

Interim Financial Results FY2006

I Interim Results FY2006

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 - ③ Metal Manufacturing Company Group

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Nippon Mining Holdings, INC.

November 9, 2006

※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.

I Interim Results FY2006

※ Since segment classification has been slightly changed from FY2006, all the figures by segment for 1st half of FY2005 and FY2006 on the following statements are based on the new classification.

1. Operating Results(consolidated)

(Billions of Yen)

	FY2006 1H	FY2005 1H	Differences
Net Sales	1,807.5	1,365.1	(○) 442.4
Operating Income	75.5	63.4	(○) 12.1
Other Income and Expenses, net	40.1	19.7	(○) 20.4
Income before Special Items	115.6	83.1	(○) 32.5
Special Profit and Loss, net	8.4	5.0	(○) 3.4
Income Taxes	37.8	28.7	(×) 9.1
Minority Interest	13.7	6.9	(×) 6.7
Net Income	72.5	52.5	(○) 20.1

< 1 > Scope of Consolidation

- (1) Consolidated subsidiaries 114 (6 additions, 4 reductions)
- (2) Equity method affiliates 15 (- additions, - reduction)

< 2 > Income before Special Items

Breakdown of Income before Special Items, ¥115.6 billion

(1) Operating Income ¥75.5bn

- Petroleum 38.4
- Metals 35.6
 - Resources & Metals 24.9
 - Electronic Materials 5.7
 - Metal Manufacturing 4.6
 - Metals Group Adjustments 0.3
- Others 1.5

(2) Other Income (Expenses), net ¥40.1bn

- Interest and dividend income 2.4
- Amortization of negative goodwill 0.9
- Equity in income of affiliates 41.3
- Interest expenses (6.6)
- Others 2.1

< 3 > Special Profit and Loss

Breakdown of Special Profit and Loss, net ¥8.4bn

- Gain on sales of investments in securities 13.6
- Gain on sales of property, plant and equipment 0.6
- Loss on disposal of property, plant and equipment (1.1)
- Impairment losses (1.1)
- Provision for allowance for cost of disposal of unutilized property, plant and equipment (3.4)
- Others (0.2)

< 4 > Segment Information

(Billions of Yen)

		FY2006 1H	FY2005 1H	Differences
Petroleum (Japan Energy Group)	Net Sales	1,297.5	1,087.2	(○) 210.2
	Operating Income	38.4	42.1	(×) 3.7
	Income before Special Items	41.7	41.5	(○) 0.2
Metals (Nippon Mining & Metals Group)	Net Sales	503.6	268.8	(○) 234.8
	Operating Income	35.6	19.6	(○) 16.0
	Income before Special Items	70.5	37.9	(○) 32.6
Resources & Metals	Net Sales	438.2	218.1	(○) 220.0
	Operating Income	24.9	12.7	(○) 12.3
	Income before Special Items	60.1	31.5	(○) 28.6
Electronic Materials	Net Sales	64.6	47.4	(○) 17.2
	Operating Income	5.7	5.1	(○) 0.6
	Income before Special Items	5.1	4.3	(○) 0.7
Metal Manufacturing	Net Sales	35.1	23.1	(○) 12.0
	Operating Income	4.6	2.4	(○) 2.2
	Income before Special Items	4.9	2.6	(○) 2.4
Metals Group Adjustments	Net Sales	(34.3)	(19.8)	(×) 14.4
	Operating Income	0.3	(0.5)	(○) 0.9
	Income before Special Items	0.3	(0.5)	(○) 0.9
Others	Net Sales	25.0	23.2	(○) 1.8
	Operating Income	1.5	1.7	(×) 0.2
	Income before Special Items	3.4	3.7	(×) 0.3
Eliminations	Net Sales	(18.5)	(14.2)	(×) 4.3
Total	Net Sales	1,807.5	1,365.1	(○) 442.4
	Operating Income	75.5	63.4	(○) 12.1
	Income before Special Items	115.6	83.1	(○) 32.5

※ Net Sales of each segment includes inter-segments sales.

※ Income of eliminations and corporate is included in Others.

< 5 > Key Data

		FY2006 1H	FY2005 1H	Difference s	
All Segments	Exchange Rate (¥/\$)	115	109	(+) 6	
Petroleum	Dubai Spot Price (\$/BBL)	65.4	51.6	(+) 13.8	
	Market Price of Paraxylene (\$/t) ACP Market Base	1,133	859	(+) 274	
Metals	Resources & Metals	Market Price of Copper (¢/lb)	338	162	(+) 175
		Electrolytic Copper Sales (1,000 tons/period)	308	302	(+) 6
	Electronic Materials	Electro-deposited Copper Foil Sales (tons/month)	2,038	2,097	(-) 59
		Treated Rolled Copper Foil Sales (1,000 meters/month)	3,613	3,021	(+) 592
		ITO Target Sales (tons/month)	25.9	24.2	(+) 1.7
	Metal Manufacturing	Wrought Copper Products (1,000 tons/period)	20.0	16.8	(+) 3.2
		Special Steel Products (1,000 tons/period)	2.5	1.9	(+) 0.6
		High Quality Products Ratio	42%	41%	(+) 1%

2. Information by Segments

< 1 > Petroleum (Japan Energy Group)

(1) Operating Results

(Billions of Yen)

	FY2006 1H	FY2005 1H	Differences
Net Sales	1,297.5	1,087.2	(○) 210.2
Operating Income	38.4	42.1	(×) 3.7
Income before Special Items	41.7	41.5	(○) 0.2

Factors in ¥0.2bn increase in the Income before Special Items

- Decrease of profit in inventory valuation (×) ¥4.6bn
FY2005/1H: 27.4bn → FY2006/1H: 22.7bn
- Increase in income for petrochemical business (○) ¥2.4bn
- Others (×) ¥1.5bn
Energy cost up and others
- Other income and expenses (○) ¥3.9bn
Improvement of exchange gain or loss,
Increase in equity in income of non-consolidated
subsidiaries and affiliates, etc.

(2) Sales volume and growth rate

	Domestic sales volume (Thousands of KL)			Growth rate FY2006/1H vs. FY2005/1H
	FY2006 1H	FY2005 1H	Differences	
Gasoline	3,113	3,167	(-) 54	98.3%
Naphtha	1,759	1,950	(-) 191	90.2%
Jet Fuel	322	322	-	100.1%
Kerosene	715	734	(-) 19	97.4%
Gas Oil	2,084	2,185	(-) 101	95.4%
A Heavy Fuel	1,235	1,282	(-) 47	96.4%
C Heavy Fuel	939	1,261	(-) 322	74.4%
Total	10,167	10,902	(-) 735	93.3%
Gasoline & Middle Distillation	7,148	7,369	(-) 221	97.0%

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

(Millions of KL)

		FY2006			FY2005				
		1Q	2Q	1H	1Q	2Q	3Q	4Q	Total
Group Total	Refining Volume	4.53	5.83	10.35	4.55	5.28	5.44	5.48	20.74
	Utilization Rate	79%	98%	89%	81%	93%	94%	97%	91%
	Comparison with Previous Year	100%	110%	105%	102%	112%	98%	101%	103%
Mizushima	Refining Volume	2.94	2.97	5.91	1.97	2.69	2.79	2.90	10.36
	Utilization Rate	99%	99%	99%	68%	92%	94%	99%	88%
	Comparison with Previous Year	149%	110%	127%	69%	111%	95%	103%	94%
Kashima	Refining Volume	1.59	2.86	4.45	2.57	2.59	2.64	2.58	10.39
	Utilization Rate	57%	98%	78%	94%	93%	95%	95%	94%
	Comparison with Previous Year	62%	111%	86%	161%	113%	102%	98%	114%

※Capacity (Crude oil distillation unit) of Japan Energy Group

Japan Energy Mizushima Refinery : 205,200 Barrels/Day

Kashima Oil Kashima Refinery : 190,000 Barrels/Day

(from June 15, 2006: 200,000 Barrels/Day)

< 2 > Metals (Nippon Mining & Metals Group)

Operating Results

(Billions of Yen)

		FY2006 1H	FY2005 1H	Differences
Metals (Nippon Mining & Metals Group)	Net Sales	503.6	268.8	(○)234.8
	Operating Income	35.6	19.6	(○) 16.0
	Income before Special Items	70.5	37.9	(○) 32.6
Resources & Metals	Net Sales	438.2	218.1	(○)220.0
	Operating Income	24.9	12.7	(○) 12.3
	Income before Special Items	60.1	31.5	(○) 28.6
Electronic Materials	Net Sales	64.6	47.4	(○) 17.2
	Operating Income	5.7	5.1	(○) 0.6
	Income before Special Items	5.1	4.3	(○) 0.7
Metal Manufactur- ing	Net Sales	35.1	23.1	(○) 12.0
	Operating Income	4.6	2.4	(○) 2.2
	Income before Special Items	4.9	2.6	(○) 2.4
Metals Group Adjustments	Net Sales	(34.3)	(19.8)	(×) 14.4
	Operating Income	0.3	(0.5)	(○) 0.9
	Income before Special Items	0.3	(0.5)	(○) 0.9

<2- > Resources & Metals Company Group

(1) Operating Results

(Billions of Yen)

	FY2006 1H	FY2005 1H	Differences
Net Sales	438.2	218.1	(○) 220.0
Operating Income	24.9	12.7	(○) 12.3
Income before Special Items	60.1	31.5	(○) 28.6

Factors in ¥28.6bn increase in the Income before Special Items

- Resources & Metals Company and consolidated subsidiaries (○) ¥12.5bn
 - * Negative factors: Increase of cost for Regalito project, etc.
 - * Positive factors: Metal prices up, TC/RC improvement, Depreciation of the yen, etc.
- Equity in income of non-consolidated subsidiaries and affiliates (○) ¥16.1bn
 - * Minera Los Pelambres (○) ¥9.8bn (Copper prices up, etc.)

(2) Price and Sales Volume

		FY2006 1H	FY2005 1H	Differences
Price	Copper (¢/lb)	338	162	(+) 175
	Gold (\$/TOZ)	625	433	(+) 192
	Platinum (\$/TOZ)	1,200	883	(+) 317
	Palladium (\$/TOZ)	335	189	(+) 146
Sales Volume	Electrolytic copper (1000 tons/period)	308	302	(+) 6

<2-②> **Electronic Materials Company Group**

(1) Operating Results

(Billions of Yen)

	FY2006 1H	FY2005 1H	Differences
Net Sales	64.6	47.4	(○) 17.2
Operating Income	5.7	5.1	(○) 0.6
Income before Special Items	5.1	4.3	(○) 0.7

Factors in ¥0.7 billion increase in the Income before Special Items

- Operating Income (○)¥0.6bn
 - * Electro-deposited copper foil (○) 3.4
 - * Treated rolled copper foil (○) 0.4
 - * Sputtering targets (×) 3.4
 - * Compound semiconductor materials and others (○) 0.5
 - * Expenses including research and development cost (×) 0.3
- Other Income (Expenses) (○)¥0.1bn
 - * Exchange loss (×) 0.1
 - * Others (○) 0.2

(2) Breakdown by products

(Billions of Yen)

		FY2006 1H	FY2005 1H	Differences
Electro Deposited and Treated Rolled Copper Foil	Net Sales	24.5	17.4	(○) 7.1
	Operating Income	3.3	(0.5)	(○) 3.8
Targets	Net Sales	32.1	24.4	(○) 7.7
	Operating Income	2.6	6.0	(×) 3.4
Compound Semiconductor Materials and Others	Net Sales	8.0	5.6	(○) 2.4
	Operating Income	(0.2)	(0.4)	(○) 0.2
Total	Net Sales	64.6	47.4	(○) 17.2
	Operating Income	5.7	5.1	(○) 0.6

※ For FY2006, general and administrative cost allocation methods for each product group in Electronic Materials Company have been changed. Accordingly, the figures for the 1st half of FY2005 above are presented in the same manner.

<2- > Metal Manufacturing Company Group

(1) Operating Results

(Billions of Yen)

	FY2006 1H	FY2005 1H	Differences
Net Sales	35.1	23.1	(○) 12.0
Operating Income	4.6	2.4	(○) 2.2
Income before Special Items	4.9	2.6	(○) 2.4

Factors in ¥2.4bn increase in the Income before Special Items

- Sales increase (○) ¥1.6bn
 - * Phosphor bronze (○) ¥0.6bn
 - * Copper foil (○) ¥0.5bn
 - * Invar (○) ¥0.2bn
 - * Others (○) ¥0.3bn
- Relative decrease of raw materials (copper) cost (○) ¥0.9bn
- Nikko Woojin Precision Manufacturing (Suzhou) Co., Ltd. (×) ¥0.2bn
- Others (○) ¥0.1bn

(2) Sales by products

(Billions of Yen)

		FY2006 1H	FY2005 1H	Differences	
Precision rolling	Wrought copper	Phosphor bronze	12.3	6.7	(○) 5.6
		Corson alloy	3.9	3.0	(○) 0.9
		Copper foil	3.9	2.4	(○) 1.5
		Others	6.7	4.2	(○) 2.5
	Special steel	Stainless steel	1.1	0.9	(○) 0.2
		High-nickel alloy	2.5	1.6	(○) 0.9
		Others	0.1	0.2	(×) 0.1
Precision processing		6.3	4.4	(○) 1.9	
Eliminations		(1.7)	(0.3)	(×) 1.4	
Total		35.1	23.1	(○) 12.0	

II Annual Forecasts FY2006

※ Since segment classification has been slightly changed from FY2006, all the figures by segment for 1st half of FY2005 and FY2006 on the following statements are based on the new classification.

1. Comparison with FY2005

(1) Assumptions

		FY2006			FY2005			
		1H	2H(e)	Total	1H	2H	Total	
All Segments	Exchange Rate (¥/\$)	115	110	113	109	117	113	
Petroleum	Dubai Spot Price (\$/BBL)	65.4	60.0	62.7	51.6	55.4	53.5	
	Market Price of Paraxylene (\$/t) ACP Market Base	1,133	1,090	1,112	859	947	903	
Metals	Resources & Metals	Market Price of Copper (¢/lb)	338	290	314	162	210	186
		Electrolytic Copper Sales (1,000 tons/period)	308	320	628	302	287	588
	Electronic Materials	Electro-deposited Copper Foil Sales (tons/month)	2,038	2,151	2,095	2,097	2,062	2,080
		Treated Rolled Copper Foil Sales (1,000 meters/month)	3,613	4,500	4,057	3,021	4,566	3,794
		ITO Target Sales (tons/month)	25.9	40.5	33.2	24.2	28.0	26.1
	Metal Manufacturing	Wrought Copper Products (1,000 tons/period)	20.0	19.7	39.7	16.8	19.6	36.4
		Special Steel Products (1,000 tons/period)	2.5	2.1	4.6	1.9	2.5	4.4
		High Quality Products Ratio	42%	44%	43%	41%	45%	43%

※ FY 2006 2H (e) : Estimation

(2) Operating Forecasts (consolidated)

(Billions of Yen)

	FY2006			FY2005			Differences (FY2005-FY2004)
	1H	2H(e)	Total	1H	2H	Total	
Net Sales	1,807.5	1,962.5	3,770.0	1,365.1	1,661.1	3,026.3	(○) 743.7
Operating Income	75.5	37.5	113.0	63.4	81.0	144.4	(×) 31.4
Income before Special Items	115.6	69.4	185.0	83.1	105.6	188.7	(×) 3.7
Net Income	72.5	37.5	110.0	52.5	44.4	96.9	(○) 13.1
Ratio of Income before Special Items to Net Sales	6.4%	3.5%	4.9%	6.1%	6.4%	6.2%	(×) 1.3%
Earnings Per Share (yen)			118.7			113.9	(○) 4.8
Number of shares (1,000 shares)			926,994			847,047	+79,947

(3) Operating Forecasts by Segments

(Billions of Yen)

		FY2006 (Forecasts)			FY2005 (Actual)			Differences		
		1H	2H(e)	Total	1H	2H	Total	1H	2H	Total
Petroleum (Japan Energy Group)	Net Sales	1,297.5	1,452.5	2,750.0	1,087.2	1,305.4	2,392.6	(○)210.2	(○)147.1	(○)357.4
	Operating Income	38.4	13.6	52.0	42.1	54.5	96.6	(×) 3.7	(×) 40.9	(×) 44.6
	Income before Special Items	41.7	14.3	56.0	41.5	55.4	97.0	(○) 0.2	(×) 41.1	(×) 41.0
Metals (Nippon Mining & Metals Group)	Net Sales	503.6	480.4	984.0	268.8	338.3	607.1	(○)234.8	(○)142.1	(○)376.9
	Operating Income	35.6	21.9	57.5	19.6	23.4	43.0	(○) 16.0	(×) 1.4	(○) 14.5
	Income before Special Items	70.5	51.5	122.0	37.9	45.0	82.8	(○) 32.6	(○) 6.5	(○) 39.2
Resources & Metals	Net Sales	438.2	392.8	831.0	218.1	277.2	495.4	(○)220.0	(○)115.6	(○)335.6
	Operating Income	24.9	15.9	40.8	12.7	14.4	27.1	(○) 12.3	(○) 1.5	(○) 13.8
	Income before Special Items	60.1	47.0	107.1	31.5	36.7	68.2	(○) 28.6	(○) 10.3	(○) 38.9
Electronic Materials	Net Sales	64.6	79.4	144.0	47.4	58.9	106.3	(○) 17.2	(○) 20.5	(○) 37.7
	Operating Income	5.7	6.0	11.7	5.1	6.1	11.2	(○) 0.6	(×) 0.1	(○) 0.5
	Income before Special Items	5.1	4.5	9.6	4.3	5.3	9.6	(○) 0.7	(×) 0.8	(×) 0.1
Metal Manufactur- ing	Net Sales	35.1	35.9	71.0	23.1	29.6	52.8	(○) 12.0	(○) 6.3	(○) 18.2
	Operating Income	4.6	3.5	8.1	2.4	3.5	5.9	(○) 2.2	—	(○) 2.2
	Income before Special Items	4.9	3.5	8.4	2.6	3.6	6.2	(○) 2.4	(×) 0.1	(○) 2.3
Metals Group Adjustments	Net Sales	(34.3)	(27.7)	(62.0)	(19.8)	(27.5)	(47.3)	(×) 14.4	(×) 0.2	(×) 14.7
	Operating Income	0.3	(3.5)	(3.1)	(0.5)	(0.6)	(1.2)	(○) 0.9	(×) 2.8	(×) 2.0
	Income before Special Items	0.3	(3.5)	(3.1)	(0.5)	(0.6)	(1.2)	(○) 0.9	(×) 2.8	(×) 2.0
Others	Net Sales	25.0	40.0	65.0	23.2	35.4	58.6	(○) 1.8	(○) 4.6	(○) 6.4
	Operating Income	1.5	2.0	3.5	1.7	3.2	4.9	(×) 0.2	(×) 1.2	(×) 1.4
	Income before Special Items	3.4	3.6	7.0	3.7	5.2	8.9	(×) 0.3	(×) 1.6	(×) 1.9
Eliminations	Net Sales	(18.5)	(10.5)	(29.0)	(14.2)	(17.9)	(32.1)	(×) 4.3	(○) 7.4	(○) 3.1
Total	Net Sales	1,807.5	1,962.5	3,770.0	1,365.1	1,661.1	3,026.3	(○)442.4	(○)301.3	(○)743.7
	Operating Income	75.5	37.5	113.0	63.4	81.0	144.4	(○) 12.1	(×) 43.6	(×) 31.4
	Income before Special Items	115.6	69.4	185.0	83.1	105.6	188.7	(○) 32.5	(×) 36.2	(×) 3.7

※ Net Sales of each segment includes inter-segments sales.

※ Income of eliminations and corporate is included in Others.

(4) Income before Special Items (FY2006 vs FY2005)

(Billions of Yen)

	FY2006 (Forecasts)	FY2005 (Actual)	Differences	Notes
Petroleum (Japan Energy Group)	56.0	97.0	(×) 41.0	<ul style="list-style-type: none"> ➤ Decrease of profit in inventory valuation(×) 45.4 (FY2005:¥50.9bn → FY2006:¥5.5bn) ➤ Petrochemicals (○)7.5 ➤ Others (×) 3.1 <ul style="list-style-type: none"> • Energy cost up, etc.
Metals (Nippon Mining & Metals Group)	122.0	82.8	(○) 39.2	
Resources & Metals	107.1	68.2	(○) 38.9	<ul style="list-style-type: none"> ➤ Resources & Metals Company and consolidated subsidiaries (○) 12.3 <ul style="list-style-type: none"> • Increase of cost for Regalito project • Metal prices up • TC/RC improvement, etc. ➤ Equity in income of non-consolidated subsidiaries and affiliates (○) 26.6 <ul style="list-style-type: none"> • Copper price up (FY05:167 ¢ /lb → FY06:283 ¢ /lb)
Electronic Materials	9.6	9.6	(×) 0.1	<ul style="list-style-type: none"> ➤ Negative impact of inventory valuation ➤ Increase of cost ➤ Sales increase of Treated Rolled Copper Foil and Sputtering Targets ➤ Improvement of margin of Electro-deposited Copper Foil
Metal Manufacturing	8.4	6.2	(○) 2.3	<ul style="list-style-type: none"> ➤ Sales increase of IT-related products ➤ Relative decrease of raw materials (copper) cost
Metals Group Adjustments	(3.1)	(1.2)	(×) 2.0	<ul style="list-style-type: none"> ➤ Unrealized profits in Metals group ➤ Negative impact of inventory valuation
Others	7.0	8.9	(×) 1.9	<ul style="list-style-type: none"> ➤ Decrease of profit in Independent Operating Companies & Functional Support Companies
Total	185.0	188.7	(×) 3.7	

2. Information by Segments

< 1 > Petroleum (Japan Energy Group)

(1) Forecasts

(Billions of Yen)

	FY2006			FY2005			Differences		
	1H	2H(e)	Total	1H	2H	Total	1H	2H	Total
Net Sales	1,297.5	1,452.5	2,750.0	1,087.2	1,305.4	2,392.6	(○)210.2	(○)147.1	(○)357.4
Operating Income	38.4	13.6	52.0	42.1	54.5	96.6	(×) 3.7	(×) 40.9	(×) 44.6
Income before Special Items	41.7	14.3	56.0	41.5	55.4	97.0	(○) 0.2	(×) 41.1	(×) 41.0

(2) Sales volume and growth rate of fuel oil

	Domestic sales volume (thousand of KL)			Growth rate 2006 VS 2005
	FY2006 (e)	FY2005	Differences	
Gasoline	6,100	6,188	(88)	98.6%
Naphtha	3,610	3,747	(137)	96.3%
Jet Fuel	630	635	(5)	99.5%
Kerosene	2,770	2,801	(31)	98.7%
Gas Oil	4,190	4,367	(177)	96.0%
A Heavy Fuel	2,730	2,833	(103)	96.5%
C Heavy Fuel	1,960	2,595	(636)	75.5%
Total	21,990	23,166	(1,176)	95.0%
Gasoline & Middle Distillation	15,790	16,189	(399)	97.6%

(3) Number of JOMO Service Stations

	2001 Mar 31	2002 Mar 31	2003 Mar 31	2004 Mar 31	2005 Mar 31	2006 Mar 31	2006 Sep 30
Owned by Japan Energy <i>Self-SS</i>	1,328	1,284 <i>105</i>	1,229 <i>227</i>	1,207 <i>264</i>	1,172 <i>297</i>	1,154 <i>347</i>	1,148 <i>372</i>
Owned by wholesalers and others <i>Self-SS</i>	3,318	3,192 <i>59</i>	3,067 <i>95</i>	2,943 <i>121</i>	2,851 <i>143</i>	2,679 <i>187</i>	2,614 <i>206</i>
Total <i>Self-SS</i>	4,646	4,476 <i>164</i>	4,296 <i>322</i>	4,150 <i>385</i>	4,023 <i>440</i>	3,833 <i>534</i>	3,762 <i>578</i>

(4) Petrochemical Profit

(Billions of Yen)

FY2006 (e)	FY2005	FY2004	FY2003
23.0	15.5	24.5	8.5

<2> Metals (Nippon Mining & Metals Group)

(1) Forecasts

(Billions of Yen)

		FY2006 (Forecasts)			FY2005 (Actual)			Differences		
		1H	2H(e)	Total	1H	2H	Total	1H	2H	Total
Metals (Nippon Mining & Metals Group)	Net Sales	503.6	480.4	984.0	268.8	338.3	607.1	(○)234.8	(○)142.1	(○)376.9
	Operating Income	35.6	21.9	57.5	19.6	23.4	43.0	(○) 16.0	(×) 1.4	(○) 14.5
	Income before Special Items	70.5	51.5	122.0	37.9	45.0	82.8	(○) 32.6	(○) 6.5	(○) 39.2
Resources & Metals	Net Sales	438.2	392.8	831.0	218.1	277.2	495.4	(○)220.0	(○)115.6	(○)335.6
	Operating Income	24.9	15.9	40.8	12.7	14.4	27.1	(○) 12.3	(○) 1.5	(○) 13.8
	Income before Special Items	60.1	47.0	107.1	31.5	36.7	68.2	(○) 28.6	(○) 10.3	(○) 38.9
Electronic Materials	Net Sales	64.6	79.4	144.0	47.4	58.9	106.3	(○) 17.2	(○) 20.5	(○) 37.7
	Operating Income	5.7	6.0	11.7	5.1	6.1	11.2	(○) 0.6	(×) 0.1	(○) 0.5
	Income before Special Items	5.1	4.5	9.6	4.3	5.3	9.6	(○) 0.7	(×) 0.8	(×) 0.1
Metal Manufactur- ing	Net Sales	35.1	35.9	71.0	23.1	29.6	52.8	(○) 12.0	(○) 6.3	(○) 18.2
	Operating Income	4.6	3.5	8.1	2.4	3.5	5.9	(○) 2.2	—	(○) 2.2
	Income before Special Items	4.9	3.5	8.4	2.6	3.6	6.2	(○) 2.4	(×) 0.1	(○) 2.3
Metals Group Adjustments	Net Sales	(34.3)	(27.7)	(62.0)	(19.8)	(27.5)	(47.3)	(×) 14.4	(×) 0.2	(×) 14.7
	Operating Income	0.3	(3.5)	(3.1)	(0.5)	(0.6)	(1.2)	(○) 0.9	(×) 2.8	(×) 2.0
	Income before Special Items	0.3	(3.5)	(3.1)	(0.5)	(0.6)	(1.2)	(○) 0.9	(×) 2.8	(×) 2.0

<2- > Resources & Metals Company Group

(1) Forecasts

(Billions of Yen)

	FY2006			FY2005			Differences		
	1H	2H(e)	Total	1H	2H	Total	1H	2H	Total
Net Sales	438.2	392.8	831.0	218.1	277.2	495.4	(○)220.0	(○)115.6	(○)335.6
Operating Income	24.9	15.9	40.8	12.7	14.4	27.1	(○) 12.3	(○) 1.5	(○) 13.8
Income before Special Items	60.1	47.0	107.1	31.5	36.7	68.2	(○) 28.6	(○) 10.3	(○) 38.9

(2) Price and Sales Volume

		FY2006			FY2005		
		1H	2H (e)		1H	2H	
Price	Copper (¢/lb)	338	290	314	162	210	186
	Gold (\$/TOZ)	625	550	588	433	520	477
	Platinum (\$/TOZ)	1,200	1,100	1,150	883	998	940
	Palladium (\$/TOZ)	335	300	318	189	265	227
Sales Volume	Copper (1000 tons/period)	308	320	628	302	287	588

<2- > Electronic Materials Company Group

(1) Forecasts

(Billions of Yen)

	FY2006			FY2005			Differences		
	1H	2H(e)	Total	1H	2H	Total	1H	2H	Total
Net Sales	64.6	79.4	144.0	47.4	58.9	106.3	(○) 17.2	(○) 20.5	(○) 37.7
Operating Income	5.7	6.0	11.7	5.1	6.1	11.2	(○) 0.6	(×) 0.1	(○) 0.5
Income before Special Items	5.1	4.5	9.6	4.3	5.3	9.6	(○) 0.7	(×) 0.8	(×) 0.1

(2) Breakdown by products

(Billions of Yen)

		FY2006			FY2005			Differences		
		1H	2H(e)	Total	1H	2H	Total	1H	2H	Total
Electro Deposited and Treated Rolled Copper Foil	Net Sales	24.5	30.5	55.0	17.4	22.2	39.6	(○) 7.1	(○) 8.3	(○) 15.4
	Operating Income	3.3	3.2	6.5	(0.5)	1.2	0.7	(○) 3.8	(○) 2.0	(○) 5.8
Target	Net Sales	32.1	41.2	73.3	24.4	30.4	54.8	(○) 7.7	(○) 10.8	(○) 18.5
	Operating Income	2.6	3.8	6.4	6.0	5.6	11.6	(×) 3.4	(×) 1.8	(×) 5.2
Compound semiconductor materials and others	Net Sales	8.0	7.7	15.7	5.6	6.3	11.9	(○) 2.4	(○) 1.4	(○) 3.8
	Operating Income	(0.2)	(1.0)	(1.2)	(0.4)	(0.7)	(1.1)	(○) 0.2	(×) 0.3	(×) 0.1
Total	Net Sales	64.6	79.4	144.0	47.4	58.9	106.3	(○) 17.2	(○) 20.5	(○) 37.7
	Operating Income	5.7	6.0	11.7	5.1	6.1	11.2	(○) 0.6	(×) 0.1	(○) 0.5

※ For FY2006, general and administrative cost allocation methods for each product group in Electronic Materials Company have been changed. Accordingly, the figures for the 1st half of FY2005 above are presented in the same manner.

<2- > Metal Manufacturing Company Group

(1) Forecasts

(Billions of Yen)

	FY2006			FY2005			Differences		
	1H	2H(e)	Total	1H	2H	Total	1H	2H	Total
Net Sales	35.1	35.9	71.0	23.1	29.6	52.8	(○) 12.0	(○) 6.3	(○) 18.2
Operating Income	4.6	3.5	8.1	2.4	3.5	5.9	(○) 2.2	—	(○) 2.2
Income before Special Items	4.9	3.5	8.4	2.6	3.6	6.2	(○) 2.4	(×) 0.1	(○) 2.3

(2) Sales by products

(Billions of Yen)

			FY2006			FY2005			Differences		
			1H	2H(e)	Total	1H	2H	Total	1H	2H	Total
Precision Rolling	Wrought copper	Phosphor bronze	12.3	10.7	23.0	6.7	8.6	15.3	(○) 5.6	(○) 2.1	(○) 7.7
		Corson alloy	3.9	4.1	8.0	3.0	3.8	6.8	(○) 0.9	(○) 0.3	(○) 1.2
		Copper foil	3.9	3.6	7.5	2.4	4.1	6.5	(○) 1.5	(×) 0.5	(○) 1.0
		Others	6.7	7.5	14.2	4.2	5.4	9.6	(○) 2.5	(○) 2.1	(○) 4.6
	Special steel	Stainless steel	1.1	0.9	2.0	0.9	1.1	2.0	(○) 0.2	(×) 0.2	—
		High-nickel alloy	2.5	2.6	5.1	1.6	2.4	4.0	(○) 0.9	(○) 0.2	(○) 1.1
		Others	0.1	0.1	0.2	0.2	0.1	0.3	(×) 0.1	—	(×) 0.1
Precision processing			6.3	6.9	13.2	4.4	4.6	9.1	(○) 1.9	(○) 2.3	(○) 4.2
Eliminations			(1.7)	(0.5)	(2.2)	(0.3)	(0.5)	(0.8)	(×) 1.4	—	(×) 1.4
Total			35.1	35.9	71.0	23.1	29.6	52.8	(○) 12.0	(○) 6.3	(○) 18.2

3. Comparison with the previous forecasts

< 1 > FY2006 1st half

(1) Assumptions

		FY2006 1H			
		Actual	Previous data (Oct. 4)	Differences	
All Segments	Exchange Rate (¥/\$)	115	115	-	
Petroleum	Dubai Spot Price (\$/BBL)	65.4	65.6	(-) 0.2	
	Market Price of Paraxylene (\$/t) ACP Market Base	1,133	1,135	(-) 2	
Metals	Resources & Metals	Market Price of Copper (¢/lb)	338	337	(+) 1
		Electrolytic Copper Sales (1,000 tons/period)	308	307	(+) 1
	Electronic Materials	Electro-deposited Copper Foil Sales (tons/month)	2,038	2,040	(-) 2
		Treated Rolled Copper Foil Sales (1,000 meters/month)	3,613	3,630	(-) 17
		ITO Target Sales (tons/month)	25.9	25.5	(+) 0.4
	Metal Manufacturing	Wrought Copper Products (1,000 tons/period)	20.0	19.8	(+) 0.2
		Special Steel Products (1,000 tons/period)	2.5	2.6	(-) 0.1
		High Quality Products Ratio	42%	42%	-

(2) Operating Results (Consolidated)

(Billions of Yen)

	FY2006 1H		
	Actual	Previous forecasts (Oct. 4)	Differences
Net Sales	1,807.5	1,800.0	(○) 7.5
Operating Income	75.5	67.0	(○) 8.5
Income before Special Items	115.6	105.0	(○) 10.6
Net Income	72.5	65.0	(○) 7.5
Ratio of Income before Special Items to Net Sales	6.4%	5.8%	(○) 0.6%

(3) Segment Information

(Billions of Yen)

		FY2006 1H		
		Actual	Previous forecasts (Oct. 4)	Differences
Petroleum (Japan Energy Group)	Net Sales	1,297.5	1,280.0	(○) 17.5
	Operating Income	38.4	34.0	(○) 4.4
	Income before Special Items	41.7	36.0	(○) 5.7
Metals (Nippon Mining & Metals Group)	Net Sales	503.6	508.0	(×) 4.4
	Operating Income	35.6	32.0	(○) 3.6
	Income before Special Items	70.5	66.0	(○) 4.5
Resources & Metals	Net Sales	438.2	441.0	(×) 2.8
	Operating Income	24.9	22.5	(○) 2.4
	Income before Special Items	60.1	56.5	(○) 3.6
Electronic Materials	Net Sales	64.6	64.0	(○) 0.6
	Operating Income	5.7	5.0	(○) 0.7
	Income before Special Items	5.1	4.5	(○) 0.6
Metal Manufacturing	Net Sales	35.1	35.0	(○) 0.1
	Operating Income	4.6	4.0	(○) 0.6
	Income before Special Items	4.9	4.5	(○) 0.4
Metals Group Adjustments	Net Sales	(34.3)	(32.0)	(×) 2.3
	Operating Income	0.3	0.5	(×) 0.2
	Income before Special Items	0.3	0.5	(×) 0.2
Others	Net Sales	25.0	25.0	—
	Operating Income	1.5	1.0	(○) 0.5
	Income before Special Items	3.4	3.0	(○) 0.4
Eliminations	Net Sales	(18.5)	(13.0)	(×) 5.5
Total	Net Sales	1,807.5	1,800.0	(○) 7.5
	Operating Income	75.5	67.0	(○) 8.5
	Income before Special Items	115.6	105.0	(○) 10.6

※ Net Sales of each segment includes inter-segments sales.

※ Income of eliminations and corporate is included in Others.

(4) Income before Special Items (FY2006 1H)

(Billions of Yen)

	Actual	Previous forecasts (Oct. 4)	Differences	Notes
Petroleum (Japan Energy Group)	41.7	36.0	(○) 5.7	<ul style="list-style-type: none"> ➤ Decrease of profit in inventory valuation (×) 0.8 (FY2005:¥23.5bn → FY2006:¥22.7bn) ➤ Petrochemicals (×)0.1 ➤ Others (○) 6.6 <ul style="list-style-type: none"> • Time lag in cost and expenses, etc.
Metals (Nippon Mining & Metals Group)	70.5	66.0	(○) 4.5	
Resources & Metals	60.1	56.5	(○) 3.6	<ul style="list-style-type: none"> ➤ Improvement of margin ➤ Cost down, etc.
Electronic Materials	5.1	4.5	(○) 0.6	<ul style="list-style-type: none"> ➤ Sales increase of Sputtering Targets ➤ Cost down
Metal Manufacturing	4.9	4.5	(○) 0.4	<ul style="list-style-type: none"> ➤ Sales increase of IT-related products ➤ Relative decrease of raw materials (copper) cost, etc.
Metals Group Adjustments	0.3	0.5	(×) 0.2	
Others	3.4	3.0	(○) 0.4	
Total	115.6	105.0	(○) 10.6	

< 2 > FY2006 full year

(1) Assumptions

		FY2006 (full year)		
		Revised forecasts	Previous forecasts (Oct. 4)	Differences
All Segments	Exchange Rate (¥/\$)	113	113	-
P e t r o l e u m	Dubai Spot Price (\$/BBL)	62.7	62.8	(-) 0.1
	Market Price of Paraxylene (\$/t) ACP Market Base	1,112	1,110	(+) 2
Resources & Non-ferrous Metals	Market Price of Copper (¢/lb)	314	314	-
	Electrolytic Copper Sales (1000 tones)	628	627	(+) 1
Electronic Materials	Electro deposited Copper Foil Sales (tones/month)	2,095	2,095	-
	Treated Rolled Copper Foil Sales (1000 meters/month)	4,057	4,065	(-) 8
	I/O Target Sales (tones/month)	33.2	33.0	(+) 0.2
Metal Fabrication	Wrought Copper Products (1000 tones)	39.7	39.5	(+) 0.2
	Special Steel Products (1000 tones)	4.6	4.7	(-) 0.1
	High Quality Products Ratio(%)	43%	43%	-

(2) Annual Forecasts

(Billions of Yen)

	FY2006 (full year)		
	Revised forecasts	Previous forecasts (Oct. 4)	Differences
Net Sales	3,770.0	3,770.0	-
Operating Income	113.0	113.0	-
Income before Special Items	185.0	185.0	-
Net Income	110.0	110.0	-
Ratio of Income before Special Items to Net Sales	4.9%	4.9%	-
Earnings Per Share (yen)	118.7	118.7	-
Number of shares (1,000 shares)	926,994	926,994	-

(3) Segment Information

(Billions of Yen)

		FY2006 (full year)		
		Actual	Previous forecasts (Oct. 4)	Differences
Petroleum (Japan Energy Group)	Net Sales	2,750.0	2,750.0	—
	Operating Income	52.0	52.0	—
	Income before Special Items	56.0	56.0	—
Metals (Nippon Mining & Metals Group)	Net Sales	984.0	984.0	—
	Operating Income	57.5	57.5	—
	Income before Special Items	122.0	122.0	—
Resources & Metals	Net Sales	831.0	831.0	—
	Operating Income	40.8	37.5	(○) 3.3
	Income before Special Items	107.1	103.5	(○) 3.6
Electronic Materials	Net Sales	144.0	144.0	—
	Operating Income	11.7	11.0	(○) 0.7
	Income before Special Items	9.6	9.0	(○) 0.6
Metal Manufacturing	Net Sales	71.0	71.0	—
	Operating Income	8.1	7.5	(○) 0.6
	Income before Special Items	8.4	8.0	(○) 0.4
Metals Group Adjustments	Net Sales	(62.0)	(62.0)	—
	Operating Income	(3.1)	1.5	(×) 4.6
	Income before Special Items	(3.1)	1.5	(×) 4.6
Others	Net Sales	65.0	65.0	—
	Operating Income	3.5	3.5	—
	Income before Special Items	7.0	7.0	—
Eliminations	Net Sales	(29.0)	(29.0)	—
Total	Net Sales	3,770.0	3,770.0	—
	Operating Income	113.0	113.0	—
	Income before Special Items	185.0	185.0	—

(4) Income before Special Items FY2006 (full year)

(Billions of Yen)

	Revised forecasts (Nov. 9)	Previous forecasts (Oct. 4)	Differences	Notes
Petroleum (Japan Energy Group)	56.0	56.0	—	<ul style="list-style-type: none"> ➤ Decrease of profit in inventory valuation (×) 4.0 (Previous:¥9.5bn → Revised:¥5.5bn) ➤ Others (○) 4.0 <ul style="list-style-type: none"> • Improvement in the profit of FY2006 1st half
Metals (Nippon Mining & Metals Group)	122.0	122.0	—	
Resources & Metals	107.1	103.5	(○) 3.6	<ul style="list-style-type: none"> ➤ Improvement of margin ➤ Cost down, etc
Electronic Materials	9.6	9.0	(○) 0.6	<ul style="list-style-type: none"> ➤ Sales increase of Sputtering Targets ➤ Cost down, etc
Metal Manufacturing	8.4	8.0	(○) 0.4	<ul style="list-style-type: none"> ➤ Sales increase of IT-related products ➤ Relative decrease of raw materials (copper) cost, etc.
Metals Group Adjustments	(3.1)	1.5	(×) 4.6	<ul style="list-style-type: none"> ➤ Unrealized profits in Metals group ➤ Negative impact of inventory valuation, etc.
Others	7.0	7.0	—	
Total	185.0	185.0	—	

III Consolidated Balance Sheet, Consolidated Cash Flows etc.

1. Consolidated Balance Sheet

< 1 > Balance Sheet

(Billions of Yen)

	Sep. 30, 2006 [A]	※1 Mar. 31, 2006 [B]	Differences [A] - [B]	Mar. 31, 2006 (Forecasts) [C]	Differences [C] - [B]
Current assets	1,046.9	906.4	(+) 140.5		
Fixed assets	996.7	953.2	(+) 43.5		
Total assets	2,043.6	1,859.6	(+) 184.0	2,084.0	(+) 224.4
Current liabilities	981.7	921.0	(+) 60.6		
Long-term liabilities	404.5	425.1	(-) 20.5		
Total liabilities	1,386.2	1,346.1	(+) 40.1	1,396.0	(+) 49.9
Net assets	657.4	513.5	(+) 143.9	688.0	(+) 174.5
Shareholders' equity and valuation and translation adjustment	590.8	467.5	(+) 123.4	616.0	(+) 148.5
Minority interest in consolidated subsidiaries	66.6	46.0	(+) 20.5	72.0	(+) 26.0
※2 Shareholders' equity ratio	28.9%	25.1%	(+) 3.8%	29.5%	(+) 4.4%
※2, 3 BPS (¥/Share)	637.37	551.36	(+) 86.01	664.51	(+) 113.15
Interest-bearing debt	732.6	684.7	(+) 47.9	761.0	(+) 76.3

※1: From the first quarter of fiscal 2006, "Net Assets" are presented in accordance with "Accounting Standards for Presentation of Net Assets in the Balance Sheet" (the Accounting Standards Board of Japan ("ASBJ") Statement No. 5, December 9, 2005) and "Guidance on Accounting Standards for Presentation of Net Assets in the Balance Sheet" (ASBJ Guidance No. 8, December 9, 2005). For Mar. 31, 2006, "Total Shareholders' Equity" and other items are classified as "Net Assets" in accordance with the above standard and guidance.

※2: In calculation of Shareholders' Equity Ratio and BPS, "Shareholders' equity and valuation and translation adjustment" is used as shareholders' equity.

※3: BPS of Sep. 30, 2006 is calculated based on 927,022 thousand shares.

< 2 > Factors in Change from Mar.31,2006 to Sep.30,2006

(Billions of Yen)

<u>(1) Assets (+) 184.0</u>	
➤ Cash and cash equivalents	(-) 3.2
➤ Notes and account receivable, trade and Inventories (excluding the amount of transactions with Mitsui Mining and Smelting)	(+) 132.5
➤ Capital expenditures	(+) 35.0
➤ Depreciation and amortization	(-) 24.3
➤ Acquisition of investments in securities and lending of loans (including acquisition of copper smelting business from Mitsui Mining and Smelting)	(+) 38.5
➤ Difference in equity in income of affiliates and dividend received from such companies	(+) 2.0
➤ Unrealized gain on marketable securities	(-) 8.3
➤ Others (changes in scope of consolidation, etc.)	(+) 11.8
<u>(2) Liabilities (+) 40.1</u>	
➤ Interest-bearing debt (including increase due to subsidiaries newly included consolidation:13.7)	(+) 47.9
➤ Accrued income taxes	(-) 7.6
➤ Others	(-) 0.2
<u>(3) Net assets (+) 143.9</u>	
➤ New issue of stocks	(+) 67.7
➤ Net income	(+) 72.5
➤ Cash dividends paid	(-) 12.7
➤ Unrealized gain on marketable securities	(-) 4.9
➤ Accumulated translation adjustment	(-) 0.5
➤ Minority interest, etc.	(+) 21.8

< 3 > Factors in Change from Mar.31,2006 to Mar.31,2007 (Forecasts)

	(Billions of Yen)
<u>(1) Assets (+) 224.4</u>	
➤ Notes and account receivable, trade and Inventories (excluding the amount of transactions with Mitsui Mining and Smelting)	(+) 118.0
➤ Capital expenditures	(+) 99.0
➤ Depreciation and amortization	(-) 52.0
➤ Acquisition of investments in securities and lending of loans (including acquisition of copper smelting business from Mitsui Mining and Smelting)	(+) 42.0
➤ Difference in equity in income of affiliates and dividend received from such companies	(+) 32.0
➤ Others	(-) 14.6
<u>(2) Liabilities (+) 49.9</u>	
➤ Interest-bearing debt	(+) 76.3
➤ Others	(-) 26.4
<u>(3) Net assets (+) 174.5</u>	
➤ New issue of stocks	(+) 67.7
➤ Net income	(+) 110.0
➤ Cash dividends paid	(-) 20.1
➤ Minority interest, etc.	(+) 16.9

2. Consolidated Cash Flows

(Billions of Yen)

	FY2005 1H	FY2006 1H	FY2005	FY2006 (e)
Cash Flows from Operating Activities	(+) 9.6	(-) 42.8	(+) 24.3	(-) 4.0
Cash Flows from Investing Activities	(-) 11.9	(-) 53.3	(-) 37.6	(-) 113.0
Cash Flows from Financing Activities	(-) 2.9	(+) 92.7	(+) 12.0	(+) 114.0
Effect of Exchange Rate Changes	(+) 0.8	(-) 0.3	(+) 1.6	-
Net Decrease in Cash and Cash Equivalents	(-) 4.4	(-) 3.7	(+) 0.2	(-) 3.0

(1) FY2006 1H Breakdown

① Cash Flows from Operating Activities (-) 42.8

➤ Income before Special Items	(+) 115.6
➤ Depreciation and amortization	(+) 24.3
➤ Equity in income of non-consolidated subsidiaries and affiliates	(-) 41.3
➤ Dividend received from non-consolidated subsidiaries and affiliates accounted for by equity method	(+) 39.4
➤ Trade receivables, inventories and trade payables	(-) 120.5
➤ Income taxes paid and Others	(-) 60.3

② Cash Flows from Investing Activities (-) 53.3

➤ Investments in PPE and intangible assets	(-) 33.9
➤ Acquisition of investments in securities and lending of loans	(-) 38.5
➤ Sales or maturities of investments in securities and collection of loans	(+) 18.0
➤ Sales of property, plant and equipment, and Others	(+) 1.1

③ Cash Flows from Financing Activities (+) 92.7

➤ Proceeds from issuance of stock	(+) 67.7
➤ Interest-bearing debt	(+) 34.2
➤ Cash dividends paid	(-) 12.7
➤ Cash dividends paid to minority shareholders	(-) 11.2
➤ Proceeds from third-party share allotment of consolidated subsidiary and Others	(+) 14.7

(2) FY2006 (e) Breakdown

① Cash Flows from Operating Activities (-) 4.0

➤ Income before Special Items	(+) 185.0
➤ Depreciation and amortization	(+) 52.0
➤ Equity in income of non-consolidated subsidiaries and affiliates	(-) 80.0
➤ Dividend received from non-consolidated subsidiaries and affiliates accounted for by equity method	(+) 48.0
➤ Trade receivables, inventories and trade payables	(-) 105.0
➤ Income taxes paid and Others	(-) 104.0

② Cash Flows from Investing Activities (-) 113.0

➤ Investments in PPE and intangible assets	(-) 99.0
➤ Acquisition of investments in securities and lending of loans	(-) 42.0
➤ Sales or maturities of investments in securities and collection of loans	(+) 25.0
➤ Sales of property, plant and equipment, and Others	(+) 3.0

③ Cash Flows from Financing Activities (+) 114.0

➤ Proceeds from issuance of stock	(+)	67.7
➤ Interest-bearing debt	(+)	62.6
➤ Cash dividends paid	(-)	20.1
➤ Cash dividends paid to minority shareholders	(-)	14.0
➤ Proceeds from third-party share allotment of consolidated subsidiary and Others	(+)	17.8

3. Dividends

FY2005 (actual)				FY2006 (expected)			
Interim	Final	Annual	Payment amount	Interim	Final	Annual	Payment amount
--	¥15.00	¥15.00	¥ 12,715 million	¥8.00	¥8.00	¥16.00	¥ 14,843 million

* Payment amount is multiplied by 927,664 thousand shares, issued shares as of September 30, 2006.

4. Interest-bearing Debt

(Billions of Yen)

	Sep. 30, 2006	Mar. 31, 2006	Differences
Petroleum (Japan Energy Group)	457.6	430.1	(+) 27.4
Metals (Nippon Mining & Metals Group)	319.4	283.7	(+) 35.7
Other	(44.4)	(29.1)	(-) 15.3
Total	732.6	684.7	(+) 47.9

※ Others include eliminations or corporate.

5. Debt to Equity Ratio

(Billions of Yen)

	Mar. 31 2002	Mar. 31 2005	Mar. 31 2006 (A)	Sep. 30 2006 (B)	(B) - (A)	Mar. 31 2007 (e)
Interest-bearing Debt	892.8	643.8	684.7	732.6	(+) 47.9	761.0
Shareholders' Equity	181.5	353.4	467.5	590.8	(+) 123.4	616.0
Debt to Equity Ratio	4.92	1.82	1.46	1.24	(-) 0.22	1.24

6. Capital Expenditure and Depreciation

(Billions of Yen)

	FY2006 1H	FY2006 (e)	FY2005
Capital expenditure	35.0	99.0	57.7
Depreciation and amortization	24.3	52.0	44.9
Difference	(+) 10.7	(+) 47.0	(+) 12.8

<1> Capital expenditure by segments

(Billions of Yen)

	FY2006 1H	FY2006 (e)	FY2005
Petroleum (Japan Energy Group)	18.7	55.0	34.5
Metals (Nippon Mining & Metals Group)	15.9	43.0	22.3
Resources & Metals	8.4	19.0	11.5
Electronic Materials	3.9	16.0	6.0
Metal Manufacturing	3.6	8.0	4.8
Others	0.5	1.0	0.9
Total	35.0	99.0	57.7

※ Others include eliminations or corporate.

<2> Depreciation and Amortization by segments

(Billions of Yen)

	FY2006 1H	FY2006 (e)	FY2005
Petroleum (Japan Energy Group)	14.2	29.0	30.1
Metals (Nippon Mining & Metals Group)	9.8	22.0	14.4
Resources & Metals	6.1	14.0	6.7
Electronic Materials	2.2	5.0	5.1
Metal Manufacturing	1.5	3.0	2.6
Others	0.3	1.0	0.5
Total	24.3	52.0	44.9

※ Others include eliminations or corporate.

7. Number of Employees

(Persons)

	Mar. 31, 2004	Mar. 31, 2005	Mar. 31, 2006	Sep. 30, 2006
Petroleum (Japan Energy Group)	3,982	3,873	3,920	3,968
Metals (Nippon Mining & Metals Group)	4,242	4,120	4,348	4,662
Resources & Metals	1,471	1,447	1,553	1,695
Electronic Materials	1,622	1,512	1,373	1,437
Metal Manufacturing	1,149	1,161	1,422	1,530
Other	1,634	1,281	1,311	1,314
Total	9,858	9,274	9,579	9,944

※ Other includes Nippon Mining Holdings, Inc.