

Consolidated Interim Financial Results for the year ending March 31, 2006 ("Fiscal 2005")

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

Code No. : 5016
 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 for Convening the Board of Directors Meetings for the settlement of Accounts : November 10, 2005
 This Financial Statement is prepared in accordance with accounting principles generally accepted in Japan.

1. Operating results for the six months ended September 30, 2005 (the period from April 1, 2005 to September 30, 2005)

(1) Operating results

	Sales		Operating Income		Income before special items	
	millions of yen	% (*1)	millions of yen	% (*1)	millions of yen	% (*1)
For the six months ended September 30, 2005	1,365,120	[16.7]	63,412	[34.4]	83,113	[52.7]
For the six months ended September 30, 2004	1,170,144	[11.2]	47,193	[155.1]	54,438	[181.4]
For the year ended March 31, 2005 (Fiscal 2004)	2,502,538		125,608		148,055	

	Net Income		Primary EPS		Fully diluted EPS	
	millions of yen	% (*1)	yen	sen	yen	sen
For the six months ended September 30, 2005	52,465	[191.5]	61	94	61	93
For the six months ended September 30, 2004	18,001	[333.4]	24	62	-	-
For the year ended March 31, 2005 (Fiscal 2004)	50,577		63	84	-	-

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

For the six months ended September 30, 2005 : 23,095 millions of yen, For the six months ended September 30, 2004 : 12,933 millions of yen,
 For the year ended March 31, 2005 : 31,278 millions of yen

2. Average number of shares issued (consolidated)

For the six months ended September 30, 2005 : 847,046,799 shares, For the six months ended September 30, 2004 : 731,179,229 shares,
 For the year ended March 31, 2005 : 789,164,998 shares

3. Change of accounting method : None

4. (*1) 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, 2005	1,723,355		412,200	
As of September 30, 2004	1,574,581		319,277	
As of March 31, 2005	1,580,144		353,437	

	Net Worth Ratio		Shareholders' Equity Per Share	
	%		yen	sen
As of September 30, 2005	23.9		486	62
As of September 30, 2004	20.3		376	85
As of March 31, 2005	22.4		416	98

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

As of September 30, 2005 : 847,074,819 shares, As of September 30, 2004 : 847,216,377 shares, As of March 31, 2005 : 847,132,246 shares

(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, 2005	9,605		(11,939)	
For the six months ended September 30, 2004	(13,490)		(9,658)	
For the year ended March 31, 2005 (Fiscal 2004)	45,360		(15,170)	

	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, 2005	(2,907)		59,182	
For the six months ended September 30, 2004	4,702		52,624	
For the year ended March 31, 2005 (Fiscal 2004)	(38,734)		62,473	

- (4) Consolidation group
- | | | |
|--|-----|--|
| Consolidated subsidiaries | 107 | (Japan Energy Corp., Nippon Mining & Metals Co.,Ltd., Nikko Materials Co.,Ltd., Nikko Metal Manufacturing Co., Ltd., etc.) |
| Non-consolidated subsidiary accounted for by equity method | 1 | (N.K.Curex Co.,Ltd.) |
| Affiliated companies accounted for by equity method | 16 | (LS-Nikko Copper Inc., Minera Los Pelambres., etc.) |

(5) Changes in the scope of consolidation

Consolidated subsidiaries : (newly included : 4, excluded : 4), Equity method: (excluded : 2)

2. Consolidated projection for the year ending March 31, 2006 (Fiscal 2005)

	Sales	Income before special items	Net Income
	millions of yen	millions of yen	millions of yen
For the year ending March 31, 2006 (Fiscal 2005)	2,870,000	145,000	75,000
Reference) Projection of Earnings Per Share		88 yen 54 sen	

* This projection is based on information available as of November 10, 2005.

The actual results are subject to change due to changes in the business environment.

Consolidated Balance Sheet

Account Title	Fiscal 2005 (interim) (As of September 30, 2005)		Fiscal 2004 (As of March 31, 2005)		Increase (Decrease)	Fiscal 2004 (interim) (As of September 30, 2004)	
	millions of yen	%	millions of yen	%	millions of yen	millions of yen	%
Assets	1,723,355	100.0	1,580,144	100.0	143,211	1,574,581	100.0
<i>Current Assets</i>	<i>787,525</i>	<i>45.7</i>	<i>677,062</i>	<i>42.8</i>	<i>110,463</i>	<i>649,566</i>	<i>41.5</i>
Cash and time deposits	59,467		62,068		(2,601)	52,673	
Notes and accounts receivable, trade	279,830		269,186		10,644	252,106	
Securities	2		9		(7)	23	
Inventories	381,283		283,984		97,299	290,781	
Other current assets	67,943		62,866		5,077	55,090	
Less: Allowance for doubtful accounts	(1,000)		(1,051)		51	(1,105)	
<i>Fixed Assets</i>	<i>935,830</i>	<i>54.3</i>	<i>903,082</i>	<i>57.2</i>	<i>32,748</i>	<i>925,073</i>	<i>58.7</i>
Property, plant and equipment	588,852		589,837		(985)	607,344	
Buildings and structures	132,820		133,503		(683)	145,425	
Machinery and equipment, other	163,355		162,653		702	153,928	
Land	285,843		287,882		(2,039)	293,049	
Construction in progress	6,834		5,799		1,035	14,942	
Intangible assets	64,556		64,890		(334)	70,937	
Investments and other long-term assets	282,422		248,355		34,067	246,732	
Investments in securities	219,166		182,716		36,450	174,257	
Long-term loans	17,467		19,562		(2,095)	21,721	
Deferred tax assets	10,535		10,857		(322)	13,720	
Other	36,240		36,610		(370)	37,926	
Less: Allowance for doubtful accounts	(986)		(1,390)		404	(892)	
<i>Total Assets</i>	<i>1,723,355</i>	<i>100.0</i>	<i>1,580,144</i>	<i>100.0</i>	<i>143,211</i>	<i>1,574,581</i>	<i>100.0</i>
Liabilities	1,268,757	73.6	1,188,762	75.2	79,995	1,219,034	77.4
<i>Current Liabilities</i>	<i>824,000</i>	<i>47.8</i>	<i>756,849</i>	<i>47.9</i>	<i>67,151</i>	<i>700,719</i>	<i>44.5</i>
Notes and accounts payable, trade	254,669		229,411		25,258	229,396	
Short-term borrowing	306,446		322,286		(15,840)	292,760	
Commercial paper	51,000		27,000		24,000	-	
Current portion of bonds	-		-		-	1,900	
Accounts payable, other	124,058		81,161		42,897	105,576	
Accrued income taxes	26,336		37,379		(11,043)	12,512	
Other current liabilities	61,491		59,612		1,879	58,575	
<i>Long-term Liabilities</i>	<i>444,757</i>	<i>25.8</i>	<i>431,913</i>	<i>27.3</i>	<i>12,844</i>	<i>518,315</i>	<i>32.9</i>
Bonds	-		-		-	53,600	
Long-term debt	300,449		294,504		5,945	339,167	
Deferred tax liabilities	36,103		23,840		12,263	25,599	
Allowance for retirement benefits	61,450		62,461		(1,011)	56,807	
Allowance for periodic repair works	14,867		15,891		(1,024)	14,531	
Other long-term liabilities	31,888		35,217		(3,329)	28,611	
Minority Interest in Consolidated Subsidiaries	42,398	2.5	37,945	2.4	4,453	36,270	2.3
Shareholders' Equity	412,200	23.9	353,437	22.4	58,763	319,277	20.3
<i>Common stock</i>	<i>40,000</i>	<i>2.3</i>	<i>40,000</i>	<i>2.5</i>	<i>-</i>	<i>40,000</i>	<i>2.5</i>
<i>Capital surplus</i>	<i>192,932</i>	<i>11.2</i>	<i>201,382</i>	<i>12.7</i>	<i>(8,450)</i>	<i>201,379</i>	<i>12.8</i>
<i>Retained earnings</i>	<i>147,760</i>	<i>8.6</i>	<i>95,537</i>	<i>6.0</i>	<i>52,223</i>	<i>62,454</i>	<i>4.0</i>
<i>Surplus from land revaluation</i>	<i>(3,051)</i>	<i>(0.2)</i>	<i>(2,994)</i>	<i>(0.2)</i>	<i>(57)</i>	<i>(2,420)</i>	<i>(0.2)</i>
<i>Unrealized gain on marketable securities</i>	<i>33,510</i>	<i>1.9</i>	<i>23,022</i>	<i>1.5</i>	<i>10,488</i>	<i>21,376</i>	<i>1.4</i>
<i>Accumulated translation adjustment</i>	<i>1,431</i>	<i>0.1</i>	<i>(3,175)</i>	<i>(0.1)</i>	<i>4,606</i>	<i>(3,232)</i>	<i>(0.2)</i>
<i>Less: Treasury stock, at cost</i>	<i>(382)</i>	<i>(0.0)</i>	<i>(335)</i>	<i>(0.0)</i>	<i>(47)</i>	<i>(280)</i>	<i>(0.0)</i>
<i>Total Liabilities, Minority Interest in Consolidated Subsidiaries and Shareholders' Equity</i>	<i>1,723,355</i>	<i>100.0</i>	<i>1,580,144</i>	<i>100.0</i>	<i>143,211</i>	<i>1,574,581</i>	<i>100.0</i>

Consolidated Statements of Income

Account title	Fiscal 2005 (interim) (from April 1, 2005 to September 30, 2005)		Fiscal 2004 (interim) (from April 1, 2004 to September 30, 2004)		Increase (Decrease) millions of yen	Fiscal 2004 (from April 1, 2004 to March 31, 2005)	
	millions of yen	%	millions of yen	%		millions of yen	%
Operating income							
Net sales	1,365,120	100.0	1,170,144	100.0	194,976	2,502,538	100.0
Cost of sales	1,223,004	89.6	1,030,508	88.1	192,496	2,202,409	88.0
Selling, general and administrative expenses	78,704	5.8	92,443	7.9	(13,739)	174,521	7.0
<i>Operating income</i>	<i>63,412</i>	<i>4.6</i>	<i>47,193</i>	<i>4.0</i>	<i>16,219</i>	<i>125,608</i>	<i>5.0</i>
Other income	28,293	2.1	18,734	1.6	9,559	43,806	1.8
Interest income	1,087		648		439	1,349	
Dividend income	800		843		(43)	1,200	
Amortization of consolidation adjustment account	1,012		2,422		(1,410)	5,178	
Equity in income of non-consolidated subsidiaries and affiliates	23,095		12,933		10,162	31,278	
Other	2,299		1,888		411	4,801	
Other expenses	8,592	0.6	11,489	0.9	(2,897)	21,359	0.9
Interest expenses	5,344		6,529		(1,185)	12,581	
Exchange loss	358		1,230		(872)	509	
Other	2,890		3,730		(840)	8,269	
<i>Income before special items</i>	<i>83,113</i>	<i>6.1</i>	<i>54,438</i>	<i>4.7</i>	<i>28,675</i>	<i>148,055</i>	<i>5.9</i>
Special profit	10,235	0.8	18,543	1.6	(8,308)	35,101	1.4
Gain on sales of property, plant and equipment	3,517		1,053		2,464	1,995	
Gain on sales of investments in securities	3,825		4,570		(745)	17,606	
Gain on proceeds from casualty insurance	2,609		-		2,609	-	
Gain on change in equity of consolidated subsidiary	-		7,000		(7,000)	7,000	
Amortization of prior service cost	-		5,561		(5,561)	5,561	
Other	284		359		(75)	2,939	
Special loss	5,262	0.4	32,242	2.8	(26,980)	76,479	3.0
Loss on sales of property, plant and equipment	143		-		143	616	
Loss on disposal of property, plant and equipment	2,210		6,701		(4,491)	10,461	
Impairment losses	754		18,420		(17,666)	25,232	
Loss on write-down of investments in securities	148		31		117	789	
Reorganization and restructuring costs	692		6,018		(5,326)	20,726	
Provision for allowance for periodic repair works	551		-		551	-	
Provision for environmental remediation allowance	35		-		35	3,408	
Loss on lump-sum recognition of the previous years' unrecognized net actuarial losses	-		-		-	6,900	
Provision for allowance for cost of disposal of unutilized property, plant and equipment	-		-		-	2,489	
Loss on redemption of bonds	-		-		-	1,695	
Provision for allowance for doubtful accounts	-		-		-	419	
Other	729		1,072		(343)	3,744	
<i>Income before income taxes</i>	<i>88,086</i>	<i>6.5</i>	<i>40,739</i>	<i>3.5</i>	<i>47,347</i>	<i>106,677</i>	<i>4.3</i>
Income taxes	24,747	1.9	8,725	0.8	16,022	42,331	1.7
Deferred income tax	3,960	0.3	8,995	0.8	(5,035)	5,645	0.2
Minority interest in earnings of consolidated subsidiaries	(6,914)	(0.5)	(5,018)	(0.4)	(1,896)	(8,124)	(0.4)
<i>Net income</i>	<i>52,465</i>	<i>3.8</i>	<i>18,001</i>	<i>1.5</i>	<i>34,464</i>	<i>50,577</i>	<i>2.0</i>

Consolidated Statement of Retained Earnings

(millions of yen)

Account Title	Fiscal 2005 (interim) (from April 1, 2005 to September 30, 2005)	Fiscal 2004 (interim) (from April 1, 2004 to September 30, 2004)	Fiscal 2004 (from April 1, 2004 to March 31, 2005)
Capital Surplus:			
Balance at beginning of year	201,382	149,320	149,320
Increase in capital surplus	72	56,162	56,165
Gain on disposition of treasury stock *	72	56,162	56,165
Decrease in capital surplus	8,522	4,103	4,103
Cash dividends paid	8,479	4,079	4,079
Bonuses to directors	43	24	24
Balance at end of year (period)	192,932	201,379	201,382
Retained Earnings:			
Balance at beginning of year	95,537	43,687	43,687
Increase in retained earnings	52,526	19,061	52,144
Net income	52,465	18,001	50,577
Increase arising from change of consolidated subsidiaries	-	990	990
Increase arising from merger of consolidated subsidiaries	4	-	-
Reclassification with surplus from land revaluation	57	70	577
Decrease in retained earnings	303	294	294
Bonuses to directors	169	97	97
Decrease arising from change of consolidated subsidiaries	134	197	197
Balance at end of year (period)	147,760	62,454	95,537

Note:

* Gain on disposition of treasury stock of Fiscal 2004 resulted mainly from the offering of treasury stock (168,165,500 shares) in August, 2004.

Consolidated Statement of Cash Flows

Account title	Fiscal 2005 (interim) (from April 1, 2005 to September 30, 2005)	Fiscal 2004 (interim) (from April 1, 2004 to September 30, 2004)	Fiscal 2004 (from April 1, 2004 to March 31, 2005)
	millions of yen	millions of yen	millions of yen
Cash flows from operating activities			
Income before income taxes	88,086	40,739	106,677
Depreciation and amortization	22,247	23,312	47,726
Impairment losses	754	18,420	25,232
Amortization of consolidation adjustment account	(920)	(2,266)	(4,962)
Interest and dividend income	(1,887)	(1,491)	(2,549)
Interest expenses	5,344	6,529	12,581
Equity in income of non-consolidated subsidiaries and affiliates	(23,095)	(12,933)	(31,278)
Gain on sales of investments in securities	(3,825)	(4,570)	(17,606)
Loss on write-down of investments in securities	148	31	789
Gain (loss) on sales and disposal of property, plant and equipment	(1,164)	5,648	9,082
Gain on change in equity of consolidated subsidiary	-	(7,000)	(7,000)
Reorganization and restructuring costs	692	6,018	20,726
Increase in trade receivables	(8,621)	(10,654)	(28,378)
Increase in inventories	(96,506)	(69,702)	(62,859)
Increase (decrease) in trade payables	47,170	14,473	(9,311)
Other, net	13,125	(4,381)	9,407
Subtotal	41,548	2,173	68,277
Interest and dividend received	9,200	4,480	13,874
Interest paid	(5,311)	(6,502)	(13,309)
Payment for special retirement benefits	(164)	(458)	(833)
Income taxes paid	(35,668)	(13,183)	(22,649)
Net cash provided by (used in) operating activities	9,605	(13,490)	45,360
Cash flows from investing activities			
Decrease (increase) in time deposits	(1,011)	(75)	382
Proceeds from maturities or sales of securities	8	404	418
Payments for acquisition of property, plant and equipment	(17,949)	(22,060)	(44,751)
Proceeds from sales of property, plant and equipment	6,995	8,910	13,548
Payments for acquisition of intangible assets	(2,037)	(912)	(3,120)
Payments for long-term prepaid expenses	(790)	(329)	(648)
Payments for acquisition of investments in securities	(5,289)	(6,596)	(15,857)
Proceeds from sales or maturities of investments in securities	6,303	7,413	29,135
Net proceeds from acquisition of investments in newly consolidated subsidiaries	-	1,905	1,905
Increase in short-term loans, net	(654)	(919)	(508)
Payments for lending of long-term loans	(531)	(2,323)	(2,969)
Collection of long-term loans	2,781	6,777	10,135
Other, net	235	(1,853)	(2,840)
Net cash used in investing activities	(11,939)	(9,658)	(15,170)
Cash flows from financing activities			
Increase (decrease) in short-term borrowing, net	(844)	(24,259)	22,682
Increase in commercial paper, net	24,000	-	27,000
Proceeds from borrowing of long-term bank loans and others	38,650	3,364	10,271
Repayments of long-term bank loans and others	(51,854)	(58,022)	(125,770)
Payments for redemption of bonds	-	(1,900)	(57,400)
Proceeds from third-party share allotment of consolidated subsidiary	-	17,100	17,100
Proceeds from offering of treasury stock	-	74,840	74,840
Cash dividends paid	(8,479)	(4,079)	(4,079)
Other, net	(4,380)	(2,342)	(3,378)
Net cash provided by (used in) financing activities	(2,907)	4,702	(38,734)
Effect of exchange rate changes on cash and cash equivalents	815	154	101
Net decrease in cash and cash equivalents	(4,426)	(18,292)	(8,443)
Cash and cash equivalents at beginning of period	62,473	71,347	71,347
Increase due to subsidiaries newly included consolidation	1,135	988	988
Decrease due to subsidiaries excluded consolidation	-	(1,419)	(1,419)
Cash and cash equivalents at end of period	59,182	52,624	62,473

Segment Information

1. Segment Information summarized by product group

For the six months ended September 30, 2005 (from April 1, 2005 to September 30, 2005) (millions of yen)

	Petroleum	Resources and Non-ferrous Metals	Electronic Materials	Metal Fabrication	Other Operations	Total	Eliminations or corporate	Consolidated
Sales								
(1) Outside customers	1,091,108	200,750	45,749	21,926	5,587	1,365,120	-	1,365,120
(2) Inter-group	1,791	12,223	1,662	2,610	5,355	23,641	(23,641)	-
Total	1,092,899	212,973	47,411	24,536	10,942	1,388,761	(23,641)	1,365,120
Operating costs and expenses	1,050,367	200,419	42,338	22,005	10,579	1,325,708	(24,000)	1,301,708
Operating income (loss)	42,532	12,554	5,073	2,531	363	63,053	359	63,412
Income (loss) before special items	42,048	32,464	4,337	2,656	901	82,406	707	83,113

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 year ended March 31, 2005 (from April 1, 2004 to March 31, 2005) (millions of yen)

	Petroleum	Resources and Non-ferrous Metals	Electronic Materials	Metal Fabrication	Other Operations	Total	Eliminations or corporate	Consolidated
Sales								
(1) Outside customers	1,979,823	357,989	86,094	47,958	30,674	2,502,538	-	2,502,538
(2) Inter-group	6,534	20,732	2,887	6,360	10,002	46,515	(46,515)	-
Total	1,986,357	378,721	88,981	54,318	40,676	2,549,053	(46,515)	2,502,538
Operating costs and expenses	1,894,045	362,046	78,959	45,696	43,170	2,423,916	(46,986)	2,376,930
Operating Income (loss)	92,312	16,675	10,022	8,622	(2,494)	125,137	471	125,608
Income (loss) before special items	87,837	46,431	7,721	8,566	(2,047)	148,508	(453)	148,055

Note: Main products for each group are the following:

- Petroleum : gasoline, naphtha, kerosene, gas oil, heavy fuel oil, petrochemicals, liquefied petroleum gas, lubricating oil, etc.
- Resources and Non-ferrous Metals : resource development, copper, gold, silver, zinc, sulfuric acid, 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 : information service, common group administrative activities such as fund procurement, etc.

2. Segment information summarized by region

For the six months ended September 30, 2005 and 2004, and the year ended March 31, 2005, operations in Japan have over 90 % share of total sales of whole segment.

3. Overseas sales

For the six months ended September 30, 2005 and 2004, and the year ended March 31, 2005, overseas sales has less than 10% share of consolidated sales.