

Consolidated Financial Results for the First Quarter of the Fiscal Year Ending March 31,2004

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

Code No. : 5016
 Stock Listings : Tokyo, Osaka, Nagoya
 Address of head office : 10-1, Toranomon 2-chome, Minato-ku, Tokyo
 Contact to : IR and Public Relations Department Telephone number : (03) 5573 - 5118

This Financial Statement is prepared in accordance with accounting principles generally accepted in Japan.

1. Matters concerning preparation of the Financial Statements

(1) The scope of consolidation and application of the equity method has changed.(a newly consolidated subsidiary)
 Consolidated subsidiaries 98 (Japan Energy Corp., Nippon Mining & Metals Co.,Ltd., Nikko Materials Co.,Ltd., etc.)
 Non-consolidated subsidiary accounted for by equity method 1 (N.K.Curex Co.,Ltd.)
 Affiliated companies accounted for by equity method 20 (LG-Nikko Copper Inc., Minera Los Pelambres etc.)
 Consolidation (newly included) 3
 Equity method (newly included) 2

(2)Quarterly figures are unaudited.

2. Consolidated financial results for the three months period of Fiscal Year 2003 (From April 1, 2003 to June 30, 2003)**(1) Operating results**

	Sales		Operating Income		Income before special items	
	millions of yen	%	millions of yen	%	millions of yen	%
Three months ended June 30,2003	516,053	-	10,907	-	10,963	-
Reference) Fiscal Year ended March 31, 2003	2,163,088		40,256		36,968	

	Net Income		Primary EPS		Fully diluted EPS	
	millions of yen	%	yen	sen	yen	sen
Three months ended June 30,2003	2,489	-	3	67	-	-
Reference) Fiscal Year ended March 31, 2003	3,652		5	89	-	-

Note: 1. Average number of shares issued (consolidated) 678,945,503 shares (the previous fiscal year 611,027,210 shares)

2. As the first quarter ended June 30, 2003 is the first fiscal year to prepare the quarterly consolidated financial statements, the quarterly consolidated financial statements of the first quarter ended June 30, 2003 cannot be compared with the statements of the first quarter ended June 30,2002.The figures of the year ended March 31,2003 are shown for reference.

(2) Financial position

	Total Assets		Total Shareholders' Equity	
	millions of yen		millions of yen	
As of June 30, 2003	1,573,989		207,368	
Reference) As of March 31,2003	1,628,723		204,946	

	Net Worth Ratio		Shareholders' Equity Per Share	
	%		yen	sen
As of June 30, 2003	13.2		305	43
Reference) As of March 31,2003	12.6		301	78

Note: Number of shares issued at end of first quarter (consolidated) 678,940,352 shares (the previous fiscal year 678,956,166 shares)

3. Consolidated projections for the six months ending September 30, 2003 and the year ending Mach 31, 2004

	Sales		Income before special items		Net Income	
	millions of yen		millions of yen		millions of yen	
For the six months ending September 30, 2003	1,060,000		16,000		(2,500)	
For the fiscal year ending March 31, 2004	2,155,000		42,000		7,000	

(information purpose) Projection of Earnings Per Share 10 yen 31 sen

This projection is based on information available as of August 2003.

The information is subject to change due to changes in the business environment.

【Non-consolidated Basis】

1. Parent co.'s operating results for the three months period of Fiscal Year 2003(From April 1, 2003 to June 30, 2003)

Operating results

	Sales		Operating Income		Income before special items		Net Income	
	millions of yen	%	millions of yen	%	millions of yen	%	millions of yen	%
Three months ended June 30, 2003	592	-	56	-	32	-	13	-
Reference) Fiscal Year ended March 31, 2003	4,938		3,991		3,591		3,612	

2. Parent co.'s projection for the six months ending September 30, 2003 and the year ending March 31, 2004

	Sales		Income before special items	Net Income		Cash dividends per share	
	millions of yen			millions of yen		yen	sen
For the six months ending September 30, 2003	1,200		#	0	-	-	
For the year ending March 31, 2004	6,500		3,500	3,500	5	00	

(information purpose) Projection of Earnings Per Share

5 yen 15 sen

This projection is based on information available as of August 2003.

The information is subject to change due to changes in the business environment.

Consolidated Balance Sheet (Unaudited)

Account title	First quarter of fiscal year 2003 (As of June 30, 2003)		Fiscal 2002 (As of March 31, 2003)		Increase (Decrease)
	millions of yen	%	millions of yen	%	
Assets	1,573,989	100.0	1,628,723	100.0	(54,734)
<i>Current assets</i>	560,652	35.6	596,082	36.6	(35,430)
Cash and time deposits	50,914		66,193		(15,279)
Notes and accounts receivable, trade	207,388		233,226		(25,838)
Inventories	244,668		223,240		21,428
Other current assets	57,682		73,423		(15,741)
<i>Fixed assets</i>	1,013,337	64.4	1,032,641	63.4	(19,304)
Property, plant and equipment	646,104		650,831		(4,727)
Intangible assets	98,288		98,173		115
Investments and other long-term assets	268,945		283,637		(14,692)
<i>Total assets</i>	1,573,989	100.0	1,628,723	100.0	(54,734)
Liabilities	1,328,703	84.4	1,386,194	85.1	(57,491)
<i>Current liabilities</i>	767,553	48.8	789,711	48.5	(22,158)
Notes and accounts payable, trade	176,065		194,079		(18,014)
Short-term borrowing	426,074		427,834		(1,760)
Current portion of bonds	1,000		-		1,000
Other current liabilities	164,414		167,798		(3,384)
<i>Long-term liabilities</i>	561,150	35.6	596,483	36.6	(35,333)
Bonds	56,400		57,400		(1,000)
Long-term debt	379,271		391,149		(11,878)
Other long-term liabilities	125,479		147,934		(22,455)
Minority interest in consolidated subsidiaries	37,918	2.4	37,583	2.3	335
Shareholders' Equity	207,368	13.2	204,946	12.6	2,422
<i>Common stock</i>	40,000	2.5	40,000	2.5	-
<i>Capital surplus</i>	149,307	9.5	149,307	9.2	-
<i>Retained earnings</i>	28,361	1.8	(21,406)	(1.3)	49,767
<i>Surplus from land revaluation</i>	1,658	0.1	51,413	3.1	(49,755)
<i>Unrealized gain on marketable securities</i>	6,266	0.4	3,467	0.2	2,799
<i>Accumulated translation adjustment</i>	745	0.1	1,131	0.1	(386)
<i>Treasury stock, at cost</i>	(18,969)	(1.2)	(18,966)	(1.2)	(3)
Total liabilities, minority interest in consolidated subsidiaries and shareholders' equity	1,573,989	100.0	1,628,723	100.0	(54,734)

Consolidated Statements of Income (Unaudited)

Account title	For the three months ended June 30, 2003		Fiscal 2002 (from April 1, 2002 to March 31, 2003)	
	millions of yen	%	millions of yen	%
Operating income				
Net sales	516,053	100.0	2,163,088	100.0
Cost of sales	458,492	88.9	1,928,839	89.1
Selling, general and administrative expenses	46,654	9.0	193,993	9.0
<i>Operating Income</i>	<i>10,907</i>	<i>2.1</i>	<i>40,256</i>	<i>1.9</i>
Other income (loss)				
Interest and dividends income	788		3,717	
Amortization of negative goodwill	1,142		4,154	
Equity in gain of non-consolidated subsidiary and affiliates	1,999		7,922	
Interest expenses	(3,679)		(16,690)	
Other, net	(194)		(2,391)	
<i>Other income (loss)</i>	<i>56</i>	<i>0.0</i>	<i>(3,288)</i>	<i>(0.2)</i>
<i>Income before special items</i>	<i>10,963</i>	<i>2.1</i>	<i>36,968</i>	<i>1.7</i>
Special profit (loss)				
Gain on sales of fixed assets	90		1,592	
Gain on sales of securities	-		837	
Gain on sales of investment in consolidated subsidiaries	-		3,857	
Gain on sales of pharmaceutical business divisions	-		1,102	
Gain on transfer of substitutional portion of pension plan	-		1,912	
Loss on disposals of fixed assets	(734)		(7,604)	
Loss on write-down of investments in securities	(603)		(13,831)	
Loss on structural reform measures related	(3,506)		(10,340)	
Other, net	(221)		(1,059)	
<i>Special profit (loss)</i>	<i>(4,974)</i>	<i>(0.9)</i>	<i>(23,534)</i>	<i>(1.1)</i>
<i>Income before income taxes</i>	<i>5,989</i>	<i>1.2</i>	<i>13,434</i>	<i>0.6</i>
Income taxes	3,386	0.7	8,721	0.4
Deferred income tax	(438)	(0.1)	(4,065)	(0.2)
Minority interest in net earnings of consolidated subsidiaries	(552)	(0.1)	(5,126)	(0.2)
<i>Net income</i>	<i>2,489</i>	<i>0.5</i>	<i>3,652</i>	<i>0.2</i>

Consolidated Statement of Retained Earnings (Unaudited)

(millions of yen)

Account Title	For the three months ended June 30,2003	Fiscal 2002 (from April 1, 2002 to March 31, 2003)
Capital Surplus:		
Balance at beginning of year	149,307	47,021
Increase in capital surplus	-	102,286
Increase arising from stock transfer	-	102,286
Balance at end of year	149,307	149,307
Retained Earnings:		
Balance at beginning of year	(21,406)	(19,826)
Increase in retained earnings	53,220	5,262
Net income	2,489	3,652
Increase arising from change of consolidated subsidiaries	-	638
Increase arising from change of affiliates accounted for by equity method	1,013	361
Reclassification with surplus from land revaluation	49,718	611
Decrease in retained earnings	3,453	6,842
Cash dividends paid	2,720	3,341
Stock transfer payments	-	2,714
Bonuses to directors	54	59
Decrease arising from change of consolidated subsidiaries	679	173
Decrease arising from change of affiliates accounted for by equity method	-	555
Balance at end of year	28,361	(21,406)

Segment Information (Unaudited)

Segment Information summarized by product group

For the three months ended June 30, 2003 (from April 1, 2003 to June 30, 2003)

(millions of yen)

	Petroleum (Japan Energy Group)	Non-ferrous Metals (Nippon Mining & Metals Group)	Electronic Materials (Nikko Materials Group)	Other Operations (Independent Operating Companies and Functional Support Companies)	Total	Eliminations or corporate	Consolidated
Sales and operating income							
(1) Outside customers	413,612	73,308	15,562	13,571	516,053	-	516,053
(2) Inter-group	1,079	2,054	627	2,340	6,100	(6,100)	-
Total	414,691	75,362	16,189	15,911	522,153	(6,100)	516,053
Operating costs and expenses	403,945	73,486	16,133	17,767	511,331	(6,185)	505,146
Operating Income	10,746	1,876	56	(1,856)	10,822	85	10,907
Income before special items	10,229	2,842	(572)	(1,814)	10,685	278	10,963

For the year ended March 31, 2003 (from April 1, 2002 to March 31, 2003)

(millions of yen)

	Petroleum (Japan Energy Group)	Non-ferrous Metals (Nippon Mining & Metals Group)	Electronic Materials (Nikko Materials Group)	Other Operations (Independent Operating Companies and Functional Support Companies)	Total	Eliminations or corporate	Consolidated
Sales and operating income							
(1) Outside customers	1,738,809	301,149	60,829	62,301	2,163,088	-	2,163,088
(2) Inter-group	5,017	7,434	868	7,616	20,935	(20,935)	-
Total	1,743,826	308,583	61,697	69,917	2,184,023	(20,935)	2,163,088
Operating costs and expenses	1,711,491	299,990	64,383	67,951	2,143,815	(20,983)	2,122,832
Operating Income	32,335	8,593	(2,686)	1,966	40,208	48	40,256
Income before special items	24,767	15,385	(5,890)	2,624	36,886	82	36,968

Note 1. Product group categorized above is mainly adopted under internal control purpose

Note 2. Main products for each group are the following:

- Petroleum : gasoline, naphtha, kerosene, gas oil, heavy fuel oil, liquefied petroleum gas, petrochemicals, lubricating oil marine transportation(petroleum), engineering, etc.
- Non-ferrous Metals : copper, gold, silver, zinc, sulfuric acid, fabricated metal products, marine transportation(non-ferrous metals), etc.
- Electronic Materials : copper foils, sputtering targets, compound semiconductor materials
- Other Operations : convenience store, rental and leased car business, information service, finance, etc.