

May 28, 2008

Company name	Nippon Mining Holdings, Inc.
Representative	Mitsunori Takahagi, President and Chief Executive Officer
Stock code	Tokyo 5016
Contact	Nobuyuki Yamaki, Director in charge of General Administration Group
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Nippon Mining Holdings in a Joint Venture to Manufacture and Market Polycrystalline Silicon for Solar Cells

Nippon Mining Holdings, Inc. (Head Office: Toranomom 2-chome, Minato-ku, Tokyo; President: Mitsunori Takahagi; the “Company”) announced today that it will establish a joint venture with Chisso Corp. and Toho Titanium Co., Ltd., to manufacture and market polycrystalline silicon feedstock for solar cells. This decision was made at the Company’s Board of Director’s meeting on May 28, 2008.

1. Reason for establishing the joint venture

Since January 2007, the Company has been working with Chisso Corp. and Toho Titanium Co., Ltd., to validate a proprietary zinc reduction technology, the Japan Solar Silicon (JSS) method, for manufacturing polycrystalline silicon for solar cells. Given the results, the three companies recently decided to establish a joint venture to manufacture and market polycrystalline silicon for solar cells.

2. Overview of the joint venture

1) Company name	(not decided yet)
2) Main business	Manufacture and sale of polycrystalline silicon for solar cells
3) Established	June 30, 2008 (current plan)
4) Head office	3-2, Kajicho 2-chome, Chiyoda-ku, Tokyo (current plan)
5) Representative	Kazuo Oki, President (currently a director (Senior Managing Director) at the Company)
6) Capital	100 million yen
7) Fiscal year end	March
8) Investment ratios	Chisso Corp. 50% the Company 30% Toho Titanium Co., Ltd. 20%

3. Overview of joint-venture partners

A. Chisso Corp.

1) Company Name	Chisso Corp.
2) Main business	Chemical products
3) Established	January 12, 1950
4) Main office	6-32, Nakanoshima 3-chome, Kita-ku, Osaka (Head office: 2-1 Otemachi 2-chome, Chiyoda-ku, Tokyo)
5) Representative	Shun'ichi Okada, President
6) Capital	7,813 million yen
7) Employees	2,762 (consolidated, as of March 31, 2008)
8) Major shareholders and percentage ownership	Mizuho Corporate Bank Ltd. 4.34% Tokio Marine & Nichido Fire Insurance Co., Ltd. 1.52% The Bank of Tokyo-Mitsubishi UFJ, Ltd. 1.41% (as of March 31, 2008)
9) Business relationships	The company has no capital, personnel, or trade alliances with the Company

B. Toho Titanium Co., Ltd.

1) Company Name	Toho Titanium Co., Ltd.
2) Main business	Titanium metals, catalysts, and electrical materials businesses
3) Established	September 6, 1948.
4) Head office	3-5 Chigasaki 3-chome, Chigasaki City, Kanagawa Prefecture
5) Representative	Takeshi Kurushima, President
6) Capital	4,812 Billion yen
7) Employees	799 (consolidated, as of March 31, 2008)
8) Major shareholders	Nippon Mining Holdings, Inc. 42.46% Nippon Steel Corp. 4.94% Mitsui & Co., Ltd. 3.32% (as of March 31, 2008)
9) Business relationships	the Company holds a 42.46% stake in Toho Titanium. Further, Toho Titanium will become a consolidated subsidiary of the Company, if a proposal to seat five directors from the Nippon Mining Holdings Group on the seven-member board of directors at Toho Titanium is approved at Toho Titanium's ordinary shareholders' meeting scheduled for June 27, 2008, placing it under the Company's control.

4. Schedule

1) Resolution of the board of directors	May 28, 2008
2) Signing of the joint-venture agreement	May 28, 2008 (current schedule)
3) Start of business	June 30, 2008 (current schedule)

* The joint-venture company will build a mass-production factory within the Kashima Okunoyahama industrial complex in Ibaraki Prefecture.

5. Outlook

The effect of the joint venture on the Company's financial results is expected to be negligible.

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Inquiries

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May 28, 2008

Chisso Corp.

Nippon Mining Holdings, Inc.

Toho Titanium Co., Ltd.

Japanese Consortium to Manufacture and Sell Polycrystalline Silicon for Solar Cells

—Investment of Around 24 Billion Yen, Annual Capacity of 3,000 Tons—

Chisso Corp. (head office: Otemachi 2-chome, Chiyoda-ku, Tokyo; President: Shun'ichi Okada), Nippon Mining Holdings, Inc. (head office: Toranomom 2-chome, Minato-ku, Tokyo; President: Mitsunori Takahagi) and Toho Titanium Co., Ltd. (head office: Chigasaki 3-chome, Chigasaki City, Kanagawa Prefecture; President: Takeshi Kurushima) have been working since January 2007 to validate a proprietary zinc-reduction technology (the Japan Solar Silicon (JSS) method) for manufacturing polycrystalline silicon feedstock for solar cells. Given the results, the three companies agreed today to establish a joint venture and invest a total of 24 billion yen to build a factory for mass-producing polycrystalline silicon within the Kashima Okunoyahama industrial complex in Ibaraki Prefecture.

Global demand for solar power generation is surging as a measure to fight global warming. Demand for polycrystalline silicon, the main material used in solar cells, is expected to continue growing rapidly. The three companies therefore plan to offer a steady supply of high-quality, low-cost polycrystalline silicon. Going forward, the three companies are working toward achieving an annual production capacity of 10,000 tons.

1. Overview of the joint venture

1) Company name	(not decided yet)
2) Established	June 30, 2008
3) Head office	Chiyoda-ku, Tokyo
4) Factory location	Kamisu City, Ibaraki Prefecture (within the Kashima Okunoyahama industrial complex)
5) Factory space	50,000 sq. meters
6) Capital	100 million yen
7) Investment ratios	Chisso Corp. 50%, Nippon Mining Holdings, Inc. 30%, Toho Titanium Co., Ltd. 20%
8) President	Kazuo Oki (currently a director (Senior Managing Director) at Nippon Mining Holdings, Inc.)
9) Purpose of business	Manufacture and market of polycrystalline silicon feedstock for solar cells
10) Employees	About 110 (when annual production capacity reaches 3,000 tons)

1. Production plan

In phase one, the companies plan to build a mass-production plant with an annual output capacity of 400 tons. Additional facilities will be built to boost annual capacity to 3,000 tons during phase two.

1) Phase one

- a. Annual output capacity: 400 tons
- b. Construction: Starts in July 2008
- c. Start of production: H1 FY2010

2) Phase two

- a. Annual output capacity: 3,000 tons
- b. Construction: Additional facilities from H1 FY2010 and beyond

3) Total Investment

Around 24 billion yen (phases one and two combined)

2. Characteristics of manufacturing technology

- (1) The characteristics of the zinc-reduction process (JSS method) are as follows:
 - a. The process employs the same chlorination method as used in the Siemens method, the mainstream method in the market for polycrystalline silicon feedstock for solar cells. The process can produce high purity polycrystalline silicon of 8N–9N (99.999999% to 99.9999999%), meeting the performance requirements for use in solar cells.
 - b. In contrast to the Siemens Method, the process uses silicon tetrachloride (SiCl₄) as a basic ingredient. This lowers costs because it improves the response efficiency and the silicon tetrachloride can be recycled easily.
- (2) This technology combines proprietary technology developed by the three firms.

Inquiries

For more information, please contact:

Nippon Mining Holdings, Mr. Ohta or Mr. Tashiro +81 3-5573-5129
Inc. Public Relations

Exhibit 1. Overview of the joint-venture partners

1. Chisso Corp.

1) Head office	2-1, Otemachi 2-chome, Chiyoda-ku, Tokyo
2) President	Shun'ichi Okada
3) Established	January 1950
4) Capital	7.8 billion yen
5) Main business	Chemical products
6) Sales	269.7 billion yen (consolidated, fiscal year ended March 31, 2008)
7) Employees	2,762 (consolidated, as of March 31, 2008)

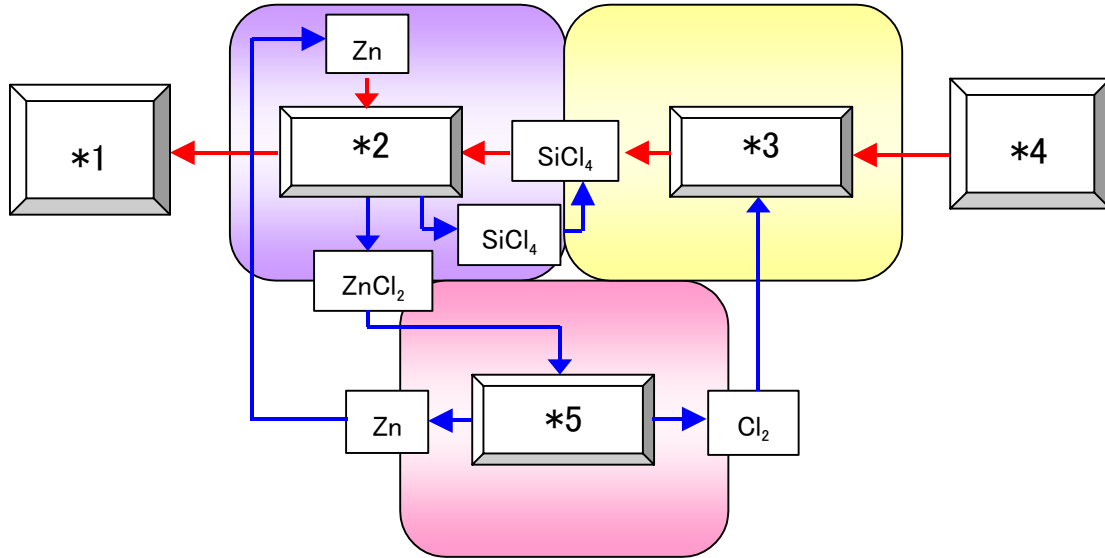
2. Nippon Mining Holdings, Inc.

1) Head office	10-1, Toranomom 2-chome, Minato-ku, Tokyo
2) President	Mitsunori Takahagi
3) Established	September 2002
4) Capital	73.9 billion yen
5) Main business	Petroleum (Japan Energy Corp.) and metals (Nippon Mining and Metals Co., Ltd.)
6) Sales	4,339.5 billion yen (consolidated, fiscal year ended March 31, 2008)
7) Employees	10,316 (consolidated, as of March 31, 2008)

3. Toho Titanium Co., Ltd.

1) Head Office	3-5 Chigasaki 3-chome, Chigasaki City, Kanagawa Prefecture
2) President	Takeshi Kurushima
3) Established	September 1948
4) Capital:	4.8 billion yen
5) Main business	Titanium metals, catalysts, and electrical materials businesses
6) Sales	44.9 billion yen (consolidated, fiscal year ended March 31, 2008)
7) Employees	799 (consolidated, as of March 31, 2008)

Exhibit 2. JSS Method Flow Chart



- *1 Polycrystalline silicon (product)
- *2 Reductive reaction
- *3 Chlorination reaction
- *4 Metallic silicon (raw material)
- *5 Electrolysis

Exhibit 3. Polycrystalline silicon (photograph)

