

Financial Results for the Third Quarter of the FY2003

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Nippon Mining Holdings, INC.

February 12, 2004

※Consolidated financial results of Japan Energy Corporation for the first half of the previous year (FY2002) is presented for comparison.
※Statements which are not an historical fact are future projections made based on certain assumptions and our management's judgment drawn from currently available information. Please note that actual performance may vary significantly from any particular projection, due to various factors.

Financial Results for 3Q FY2003

1 . Operating Results(consolidated)

(Billions of Yen)

	FY2003			FY2002		
	1H	3Q (3months)	9 months ended Dec2003	1H	2H	Total
Net Sales	1052.4	562.8	1615.1	1010.7	1152.4	2163.1
Operating Income (Loss)	18.5	13.6	32.1	12.2	28.1	40.3
Other Income (Expenses)	0.8	1.7	2.5	△ 0.9	△2.4	△3.3
Ordinary Income (Loss)	19.3	15.3	34.7	11.3	25.7	37.0
Special Profit (Loss)	△21.0	△2.2	△23.2	△ 3.8	△19.7	△23.5
Income Taxes	△ 7.7	5.8	△1.9	1.6	3.1	4.7
Minority Interest	1.9	1.3	3.2	3.7	1.5	5.1
Net Income (Loss)	4.2	6.1	10.2	2.3	1.4	3.7

(1) Scope of Consolidation

- ① Consolidated subsidiaries 9 6 (8 additions, 7 reductions)
- ② Equity method affiliates 2 0 (2 additions, 1 reduction)

(2) 3 Q (3 months (Sep.1 2003 to Dec.31 2003)) (3) 3 Q (9 months (Apr.1 2003 to Dec.31 2003))

<billion yen>

Ordinary Income 15.3	
[1] Operating Income 13.6	
• Petroleum	11.3
• Resources & Non-ferrous Metals	0.9
• Electronic Materials	0.9
• Metal Fabrication	2.2
• Others	△1.6
Total	13.6
[2] Other Income (Loss) 1.7	
• Interest and dividends	0.5
• Amortization of negative good will	1.2
• Equity in gain of affiliates	2.6
• Interest expenses	△3.4
• Others	0.8
Total	1.7
Special Profit(Loss) 2.2	
• Loss on disposal of property	△1.3
• Structural reform measures	△0.4
• Others	△0.5
Total	△2.2

<billion yen>

Ordinary Income 34.7	
[1] Operating Income 32.1	
• Petroleum	26.7
• Resources & Non-ferrous Metals	2.0
• Electronic Materials	△0.4
• Metal Fabrication	5.0
• Others	△1.1
Total	32.1
[2] Other Income (Loss) 2.5	
• Interest and dividends	2.3
• Amortization of negative good will	3.5
• Equity in gain of affiliates	8.5
• Interest expenses	△11.2
• Others	△0.6
Total	2.5
Special Profit(Loss) 23.2	
• Gain on redemption of securities	8.5
• Gain on sales of securities	0.6
• Loss on disposal of property	△5.1
• Loss on write-down of securities	△0.8
• Structural reform measures	△24.9
• Others	△1.5
Total	△23.2

(4) Segments

(Billions of Yen)

		FY2003			FY2002		
		1H	3Q (3 months)	Total	1H	2H	Total
Petroleum	Net Sales	830.8	452.9	1283.7	804.8	939.0	1743.8
	Operating Income	15.4	11.3	26.7	7.3	25.0	32.3
	Ordinary Income	14.6	11.1	25.6	3.4	21.3	24.8
Resources & Non-ferrous Metals	Net Sales	143.2	76.2	219.3	131.7	140.6	272.3
	Operating Income	1.1	0.9	2.0	1.4	1.1	2.5
	Ordinary Income	5.1	3.6	8.7	5.8	4.0	9.8
Electronic Materials	Net Sales	37.1	16.6	53.8	30.7	31.0	61.7
	Operating Income	△1.3	0.9	△0.4	△1.4	△1.3	△2.7
	Ordinary Income	△3.5	0.2	△3.3	△2.7	△3.2	△5.9
Metal Fabrication	Net Sales	22.2	12.6	34.8	23.2	22.0	45.2
	Operating Income	2.8	2.2	5.0	3.3	2.7	6.0
	Ordinary Income	2.7	2.2	4.9	3.1	2.6	5.6
Others	Net Sales	36.7	13.2	49.9	34.3	35.7	69.9
	Operating Income	0.5	△1.6	△1.1	1.5	0.5	2.0
	Ordinary Income	0.5	△1.8	△1.3	1.7	1.0	2.7
Eliminations	Net Sales	△17.6	△8.8	△26.4	△14.0	△15.9	△29.9
Total	Net Sales	1052.4	562.8	1615.1	1010.7	1152.4	2163.1
	Operating Income	18.5	13.6	32.1	12.2	28.1	40.3
	Ordinary Income	19.3	15.3	34.7	11.3	25.7	37.0

※Net Sales by segments include inter-segment sales.

(5) Key Data

		FY2003			FY2002		
		1H	3Q	Total	1H	2H	Total
Petroleum	Exchange Rate (¥/\$)	118	109	115	123	121	122
	Dubai Spot Price (\$/BL)	25.5	27.7	26.2	24.3	26.7	25.5
	Market Price of Paraxylene (\$/t)	548	572	556	442	533	488
Resources & Non-ferrous Metals	Market Price of Copper (¢/lb)	77	93	82	71	73	72
	Electrolytic Copper Sales (1000 tones)	301	159	460	287	297	583
Electronic Materials	Electrodeposited Copper Foil Sales (tones/month)	2,367	2,142	2,310	2,081	2,112	2,097
	Treated Rolled Copper Foil Sales (1000 meters/month)	2,743	3,251	2,912	1,753	2,265	2,009
Metal Fabrication	Wrought copper products (1000tones)	18	10	28	19	17	35
	Special Steel Products (1000tones)	5	3	8	7	7	14

2 . Information by Segments

<1> Petroleum (Japan Energy Group)

(1) Operating Results

(Billions of Yen)

	FY2003			FY2002		
	1H	3Q	Total	1H	2H	Total
Net Sales	8 3 0 . 8	4 5 2 . 9	1 2 8 3 . 7	8 0 4 . 8	9 3 9 . 0	1 7 4 3 . 8
Operating Income (Loss)	1 5 . 4	1 1 . 3	2 6 . 7	7 . 3	2 5 . 0	3 2 . 3
Ordinary Income (Loss)	1 4 . 6	1 1 . 1	2 5 . 6	3 . 4	2 1 . 3	2 4 . 8

(2) Sales volume, growth rate and Japan Energy's market share of fuel oil

	Domestic sales volume (thousands of KL)			Growth rate (03/1Q-3Q vs. 02/1Q-3Q)		Japan Energy's market share
	FY2003			JOMO	Nation-wide	FY2003 1Q-3Q
	1H	3Q	Total			
Gasoline	3,169	1,613	4,782	99.2%	102.4%	10.2%
Naphtha	1,515	847	2,362	105.1%	103.8%	9.0%
Jet Fuel	367	202	569	110.8%	102.8%	14.2%
Kerosene	649	923	1,572	87.1%	94.0%	9.3%
Gas Oil	2,165	1,180	3,345	96.8%	97.7%	11.5%
A Heavy Fuel	937	637	1,574	92.8%	101.5%	7.5%
C Heavy Fuel	1,260	711	1,971	135.8%	111.5%	9.3%
Total	10,062	6,114	16,176	101.1%	101.8%	9.8%
Gasoline & Middle Distillation	6,920	4,353	11,273	95.7%	99.7%	9.9%

(3) Refining volume of crude oil and utilization rate of crude oil distillation units

(millions of KL)

		FY2003			FY2002				
		Apr- Jun	Jul- Sep	Oct- Dec	Apr- Jun	Jul- Sep	Oct- Dec	Jan- Mar	Total
Group Total	Refining volume	7.07	6.45	6.91	5.83	6.45	6.95	7.37	26.58
	Operating Ratio	84%	76%	81%	70%	77%	83%	88%	80%
	Comparison with Previous Year	121%	100%	99%	96%	97%	100%	106%	100%
Mizushima	Refining volume	2.63	2.44	2.32	2.61	2.53	2.65	2.80	10.59
	Operating Ratio	91%	84%	79%	90%	86%	90%	98%	91%
	Comparison with Previous Year	101%	97%	88%	142%	95%	94%	104%	106%
Kashima	Refining volume	2.46	2.18	2.63	1.48	2.28	2.47	2.58	8.81
	Operating Ratio	89%	79%	95%	※57%	86%	94%	95%	83%
	Comparison with Previous Year	166%	96%	106%	71%	100%	108%	112%	98%

※Influence of regular shutdown maintenance

☆Capacity of Japan Energy Group's Refinery

Japan Energy Mizushima Refinery : 200,200 Barrels/Day

Kashima Oil Kashima Refinery : 190,000 Barrels/Day

Fuji Oil Sodegaura Refinery : 192,000 Barrels/Day

<2> Resources & Non-ferrous Metals (Nippon Mining & Metals Group)

(1) Operating Results

(Billions of Yen)

	FY2003			FY2002		
	1H	3Q	Total	1H	2H	Total
Net Sales	1 4 3. 2	7 6. 2	2 1 9. 3	1 3 1. 7	1 4 0. 6	2 7 2. 3
Operating Income (Loss)	1. 1	0. 9	2. 0	1. 4	1. 1	2. 5
Ordinary Income (Loss)	5. 1	3. 6	8. 7	5. 8	4. 0	9. 8

(2) Price and Sales Volume

		FY2003			FY2002		
		1H	3Q	Total	1H	2H	Total
Price	Copper (¢ /lb)	7 7	9 3	8 2	7 1	7 3	7 2
	Zinc (\$ / t)	7 9 7	9 3 0	8 4 2	7 7 4	7 7 9	7 7 7
	Gold (\$ /TOZ)	3 5 5	3 9 2	3 6 7	3 1 4	3 3 8	3 2 6
	Platinum (\$/TOZ)	6 6 9	7 6 6	7 0 2	5 4 3	6 2 5	5 8 4
	Palladium (\$/TOZ)	1 7 9	1 9 9	1 8 6	3 3 9	2 6 3	3 0 1
Sales Volume (thousand tones)	Copper	3 0 1	1 5 9	4 6 0	2 8 7	2 9 7	5 8 3
	Zinc	4 1	2 3	6 5	4 7	4 6	9 4

<3> Electronic Materials (Nikko Materials Group)

(1) Operating Results

(Billions of Yen)

	FY2003			FY2002		
	1H	3Q	Total	1H	2H	Total
Net Sales	37.1	16.6	53.8	30.7	31.0	61.7
Operating Income (Loss)	△1.3	0.9	△0.4	△1.4	△1.3	△2.7
Ordinary Income (Loss)	△3.5	0.2	△3.3	△2.7	△3.2	△5.9

※ Including the income loss of the 3rd quarter of GEI (△1.5 billion yen)

(2) Breakdown by Products

(Billions of Yen)

		FY2003			FY2002		
		1H	3Q	Total	1H	2H	Total
Electro-Deposited Copper Foil	Net Sales	* 13.4	4.4	17.8	11.5	10.2	21.7
	Operating Income	* △3.5	△0.6	△4.1	△2.5	△3.7	△6.2
Treated Rolled Copper Foil and Target	Net Sales	18.0	9.7	27.7	14.0	16.0	30.0
	Operating Income	4.0	2.3	6.3	3.2	3.9	7.1
Compound Semiconductor Materials and Others	Net Sales	5.7	2.5	8.2	5.2	4.8	10.0
	Operating Income	△1.8	△0.8	△2.6	△2.1	△1.5	△3.6
Total	Net Sales	37.1	16.6	53.8	30.7	31.0	61.7
	Operating Income	△1.3	0.9	△0.4	△1.4	△1.3	△2.7

※: Including the 3rd quarter of GEI (Sales: 2.6bn yen , Operating Loss:1.2bn yen)

<4> Metal Fabrication (Nikko Metal Manufacturing Group)

(1) Operating Results

	FY2003			(Billions of Yen) FY2002		
	1H	3Q	Total	1H	2H	Total
Net Sales	2 2 . 2	1 2 . 6	3 4 . 8	2 3 . 2	2 2 . 0	4 5 . 2
Operating Income (Loss)	2 . 8	2 . 2	5 . 0	3 . 3	2 . 7	6 . 0
Ordinary Income (Loss)	2 . 7	2 . 2	4 . 9	3 . 1	2 . 6	5 . 6

(2) Sales by Products

		FY2003			(Billions of Yen) FY2002		
		1H	3Q	Total	1H	2H	Total
Wrought copper	Phosphor bronze	5.3	3.1	8.4	6.9	6.0	12.8
	Brass	2.1	1.1	3.2	2.3	2.3	4.5
	Copper foil	2.6	1.5	4.1	1.7	2.1	3.8
	Others	2.7	1.4	4.1	2.8	2.3	5.2
Special steel	Stainless steel	1.8	0.9	2.7	2.3	2.2	4.5
	High-nickel alloy	2.8	1.5	4.3	3.4	3.2	6.6
	Others	0.2	0.1	0.3	0.3	0.3	0.7
Others (precision manufacturing etc.)		4.7	3.0	7.7	3.5	3.6	7.1
Total		22.2	12.6	34.8	23.2	22.0	45.2

Annual Forecasts FY2003

1 . Quarterly Review

(Billions of Yen)

		FY2003						
		1Q	2Q	1H	3Q	4Q	2H	Total
Petroleum	Net Sales	414.7	416.1	830.8	452.9	456.3	909.2	1740.0
	Operating Income	10.7	4.7	15.4	11.3	5.8	17.1	32.5
	Ordinary Income	10.2	4.4	14.6	11.1	4.3	15.4	30.0
Resources & Non-ferrous Metals	Net Sales	64.3	78.9	143.2	76.2	78.6	154.8	298.0
	Operating Income	0.3	0.8	1.1	0.9	1.6	2.5	3.6
	Ordinary Income	1.2	3.9	5.1	3.6	3.8	7.4	12.5
Electronic Materials	Net Sales	16.2	20.9	37.1	16.6	19.8	36.4	73.5
	Operating Income	0.1	△1.4	△1.3	0.9	1.1	2.0	0.7
	Ordinary Income	△0.6	△2.9	△3.5	0.2	0.8	1.0	△2.5
Metal Fabrication	Net Sales	11.1	11.1	22.2	12.6	11.2	23.8	46.0
	Operating Income	1.6	1.2	2.8	2.2	1.9	4.1	6.9
	Ordinary Income	1.7	1.0	2.7	2.2	1.6	3.8	6.5
Others	Net Sales	15.9	20.8	36.7	13.2	16.6	29.8	66.5
	Operating Income	△1.8	2.3	0.5	△1.6	1.4	△0.2	0.3
	Ordinary Income	△1.5	2.0	0.5	△1.8	1.3	△0.5	0.0
Eliminations	Net Sales	△6.1	△11.5	△17.6	△8.8	△7.6	△16.4	△34.0
Total	Net Sales	516.1	536.3	1052.4	562.8	574.9	1137.6	2190.0
	Operating Income	10.9	7.6	18.5	13.6	11.9	25.5	44.0
	Ordinary Income	11.0	8.4	19.3	15.3	11.8	27.2	46.5

※Net Sales by segments include inter-segment sales.

2 . Comparison with FY2002

(1) Assumptions

		FY2003			FY2002		
		1H	2H	Total	1H	2H	Total
Petroleum	Exchange Rate (¥/\$)	118	108	113	123	121	122
	Dubai Spot Price (\$/BL)	25.5	28.1	26.8	24.3	26.7	25.5
	Market Price of Paraxylene (\$/t)	548	606	577	442	533	488
Resources & Non-ferrous Metals	Market Price of Copper (¢/lb)	77	97	87	71	73	72
	Electrolytic Copper Sales (1000 tones)	301	309	610	287	297	583
Electronic Materials	Electrodeposited Copper Foil Sales (tones/month)	2,367	2,368	2,370	2,081	2,112	2,097
	Treated Rolled Copper Foil Sales (1000 meters/month)	2,743	3,318	3,031	1,753	2,265	2,009
Metal Fabrication	Wrought copper products (1000tones)	18	19	37	19	17	35
	Special Steel Products (1000tones)	5	5	11	7	7	14

(2) Operating Forecasts(consolidated)

(Billions of Yen)

	FY2003			FY2002			Differences (FY2003-FY2002)
	1H	2H	Total	1H	2H	Total	
Net Sales	1052.4	1137.6	2190.0	1010.7	1152.4	2163.1	(○) 26.9
Operating Income (Loss)	18.5	25.5	44.0	12.2	28.1	40.3	(○) 3.7
Ordinary Income (Loss)	19.3	27.2	46.5	11.3	25.7	37.0	(○) 9.5
Net Income (Loss)	4.2	9.3	13.5	2.3	1.4	3.7	(○) 9.8
Ordinary Margin (%)	1.8	2.4	2.1	1.1	2.2	1.7	(○) 0.4
Earnings Per Share (yen)			19.9 (15.9)			5.9 (4.3)	(○) 14.0 (○) 11.6

() : include treasury stock.

(3) Operating Forecasts by Segments

(Billions of Yen)

		FY2003 (forecast)			FY2002			Differences		
		1H	2H	Total	1H	2H	Total	1H	2H	Total
Petroleum	Net Sales	830.8	909.2	1740.0	804.8	939.0	1743.8	(0)26.0	(X)29.8	(X) 3.8
	Operating Income	15.4	17.1	32.5	7.3	25.0	32.3	(0)8.1	(X) 7.9	(0) 0.2
	Ordinary Income	14.6	15.4	30.0	3.4	21.3	24.8	(0)11.2	(X) 5.9	(0) 5.2
Resources & Non-ferrous Metals	Net Sales	143.2	154.8	298.0	131.7	140.6	272.3	(0)11.4	(0)14.2	(0)25.7
	Operating Income	1.1	2.5	3.6	1.4	1.1	2.5	(X)0.3	(0) 1.4	(0) 1.1
	Ordinary Income	5.1	7.4	12.5	5.8	4.0	9.8	(X)0.6	(0) 3.4	(0) 2.7
Electronic Materials	Net Sales	37.1	36.4	73.5	30.7	31.0	61.7	(0)6.5	(0) 5.4	(0)11.8
	Operating Income	△1.3	2.0	0.7	△1.4	△1.3	△2.7	(0)0.1	(0) 3.3	(0) 3.4
	Ordinary Income	△3.5	1.0	△2.5	△2.7	△3.2	△5.9	(X)0.9	(0) 4.2	(0) 3.3
Metal Fabrication	Net Sales	22.2	23.8	46.0	23.2	22.0	45.2	(X)1.0	(0) 1.8	(0) 0.8
	Operating Income	2.8	4.1	6.9	3.3	2.7	6.0	(X)0.5	(0) 1.4	(0) 0.9
	Ordinary Income	2.7	3.8	6.5	3.1	2.6	5.6	(X)0.4	(0) 1.2	(0) 0.9
Others	Net Sales	36.7	29.8	66.5	34.3	35.7	69.9	(0)2.5	(X) 5.9	(X) 3.4
	Operating Income	0.5	△0.2	0.3	1.5	0.5	2.0	(X)1.0	(X) 0.7	(X) 1.7
	Ordinary Income	0.5	△0.5	0.0	1.7	1.0	2.7	(X)1.2	(X) 1.5	(X) 2.7
Eliminations	Net Sales	△17.6	△16.4	△34.0	△14.0	△15.9	△29.9	(X)3.6	(X) 0.5	(X) 4.1
Total	Net Sales	1052.4	1137.6	2190.0	1010.7	1152.4	2163.1	(0)41.7	(X)14.8	(0)26.9
	Operating Income	18.5	25.5	44.0	12.2	28.1	40.3	(0)6.3	(X) 2.6	(0) 3.7
	Ordinary Income	19.3	27.2	46.5	11.3	25.7	37.0	(0)8.0	(0) 1.5	(0) 9.5

※Net Sales include inter-segments sales.

(4) Comparison of Ordinary Income (FY2004 vs. FY2003)

(Billions of Yen)

	FY2003	FY2003	Differences	Factors
Petroleum	30.0	24.8	(0)5.2	<ul style="list-style-type: none"> • Inventories (X) 16.3 (14.2→△2.0) • Mid-term Mng. Plan (0) 9.0 • Petrochemicals (0) 3.0 • Margin (Time Lag) (0) 4.5 • Other Income (0) 5.0 (equity in earnings of investee, exchange gain etc.)
Resources & Non-ferrous Metals	12.5	9.8	(0)2.7	<ul style="list-style-type: none"> • Nippon Mining & Metals and consolidated subsidiaries (0)0.5 (sales increase and copper price rise etc.) • Equity in earnings of investee (0)2.1 (Minera Los Pelambres(0)3.8, LG-Nikko(X)1.7)
Electronic Materials	△2.5	△5.9	(0)3.3	Sales increase in treated rolled copper and sputtering target materials etc.
Metal Fabrication	6.5	5.6	(0)0.9	Sales increase in foils and high performance materials etc.
Others	0.0	2.7	(X)2.7	Sales decrease caused by cool summer etc.
Total	46.5	37.0	(0)9.5	

3 . Information by Segments

<1> Petroleum (Japan Energy Group)

(1) Forecasts

(Billions of Yen)

	FY2003			FY2002			Differences		
	1H	2H	total	1H	2H	total	1H	2H	total
Net Sales	830.8	909.2	1740.0	804.8	939.0	1743.8	(○)26.0	(×)29.8	(×)3.8
Operating Income (Loss)	15.4	17.1	32.5	7.3	25.0	32.3	(○)8.1	(×)7.9	(○)0.2
Ordinary Income (Loss)	14.6	15.4	30.0	3.4	21.3	24.8	(○)11.2	(×)5.9	(○)5.2

(2) Growth rate of fuel oil

	Domestic sales volume (thousands of KL)			Annual growth rate FY2003		Japan Energy's market share	
	FY2003	FY2002	Differences	JOMO	Nation-wide※	FY2003	FY2002
Gasoline	6,242	6,276	(-)34	99.5%	101.7%	10.2%	10.4%
Naphtha	3,177	2,993	(+)184	106.1%	103.1%	9.0%	8.7%
Jet Fuel	728	689	(+)39	105.7%	102.9%	13.5%	13.1%
Kerosene	2,746	3,042	(-)296	90.3%	93.0%	9.7%	10.0%
Gas Oil	4,381	4,534	(-)153	96.6%	97.2%	11.5%	11.6%
A Heavy Fuel	2,248	2,363	(-)115	95.1%	100.0%	7.6%	8.0%
C Heavy Fuel	2,550	2,334	(+)216	109.3%	105.1%	8.9%	8.5%
Total	22,072	22,232	(-)160	99.3%	100.2%	9.7%	9.8%
Gasoline & Middle Distillation	15,617	16,215	(-)598	96.3%	98.6%	9.9%	10.2%

※Growth rate : forecast by Japan Energy

(3) Number of JOMO Service Stations

	1998 Mar 31	1999 Mar 31	2000 Mar 31	2001 Mar 31	2002 Mar 31	2003 Mar 31	2003 Sep 30	2003 Dec 31
Owned by Japan Energy (Self-SS)	1,489	1,406	1,377	1,328	1,284 (105)	1,229 (227)	1,216 (242)	1,217 (258)
Owned by wholesalers etc. (Self-SS)	4,590	3,811	3,575	3,318	3,192 (59)	3,067 (95)	2,986 (106)	2,962 (118)
Total (Self-SS)	6,079	5,217	4,952	4,646	4,476 (164)	4,296 (322)	4,202 (348)	4,179 (376)

(4) Petrochemical Profit(Loss)

(Billions of Yen)

FY2003	FY2002	FY2001	FY2000
8.5	5.5	0	3.0

(5) Profitability Improvements

(Billions of Yen)

	FY2003	FY2002	FY2005
Cost reduction	12.5	8.0	18.5
Income increase	7.5	3.0	11.5
Total	20.0	11.0	30.0

<2> Resources & Non-ferrous Metals (Nippon Mining & Metals Group)

(1) Forecasts

(Billions of Yen)

	FY2003			FY2002			Differences		
	1H	2H	total	1H	2H	total	1H	2H	total
Net Sales	143.2	154.8	298.0	131.7	140.6	272.3	(○)11.4	(○)14.2	(○)25.7
Operating Income (Loss)	1.1	2.5	3.6	1.4	1.1	2.5	(×) 0.3	(○) 1.4	(○) 1.1
Ordinary Income (Loss)	5.1	7.4	12.5	5.8	4.0	9.8	(×) 0.6	(○) 3.4	(○) 2.7

(2) Price and Sales Volume

		FY2003			FY2002		
		1H	2H		1H	2H	
Price	Copper (¢/lb)	77	97	87	71	73	72
	Zinc (\$/t)	797	950	874	774	779	777
	Gold (\$/TOZ)	355	396	376	314	338	326
	Platinum (\$/TOZ)	669	783	726	543	625	584
	Palladium (\$/TOZ)	179	199	189	339	263	301
Sales Volume (thousand tones)	Copper	301	309	610	287	297	583
	Zinc	41	47	88	47	46	94

<3> Electronic Materials (Nikko Materials Group)

(1) Forecasts

(Billions of Yen)

	FY2003			FY2002			Differences		
	1H	2H	Total	1H	2H	Total	1H	2H	Total
Net Sales	37.1	36.4	73.5	30.7	31.0	61.7	(○)6.5	(○)5.4	(○)11.8
Operating Income (Loss)	△1.3	2.0	0.7	△1.4	△1.3	△2.7	(○)0.1	(○)3.3	(○)3.4
Ordinary Income (Loss)	△3.5	1.0	△2.5	△2.7	△3.2	△5.9	(×)0.9	(○)4.2	(○)3.3

(2) Breakdown by Products

(Billions of Yen)

		FY2003			FY2002			Differences		
		1H	2H	Total	1H	2H	Total	1H	2H	Total
Electro-Deposited Copper Foil	Net Sales	※13.4	10.1	23.5	11.5	10.2	21.7	(○)1.9	(×)0.1	(○)1.8
	Operating Income	※△3.5	△1.3	△4.8	△2.5	△3.7	△6.2	(×)1.0	(○)2.4	(○)1.4
Treated Rolled Copper Foil and Target	Net Sales	18.0	21.4	39.4	14.0	16.0	30.0	(○)4.0	(○)5.4	(○)9.4
	Operating Income	4.0	5.1	9.1	3.2	3.9	7.1	(○)0.8	(○)1.2	(○)2.0
Compound semiconductor materials and others	Net Sales	5.7	4.9	10.6	5.2	4.8	10.0	(○)0.5	(○)0.1	(○)0.6
	Operating Income	△1.8	△1.8	△3.6	△2.1	△1.5	△3.6	(○)0.3	(×)0.4	--
Total	Net Sales	37.1	36.4	73.5	30.7	31.0	61.7	(○)6.5	(○)5.4	(○)11.8
	Operating Income	△1.3	2.0	0.7	△1.4	△1.3	△2.7	(○)0.1	(○)3.3	(○)3.4

※:Including the 3rd quarter of GEI (Sales: 2.6bn yen , Operating Loss:1.2bn yen)

<4> Metal Fabrication (Nikko Metal Manufacturing Group)

(1) Forecasts

(Billions of Yen)

	FY2003			FY2002			Differences		
	1H	2H	Total	1H	2H	Total	1H	2H	Total
Net Sales	22.2	23.8	46.0	23.2	22.0	45.2	(×)1.0	(○)1.8	(○)0.8
Operating Income (Loss)	2.8	4.1	6.9	3.3	2.7	6.0	(×)0.5	(○)1.4	(○)0.9
Ordinary Income (Loss)	2.7	3.8	6.5	3.1	2.6	5.6	(×)0.4	(○)1.2	(○)0.9

(2) Sales by Products

(Billions of Yen)

		FY2003			FY2002			Differences		
		1H	2H	Total	1H	2H	Total	1H	2H	Total
Wrought copper	Phosphor bronze	5.3	6.0	11.4	6.9	6.0	12.8	×1.6	○0.1	×1.5
	Brass	2.1	2.0	4.2	2.3	2.3	4.5	×0.2	×0.2	×0.3
	Copper foil	2.6	2.9	5.5	1.7	2.1	3.8	○0.9	○0.7	○1.7
	Others	2.7	3.2	5.8	2.8	2.3	5.2	×0.1	○0.9	○0.6
Special steel	Stainless steel	1.8	1.8	3.6	2.3	2.2	4.5	×0.5	×0.4	×0.8
	High-nickel alloy	2.8	3.1	5.9	3.4	3.2	6.6	×0.6	×0.1	×0.7
	Others	0.2	0.2	0.4	0.3	0.3	0.7	×0.1	×0.2	×0.4
Others (precision manufacturing etc.)		4.7	4.6	9.2	3.5	3.6	7.1	○1.2	○1.0	○2.2
Total		22.2	23.8	46.0	23.2	22.0	45.2	×1.0	○1.8	○0.8

Others(Consolidated Balance Sheet, Cash Flows etc.)

1 . Consolidated Balance Sheet

(Billions of Yen)

	Dec 31 2003	Mar 31 2003 [A]	Differences	Mar 31 2004 (forecast) [B]	[B]-[A]
Current Assets	616.8	596.1	(+) 20.7	1570.0	(-) 58.7
Fixed Assets	993.2	1032.6	(-) 39.5		
Total Assets	1610.0	1628.7	(-) 18.7	1570.0	(-) 58.7
Current Liabilities	784.7	789.7	(-) 5.0	1297.8	(-) 88.4
Fixed Liabilities	556.6	596.5	(-) 39.9		
Minority Interest	40.2	37.6	(+) 2.6	41.4	(+) 3.8
Total Shareholder's Equity	228.6	204.9	(+) 23.6	230.8	(+) 25.9
Shareholder's Equity Ratio	14.2%	12.6%	(+) 1.6%	14.7%	(+) 2.2%
BPS	¥269.42	¥241.55	(+) ¥27.87	¥272.02	(+) ¥ 30.47
Interest Bearing Debt	811.9	876.4	(-) 64.5	780.0	(-) 96.4

※BPS is calculated with the number of issued shares 848million. (Treasury stock included)

①Factors (from Mar 31 2003 to Dec 31 2003)

(Billions of Yen)

Assets (-) 18.7	Cash and cash equivalents (-) 3.7, Trade receivables (+) 21.6, Inventories (+)1.9, Fixed assets (-)42.9 (Investments in equipment (+) 22.8, Depreciation (-) 35.1, Sales and disposals of fixed assets (-) 21.7 etc.), Investments in securities (+) 35.7 (Unrealized gain on securities (+)35.9), Offset of deferred tax assets/liabilities* (-)18.3, Loan (-)6.4, Others (-) 6.6
Liabilities (-) 44.9	Interest bearing debt (-) 64.5, Trade payables (+) 41.8, Offset of deferred tax assets/liabilities* (-)18.3, Others (-) 3.9
Minority Interest (+) 2.6	
Shareholder's Equity (+) 23.6	Net income (+) 10.2, Dividends(-)2.7, Unrealized gain on securities (+)21.2, Others(-)5.1

②Factors (from Mar 31 2003 to Mar 31 2004) (Forecast)

Assets (-) 58.7	Cash and cash equivalents (-) 21.8, Trade receivables/Inventories (-)11.5, Investments in equipment (+) 40.0, Depreciation (-) 46.7, Sales and disposals of fixed assets (-) 31.0, Unrealized gain on securities (+)34.3, Offset of deferred tax assets/liabilities* (-)18.3, Others (-) 3.7
Liabilities (-) 88.4	Interest bearing debt (-) 96.4, Trade payables (+) 20.7, Offset of deferred tax assets/liabilities* (-)18.3, Others (+) 5.6
Minority Interest (+) 3.8	
Shareholder's Equity (+) 25.9	Net income (+) 13.5, Dividends(-)2.7, Unrealized gain on marketable securities (+)20.1, Others(-)5.0

* This resulted from the establishment of Japan Energy Corporation. (Split-off from former Japan Energy Corporation)

2 . Consolidated Cash Flows

(Billions of Yen)

	FY2003 1H	FY2003 3Q	Total	FY2002	FY2003 (forecast)
Cash Flows from Operating Activities	(+) 9.9	(+)41.4	(+)51.3	(+) 14.3	(+) 83.4
Cash Flows from Investing Activities	(+) 2.7	0	(+) 2.7	(-) 15.7	(-) 13.0
Cash Flows from Financing Activities	(-)19.6	(-)38.7	(-)58.3	(-) 17.6	(-) 92.8
Effect of Exchange Rate Changes	(+) 0.1	(-) 0.6	(-) 0.5	(-) 1.4	(-) 0.5
Net Decrease in Cash and Cash Equivalents	(-) 6.9	(+) 2.1	(-) 4.8	(-) 20.3	(-) 22.9

(1) Total (1Q ~ 3Q FY2003) Breakdown

① Cash Flows from Operating Activities (+) 51.3

Ordinary income (+)34.7, Depreciation (+) 35.1,
Equity in gain of unconsolidated subsidiaries and affiliates (-)8.5,
Trade receivables, inventories and trade payables (+) 7.3, Tax (-) 8.3, Others (-) 9.0

② Cash Flows from Investing Activities (+) 2.7

Investments in equipment (-) 24.1, Investment and financing expenditure (-) 4.0,
Income in investment (+) 24.9, Others (+) 5.9

③ Cash Flows from Financing Activities (-) 58.3

Interest bearing debt repayment (-) 55.7, Dividends (-) 2.7, Others (+) 0.1

(2) FY2003 (forecast) Breakdown

① Cash Flows from Operating Activities (+) 83.4

Ordinary income (+) 46.5, Depreciation (+) 46.7,
Equity in gain of unconsolidated subsidiaries and affiliates (-)11.3,
Trade receivables, inventories and trade payables and (+) 21.0,
Tax (-) 10.0, Others (-) 9.5

Cash Flows from Investing Activities (-) 13.0

Investments in equipment (-) 41.5, Investment and financing expenditure (-) 10.4,
Income in investment (+) 34.9, Others (+) 4.0

Cash Flows from Financing Activities (-) 92.8

Interest bearing debt repayment (-) 89.6, dividends (-) 2.7, Others (-) 0.5

3 . Dividends

FY2002				FY2003 (expected)			
Interim	final	total	*Payment amount	Interim	final	annual	*Payment amount
※	¥4.00	¥4.00	¥ 3,392 million	----	¥6.00	¥6.00	¥ 4,073 million

※The Company paid share transfer delivery consideration (total: 3,375 million yen) to the shareholders as of September 25, 2002.

* Payment amount includes the payments to the consolidated companies.

4 . Interest-bearing Debt

(Billions of Yen)

	Mar31 2002	Mar31 2003	Dec31 2003	Differences
Nippon Mining Holdings	--	7.0	60.4	(+) 60.4
(Former) Japan Energy	411.1	404.5	--	(-)411.1
Japan Energy	--	--	317.9	(+)317.9
Kashima Oil	115.7	125.7	120.5	(+) 4.8
Nippon Mining & Metals	134.1	135.2	116.6	(-) 17.5
Nikko Materials	30.8	34.7	57.3	(+) 26.5
Nikko Metal Manufacturing	--	--	29.8	(+) 29.8
Others and eliminations	201.1	169.3	109.4	(-) 91.7
Total	892.8	876.4	811.9	(-) 80.9
Reduction from Mar31 2002	--	(-)16.4	(-) 80.9	

5 . Debt to Equity Ratio

(Billions of Yen)

	Mar. 31 2002 (A)	Mar. 31 2003	Dec. 31 2003 (B)	(B) - (A)	Mar. 31 2004 (Forecast)
Interest-bearing Debt	892.8	876.4	811.9	(-) 80.9	780.0
Shareholder's Equity	181.5	204.9	228.6	(+) 47.1	230.8
Debt to Equity Ratio (%)	4.92	4.28	3.55	(-) 1.37	3.38

6 . Capital Expenditure and Depreciation

(Billions of Yen)

	FY2003 1H	FY2003 (forecast)	FY2002
Capital expenditure	13.7	40.0	38.4
Depreciation	24.0	46.7	49.0
Difference	(-) 10.3	(-) 6.7	(-) 10.6

①Capital expenditure by segments

(Billions of Yen)

	FY2003 1H	FY2003 (forecast)	FY2002
Petroleum (Japan Energy Group)	5.6	20.0	19.9
Resources & Non-ferrous Metals (Nippon Mining & Metals Group)	2.7	8.0	6.2
Electronic Materials (Nikko Materials Group)	2.0	6.5	4.3
Metal Fabrication (Nikko Metal Manufacturing Group)	0.9	2.5	1.7
Others	2.5	3.0	6.3
Total	13.7	40.0	38.4

②Depreciation by segments

(Billions of Yen)

	FY2003 1H	FY2003 (forecast)	FY2002
Petroleum (Japan Energy Group)	13.5	27.1	28.1
Resources & Non-ferrous Metals (Nippon Mining & Metals Group)	3.6	7.2	7.1
Electronic Materials (Nikko Materials Group)	3.5	6.6	6.3
Metal Fabrication (Nikko Metal Manufacturing Group)	1.4	2.8	3.0
Others	2.0	3.0	4.5
Total	24.0	46.7	49.0

7 . Number of Employees

	Mar 31 FY2002	Mar 31 FY2003	Sep 30 FY2003
Petroleum (Japan Energy Group)	5,007	4,447	4,253
Resources & Non-ferrous Metals (Nippon Mining & Metals Group)	2,579	2,604	1,475
Electronic Materials (Nikko Materials Group)	1,765	1,574	1,643
Metal Fabrication (Nikko Metal Manufacturing Group)	--	--	1,087
Others	1,563	1,758	1,391
Total	10,914	10,383	9,849