

Interim Financial Results FY2003

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Nippon Mining Holdings, INC.

November 12, 2003

※Consolidated financial result of Japan Energy Corporation for 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.

Interim Results FY2002

1 . Operating Results(consolidated)

(Billions of Yen)

	FY2003 1H	FY2002 1H	Differences
Net Sales	1052.4	1010.7	(○)41.7
Operating Income (Loss)	18.5	12.2	(○) 6.3
Other Income (Expenses)	0.8	△ 0.9	(○) 1.7
Ordinary Income (Loss)	19.3	11.3	(○) 8.0
Special Profit (Loss)	△21.0	△ 3.8	(×)17.2
Income Taxes	△ 7.7	1.6	(○) 9.3
Minority Interest	1.9	3.7	(○) 1.8
Net Income (Loss)	4.2	2.3	(○) 1.9

(1) Scope of Consolidation

- ① Consolidated subsidiaries 9 7 (6 additions, 4 reductions)
- ② Equity method affiliates 2 0 (2 additions, 1 reduction)

(2) Factors in ¥8.0 billion increase in the ordinary income

① Operating Income (○) ¥ 6.3bn

- Petroleum (○)8.1bn,
- Resources & Non-ferrous Metals (X)0.3bn,
- Electronic Materials (○)0.1bn,
- Metal Fabrication (X)0.5bn,
- Others (X)1.0bn

② Other Income(Expenses) (○) ¥1.7bn

- Financial income (○) ¥0.5bn
- Equity in earnings of unconsolidated subsidiaries and affiliates (○) ¥1.4bn
- Others (×) ¥0.2bn

(3) Special Profit (Loss)

①Special Profit ¥9.1bn

- Gain on redemption of investments in securities ¥8.5bn
- Gain on sales of investments in securities ¥0.6bn

②Special Loss ¥30.1bn

- Loss on disposals of fixed assets ¥3.8bn
- Loss on write-down of investments in securities ¥0.8bn
- Restructuring costs ¥24.5bn
- Others ¥1.0bn

(4) Segments

(Billions of Yen)

		FY2003 1H	FY2002 1H	Differences
Petroleum (Japan Energy Group)	Net Sales	830.8	804.8	(0)26.0
	Operating Income (Loss)	15.4	7.3	(0)8.1
	Ordinary Income(Loss)	14.6	3.4	(0)11.1
Resources & Non-ferrous Metals (Nippon Mining & Metals Group)	Net Sales	143.2	131.7	(0)11.4
	Operating Income (Loss)	1.1	1.4	(X)0.3
	Ordinary Income(Loss)	5.1	5.8	(X)0.6
Electronic Materials (Nikko Materials Group)	Net Sales	37.1	30.7	(0)6.5
	Operating Income (Loss)	△1.3	△1.4	(0)0.1
	Ordinary Income(Loss)	△3.5	△2.7	(X)0.9
Metal Fabrication (Nikko Metal Manufacturing Group)	Net Sales	22.2	23.2	(X)1.0
	Operating Income (Loss)	2.8	3.3	(X)0.5
	Ordinary Income(Loss)	2.7	3.1	(X)0.4
Others (Independent Operating Companies & Functional Support Companies)	Net Sales	36.7	34.3	(0)2.5
	Operating Income (Loss)	0.5	1.5	(X)1.1
	Ordinary Income(Loss)	0.5	1.7	(X)1.2
Eliminations	Net Sales	△17.6	△14.0	(X)3.6
Total	Net Sales	1052.4	1010.7	(0)41.7
	Operating Income (Loss)	18.5	12.2	(0)6.3
	Ordinary Income(Loss)	19.3	11.3	(0)8.0

※Net Sales by segments include inter-segment sales.

(5)Key Data

		FY2003 1H	FY2002 1H	Differences
Petroleum	Exchange Rate (¥/\$)	118	123	(-) 5
	Dubai Spot Price (\$/BL)	25.5	24.3	(+)1.2
	Market Price of Paraxylene (\$/t)	548	442	(+)106
Resources & Non-ferrous Metals	Market Price of Copper (¢/lb)	77	71	(+) 6
	Electrolytic Copper Sales (1000 tones)	301	287	(+)14
Electronic Materials	Electrodeposited Copper Foil Sales (tones/month)	2,389	2,081	(+)308
	Treated Rolled Copper Foil Sales (1000 meters/month)	2,743	1,753	(+)990
Metal Fabrication	Wrought copper products (1000tones)	18	19	(-) 1
	Special Steel Products (1000tones)	5	7	(-) 2

2 . Information by Segments

<1> Petroleum (Japan Energy Group)

(1) Operating Results

(Billions of Yen)

	2003 1H	2002 1H	Differences
Net Sales	830.8	804.8	(○) 26.0
Operating Income (Loss)	15.4	7.3	(○) 8.1
Ordinary Income (Loss)	14.6	3.4	(○) 11.1

< Factors in ¥11.1bn increase in the ordinary income >

- Influence of inventories (×)¥8.8bn (02/1H:+7.7bn→03/1H:△1.0bn)
- Mid-term management program (○) ¥4.5bn
- Petrochemical improvement (○) ¥3.0bn
- Change in the petroleum margin due to time lag and others (○) ¥9.3bn
- Other income and expenses (○)¥3.1bn (Equity in earnings of investees)

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

	Domestic sales volume (thousand of KL·T)			Growth rate (03/1H vs. 02/1H)		Japan Energy's market share	
	03/1H	02/1H	Difference	JOMO	Nation-wide	03/1H	02/1H
G a s o l i n e	3,169	3,271	△102	96.9%	101.4%	10.2%	10.7%
N a p h t h a	1,515	1,466	49	103.3%	103.9%	8.9%	9.0%
J e t F u e l	367	335	32	109.5%	104.0%	13.8%	13.1%
K e r o s e n e	649	706	△57	91.9%	102.9%	8.3%	9.3%
G a s O i l	2,165	2,249	△84	96.3%	97.3%	11.4%	11.5%
A Heavy Fuel	937	1,020	△83	91.9%	103.1%	7.1%	8.0%
C Heavy Fuel	1,260	811	449	155.4%	125.2%	9.0%	7.3%
Total	10,062	9,858	204	102.1%	104.0%	9.6%	9.8%
Gasoline & Middle Distillation	6,920	7,246	△326	95.5%	100.7%	9.7%	10.3%

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

		FY2003			FY2002				
		Apr- Jun	Jul- Sep	Total	Apr- Jun	Jul- Sep	Oct- Dec	Jan- Mar	Total
Group Total	Refining volume	7.07	6.45	13.52	5.83	6.45	6.95	7.37	26.58
	Operating Ratio	84%	76%	80%	70%	77%	83%	88%	80%
	Comparison with Previous Year	121%	100%	110%	96%	97%	100%	106%	100%
Mizushima	Refining volume	2.63	2.44	5.07	2.61	2.53	2.65	2.80	10.59
	Operating Ratio	91%	84%	87%	90%	86%	90%	98%	91%
	Comparison with Previous Year	101%	97%	99%	142%	95%	94%	104%	106%
Kashima	Refining volume	2.46	2.18	4.64	1.48	2.28	2.47	2.58	8.81
	Operating Ratio	89%	79%	84%	※57%	86%	94%	95%	83%
	Comparison with Previous Year	166%	96%	123%	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)

	03/1H	02/1H	Differences
Net Sales	143.2	131.7	(○) 11.4
Operating Income (Loss)	1.1	1.4	(×) 0.3
Ordinary Income (Loss)	5.1	5.8	(×) 0.6

< Factors in ¥0.6bn decrease in the ordinary income >

- Equity in Earnings ×¥0.4bn
 - LG-nikko ×¥1.2bn(foreign currency transaction)
 - Minera Los Perambres ○¥1.0bn(copper price up)
- Nippon Mining & Metals and consolidated subsidiaries×¥0.2bn
(yen appreciation, palladium price down, deteriorated T/C)

(2) Price and Sales Volume

		03/1H	02/1H	Differences
Price	Copper (¢/lb)	7 7	7 1	(+) 6
	Zinc (\$/t)	7 9 7	7 7 4	(+) 2 3
	Gold (\$/TOZ)	3 5 5	3 1 4	(+) 4 1
	Platinum (\$/TOZ)	6 6 9	5 4 3	(+) 1 2 6
	Palladium (\$/TOZ)	1 7 9	3 3 9	(-) 1 6 0
Sales Volume (thousand tones)	Copper	3 0 1	2 8 7	(+) 1 4
	Zinc	4 1	4 7	(-) 6

<3> Electronic Materials (Nikko Materials Group)

(1) Operating Results

(Billions of Yen)

	03/1H	02/1H	Differences
Net Sales	37.1	30.7	(○) 6.5
Operating Income (Loss)	△ 1.3	△ 1.4	(○) 0.1
Ordinary Income (Loss)	※△ 3.5	△ 2.7	(×) 0.9

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

< Factors in ¥0.9bn decrease in the ordinary income >

① Operating Income (Loss) (○)¥0.1bn

- Electro-deposited copper foil (×)¥1.0bn,
- Treated rolled copper foil (○)¥0.6bn, Sputtering Target (○)¥0.2bn,
- Compound semiconductor materials, Optical coupler and others (×)¥0.1bn,
- Expenses including development cost (○)¥0.2bn

② Other Income (Expenses) (×)¥1.0bn

- Pension liabilities amortization (×)¥0.6bn
- Others (×)¥0.4bn

(2) Breakdown by products

(Billions of Yen)

		03/1H	02/1H	Differences
Electro-Deposited Copper Foil	Net Sales	※ 13.4	11.5	(○) 1.9
	Operating Income	※△ 3.5	△ 2.5	(×) 1.0
Treated Rolled Copper Foil and Target	Net Sales	18.0	14.0	(○) 4.0
	Operating Income	4.0	3.2	(○) 0.8
Compound Semiconductor Materials and Others	Net Sales	5.7	5.2	(○) 0.5
	Operating Income	△ 1.8	△ 2.1	(○) 0.3
Total	Net Sales	37.1	30.7	(○) 6.5
	Operating Income	△ 1.3	△ 1.4	(○) 0.1

※: 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

(Billions of Yen)

	03/1H	02/1H	Differences
Net Sales	22.2	23.2	(×) 1.0
Operating Income (Loss)	2.8	3.3	(×) 0.5
Ordinary Income (Loss)	2.7	3.1	(×) 0.4

< Factors in ¥0.4bn decrease in the ordinary income >

- Other income in Nikko Metal Manufacturing (○)¥0.3bn (dividends, interests etc.)
- Subsidiaries (×)¥0.7bn
(Woojin Precision (×)¥0.5bn, Fuji Electronics (×)¥0.3bn, others)

(2) Sales by products

(Billions of Yen)

		03/1H	02/1H	Differences
Wrought copper	Phosphor bronze	5.3	6.9	(×) 1.6
	Brass	2.1	2.3	(×) 0.2
	Copper foil	2.6	1.7	(○) 0.9
	Others	2.7	2.8	(×) 0.1
Special steel	Stainless steel	1.8	2.3	(×) 0.5
	High-nickel alloy	2.8	3.4	(×) 0.6
	Others	0.2	0.3	(×) 0.1
Others (precision manufacturing etc.)		4.7	3.5	(○) 1.2
Total		22.2	23.2	(×) 1.0

<5> Others (Independent Operating Companies and Functional Support Companies)

(1) Operating Results

(Billions of Yen)

	03/1H	02/1H	Differences
Net Sales	36.7	34.3	(○) 2.5
Operating Income (Loss)	0.5	1.5	(×) 1.0
Ordinary Income (Loss)	0.5	1.7	(×) 1.2

II Annual Forecasts FY2003

1 . Comparison with FY2002

(1) Assumptions

Segments		FY2003			FY2002		
		1H	2H	total	1H	2H	total
Petroleum	Exchange Rate (¥/\$)	118	110	114	123	121	122
	Dubai Spot Price (\$/BL)	25.5	27.0	26.3	24.3	26.7	25.5
	Market Price of Paraxylene (\$/t)	548	575	562	442	533	488
Resources & Non-ferrous Metals	Market Price of Copper (¢/lb)	77	90	84	71	73	72
	Electrolytic Copper Sales (1000 tones)	301	293	594	287	297	583
Electronic Materials	Electrodeposited Copper Foil Sales (tones/month)	2,389	2,452	2,420	2,081	2,112	2,097
	Treated Rolled Copper Foil Sales (1000 meters/month)	2,743	2,900	2,822	1,753	2,265	2,009
Metal Fabrication	Wrought copper products (1000tones)	18	19	36	19	17	35
	Special Steel Products (1000tones)	5	6	11	7	7	14

(2) Operating Forecasts(consolidated)

(billion yen)

	FY2003			FY2002			Differences (FY2003-FY2002)
	1H	2H	Total	1H	2H	Total	
Net Sales	1052.4	1117.6	2170.0	1010.7	1152.4	2163.1	(○) 6.9
Operating Income (Loss)	18.5	27.0	45.5	12.2	28.1	40.3	(○) 5.2
Ordinary Income (Loss)	19.3	24.7	44.0	11.3	25.7	37.0	(○) 7.0
Net Income (Loss)	4.2	7.8	12.0	2.3	1.4	3.7	(○) 8.3
Ordinary Margin (%)	1.8	2.2	2.0	1.1	2.2	1.7	(○) 0.3
Earnings Per Share (yen)			17.7 (14.1)			5.9 (4.3)	(○) 11.8 ((○)9.8)

() : include treasury stock.

(3) Operating Forecasts by Segments

(billion yen)

		FY2003			FY2002			Differences		
		1H	2H	Total	1H	2H	Total	1H	2H	Total
Petroleum (Japan Energy Group)	Net Sales	830.8	904.2	1735.0	804.8	939.0	1743.8	(0)26.0	(X)34.8	(X)8.8
	Operating Income (Loss)	15.4	18.6	34.0	7.3	25.0	32.3	(0)8.1	(X)6.4	(0)1.7
	Ordinary Income (Loss)	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 (Nippon Mining & Metals)	Net Sales	143.2	139.8	283.0	131.7	140.6	272.3	(0)11.4	(X)0.8	(0)10.7
	Operating Income (Loss)	1.1	1.2	2.3	1.4	1.1	2.5	(X)0.3	(0)0.1	(X)0.2
	Ordinary Income (Loss)	5.1	4.2	9.3	5.8	4.0	9.8	(X)0.6	(0)0.2	(X)0.5
Electronic Materials (Nikko Materials Group)	Net Sales	37.1	35.9	73.0	30.7	31.0	61.7	(0)6.5	(0)4.9	(0)11.3
	Operating Income (Loss)	△1.3	1.9	0.6	△1.4	△1.3	△2.7	(0)0.1	(0)3.2	(0)3.3
	Ordinary Income (Loss)	△3.5	1.0	△2.5	△2.7	△3.2	△5.9	(X)0.9	(0)4.2	(0)3.4
Metal Fabrication (Nikko Metal Manufacturing Group)	Net Sales	22.2	21.8	44.0	23.2	22.0	45.2	(X)1.0	(X)0.2	(X)1.2
	Operating Income (Loss)	2.8	3.2	6.0	3.3	2.7	6.0	(X)0.5	(0)0.5	—
	Ordinary Income (Loss)	2.7	2.8	5.5	3.1	2.6	5.6	(X)0.4	(0)0.2	(X)0.1
Others (Independent Operating Companies & Functional Support Companies)	Net Sales	36.7	30.3	67.0	34.3	35.7	69.9	(0)2.5	(X)5.4	(X)2.9
	Operating Income (Loss)	0.5	2.1	2.6	1.5	0.5	2.0	(X)1.0	(0)1.6	(0)0.6
	Ordinary Income (Loss)	0.5	1.2	1.7	1.7	1.0	2.7	(X)1.2	(0)0.2	(X)1.0
Eliminations	Net Sales	△17.6	△14.4	△32.0	△14.0	△15.9	△29.9	(X)3.6	(0)1.5	(X)2.1
Total	Net Sales	1052.4	1117.6	2170.0	1010.7	1152.4	2163.1	(0)41.7	(X)34.8	(0)6.9
	Operating Income (Loss)	18.5	27.0	45.5	12.2	28.1	40.3	(0)6.3	(X)1.0	(0)5.2
	Ordinary Income (Loss)	19.3	24.7	44.0	11.3	25.7	37.0	(0)8.0	(X)1.0	(0)7.0

※Net Sales include inter-segments sales.

(4) Ordinary Income (FY2003 : FY2002)

(billion yen)

	FY2003	FY2002	Differences	Notes
Petroleum (Japan Energy Group)	30.0	24.8	(○) 5.2	Inventories (×) 17.8 (+14.2→△3.5) Mid-term mng. plan (○) 9.0 Petrochemicals (○) 3.0 Time lag etc. (○) 7.5 Other income (○) 3.5 (Equity in Earnings etc.)
Resources & Non-ferrous Metals (Nippon Mining & Metals Group)	9.3	9.8	(×) 0.5	Yen appreciation, T/C (×) 0.9 Equity in Earnings (○) 0.4 (Minera Los P○2.1, LG-Nikko×1.6)
Electronic Materials (Nikko Materials Group)	△2.5	△5.9	(○) 3.4	Sales increase of electro-deposited, treated rolled copper foil, and sputtering target
Metal Fabrication (Nikko Metal Manufacturing Group)	5.5	5.6	(×) 0.1	• CRT related demand remains at low level • IT related products sales increase (foils, high-function materials)
Others (Independent Operating Companies & Functional Support Companies)	1.7	2.7	(×) 1.0	Sales decrease, due to the cold summer
Total	44.0	37.0	(○) 7.0	

4 . Information by Segments

<1> Petroleum (Japan Energy Group)

(1) Forecasts

(billion yen)

	FY2003			FY2002			Differences		
	1H	2H	total	1H	2H	total	1H	2H	total
Net Sales	830.8	904.2	1735.0	804.8	939.0	1743.8	(○)26.0	(×)34.8	(×) 8.8
Operating Income (Loss)	15.4	18.6	34.0	7.3	25.0	32.3	(○) 8.1	(×) 6.4	(○) 1.7
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

	Growth rate 2003	
	JOMO	Nation-wide
Fuel Oil Total	99.0%	98.9%
Gasoline & Middle Distillation	96.8%	99.2%

※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
Owned by Japan Energy (Self-SS)	1,489	1,406	1,377	1,328	1,284 (105)	1,229 (227)	1,216 (242)
Owned by wholesalers and others (Self-SS)	4,590	3,811	3,575	3,318	3,192 (59)	3,067 (95)	2,986 (106)
Total (Self-SS)	6,079	5,217	4,952	4,646	4,476 (164)	4,296 (322)	4,202 (348)

(4) Petrochemical Profit(Loss) (billion yen)

FY2003	FY2002	FY2001	FY2000
8.5	5.5	0	3.0

(5) Profitability Improvements

(billion 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

(billion yen)

	FY2003			FY2002			Differences		
	1H	2H	total	1H	2H	total	1H	2H	total
Net Sales	143.2	139.8	283.0	131.7	140.6	272.3	(○)11.4	(×)0.8	(○)10.7
Operating Income (Loss)	1.1	1.2	2.3	1.4	1.1	2.5	(×) 0.3	(○)0.1	(×) 0.2
Ordinary Income (Loss)	5.1	4.2	9.3	5.8	4.0	9.8	(×) 0.6	(○)0.2	(×) 0.5

(2) Price and Sales Volume

(Billions of Yen)

		FY2003			FY2002		
		1H	2H		1H	2H	
Price	Copper (¢/lb)	77	90	84	71	73	72
	Zinc (\$/t)	797	900	849	774	779	777
	Gold (\$/TOZ)	355	340	348	314	338	326
	Platinum (\$/TOZ)	669	650	660	543	625	584
	Palladium (\$/TOZ)	179	190	185	339	263	301
Sales Volume (thousand tones)	Copper	301	293	594	287	297	583
	Zinc	41	46	87	47	46	94

<3> Electronic Materials (Nikko Materials Group)

(1) Forecasts

(billion yen)

	FY2003			FY2002			Differences		
	1H	2H	total	1H	2H	total	1H	2H	total
Net Sales	37.1	35.9	73.0	30.7	31.0	61.7	(○)6.5	(○)4.9	(○)11.3
Operating Income (Loss)	△1.3	1.9	0.6	△1.4	△1.3	△2.7	(○)0.1	(○)3.2	(○)3.3
Ordinary Income (Loss)	△3.5	1.0	△2.5	△2.7	△3.2	△5.9	(×)0.9	(○)4.2	(○)3.4

(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	10.5	23.9	11.5	10.2	21.7	(○)1.9	(○)0.3	(○)2.2
	Operating Income	△3.5	△ 0.8	△4.3	△2.5	△3.7	△6.2	(×)1.0	(○)2.8	(○)1.9
Treated Rolled Copper Foil and Target	Net Sales	18.0	20.1	38.1	14.0	16.0	30.0	(○)4.0	(○)4.1	(○)8.1
	Operating Income	4.0	4.6	8.6	3.2	3.9	7.1	(○)0.8	(○)0.7	(○)1.5
Compound semiconductor materials and others	Net Sales	5.7	5.3	11.0	5.2	4.8	10.0	(○)0.5	(○)0.5	(○)1.0
	Operating Income	△1.8	△1.9	△3.7	△2.1	△1.5	△3.6	(○)0.3	(×)0.4	(×)0.1
Total	Net Sales	37.1	35.9	73.0	30.7	31.0	61.7	(○)6.5	(○)4.9	(○)11.3
	Operating Income	△1.3	1.9	0.6	△1.4	△1.3	△2.7	(○)0.1	(○)3.2	(○)3.3

<4> Metal Fabrication (Nikko Metal Manufacturing Group)

(1) Forecasts

(billion yen)

	FY2003			FY2002			Differences		
	1H	2H	total	1H	2H	total	1H	2H	total
Net Sales	22.2	21.8	44.0	23.2	22.0	45.2	(×)1.0	(×)0.2	(×)1.2
Operating Income (Loss)	2.8	3.2	6.0	3.3	2.7	6.0	(×)0.5	(○)0.5	—
Ordinary Income (Loss)	2.7	2.8	5.5	3.1	2.6	5.6	(×)0.4	(○)0.2	(×)0.1

(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	5.5	10.8	6.9	6.0	12.8	×1.6	×0.5	×2.0
	Brass	2.1	2.2	4.3	2.3	2.3	4.5	×0.2	×0.1	×0.2
	Copper foil	2.6	2.6	5.2	1.7	2.1	3.8	○0.9	○0.5	○1.4
	Others	2.7	2.7	5.4	2.8	2.3	5.2	×0.1	○0.4	○0.2
Special steel	Stainless steel	1.8	1.8	3.6	2.3	2.2	4.5	×0.5	×0.4	×0.9
	High-nickel alloy	2.8	2.6	5.4	3.4	3.2	6.6	×0.6	×0.6	×1.2
	Others	0.2	0.3	0.5	0.3	0.3	0.7	×0.1	—	×0.2
Others (precision manufacturing etc.)		4.7	4.1	8.8	3.5	3.6	7.1	○1.2	○0.5	○1.7
Total		22.2	21.8	44.0	23.2	22.0	45.2	×1.0	×0.2	×1.2

<5> Others

(1) Forecasts

(billion yen)

	FY2003			FY2002			Differences		
	1H	2H	Total	1H	2H	Total	1H	2H	Total
Net Sales	36.7	30.3	67.0	34.3	35.7	69.9	(0)2.5	(X)5.4	(X)2.9
Operating Income (Loss)	0.5	2.1	2.6	1.5	0.5	2.0	(X)1.0	(0)1.6	(0)0.6
Ordinary Income (Loss)	0.5	1.2	1.7	1.7	1.0	2.7	(X)1.2	(0)0.2	(X)1.0

(2) Independent operating companies

(Billions of Yen)

		FY2003	FY2002	Differences
a m / p m	Net Sales	40.6	35.1	(○) 5.5
	Income (Loss) before Special Items	0.7	1.3	(×) 0.6
C C S	Net Sales	16.1	14.6	(○) 1.5
	Income (Loss) before Special Items	0.6	0.4	(○) 0.2

(3) Number of a m / p m convenience stores and store sales

	Number of a m / p m stores	Store sales (Billions of Yen)
March 31 1999	1, 0 8 7	1 5 9. 3
March 31 2000	1, 1 9 2	1 7 7. 4
March 31 2001	1, 2 7 4	1 9 2. 9
March 31 2002	1, 3 3 7	2 0 9. 1
March 31 2003	1, 3 6 5	2 1 2. 6
March 31 2004 (forecast)	1, 4 3 9	2 1 8. 9

Others(Consolidated Balance Sheet, Cash Flows etc.)

1 . Consolidated Balance Sheet

(Billions of Yen)

	Sept 30 2003	Mar 31 2003[A]	Differences	Mar 31 2004 (forecast) [B]	[B]-[A]
Current Assets	581.4	596.1	(-) 14.7	1535.4	(-) 93.3
Fixed Assets	1005.0	1032.6	(-) 27.6		
Total Assets	1586.4	1628.7	(-) 42.3	1535.4	(-) 93.3
Current Liabilities	750.7	789.7	(-) 39.0	1264.8	(-) 121.4
Fixed Liabilities	573.7	596.5	(-) 22.8		
Minority Interest	39.3	37.6	(+) 1.8	40.1	(+) 2.5
Total Shareholder's Equity	222.7	204.9	(+) 17.7	230.5	(+) 25.6
Shareholder's Equity Ratio	14.0%	12.6%	(+) 1.4%	15.0%	(+) 2.4%
BPS	¥262.43	¥241.55	(+) ¥20.88	¥271.67	(+) ¥ 30.12
Interest Bearing Debt	853.4	876.4	(-) 23.0	783.4	(-) 93.0

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

①Factors in Change from Mar 31 2003 to Sept 30 2003

(billion yen)

Assets (-) 42.3	Cash and cash equivalents (-) 5.8, Trade receivables (-) 27.3, Inventories (+)6.3, Investments in equipment (+) 13.7, Depreciation (-) 24.0, Sales and disposals of fixed assets (-) 20.0, Write-down of securities (+) 30.3, Equity in gain of unconsolidated subsidiaries and affiliates (+)5.9, Offset of deferred tax assets/liabilities* (-)18.3, Others (-) 3.1
Liabilities (-) 61.8	Interest bearing debt (-) 23.0, Trade payables (-) 15.2, Offset of deferred tax assets/liabilities* (-)18.3, Others (-) 5.3
Minority Interest (+) 1.8	
Shareholder's Equity (+) 17.7	Net income (+) 4.2, Dividends(-)2.7, Unrealized gain on marketable securities (+)18.1, Others(-)1.9

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

Assets (-) 93.3	Cash and cash equivalents (-) 21.8, Trade receivables (-) 20.4, Inventories (-)21.1, Investments in equipment (+) 40.0, Depreciation (-) 46.7, Sales and disposals of fixed assets (-) 29.0, Write-down of securities (+) 30.3, Offset of deferred tax assets/liabilities* (-)18.3, Others (-) 6.3
Liabilities (-) 121.4	Interest bearing debt (-) 93.0, Trade payables (-) 9.3, Offset of deferred tax assets/liabilities* (-)18.3, Others (-) 0.8
Minority Interest (+) 2.5	
Shareholder's Equity (+) 25.6	Net income (+) 12.0, Dividends(-)2.7, Unrealized gain on marketable securities (+)18.1, Others(-)1.8

* 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	FY2002 1H	FY2002	FY2003 (forecast)
Cash Flows from Operating Activities	(+) 9.9	(-)22.4	(+) 14.3	(+) 79.9
Cash Flows from Investing Activities	(+) 2.7	(-)15.5	(-) 15.7	(-) 12.3
Cash Flows from Financing Activities	(-)19.6	(-)10.0	(-) 17.6	(-) 90.6
Effect of Exchange Rate Changes	(+) 0.1	(-) 1.1	(-) 1.4	(+) 0.1
Net Decrease in Cash and Cash Equivalents	(-) 6.9	(-)49.0	(-) 20.3	(-) 22.9

(1) FY2003 1H Breakdown

- ① Cash Flows from Operating Activities (+) 9.9
Ordinary income (+)19.3, Depreciation (+) 24.0,
Equity in gain of unconsolidated subsidiaries and affiliates (-)5.9,
Trade receivables, inventories and trade payables (-) 7.4,
Tax (-) 6.8, Others (-) 13.3
- ② Cash Flows from Investing Activities (+) 2.7
Investments in equipment (-) 15.2, Investment and financing expenditure
(-) 2.5, Income in investment (+) 19.3, Others (+) 1.1
- ③ Cash Flows from Financing Activities (-) 19.6
Interest bearing debt repayment and redemption (-) 16.2,
Dividends (-) 2.7, Others (-) 0.7

(2) FY2003 Breakdown

- ① Cash Flows from Operating Activities (+) 79.9
Ordinary income (+) 44.0, Depreciation (+) 46.7,
Equity in gain of unconsolidated subsidiaries and affiliates (-)9.7,
Trade receivables, inventories and trade payables and (+) 21.0,
Tax (-) 10.0, Others (-) 12.1
- ② Cash Flows from Investing Activities (-) 12.3
Investments in equipment (-) 41.5, Investment and financing expenditure
(-) 8.7, Income in investment (+) 32.8, Others (+) 5.1
- ③ Cash Flows from Financing Activities (-) 90.6
Interest bearing debt repayment and redemption (-) 86.2,
dividends (-) 2.7, Others (-) 1.7

3 . Dividends

FY2002				FY2003 (expected)			
Interim	final	total	Payment amount	Interim	final	annual	Payment amount
※	¥4.00	¥4.00	¥ 3,392 million	----	¥5.00	¥5.00	¥ 3,394 million

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

4 . Interest-bearing Debt

(Billions of Yen)

	Mar31 2002	Mar31 2003	Sep30 2003	Differences
Nippon Mining Holdings	--	7.0	74.9	(+) 74.9
(Former) Japan Energy	411.1	404.5	--	(-) 411.1
Japan Energy	--	--	333.4	(+) 333.4
Kashima Oil	115.7	125.7	124.2	(+) 8.5
Nippon Mining & Metals	134.1	135.2	153.0	(+) 18.9
Nikko Materials	30.8	34.7	50.9	(+) 20.1
Nippon Mining Finance	155.2	157.6	195.2	(+) 40.0
Others	45.9	11.7	-78.2	(-) 124.1
Total	892.8	876.4	853.4	(-) 39.4
Reduction from Mar31 2002	--	(-) 16.4	(-) 39.4	

5 . Debt to Equity Ratio

(Billions of Yen)

	Mar. 31 2002 (A)	Mar. 31 2003	Sep. 30 2003 (B)	(B)-(A)	Mar. 31 2004 (Forecast)
Interest-bearing Debt	892.8	876.4	853.4	(-) 39.4	783.4
Shareholder's Equity	181.5	204.9	222.7	(+) 41.2	230.5
Debt to Equity Ratio (%)	4.92	4.28	3.83	(-) 1.09	3.40

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