

Supplementary Explanation for Financial Results for Fiscal 2008 2Q

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

October 31, 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 2Q (1H) Actual >> Key Points



Key factors

Fiscal 2007 2Q(1H) Fiscal 2008 2Q (1H)

- Exchange rate
119 106 ¥/\$
- Crude Oil FOB (Dubai spot)
67.4 115.1 \$/bbl
- Copper price (LME)
348 366 ¢/lb

Sales

¥ 2,378.5 bn (+18% YoY)

Income before special items

¥ 87.5 bn (-9% YoY)

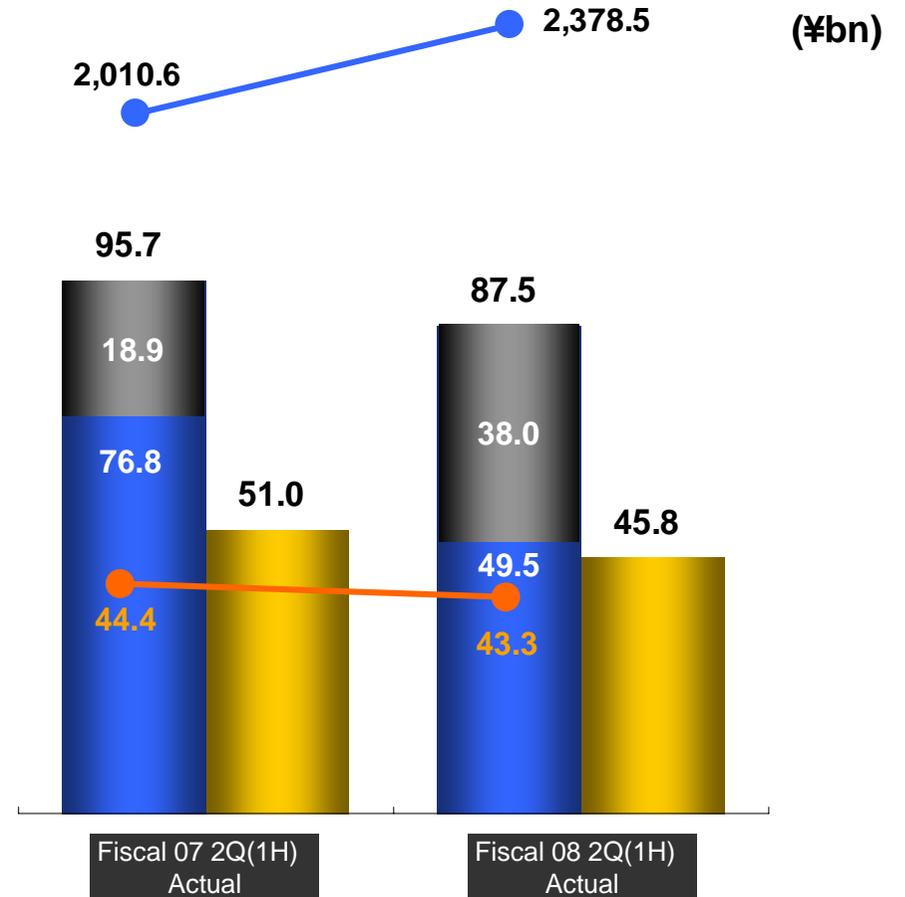
- Equity in income of affiliates

¥ 43.3 bn (-3% YoY)

Net income

¥ 45.8 bn (-10% YoY)

Sales, Income, etc. (Fiscal 2008 2Q(1H) Consolidated)



- Income before special items (excluding inventory valuation*)
- Inventory valuation*
- Net income
- Sales
- Equity in income of affiliates

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

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

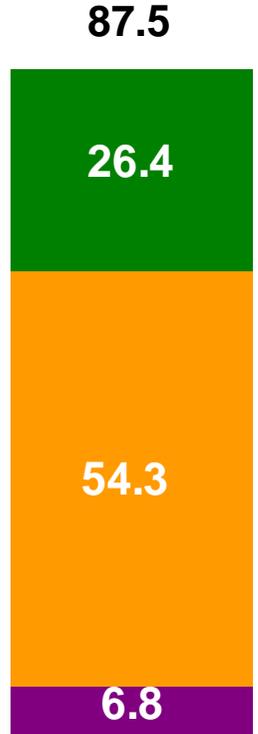


Total

(¥bn)



Total (8.2)	
Petroleum (5.6)	
Upstream (Exploration & Development)	0.5
Midstream (Refining & Marketing)	1.6
Downstream (Petrochemicals)	(20.2)
Inventory valuation *	12.4
Metals (5.0)	
Upstream (Resource Development)	4.1
Midstream (Smelting & Refining)	(12.8)
Downstream (Electronic Materials and Metal Recycling & Eco Business)	(2.5)
Inventory valuation *	6.2
Other Operations 2.4	



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

Fiscal 07 2Q(1H) Actual

Fiscal 08 2Q(1H) Actual



Key Factors	Exchange rate	119 ¥/\$
	Crude oil	67.4 \$/bbl
	Copper	348 ¢/lb

Key Factors	Exchange rate	106 ¥/\$
	Crude oil	115.1 \$/bbl
	Copper	366 ¢/lb

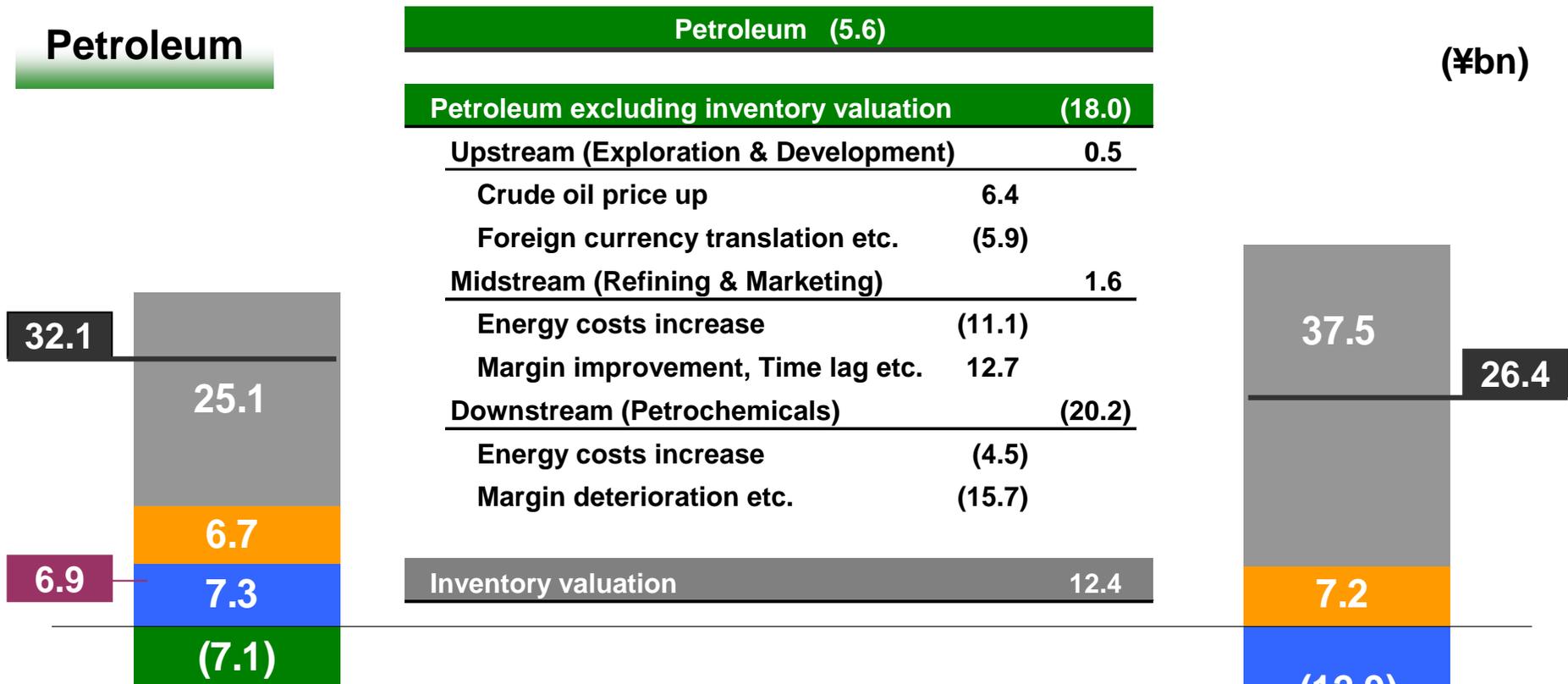
Fiscal 2008 2Q(1H) >> Changes in income before special items by segment

Fiscal 08 2Q(1H) Actual vs. Fiscal 07 2Q(1H) Actual (2)



Petroleum

(¥bn)



Petroleum (5.6)	
Petroleum excluding inventory valuation (18.0)	
Upstream (Exploration & Development) 0.5	
Crude oil price up	6.4
Foreign currency translation etc.	(5.9)
Midstream (Refining & Marketing) 1.6	
Energy costs increase	(11.1)
Margin improvement, Time lag etc.	12.7
Downstream (Petrochemicals) (20.2)	
Energy costs increase	(4.5)
Margin deterioration etc.	(15.7)
Inventory valuation 12.4	

**Fiscal 07 2Q(1H)
Actual**

**Fiscal 08 2Q(1H)
Actual**

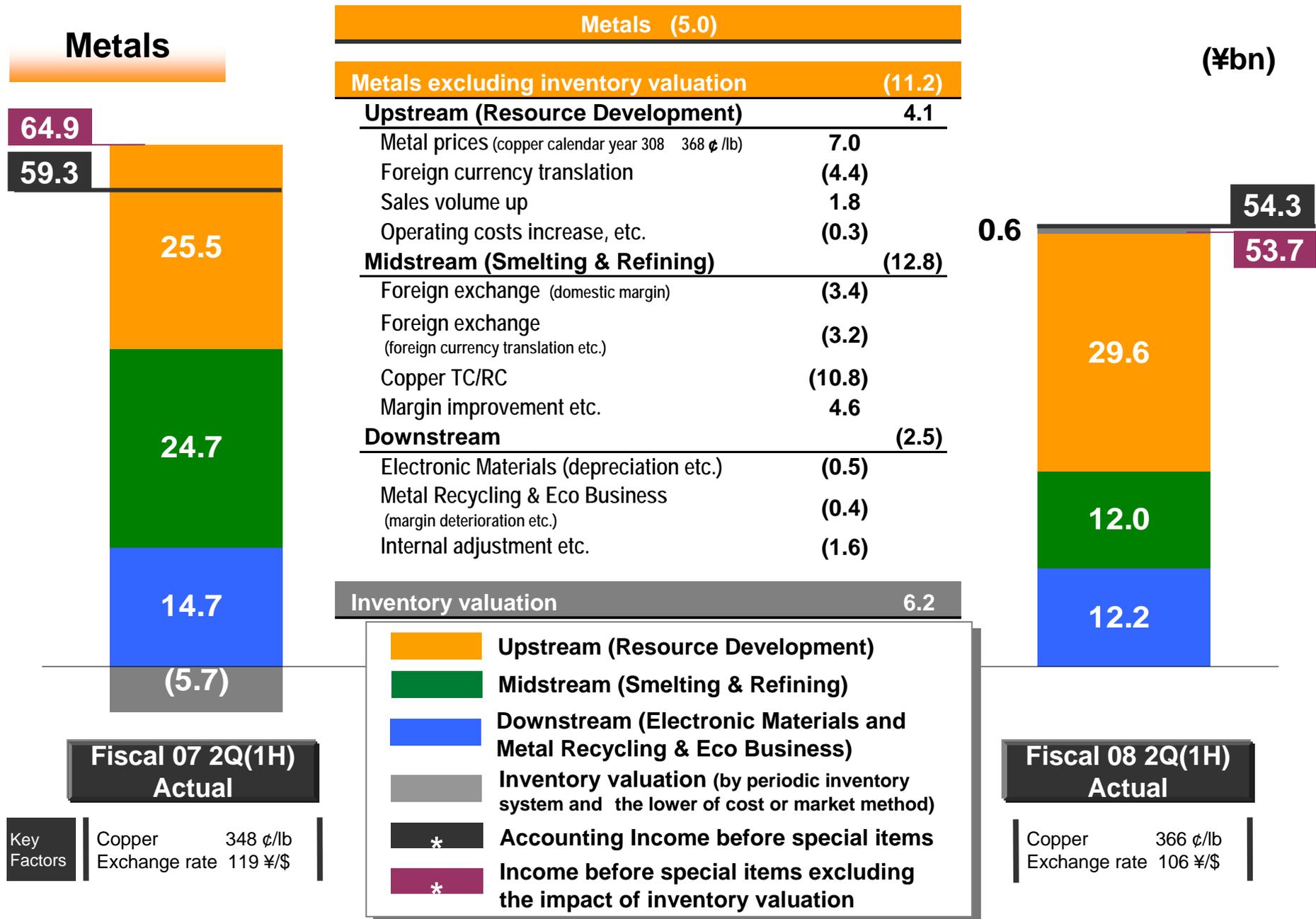
Key Factors | Crude oil 67.4 \$/bbl
Exchange rate 119 ¥/\$

Crude oil 115.1 \$/bbl
Exchange rate 106 ¥/\$

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

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

Fiscal 08 2Q(1H) Actual vs. Fiscal 07 2Q(1H) Actual (3)



Fiscal 2008 (Full Year) Forecast >> Key Points



Key factors

Fiscal 2007 Fiscal 2008 (Full Year)

Exchange rate

114 103 ¥/\$
(2H : 109 100 ¥/\$)

Crude Oil FOB (Dubai spot)

77.4 90.1 \$/bbl
(2H : 87.3 65.0 \$/bbl)

Copper price (LME)

344 283 ¢/lb
(2H : 340 200 ¢/lb)

Sales

¥ 4,300.0 bn (-1% YoY)

Income before special items

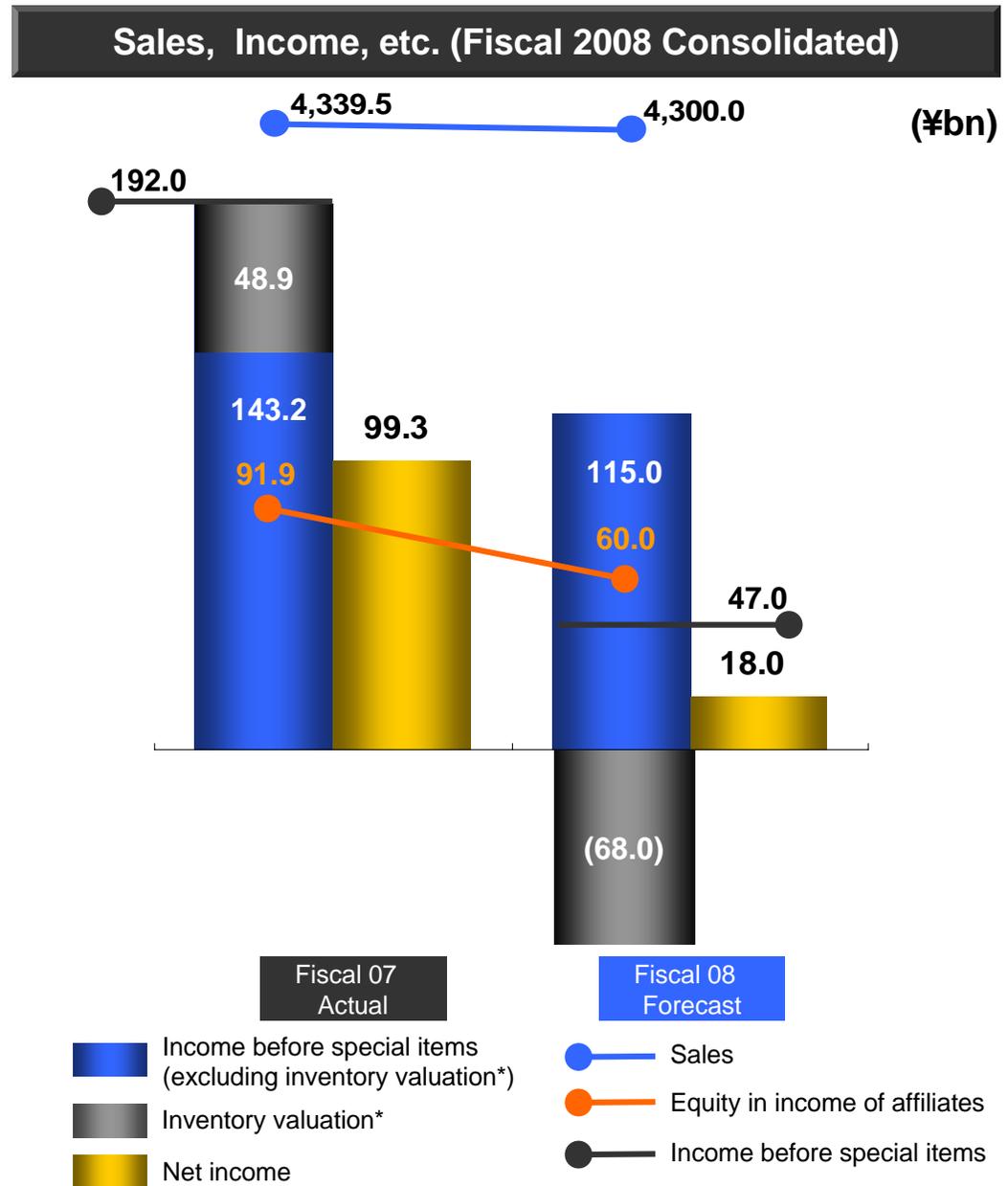
¥ 47.0 bn (-76% YoY)

- Equity in income of affiliates

¥ 60.0 bn (-35% YoY)

Net income

¥ 18.0 bn (-82% YoY)

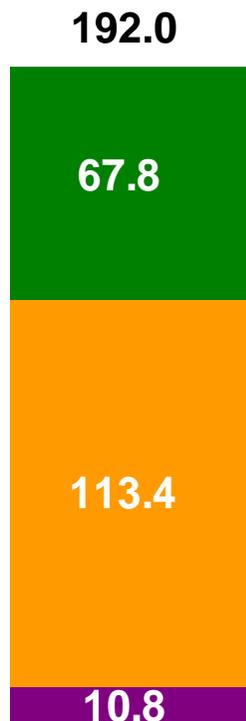


*Inventory valuation by periodic inventory system and the lower of cost or market method

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



Total

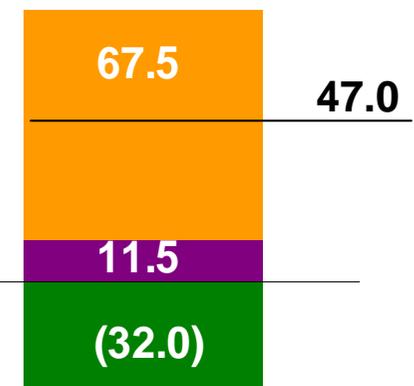


Total (145.0)

(¥bn)

Petroleum	(99.8)
Upstream (Exploration & Development)	(0.9)
Midstream (Refining & Marketing)	42.7
Downstream (Petrochemicals)	(11.7)
Inventory valuation *	(130.0)
Metals	(45.9)
Upstream (Resource Development)	(28.8)
Midstream (Smelting & Refining)	(24.1)
Downstream (Electronic Materials and Metal Recycling & Eco Business)	(6.7)
Inventory valuation *	13.7
Other Operations	0.7

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



Fiscal 07 Actual

Key Factors	Exchange rate	114 ¥/\$
	Crude oil	77.4 \$/bbl
	Copper	344 ¢/lb



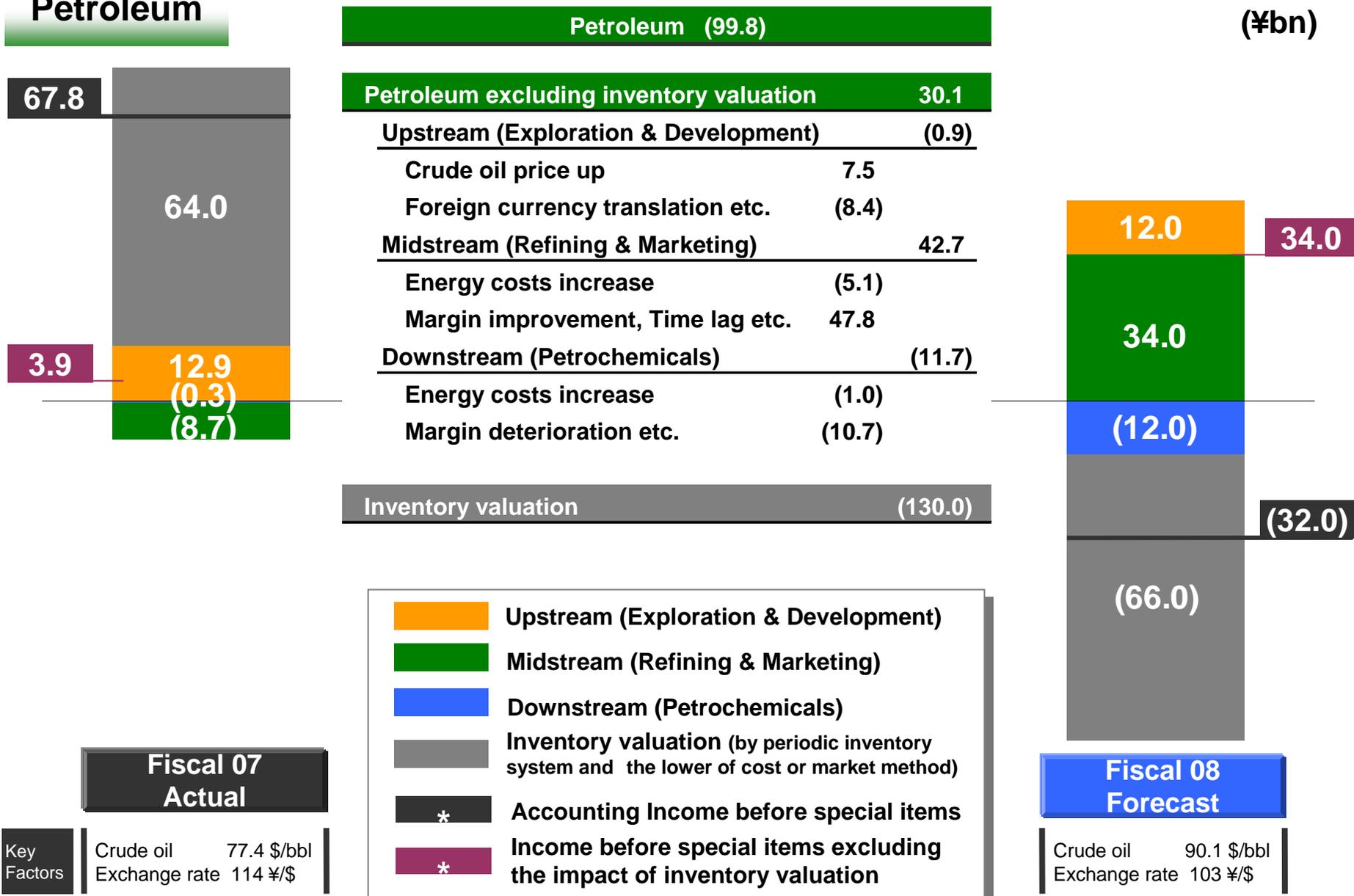
Fiscal 08 Forecast

Key Factors	Exchange rate	103 ¥/\$
	Crude oil	90.1 \$/bbl
	Copper	283 ¢/lb

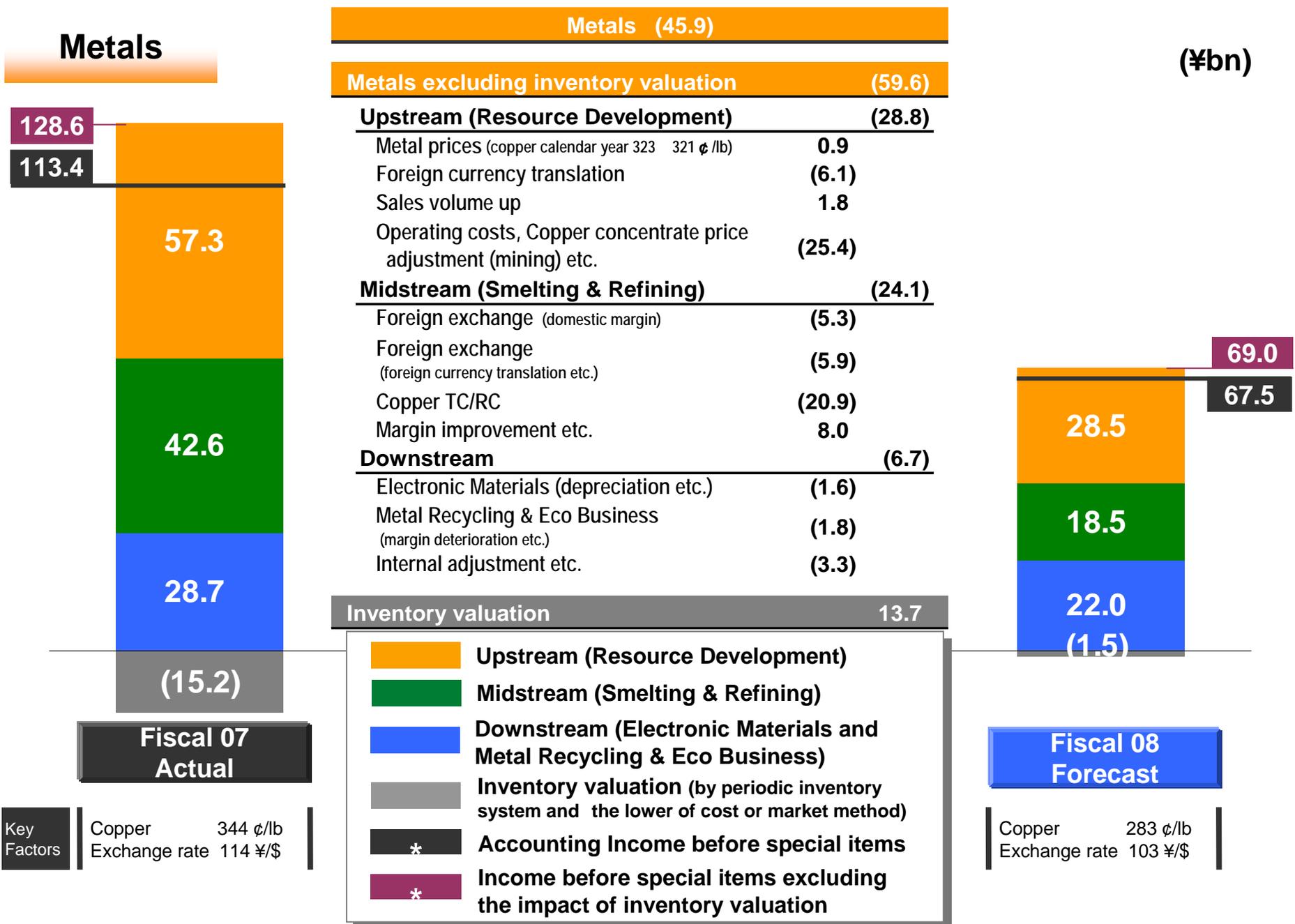
Fiscal 2008 >> Changes in income before special items by segment
Fiscal 08 Forecast vs. Fiscal 07 Actual (2)



Petroleum



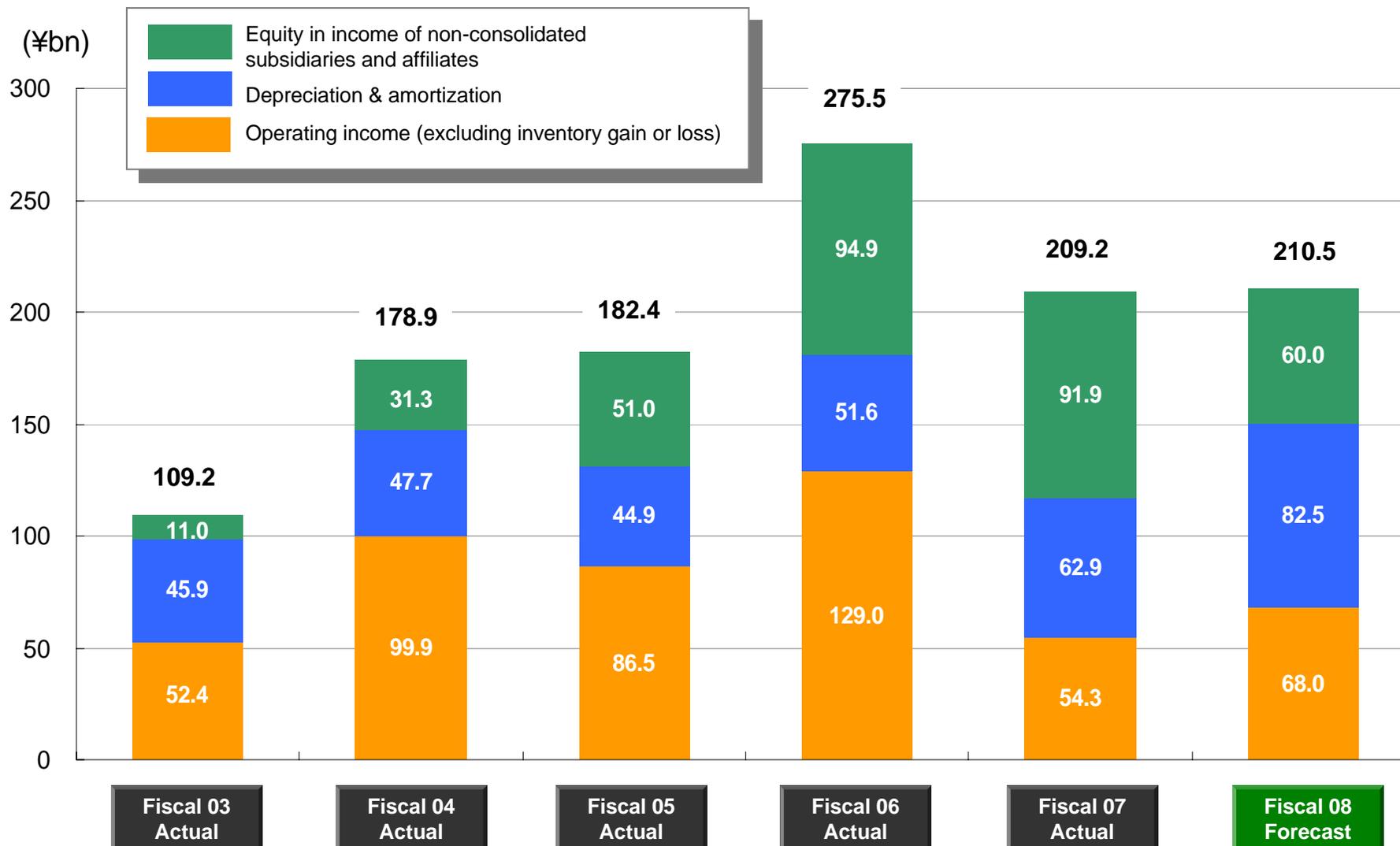
Fiscal 2008 >> Changes in income before special items by segment
Fiscal 08 Forecast vs. Fiscal 07 Actual (3)



Fiscal 2008 >>
EBITDA



EBITDA = Operating income (excluding inventory gain or loss) + Depreciation & amortization + Equity in income of non-consolidated subsidiaries and affiliates



Balance sheets / Financial indicators



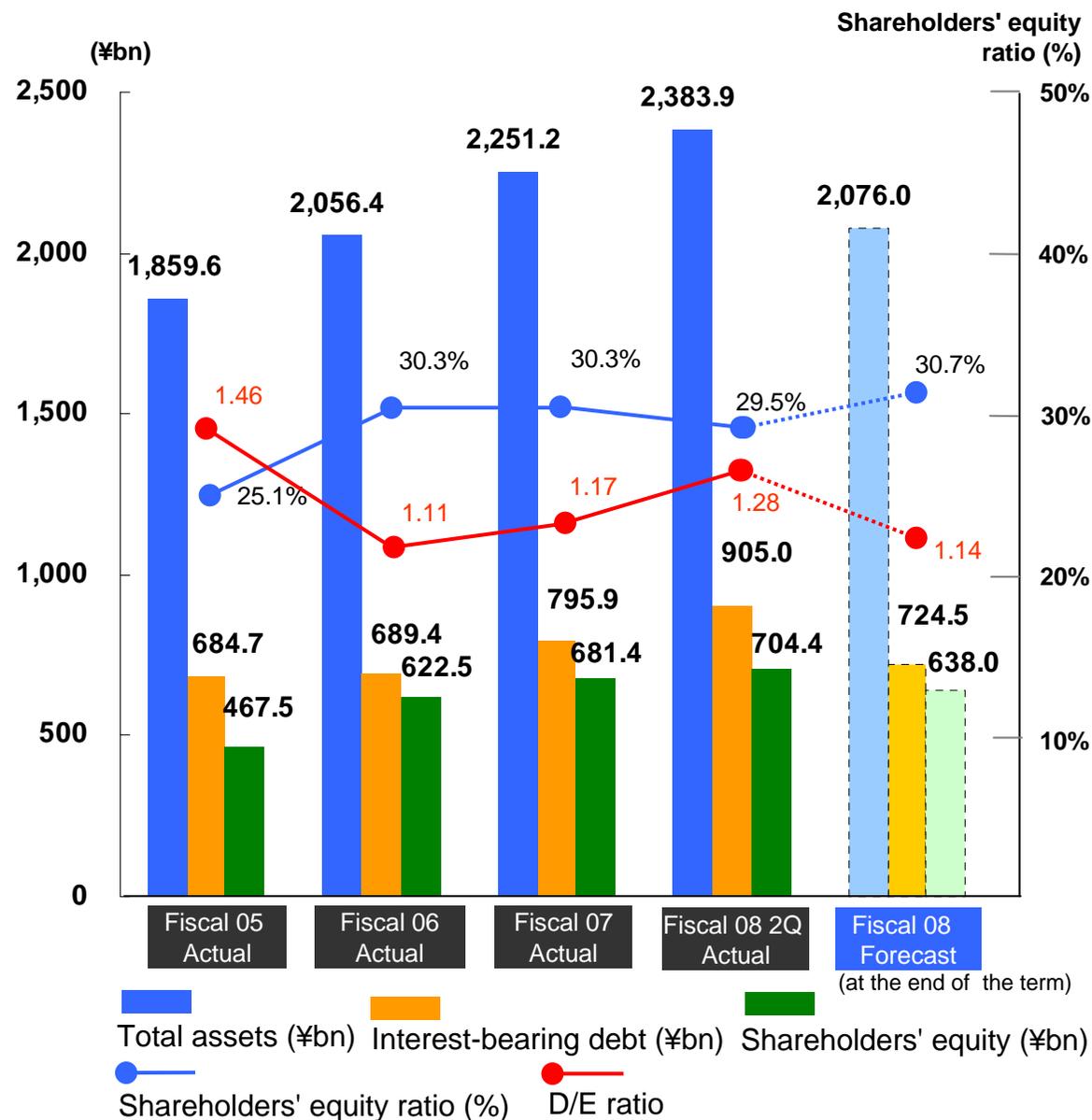
Balance sheets / Financial indicators

As of Sep. 30, 2008 (Actual)

Total assets	¥ 2,383.9 bn
Interest-bearing debt	¥ 905.0 bn
Shareholders' equity	¥ 704.4 bn
Shareholders' equity ratio	29.5%
D/E ratio	1.28

As of Mar. 31, 2009 (Forecast)

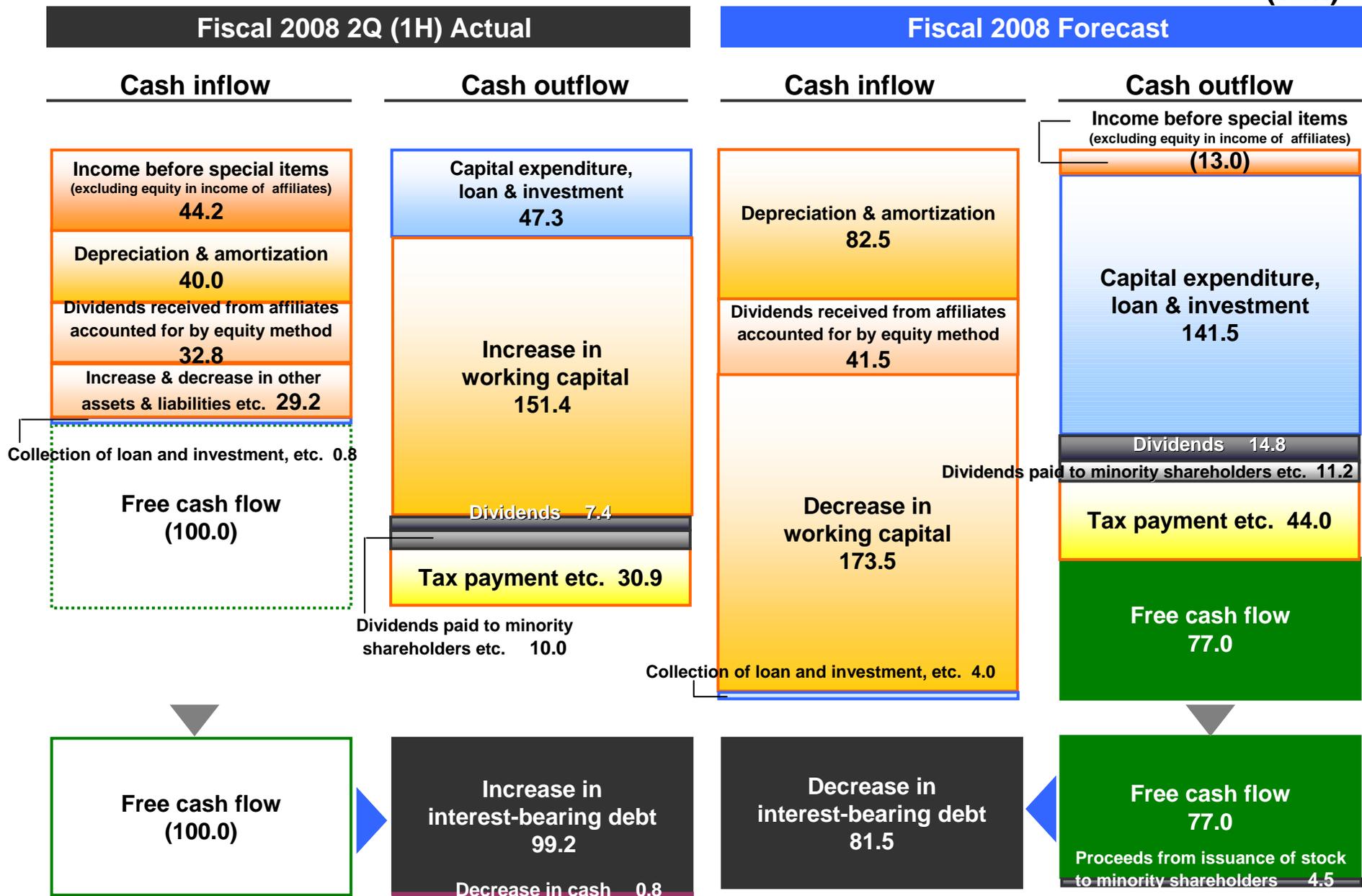
Total assets	¥ 2,076.0 bn
Interest-bearing debt	¥ 724.5 bn
Shareholders' equity	¥ 638.0 bn
Shareholders' equity ratio	30.7%
D/E ratio	1.14





Cash flows

(¥bn)



Sensitivity analysis (Fiscal 2008 2H basis)



Key factors (Fiscal 2008 2H)

Foreign exchange
100 ¥/\$

Crude oil FOB(Dubai spot)
65.0 \$/bbl

Copper price (LME)
200 ¢/lb

Sensitivity analysis (Fiscal 2008 2H)

	Appreciation	Segment	Impact on income before special items
Impact on income before special items by changes in key factors			(¥bn/2H)
Foreign exchange	5 ¥/\$ (yen depreciation)	Petroleum	1.2
		Metals	3.0
		Total	4.2
Crude oil FOB (Dubai spot)	5 \$/bbl	Petroleum (energy costs, upstream profits)	(2.0)
Copper price (LME)	5 ¢/lb	Metals (equity in income of affiliates, margin)	0.6

Impact on income before special items by inventory valuation			(¥bn)
Foreign exchange	5 ¥/\$ (yen depreciation)	Petroleum (inventory gain/loss)	8.0
Crude oil FOB (Dubai spot)	5 \$/bbl	Petroleum (inventory gain/loss)	12.0

Reference:

Impact on income in case price shifts are unrealized			(¥bn/2H)
Foreign exchange	5 ¥/\$ (yen depreciation)	Petroleum (cost up)	(25.0)
Crude oil FOB (Dubai spot)	5 \$/bbl	Petroleum (cost up)	(38.0)

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

Detailed analysis charts



	Fiscal 2008 2Q(1H) Actual (A)					Fiscal 2007 2Q(1H) 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		
(¥bn)															
Petroleum	(13.9)	37.5	(0.9)	3.6	26.4	3.6	25.1	-	3.3	32.1	(17.5)	12.4	(0.9)	0.3	(5.6)
Upstream (Exploration & Development)	3.6			3.6	7.2	2.9			3.8	6.7	0.7	-	-	(0.2)	0.5
Midstream (Refining & Marketing)	(5.1)	37.5	(0.4)		32.0	(6.6)	25.1		(0.5)	18.1	1.5	12.4	(0.4)	0.5	14.0
Downstream (Petrochemicals)	(12.4)	0.0	(0.5)		(12.8)	7.3				7.3	(19.7)	0.0	(0.5)	-	(20.2)
Metals	15.7	0.6	(1.1)	39.2	54.3	25.6	(5.7)	-	39.3	59.3	(10.0)	6.2	(1.1)	(0.1)	(5.0)
Upstream (Resource Development)	(4.6)			34.1	29.6	(5.4)			30.9	25.5	0.8	-	-	3.3	4.1
Midstream (Smelting & Refining)	7.5	0.0	(0.6)	5.0	12.0	16.3	0.1		8.4	24.8	(8.8)	(0.1)	(0.6)	(3.4)	(12.9)
Downstream	12.7	0.5	(0.5)	0.0	12.8	14.7	(5.8)		0.0	8.9	(2.0)	6.3	(0.5)	(0.0)	3.8
Metal Recycling & Eco Business	5.2		(0.0)		5.2	5.5				5.5	(0.3)	-	(0.0)	-	(0.4)
Electronic Materials	7.4	0.6	(0.5)	0.0	7.5	7.4	(5.5)		0.0	2.0	(0.0)	6.0	(0.5)	(0.0)	5.5
Eliminations in Metals segment	0.1	(0.0)	(0.0)	0.0	0.1	1.7	(0.3)		0.0	1.4	(1.6)	0.3	(0.0)	(0.0)	(1.3)
Other Operations	6.5	(0.0)	(0.1)	0.5	6.8	3.1	(0.5)		1.8	4.4	3.4	0.5	(0.1)	(1.3)	2.4
Total	8.3	38.0	(2.1)	43.3	87.5	32.3	18.9	-	44.4	95.7	(24.1)	19.1	(2.1)	(1.1)	(8.2)
Upstream	(1.0)	-	-	37.8	36.8	(2.5)	-	-	34.7	32.2	1.5	-	-	3.1	4.6
Midstream	2.4	37.5	(1.0)	5.0	44.0	9.8	25.2	-	7.9	42.9	(7.3)	12.3	(1.0)	(2.8)	1.1
Downstream	0.3	0.6	(1.0)	0.0	(0.1)	22.0	(5.8)	-	0.0	16.3	(21.7)	6.3	(1.0)	(0.0)	(16.4)
Other Operations	6.5	(0.0)	(0.1)	0.5	6.8	3.1	(0.5)	-	1.8	4.4	3.4	0.5	(0.1)	(1.3)	2.4
Income before special items excluding inventory valuation and changes in regulation for depreciation.					51.6					76.8					(25.2)

*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 2Q ended September 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 >> Changes in income before special items by segment

Detailed analysis charts



	Fiscal 2008 Forecast (A)					Fiscal 2007 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		
(¥bn)															
Petroleum	29.2	(66.0)	(2.2)	7.0	(32.0)	(3.3)	64.0	-	7.1	67.8	32.5	(130.0)	(2.2)	(0.1)	(99.8)
Upstream (Exploration & Development)	5.0			7.0	12.0	5.2			7.7	12.9	(0.2)	-	-	(0.7)	(0.9)
Midstream (Refining & Marketing)	35.1	(66.0)	(1.1)		(32.0)	(8.2)	64.0		(0.5)	55.3	43.3	(130.0)	(1.1)	0.5	(87.3)
Downstream (Petrochemicals)	(10.9)		(1.1)		(12.0)	(0.3)	(0.0)			(0.3)	(10.6)	0.0	(1.1)	-	(11.7)
Metals	19.5	(1.5)	(2.5)	52.0	67.5	47.7	(15.2)	-	80.9	113.4	(28.2)	13.7	(2.5)	(28.9)	(45.9)
Upstream (Resource Development)	(12.3)			40.8	28.5	(8.8)			66.1	57.3	(3.5)	-	-	(25.3)	(28.8)
Midstream (Smelting & Refining)	8.6		(1.3)	11.2	18.5	27.9	0.2		14.8	42.9	(19.3)	(0.2)	(1.3)	(3.6)	(24.4)
Downstream	23.2	(1.5)	(1.2)		20.5	28.6	(15.4)		0.0	13.3	(5.4)	13.9	(1.2)	(0.0)	7.2
Metal Recycling & Eco Business	10.1		(0.1)		10.0	11.8				11.8	(1.7)	-	(0.1)	-	(1.8)
Electronic Materials	13.1	(1.5)	(1.1)		10.5	13.6	(14.7)		0.0	(1.1)	(0.5)	13.2	(1.1)	(0.0)	11.6
Eliminations in Metals segment					0.0	3.3	(0.8)		0.0	2.5	(3.3)	0.8	-	(0.0)	(2.5)
Other Operations	11.3	(0.5)	(0.3)	1.0	11.5	6.8	0.1		3.9	10.8	4.5	(0.6)	(0.3)	(2.9)	0.7
Total	60.0	(68.0)	(5.0)	60.0	47.0	51.2	48.9	-	91.9	192.0	8.8	(116.9)	(5.0)	(31.9)	(145.0)
Upstream	(7.3)	-	-	47.8	40.5	(3.6)	-	-	73.8	70.2	(3.7)	-	-	(26.0)	(29.7)
Midstream	43.7	(66.0)	(2.4)	11.2	(13.5)	19.7	64.2	-	14.2	98.1	24.0	(130.2)	(2.4)	(3.0)	(111.6)
Downstream	12.3	(1.5)	(2.3)	-	8.5	28.3	(15.4)	-	0.0	12.9	(16.0)	13.9	(2.3)	(0.0)	(4.4)
Other Operations	11.3	(0.5)	(0.3)	1.0	11.5	6.8	0.1	-	3.9	10.8	4.5	(0.6)	(0.3)	(2.9)	0.7
Income before special items excluding inventory valuation and changes in regulation for depreciation.				120.0					143.2					(23.2)	

*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 Fiscal 2008 ending March 31, 2009, 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

Fiscal 2008 2nd Quarter (1st Half) Results and Fiscal 2008 Annual Forecast

1. Operating Results for Fiscal 2008 2Q (1H) Results

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Segment Information - 2Q(1H) Results and Annual Forecast

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Consolidated Balance Sheets, Cash Flows, etc.

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5. Dividend . . . 30

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I Fiscal 2008 2nd Quarter (1st Half) Results and Fiscal 2008 Annual Forecast

In accordance with the reorganization of Nippon Mining & Metals Co., Ltd at the beginning of Fiscal 2008, the results for Fiscal 2007 2Q(1H) and Fiscal 2007 are reclassified corresponding to the new method.

1. Operating Results for Fiscal 2008 2Q (1H)

<1>Comparison with Fiscal 2007 2Q (1H) Results

(1)Outline of Consolidated Statements of Income

(Billions of Yen)	Fiscal 2008	Fiscal 2007	Difference
	2Q (1H) Actual	2Q (1H) Actual	2Q (1H)
Net sales	2,378.5	2,010.6	367.9
Operating income	50.9	50.3	0.6
Other income and expenses, net	36.6	45.4	(8.7)
Equity in income of non-consolidated subsidiaries and affiliates	43.3	44.4	(1.1)
Other, net	(6.7)	0.9	(7.6)
Income before special items	87.5	95.7	(8.2)
Special profit and loss, net	(4.0)	2.7	(6.7)
Income taxes	25.4	35.3	(9.9)
Minority interests in earnings of consolidated subsidiaries	12.4	12.1	0.3
Net income	45.8	51.0	(5.2)
Earnings per share (yen)	49.39	55.04	(5.64)
Number of shares (1,000 shares)	926,829	926,850	

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

Profit or loss in inventory valuation	38.0	18.9	19.1
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(2)Scope of Consolidation (as of September 30, 2008)

Consolidated subsidiaries	109 (8 addition, 14 reduction)
Equity method affiliates	15 (1 addition, 1 reduction)

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

Breakdown of other income and expenses, net	2Q (1H) of Fiscal 2008
Interest and dividend income	2.3
Equity in income of non-consolidated subsidiaries and affiliates	43.3
Interest expenses	(6.6)
Exchange loss	(1.8)
Other	(0.6)
Total	36.6
Breakdown of special profit and loss, net	2Q (1H) of Fiscal 2008
Gain on sales of property, plant and equipment	1.1
Gain on sales of investments in subsidiaries	1.1
Loss on disposal of property, plant and equipment	(2.6)
Impairment losses	(2.2)
Loss due to fire accident	(0.9)
Other	(0.5)
Total	(4.0)

(4)Segment Information

(Billions of Yen)		Fiscal 2008	Fiscal 2007	Difference
		2Q (1H) Actual	2Q (1H) Actual	2Q (1H)
Petroleum	Net sales	1,797.8	1,434.9	362.9
	Operating income	24.5	28.3	(3.8)
	Income before special items	26.4	32.1	(5.6)
Metals	Net sales	557.4	565.2	(7.8)
	Operating income	20.3	20.5	(0.2)
	Income before special items	54.3	59.3	(5.0)
Other Operations	Net sales	39.4	32.6	6.8
	Operating income	6.1	1.5	4.6
	Income before special items	6.8	4.4	2.4
Eliminations	Net sales	(16.1)	(22.1)	6.0
Total	Net sales	2,378.5	2,010.6	367.9
	Operating income	50.9	50.3	0.6
	Income before special items	87.5	95.7	(8.2)

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

Petroleum	37.5	25.1	12.4
Metals	0.6	(5.7)	6.2
Other Operations	(0.0)	(0.5)	0.5
Total	38.0	18.9	19.1

(5)Key Factors

			Fiscal 2008	Fiscal 2007	Difference
			2Q (1H) Actual	2Q (1H) Actual	2Q (1H)
All Segments	Exchange rate	Yen/\$	106	119	(13)
Petroleum	Dubai spot price	\$/bbl	115.1	67.4	47.7
	Market price of paraxylene (ACP)	\$/t	1,348	1,141	207
Metals	Copper price (LME)	¢ /lb	366	348	17
	Electrolytic copper sales	Kt/period	308	326	(17)
	Gold recovery volume *	t/period	3.7	3.4	0.3
	Treated rolled copper foil sales	Mm/month	3.4	4.0	(0.6)
	Precision rolled products sales	Kt/month	3.6	3.6	0.0

* Gold recovery volume in Metal Recycling & Eco Business

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

(1)Key Factors

			Fiscal 2008 2Q(1H)		
			Actual	Previous Forecast	Difference
All Segments	Exchange rate	Yen/\$	106	105	1
Petroleum	Dubai spot price	\$/bbl	115.1	121.0	(5.9)
	Market price of paraxylene (ACP)	\$/t	1,348	1,444	(96)
Metals	Copper price (LME)	¢ /lb	366	367	(1)
	Electrolytic copper sales	Kt/period	308	315	(7)
	Gold recovery volume *	t/period	3.7	3.2	0.5
	Treated rolled copper foil sales	Mm/month	3.4	3.5	(0.1)
	Precision rolled products sales	Kt/month	3.6	3.8	(0.1)

* Gold recovery volume in Metal Recycling & Eco Business

(2)Outline of Consolidated Statements of Income

		Fiscal 2008 2Q(1H)		
		Actual	Previous Forecast	Difference
(Billions of Yen)				
Net sales		2,378.5	2,340.0	38.5
Operating income		50.9	66.0	(15.1)
Other income and expenses, net		36.6	34.0	2.6
	Equity in income of non-consolidated subsidiaries and affiliates	43.3	43.0	0.3
	Other, net	(6.7)	(9.0)	2.3
Income before special items		87.5	100.0	(12.5)
Special profit and loss, net		(4.0)	(2.0)	(2.0)
Income taxes		25.4	33.0	(7.6)
Minority interests in earnings of consolidated subsidiaries		12.4	11.0	1.4
Net income		45.8	54.0	(8.2)
Earnings per share (yen)		49.39	58.26	(8.87)
Number of shares (1,000 shares)		926,829	926,831	

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

Profit or loss in inventory valuation	38.0	54.0	(16.0)
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(3)Segment Information

(Billions of Yen)		Fiscal 2008 2Q(1H)			Note for income before special items
		Actual	Previous Forecast	Difference	
Petroleum	Net sales	1,797.8	1,770.0	27.8	Inventory valuation, (14.5bn) (Previous, 52.0bn Revised, 37.5bn) Petrochemicals, (2.9bn) Other, (1.2bn)
	Operating income	24.5	45.5	(21.0)	
	Income before special items	26.4	45.0	(18.6)	
Metals	Net sales	557.4	545.0	12.4	Upstream, 0.1bn Midstream, 4.0bn : Improve in margin, cost reduction, etc. Downstream (excluding inventory valuation), 1.7bn : cost reduction etc.
	Operating income	20.3	16.8	3.5	
	Income before special items	54.3	50.0	4.3	
Other Operations	Net sales	39.4	44.0	(4.6)	Increase in profit of consolidated subsidiary etc.
	Operating income	6.1	3.7	2.4	
	Income before special items	6.8	5.0	1.8	
Eliminations	Net sales	(16.1)	(19.0)	2.9	
Total	Net sales	2,378.5	2,340.0	38.5	
	Operating income	50.9	66.0	(15.1)	
	Income before special items	87.5	100.0	(12.5)	

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

Petroleum	37.5	52.0	(14.5)
Metals	0.6	2.0	(1.4)
Other Operations	(0.0)	-	(0.0)
Total	38.0	54.0	(16.0)

2. Annual Forecast for Fiscal 2008

<1>Comparison with Fiscal 2007

(1)Key Factors

			Fiscal 2008			Fiscal 2007			Difference		
			2Q (1H) Actual	2H Forecast	Total Forecast	2Q (1H) Actual	2H Actual	Total Actual	2Q (1H)	2H	Total
All Segments	Exchange rate	Yen/\$	106	100	103	119	109	114	(13)	(9)	(11)
Petroleum	Dubai spot price	\$/bbl	115.1	65.0	90.1	67.4	87.3	77.4	47.7	(22.3)	12.7
	Market price of paraxylene (ACP)	\$/t	1,348	851	1,100	1,141	1,099	1,120	207	(248)	(20)
Metals	Copper price (LME)	¢ /lb	366	200	283	348	340	344	17	(140)	(61)
	Electrolytic copper sales	Kt/period	308	321	629	326	334	660	(17)	(13)	(30)
	Gold recovery volume*	t/period	3.7	4.1	7.8	3.4	3.8	7.2	0.2	0.3	0.6
	Treated rolled copper foil sales	Mm/month	3.4	2.6	3.0	4.0	3.1	3.5	(0.6)	(0.4)	(0.5)
	Precision rolled products sales	Kt/month	3.6	3.8	3.7	3.6	3.8	3.7	0.0	(0.0)	0.0

* Gold recovery volume in Metal Recycling & Eco Business

(2)Outline of Consolidated Statements of Income

(Billions of Yen)		Fiscal 2008			Fiscal 2007			Difference		
		2Q (1H) Actual	2H Forecast	Total Forecast	2Q (1H) Actual	2H Actual	Total Actual	2Q (1H)	2H	Total
Net sales		2,378.5	1,921.5	4,300.0	2,010.6	2,328.8	4,339.5	367.9	(407.4)	(39.5)
Operating income		50.9	(50.9)	-	50.3	52.8	103.2	0.6	(103.7)	(103.2)
Other income and expenses, net		36.6	10.4	47.0	45.4	43.5	88.8	(8.7)	(33.1)	(41.8)
	Equity in income of non-consolidated subsidiaries and affiliates	43.3	16.7	60.0	44.4	47.5	91.9	(1.1)	(30.8)	(31.9)
	Other, net	(6.7)	(6.3)	(13.0)	0.9	(4.0)	(3.1)	(7.6)	(2.3)	(9.9)
Income before special items		87.5	(40.5)	47.0	95.7	96.3	192.0	(8.2)	(136.9)	(145.0)
Special profit and loss, net		(4.0)	(5.0)	(9.0)	2.7	(6.4)	(3.7)	(6.7)	1.4	(5.3)
Income taxes		25.4	(20.4)	5.0	35.3	30.5	65.8	(9.9)	(50.9)	(60.8)
Minority interests in earnings of consolidated subsidiaries		12.4	2.6	15.0	12.1	11.1	23.2	0.3	(8.5)	(8.2)
Net income		45.8	(27.8)	18.0	51.0	48.3	99.3	(5.2)	(76.1)	(81.3)
Earnings per share (yen)		49.39		19.42	55.04		107.14	(5.64)		(87.72)
Number of shares (1,000 shares)		926,829		926,822	926,850		926,832	-		-

*Earnings per share of the forecast for Fiscal 2008 is calculated on the basis of the number of shares outstanding at the end of September, 2008.

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

Profit or loss in inventory valuation	38.0	(106.0)	(68.0)	18.9	29.9	48.9	19.1	(136.0)	(116.9)
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(3)Segment Information

(Billions of Yen)		Fiscal 2008			Fiscal 2007			Difference		
		2Q (1H) Actual	2H Forecast	Total Forecast	2Q (1H) Actual	2H Actual	Total Actual	2Q (1H)	2H	Total
Petroleum	Net sales	1,797.8	1,502.2	3,300.0	1,434.9	1,759.0	3,193.9	362.9	(256.9)	106.1
	Operating income	24.5	(59.5)	(35.0)	28.3	34.2	62.5	(3.8)	(93.7)	(97.5)
	Income before special items	26.4	(58.4)	(32.0)	32.1	35.8	67.8	(5.6)	(94.2)	(99.8)
Metals	Net sales	557.4	392.6	950.0	565.2	554.4	1,119.6	(7.8)	(161.8)	(169.6)
	Operating income	20.3	3.7	24.0	20.5	14.4	34.9	(0.2)	(10.7)	(10.9)
	Income before special items	54.3	13.2	67.5	59.3	54.1	113.4	(5.0)	(40.9)	(45.9)
Other Operations *	Net sales	39.4	50.6	90.0	32.6	43.9	76.5	6.8	6.7	13.5
	Operating income	6.1	4.9	11.0	1.5	4.3	5.8	4.6	0.6	5.2
	Income before special items	6.8	4.7	11.5	4.4	6.4	10.8	2.4	(1.7)	0.7
Eliminations	Net sales	(16.1)	(23.9)	(40.0)	(22.1)	(28.5)	(50.6)	6.0	4.6	10.6
Total	Net sales	2,378.5	1,921.5	4,300.0	2,010.6	2,328.8	4,339.5	367.9	(407.4)	(39.5)
	Operating income	50.9	(50.9)	-	50.3	52.8	103.2	0.6	(103.7)	(103.2)
	Income before special items	87.5	(40.5)	47.0	95.7	96.3	192.0	(8.2)	(136.9)	(145.0)

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

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

Petroleum	37.5	(103.5)	(66.0)	25.1	38.8	64.0	12.4	(142.4)	(130.0)
Metals	0.6	(2.1)	(1.5)	(5.7)	(9.5)	(15.2)	6.2	7.5	13.7
Other Operations	(0.0)	(0.5)	(0.5)	(0.5)	0.6	0.1	0.5	(1.1)	(0.6)
Total	38.0	(106.0)	(68.0)	18.9	29.9	48.9	19.1	(136.0)	(116.9)

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

(1)Key Factors

			Fiscal 2008 (Revised Forecast)			Fiscal 2008 (Previous Forecast)			Difference		
			2Q (1H) Actual	2H Forecast	Total Forecast	2Q (1H) Forecast	2H Forecast	Total Forecast	2Q (1H)	2H	Total
All Segments	Exchange rate	Yen/\$	106	100	103	100	100	100	6	-	3
Petroleum	Dubai spot price	\$/bbl	115.1	65.0	90.1	93.0	93.0	93.0	22.1	(28.0)	(2.9)
	Market price of paraxylene (ACP)	\$/t	1,348	851	1,100	1,301	1,641	1,471	47	(790)	(371)
Metals	Copper price (LME)	¢ /lb	366	200	283	350	350	350	16	(150)	(67)
	Electrolytic copper sales	Kt/period	308	321	629	322	322	643	(13)	(1)	(14)
	Gold recovery volume*	t/period	3.7	4.1	7.8	3.7	4.1	7.8	(0.0)	0.1	0.0
	Treated rolled copper foil sales	Mm/month	3.4	2.6	3.0	4.2	4.1	4.1	(0.8)	(1.5)	(1.1)
	Precision rolled products sales	Kt/month	3.6	3.8	3.7	4.0	4.6	4.3	(0.4)	(0.8)	(0.6)

* Gold recovery volume in Metal Recycling & Eco Business

(2)Outline of Consolidated Statements of Income

(Billions of Yen)	Fiscal 2008 (Revised Forecast)			Fiscal 2008 (Previous Forecast)			Difference		
	2Q (1H) Actual	2H Forecast	Total Forecast	2Q (1H) Forecast	2H Forecast	Total Forecast	2Q (1H)	2H	Total
Net sales	2,378.5	1,921.5	4,300.0	2,145.0	2,415.0	4,560.0	233.5	(493.5)	(260.0)
Operating income	50.9	(50.9)	-	27.0	62.0	89.0	23.9	(112.9)	(89.0)
Other income and expenses, net	36.6	10.4	47.0	24.0	32.0	56.0	12.6	(21.6)	(9.0)
Equity in income of non-consolidated subsidiaries and affiliates	43.3	16.7	60.0	32.0	40.0	72.0	11.3	(23.3)	(12.0)
Other, net	(6.7)	(6.3)	(13.0)	(8.0)	(8.0)	(16.0)	1.3	1.7	3.0
Income before special items	87.5	(40.5)	47.0	51.0	94.0	145.0	36.5	(134.5)	(98.0)
Special profit and loss, net	(4.0)	(5.0)	(9.0)	(2.0)	(2.0)	(4.0)	(2.0)	(3.0)	(5.0)
Income taxes	25.4	(20.4)	5.0	16.0	37.0	53.0	9.4	(57.4)	(48.0)
Minority interests in earnings of consolidated subsidiaries	12.4	2.6	15.0	7.0	9.0	16.0	5.4	(6.4)	(1.0)
Net income	45.8	(27.8)	18.0	26.0	46.0	72.0	19.8	(73.8)	(54.0)
Earnings per share* (yen)	49.39		19.42	28.05		77.69	21.34		(58.26)
Number of shares (1,000 shares)	926,829		926,822	926,813		926,813	-		-

*Earnings per share of the forecast for Fiscal 2008 is calculated on the basis of the number of shares outstanding at the end of September, 2008.

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

Profit or loss in inventory valuation	38.0	(106.0)	(68.0)	-	-	-	38.0	(106.0)	(68.0)
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(3)Segment Information

(Billions of Yen)

		Fiscal 2008 Forecast			Note for income before special items
		Revised	Previous	Difference	
Petroleum	Net sales	3,300.0	3,420.0	(120.0)	Inventory valuation, (66.0bn) (Previous, 0.0bn Revised, (66.0bn)) Petrochemicals, (17.0bn) Time lag etc., 6.0bn
	Operating income	(35.0)	47.0	(82.0)	
	Income before special items	(32.0)	45.0	(77.0)	
Metals	Net sales	950.0	1,090.0	(140.0)	Upstream, (18.5bn) : Copper price down, copper concentrate price adjustment (mining), etc. Midstream, 7.5bn : Improve in margin etc. Downstream (excluding inventory valuation), (5.0bn) : sales decrease in electronic materials etc.
	Operating income	24.0	29.0	(5.0)	
	Income before special items	67.5	85.0	(17.5)	
Other Operations	Net sales	90.0	97.0	(7.0)	Decrease in profit in consolidated subsidiary etc.
	Operating income	11.0	13.0	(2.0)	
	Income before special items	11.5	15.0	(3.5)	
Eliminations	Net sales	(40.0)	(47.0)	7.0	
Total	Net sales	4,300.0	4,560.0	(260.0)	
	Operating income	-	89.0	(89.0)	
	Income before special items	47.0	145.0	(98.0)	

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

Petroleum	(66.0)	-	(66.0)
Metals	(1.5)	-	(1.5)
Other Operations	(0.5)	-	(0.5)
Total	(68.0)	-	(68.0)

Segment Information - 2Q(1H) Results and Annual Forecast

<1>Petroleum (Japan Energy Group)

(1)Sales Volume and Growth Rate

	Domestic Sales Volume (Thousands of KL)									Growth Rate		
	Fiscal 2008			Fiscal 2007			Difference			YoY		
	2Q (1H) Actual	2H Forecast	Total Forecast	2Q (1H) Actual	2H Actual	Total Actual	2Q (1H)	2H	Total	2Q (1H) Actual	2H Forecast	Total Forecast
Gasoline	2,947	2,700	5,647	3,158	2,918	6,076	(211)	(218)	(429)	93.3%	92.5%	92.9%
Naphtha	2,090	2,570	4,660	1,803	2,414	4,217	287	156	443	115.9%	106.5%	110.5%
Jet Fuel	296	290	586	305	287	592	(9)	3	(6)	97.0%	100.9%	98.9%
Kerosene	573	1,670	2,243	663	1,833	2,496	(90)	(163)	(253)	86.4%	91.1%	89.9%
Gas Oil	2,083	2,060	4,143	2,092	2,165	4,257	(9)	(105)	(114)	99.6%	95.1%	97.3%
A Heavy Fuel	917	1,120	2,037	1,059	1,285	2,344	(142)	(165)	(307)	86.6%	87.1%	86.9%
C Heavy Fuel	1,139	1,240	2,379	1,261	1,519	2,780	(122)	(279)	(401)	90.3%	81.6%	85.6%
Total (domestic sales)	10,045	11,650	21,695	10,340	12,423	22,763	(295)	(773)	(1,068)	97.1%	93.8%	95.3%
Total (export sales)	1,936	2,080	4,016	1,462	1,603	3,065	474	477	951	132.4%	129.7%	131.0%
Total (domestic + export)	11,981	13,730	25,711	11,802	14,026	25,828	179	(296)	(117)	101.5%	97.9%	99.5%
Gasoline & middle distillation (domestic)	6,521	7,550	14,071	6,972	8,201	15,173	(451)	(651)	(1,102)	93.5%	92.1%	92.7%

Source : Specified Statistics No.51

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

		Fiscal 2008			Fiscal 2007					
		Apr.-Jun. Actual	Jul.-Sep. Actual	2Q (1H) Actual	Apr.-Jun. Actual	Jul.-Sep. Actual	2Q (1H) Actual	Oct.-Dec. Actual	Jan.-Mar. Actual	Total
Group Total	Refining volume (ten thousand of KL)	562	583	1,145	467	562	1,029	605	623	2,257
	Utilization rate	82%	84%	83%	78%	93%	85%	93%	91%	89%
	Comparison with previous year	120%	104%	111%	103%	96%	99%	106%	113%	105%
Mizushima	Refining volume (ten thousand of KL)	288	285	573	195	287	482	295	284	1,062
	Utilization rate	97%	95%	96%	66%	96%	81%	98%	96%	89%
	Comparison with previous year	148%	99%	119%	66%	97%	82%	101%	102%	91%
Kashima	Refining volume (ten thousand of KL)	274	298	572	272	275	547	310	339	1,196
	Utilization rate	70%	75%	73%	90%	90%	90%	89%	87%	89%
	Comparison with previous year	101%	108%	105%	171%	96%	123%	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 (including Kashima Aromatics :60,000Barrels/Day (210,000 Barrels/Day before November 18, 2007))

(3)Number of JOMO Service Stations

	Mar-03	Mar-04	Mar-05	Mar-06	Mar-07	Sep-07	Mar-08	Sep-08
Owned by Japan Energy	1,229	1,207	1,172	1,154	1,143	1,130	1,106	1,093
<Self-SS>	227	264	297	347	384	401	410	439
Owned by wholesalers and others	3,067	2,943	2,851	2,679	2,565	2,518	2,449	2,348
<Self-SS>	95	121	143	187	222	236	257	264
Total	4,296	4,150	4,023	3,833	3,708	3,648	3,555	3,441
<Self-SS>	322	385	440	534	606	637	667	703

<2>Metals (Nippon Mining & Metals Group)

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		
			2Q (1H) Actual	2H Forecast	Total Forecast	2Q (1H) Actual	2H Actual	Total Actual	2Q (1H)	2H	Total
Price	Copper	c /lb	366	200	283	348	340	344	17	(140)	(61)
	Gold	\$/TOZ	883	800	842	674	858	766	209	(58)	76
	Platinum	\$/TOZ	1,783	1,000	1,392	1,290	1,663	1,477	493	(663)	(86)
	Palladium	\$/TOZ	387	200	294	358	402	380	29	(202)	(87)
Sales volume	Electrolytic copper	Kt/period	308	321	629	326	334	660	(17)	(13)	(30)
Gold recovery volume*		t/period	3.7	4.1	7.8	3.4	3.8	7.2	0.2	0.3	0.6

*Gold recovery volume in Recycling and environmental services

(2)Electronic Materials - Breakdown by Divisions

(Billions of Yen)		Fiscal 2008			Fiscal 2007			Difference		
		2Q (1H) Actual	2H Forecast	Total Forecast	2Q (1H) Actual	2H Actual	Total Actual	2Q (1H)	2H	Total
	Copper Foil	0.1	(0.9)	(0.8)	1.3	(0.3)	1.0	(1.2)	(0.6)	(1.8)
	Thin Film Materials	4.0	4.4	8.4	3.0	4.4	7.3	1.1	0.0	1.1
	Metal Manufacturing	2.5	1.9	4.4	3.1	2.3	5.4	(0.7)	(0.3)	(1.0)
	Inventory valuation *	0.9	(2.4)	(1.5)	(5.5)	(9.3)	(14.8)	6.3	6.9	13.3
	Total	7.5	3.0	10.5	2.0	(3.0)	(1.1)	5.5	6.0	11.6

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

Ratio of income before special items to net sales*	6.5%	6.7%	6.6%	7.2%	6.9%	7.0%	(0.6%)	(0.1%)	(0.4%)
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* excluding inventory valuation by periodic inventory system and the lower of cost or market method

Consolidated Balance Sheets, Cash Flows, etc.

1.Consolidated Balance Sheets

	Sep. 30,	Mar. 31,	Difference (A)-(B)	(Billions of Yen)	
	2008(A) Actual	2008(B) Actual		Mar. 31, 2009(C) Forecast	Difference (C)-(B)
Total assets	2,383.9	2,251.2	132.7	2,076.0	(175.2)
Current assets	1,280.8	1,157.2	123.6		
Fixed assets	1,103.1	1,094.1	9.1		
Total liabilities	1,578.2	1,485.9	92.3	1,335.5	(150.4)
Current liabilities	1,112.8	1,058.6	54.3		
Long-term liabilities	465.4	427.4	38.0		
Net assets	805.7	765.3	40.4	740.5	(24.8)
Shareholders' equity and valuation and translation adjustment	704.4	681.4	23.0	638.0	(43.4)
Minority interests, etc.	101.3	83.9	17.5	102.5	18.6
Shareholders' equity ratio *1	29.5%	30.3%	(0.8%)	30.7%	0.4%
BPS (Yen/share) *1 *2	760	735	25	688	(47)
Interest-bearing debt	905.0	795.9	109.1	724.5	(71.4)
Debt to equity ratio	1.28	1.17	0.11	1.14	(0.03)

*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 March, 2009 is calculated on the basis of the number of shares outstanding at the end of September, 2008 (926,822 thousand shares on a consolidated basis).

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

(Billions of Yen)

Assets 132.7 (including effect of subsidiary newly included consolidation at beginning of fiscal year , 42.8)	Cash and cash equivalents (0.7)(including effect of subsidiary newly included consolidation at beginning of fiscal year etc. 1.3), Trade receivables and Inventories 152.9, Capital expenditures 44.2, Acquisition of investments in securities and lending of loans 3.1, Depreciation and amortization (including amortization of goodwill) (40.0), Difference in equity in income of affiliates and receipts of dividends from such companies 10.5, Unrealized gain on marketable securities (6.2), Translation adjustment etc. (31.1)
Liabilities 92.3 (including effect of subsidiary newly included consolidation at beginning of fiscal year , 20.3)	Interest-bearing debt 109.1 (Changes in amounts differ from the increase in interesting-bearing debt shown in the summary of cash flows due to the effect of subsidiary newly included consolidation, translation adjustment, etc.), Trade payables (10.5), Accrued income taxes etc. (6.7), Other 0.4
Net assets 40.4 (including effect of subsidiary newly included consolidation at beginning of fiscal year , 22.6)	Net income 45.8, Cash dividends paid (7.4) , Valuation and translation adjustment, etc. (15.7), Minority interests in consolidated subsidiaries etc. 17.7

(2) Factors in Change from March 31, 2008 to March 31, 2009 (Forecast)

(Billions of Yen)

Assets (175.2)	Cash and cash equivalents (0.7)(including effect of subsidiary newly included consolidation at beginning of fiscal year etc. 1.3), Trade receivables and Inventories (202.5), Capital expenditures 135.5, Depreciation and amortization (including amortization of goodwill) (82.5), Acquisition of investments in securities and lending of loans 6.0, Difference in equity in income of affiliates and dividend received from such companies 18.5, Unrealized gain on marketable securities (26.0), Translation adjustment etc. (23.5)
Liabilities (150.4)	Interest-bearing debt (71.4) (Changes in amounts differ from the decrease in interesting-bearing debt shown in the summary of cash flows due to the effect of subsidiaries newly included consolidation, translation adjustment, etc.), Trade payables (40.0), Deferred tax liability of unrealized gain on marketable securities (10.5), Other (28.5)
Net assets (24.8)	Net income 18.0, Cash dividends paid (14.8), Valuation and translation adjustment, etc. (47.0), Minority interests in consolidated subsidiaries etc. 19.0(effect of subsidiary newly included consolidation etc.)

2.Consolidated Cash Flows

(Billions of Yen)

	Fiscal 2008		
	2Q (1H) Actual	2H Forecast	Total Forecast
Cash flows from operating activities	(36.1)	276.6	240.5
Cash flows from investing activities	(46.5)	(91.0)	(137.5)
Cash flows from financing activities	81.8	(184.8)	(103.0)
Exchange rate changes *1	(1.3)	(0.7)	(2.0)
Cash *2	(2.0)	0.0	(2.0)
(Ref.) Free cash flow	(100.0)	177.0	77.0

	Fiscal 2007		
	2Q (1H) Actual	2H Actual	Total Actual
	48.3	8.5	56.8
	(45.1)	(69.3)	(114.4)
	11.4	63.0	74.4
	0.5	(0.1)	0.4
	15.1	2.2	17.3
	(12.5)	(78.6)	(91.2)

*1 Effect of exchange rate changes on cash and cash equivalents

*2 Net increase or decrease in cash and cash equivalents

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

(Billions of Yen)

Operating activities (36.1)	Income before special items 87.5, Depreciation and amortization (including amortization of goodwill) 40.0, Trade receivables, inventories and trade payables (151.4), Equity in income of non-consolidated subsidiaries and affiliates (43.3), Dividend received from affiliates accounted for by equity method 32.8, Payments for income taxes etc. (30.9), Other 29.2
Investing activities (46.5)	Acquisition of property, plant, equipment and intangible assets (44.2), Acquisition of investments in securities and lending of loans (3.1), Sales or maturities of investments in securities and collection of loans 1.7, Accounts payable-facilities etc. (0.9)
Financing activities 81.8	Interest-bearing debt 99.2, Cash dividends paid (7.4), Cash dividends paid to minority shareholders etc. (10.0)

(2) Factors in Change from March 31, 2008 to March 31, 2009 (Forecast)

(Billions of Yen)

Operating activities 240.5	Income before special items 47.0, Depreciation and amortization (including amortization of goodwill) 82.5, Trade receivables, inventories and trade payables 173.5, Equity in income of non-consolidated subsidiaries and affiliates (60.0), Dividend received from affiliates accounted for by equity method 41.5, Payments for income taxes etc. (44.0)
Investing activities (137.5)	Acquisition of property, plant, equipment and intangible assets (135.5), Acquisition of investments in securities and lending of loans (6.0), Sales or maturities of investments in securities and collection of loans 4.0
Financing activities (103.0)	Interest-bearing debt (81.5), Cash dividends paid (14.8), Proceeds from issuance of stock to minority shareholders 4.5, Cash dividends paid to minority shareholders etc. (11.2)

3.Capital Expenditure and Depreciation and Amortization (Consolidated)

(Billions of Yen)

	Fiscal 2008		
	2Q (1H) Actual	2H Forecast	Total Forecast
Capital expenditure	44.2	91.3	135.5
Depreciation(including amortization of goodwill)	40.0	42.5	82.5
Difference	4.3	48.7	53.0

	Fiscal 2007		
	2Q (1H) Actual	2H Actual	Total Actual
	34.0	66.9	100.8
	29.8	33.0	62.9
	4.1	33.9	38.0

Investments and long-term loans	3.1	2.9	6.0
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	4.7	17.9	22.7
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(1)Capital Expenditure by Segment

	Fiscal 2008		
	2Q (1H) Actual	2H Forecast	Total Forecast
Petroleum	15.4	37.1	52.5
Metals	16.7	40.3	57.0
Other Operations*	12.1	13.9	26.0
Total	44.2	91.3	135.5

	Fiscal 2007		
	2Q (1H) Actual	2H Actual	Total Actual
	23.7	45.0	68.8
	9.7	21.2	30.9
	0.5	0.6	1.1
	34.0	66.9	100.8

* including eliminations or corporate.

(2)Depreciation and Amortization by Segment

	Fiscal 2008		
	2Q (1H) Actual	2H Forecast	Total Forecast
Petroleum	22.3	22.7	45.0
Metals	14.8	16.7	31.5
Other Operations*	2.8	3.2	6.0
Total	40.0	42.5	82.5

	Fiscal 2007		
	2Q (1H) Actual	2H Actual	Total Actual
	16.6	19.1	35.7
	12.9	13.6	26.5
	0.3	0.4	0.6
	29.8	33.0	62.9

* including eliminations or corporate.

4. Interest-bearing Debt

(Billions of Yen)

	Sep. 30 2008	Mar. 31 2008	Difference
Petroleum	655.6	573.9	81.7
Metals	240.8	244.9	(4.1)
Other Operations *	8.6	(22.9)	31.5
Total	905.0	795.9	109.1

* including eliminations or corporate.

5. Dividend

	Fiscal 2007 (Actual)				Fiscal 2008 (Forecast)			
	Interim	Year-end	Annual	Payment Amount	Interim	Year-end	Annual	Payment Amount*
	Yen/share	Yen/share	Yen/share	millions of yen	Yen/share	Yen/share	Yen/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 September, 2008, which is 927,476 thousand shares (non-consolidated).

6. Number of Employees

(Persons)

	Mar. 31, 2006 Actual	Mar. 31, 2007 Actual	Mar. 31, 2008 Actual	Sep. 30, 2008 Actual
Petroleum	3,920	3,999	4,196	4,327
Metals	4,348	4,704	4,851	5,110
Others*	1,311	1,266	1,269	1,470
Total	9,579	9,969	10,316	10,907

* including 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 October 31, 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**