

Consolidated Interim Summary Report for the year ending March 31, 2005

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

Code No. : 5 0 1 6

Stock Listings : Tokyo, Osaka , Nagoya

Address of head office : 10-1, Toranomom 2-chome, Minato-ku, Tokyo

Contact to : IR and Public Relations Department

Telephone number : (03) 5573 - 5118

Date of Interim Board of Directors : November 11, 2004

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



1. Operating results for the six-months ended September 30, 2004 (the period from April 1, 2004 to September 30, 2004)

(1) Operating results

	Sales		Operating Income		Income before special items	
	millions of yen	%	millions of yen	%	millions of yen	%
For the six-months ended September 30, 2004	1,170,144	[11.2]	47,193	[155.1]	54,438	[181.4]
For the six-months ended September 30, 2003	1,052,365	[4.1]	18,500	[52.0]	19,344	[70.9]
For the year ended March 31,2004	2,214,589		50,397		53,737	

	Net Income		Primary EPS		Fully diluted EPS	
	millions of yen	%	yen	sen	yen	sen
For the six-months ended September 30, 2004	18,001	[333.4]	24	62	-	-
For the six-months ended September 30, 2003	4,153	[83.4]	6	12	-	-
For the year ended March 31,2004	14,854		21	71	-	-

Note: 1. Equity in income of non-consolidated subsidiaries and affiliates

For the six-months ended September 30, 2004 : 12,933 millions of yen, For the six-months ended September 30, 2003 : 5,922 millions of yen,

For the year ended March 31,2004 : 10,976 millions of yen

2. Average number of shares issued(consolidated)

For the six-months ended September 30, 2004 * : 731,179,229 shares, For the six-months ended September 30, 2003 : 678,941,023 shares,

For the year ended March 31,2004 : 678,928,690 shares

* In August 2004, 168,165,500 shares of treasury stock were offered.

3. Change of accounting method : Accounting for the valuation of inventory ,

Early adoption of a new accounting standard for impairment accounting for fixed assets

4. This represents a percentage of an increase or a decrease from the previous interim period.

(2) Financial position

	Total Assets		Total Shareholders' Equity	
	millions of yen		millions of yen	
As of September 30, 2004	1,574,581		319,277	
As of September 30, 2003	1,586,402		222,659	
As of March 31,2004	1,572,529		233,742	

	Net Worth Ratio		Shareholders' Equity Per Share	
	%		yen	sen
As of September 30, 2004	20.3		376	85
As of September 30, 2003	14.0		327	95
As of March 31,2004	14.9		344	01

Note: Number of shares issued at end of period(consolidated)

For the six-months ended September 30, 2004* : 847,216,377 shares, For the six-months ended September 30, 2003 : 678,934,066 shares,

For the year ended March 31,2004 : 679,123,537 shares

* In August 2004, 168,165,500 shares of treasury stock were offered.

(3) Cash Flows

	Cash flows from operating activities		Cash flows from investing activities	
	millions of yen		millions of yen	
For the six-months ended September 30, 2004	(13,490)		(9,658)	
For the six-months ended September 30, 2003	9,926		2,743	
For the year ended March 31,2004	106,182		4,530	

	Cash flows from financing activities		Cash and cash equivalents at end of period	
	millions of yen		millions of yen	
For the six-months ended September 30, 2004	4,702		52,624	
For the six-months ended September 30, 2003	(19,606)		70,507	
For the year ended March 31,2004	(115,794)		71,347	

(4) Consolidation group			
Consolidated subsidiaries	110	(Japan Energy Corp., Nippon Mining & Metals Co.,Ltd., Nikko Materials Co.,Ltd., Nikko Metal Manufacturing Co., Ltd.,etc.)	
Non-consolidated subsidiaries accounted for by equity method	1	(N.K.Curex Co.,Ltd.)	
Affiliated companies accounted for by equity method	18	(LG-Nikko Copper Inc., Minera Los Pelambres., etc.)	
(5) Change of reporting entities and the equity method			
Consolidation (newly included)	20	(Golden Pacific Maritime S.A. Nikko Real Estate Co.,Ltd., NMC Pearl River Mouth Oil Development Co.,Ltd., etc.)	
(excluded)	3	(Nikko Petrochemicals Co.,Ltd., am/pm JAPAN Co., Ltd., etc.)	
Equity method (newly included)	1	(am/pm JAPAN Co., Ltd.)	
(excluded)	2	(NMC Pearl River Mouth Oil Development Co.,Ltd. Southern Highlands Petroleum Co., Ltd.)	

2. Projection of operating results for the fiscal year ending March 31, 2005 (the period from April 1, 2004 to March 31, 2005)

	Sales	Income before special items	Net Income
	millions of yen	millions of yen	millions of yen
For the year ending March 31, 2005	2,405,000	105,000	32,000

(information purpose) Projection of Earnings Per Share

37 yen 77 sen

*This projection is based on information available as of November 11, 2004.

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

Consolidated Balance Sheet

Account Title	Fiscal 2004(interim) (As of September 30, 2004)		Fiscal 2003 (As of March 31, 2004)		Increase (Decrease)	Fiscal 2003(interim) (As of September 30, 2003)	
	millions of yen	%	millions of yen	%	millions of yen	millions of yen	%
Assets	1,574,581	100.0	1,572,529	100.0	2,052	1,586,402	100.0
<i>Current Assets</i>	<i>649,566</i>	<i>41.3</i>	<i>598,834</i>	<i>38.1</i>	<i>50,734</i>	<i>581,383</i>	<i>36.6</i>
Cash and time deposits	52,673		71,288		(18,615)	70,818	
Notes and accounts receivable	252,106		240,300		11,806	205,885	
Securities	23		433		(410)	626	
Inventories	290,781		218,671		72,110	229,497	
Other current assets	55,090		69,951		(14,861)	76,212	
Allowance for doubtful accounts	(1,105)		(1,809)		704	(1,655)	
<i>Fixed Assets</i>	<i>925,013</i>	<i>58.7</i>	<i>973,695</i>	<i>61.9</i>	<i>(48,682)</i>	<i>1,005,019</i>	<i>63.4</i>
Property, plant and equipment	607,344		618,322		(10,978)	629,917	
Buildings and structures	145,425		165,720		(20,295)	170,594	
Machinery and equipment	144,853		123,983		20,870	125,835	
Land	293,049		306,299		(13,250)	310,867	
Other	24,017		22,320		1,697	22,621	
Intangible assets	70,937		77,249		(6,312)	84,903	
Investments and other long-term assets	246,732		278,124		(31,392)	290,199	
Investments in securities	174,257		174,359		(102)	177,694	
Other	73,367		106,457		(33,090)	115,397	
Allowance for doubtful accounts	(892)		(2,692)		1,800	(2,892)	
<i>Total Assets</i>	<i>1,574,581</i>	<i>100.0</i>	<i>1,572,529</i>	<i>100.0</i>	<i>2,052</i>	<i>1,586,402</i>	<i>100.0</i>
Liabilities	1,219,034	77.4	1,299,727	82.6	(80,693)	1,324,410	83.5
<i>Current Liabilities</i>	<i>700,719</i>	<i>44.5</i>	<i>751,311</i>	<i>47.7</i>	<i>(50,592)</i>	<i>750,712</i>	<i>47.5</i>
Notes and accounts payable	229,396		233,439		(4,043)	182,686	
Short-term borrowing	292,760		333,166		(40,406)	405,892	
Current portion of bonds	1,900		1,000		900	1,000	
Accounts payable, other	105,576		111,408		(5,832)	96,571	
Other current liabilities	71,087		72,298		(1,211)	64,563	
<i>Long-term Liabilities</i>	<i>518,315</i>	<i>32.9</i>	<i>548,416</i>	<i>34.9</i>	<i>(30,101)</i>	<i>573,698</i>	<i>36.2</i>
Bonds	53,600		56,400		(2,800)	56,400	
Long-term debt	339,167		363,461		(24,294)	390,137	
Accrued retirement benefits	56,807		62,004		(5,197)	61,435	
Allowance for periodic repair works	14,531		14,052		479	14,318	
Other long-term liabilities	54,210		52,499		1,711	51,408	
Minority Interest in Consolidated Subsidiaries	36,270	2.3	39,060	2.5	(2,790)	39,333	2.5
Shareholders' Equity	319,277	20.3	233,742	14.9	85,535	222,659	14.0
<i>Common stock</i>	<i>40,000</i>	<i>2.5</i>	<i>40,000</i>	<i>2.5</i>	-	<i>40,000</i>	<i>2.5</i>
<i>Capital surplus</i>	<i>201,379</i>	<i>12.8</i>	<i>149,320</i>	<i>9.5</i>	<i>52,059</i>	<i>149,307</i>	<i>9.4</i>
<i>Retained earnings</i>	<i>62,454</i>	<i>4.0</i>	<i>43,687</i>	<i>2.8</i>	<i>18,767</i>	<i>30,487</i>	<i>1.9</i>
<i>Surplus from land revaluation</i>	<i>(2,420)</i>	<i>(0.2)</i>	<i>(2,350)</i>	<i>(0.1)</i>	<i>(70)</i>	<i>1,658</i>	<i>0.1</i>
<i>Unrealized gain on marketable securities</i>	<i>21,376</i>	<i>1.4</i>	<i>26,146</i>	<i>1.7</i>	<i>(4,772)</i>	<i>21,544</i>	<i>1.4</i>
<i>Accumulated translation adjustment</i>	<i>(3,232)</i>	<i>(0.2)</i>	<i>(4,141)</i>	<i>(0.3)</i>	<i>909</i>	<i>(1,366)</i>	<i>(0.1)</i>
<i>Less: Treasury stock, at cost</i>	<i>(280)</i>	<i>(0.0)</i>	<i>(18,922)</i>	<i>(1.2)</i>	<i>18,642</i>	<i>(18,971)</i>	<i>(1.2)</i>
<i>Total liabilities, minority interest in consolidated subsidiaries and shareholders' equity</i>	<i>1,574,581</i>	<i>100.0</i>	<i>1,572,529</i>	<i>100.0</i>	<i>2,052</i>	<i>1,586,402</i>	<i>100.0</i>

Consolidated Statements of Income

Account title	Fiscal 2004 (interim) (from April 1, 2004 to September 30, 2004)		Fiscal 2003 (interim) (from April 1, 2003 to September 30, 2003)		Increase (Decrease) millions of yen	Fiscal 2003 (from April 1, 2003 to March 31, 2004)	
	millions of yen	%	millions of yen	%		millions of yen	%
Operating income							
Net sales	1,170,144	100.0	1,052,365	100.0	117,779	2,214,589	100.0
Cost of sales	1,030,508	88.1	939,572	89.3	90,936	1,974,059	89.1
Selling, general and administrative expenses	92,443	7.9	94,293	8.9	(1,850)	190,133	8.6
<i>Operating income</i>	<i>47,193</i>	<i>4.0</i>	<i>18,500</i>	<i>1.8</i>	<i>28,693</i>	<i>50,397</i>	<i>2.3</i>
Other income	18,734	1.6	12,704	1.2	6,030	25,891	1.1
Interest and dividend income	1,491		1,810		(319)	3,180	
Amortization of consolidation adjustment account	2,422		2,284		138	4,623	
Equity in income of non-consolidated subsidiaries and affiliates	12,933		5,922		7,011	10,976	
Other	1,888		2,688		(800)	7,112	
Other expenses	11,489	0.9	11,860	1.2	(371)	22,551	1.0
Interest expenses	6,529		7,802		(1,273)	14,643	
Other	4,960		4,058		902	7,908	
<i>Income before special items</i>	<i>54,438</i>	<i>4.7</i>	<i>19,344</i>	<i>1.8</i>	<i>35,094</i>	<i>53,737</i>	<i>2.4</i>
Special profit	18,543	1.6	9,126	0.9	9,417	15,754	0.7
Gain on sales of fixed assets	1,053		-		1,053	3,697	
Gain on maturities of investments in securities	-		8,454		(8,454)	8,454	
Gain on sales of investments in securities	4,570		586		3,984	2,431	
Gain on change in equity of consolidated subsidiaries	7,000		-		7,000	-	
Amortization of prior service cost	5,561		-		5,561	-	
Other	359		86		273	1,172	
Special loss	32,242	2.8	30,116	2.9	2,126	47,886	2.1
Loss on disposal of fixed assets	6,701		3,788		2,913	11,909	
Impairment losses	18,420		-		18,420	-	
Loss on write-down of investments in securities	31		814		(783)	1,090	
Reorganization and restructuring costs	6,018		24,488		(18,470)	28,030	
Loss on write-down of goodwill	-		-		-	3,182	
Other	1,072		1,026		46	3,675	
<i>Income before income taxes</i>	<i>40,739</i>	<i>3.5</i>	<i>(1,646)</i>	<i>(0.2)</i>	<i>42,385</i>	<i>21,605</i>	<i>1.0</i>
Income taxes	8,725	0.8	6,979	0.6	1,746	15,800	0.7
Deferred income tax	8,995	0.8	(14,641)	(1.4)	23,636	(12,938)	(0.6)
Minority interest in net earnings of consolidated subsidiaries	(5,018)	(0.4)	(1,863)	(0.2)	(3,155)	(3,889)	(0.2)
<i>Net income</i>	<i>18,001</i>	<i>1.5</i>	<i>4,153</i>	<i>0.4</i>	<i>13,848</i>	<i>14,854</i>	<i>0.7</i>

Consolidated Statement of Retained Earnings

(millions of yen)

Account Title	Fiscal 2004(interim) (from April 1, 2004 to September 30, 2004)	Fiscal 2003(interim) (from April 1, 2003 to September 30, 2003)	Fiscal 2003 (from April 1, 2003 to March 31, 2004)
Capital Surplus:			
Balance at beginning of year	149,320	149,307	149,307
Increase in capital surplus	56,162	0	13
Gain on disposition of treasury stock *	56,162	0	13
Decrease in capital surplus	4,103	-	-
Cash dividends paid	4,079	-	-
Bonuses to directors	24	-	-
Balance at end of year (period)	201,379	149,307	149,320
Retained Earnings:			
Balance at beginning of year	43,687	(21,406)	(21,406)
Increase in retained earnings	19,061	55,346	68,546
Net income	18,001	4,153	14,854
Increase arising from change of consolidated subsidiaries	990	35	35
Increase arising from change of affiliates accounted for by equity method	-	1,440	1,440
Increase arising from merger of consolidated subsidiaries	-	-	156
Reclassification with surplus from land revaluation **	70	49,718	52,061
Decrease in retained earnings	294	3,453	3,453
Cash dividends paid	-	2,720	2,720
Bonuses to directors	97	54	54
Decrease arising from change of consolidated subsidiaries	197	679	679
Balance at end of year (period)	62,454	30,487	43,687

The contents are as follows.

* *This resulted mainly from the offering of treasury stock (168,165,500 shares) in August ,2004*

** *This resulted from the establishment of Japan Energy corporation (a split-off of the petroleum business from the former Japan Energy Corporation.)*

Consolidated Statement of Cash Flows

Account title	Fiscal 2004(interim) (from April 1, 2004 to September 30, 2004)	Fiscal 2003(interim) (from April 1, 2003 to September 30, 2003)	Fiscal 2003 (from April 1, 2003 to March 31, 2004)
	millions of yen	millions of yen	millions of yen
Cash flows from operating activities			
Income before income taxes	40,739	(1,646)	21,605
Depreciation and amortization	23,312	23,964	45,862
Impairment losses	18,420	-	-
Amortization of consolidation adjustment account	(2,266)	(1,918)	(4,040)
Interest and dividend income	(1,491)	(1,810)	(3,180)
Interest expenses	6,529	7,802	14,643
Equity in income of non-consolidated subsidiaries and affiliates	(12,933)	(5,922)	(10,976)
Gain on maturities of investments in securities	-	(8,454)	(8,454)
Gain on sales of investments in securities	(4,570)	(586)	(2,431)
Loss on write-down of investments in securities	31	814	1,090
Loss on sales and disposal of fixed assets	5,648	3,788	8,212
Gain on change in equity of consolidated subsidiaries	(7,000)	-	-
Reorganization and restructuring costs	6,018	24,488	28,030
Increase (decrease) in trade receivables	(10,654)	24,010	(10,952)
Increase in inventories	(69,702)	(13,914)	(3,320)
Decrease (increase) in trade payables	14,473	(17,516)	47,129
Other	(4,381)	(7,863)	399
Subtotal	2,173	25,237	123,617
Interest and dividend received	4,480	1,769	9,593
Interest paid	(6,502)	(7,760)	(14,824)
Payment for special retirement benefits	(458)	(2,519)	(2,631)
Income taxes paid	(13,183)	(6,801)	(9,573)
Net cash provided by (used in) operating activities	(13,490)	9,926	106,182
Cash flows from investing activities			
Payments for acquisition of securities	-	(80)	(80)
Proceeds from maturities or sales of securities	404	1,054	1,242
Payments for acquisition of property, plant and equipment	(22,060)	(12,722)	(28,098)
Proceeds from sales of property, plant and equipment	8,910	2,253	10,576
Payments for acquisition of intangible fixed assets	(912)	(2,460)	(4,017)
Payments for acquisition of investments in securities	(6,596)	(465)	(1,172)
Proceeds from maturities or sales of investments in securities	7,413	13,548	21,461
Proceeds from acquisition of investments in consolidated subsidiaries due to change of consolidation group	1,905	-	-
Increase (decrease) in short-term loans, net	(919)	533	2,638
Payments for lending of long-term loans	(2,323)	(1,140)	(3,803)
Collection of long-term loans	6,777	4,710	7,602
Other	(2,257)	(2,488)	(1,819)
Net cash provided by (used in) investing activities	(9,658)	2,743	4,530
Cash flows from financing activities			
Decrease (increase) in short-term borrowing, net	(24,259)	30,512	(8,084)
Proceeds from borrowing of long-term bank loans and others	3,364	65,116	101,067
Repayments of long-term bank loans and others	(58,022)	(111,816)	(206,019)
Payments for redemption of bonds	(1,900)	-	-
Proceeds from third-party share allotment of consolidated subsidiaries	17,100	-	-
Proceeds from offering of treasury stock	74,840	-	-
Cash dividends paid	(4,079)	(2,720)	(2,720)
Other	(2,342)	(698)	(38)
Net cash provided by (used in) financing activities	4,702	(19,606)	(115,794)
Effect of exchange rate changes on cash and cash equivalents	154	67	(1,042)
Net decrease in cash and cash equivalents	(18,292)	(6,870)	(6,124)
Cash and cash equivalents at beginning of period	71,347	76,294	76,294
Increase due to subsidiaries newly included consolidation	988	1,083	1,177
Decrease due to subsidiaries excluded consolidation	(1,419)	-	-
Cash and cash equivalents at end of period	52,624	70,507	71,347

Segment Information

1. Segment Information summarized by product group

For the six-months ended September 30, 2004 (from April 1, 2004 to September 30, 2004) (millions of yen)

	Petroleum	Resources and Non-ferrous Metals	Electronic Materials	Metal Fabrication	Other Operations	Total	Eliminations or corporate	Consolidated
Sales								
(1) Outside customers	897,943	178,088	45,277	24,336	24,500	1,170,144	-	1,170,144
(2) Inter-group	3,524	10,893	1,429	4,224	4,749	24,819	(24,819)	-
Total	901,467	188,981	46,706	28,560	29,249	1,194,963	(24,819)	1,170,144
Operating costs and expenses	871,535	181,447	39,627	23,132	32,257	1,147,998	(25,047)	1,122,951
Operating income (loss)	29,932	7,534	7,079	5,428	(3,008)	46,965	228	47,193
Income (loss) before special items	26,462	19,457	6,353	5,434	(2,814)	54,892	(454)	54,438

For the six-months ended September 30, 2003 (from April 1, 2003 to September 30, 2003) (millions of yen)

	Petroleum	Resources and Non-ferrous Metals	Electronic Materials	Metal Fabrication	Other Operations	Total	Eliminations or corporate	Consolidated
Sales								
(1) Outside customers	828,675	136,136	35,796	19,507	32,251	1,052,365	-	1,052,365
(2) Inter-group	2,114	7,027	1,347	2,695	4,464	17,647	(17,647)	-
Total	830,789	143,163	37,143	22,202	36,715	1,070,012	(17,647)	1,052,365
Operating costs and expenses	815,393	142,043	38,429	19,426	36,301	1,051,592	(17,727)	1,033,865
Operating income (loss)	15,396	1,120	(1,286)	2,776	414	18,420	80	18,500
Income (loss) before special items	14,555	5,112	(3,547)	2,707	62	18,889	455	19,344

For the year ended March 31, 2004 (from April 1, 2003 to March 31, 2004) (millions of yen)

	Petroleum	Resources and Non-ferrous Metals	Electronic Materials	Metal Fabrication	Other Operations	Total	Eliminations or corporate	Consolidated
Sales								
(1) Outside customers	1,745,635	295,571	71,192	41,721	60,470	2,214,589	-	2,214,589
(2) Inter-group	5,365	18,439	2,648	5,850	5,721	38,023	(38,023)	-
Total	1,751,000	314,010	73,840	47,571	66,191	2,252,612	(38,023)	2,214,589
Operating costs and expenses	1,713,241	308,968	73,408	40,249	67,382	2,203,248	(39,056)	2,164,192
Operating income (loss)	37,759	5,042	432	7,322	(1,191)	49,364	1,033	50,397
Income (loss) before special items	35,957	13,798	(2,601)	7,283	(1,428)	53,009	728	53,737

Note 1. 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, real estate, etc.
- Resources and Non-ferrous Metals : resource development,copper, gold, silver, zinc, sulfuric acid,marine transportation(non-ferrous metals), etc.
- Electronic Materials : copper foils, sputtering targets, compound semiconductor materials, etc
- Metal Fabrication : Wrought copper and copper alloy products, Special steel products, Precision products, etc
- Other Operations : convenience store, information service, etc

Note 2. Accounting changes

Valuation of metal inventories except for gold, silver, platinum and palladium , and of electronic materials inventories

Effective April 1,2004,several consolidated subsidiaries changed the valuation method of metal inventories except for gold, silver, platinum and palladium ,and of electronic materials inventories from the last-in, first-out method to the first-in, first-out method.

The main reason for this change is that the first-in, first-out method is considered to generate more appropriate cost of sales in the consolidated financial statement.

As a result of this change, operating costs and expenses of Resources and Non-ferrous Metals has decreased by ¥ 1,288 million, operating income and income before special items have increased by the same amount, as compared with the amounts which would have been reported if the previous method had been applied consistently.

Concerning Electronic Materials, operating costs and expenses of has decreased by ¥ 3,617 million, operating income has increased by the same amount, and income before special items has increased by ¥ 3,476 million.

Note 3. Early adoption of a new accounting standard for impairment accounting for fixed assets

Effective April 1,2004, the company and its consolidated subsidiaries adopted a new accounting standard for impairment accounting for fixed asset as early adoption of standards was permitted from the fiscal year ended March 31,2004.

The effect of the adoption of this new standard was to decrease income before income taxes by ¥ 9,713 million for the interim fiscal period ended September 30, 2004. Some of overseas consolidated subsidiaries adopted the accounting standard that was permitted in his countries for impairment accounting for fixed asset, and the effect of this adoption ,the amounts of impairment losses were ¥ 8,707 million.

2. Segment information summarized by region

For the six-months ended September 30, 2004 and 2003, and the year ended March 31, 2004, operations in Japan have over 90 % share of total sales of whole segment.

3.Overseas sales

For the six-months ended September 30, 2004 and 2003, and the year ended March 31, 2004, overseas sales has less than 10% share of consolidated sales.