

# Supplementary Explanation for Financial Results for Fiscal 2008 3Q

- From April 1, 2008 to December 31, 2008 -

February 4, 2009

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 3Q (9 months) Actual >> Key Points



## Key factors

Fiscal 2007 3Q    Fiscal 2008 3Q (9 months)

### Exchange rate

117    103 ¥/\$

### Crude Oil FOB (Dubai spot)

72.7    94.3 \$/bbl

### Copper price (LME)

341    303 ¢/lb

## Sales

¥ 3,364.5 bn (+7% YoY)

## Income before special items

¥ (36.2) bn

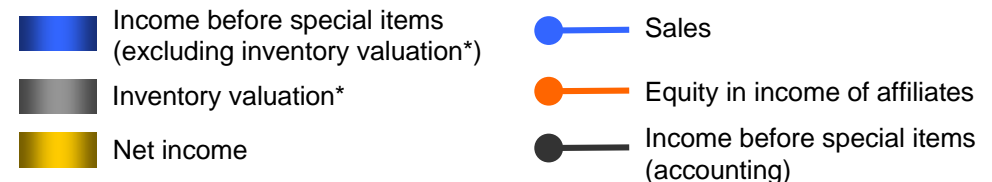
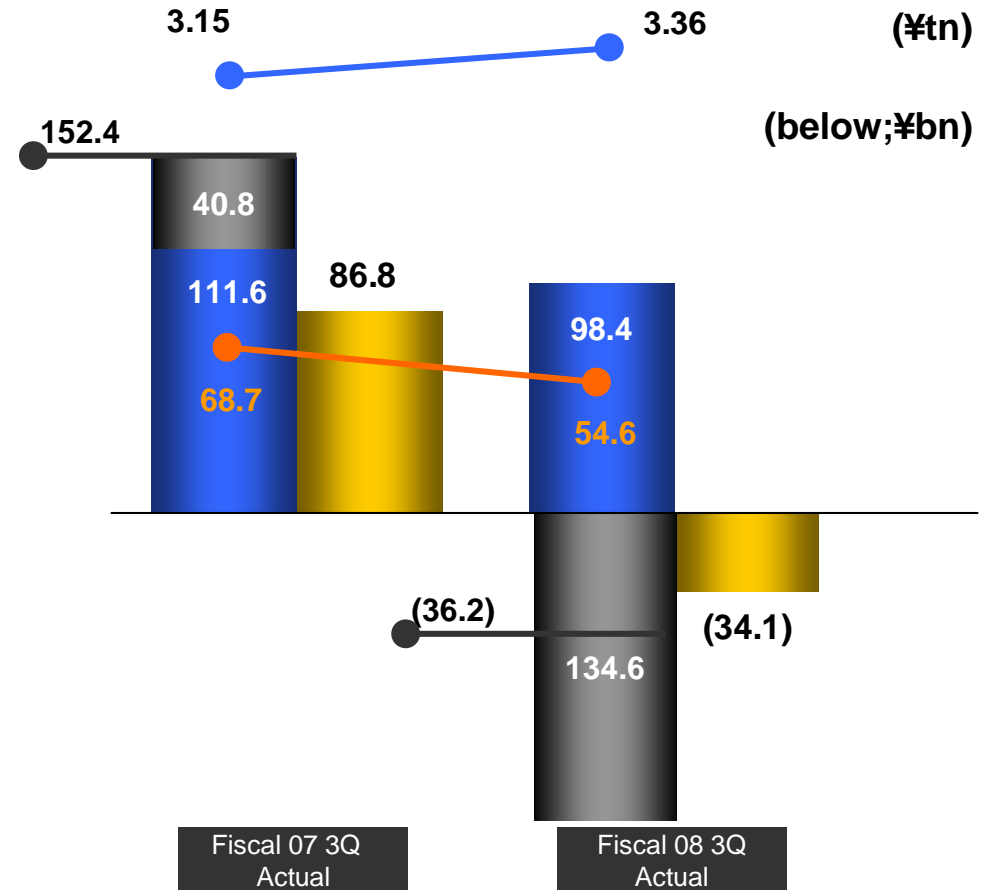
### - Equity in income of affiliates

¥ 54.6 bn (-20% YoY)

## Net income

¥ (34.1) bn

## Sales, Income, etc. (Fiscal 2008 3Q Consolidated)

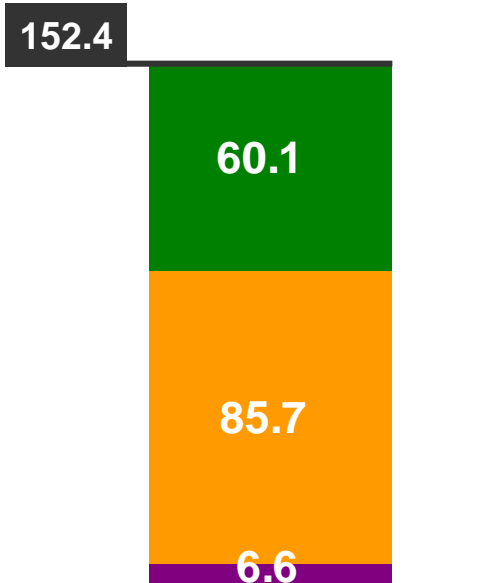


\*Inventory valuation by periodic inventory system and the lower of cost or market method

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



**Total**






**Fiscal 07 3Q Actual**

<b>Key Factors</b>	Exchange rate	117 ¥/\$
	Crude oil	72.7 \$/bbl
	Copper	341 ¢/lb

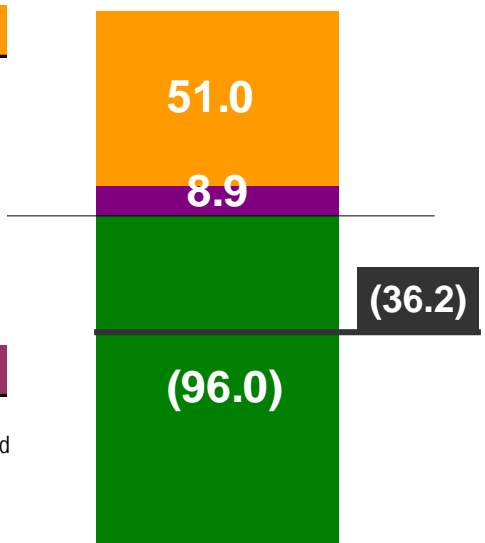
**Total (188.6)**

<b>Total</b>	<b>(188.6)</b>
<b>Petroleum</b>	<b>(156.1)</b>
Upstream (Exploration & Development)	1.9
Midstream (Refining & Marketing)	43.3
Downstream (Petrochemicals)	(24.2)
Inventory valuation *	(177.0)
<b>Metals</b>	<b>(34.7)</b>
Upstream (Resource Development)	(5.2)
Midstream (Smelting & Refining)	(23.8)
Downstream (Electronic Materials and Metal Recycling & Eco Business)	(7.0)
Inventory valuation *	1.3
<b>Other Operations</b>	<b>2.2</b>

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

		
<b>Petroleum</b>	<b>Metals</b>	<b>Other Operations</b>
<b>* Accounting Income before special items</b>		

(¥bn)



**Fiscal 08 3Q Actual**

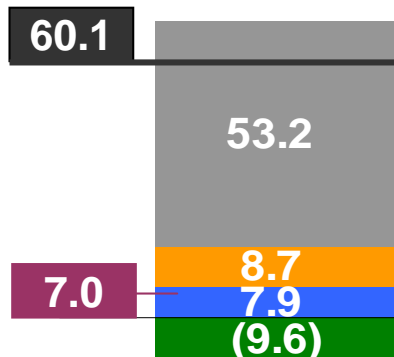
<b>Key Factors</b>	Exchange rate	103 ¥/\$
	Crude oil	94.3 \$/bbl
	Copper	303 ¢/lb

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

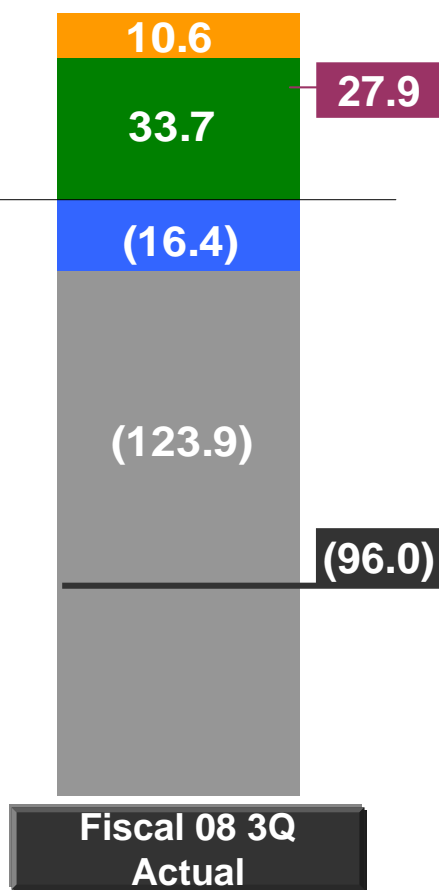


**Petroleum**

(¥bn)



<b>Petroleum (156.1)</b>	
<b>Petroleum excluding inventory valuation 21.0</b>	
Upstream (Exploration & Development)	1.9
Crude oil price (dubai, calendar year 63 107\$/bbl)	7.4
Foreign currency translation etc.	(5.5)
Midstream (Refining & Marketing)	43.3
Energy costs increase	(7.3)
Margin improvement, Time lag, etc.	50.6
Downstream (Petrochemicals)	(24.2)
Energy costs increase	(2.2)
Margin deterioration etc.	(22.0)
Inventory valuation	(177.0)



**Fiscal 07 3Q Actual**

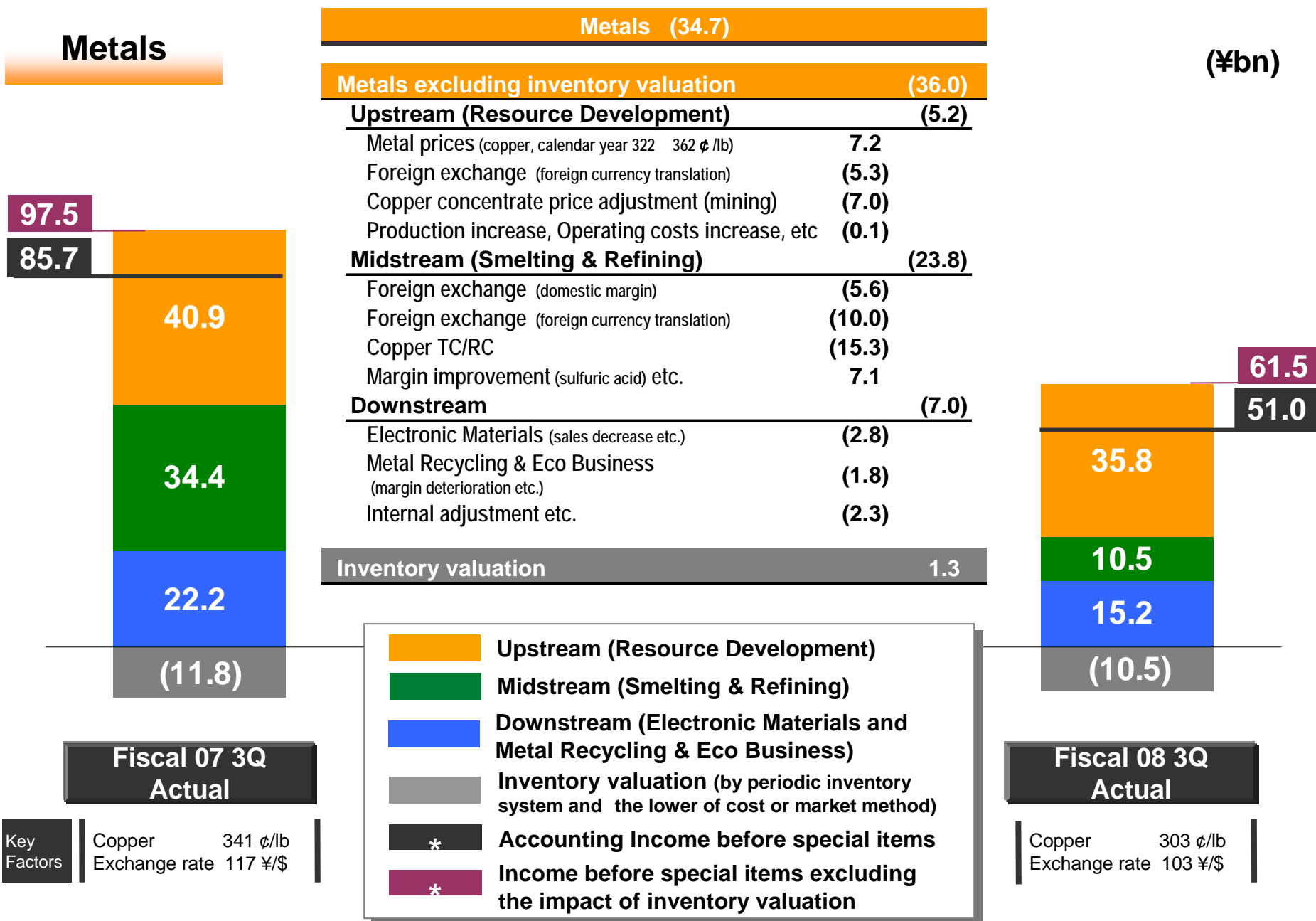
Key Factors | Crude oil 72.7 \$/bbl | Exchange rate 117 ¥/\$

- 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 08 3Q Actual**

Crude oil 94.3 \$/bbl | Exchange rate 103 ¥/\$

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



# Fiscal 2008 (Full Year) Forecast >> Key Points



## Key factors

Fiscal 2007      Fiscal 2008 (Full Year)

### Exchange rate

114      100 ¥/\$  
 (4Q <3 months>: 105      90 ¥/\$)

### Crude Oil FOB (Dubai spot)

77.4      81.5 \$/bbl  
 (4Q <3 months>: 91.4      43.0 \$/bbl)

### Copper price (LME)

344      262 ¢/lb  
 (4Q <3 months>: 354      140 ¢/lb)

## Sales

¥ 4,000.0 bn (-8% YoY)

## Income before special items

¥ (78.0) bn

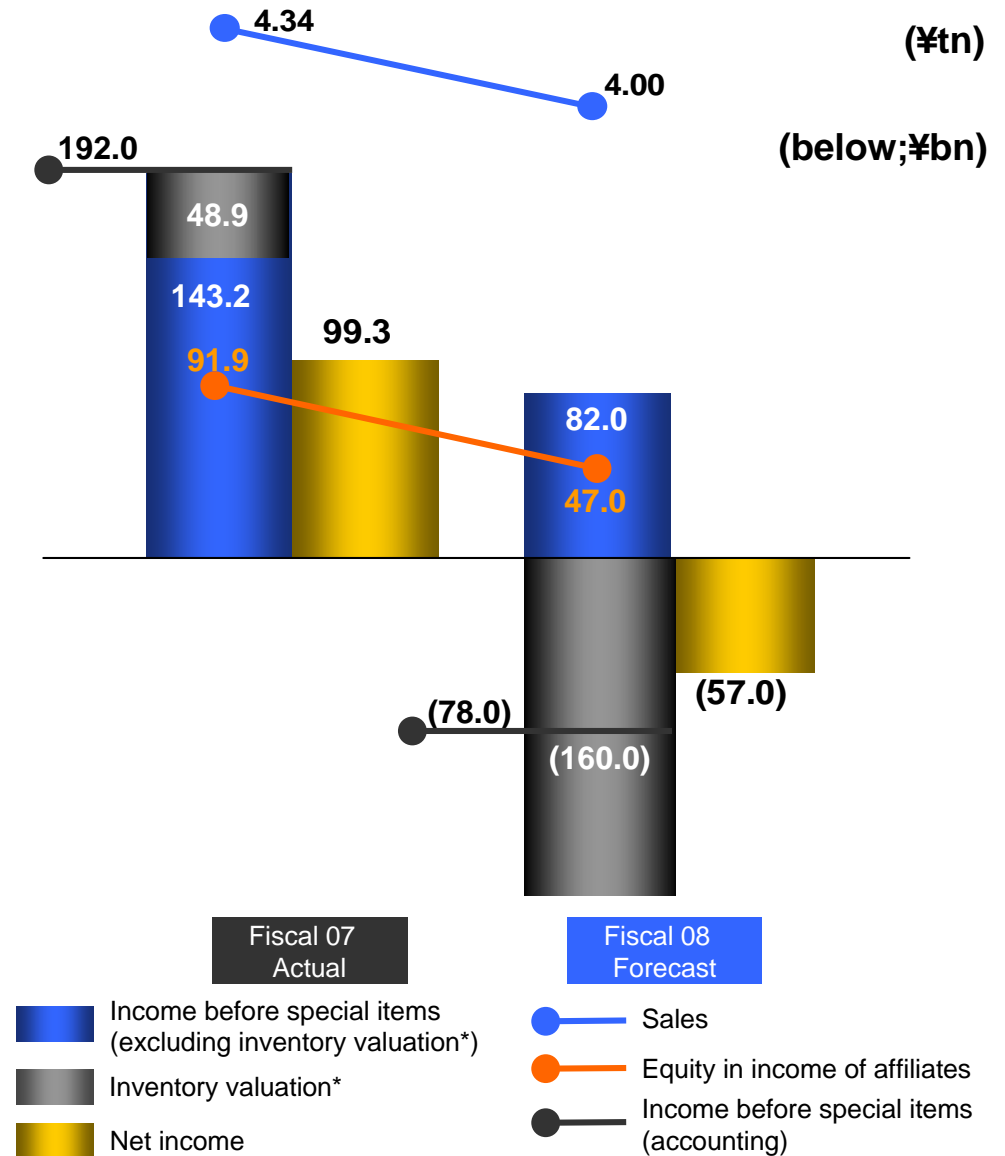
### - Equity in income of affiliates

¥ 47.0 bn (-49% YoY)

## Net income

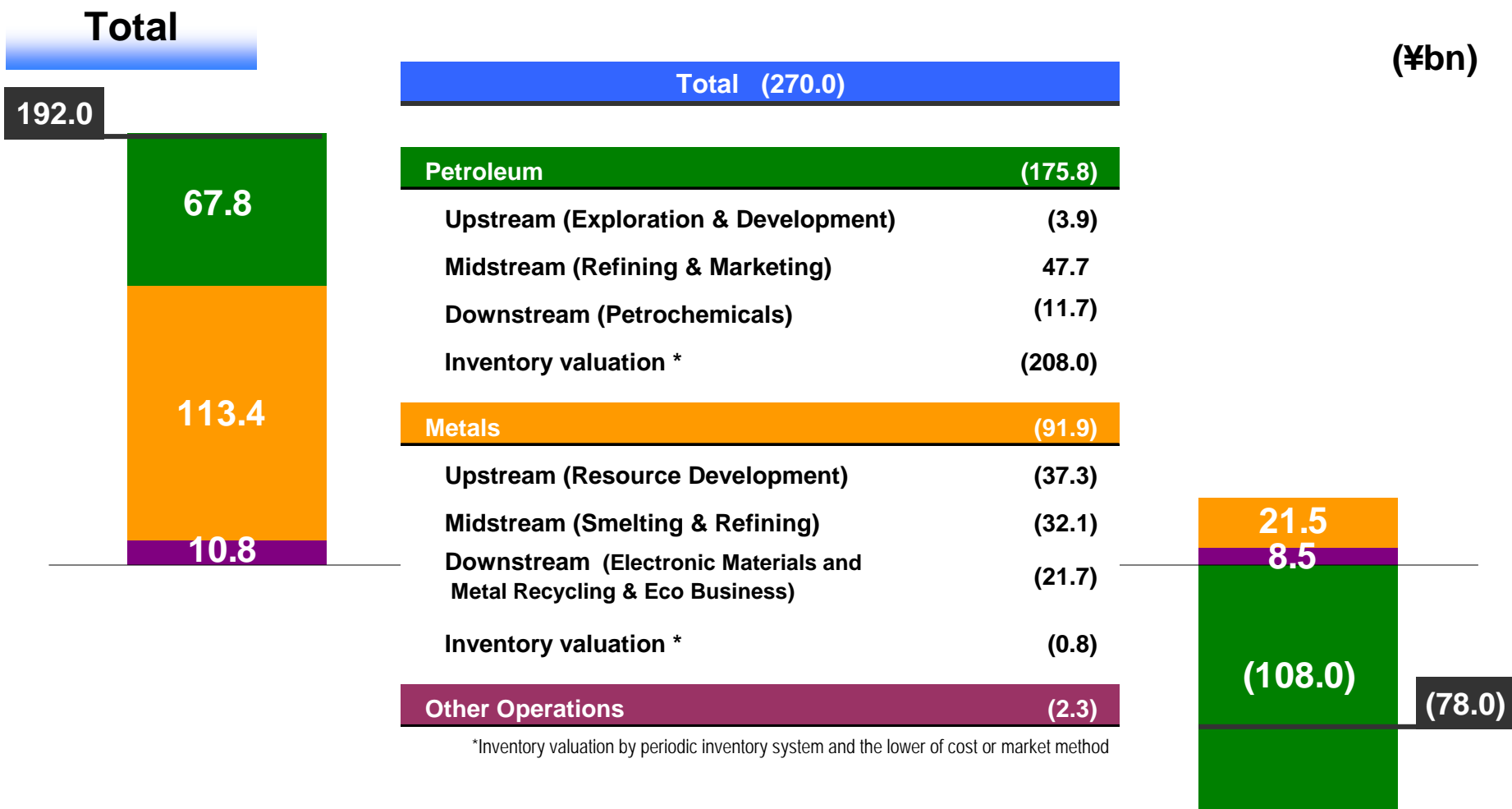
¥ (57.0) bn

## Sales, Income, etc. (Fiscal 2008 Consolidated)



\*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)



<b>Total (270.0)</b>	
<b>Petroleum</b>	<b>(175.8)</b>
Upstream (Exploration & Development)	(3.9)
Midstream (Refining & Marketing)	47.7
Downstream (Petrochemicals)	(11.7)
Inventory valuation *	(208.0)
<b>Metals</b>	<b>(91.9)</b>
Upstream (Resource Development)	(37.3)
Midstream (Smelting & Refining)	(32.1)
Downstream (Electronic Materials and Metal Recycling & Eco Business)	(21.7)
Inventory valuation *	(0.8)
<b>Other Operations</b>	<b>(2.3)</b>

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

	<b>Fiscal 07 Actual</b>
Key Factors	Exchange rate 114 ¥/\$
	Crude oil 77.4 \$/bbl
	Copper 344 ¢/lb

■ Petroleum   
 ■ Metals   
 ■ Other Operations

\* Accounting Income before special items

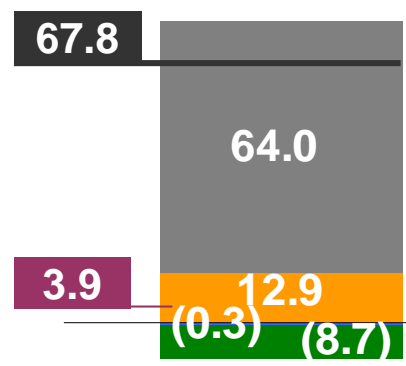
	<b>Fiscal 08 Forecast</b>
Key Factors	Exchange rate 100 ¥/\$
	Crude oil 81.5 \$/bbl
	Copper 262 ¢/lb

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



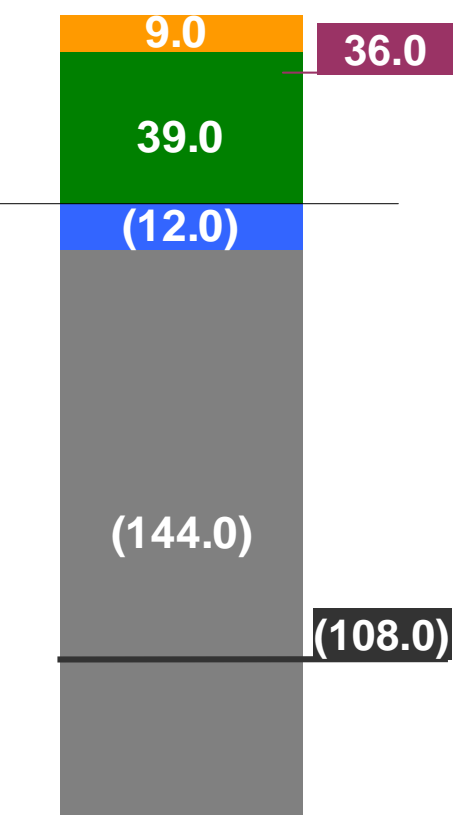
## Petroleum

(¥bn)



Petroleum (175.8)

Petroleum excluding inventory valuation	32.1
Upstream (Exploration & Development)	(3.9)
Crude oil price (dubai, calendar year 68 94\$/bbl)	5.9
Foreign currency translation etc.	(9.8)
Midstream (Refining & Marketing)	47.7
Energy costs increase	(1.0)
Margin improvement, Time lag, etc.	48.7
Downstream (Petrochemicals)	(11.7)
Margin deterioration etc.	(11.7)
Inventory valuation	(208.0)



**Fiscal 07 Actual**

Key Factors	Crude oil	77.4 \$/bbl
	Exchange rate	114 ¥/\$

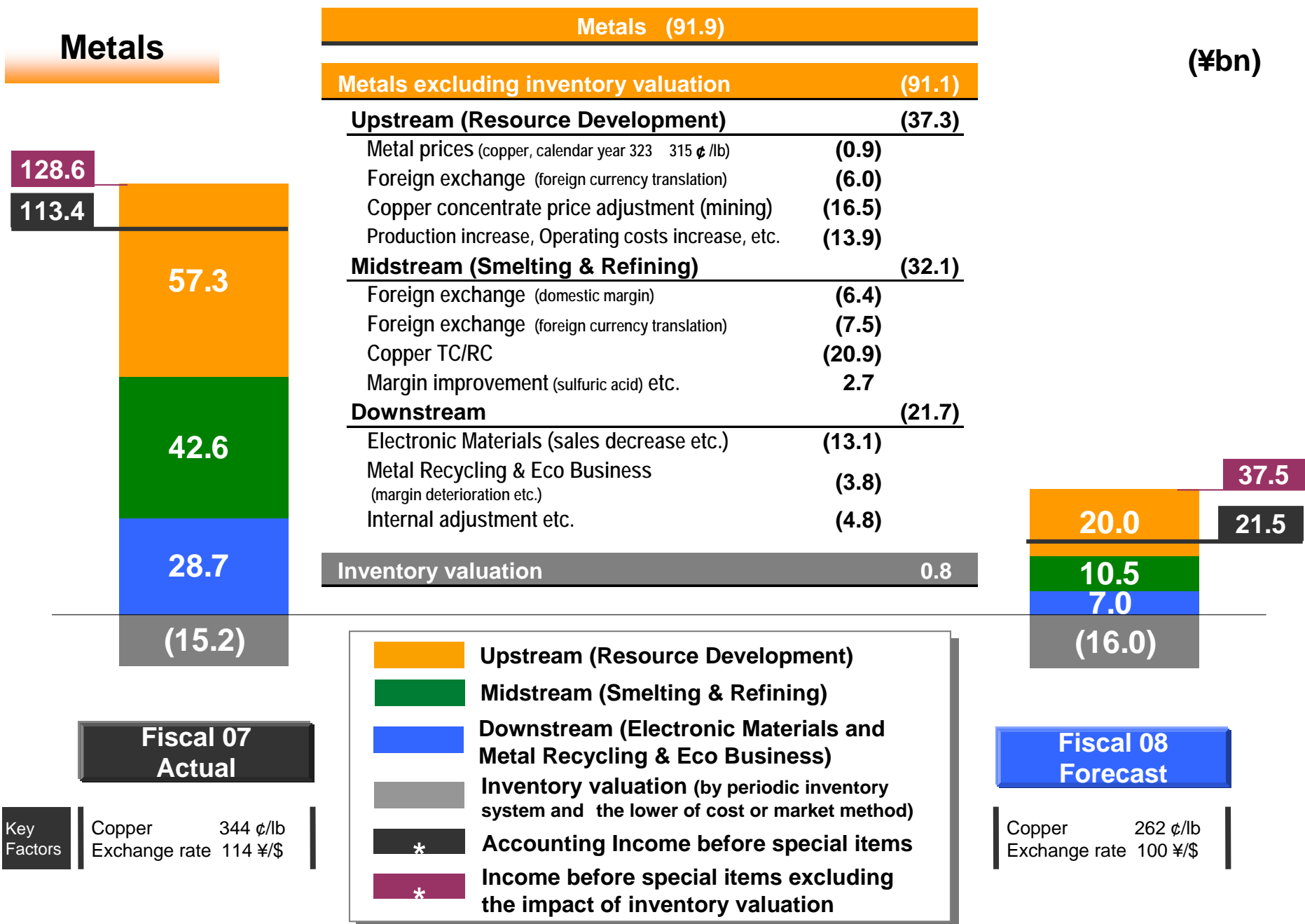
- Upstream (Exploration & Development)
- Midstream (Refining & Marketing)
- Downstream (Petrochemicals)
- Inventory valuation (by periodic inventory system and the lower of cost or market method)
- \*
- \*

**Fiscal 08 Forecast**

Crude oil	81.5 \$/bbl
Exchange rate	100 ¥/\$



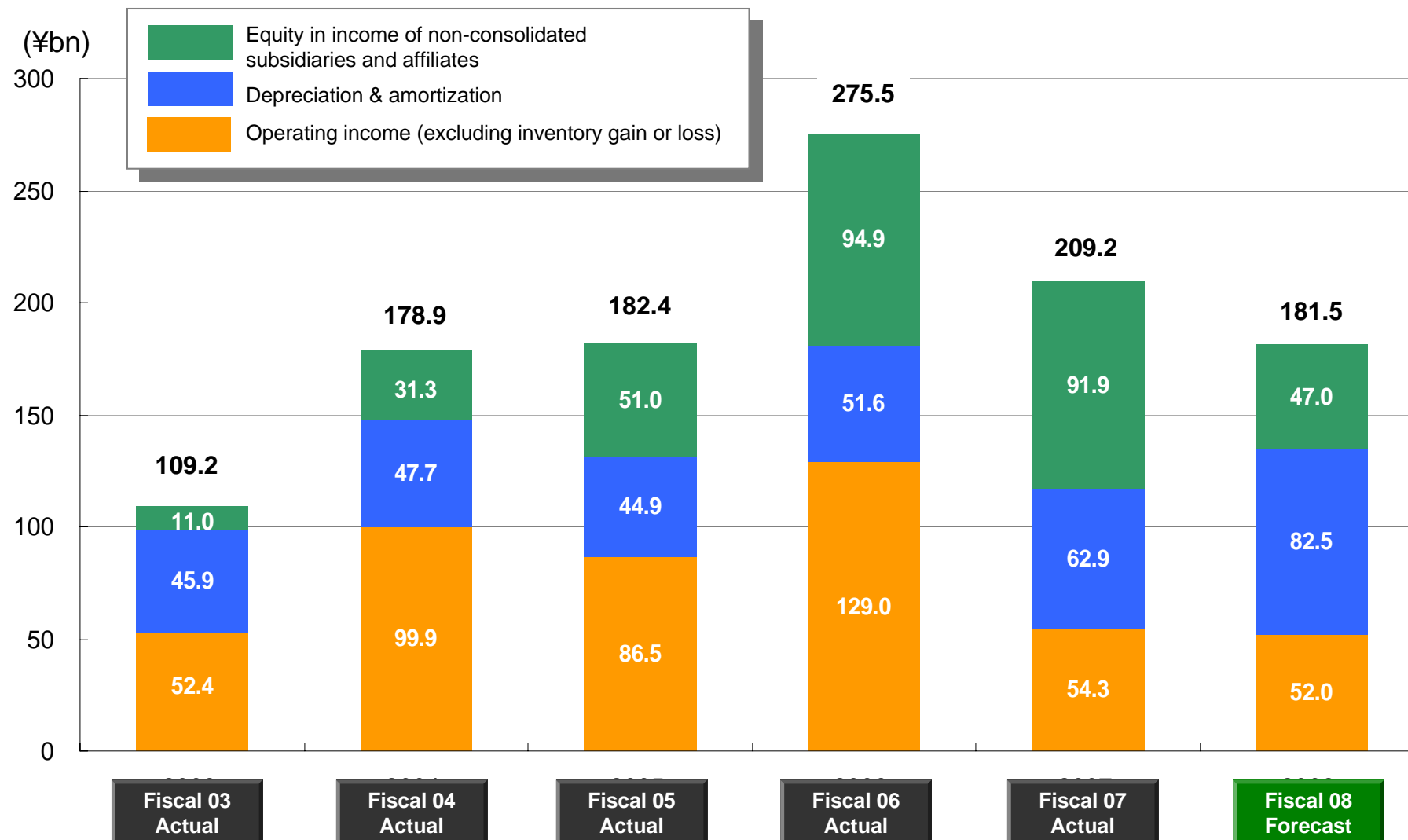
Fiscal 2008 >> Changes in income before special items by segment  
**Fiscal 08 Forecast vs. Fiscal 07 Actual (3)**



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



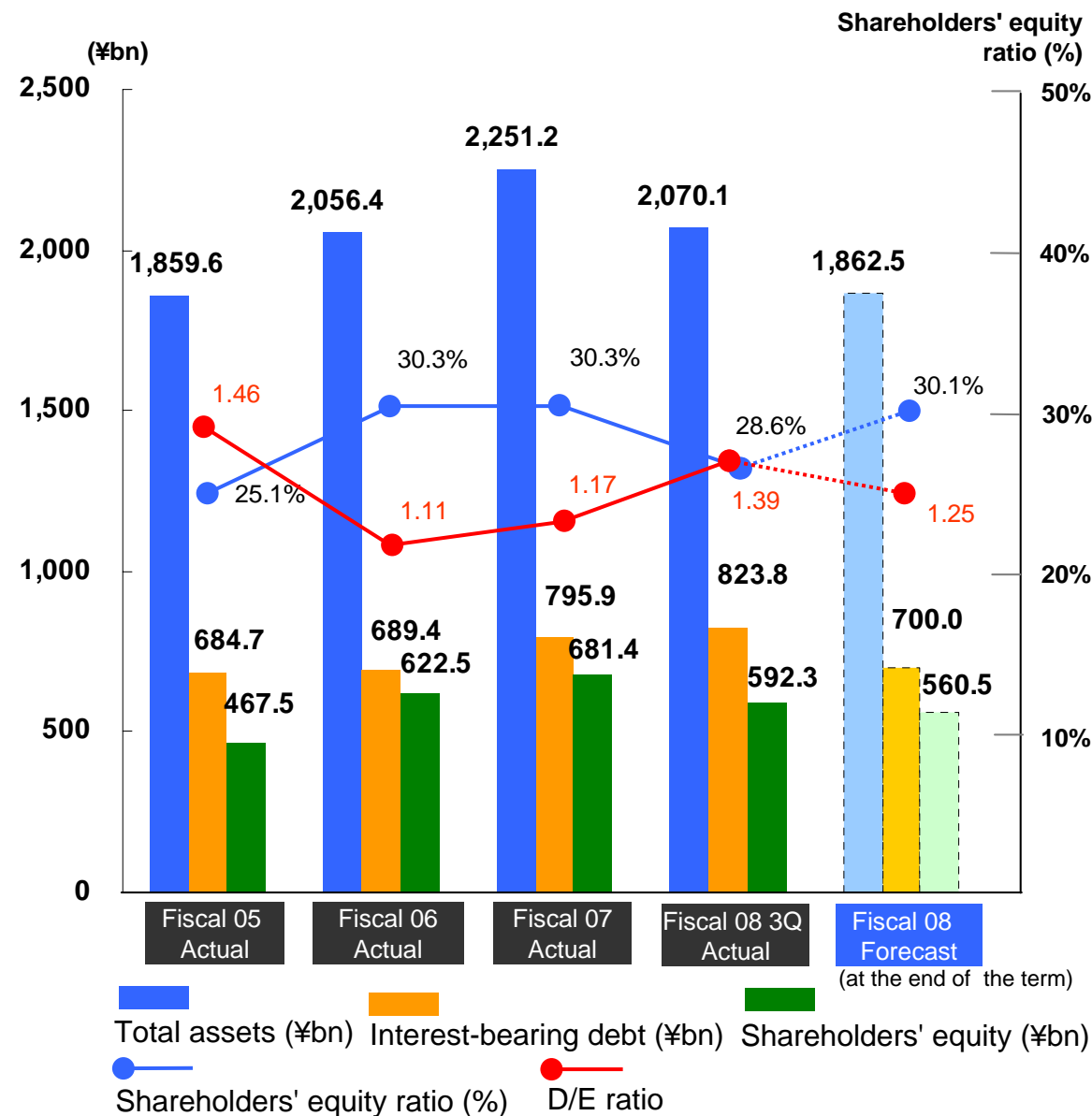
## Balance sheets / Financial indicators

### As of Dec. 31, 2008 (Actual)

Total assets	¥ 2,070.1 bn
Interest-bearing debt	¥ 823.8 bn
Shareholders' equity	¥ 592.3 bn
Shareholders' equity ratio	28.6%
D/E ratio	1.39

### As of Mar. 31, 2009 (Forecast)

Total assets	¥ 1,862.5 bn
Interest-bearing debt	¥ 700.0 bn
Shareholders' equity	¥ 560.5 bn
Shareholders' equity ratio	30.1%
D/E ratio	1.25



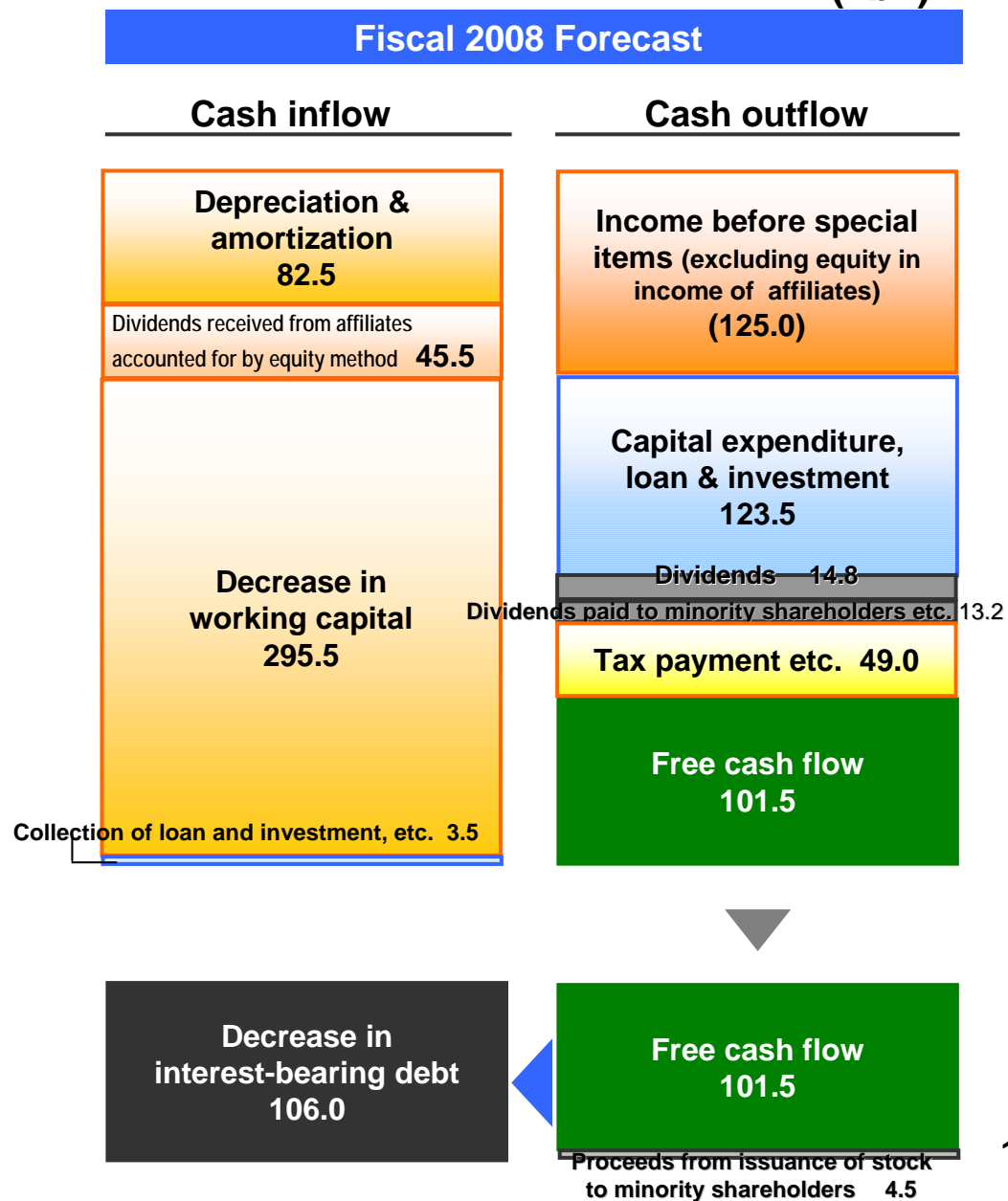
# Cash flows



(¥bn)

## Cash flows (Forecast )

- Capital expenditure, loan & investment  
¥ 123.5 bn
- Decrease in working capital  
¥ 295.5 bn
- Free cash flow  
¥ 101.5 bn  
(due to decrease in working capital)
- Decrease in interest-bearing debt  
¥ 106.0 bn  
(due to increase in free cash flow )



## Appendix | Fiscal 2008 3Q &gt;&gt; Changes in income before special items by segment

## Detailed analysis charts



	Fiscal 2008 3Q Actual (A)					Fiscal 2007 3Q 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)															
<b>Petroleum</b>	23.8	(123.9)	(1.4)	5.5	(96.0)	2.1	53.2	-	4.8	60.1	21.7	(177.0)	(1.4)	0.7	(156.1)
Upstream (Exploration & Development)	5.1			5.5	10.6	3.4			5.4	8.7	1.7	-	-	0.1	1.9
Midstream (Refining & Marketing)	34.3	(123.9)	(0.6)		(90.2)	(9.1)	53.2		(0.5)	43.5	43.4	(177.0)	(0.6)	0.5	(133.8)
Downstream (Petrochemicals)	(15.6)	0.0	(0.7)		(16.4)	7.9				7.9	(23.5)	0.0	(0.7)	-	(24.2)
<b>Metals</b>	14.5	(10.5)	(1.7)	48.7	51.0	36.4	(11.8)	-	61.1	85.7	(21.8)	1.3	(1.7)	(12.5)	(34.7)
Upstream (Resource Development)	(7.2)			43.0	35.8	(7.2)			48.1	40.9	0.0	-	-	(5.2)	(5.2)
Midstream (Smelting & Refining)	5.8	(0.2)	(1.0)	5.7	10.3	21.4	(0.1)		12.9	34.3	(15.7)	(0.1)	(1.0)	(7.2)	(24.0)
Downstream	16.0	(10.3)	(0.8)	(0.0)	4.9	22.1	(11.7)		0.0	10.4	(6.2)	1.4	(0.8)	(0.0)	(5.5)
Metal Recycling & Eco Business	6.3	(0.3)	(0.1)		5.9	8.0				8.0	(1.7)	(0.3)	(0.1)	-	(2.1)
Electronic Materials	9.3	(10.1)	(0.7)	(0.0)	(1.4)	11.5	(11.1)		0.0	0.4	(2.1)	1.1	(0.7)	(0.0)	(1.8)
Eliminations in Metals segment	0.3	0.0	(0.0)	(0.0)	0.3	2.7	(0.6)		0.0	2.0	(2.3)	0.6	(0.0)	(0.0)	(1.7)
<b>Other Operations</b>	8.8	(0.2)	(0.2)	0.5	8.9	4.5	(0.5)		2.7	6.6	4.3	0.4	(0.2)	(2.2)	2.2
<b>Total</b>	47.1	(134.6)	(3.3)	54.6	(36.2)	42.9	40.8	-	68.7	152.4	4.2	(175.4)	(3.3)	(14.0)	(188.6)
Upstream	(2.1)	-	-	48.5	46.4	(3.8)	-	-	53.5	49.7	1.7	-	-	(5.0)	(3.3)
Midstream	40.1	(124.1)	(1.6)	5.7	(79.9)	12.3	53.1	-	12.4	77.8	27.7	(177.2)	(1.6)	(6.7)	(157.7)
Downstream	0.3	(10.3)	(1.5)	(0.0)	(11.5)	30.0	(11.7)	-	0.0	18.3	(29.6)	1.5	(1.5)	(0.0)	(29.7)
Other Operations	8.8	(0.2)	(0.2)	0.5	8.9	4.5	(0.5)	-	2.7	6.6	4.3	0.4	(0.2)	(2.2)	2.2
<b>Income before special items excluding inventory valuation and changes in regulation for depreciation.</b>				101.7					111.6					(9.9)	

\*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 3Q ended December 31, 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 | Fiscal 2008 &gt;&gt; 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)															
<b>Petroleum</b>	33.7	(144.0)	(2.2)	4.5	(108.0)	(3.3)	64.0	-	7.1	67.8	37.0	(208.0)	(2.2)	(2.6)	(175.8)
Upstream (Exploration & Development)	4.5			4.5	9.0	5.2			7.7	12.9	(0.7)	-	-	(3.2)	(3.9)
Midstream (Refining & Marketing)	40.1	(144.0)	(1.1)		(105.0)	(8.2)	64.0		(0.5)	55.3	48.3	(208.0)	(1.1)	0.5	(160.3)
Downstream (Petrochemicals)	(10.9)		(1.1)		(12.0)	(0.3)	(0.0)			(0.3)	(10.6)	0.0	(1.1)	-	(11.7)
<b>Metals</b>	(1.5)	(16.0)	(2.5)	41.5	21.5	47.7	(15.2)	-	80.9	113.4	(49.2)	(0.8)	(2.5)	(39.4)	(91.9)
Upstream (Resource Development)	(12.5)			32.5	20.0	(8.8)			66.1	57.3	(3.7)	-	-	(33.6)	(37.3)
Midstream (Smelting & Refining)	2.8		(1.3)	9.0	10.5	27.9	0.2		14.8	42.9	(25.1)	(0.2)	(1.3)	(5.8)	(32.4)
Downstream	8.2	(16.0)	(1.2)		(9.0)	28.6	(15.4)		0.0	13.3	(20.4)	(0.6)	(1.2)	(0.0)	(22.3)
Metal Recycling & Eco Business	8.1		(0.1)		8.0	11.8				11.8	(3.7)	-	(0.1)	-	(3.8)
Electronic Materials	1.6	(16.0)	(1.1)		(15.5)	13.6	(14.7)		0.0	(1.1)	(12.0)	(1.3)	(1.1)	(0.0)	(14.4)
Eliminations in Metals segment	(1.5)				(1.5)	3.3	(0.8)		0.0	2.5	(4.8)	0.8	-	(0.0)	(4.0)
<b>Other Operations</b>	7.8		(0.3)	1.0	8.5	6.8	0.1		3.9	10.8	1.0	(0.1)	(0.3)	(2.9)	(2.3)
<b>Total</b>	40.0	(160.0)	(5.0)	47.0	(78.0)	51.2	48.9	-	91.9	192.0	(11.2)	(208.9)	(5.0)	(44.9)	(270.0)
Upstream	(8.0)	-	-	37.0	29.0	(3.6)	-	-	73.8	70.2	(4.4)	-	-	(36.8)	(41.2)
Midstream	42.9	(144.0)	(2.4)	9.0	(94.5)	19.7	64.2	-	14.2	98.1	23.2	(208.2)	(2.4)	(5.2)	(192.6)
Downstream	(2.7)	(16.0)	(2.3)	-	(21.0)	28.3	(15.4)	-	0.0	12.9	(31.0)	(0.6)	(2.3)	(0.0)	(33.9)
Other Operations	7.8	-	(0.3)	1.0	8.5	6.8	0.1	-	3.9	10.8	1.0	(0.1)	(0.3)	(2.9)	(2.3)
<b>Income before special items excluding inventory valuation and changes in regulation for depreciation.</b>				87.0					143.2					(56.2)	

\*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

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# I Fiscal 2008 3rd Quarter Results and Fiscal 2008 Annual 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 is reclassified corresponding to the new method.

## 1. Operating Results for Fiscal 2008 3Q

### (1) Outline of Consolidated Statements of Income

(Billions of Yen)	Fiscal 2008			Fiscal 2007			Difference		
	2Q (1H) Actual	3Q (3 months) Actual	3Q (9 months) Actual	2Q (1H) Actual	3Q (3 months) Actual	3Q (9 months) Actual	2Q (1H)	3Q (3 months)	3Q (9 months)
Net sales	2,378.5	986.0	3,364.5	2,010.6	1,137.7	3,148.3	367.9	(151.7)	216.2
Operating income	50.9	(128.5)	(77.6)	50.3	35.7	86.0	0.6	(164.2)	(163.7)
Other income and expenses, net	36.6	4.8	41.5	45.4	21.0	66.4	(8.7)	(16.2)	(24.9)
Equity in income of non-consolidated subsidiaries and affiliates	43.3	11.3	54.6	44.4	24.2	68.7	(1.1)	(12.9)	(14.0)
Other, net	(6.7)	(6.5)	(13.2)	0.9	(3.2)	(2.3)	(7.6)	(3.3)	(10.9)
Income before special items	87.5	(123.7)	(36.2)	95.7	56.7	152.4	(8.2)	(180.4)	(188.6)
Special profit and loss, net	(4.0)	(9.3)	(13.2)	2.7	1.9	4.6	(6.7)	(11.2)	(17.9)
Income taxes	25.4	(55.7)	(30.3)	35.3	16.7	52.0	(9.9)	(72.4)	(82.3)
Minority interests in earnings of consolidated subsidiaries	12.4	2.5	15.0	12.1	6.1	18.2	0.3	(3.6)	(3.3)
Net income	45.8	(79.9)	(34.1)	51.0	35.8	86.8	(5.2)	(115.6)	(120.9)
Earnings per share (yen)	49.39		(36.77)	55.04		93.64	(5.64)		(130.40)
Number of shares (1,000 shares)	926,829		926,804	926,850		926,838			

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

Profit or loss in inventory valuation	38.0	(172.6)	(134.6)	18.9	21.9	40.8	19.1	(194.5)	(175.4)
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### (2) Scope of Consolidation (as of December 31, 2008)

Consolidated subsidiaries	110 ( 9 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

Breakdown of other income and expenses, net (Billions of Yen)	Fiscal 2008		
	2Q (1H)	3Q (3 months)	3Q (9 months)
Interest and dividend income	2.3	0.8	3.1
Equity in income of non-consolidated subsidiaries and affiliates	43.3	11.3	54.6
Interest expenses	(6.6)	(3.4)	(10.0)
Exchange loss	(1.8)	(2.8)	(4.6)
Other	(0.6)	(1.1)	(1.7)
Total	36.6	4.8	41.5

Breakdown of special profit and loss, net (Billions of Yen)	Fiscal 2008		
	2Q (1H)	3Q (3 months)	3Q (9 months)
Gain on sales of property, plant and equipment	1.1	0.3	1.4
Gain on sales of investments in securities	1.1	-	1.1
Loss on sales and disposal of property, plant and equipment	(2.6)	(1.5)	(4.1)
Impairment losses	(2.2)	(4.8)	(7.0)
Loss due to fire accident	(0.9)	-	(0.9)
Other	(0.5)	(3.3)	(3.7)
Total	(4.0)	(9.3)	(13.2)



**(4)Segment Information**

(Billions of Yen)			Fiscal 2008			Fiscal 2007			Difference		
			2Q (1H) Actual	3Q (3 months) Actual	3Q (9 months) Actual	2Q (1H) Actual	3Q (3 months) Actual	3Q (9 months) Actual	2Q (1H)	3Q (3 months)	3Q (9 months)
Petroleum	Net sales		1,797.8	776.4	2,574.3	1,434.9	849.0	2,283.9	362.9	(72.5)	290.4
	Operating income		24.5	(121.5)	(97.0)	28.3	28.1	56.4	(3.8)	(149.6)	(153.4)
	Income before special items		26.4	(122.4)	(96.0)	32.1	28.1	60.1	(5.6)	(150.4)	(156.1)
Metals	Net sales		557.4	197.0	754.4	565.2	283.9	849.1	(7.8)	(86.9)	(94.7)
	Operating income		20.3	(9.2)	11.1	20.5	6.3	26.8	(0.2)	(15.5)	(15.7)
	Income before special items		54.3	(3.3)	51.0	59.3	26.4	85.7	(5.0)	(29.7)	(34.7)
Other Operations	Net sales		39.4	19.1	58.5	32.6	14.7	47.3	6.8	4.4	11.2
	Operating income		6.1	2.2	8.3	1.5	1.3	2.8	4.6	0.9	5.5
	Income before special items		6.8	2.0	8.9	4.4	2.2	6.6	2.4	(0.2)	2.2
Eliminations	Net sales		(16.1)	(6.5)	(22.6)	(22.1)	(9.8)	(31.9)	6.0	3.3	9.3
Total	Net sales		2,378.5	986.0	3,364.5	2,010.6	1,137.7	3,148.3	367.9	(151.7)	216.2
	Operating income		50.9	(128.5)	(77.6)	50.3	35.7	86.0	0.6	(164.2)	(163.7)
	Income before special items		87.5	(123.7)	(36.2)	95.7	56.7	152.4	(8.2)	(180.4)	(188.6)

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

Petroleum	37.5	(161.4)	(123.9)	25.1	28.0	53.2	12.4	(189.4)	(177.0)
Metals	0.6	(11.1)	(10.5)	(5.7)	(6.1)	(11.8)	6.2	(4.9)	1.3
Other Operations	(0.0)	(0.1)	(0.2)	(0.5)	(0.0)	(0.5)	0.5	(0.1)	0.4
Total	38.0	(172.6)	(134.6)	18.9	21.9	40.8	19.1	(194.5)	(175.4)

**(5)Key Factors**

			Fiscal 2008			Fiscal 2007			Difference		
			2Q (1H) Actual	3Q (3 months) Actual	3Q (9 months) Actual	2Q (1H) Actual	3Q (3 months) Actual	3Q (9 months) Actual	2Q (1H)	3Q (3 months)	3Q (9 months)
All Segments	Exchange rate	Yen/\$	106	96	103	119	113	117	(13)	(17)	(15)
Petroleum	Dubai spot price	\$/bbl	115.1	52.7	94.3	67.4	83.2	72.7	47.7	(30.5)	21.6
	Market price of paraxylene (ACP)	\$/t	1,339	673	1,117	1,141	1,075	1,119	198	(402)	(2)
Metals	Market price of copper	¢/lb	366	177	303	348	326	341	17	(149)	(38)
	Electrolytic copper sales	Kt/period	308	163	471	326	168	494	(17)	(6)	(23)
	Gold recovery volume *	t/period	3.7	1.7	5.4	3.4	1.9	5.3	0.2	(0.2)	0.1
	Treated rolled copper foil sales	Mm/month	3.4	2.7	3.1	4.0	4.2	4.0	(0.6)	(1.5)	(0.9)
	Precision rolled products sales	Kt/month	3.6	2.5	3.2	3.6	3.8	3.7	0.0	(1.3)	(0.4)

\* Gold recovery volume in Metal Recycling & Eco Business

## 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	93	100	119	109	114	(13)	(16)	(15)
Petroleum	Dubai spot price	\$/bbl	115.1	47.8	81.5	67.4	87.3	77.4	47.7	(39.5)	4.1
	Market price of paraxylene (ACP)	\$/t	1,339	658	999	1,141	1,099	1,120	198	(441)	(121)
Metals	Market price of copper	¢ /lb	366	159	262	348	340	344	17	(181)	(82)
	Electrolytic copper sales	Kt/period	308	281	589	326	334	660	(17)	(53)	(71)
	Gold recovery volume*	t/period	3.7	4.0	7.6	3.4	3.8	7.2	0.2	0.1	0.4
	Treated rolled copper foil sales	Mm/month	3.4	1.7	2.5	4.0	3.1	3.5	(0.6)	(1.4)	(1.0)
	Precision rolled products sales	Kt/month	3.6	1.9	2.8	3.6	3.8	3.7	0.0	(1.9)	(1.0)

\* Gold recovery volume in Metal Recycling & Eco Business

#### (2)Outline of Consolidated Statements of Income

		Fiscal 2008			Fiscal 2007			Difference		
		2Q (1H) Actual	2H Forecast	Total Forecast	2Q (1H) Actual	2H Actual	Total Actual	2Q (1H)	2H	Total
(Billions of Yen)										
Net sales		2,378.5	1,621.5	4,000.0	2,010.6	2,328.8	4,339.5	367.9	(707.4)	(339.5)
Operating income		50.9	(158.9)	(108.0)	50.3	52.8	103.2	0.6	(211.7)	(211.2)
Other income and expenses, net		36.6	(6.6)	30.0	45.4	43.5	88.8	(8.7)	(50.1)	(58.8)
	Equity in income of non-consolidated subsidiaries and affiliates	43.3	3.7	47.0	44.4	47.5	91.9	(1.1)	(43.8)	(44.9)
	Other, net	(6.7)	(10.3)	(17.0)	0.9	(4.0)	(3.1)	(7.6)	(6.3)	(13.9)
Income before special items		87.5	(165.5)	(78.0)	95.7	96.3	192.0	(8.2)	(261.9)	(270.0)
Special profit and loss, net		(4.0)	(14.0)	(18.0)	2.7	(6.4)	(3.7)	(6.7)	(7.6)	(14.3)
Income taxes		25.4	(74.4)	(49.0)	35.3	30.5	65.8	(9.9)	(104.9)	(114.8)
Minority interests in earnings of consolidated subsidiaries		12.4	(2.4)	10.0	12.1	11.1	23.2	0.3	(13.5)	(13.2)
Net income		45.8	(102.8)	(57.0)	51.0	48.3	99.3	(5.2)	(151.1)	(156.3)
Earnings per share (yen)		49.39		(61.53)	55.04		107.14	(5.64)		(168.67)
Number of shares (1,000 shares)		926,829		926,391	926,850		926,832			

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

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

Profit or loss in inventory valuation	38.0	(198.0)	(160.0)	18.9	29.9	48.9	19.1	(228.0)	(208.9)
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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	1,282.2	3,080.0	1,434.9	1,759.0	3,193.9	362.9	(476.9)	(113.9)
	Operating income	24.5	(132.5)	(108.0)	28.3	34.2	62.5	(3.8)	(166.7)	(170.5)
	Income before special items	26.4	(134.4)	(108.0)	32.1	35.8	67.8	(5.6)	(170.2)	(175.8)
Metals	Net sales	557.4	302.6	860.0	565.2	554.4	1,119.6	(7.8)	(251.8)	(259.6)
	Operating income	20.3	(28.3)	(8.0)	20.5	14.4	34.9	(0.2)	(42.7)	(42.9)
	Income before special items	54.3	(32.8)	21.5	59.3	54.1	113.4	(5.0)	(86.9)	(91.9)
Other Operations *	Net sales	39.4	45.6	85.0	32.6	43.9	76.5	6.8	1.7	8.5
	Operating income	6.1	1.9	8.0	1.5	4.3	5.8	4.6	(2.4)	2.2
	Income before special items	6.8	1.7	8.5	4.4	6.4	10.8	2.4	(4.7)	(2.3)
Eliminations	Net sales	(16.1)	(8.9)	(25.0)	(22.1)	(28.5)	(50.6)	6.0	19.6	25.6
Total	Net sales	2,378.5	1,621.5	4,000.0	2,010.6	2,328.8	4,339.5	367.9	(707.4)	(339.5)
	Operating income	50.9	(158.9)	(108.0)	50.3	52.8	103.2	0.6	(211.7)	(211.2)
	Income before special items	87.5	(165.5)	(78.0)	95.7	96.3	192.0	(8.2)	(261.9)	(270.0)

\*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	(181.5)	(144.0)	25.1	38.8	64.0	12.4	(220.4)	(208.0)
Metals	0.6	(16.6)	(16.0)	(5.7)	(9.5)	(15.2)	6.2	(7.0)	(0.8)
Other Operations	(0.0)	0.0	-	(0.5)	0.6	0.1	0.5	(0.6)	(0.1)
Total	38.0	(198.0)	(160.0)	18.9	29.9	48.9	19.1	(228.0)	(208.9)

## <2>Comparison with the Previous Forecast announced on October 31, 2008

### (1)Key Factors

			Fiscal 2008 (Revised Forecast)			Fiscal 2008 (Previous Forecast)			Difference		
			2Q (1H) Actual	2H Forecast	Total Forecast	2Q (1H) Actual	2H Forecast	Total Forecast	2Q (1H)	2H	Total
All Segments	Exchange rate	Yen/\$	106	93	100	106	100	103	-	(7)	(3)
Petroleum	Dubai spot price	\$/bbl	115.1	47.8	81.5	115.1	65.0	90.1	-	(17.2)	(8.6)
	Market price of paraxylene (ACP)	\$/t	1,339	658	999	1,348	851	1,100	(9)	(193)	(101)
Metals	Market price of copper	¢ /lb	366	159	262	366	200	283	-	(41)	(21)
	Electrolytic copper sales	Kt/period	308	281	589	308	321	629	-	(40)	(40)
	Gold recovery volume*	t/period	3.7	4.0	7.6	3.7	4.1	7.8	-	(0.2)	(0.2)
	Treated rolled copper foil sales	Mm/month	3.4	1.7	2.5	3.4	2.6	3.0	-	(1.0)	(0.5)
	Precision rolled products sales	Kt/month	3.6	1.9	2.8	3.6	3.8	3.7	-	(1.9)	(1.0)

\* 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) Actual	2H Forecast	Total Forecast	2Q (1H)	2H	Total
Net sales		2,378.5	1,621.5	4,000.0	2,378.5	1,921.5	4,300.0	-	(300.0)	(300.0)
Operating income		50.9	(158.9)	(108.0)	50.9	(50.9)	-	-	(108.0)	(108.0)
Other income and expenses, net		36.6	(6.6)	30.0	36.6	10.4	47.0	-	(17.0)	(17.0)
Equity in income of non-consolidated subsidiaries and affiliates		43.3	3.7	47.0	43.3	16.7	60.0	-	(13.0)	(13.0)
Other, net		(6.7)	(10.3)	(17.0)	(6.7)	(6.3)	(13.0)	-	(4.0)	(4.0)
Income before special items		87.5	(165.5)	(78.0)	87.5	(40.5)	47.0	-	(125.0)	(125.0)
Special profit and loss, net		(4.0)	(14.0)	(18.0)	(4.0)	(5.0)	(9.0)	-	(9.0)	(9.0)
Income taxes		25.4	(74.4)	(49.0)	25.4	(20.4)	5.0	-	(54.0)	(54.0)
Minority interests in earnings of consolidated subsidiaries		12.4	(2.4)	10.0	12.4	2.6	15.0	-	(5.0)	(5.0)
Net income		45.8	(102.8)	(57.0)	45.8	(27.8)	18.0	-	(75.0)	(75.0)
Earnings per share* (yen)		49.39		(61.53)	49.39		19.42	-		(80.95)
Number of shares (1,000 shares)		926,829		926,391	926,829		926,822			

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

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

Profit or loss in inventory valuation	38.0	(198.0)	(160.0)	38.0	(106.0)	(68.0)	-	(92.0)	(92.0)
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### (3)Segment Information

(Billions of Yen)

		Fiscal 2008 Forecast			Note
		Revised	Previous	Difference	
Petroleum	Net sales	3,080.0	3,300.0	(220.0)	Inventory valuation, (78.0bn) [Previous, (66.0bn) Revised, (144.0bn)] Exploration & Development, (3.0bn) [crude oil price down etc.] Decrease in energy costs etc., 5.0bn
	Operating income	(108.0)	(35.0)	(73.0)	
	Income before special items	(108.0)	(32.0)	(76.0)	
Metals	Net sales	860.0	950.0	(90.0)	Upstream, (8.5bn) [metal prices down, copper concentrate price adjustment, etc.] Midstream, (8.0bn) [appreciation of yen, margin deterioration, etc.] Downstream (excluding inventory valuation), (15.0bn) [sales decrease in electronic materials etc.] Inventory valuation, (14.5) [Downstream]
	Operating income	(8.0)	24.0	(32.0)	
	Income before special items	21.5	67.5	(46.0)	
Other Operations	Net sales	85.0	90.0	(5.0)	Decrease in profit of consolidated subsidiaries etc.
	Operating income	8.0	11.0	(3.0)	
	Income before special items	8.5	11.5	(3.0)	
Eliminations	Net sales	(25.0)	(40.0)	15.0	
Total	Net sales	4,000.0	4,300.0	(300.0)	
	Operating income	(108.0)	-	(108.0)	
	Income before special items	(78.0)	47.0	(125.0)	

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

Petroleum	(144.0)	(66.0)	(78.0)
Metals	(16.0)	(1.5)	(14.5)
Other Operations	-	(0.5)	0.5
Total	(160.0)	(68.0)	(92.0)

## Segment Information - 3Q Results and Annual Forecast

### <1>Petroleum (Japan Energy Group)

#### (1)Sales Volume and Growth Rate

	Sales Volume (Thousands of KL)												Growth Rate	
	Fiscal 2008				Fiscal 2007				Difference				YoY	
	2Q (1H) Actual	3Q(3 months) Actual	3Q(9 months) Actual	FY2008 Forecast	2Q (1H) Actual	3Q(3 months) Actual	3Q(9 months) Actual	FY2007 Actual	2Q (1H)	3Q(3 months)	3Q(9 months)	Annual	3Q(9 months) Actual	Annual Forecast
Gasoline	2,947	1,424	4,371	5,750	3,158	1,516	4,673	6,076	(211)	(92)	(302)	(326)	93.5%	94.6%
Naphtha	2,090	1,147	3,237	4,370	1,803	1,146	2,949	4,217	287	1	288	153	109.8%	103.6%
Jet Fuel	296	133	429	585	305	140	445	592	(9)	(7)	(16)	(7)	96.5%	98.7%
Kerosene	573	672	1,245	2,240	663	777	1,441	2,496	(90)	(105)	(196)	(256)	86.4%	89.7%
Gas Oil	2,083	1,027	3,110	4,080	2,092	1,142	3,234	4,257	(9)	(115)	(124)	(177)	96.2%	95.8%
A Heavy Fuel	917	508	1,425	2,000	1,059	611	1,670	2,344	(142)	(103)	(245)	(344)	85.3%	85.3%
C Heavy Fuel	1,139	488	1,627	2,090	1,261	723	1,984	2,780	(122)	(235)	(357)	(690)	82.0%	75.2%
Total (domestic sales)	10,045	5,399	15,444	21,115	10,340	6,055	16,395	22,763	(295)	(656)	(951)	(1,648)	94.2%	92.8%
Total (export sales)	1,936	1,160	3,096	4,030	1,462	876	2,338	3,065	474	284	758	965	132.4%	131.5%
Total (domestic + export)	11,981	6,559	18,540	25,145	11,802	6,931	18,733	25,828	179	(372)	(193)	(683)	99.0%	97.4%
Gasoline & middle distillation	6,521	3,630	10,151	14,070	6,972	4,046	11,018	15,173	(451)	(416)	(867)	(1,103)	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	Oct.-Dec. 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	619	467	562	1,029	605	623	2,257
	Utilization rate(%)	82%	84%	83%	89%	78%	93%	85%	93%	91%	89%
	YoY(%)	120%	104%	111%	102%	103%	96%	99%	106%	113%	105%
Mizushima	Refining volume (ten thousand of KL)	288	285	573	293	195	287	482	295	284	1,062
	Utilization rate(%)	97%	95%	96%	98%	66%	96%	81%	98%	96%	89%
	YoY(%)	148%	99%	119%	99%	66%	97%	82%	101%	102%	91%
Kashima	Refining volume (ten thousand of KL)	274	298	572	326	272	275	547	310	339	1,196
	Utilization rate(%)	70%	75%	73%	82%	90%	90%	90%	89%	87%	89%
	YoY(%)	101%	108%	105%	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	Dec-08
Owned by Japan Energy	1,229	1,207	1,172	1,154	1,143	1,130	1,106	1,093	1,080
<Self-SS>	227	264	297	347	384	401	410	439	444
Owned by wholesalers and others	3,067	2,943	2,851	2,679	2,565	2,518	2,449	2,348	2,323
<Self-SS>	95	121	143	187	222	236	257	264	272
Total	4,296	4,150	4,023	3,833	3,708	3,648	3,555	3,441	3,403
<Self-SS>	322	385	440	534	606	637	667	703	716

## <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 is reclassified corresponding to the new method.

### (1)Metals - Price and Sales Volume

			Fiscal 2008				Fiscal 2007				Difference			
			2Q (1H) Actual	3Q (3 months) Actual	3Q (9 months) Actual	FY2008 Forecast	2Q (1H) Actual	3Q (3 months) Actual	3Q (9 months) Actual	FY2007 Actual	2Q (1H)	3Q (3 months)	3Q (9 months)	Annual
Price	Copper	¢ /lb	366	177	303	262	348	326	341	344	17	(149)	(38)	(82)
	Gold	\$/TOZ	883	796	854	840	674	788	712	766	209	8	142	74
	Platinum	\$/TOZ	1,783	863	1,476	1,307	1,290	1,448	1,343	1,477	493	(585)	133	(170)
	Palladium	\$/TOZ	387	191	322	286	358	360	359	380	29	(169)	(37)	(94)
Sales volume	Copper	Kt/period	308	163	471	589	326	168	494	660	(17)	(6)	(23)	(71)
Gold recovery volume*		t/period	3.7	1.7	5.4	7.6	3.4	1.9	5.3	7.2	0.2	(0.2)	0.1	0.4

\* Gold recovery volume in Metal Recycling & Eco Business

### (2)Electronic Materials - Breakdown by Products

(Billions of Yen)		Fiscal 2008				Fiscal 2007				Difference			
		2Q (1H) Actual	3Q (3 months) Actual	3Q (9 months) Actual	FY2008 Forecast	2Q (1H) Actual	3Q (3 months) Actual	3Q (9 months) Actual	FY2007 Actual	2Q (1H)	3Q (3 months)	3Q (9 months)	Annual
	Copper Foil	0.1	(0.2)	(0.1)	(2.8)	1.3	0.2	1.5	1.0	(1.2)	(0.4)	(1.6)	(3.8)
	Thin Film Materials	4.0	1.7	5.8	5.1	3.0	2.4	5.4	7.3	1.1	(0.7)	0.4	(2.2)
	Metal Manufacturing	2.5	(0.1)	2.3	(1.9)	3.1	1.4	4.6	5.3	(0.7)	(1.6)	(2.2)	(7.2)
	Inventory valuation *	0.9	(10.3)	(9.4)	(16.0)	(5.5)	(5.6)	(11.1)	(14.7)	6.3	(4.7)	1.7	(1.3)
	Total	7.5	(8.9)	(1.4)	(15.5)	2.0	(1.6)	0.4	(1.1)	5.5	(7.3)	(1.8)	(14.4)

\* 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%		6.0%	0.3%	7.2%		7.3%	7.0%	(0.6%)		(1.3%)	(6.7%)
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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

				(Billions of Yen)		(Reference)	
	Dec. 31, 2008(A) Actual	Mar. 31, 2008(B) Actual	Difference (A)-(B)	Mar. 31, 2009(C) Forecast	Difference (C)-(B)	Sep. 30, 2008(D) Actual	Difference (A)-(D)
Total assets	2,070.1	2,251.2	(181.1)	1,862.5	(388.7)	2,383.9	(313.8)
Current assets	956.7	1,157.2	(200.5)			1,280.8	(324.1)
Fixed assets	1,113.4	1,094.1	19.4			1,103.1	10.3
Total liabilities	1,382.2	1,485.9	(103.7)	1,206.0	(279.9)	1,578.2	(196.0)
Current liabilities	944.9	1,058.6	(113.6)			1,112.8	(167.9)
Long-term liabilities	437.3	427.4	9.9			465.4	(28.1)
Net assets	687.9	765.3	(77.4)	656.5	(108.8)	805.7	(117.8)
Shareholders' equity and valuation and translation adjustment	592.3	681.4	(89.1)	560.5	(120.9)	704.4	(112.1)
Minority interests etc.	95.6	83.9	11.7	96.0	12.1	101.3	(5.8)
Shareholders' equity ratio *1	28.6%	30.3%	(1.7%)	30.1%	(0.2%)	29.5%	(0.9%)
BPS (Yen/share) *1 *2	639	735	(96)	605	(130)	760	(121)
Interest-bearing debt	823.8	795.9	27.9	700.0	(95.9)	905.0	(81.2)
Debt to equity ratio	1.39	1.17	0.22	1.25	0.08	1.28	0.11

\*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 December, 2008 (926,391 thousand shares on a consolidated basis).

#### (1) Factors in Change from March 31, 2008 to December 31, 2008 (Actual)

(Billions of Yen)

Assets (181.1) <small>(including effect of subsidiaries newly included consolidation at beginning of fiscal year , 42.8)</small>	Cash and cash equivalents, 7.4 (including effect of subsidiaries newly included consolidation at beginning of fiscal year, 1.3), Trade receivables and inventories, (263.8), Capital expenditures, 63.8, Acquisition of investments in securities and lending of loans, 4.7, Depreciation and amortization (including amortization of goodwill), (60.5), Difference in equity in income of affiliates and receipts of dividends from such companies, 12.9, Unrealized gain on marketable securities, (18.9), Deferred tax assets, 39.0, Subsidiaries newly included consolidation at beginning of fiscal year etc., 34.3
Liabilities (103.7) <small>(including effect of subsidiaries newly included consolidation at beginning of fiscal year , 20.3)</small>	Interest-bearing debt, 27.9 (Changes in amounts differ from the increase in interesting-bearing debt shown in the summary of cash flows due to effect of subsidiaries newly included consolidation, translation adjustment, etc.), Trade payables, (117.5), Accrued income taxes etc.(15.9), Other, 1.8
Net assets (77.4) <small>(including effect of subsidiaries newly included consolidation at beginning of fiscal year , 22.6)</small>	Net income, (34.1), Cash dividends paid, (14.8) , Valuation and translation adjustment etc., (40.3), Minority interests in consolidated subsidiaries etc., 11.8

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

(Billions of Yen)

Assets (388.7)	Cash and cash equivalents, (0.7) (including effect of subsidiaries newly included consolidation at beginning of fiscal year, 1.3), Trade receivables and inventories, (400.5), Capital expenditures, 117.5, 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, 1.5, Unrealized gain on marketable securities, (19.0), Translation adjustment etc., (11.0)
Liabilities (279.9)	Interest-bearing debt, (95.9) (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, (115.5), Deferred tax liabilities, (37.0) (including deferred tax liabilities of unrealized gain on marketable securities, (7.5)), Other, (31.5)
Net assets (108.8)	Net income, (57.0), Cash dividends paid, (14.8), Valuation and translation adjustment etc., (49.0), Minority interests in consolidated subsidiaries etc. 12.0 (effect of subsidiaries newly included consolidation etc.)



## 2.Consolidated Cash Flows

(Billions of Yen)

	Fiscal 2008 Actual		
	2Q (1H) Actual	3Q (3 months)	3Q (9 months)
Cash flows from operating activities	(36.1)	118.2	82.2
Cash flows from investing activities	(46.5)	(19.8)	(66.3)
Cash flows from financing activities	81.8	(90.5)	(8.7)
Exchange rate changes *1	(1.3)	0.2	(1.0)
Cash *2	(2.0)	8.1	6.1
(Ref.) Free cash flow	(100.0)	89.1	(10.9)

	Fiscal 2007 Actual		
	2Q (1H) Actual	3Q (3 months)	3Q (9 months)
Cash flows from operating activities	48.3	(74.2)	(25.9)
Cash flows from investing activities	(45.1)	(24.9)	(70.0)
Cash flows from financing activities	11.4	104.6	116.0
Exchange rate changes *1	0.5	(0.5)	(0.0)
Cash *2	15.1	5.0	20.1
(Ref.) Free cash flow	(12.5)	(108.2)	(120.8)

	Fiscal 2008 Forecast	Fiscal 2007 Actual
Cash flows from operating activities	249.5	56.8
Cash flows from investing activities	(120.0)	(114.4)
Cash flows from financing activities	(129.5)	74.4
Exchange rate changes *1	(2.0)	0.4
Cash *2	(2.0)	17.3
(Ref.) Free cash flow	101.5	(91.2)

\*1 Effect of exchange rate changes or cash and cash equivalents

\*2 Net increase or decrease in cash and cash equivalents

### (1) Factors in Change from March 31, 2008 to December 31, 2008

Operating activities	82.2	Income before special items, (36.2), Depreciation and amortization (including amortization of goodwill), 60.5, Trade receivables, inventories and trade payables, 152.3, Equity in income of non-consolidated subsidiaries and affiliates, (54.6), Dividend received from affiliates accounted for by equity method, 41.7, Payments for income taxes, (46.6), Other, (34.9)
Investing activities	(66.3)	Acquisition of property, plant, equipment and intangible assets, (62.8), Acquisition of investments in securities and lending of loans, (4.7), Sales or maturities of investments in securities and collection of loans, 2.8, Accounts payable-facilities etc., (1.6)
Financing activities	(8.7)	Interest-bearing debt, 18.0, Cash dividends paid, (14.8), Cash dividends paid to minority shareholders, etc., (11.9)

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

Operating activities	249.5	Income before special items, (78.0), Depreciation and amortization (including amortization of goodwill), 82.5, Trade receivables, inventories and trade payables, 295.5, Equity in income of non-consolidated subsidiaries and affiliates, (47.0), Dividend received from affiliates accounted for by equity method, 45.5, Payments for income taxes etc., (49.0)
Investing activities	(120.0)	Acquisition of property, plant, equipment and intangible assets, (117.5), Acquisition of investments in securities and lending of loans, (6.0), Sales or maturities of investments in securities and collection of loans, 3.5
Financing activities	(129.5)	Interest-bearing debt, (106.0), Cash dividends paid, (14.8), Proceeds from issuance of stock to minority shareholders, 4.5, Cash dividends paid to minority shareholders etc., (13.2)

### 3.Capital Expenditure and Depreciation and Amortization (Consolidated)

(Billions of Yen)

	Fiscal 2008 Actual		
	2Q (1H)	3Q (3 months)	3Q (9 months)
Capital expenditure (including lease assets)	44.2	19.5	63.8
Depreciation(including amortization of goodwill)	40.0	20.5	60.5
Difference	4.3	(1.0)	3.3

Fiscal 2007 Actual			
2Q (1H)	3Q (3 months)	3Q (9 months)	
34.0	28.5	62.4	
29.8	15.3	45.1	
4.1	13.2	17.3	

Fiscal 2008 Forecast	Fiscal 2007 Actual
119.0	100.8
82.5	62.9
36.5	38.0

Investments and long-term loans	3.1	1.6	4.7
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4.7	1.0	5.7
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6.0	22.7
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#### (1)Capital Expenditure by Segment

	Fiscal 2008 Actual		
	2Q (1H)	3Q (3 months)	3Q (9 months)
Petroleum	15.5	4.8	20.2
Metals	16.7	12.3	29.0
Other Operations *	12.1	2.5	14.6
Total	44.2	19.5	63.8

Fiscal 2007 Actual			
2Q (1H)	3Q (3 months)	3Q (9 months)	
23.7	21.1	44.8	
9.7	7.0	16.7	
0.5	0.4	0.9	
34.0	28.5	62.4	

Fiscal 2008 Forecast	Fiscal 2007 Actual
39.5	68.8
52.0	30.9
27.5	1.1
119.0	100.8

\* including eliminations or corporate

#### (2)Depreciation and Amortization by Segment

	Fiscal 2008 Actual		
	2Q (1H)	3Q (3 months)	3Q (9 months)
Petroleum	22.3	11.1	33.4
Metals	14.8	7.9	22.7
Other Operations *	2.8	1.5	4.3
Total	40.0	20.5	60.5

Fiscal 2007 Actual			
2Q (1H)	3Q (3 months)	3Q (9 months)	
16.6	8.4	25.0	
12.9	6.8	19.7	
0.3	0.2	0.5	
29.8	15.3	45.1	

Fiscal 2008 Forecast	Fiscal 2007 Actual
45.0	35.7
31.5	26.5
6.0	0.6
82.5	62.9

\* including eliminations or corporate

#### 4. Interest-bearing Debt

(Billions of Yen)

	Dec. 31 2008	Mar. 31 2008	Difference
Petroleum	549.4	573.9	(24.5)
Metals	249.2	244.9	4.3
Other Operations *	25.2	(22.9)	48.1
Total	823.8	795.9	27.9

\* including eliminations or corporate

#### 5. Dividend

	Fiscal 2007 (Actual)				Fiscal 2008 (Actual, 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	6.00	14.00	12,982

\*Payment amount of Fiscal 2008 is calculated on the basis of the number of shares outstanding at the end of December, 2008, which is 927,045 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	Dec. 31, 2008 Actual
Petroleum	3,920	3,999	4,196	4,327	4,296
Metals	4,348	4,704	4,851	5,110	5,004
Others*	1,311	1,266	1,269	1,470	1,492
Total	9,579	9,969	10,316	10,907	10,792

\*including Nippon Mining Holdings, Inc.



## ■ Forward-looking statements

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- **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 February 4, 2009**
- **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**