

Consolidated Financial Results for the First Quarter of the Fiscal Year Ending March 31, 2010 ("Fiscal 2009")

NIPPON MINING HOLDINGS, INC. (URL: <http://www.shinnikko-hd.co.jp/>)

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

1. Operating results for the first quarter of Fiscal 2009 (the period from April 1, 2009 to June 30, 2009)

(1) Operating results (Consolidated basis)

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

| | Sales | | Operating income | | Income before special items | | Net income | |
|----------------|-----------------|--------|------------------|--------|-----------------------------|--------|-----------------|--------|
| | millions of yen | % | millions of yen | % | millions of yen | % | millions of yen | % |
| Fiscal 2009 1Q | 695,454 | (38.1) | 20,096 | (42.8) | 24,275 | (48.7) | 13,924 | (50.1) |
| Fiscal 2008 1Q | 1,123,015 | — | 35,140 | — | 47,333 | — | 27,889 | — |

| | Basic EPS | | Fully diluted EPS | |
|----------------|-----------|-----|-------------------|-----|
| | yen | sen | yen | sen |
| Fiscal 2009 1Q | 15 | 03 | 15 | 02 |
| Fiscal 2008 1Q | 30 | 09 | 30 | 07 |

(2) Financial position (Consolidated basis)

| | Total assets | Net assets | Shareholders' equity ratio | Net assets per share | |
|----------------------|-----------------|-----------------|----------------------------|----------------------|-----|
| | millions of yen | millions of yen | % | yen | sen |
| As of June 30, 2009 | 1,929,543 | 694,698 | 30.6 | 637 | 62 |
| As of March 31, 2009 | 1,886,083 | 659,938 | 30.1 | 612 | 44 |

Reference: Shareholders' equity : 590,668 millions of yen as of June 30, 2009 (567,347 millions of yen as of March 31, 2009)

2. Cash dividends

| (Cut-off date) | Cash dividends per share | | | | | | | | | |
|------------------------|--------------------------|-----|-----|-----|-----|-----|----------|---------------|-----------|---------------|
| | 1Q | | 2Q | | 3Q | | Year-end | | Full year | |
| | yen | sen | yen | sen | yen | sen | yen | sen | yen | sen |
| Fiscal 2008 | | | 8 | 00 | | | 6 | 00 | 14 | 00 |
| Fiscal 2009 | | | | | | | | | | |
| Fiscal 2009 (forecast) | | | 7 | 00 | | | under | consideration | under | consideration |
| | | | ~ 8 | 00 | | | | | | |

Note: Revision of expected dividends during this period: None

The forecasts of year-end and full year cash dividends are under consideration. We will announce the forecasts at the time of determination of the stock transfer ratio to Nippon Oil Corporation, which is under deliberation.

3. Forecast for Fiscal 2009 (the period from April 1, 2009 to March 31, 2010)

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

| | Sales | | Operating income | | Income before special items | | Net income | | Basic EPS | |
|---------------------------|-----------------|--------|------------------|--------|-----------------------------|--------|-----------------|--------|-----------|-----|
| | millions of yen | % | millions of yen | % | millions of yen | % | millions of yen | % | yen | sen |
| Second quarter (6 months) | 1,460,000 | (38.6) | 40,000 | (21.4) | 46,000 | (47.5) | 23,000 | (49.8) | 24 | 83 |
| Full year | 3,050,000 | (25.0) | 103,000 | — | 115,000 | — | 60,000 | — | 64 | 77 |

Note: Revision of forecast of consolidated operating results during this period: Yes

We have revised the forecast of operating results for the second quarter of Fiscal 2009, which was previously announced on April 30, 2009. However, we have not changed the fiscal forecast for the full year of Fiscal 2009, in view of the difficult-to-predict business conditions, such as the prices of crude oil and metals and exchange rates. We intend to revise the forecast when we announce the operating results for the second quarter of Fiscal 2009.

4. Other

(1) Changes to significant subsidiaries during the period (changes in specified subsidiaries due to changes in scope of consolidation): None

(2) Application of simplified accounting methods or specific accounting methods in the preparation of quarterly consolidated financial statements: None

(3) Changes in accounting principles, procedures, presentation, etc., pertaining to preparation of quarterly consolidated financial statements

1. Changes associated with changes in accounting standards: Yes

Accounting Standard for Construction Contracts

Effective for the first quarter ended June 30, 2009, the Company and its domestic subsidiaries adopted "Accounting Standard for Construction Contracts" (ASBJ Statement No.15, December 27, 2007) and "Guidance on Accounting Standard for Construction Contracts" (ASBJ Guidance No.18, December 27, 2007). Prior to April 1, 2009, certain domestic consolidated subsidiaries principally applied the percentage-of-completion method for the construction contracts whose contract amounts were more than 1 billion yen and whose contracted construction terms were longer than one year and the completed-contract method was applied for other than those. Under ASBJ Statement No.15 and Guidance No.18, the percentage-of-completion method is applied for the construction contracts started on or after April 1, 2009, if the outcome of the construction activity can be deemed certain during the course of the activity in the first quarter ended June 30, 2009, otherwise the completed-contract method is applied. The percentage of completion at the end of each quarterly period is estimated based on the percentage of the cost incurred to the estimated total cost. This adoption had no impact on the Company's consolidated financial results for the first quarter ended June 30, 2009.

2. Other changes: None

(4) Shares outstanding (common stock)

1. Number of shares outstanding (including treasury stock)

| | | | |
|----------------------|-------------|-----------------------|-------------|
| As of June 30, 2009: | 928,462,002 | As of March 31, 2009: | 928,462,002 |
|----------------------|-------------|-----------------------|-------------|

2. Number of treasury stock outstanding

| | | | |
|----------------------|-----------|-----------------------|-----------|
| As of June 30, 2009: | 2,091,395 | As of March 31, 2009: | 2,091,160 |
|----------------------|-----------|-----------------------|-----------|

3. Average number of shares outstanding (Consolidated basis)

| | | | |
|---------------------------------------|-------------|---------------------------------------|-------------|
| For the first quarter of Fiscal 2009: | 926,363,990 | For the first quarter of Fiscal 2008: | 926,834,243 |
|---------------------------------------|-------------|---------------------------------------|-------------|

*The aforementioned forecasts are based on available information as of the release date of this document.

Actual results are subject to change due to various factors.

Consolidated Balance Sheets

| Account title | First quarter of Fiscal 2009 | Fiscal 2008 |
|---|------------------------------|------------------------|
| | (As of June 30, 2009) | (As of March 31, 2009) |
| | millions of yen | millions of yen |
| Assets | 1,929,543 | 1,886,083 |
| Current assets | 819,499 | 792,082 |
| Cash and time deposits | 81,961 | 118,840 |
| Notes and accounts receivable, trade | 253,295 | 233,130 |
| Inventories | 398,832 | 339,367 |
| Other current assets | 87,034 | 102,247 |
| Less: Allowance for doubtful accounts | (1,623) | (1,502) |
| Fixed assets | 1,110,044 | 1,094,001 |
| Property, plant and equipment | 733,074 | 734,802 |
| Machinery and equipment, other, net | 238,208 | 244,020 |
| Land | 282,288 | 283,184 |
| Construction in progress | 44,635 | 41,465 |
| Other | 167,943 | 166,133 |
| Intangible assets | 83,002 | 78,228 |
| Investments and other long-term assets | 293,968 | 280,971 |
| Investments in securities | 202,240 | 189,284 |
| Other | 93,328 | 93,296 |
| Less: Allowance for doubtful accounts | (1,600) | (1,609) |
| Total assets | 1,929,543 | 1,886,083 |
| Liabilities | 1,234,845 | 1,226,145 |
| Current liabilities | 766,891 | 758,450 |
| Notes and accounts payable, trade | 209,988 | 186,455 |
| Short-term borrowings | 362,319 | 361,942 |
| Commercial paper | 20,000 | - |
| Lease obligations | 1,286 | 1,096 |
| Accounts payable, other | 93,397 | 113,569 |
| Accrued income taxes | 1,756 | 4,309 |
| Other current liabilities | 78,145 | 91,079 |
| Long-term liabilities | 467,954 | 467,695 |
| Bonds | 35,000 | 35,000 |
| Long-term debt | 301,909 | 302,632 |
| Lease obligations | 4,744 | 4,361 |
| Allowance for retirement benefits | 59,681 | 59,427 |
| Other long-term liabilities | 66,620 | 66,275 |
| Net assets | 694,698 | 659,938 |
| Shareholders' equity | 616,058 | 606,772 |
| Common stock | 73,920 | 73,920 |
| Capital surplus | 226,749 | 226,748 |
| Retained earnings | 316,272 | 306,987 |
| Less: Treasury stock, at cost | (883) | (883) |
| Valuation and translation adjustment | (25,390) | (39,425) |
| Unrealized gain on marketable securities | 15,384 | 10,008 |
| Deferred hedge gain (loss) | (3,221) | (8,328) |
| Surplus from land revaluation | (3,088) | (3,091) |
| Accumulated translation adjustment | (34,465) | (38,014) |
| Stock acquisition rights | 489 | 499 |
| Minority interests in consolidated subsidiaries | 103,541 | 92,092 |
| Total liabilities and net assets | 1,929,543 | 1,886,083 |

Consolidated Statements of Income

| Account title | First quarter of Fiscal 2008 (from April 1, 2008 to June 30, 2008) | First quarter of Fiscal 2009 (from April 1, 2009 to June 30, 2009) |
|--|--|--|
| | millions of yen | millions of yen |
| Net sales | 1,123,015 | 695,454 |
| Cost of sales | 1,040,581 | 631,262 |
| <i>Gross profit</i> | 82,434 | 64,192 |
| Selling, general and administrative expenses | 47,294 | 44,096 |
| <i>Operating income</i> | 35,140 | 20,096 |
| Other income | 21,027 | 8,524 |
| Interest income | 479 | 198 |
| Dividend income | 1,156 | 1,381 |
| Exchange gain | - | 384 |
| Amortization of negative goodwill | 241 | 214 |
| Equity in income of non-consolidated subsidiaries and affiliates | 16,837 | 4,525 |
| Other | 2,314 | 1,822 |
| Other expenses | 8,834 | 4,345 |
| Interest expenses | 3,308 | 2,474 |
| Exchange loss | 2,850 | - |
| Other | 2,676 | 1,871 |
| <i>Income before special items</i> | 47,333 | 24,275 |
| Special profit | 2,068 | 1,252 |
| Gain on sales of property, plant and equipment | 655 | 326 |
| Gain on sales of investments in subsidiary | 1,075 | - |
| Gain on change in equity | - | 869 |
| Other | 338 | 57 |
| Special loss | 1,769 | 1,900 |
| Loss on sales of property, plant and equipment | 63 | 201 |
| Loss on disposal of property, plant and equipment | 751 | 981 |
| Loss on write-down of investments in securities | - | 242 |
| Loss on change in calculation method of projected benefit obligation | - | 388 |
| Loss due to fire accident | 795 | - |
| Other | 160 | 88 |
| <i>Income before income taxes and minority interests</i> | 47,632 | 23,627 |
| Income taxes | 15,699 | 8,582 |
| Income taxes-current | 12,246 | 1,151 |
| Income taxes-deferred | 3,453 | 7,431 |
| Minority interests in earnings of consolidated subsidiaries | 4,044 | 1,121 |
| <i>Net income</i> | 27,889 | 13,924 |

Consolidated Statements of Cash Flows

| Account title | First quarter of Fiscal 2008 (from April 1, 2008 to June 30, 2008) | First quarter of Fiscal 2009 (from April 1, 2009 to June 30, 2009) |
|--|--|--|
| | millions of yen | millions of yen |
| Cash flows from operating activities | | |
| Income before income taxes and minority interests | 47,632 | 23,627 |
| Depreciation and amortization | 18,741 | 18,099 |
| Interest and dividend income | (1,635) | (1,579) |
| Interest expenses | 3,308 | 2,474 |
| Equity in income of non-consolidated subsidiaries and affiliates | (16,837) | (4,525) |
| Gain on sales of investments in subsidiary | (1,075) | - |
| Loss on write-down of investments in securities | - | 242 |
| Loss on sales and disposal of property, plant and equipment, net | 159 | 856 |
| Gain on change in equity | - | (869) |
| Increase in trade receivables | (90) | (17,806) |
| Increase in inventories | (159,655) | (55,587) |
| Increase in trade payables | 64,499 | 954 |
| Other, net | 6,935 | 6,702 |
| Subtotal | (38,018) | (27,412) |
| Receipts of interest and dividends | 21,954 | 1,549 |
| Payments for interest | (3,538) | (2,633) |
| Payments for special retirement benefit | - | (383) |
| Payments for income taxes | (26,221) | (7,607) |
| Net cash used in operating activities | (45,823) | (36,486) |
| Cash flows from investing activities | | |
| Payments for acquisition of investments in securities | (573) | (1,113) |
| Proceeds from sales or maturities of investments in securities | 11 | 3,000 |
| Payments for acquisition of property, plant and equipment | (24,838) | (17,115) |
| Proceeds from sales of property, plant and equipment | 1,130 | 2,212 |
| Payments for acquisition of intangible assets | (825) | (1,495) |
| Payments for transfer of business | - | (3,077) |
| Other, net | (1,373) | 307 |
| Net cash used in investing activities | (26,468) | (17,281) |
| Cash flows from financing activities | | |
| Increase (decrease) in short-term borrowings, net | 76,089 | (5,903) |
| Increase in commercial paper, net | - | 20,000 |
| Proceeds from borrowings of long-term bank loans and other | 8,608 | 10,000 |
| Repayments of long-term bank loans and other | (9,880) | (7,630) |
| Proceeds from issuance of bonds | 20,000 | - |
| Repayments of lease obligations | (22) | (309) |
| Proceeds from third-party allotment of shares of consolidated subsidiary | - | 3,116 |
| Cash dividends paid | (7,420) | (5,562) |
| Cash dividends paid to minority shareholders | (6,285) | (568) |
| Other, net | (13) | (9) |
| Net cash provided by financing activities | 81,077 | 13,135 |
| Effect of exchange rate changes on cash and cash equivalents | (2,463) | 1,198 |
| Net increase (decrease) in cash and cash equivalents | 6,323 | (39,434) |
| Cash and cash equivalents at beginning of period | 62,621 | 116,986 |
| Increase due to subsidiaries newly included consolidation | 1,131 | 17 |
| Increase due to corporate division | - | 2,808 |
| Increase due to merger of consolidated subsidiaries | 179 | 34 |
| Cash and cash equivalents at end of period | 70,254 | 80,411 |

Segment Information

1. Segment information summarized by product group

For the first quarter of Fiscal 2008 (the period from April 1, 2008 to June 30, 2008) (millions of yen)

| | Petroleum | Metals | Other Operations | Total | Eliminations or Corporate | Consolidated |
|-----------------------------|-----------|---------|------------------|-----------|---------------------------|--------------|
| Sales | 833,892 | 280,625 | 13,419 | 1,127,936 | (4,921) | 1,123,015 |
| Operating income | 22,150 | 10,742 | 1,993 | 34,885 | 255 | 35,140 |
| Income before special items | 20,647 | 23,998 | 2,905 | 47,550 | (217) | 47,333 |

For the first quarter of Fiscal 2009 (the period from April 1, 2009 to June 30, 2009) (millions of yen)

| | Petroleum | Metals | Other Operations | Total | Eliminations or Corporate | Consolidated |
|-----------------------------|-----------|---------|------------------|---------|---------------------------|--------------|
| Sales | 522,318 | 166,510 | 13,223 | 702,051 | (6,597) | 695,454 |
| Operating income | 19,159 | 960 | 148 | 20,267 | (171) | 20,096 |
| Income before special items | 19,757 | 4,595 | 472 | 24,824 | (549) | 24,275 |

| | |
|------------------|--|
| Petroleum | resource development, gasoline, naphtha, kerosene, gas oil, heavy fuel oil, petrochemicals, liquefied petroleum gas, lubricating oil, ship transport, etc. |
| Metals | resource development, copper, gold, silver, sulfuric acid, recycling and environmental services, copper foils, thin film materials, precision rolled products, precision fabricated products, ship transport, etc. |
| Other Operations | titanium, engineering, electric wires, cables, land transport, common group administrative activities such as fund procurement, etc. |

2. Overseas sales

For the first quarter of Fiscal 2008 (the period from April 1, 2008 to June 30, 2008)

| | Asia | Others | Total |
|---|---------|--------|-----------|
| Overseas sales (millions of yen) | 172,542 | 13,602 | 186,144 |
| Consolidated net sales (millions of yen) | - | - | 1,123,015 |
| Ratio of overseas sales to consolidated net sales (%) | 15.4 | 1.2 | 16.6 |

For the first quarter of Fiscal 2009 (the period from April 1, 2009 to June 30, 2009)

| | Asia | Others | Total |
|---|---------|--------|---------|
| Overseas sales (millions of yen) | 114,313 | 12,687 | 127,000 |
| Consolidated net sales (millions of yen) | - | - | 695,454 |
| Ratio of overseas sales to consolidated net sales (%) | 16.4 | 1.9 | 18.3 |