.5	-	3.6	13.4	(8.5)	22.8	(0.5)	(2.0)	11.8					
Downstream	1.9	4.5	(0.4)	0.0	5.9	11.8	1.4	-	0.0	13.1	(9.9)	3.1	(0.4)	(0.0)	(7.2)					
Other Operations	2.5	(0.1)	(0.0)	0.2	2.7	1.1	(0.0)	-	1.0	2.1	1.4	(0.1)	(0.0)	(0.7)	0.6					
Income before special items excluding inventory valuation and changes in regulation for depreciation.				10.5					29.0					(18.5)						

*1 Extra factors: Inventory valuation gain or loss and changes in regulation for depreciation.

*2 Inventory valuation by periodic inventory system and the lower of cost or market method included in inventory valuation.

*3 Effective for 1Q ended June 30, 2008, the Company and its domestic consolidated subsidiaries applied the depreciation method prescribed in the revised Corporate Tax Law in line with the 2008 Tax Reform, in which useful lives for depreciation of property, plant and equipment, mainly machinery and equipment, were revised based on the number of years of actual use, as well as the classification of assets.

Appendix(2) | Fiscal 2008 2Q >> Changes in income before special items by segment

Detailed analysis charts



	Fiscal 2008 2Q <6months> Forecast (A)					Fiscal 2007 2Q <6months> Actual (B)					Difference (A) - (B)				
	Nippon Mining Holdings, Inc. & consolidated subsidiaries			Equity in income of affiliates	Total	Nippon Mining Holdings, Inc. & consolidated subsidiaries			Equity in income of affiliates	Total	Nippon Mining Holdings, Inc. & consolidated subsidiaries			Equity in income of affiliates	Total
	Excluding extra factors *1	Inventory valuation *2	Changes in regulation for depreciation *3			Excluding extra factors *1	Inventory valuation *2	Changes in regulation for depreciation *3			Excluding extra factors *1	Inventory valuation *2	Changes in regulation for depreciation *3		
(billions of yen)															
Petroleum	(9.4)	52.0	(1.1)	3.5	45.0	3.6	25.1	-	3.3	32.1	(13.0)	26.9	(1.1)	0.2	12.9
Upstream (Exploration & Development)	3.5			3.5	7.0	2.9			3.8	6.7	0.6	-	-	(0.3)	0.3
Midstream (Refining & Marketing)	(3.5)	52.0	(0.5)		48.0	(6.6)	25.1		(0.5)	18.1	3.1	26.9	(0.5)	0.5	29.9
Downstream (Petrochemicals)	(9.4)		(0.6)		(10.0)	7.3				7.3	(16.7)	-	(0.6)	-	(17.3)
Metals	10.4	2.0	(1.4)	39.0	50.0	25.6	(5.7)	-	39.3	59.3	(15.2)	7.7	(1.4)	(0.3)	(9.3)
Upstream (Resource Development)	(4.3)			33.8	29.5	(5.4)			30.9	25.5	1.1	-	-	2.9	4.0
Midstream (Smelting & Refining)	3.5		(0.7)	5.2	8.0	16.3	0.1		8.4	24.8	(12.8)	(0.1)	(0.7)	(3.2)	(16.8)
Downstream	11.2	2.0	(0.7)		12.5	14.7	(5.8)		0.0	8.9	(3.5)	7.8	(0.7)	(0.0)	3.6
Recycling & Environmental Services	4.8				4.8	5.5				5.5	(0.7)	-	-	-	(0.7)
Electronic Materials	6.9	2.0	(0.7)		8.2	7.4	(5.5)		0.0	2.0	(0.5)	7.5	(0.7)	(0.0)	6.2
Eliminations in Metals segment	(0.5)				(0.5)	1.7	(0.3)		0.0	1.4	(2.2)	0.3	-	(0.0)	(1.9)
Other Operations	4.7		(0.2)	0.5	5.0	3.1	(0.5)		1.8	4.4	1.6	0.5	(0.2)	(1.3)	0.6
Total	5.7	54.0	(2.7)	43.0	100.0	32.3	18.9	-	44.4	95.7	(26.6)	35.1	(2.7)	(1.4)	4.3
Upstream	(0.8)	-	-	37.3	36.5	(2.5)	-	-	34.7	32.2	1.7	-	-	2.6	4.3
Midstream	-	52.0	(1.2)	5.2	56.0	9.8	25.2	-	7.9	42.9	(9.8)	26.8	(1.2)	(2.7)	13.1
Downstream	1.8	2.0	(1.3)	-	2.5	22.0	(5.8)	-	0.0	16.3	(20.2)	7.8	(1.3)	(0.0)	(13.8)
Other Operations	4.7	-	(0.2)	0.5	5.0	3.1	(0.5)	-	1.8	4.4	1.6	0.5	(0.2)	(1.3)	0.6
Income before special items excluding inventory valuation and changes in regulation for depreciation.				48.7					76.8					(28.1)	

*1 Extra factors: Inventory valuation gain or loss and changes in regulation for depreciation.

*2 Inventory valuation by periodic inventory system and the lower of cost or market method included in inventory valuation.

*3 Effective for 1Q ended June 30, 2008, the Company and its domestic consolidated subsidiaries applied the depreciation method prescribed in the revised Corporate Tax Law in line with the 2008 Tax Reform, in which useful lives for depreciation of property, plant and equipment, mainly machinery and equipment, were revised based on the number of years of actual use, as well as the classification of assets.

Data

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I Fiscal 2008 1Q Results and Fiscal 2008 2Q<6 months> Forecast

1. Operating Results for Fiscal 2008 1Q

(1) Outline of Consolidated Statements of Income

(Billions of Yen)	Fiscal 2008	Fiscal 2007	Difference
	1Q Actual	1Q Actual	1Q
Net sales	1,123.0	960.0	163.0
Operating income	35.1	22.6	12.5
Other income and expenses, net	12.2	18.2	(6.0)
Equity in income of affiliates	16.8	18.0	(1.2)
Other, net	(4.6)	0.2	(4.9)
Income before special items	47.3	40.8	6.5
Special profit and loss, net	0.3	2.6	(2.3)
Income taxes	15.7	13.6	2.1
Minority interests in earnings of consolidated subsidiaries	4.0	5.2	(1.1)
Net income	27.9	24.6	3.3
Earnings per share (yen)	30.09	26.56	3.53
Number of shares (1,000 shares)	926,834	926,881	

*Profit or loss in inventory valuation in income before special items

Profit or loss in inventory valuation	37.7	11.8	25.8
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(2) Scope of Consolidation (as of June 30, 2008)

1. Consolidated subsidiaries	120 (8 addition, 3 reduction)
2. Equity method affiliates	15 (1 addition, 1 reduction)

(3) Breakdown of Other Income and Expenses, net and Special Profit and Loss, net

1. Breakdown of other income and expenses, net	1Q of Fiscal 2008
Interest and dividend income	¥ 1.6 billion
Equity in income of affiliates	¥ 16.8 "
Interest expenses	¥ (3.3) "
Exchange loss	¥ (2.9) "
Other	¥ (0.1) "
Total	¥ 12.2 "
2. Breakdown of special profit and loss, net	1Q of Fiscal 2008
Gain on sales of property, plant and equipment	¥ 0.7 "
Gain on sales of investments in subsidiary	¥ 1.1 "
Loss on sales and disposal of property, plant and equipment	¥ (0.8) "
Loss due to fire accident	¥ (0.8) "
Other	¥ 0.1 "
Total	¥ 0.3 "

(4)Segment Information

(Billions of Yen)		Fiscal 2008	Fiscal 2007	Difference
		1Q Actual	1Q Actual	1Q
Petroleum	Net sales	833.9	676.7	157.2
	Operating income	22.2	8.0	14.2
	Income before special items	20.6	9.3	11.4
Metals	Net sales	280.6	278.5	2.1
	Operating income	10.7	14.2	(3.5)
	Income before special items	24.0	29.5	(5.5)
Other Operations	Net sales	13.4	12.1	1.3
	Operating income	2.2	0.5	1.8
	Income before special items	2.7	2.1	0.6
Eliminations	Net sales	(4.9)	(7.4)	2.4
Total	Net sales	1,123.0	960.0	163.0
	Operating income	35.1	22.6	12.5
	Income before special items	47.3	40.8	6.5

*Profit or loss in inventory valuation in income before special items by segment

Petroleum	33.3	10.5	22.8
Metals	4.4	1.4	3.1
Other Operations	(0.1)	(0.0)	(0.1)
Total	37.7	11.8	25.8

(5)Key Factors

			Fiscal 2008	Fiscal 2007	Difference
			1Q Actual	1Q Actual	1Q
All Segments	Exchange rate	¥/\$	105	121	(16)
Petroleum	Dubai spot price	\$/bbl	116.9	64.8	52.1
	Market price of paraxylene	\$/t	1,330	1,167	163
Metals	Copper price(LME)	¢/lb	383	347	36
	Electrolytic copper sales	Kt/period	155	165	(10)
	Gold recovery volume(*)	t/period	1.8	1.8	-
	Treated rolled copper foil sales	Mm/month	3.5	3.5	(0.0)
	Precision rolled products sales	Kt/period	3.6	3.4	0.2

(*)Gold recovery volume in Recycling and Environmental Services

2.Fiscal 2008 2Q<6 months> Forecast

※ The disclosure of Metals is changed from Fiscal 2008, in accordance with the reorganization of Nippon Mining & Metals Co., Ltd at the beginning of Fiscal 2008.
The results for fiscal 2007 are reclassified corresponding to the new method.

<1>Comparison with Fiscal 2007 Results

(1)Key Factors

			Fiscal 2008	Fiscal 2007	Difference
			2Q	2Q	2Q
			Forecast	Actual	
All Segments	Exchange rate	¥/\$	105	119	(14)
Petroleum	Dubai spot price	\$/bbl	121.0	67.4	53.6
	Market price of paraxylene	\$/t	1,444	1,141	303
Metals	Copper price(LME)	¢ /lb	367	348	19
	Electrolytic copper sales	Kt/period	315	326	(11)
	Gold recovery volume(*)	t/period	3.2	3.4	(0.2)
	Treated rolled copper foil sales	Mm/month	3.5	4.0	(0.4)
	Precision rolled products sales	Kt/period	3.8	3.6	0.2

(*)Gold recovery volume in Recycling and Environmental Services

(2)Outline of Consolidated Statements of Income

(Billions of Yen)		Fiscal 2008	Fiscal 2007	Difference
		2Q	2Q	2Q
		Forecast	Actual	
Net sales		2,340.0	2,010.6	329.4
Operating income		66.0	50.3	15.7
Other income and expenses, net		34.0	45.4	(11.4)
	Equity in income of affiliates	43.0	44.4	(1.4)
	Other, net	(9.0)	0.9	(9.9)
Income before special items		100.0	95.7	4.3
Special profit and loss, net		(2.0)	2.7	(4.7)
Income taxes		33.0	35.3	(2.3)
Minority interests in earnings of consolidated subsidiaries		11.0	12.1	(1.1)
Net income		54.0	51.0	3.0
Earnings per share (yen)		58.26	55.04	3.23
Number of shares (1,000 shares)		926,831	926,850	

*EPS for Fiscal 2008 2Q forecast is calculated on the basis of the number of shares outstanding at the end of June, 2008.

*Profit or loss in inventory valuation in income before special items

Profit or loss in inventory valuation	54.0	18.9	35.1
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(3)Segment Information

(Billions of Yen)		Fiscal 2008	Fiscal 2007	Difference
		2Q Forecast	2Q Actual	2Q
Petroleum	Net sales	1,770.0	1,434.9	335.1
	Operating income	45.5	28.3	17.2
	Income before special items	45.0	32.1	12.9
Metals	Net sales	545.0	565.2	(20.2)
	Operating income	16.8	20.5	(3.7)
	Income before special items	50.0	59.3	(9.3)
Other Operations	Net sales	44.0	32.6	11.4
	Operating income	3.7	1.5	2.2
	Income before special items	5.0	4.4	0.6
Eliminations	Net sales	(19.0)	(22.1)	3.1
Total	Net sales	2,340.0	2,010.6	329.4
	Operating income	66.0	50.3	15.7
	Income before special items	100.0	95.7	4.3

*Toho Titanium Co., Ltd which was a non-consolidated affiliate in Fiscal 2007, is consolidated in Fiscal 2008

*Profit or loss in inventory valuation in income before special items by segment

Petroleum	52.0	25.1	26.9
Metals	2.0	(5.7)	7.7
Other Operations	-	(0.5)	0.5
Total	54.0	18.9	35.1

<2>Comparison with the Previous Forecast announced on April 30, 2008

(1)Key Factors

			Revised 2Q Forecast	Previous 2Q Forecast	Difference 2Q
All Segments	Exchange rate	¥/\$	105	100	5
Petroleum	Dubai spot price	\$/bbl	121.0	93.0	28.0
	Market price of parexylene	\$/t	1,444	1,301	143
Metals	Copper price(LME)	¢ /lb	367	350	17
	Electrolytic copper sales	Kt/period	315	322	(7)
	Gold recovery volume(*)	t/period	3.2	3.7	(0.5)
	Treated rolled copper foil sales	Mm/month	3.5	4.2	(0.6)
	Precision rolled products	Kt/period	3.8	4.0	(0.2)

(*)Gold recovery volume in Recycling and Environmental Services

(2)Outline of Consolidated Statements of Income

(Billions of Yen)		Revised 2Q Forecast	Previous 2Q Forecast	Difference 2Q
Net sales		2,340.0	2,145.0	195.0
Operating income		66.0	27.0	39.0
Other income and expenses, net		34.0	24.0	10.0
	Equity in income of affiliates	43.0	32.0	11.0
	Other, net	(9.0)	(8.0)	(1.0)
Income before special items		100.0	51.0	49.0
Special profit and loss, net		(2.0)	(2.0)	-
Income taxes		33.0	16.0	17.0
Minority interests in earnings of consolidated subsidiaries		11.0	7.0	4.0
Net income		54.0	26.0	28.0
Earnings per share (yen)		58.26	28.05	30.21
Number of shares (1,000 shares)		926,831	926,813	

*EPS for Fiscal 2008 Forecast is calculated on the basis of the number of shares outstanding at the end of June, 2008.

*Profit or loss in inventory valuation in income before special items

Profit or loss in inventory valuation	54.0	-	54.0
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(3)Segment Information

(Billions of Yen)		Revised	Previous	Difference	Note
		2Q Forecast	2Q Forecast	2Q	
Petroleum	Net sales	1,770.0	1,590.0	180.0	<ul style="list-style-type: none"> • Increase in profit in inventory valuation etc., 52.0bn (Previous, 0.0bn → Revised, 52.0bn) • Petrochemicals, (3.0bn) • Energy costs up., (11.5bn)
	Operating income	45.5	10.0	35.5	
	Income before special items	45.0	7.5	37.5	
Metals	Net sales	545.0	535.0	10.0	<ul style="list-style-type: none"> • Increase in profit in inventory valuation, 2.0bn : indium price up etc. • Other, 10.0bn : metal prices up, depreciation of yen etc.
	Operating income	16.8	12.7	4.1	
	Income before special items	50.0	38.0	12.0	
Other Operations	Net sales	44.0	40.0	4.0	
	Operating income	3.7	4.3	(0.6)	
	Income before special items	5.0	5.5	(0.5)	
Eliminations	Net sales	(19.0)	(20.0)	1.0	
Total	Net sales	2,340.0	2,145.0	195.0	
	Operating income	66.0	27.0	39.0	
	Income before special items	100.0	51.0	49.0	

*Profit or loss in inventory valuation in income before special items by segment

Petroleum	52.0	-	52.0
Metals	2.0	-	2.0
Other Operations	-	-	-
Total	54.0	-	54.0

II Segment Information (1Q Results and 2Q<6 months> Forecast)

<1>Petroleum (Japan Energy Group)

(1)Sales Volume and Growth Rate

	Sales Volume (Thousands of KL)						Growth Rate	
	Fiscal 2008		Fiscal 2007		Difference		Fiscal 2008	
	1Q Actual	2Q Forecast	1Q Actual	2Q Actual	1Q	2Q	1Q Actual	2Q Forecast
Gasoline	1,496	2,950	1,513	3,158	(17)	(208)	98.9%	93.4%
Naphtha	913	2,040	810	1,803	103	237	112.7%	113.1%
Jet Fuel	140	305	143	305	(3)	-	97.9%	100.0%
Kerosene	380	630	384	663	(4)	(33)	99.0%	95.0%
Gas Oil	1,067	2,120	1,023	2,092	44	28	104.3%	101.3%
A Heavy Fuel	498	960	558	1,059	(60)	(99)	89.2%	90.7%
C Heavy Fuel	545	1,160	498	1,261	47	(101)	109.4%	92.0%
Total (domestic sales)	5,039	10,165	4,929	10,340	110	(175)	102.2%	98.3%
Total (export sales)	927	2,100	657	1,462	270	638	141.1%	143.6%
Total (domestic + export)	5,966	12,265	5,586	11,802	380	463	106.8%	103.9%
Gasoline & middle distillation*	3,441	6,660	3,478	6,972	(37)	(312)	98.9%	95.5%

Source : Specified Statistics No.51

* domestic sales

(2)Refining Volume of Crude Oil and Capacity Utilization Rate of Crude Oil Distillation Units

		Fiscal 2008	Fiscal 2007				
		Apr.-Jun. Actual	Apr.-Jun. Actual	Jul.-Sep. Actual	Oct.-Dec. Actual	Jan-Mar. Actual	Total
Group Total	Refining volume (ten thousand of KL)	562	467	562	605	623	2,257
	Utilization rate	82%	78%	93%	93%	91%	89%
	Comparison with previous year	120%	103%	96%	106%	113%	105%
Mizushima	Refining volume (ten thousand of KL)	288	195	287	295	284	1,062
	Utilization rate	97%	66%	96%	98%	96%	89%
	Comparison with previous year	148%	66%	97%	101%	102%	91%
Kashima	Refining volume (ten thousand of KL)	274	272	275	310	339	1,196
	Utilization rate	70%	90%	90%	89%	87%	89%
	Comparison with previous year	101%	171%	96%	112%	124%	120%

Refining capacity of Japan Energy Group's refineries

Mizushima Refinery, Japan Energy : 205,200 Barrels/Day

Kashima Refinery, Kashima Oil : 270,000 Barrels/Day (before November 18, 2007, 210,000 Barrels/Day)

(3)Number of JOMO Service Stations

	Mar. 31, 2003	Mar. 31, 2004	Mar. 31, 2005	Mar. 31, 2006	Mar. 31, 2007	Sep. 30, 2007	Mar. 31, 2008	Jun. 30, 2008
Owned by Japan Energy	1,229	1,207	1,172	1,154	1,143	1,130	1,106	1,105
<Self-SS>	227	264	297	347	384	401	410	433
Owned by wholesalers and others	3,067	2,943	2,851	2,679	2,565	2,518	2,449	2,387
<Self-SS>	95	121	143	187	222	236	257	260
Total	4,296	4,150	4,023	3,833	3,708	3,648	3,555	3,492
<Self-SS>	322	385	440	534	606	637	667	693

<2>Metals (Nippon Mining & Metals Group)

※ The disclosure of Metals is changed from Fiscal 2008, in accordance with the reorganization of Nippon Mining & Metals Co., Ltd at the beginning of Fiscal 2008. The results for Fiscal 2007 are reclassified corresponding to the new method.

(1)Metals - Price and Sales Volume

			Fiscal 2008		Fiscal 2007		Difference	
			1Q Actual	2Q Forecast	1Q Actual	2Q Actual	1Q	2Q
Price	Copper	¢ /lb	383	367	347	348	36	19
	Gold	\$/TOZ	897	848	668	674	229	174
	Platinum	\$/TOZ	2,027	1,814	1,288	1,290	739	524
	Palladium	\$/TOZ	444	397	368	358	76	39
Sales volume	Copper	Kt/period	155	315	165	326	(10)	(11)
Gold recovery volume(*)		t/period	1.8	3.2	1.8	3.4	-	(0.2)

* Gold recovery volume in Recycling and Environmental Services

(2)Electronic Materials - Breakdown by Divisions

(Billions of Yen)			Fiscal 2008		Fiscal 2007		Difference	
			1Q Actual	2Q Forecast	1Q Actual	2Q Actual	1Q	2Q
	Copper Foil		0	(0)	3	13	(3)	(14)
	Thin Film Materials		15	36	16	30	(1)	6
	Metal Manufacturing		15	26	18	31	(3)	(5)
	Inventory valuation		44	20	15	(55)	29	75
	Total		74	82	52	20	22	62
	Ratio of income before special items to net sales(*1)		5.5%	6.3%	7.4%	7.2%	(2.0%)	(0.9%)

(*1) excluding inventory valuation

III Consolidated Balance Sheets, Cash Flows, etc.

1. Consolidated Balance Sheets

(Billions of Yen)							
			June 30, 2008(A) Actual	Mar. 31, 2008(B) Actual	Difference (A)-(B)	Sep. 30, 2008(C) Forecast	Difference (C)-(B)
Total assets			2,417.8	2,251.2	166.6	2,480.0	228.8
Current assets			1,308.7	1,157.2	151.6		
Fixed assets			1,109.0	1,094.1	15.0		
Total liabilities			1,633.0	1,485.9	147.1	1,651.0	165.1
Current liabilities			1,173.7	1,058.6	115.1		
Long-term liabilities			459.3	427.4	32.0		
Net assets			784.7	765.3	19.5	829.0	63.7
Shareholders' equity and valuation and translation adjustment			687.2	681.4	5.8	725.0	43.6
Minority interests, etc.			97.5	83.9	13.7	104.0	20.1
Shareholders' equity ratio			28.4%	30.3%	(1.9%)	29.2%	(1.1%)
BPS (¥/share)			741	735	6	782	47
Interest-bearing debt			896.7	795.9	100.8	968.0	172.1
Debt to equity ratio			1.30	1.17	0.13	1.34	0.17

(*1) In calculation of shareholders' equity ratio and BPS, "Shareholders' equity and valuation and translation adjustment" is used as shareholders' equity.

(*2) BPS of the forecast for the end of September, 2008 is calculated on the basis of the number of shares outstanding at the end of June, 2008 (926,831 thousand shares on a consolidated basis).

(1) Factors in Change from March 31, 2008 to June 30, 2008

(Billions of Yen)

Assets 166.6 <small>(include effect of subsidiary newly included consolidation at beginning of fiscal year, 42.8)</small>	Cash and cash equivalents 7.6, Trade receivables and Inventories 165.2, Capital expenditures 24.1, Acquisition of investments in securities and lending of loans 2.3, Depreciation and amortization (includes amortization of goodwill) (19.7), Difference in equity in income of affiliates and receipts of dividends from such companies (3.5), Unrealized gain on marketable securities 11.9, Foreign currency translation (21.3)
Liabilities 147.1 <small>(include effect of subsidiary newly included consolidation at beginning of fiscal year, 20.3)</small>	Interest-bearing debt 100.8 (Changes in amounts differ from the increase in interest-bearing debt shown in the summary of cash flows due to the effect of subsidiaries newly included consolidation, translation adjustment, etc.), Trade payables 59.8, Accrued income taxes etc. (12.0), Other (1.5)
Net assets 19.5 <small>(include effect of subsidiary newly included consolidation at beginning of fiscal year, 22.6)</small>	Net income 27.9, Cash dividends paid (7.4), Unrealized gain on marketable securities 7.0, Accumulated translation adjustment (15.5), Deferred hedge gain(loss) (6.4), Minority interests in consolidated subsidiaries etc. 13.9

(2) Factors in Change from March 31, 2008 to September 30, 2008 (Forecast)

(Billions of Yen)

Assets 228.8	Cash and cash equivalents (0.6), Trade receivables and Inventories 192.5, Capital expenditures 63.5, Depreciation and amortization (includes amortization of goodwill) (41.5), Acquisition of investments in securities and lending of loans 4.0, Difference in equity in income of affiliates and dividend received from such companies 14.5, Other (3.6)
Liabilities 165.1	Interest-bearing debt 172.1 (Changes in amounts differ from the increase in interest-bearing debt shown in the summary of cash flows due to the effect of subsidiaries newly included consolidation, translation adjustment, etc.), Trade payables 7.0, Other (14.0)
Net assets 63.7	Net income 54.0, Cash dividends paid (7.4), Minority interests in consolidated subsidiaries etc. 17.1 (effect of subsidiaries newly included consolidation, etc.)

2.Consolidated Cash Flows

(Billions of Yen)

	Fiscal 2008		Fiscal 2007	
	1Q Actual	2Q Forecast	1Q Actual	2Q Actual
Cash flows from operating activities	(45.8)	(81.5)	(3.9)	48.3
Cash flows from investing activities	(26.5)	(64.0)	(24.9)	(45.1)
Cash flows from financing activities	81.1	145.0	50.7	11.4
Exchange rate changes(*1)	(2.5)	-	0.2	0.5
Cash(*2)	6.3	(0.5)	22.1	15.1
(Ref.) Free cash flow	(86.0)	(161.0)	(43.7)	(12.5)

(*1) Exchange rate changes : Effect of exchange rate changes or cash and cash equivalents

(*2) Cash : Net increase or decrease in cash and cash equivalents

(1)Factors in Change from March 31, 2008 to June 30, 2008

Operating activities (45.8)	Income before special items 47.3, Depreciation and amortization (includes amortization of goodwill) 19.7, Trade receivables, inventories and trade payables (95.2), Equity in income of affiliates (16.8), Dividend received from affiliates accounted for by equity method 20.4, Payments for income taxes (26.2), Other 5.0
Investing activities (26.5)	Acquisition of property, plant, equipment and intangible assets (24.1), Acquisition of investments in securities and lending of loans (2.3), Sales or maturities of investments in securities and collection of loans 0.6, Accounts payable-facilities etc. (0.7)
Financing activities 81.1	Interest-bearing debt 94.8, Cash dividends paid (7.4), Cash dividends paid to minority shareholders etc. (6.3)

(2)Factors in Change from March 31, 2008 to September 30, 2008 (Forecast)

Operating activities (81.5)	Income before special items 100.0, Depreciation and amortization (includes amortization of goodwill) 41.5, Trade receivables, inventories and trade payables (176.5), Equity in income of affiliates (43.0), Dividend received from affiliates accounted for by equity method 28.5, Payments for income taxes etc. (32.0)
Investing activities (64.0)	Acquisition of property, plant, equipment and intangible assets (63.5), Acquisition of investments in securities and lending of loans (4.0), Sales or maturities of investments in securities and collection of loans 1.0, Proceeds from sales of property, plant and equipment etc. 2.5
Financing activities 145.0	Interest-bearing debt 160.5, Cash dividends paid (7.4), Cash dividends paid to minority shareholders etc. (8.1)

3.Capital Expenditure and Depreciation and Amortization (consolidated)

(Billions of Yen)

	Fiscal 2008	
	1Q Actual	2Q Forecast
Capital expenditure	24.1	63.5
Depreciation (includes amortization of goodwill)	19.7	41.5
Difference	4.3	22.0

	Fiscal 2007	
	1Q Actual	2Q Actual
	15.3	34.0
	14.7	29.8
	0.7	4.1

Investments and long-term loans	2.3	4.0
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	2.0	4.7
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(1)Capital Expenditure by Segment

	Fiscal 2008	
	1Q Actual	2Q Forecast
Petroleum	8.3	25.0
Metals	6.7	23.5
Other Operations *	9.1	15.0
Total	24.1	63.5

	Fiscal 2007	
	1Q Actual	2Q Actual
	11.5	23.7
	3.7	9.7
	0.1	0.5
Total	15.3	34.0

* include eliminations or corporate.

(2)Depreciation and Amortization by Segment

	Fiscal 2008	
	1Q Actual	2Q Forecast
Petroleum	11.0	23.0
Metals	7.3	15.5
Other Operations *	1.4	3.0
Total	19.7	41.5

	Fiscal 2007	
	1Q Actual	2Q Actual
	8.3	16.6
	6.3	12.9
	0.1	0.3
Total	14.7	29.8

* include eliminations or corporate.

4. Interest-bearing Debt

(Billions of Yen)

	June 30, 2008	Mar.31, 2008	Difference
Petroleum	645.1	573.9	71.3
Metals	246.2	244.9	1.2
Other Operations *	5.4	(22.9)	28.3
Total	896.7	795.9	100.8

* include eliminations or corporate.

5. Dividend

	Fiscal 2007 (Actual)				Fiscal 2008 (Forecast)			
	2Q	Year-end	Full year	Payment Amount	2Q	Year-end	Full year	Payment Amount*
	¥/share	¥/share	¥/share	millions of yen	¥/share	¥/share	¥/share	millions of yen
Dividend	8.00	8.00	16.00	14,840	8.00	8.00	16.00	14,840

*Payment amount of Fiscal 2008 is calculated on the basis of the number of shares outstanding at the end of June, 2008, which is 927,493 thousand shares (non-consolidated)

6. Number of Employees

(Persons)

	Mar. 31, 2006 Actual	Mar. 31, 2007 Actual	Mar. 31, 2008 Actual	June. 30 2008 Actual
Petroleum	3,920	3,999	4,196	4,334
Metals	4,348	4,704	4,851	5,105
Other Operations *	1,311	1,266	1,269	1,482
Total	9,579	9,969	10,316	10,921

* include Nippon Mining Holdings, Inc.



■ Forward-looking statements

- **This material includes Nippon Mining Holdings' future plans, strategies, earnings forecast, and outlook**
- **Information in this material includes not only facts that have occurred, but also forecasts, assumptions and opinions based on available information as of July 30, 2008**
- **This also includes unlimited risks and uncertainties related to the economic condition, fierce competition in the industry, market demand, foreign exchange rate, tax system and other regulations**
- **Hence please note that actual results may differ from our forecasts described in this material**