

Supplementary Explanation for Financial Results for the 3rd Quarter of Fiscal 2007 - From April 1, 2007 to December 31, 2007 -

February 6, 2008

Disclaimers concerning forward-looking statements are prepared on the last page of this material.

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Nippon Mining Holdings, Inc.

Code Tokyo 5016



Fiscal 2007 3Q Actual >> Key Points



Key factors

Fiscal 2006 3Q Fiscal 2007 3Q <9 months>

- Exchange rate
116 117 ¥/\$
- Crude Oil FOB (Dubai spot)
62.7 72.7 \$/bbl
- Copper price (LME)
332 341 ¢/lb

Sales

¥ 3,148.3 bn (+12% YoY)

Income before special items

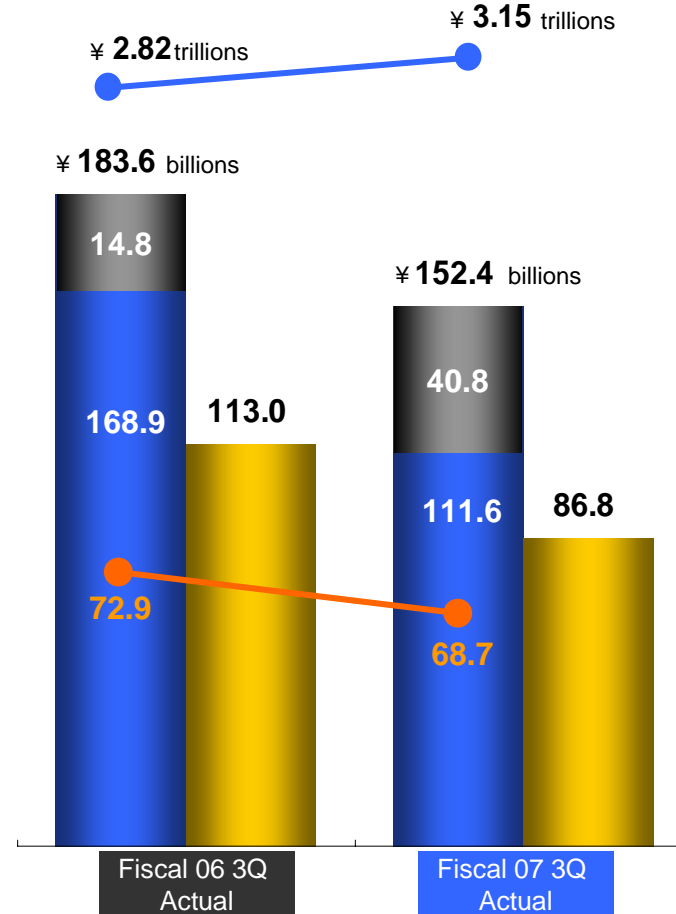
¥ 152.4 bn (-17% YoY)

- Equity in income of non-consolidated subsidiaries and affiliates
¥ 68.7 bn (-6% YoY)

Net income

¥ 86.8 bn (-23% YoY)

Sales, Income, etc. (Fiscal 2007 3Q Consolidated)



- Income before special items (excludes inventory valuation*) (¥bn)
- Inventory valuation* (¥bn)
- Net income (¥bn)
- Sales (¥tn)
- Equity in income of non-consolidated subsidiaries and affiliates (¥bn)

*Inventory valuation by periodic inventory system and the lower of cost or market method

Fiscal 2007 3Q >> Changes in income before special items by segment
Fiscal 07 3Q Actual vs. Fiscal 06 3Q Actual (1)



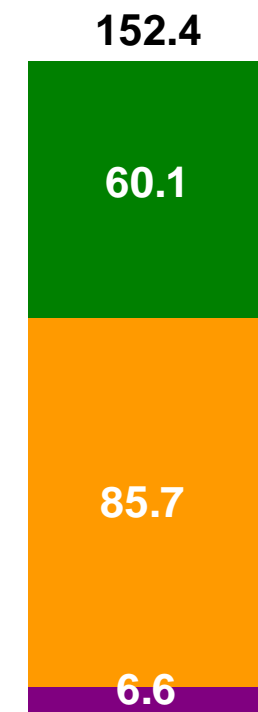
Total

(¥bn)

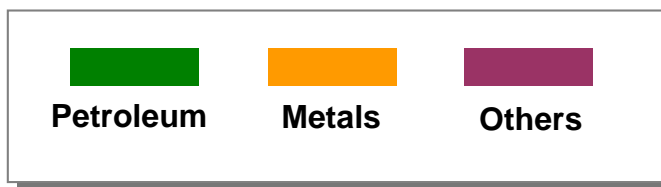


Fiscal 06 3Q Actual

	(31.2)
Petroleum	(5.4)
Upstream (Exploration & Development)	(2.3)
Midstream (Refining & Marketing)	(30.2)
Downstream (Petrochemicals)	(10.8)
Inventory valuation	37.8
Metals	(27.0)
Upstream (Resource Development)	(8.1)
Midstream (Smelting & Refining)	(7.4)
Downstream (Electronic Materials, Metal Manufacturing and Recycling & Environmental Services)	(0.3)
Inventory valuation	(11.2)
Others	1.1



Fiscal 07 3Q Actual

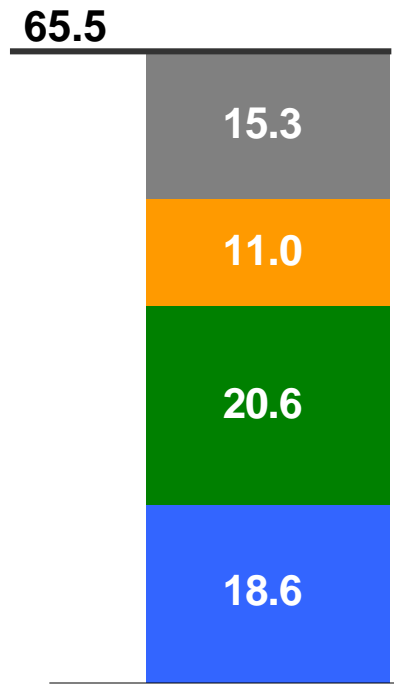


Fiscal 2007 3Q >> Changes in income before special items by segment Fiscal 07 3Q Actual vs. Fiscal 06 3Q Actual (2)



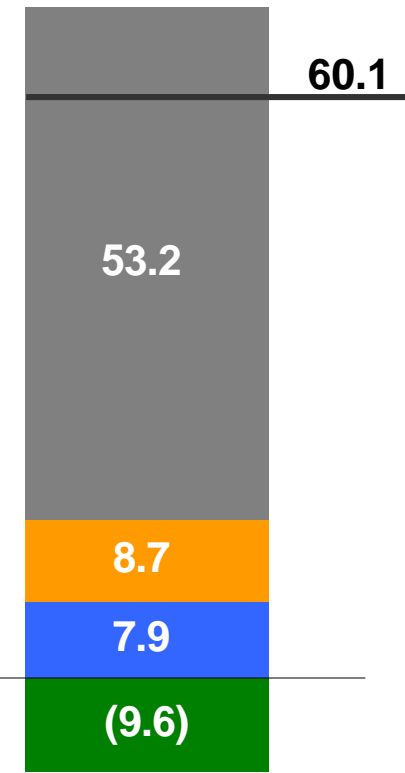
Petroleum

(¥bn)



Fiscal 06 3Q Actual

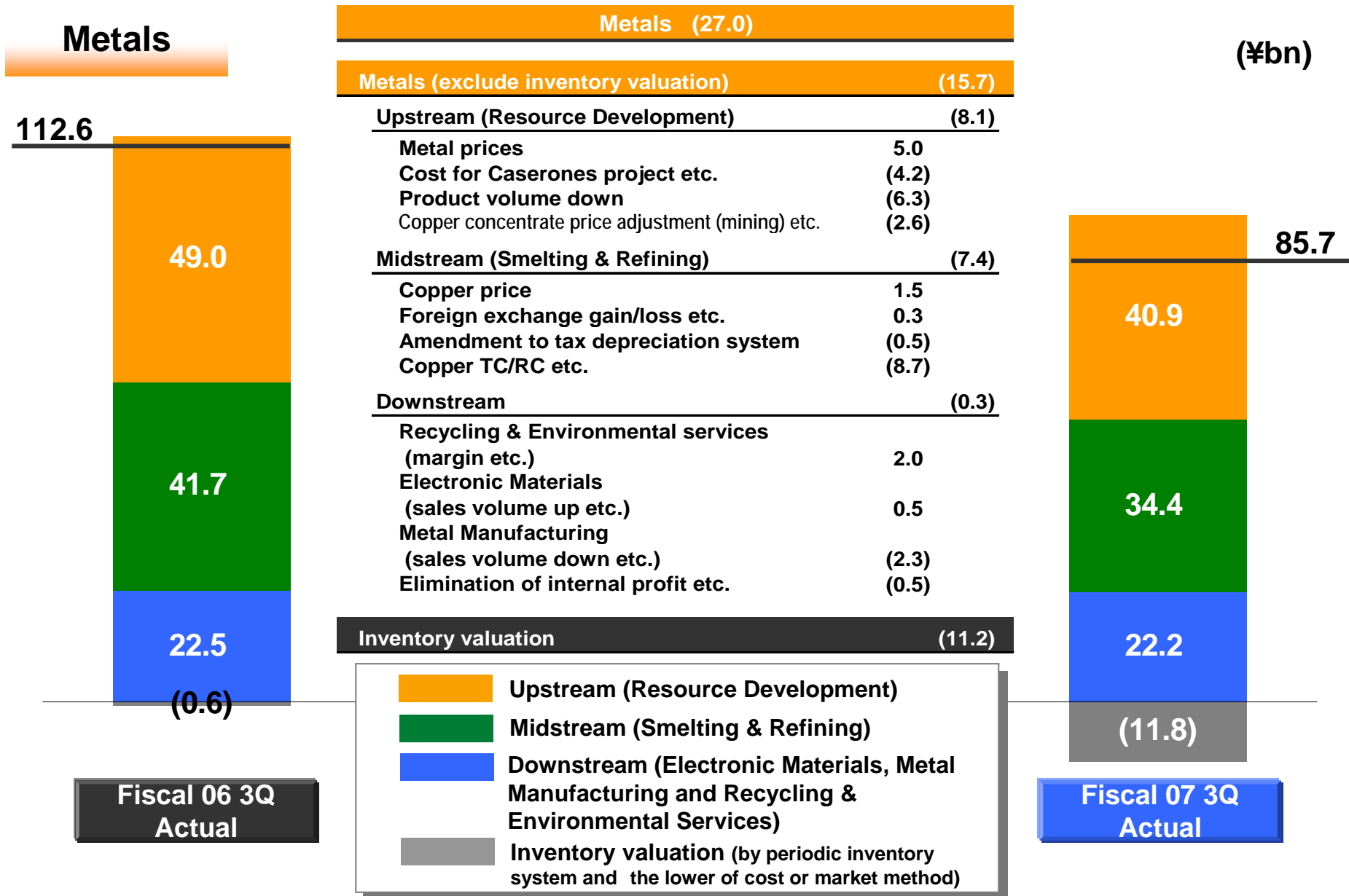
Petroleum (5.4)	
Petroleum (excludes inventory valuation) (43.2)	
Upstream (Exploration & Development) (2.3)	
Production volume down	(2.1)
Other	(0.2)
Midstream (Refining & Marketing) (30.2)	
Amendment to tax depreciation system	(3.4)
Energy costs increase	(4.1)
Margin deterioration etc.	(22.7)
Downstream (Petrochemicals) (10.8)	
Margin deterioration	(6.0)
Cost increase etc.	(4.8)
Inventory valuation 37.8	



Fiscal 07 3Q Actual

- Upstream (Exploration & Development)
- Midstream (Refining & Marketing)
- Downstream (Petrochemicals)
- Inventory valuation (by periodic inventory system and the lower of cost or market method)

Fiscal 2007 3Q >> Changes in income before special items by segment Fiscal 07 3Q Actual vs. Fiscal 06 3Q Actual (3)



*Upstream (Resource Development), Midstream (Smelting & Refining) and Downstream (Recycling & Environmental Services) correspond with "Resources and Metals" in "Metals" segment in financial statement.

Fiscal 2007 Forecast >> Key Points



Key factors

Fiscal 2006 Fiscal 2007 <full year>

Exchange rate

117 114 ¥/\$

(4Q <3 months>: 120 105 ¥/\$)

Crude Oil FOB (Dubai spot)

60.9 76.3 \$/bbl

(4Q <3 months>: 55.5 87.0 \$/bbl)

Copper price (LME)

316 336 ¢/lb

(4Q <3 months>: 269 320 ¢/lb)

Sales

¥ 4,300.0 bn (+13% YoY)

Income before special items

¥ 190.0 bn (-15% YoY)

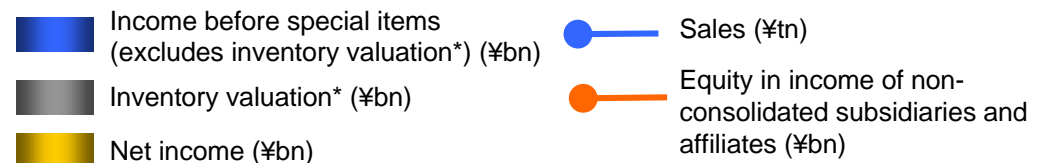
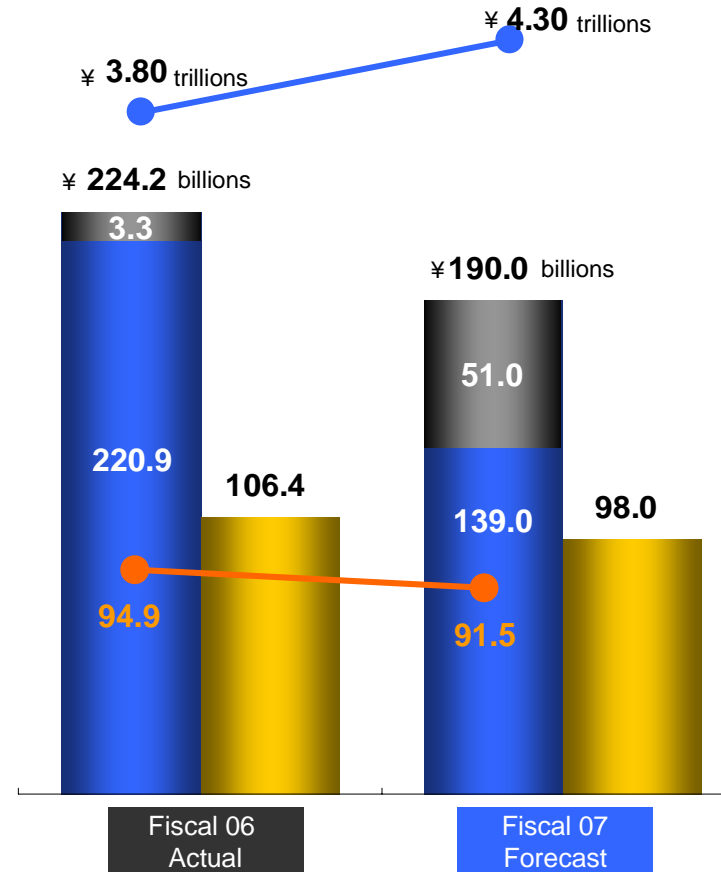
- Equity in income of non-consolidated subsidiaries and affiliates

¥ 91.5 bn (-4% YoY)

Net income

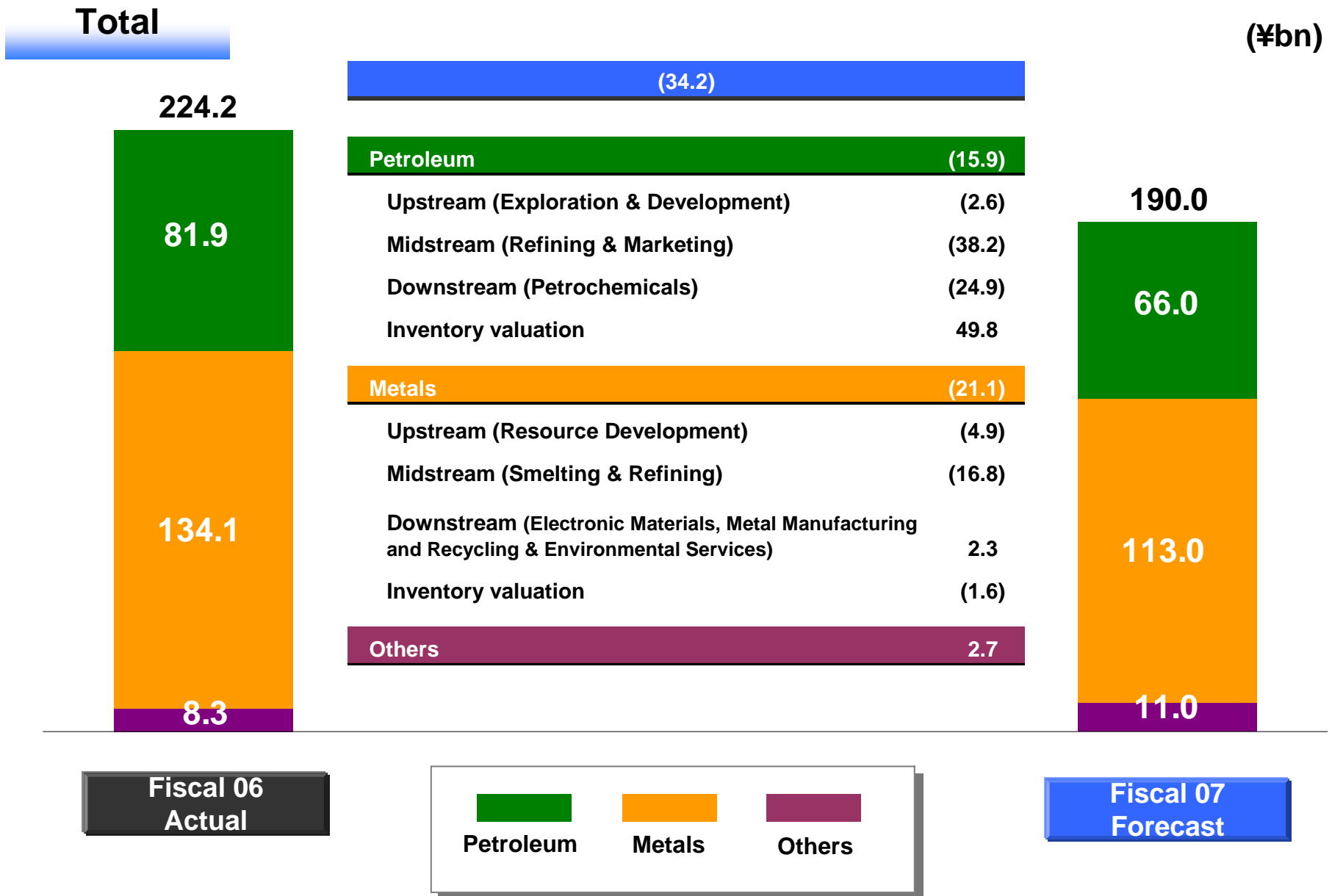
¥ 98.0 bn (-8% YoY)

Sales, Income, etc. (Fiscal 2007 Consolidated)



*Inventory valuation by periodic inventory system and the lower of cost or market method

Fiscal 2007 >> Changes in income before special items by segment Fiscal 07 Forecast vs. Fiscal 06 Actual (1)

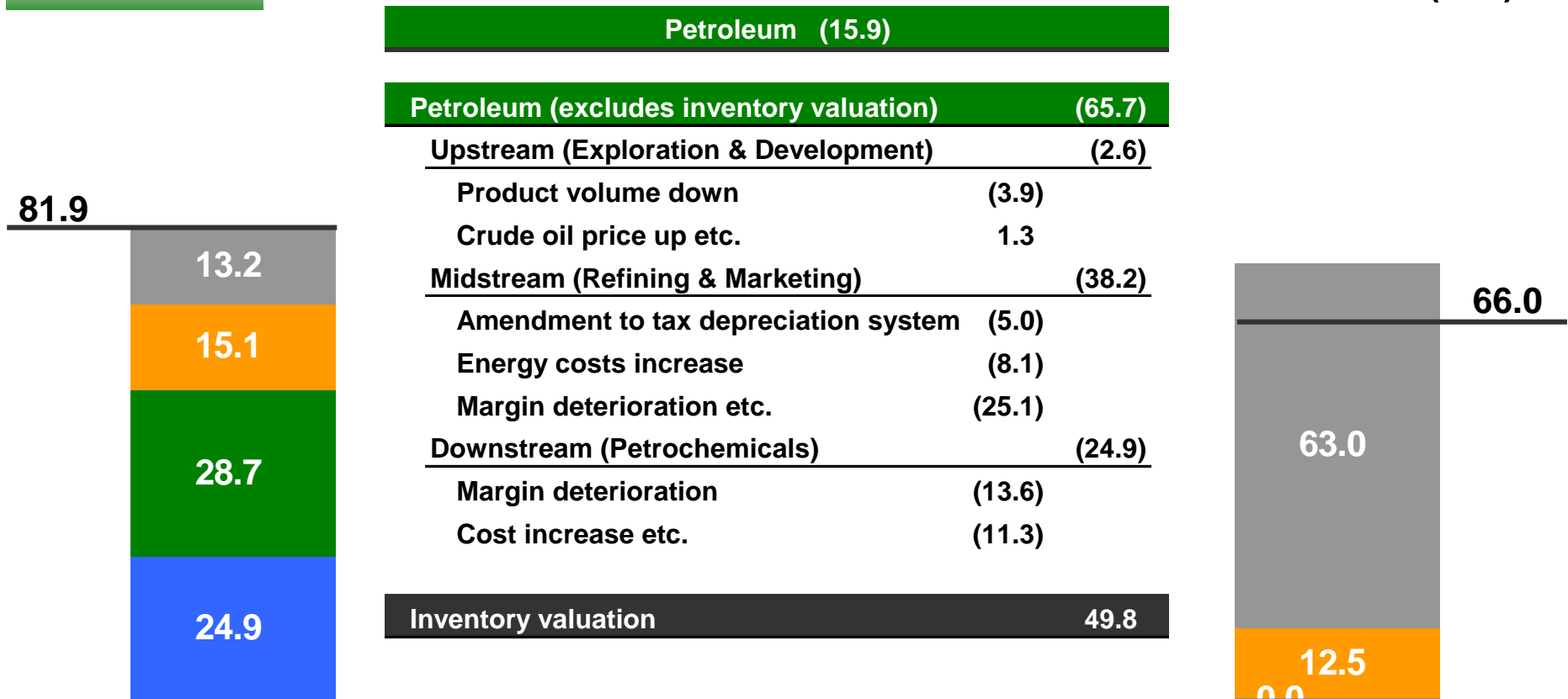


Fiscal 2007 >> Changes in income before special items by segment Fiscal 07 Forecast vs. Fiscal 06 Actual (2)



Petroleum

(¥bn)



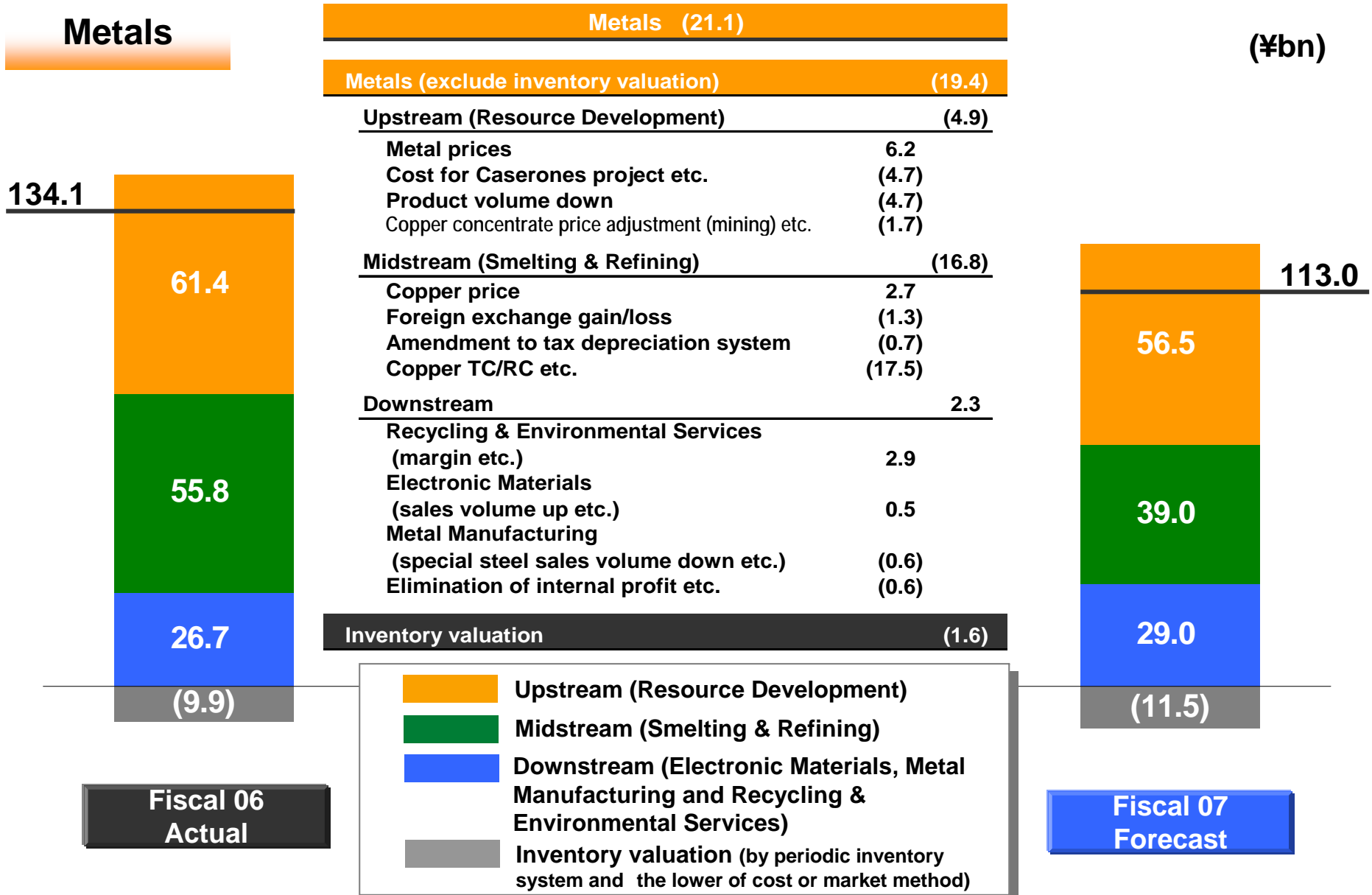
Petroleum (15.9)	
Petroleum (excludes inventory valuation) (65.7)	
Upstream (Exploration & Development) (2.6)	
Product volume down	(3.9)
Crude oil price up etc.	1.3
Midstream (Refining & Marketing) (38.2)	
Amendment to tax depreciation system	(5.0)
Energy costs increase	(8.1)
Margin deterioration etc.	(25.1)
Downstream (Petrochemicals) (24.9)	
Margin deterioration	(13.6)
Cost increase etc.	(11.3)
Inventory valuation 49.8	

Fiscal 06 Actual

Fiscal 07 Forecast

- Upstream (Exploration & Development)
- Midstream (Refining & Marketing)
- Downstream (Petrochemicals)
- Inventory valuation (by periodic inventory system and the lower of cost or market method)

Fiscal 2007 >> Changes in income before special items by segment Fiscal 07 Forecast vs. Fiscal 06 Actual (3)



*Upstream (Resource Development), Midstream (Smelting & Refining) and Downstream (Recycling & Environmental Services) correspond with "Resources and Metals" in "Metals" segment in financial statement.

Balance sheets / Financial indicators



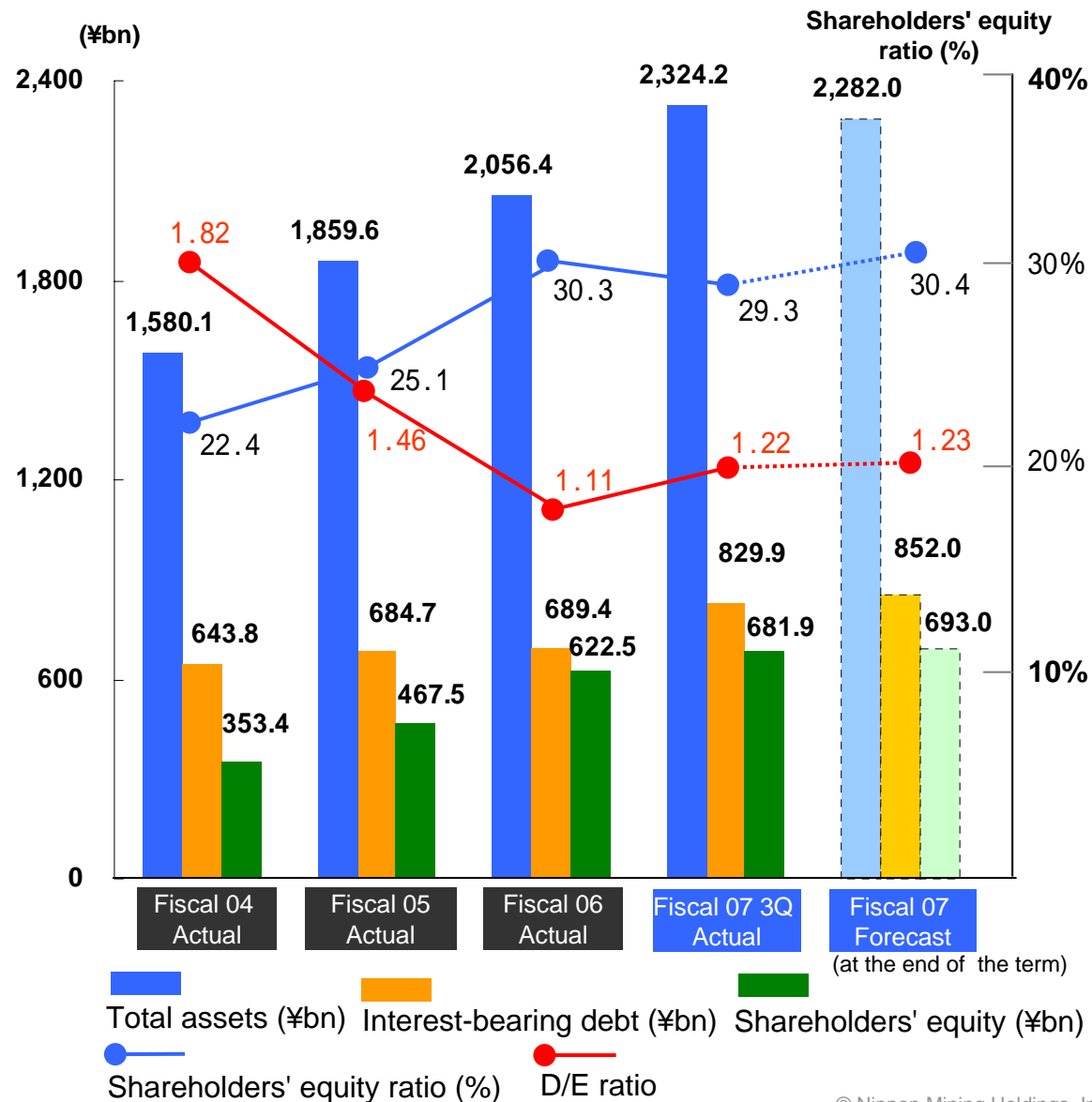
Balance sheets / Financial indicators

As of Dec. 31, 2007 (Actual)

Total assets	¥ 2,324.2 bn
Interest-bearing debt	¥ 829.9 bn
Shareholders' equity	¥ 681.9 bn
Shareholders' equity ratio	29.3%
D/E ratio	1.22

As of Mar. 31, 2008 (Forecast)

Total assets	¥ 2,282.0 bn
Interest-bearing debt	¥ 852.0 bn
Shareholders' equity	¥ 693.0 bn
Shareholders' equity ratio	30.4%
D/E ratio	1.23



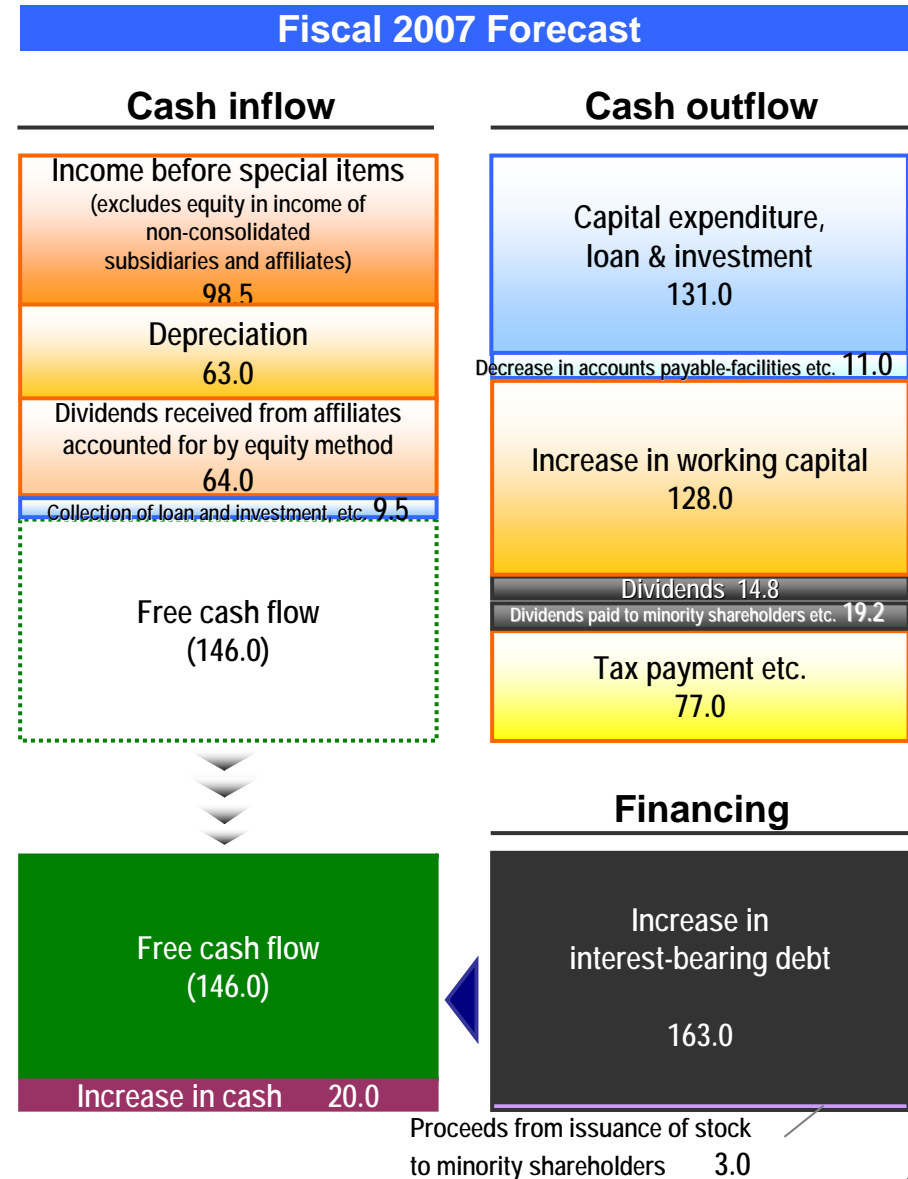
Fiscal 2007 >> Cash flows



(¥bn)

Cash flows (Forecast)

- Capital expenditure, loan & investment
¥ 131.0 bn
- Increase in working capital
¥ 128.0 bn
(includes impact of payment of gasoline tax depending on a term-end holiday)
- Free cash flow
¥ (146.0) bn
(due to increase in capital expenditure, loan & investment and working capital)
- Increase of interest-bearing debt
¥ (163.0) bn



Appendix | Fiscal 2007 3Q >> Changes in income before special items by segment

Detailed analysis charts



	Fiscal 2007 3Q (9 months) Actual (A)					Fiscal 2006 3Q (9 months) Actual (B)					Difference (A) - (B)				
	Nippon Mining Holdings, Inc. & consolidated subsidiaries			Equity in income of affiliates	Total	Nippon Mining Holdings, Inc. & consolidated subsidiaries			Equity in income of affiliates	Total	Nippon Mining Holdings, Inc. & consolidated subsidiaries			Equity in income of affiliates	Total
	Excluding extra factors *1	Inventory valuation *2	Changes in regulation for depreciation *3			Excluding extra factors *1	Inventory valuation *2	Changes in regulation for depreciation *3			Excluding extra factors *1	Inventory valuation *2	Changes in regulation for depreciation *3		
(billions of yen)															
Petroleum	5.5	53.2	(3.4)	4.8	60.1	44.1	15.3	-	6.1	65.5	(38.6)	37.8	(3.4)	(1.3)	(5.4)
Upstream (Exploration & Development)	3.4			5.4	8.7	4.8			6.2	11.0	(1.4)	-	-	(0.8)	(2.3)
Midstream (Refining & Marketing)	(5.7)	53.2	(3.4)	(0.5)	43.5	20.7	15.3		(0.1)	35.9	(26.4)	37.8	(3.4)	(0.4)	7.6
Downstream (Petrochemicals)	7.9				7.9	18.6				18.6	(10.8)	-	-	-	(10.8)
Metals	37.2	(11.8)	(0.8)	61.1	85.7	48.8	(0.6)	-	64.4	112.6	(11.7)	(11.2)	(0.8)	(3.3)	(27.0)
Upstream (Resource Development) *4	(7.2)		(0.0)	48.1	40.9	(3.9)			52.9	49.0	(3.3)	-	(0.0)	(4.8)	(8.1)
Midstream (Smelting & Refining) *4	21.9	(0.1)	(0.5)	12.9	34.3	30.3			11.5	41.7	(8.4)	(0.1)	(0.5)	1.5	(7.4)
Downstream	22.5	(11.7)	(0.3)	0.0	10.4	22.4	(0.6)		0.0	21.9	0.0	(11.2)	(0.3)	0.0	(11.5)
Recycling & Environmental Services *4	8.0		(0.0)		8.0	6.1				6.1	2.0	-	(0.0)	-	2.0
Electronic Materials	7.1	(11.0)	(0.2)		(4.1)	6.4	(0.6)			5.8	0.7	(10.5)	(0.2)	-	(10.0)
Metal Manufacturing	4.7	(0.1)	(0.1)	0.0	4.5	6.8			0.0	6.8	(2.2)	(0.1)	(0.1)	0.0	(2.3)
Eliminations in Metals segment *4	2.7	(0.6)	(0.0)	0.0	2.0	3.1			0.0	3.2	(0.5)	(0.6)	(0.0)	(0.0)	(1.1)
Others	4.5	(0.5)	(0.0)	2.7	6.6	3.1			2.4	5.5	1.4	(0.5)	(0.0)	0.3	1.1
Total	47.2	40.8	(4.2)	68.7	152.4	96.0	14.8	-	72.9	183.6	(48.9)	26.0	(4.2)	(4.2)	(31.2)
Upstream	(3.8)	-	(0.0)	53.5	49.7	0.9	-	-	59.1	60.0	(4.7)	-	(0.0)	(5.6)	(10.4)
Midstream	16.2	53.1	(3.9)	12.4	77.8	50.9	15.3	-	11.4	77.6	(34.8)	37.7	(3.9)	1.1	0.2
Downstream	30.3	(11.7)	(0.3)	0.0	18.3	41.0	(0.6)	-	0.0	40.5	(10.7)	(11.2)	(0.3)	0.0	(22.2)
Others	4.5	(0.5)	(0.0)	2.7	6.6	3.1	-	-	2.4	5.5	1.4	(0.5)	(0.0)	0.3	1.1
Income before special items excluding inventory valuation and changes in regulation for depreciation.				115.8					168.9					(53.1)	

*1 Extra factors: Inventory valuation gain or loss and changes in regulation for depreciation.

*2 Inventory valuation by periodic inventory system and the lower of cost or market method included in inventory valuation.

*3 Increase in depreciation by removal of allowable limit for depreciation in Fiscal 2007.

*4 "Resource Development", "Smelting & Refining", "Recycling & Environmental Services" and a portion of "Eliminations in Metals segment" correspond with "Resources and Metals" in Metals segment in financial statement.

Appendix | Fiscal 2007 >> Changes in income before special items by segment

Detailed analysis charts



	Fiscal 2007 Forecast (A)					Fiscal 2006 Actual (B)					Difference (A) - (B)				
	Nippon Mining Holdings, Inc. & consolidated subsidiaries			Equity in income of affiliates	Total	Nippon Mining Holdings, Inc. & consolidated subsidiaries			Equity in income of affiliates	Total	Nippon Mining Holdings, Inc. & consolidated subsidiaries			Equity in income of affiliates	Total
	Excluding extra factors *1	Inventory valuation *2	Changes in regulation for depreciation *3			Excluding extra factors *1	Inventory valuation *2	Changes in regulation for depreciation *3			Excluding extra factors *1	Inventory valuation *2	Changes in regulation for depreciation *3		
(billions of yen)															
Petroleum	1.0	63.0	(5.0)	7.0	66.0	61.2	13.2	-	7.5	81.9	(60.2)	49.8	(5.0)	(0.5)	(15.9)
Upstream (Exploration & Development)	5.0			7.5	12.5	6.6			8.5	15.1	(1.6)	-	-	(1.0)	(2.6)
Midstream (Refining & Marketing)	(4.0)	63.0	(5.0)	(0.5)	53.5	29.7	13.2		(1.0)	41.9	(33.7)	49.8	(5.0)	0.5	11.6
Downstream (Petrochemicals)	-				-	24.9				24.9	(24.9)	-	-	-	(24.9)
Metals	45.0	(11.5)	(1.0)	80.5	113.0	59.5	(9.9)	-	84.5	134.1	(14.5)	(1.6)	(1.0)	(4.0)	(21.1)
Upstream (Resource Development) *4	(9.2)			65.7	56.5	(5.6)			67.1	61.4	(3.6)	-	-	(1.4)	(4.9)
Midstream (Smelting & Refining) *4	24.9		(0.7)	14.8	39.0	38.4	(0.3)		17.4	55.5	(13.5)	0.3	(0.7)	(2.6)	(16.5)
Downstream	29.3	(11.5)	(0.3)	0.0	17.5	26.7	(9.6)		0.0	17.1	2.6	(1.9)	(0.3)	(0.0)	0.4
Recycling & Environmental Services *4	11.5				11.5	8.6				8.6	2.9	-	-	-	2.9
Electronic Materials	8.4	(11.2)	(0.2)		(3.0)	7.7	(9.9)			(2.2)	0.7	(1.3)	(0.2)	-	(0.8)
Metal Manufacturing	6.3		(0.1)	0.0	6.2	6.8	(0.2)		0.0	6.6	(0.5)	0.2	(0.1)	(0.0)	(0.4)
Eliminations in Metals segment *4	3.1	(0.3)		0.0	2.8	3.6	0.5		0.0	4.1	(0.5)	(0.8)	-	(0.0)	(1.3)
Others	7.5	(0.5)		4.0	11.0	5.4	(0.1)		3.0	8.3	2.1	(0.4)	-	1.1	2.7
Total	53.5	51.0	(6.0)	91.5	190.0	126.0	3.3	-	94.9	224.2	(72.5)	47.7	(6.0)	(3.4)	(34.2)
Upstream	(4.2)	-	-	73.2	69.0	0.9	-	-	75.6	76.5	(5.1)	-	-	(2.4)	(7.5)
Midstream	20.9	63.0	(5.7)	14.3	92.5	68.1	13.0	-	16.4	97.4	(47.2)	50.0	(5.7)	(2.1)	(4.9)
Downstream	29.3	(11.5)	(0.3)	-	17.5	51.6	(9.6)	-	0.0	42.1	(22.3)	(1.9)	(0.3)	(0.0)	(24.6)
Others	7.5	(0.5)	-	4.0	11.0	5.4	(0.1)	-	3.0	8.3	2.1	(0.4)	-	1.1	2.7
Income before special items excluding inventory valuation and changes in regulation for depreciation.				145.0					220.9					(75.9)	

*1 Extra factors: Inventory valuation gain or loss and changes in regulation for depreciation.

*2 Inventory valuation by periodic inventory system and the lower of cost or market method included in inventory valuation.

*3 Increase in depreciation by removal of allowable limit for depreciation in Fiscal 2007.

*4 "Resource Development", "Smelting & Refining", "Recycling & Environmental Services" and a portion of "Eliminations in Metals segment" correspond with "Resources and Metals" in Metals segment in financial statement.



■ Forward-looking statements

- **This material includes Nippon Mining Holdings' future plans, strategies, earnings forecast, and outlook**
- **Information in this material includes not only facts that have occurred, but also forecasts, assumptions and opinions based on available information as of February 6, 2008**
- **This also includes unlimited risks and uncertainties related to the economic condition, fierce competition in the industry, market demand, foreign exchange rate, tax system and other regulations**
- **Hence please note that actual results may differ from our forecasts described in this material**

Financial Results for the 3rd Quarter of FY2007 (Data)

Financial Results for the 3rd Quarter of FY 2007 and Annual Forecast for FY2007

- 1 . Operating Results (consolidated) for the 3rd Quarter of FY2007
- 2 . Annual Forecast for FY2007
- < 1 > Comparison with FY2006 Results
- < 2 > Comparison with the Previous Forecast announced on November 7, 2007

Segment Information (3rd Quarter Results and Annual Forecast)

- < 1 > Petroleum (Japan Energy Group)
- < 2 > Metals (Nippon Mining & Metals Group)

Consolidated Balance Sheets, Cash Flows, etc.

- 1 . Consolidated Balance Sheets
- 2 . Consolidated Cash Flows
- 3 . Capital Expenditure and Depreciation and Amortization (consolidated)
- 4 . Interest-bearing Debt
- 5 . Dividend
- 6 . Number of Employees

NIPPON MINING HOLDINGS, INC.

February 6, 2008

The forecasts are based on the information available as of February 6, 2008. The actual results are subject to change due to changes in the business environment.

I Financial Results for the 3rd Quarter of FY 2007 and Annual Forecast for FY2007

1. Operating Results (consolidated) for the 3rd Quarter of FY2007

(1) Outline of Consolidated Statements of Income

(Billions of Yen)	FY2007			FY2006			Difference		
	1H Actual	3Q(3months) Actual	Total (9months)	1H Actual	3Q(3months) Actual	Total (9months)	1H Actual	3Q(3months) Actual	Total (9months)
Net sales	2,010.6	1,137.7	3,148.3	1,807.5	1,009.0	2,816.5	203.1	128.7	331.8
Operating income	50.3	35.7	86.0	75.5	37.4	113.0	(25.2)	(1.8)	(26.9)
Other income and expenses, net	45.4	21.0	66.4	40.1	30.6	70.7	5.3	(9.6)	(4.3)
Equity in income of non-consolidated subsidiaries and affiliates	44.4	24.2	68.7	41.3	31.6	72.9	3.1	(7.3)	(4.2)
Other, net	0.9	(3.2)	(2.3)	(1.2)	(1.0)	(2.2)	2.2	(2.3)	(0.1)
Income before special items	95.7	56.7	152.4	115.6	68.0	183.6	(19.9)	(11.4)	(31.2)
Special profit and loss, net	2.7	1.9	4.6	8.4	0.5	8.9	(5.7)	1.3	(4.3)
Income taxes	35.3	16.7	52.0	37.8	19.5	57.2	(2.5)	(2.7)	(5.2)
Minority interests in earnings of consolidated subsidiaries	12.1	6.1	18.2	13.7	8.7	22.4	(1.5)	(2.6)	(4.1)
Net income	51.0	35.8	86.8	72.5	40.4	113.0	(21.5)	(4.7)	(26.2)

※Profit or loss in inventory valuation

Inventory valuation by periodic inventory system	23.9	24.7	48.6	23.0	(8.2)	14.8	0.9	32.9	33.8
Inventory valuation by the lower of cost or market method	(5.0)	(2.8)	(7.8)	-	-	-	(5.0)	(2.8)	(7.8)
Total	18.9	21.9	40.8	23.0	(8.2)	14.8	(4.1)	30.1	26.0

(2) Scope of Consolidation (as of December 31, 2007)

- ① Consolidated subsidiaries 113 (1 addition, 2 reduction)
 ② Equity method affiliates 15 (- addition, - reduction)

(3) Breakdown of Other Income and Expenses, Net and Special Profit and Loss, Net

① Breakdown of other income and expenses, net	3Q(3months)	3Q(9months)
Interest and dividend income	¥ 1.0 billion	¥ 3.7 billion
Exchange gain	¥ 0.1 "	¥ 3.6 "
Equity in income of non-consolidated subsidiaries and affiliates	¥ 24.2 "	¥ 68.7 "
Interest expenses	¥ (3.5) "	¥ (9.9) "
Other	¥ (0.8) "	¥ 0.3 "
Total	¥ 21.0 "	¥ 66.4 "
② Breakdown of special profit and loss, net		
Gain on sales of property, plant and equipment	¥ 2.0 "	¥ 3.3 "
Reversal of reserve for loss on business liquidation	¥ (0.0) "	¥ 2.2 "
Compensation income for expropriation	- "	¥ 1.9 "
Loss on disposal of property, plant and equipment	¥ (0.6) "	¥ (2.7) "
Impairment losses	- "	¥ (0.8) "
Other	¥ 0.5 "	¥ 0.7 "
Total	¥ 1.9 "	¥ 4.6 "

(4) Segment Information

(Billions of Yen)

		FY2007			FY2006			Difference		
		1H Actual	3Q(3months) Actual	Total (9months)	1H Actual	3Q(3months) Actual	Total (9months)	1H Actual	3Q(3months) Actual	Total (9months)
Petroleum	Net sales	1,434.9	849.0	2,283.9	1,297.5	731.5	2,029.0	137.4	117.4	254.9
	Operating income	28.3	28.1	56.4	38.4	22.3	60.8	(10.2)	5.8	(4.4)
	Income before special items	32.1	28.1	60.1	41.7	23.8	65.5	(9.6)	4.2	(5.4)
Metals	Net sales	565.2	283.9	849.1	503.6	273.2	776.8	61.6	10.7	72.3
	Operating income	20.5	6.3	26.8	35.6	14.5	50.1	(15.1)	(8.2)	(23.3)
	Income before special items	59.3	26.4	85.7	70.5	42.2	112.6	(11.2)	(15.8)	(27.0)
Resources & Metals	Net sales	499.0	250.2	749.2	438.2	236.4	674.5	60.8	13.9	74.6
	Operating income	17.7	6.9	24.6	24.9	10.9	35.8	(7.2)	(4.0)	(11.2)
	Income before special items	57.3	28.0	85.3	60.1	38.9	99.0	(2.9)	(10.9)	(13.8)
Electronic Materials	Net sales	67.8	34.9	102.7	64.6	34.4	98.9	3.2	0.6	3.8
	Operating income	(0.3)	(2.1)	(2.4)	5.7	1.2	6.9	(6.0)	(3.3)	(9.3)
	Income before special items	(1.2)	(3.0)	(4.1)	5.1	0.7	5.8	(6.3)	(3.7)	(10.0)
Metal Manufacturing	Net sales	36.2	19.2	55.4	35.1	19.1	54.2	1.1	0.1	1.2
	Operating income	3.1	1.5	4.6	4.6	1.9	6.5	(1.6)	(0.4)	(1.9)
	Income before special items	3.1	1.4	4.5	4.9	1.9	6.8	(1.8)	(0.5)	(2.3)
Metals Group Adjustments	Net sales	(37.7)	(20.5)	(58.2)	(34.3)	(16.7)	(50.9)	(3.5)	(3.8)	(7.3)
	Operating income	0.0	(0.0)	0.0	0.3	0.6	0.9	(0.3)	(0.6)	(0.9)
	Income before special items	0.0	(0.0)	0.0	0.3	0.6	0.9	(0.3)	(0.6)	(0.9)
Others	Net sales	32.6	14.7	47.3	25.0	11.7	36.7	7.6	2.9	10.5
	Operating income	1.5	1.3	2.8	1.5	0.6	2.1	0.0	0.7	0.7
	Income before special items	4.4	2.2	6.6	3.4	2.1	5.5	1.0	0.2	1.1
Eliminations	Net sales	(22.1)	(9.8)	(31.9)	(18.5)	(7.5)	(26.0)	(3.6)	(2.3)	(5.9)
	Operating income									
	Income before special items									
Total	Net sales	2,010.6	1,137.7	3,148.3	1,807.5	1,009.0	2,816.5	203.1	128.7	331.8
	Operating income	50.3	35.7	86.0	75.5	37.4	113.0	(25.2)	(1.8)	(26.9)
	Income before special items	95.7	56.7	152.4	115.6	68.0	183.6	(19.9)	(11.4)	(31.2)

※ Profit or loss in inventory valuation by segment

Petroleum	Inventory valuation by periodic inventory system	25.1	28.0	53.2	22.7	(7.4)	15.3	2.4	35.5	37.8
	Inventory valuation by the lower of cost or market method	0.0	(0.0)	(0.0)	-	-	-	0.0	(0.0)	(0.0)
	Total	25.1	28.0	53.2	22.7	(7.4)	15.3	2.4	35.4	37.8
Metals	Inventory valuation by periodic inventory system	(1.2)	(3.4)	(4.6)	0.2	(0.8)	(0.6)	(1.4)	(2.6)	(4.0)
	Inventory valuation by the lower of cost or market method	(4.5)	(2.8)	(7.2)	-	-	-	(4.5)	(2.8)	(7.2)
	Total	(5.7)	(6.1)	(11.8)	0.2	(0.8)	(0.6)	(5.9)	(5.3)	(11.2)

(5) Key Factors

			FY2007			FY2006			Difference			
			1H Actual	3Q(3months) Actual	Total (9months)	1H Actual	3Q(3months) Actual	Total (9months)	1H Actual	3Q(3months) Actual	Total (9months)	
All Segments	Exchange rate	¥/\$	119	113	117	115	118	116	4	(5)	1	
Petroleum	Dubai spot price	\$/BBL	67.4	83.2	72.7	65.4	57.3	62.7	2.1	25.9	10.0	
	Market price of paraxylene	\$/t	1,141	1,075	1,119	1,133	1,097	1,121	8	(22)	(2)	
Metals	Resources & Metals	Market price of copper	¢/lb	348	326	341	338	321	332	11	5	9
		Electrolytic copper sales	Kt/period	326	168	494	308	176	484	18	(8)	10
	Electronic Materials	Electro-deposited copper foil sales	t/month	2,065	2,006	2,045	2,038	1,961	2,012	27	45	33
Treated rolled copper foil sales		Km/month	3,959	4,190	4,036	3,613	4,052	3,759	346	138	277	
Metal Manufacturing	Products sales	Kt/period	19.8	10.4	30.2	22.5	10.5	33.0	(2.7)	(0.2)	(2.8)	
	High quality products ratio	%	44%	46%	45%	42%	46%	43%	2%	-	2%	

2. Annual Forecast for FY2007

<1> Comparison with FY2006 Results

(1) Key Factors

			FY2007			FY2006			Difference			
			1H Actual	2H Forecast	Total Forecast	1H Actual	2H Actual	Total Actual	1H	2H	Total	
All Segments	Exchange rate(*1)	¥/\$	119	109	114	115	119	117	4	(10)	(3)	
Petroleum	Dubai spot price(*2)	\$/BBL	67.4	85.1	76.3	65.4	56.4	60.9	2.1	28.7	15.4	
	Market price of parexylene	\$/t	1,141	1,103	1,122	1,133	1,072	1,103	8	31	19	
Resources & Metals	Market price of copper(*3)	¢/lb	348	323	336	338	295	316	11	28	19	
	Electrolytic copper sales	Kt/period	326	332	658	308	338	645	18	(5)	13	
Metals	Electronic	Electro-deposited copper foil sales(*4)	t/month	2,065	1,394	1,730	2,038	1,730	1,884	27	(336)	(154)
	Materials	Treated rolled copper foil sales(*4)	Km/month	3,959	3,304	3,631	3,613	3,562	3,588	346	(259)	44
Metal Manufacturing	Products sales	Kt/period	19.8	20.9	40.8	22.5	19.7	42.2	(2.7)	1.2	(1.5)	
	High quality products ratio	%	44%	49%	47%	42%	45%	43%	2%	4%	4%	

(*1)Forecast for the 4th Quarter of FY2007 : 105¥/\$

(*2)Forecast for the 4th Quarter of FY2007 : 87\$/BBL

(*3)Forecast for the 4th Quarter of FY2007 : 320 ¢ /lb

(*4)The decrease in the 2H of FY2007 is due to changes in the accounting period of the foreign consolidated subsidiaries.

(2) Outline of Consolidated Statements of Income

(Billions of Yen)		FY2007			FY2006			Difference		
		1H Actual	2H Forecast	Total Forecast	1H Actual	2H Actual	Total Actual	1H	2H	Total
Net sales		2,010.6	2,289.4	4,300.0	1,807.5	1,994.9	3,802.4	203.1	294.5	497.6
Operating income		50.3	52.7	103.0	75.5	56.7	132.3	(25.2)	(4.1)	(29.3)
Other income and expenses, net		45.4	41.6	87.0	40.1	51.9	92.0	5.3	(10.3)	(5.0)
	Equity in income of non-consolidated subsidiaries and affiliates	44.4	47.1	91.5	41.3	53.6	94.9	3.1	(6.5)	(3.4)
	Other, net	0.9	(5.4)	(4.5)	(1.2)	(1.7)	(2.9)	2.2	(3.8)	(1.6)
Income before special items		95.7	94.3	190.0	115.6	108.6	224.2	(19.9)	(14.4)	(34.2)
Special profit and loss, net		2.7	(2.7)	—	8.4	(12.5)	(4.2)	(5.7)	9.8	4.2
Income taxes		35.3	35.7	71.0	37.8	47.6	85.4	(2.5)	(11.9)	(14.4)
Minority interests in earnings of consolidated subsidiaries		12.1	8.9	21.0	13.7	14.6	28.3	(1.5)	(5.7)	(7.3)
Net income		51.0	47.0	98.0	72.5	33.9	106.4	(21.5)	13.1	(8.4)
Earnings per share (yen)		55.04		105.74	82.64		117.98	(27.60)		(12.24)
Number of shares (1,000 shares)		926,850		926,817	877,447		902,128			

*Earnings per share of the annual forecast for FY2007 is calculated on the basis of the number of shares outstanding at the end of December, 2007.

*Total 80,000,000 new shares were issued in July and August, 2006.

※Profit or loss in inventory valuation

Inventory valuation by periodic inventory system	23.9	36.1	60.0	23.0	(11.0)	12.0	0.9	47.1	48.0
Inventory valuation by the lower of cost or market method	(5.0)	(4.0)	(9.0)	—	(8.7)	(8.7)	(5.0)	4.7	(0.3)
Total	18.9	32.1	51.0	23.0	(19.7)	3.3	(4.1)	51.8	47.7

(3) Segment Information

(Billions of Yen)

		FY2007			FY2006			Difference		
		1H Actual	2H Forecast	Total Forecast	1H Actual	2H Actual	Total Actual	1H	2H	Total
Petroleum	Net sales	1,434.9	1,745.1	3,180.0	1,297.5	1,458.2	2,755.7	137.4	286.8	424.3
	Operating income	28.3	32.7	61.0	38.4	37.5	75.9	(10.2)	(4.8)	(14.9)
	Income before special items	32.1	33.9	66.0	41.7	40.2	81.9	(9.6)	(6.3)	(15.9)
Metals	Net sales	565.2	524.8	1,090.0	503.6	520.5	1,024.1	61.6	4.3	65.9
	Operating income	20.5	16.0	36.5	35.6	16.7	52.3	(15.1)	(0.8)	(15.8)
	Income before special items	59.3	53.7	113.0	70.5	63.6	134.1	(11.2)	(9.8)	(21.1)
Resources & Metals	Net sales	499.0	460.0	959.0	438.2	448.9	887.0	60.8	11.2	72.0
	Operating income	17.7	13.5	31.2	24.9	20.2	45.1	(7.2)	(6.7)	(13.9)
	Income before special items	57.3	52.7	110.0	60.1	67.6	127.8	(2.9)	(14.9)	(17.8)
Electronic Materials	Net sales	67.8	62.2	130.0	64.6	65.0	129.6	3.2	(2.8)	0.4
	Operating income	(0.3)	(0.5)	(0.8)	5.7	(6.4)	(0.7)	(6.0)	5.9	(0.1)
	Income before special items	(1.2)	(1.8)	(3.0)	5.1	(7.3)	(2.2)	(6.3)	5.5	(0.8)
Metal Manufacturing	Net sales	36.2	37.8	74.0	35.1	35.3	70.4	1.1	2.5	3.6
	Operating income	3.1	3.2	6.3	4.6	1.4	6.1	(1.6)	1.8	0.2
	Income before special items	3.1	3.1	6.2	4.9	1.7	6.6	(1.8)	1.4	(0.4)
Metals Group	Net sales	(37.7)	(35.3)	(73.0)	(34.3)	(28.6)	(62.9)	(3.5)	(6.6)	(10.1)
	Operating income	0.0	(0.2)	(0.2)	0.3	1.5	1.9	(0.3)	(1.8)	(2.1)
	Income before special items	0.0	(0.2)	(0.2)	0.3	1.5	1.9	(0.3)	(1.8)	(2.1)
Adjustments	Net sales	32.6	41.4	74.0	25.0	40.7	65.7	7.6	0.7	8.3
	Operating income	1.5	4.0	5.5	1.5	2.5	4.0	0.0	1.5	1.5
	Income before special items	4.4	6.6	11.0	3.4	4.9	8.3	1.0	1.8	2.7
Eliminations	Net sales	(22.1)	(21.9)	(44.0)	(18.5)	(24.5)	(43.0)	(3.6)	2.7	(1.0)
Total	Net sales	2,010.6	2,289.4	4,300.0	1,807.5	1,994.9	3,802.4	203.1	294.5	497.6
	Operating income	50.3	52.7	103.0	75.5	56.7	132.3	(25.2)	(4.1)	(29.3)
	Income before special items	95.7	94.3	190.0	115.6	108.6	224.2	(19.9)	(14.4)	(34.2)

※Profit or loss in inventory valuation by segment

Petroleum	Inventory valuation by periodic inventory system	25.1	37.9	63.0	22.7	(8.5)	14.2	2.4	46.4	48.8
	Inventory valuation by the lower of cost or market method	0.0	(0.0)	-	-	(1.0)	(1.0)	0.0	1.0	1.0
	Total	25.1	37.9	63.0	22.7	(9.5)	13.2	2.4	47.4	49.8
Metals	Inventory valuation by periodic inventory system	(1.2)	(1.8)	(3.0)	0.2	(2.4)	(2.2)	(1.4)	0.6	(0.8)
	Inventory valuation by the lower of cost or market method	(4.5)	(4.0)	(8.5)	-	(7.7)	(7.7)	(4.5)	3.6	(0.8)
	Total	(5.7)	(5.8)	(11.5)	0.2	(10.1)	(9.9)	(5.9)	4.3	(1.6)

<2> Comparison with the Previous Forecast announced on November 7, 2007

(1) Key Factors

			FY2007 (Revised Forecast)			FY2007 (Previous Forecast)			Difference			
			1H Actual	2H Forecast	Total Forecast	1H Actual	2H Forecast	Total Forecast	1H	2H	Total	
All Segments	Exchange rate	¥/\$	119	109	114	119	110	115	-	(1)	(1)	
Petroleum	Dubai spot price	\$/BBL	67.4	85.1	76.3	67.4	72.5	70.0	-	12.6	6.3	
	Market price of paraxylene	\$/t	1,141	1,103	1,122	1,141	1,197	1,170	-	(94)	(48)	
Metals	Resources & Metals	Market price of copper	¢/lb	348	323	336	348	330	339	-	(7)	(4)
		Electrolytic copper sales	Kt/period	326	332	658	326	329	655	-	3	3
	Electronic	Electro-deposited copper foil sales	t/month	2,065	1,394	1,730	2,065	1,510	1,788	-	(116)	(58)
	Materials	Treated rolled copper foil sales	Km/month	3,959	3,304	3,631	3,959	3,475	3,716	-	(172)	(85)
	Metal Manufacturing	Products sales	Kt/period	19.8	20.9	40.8	19.8	22.8	42.6	-	(1.9)	(1.9)
	High quality products ratio	%	44%	49%	47%	44%	47%	46%	-	2%	1%	

(2) Outline of Consolidated Statements of Income

(Billions of Yen)

		FY2007 (Revised Forecast)			FY2007 (Previous Forecast)			Difference		
		1H Actual	2H Forecast	Total Forecast	1H Actual	2H Forecast	Total Forecast	1H	2H	Total
Net sales		2,010.6	2,289.4	4,300.0	2,010.6	2,189.4	4,200.0	-	100.0	100.0
Operating income		50.3	52.7	103.0	50.3	59.7	110.0	-	(7.0)	(7.0)
Other income and expenses, net		45.4	41.6	87.0	45.4	34.6	80.0	-	7.0	7.0
	Equity in income of non-consolidated subsidiaries and affiliates	44.4	47.1	91.5	44.4	43.1	87.5	-	4.0	4.0
	Other, net	0.9	(5.4)	(4.5)	0.9	(8.4)	(7.5)	-	3.0	3.0
Income before special items		95.7	94.3	190.0	95.7	94.3	190.0	-	-	-
Special profit and loss, net		2.7	(2.7)	-	2.7	(2.7)	-	-	-	-
Income taxes		35.3	35.7	71.0	35.3	35.7	71.0	-	-	-
Minority interests in earnings of consolidated subsidiaries		12.1	8.9	21.0	12.1	8.9	21.0	-	-	-
Net income		51.0	47.0	98.0	51.0	47.0	98.0	-	-	-
Earnings per share (yen)		55.04		105.74	55.04		105.74	-		(0.00)
Number of shares (1,000 shares)		926,850		926,817	926,850		926,813			

*Earnings per share of the forecast for FY2007 is calculated on the basis of the number of shares outstanding at the end of December, 2007.

※Profit or loss in inventory valuation

Inventory valuation by periodic inventory system	23.9	36.1	60.0	23.9	4.9	28.8	-	31.2	31.2
Inventory valuation by the lower of cost or market method	(5.0)	(4.0)	(9.0)	(5.0)	-	(5.0)	-	(4.0)	(4.0)
Total	18.9	32.1	51.0	18.9	4.9	23.8	-	27.2	27.2

(3) Segment Information

(Billions of Yen)

		FY2007 (Revised Forecast)			FY2007 (Previous Forecast)			Difference		
		1H Actual	2H Forecast	Total Forecast	1H Actual	2H Forecast	Total Forecast	1H	2H	Total
Petroleum	Net sales	1,434.9	1,745.1	3,180.0	1,434.9	1,645.1	3,080.0	-	100.0	100.0
	Operating income	28.3	32.7	61.0	28.3	35.7	64.0	-	(3.0)	(3.0)
	Income before special items	32.1	33.9	66.0	32.1	33.9	66.0	-	-	-
Metals	Net sales	565.2	524.8	1,090.0	565.2	524.8	1,090.0	-	-	-
	Operating income	20.5	16.0	36.5	20.5	20.5	41.0	-	(4.5)	(4.5)
	Income before special items	59.3	53.7	113.0	59.3	56.7	116.0	-	(3.0)	(3.0)
Resources & Metals	Net sales	499.0	460.0	959.0	499.0	456.0	955.0	-	4.0	4.0
	Operating income	17.7	13.5	31.2	17.7	10.6	28.3	-	2.9	2.9
	Income before special items	57.3	52.7	110.0	57.3	48.2	105.5	-	4.5	4.5
Electronic Materials	Net sales	67.8	62.2	130.0	67.8	64.2	132.0	-	(2.0)	(2.0)
	Operating income	(0.3)	(0.5)	(0.8)	(0.3)	5.5	5.2	-	(6.0)	(6.0)
	Income before special items	(1.2)	(1.8)	(3.0)	(1.2)	4.3	3.1	-	(6.1)	(6.1)
Metal Manufacturing	Net sales	36.2	37.8	74.0	36.2	39.8	76.0	-	(2.0)	(2.0)
	Operating income	3.1	3.2	6.3	3.1	4.4	7.5	-	(1.2)	(1.2)
	Income before special items	3.1	3.1	6.2	3.1	4.3	7.4	-	(1.2)	(1.2)
Metals Group	Net sales	(37.7)	(35.3)	(73.0)	(37.7)	(35.3)	(73.0)	-	-	-
	Operating income	0.0	(0.2)	(0.2)	0.0	(0.0)	-	-	(0.2)	(0.2)
	Income before special items	0.0	(0.2)	(0.2)	0.0	(0.0)	-	-	(0.2)	(0.2)
Adjustments	Net sales									
	Operating income									
	Income before special items									
Others	Net sales	32.6	41.4	74.0	32.6	41.4	74.0	-	-	-
	Operating income	1.5	4.0	5.5	1.5	3.5	5.0	-	0.5	0.5
	Income before special items	4.4	6.6	11.0	4.4	3.6	8.0	-	3.0	3.0
Eliminations	Net sales	(22.1)	(21.9)	(44.0)	(22.1)	(21.9)	(44.0)	-	-	-
	Operating income									
	Income before special items									
Total	Net sales	2,010.6	2,289.4	4,300.0	2,010.6	2,189.4	4,200.0	-	100.0	100.0
	Operating income	50.3	52.7	103.0	50.3	59.7	110.0	-	(7.0)	(7.0)
	Income before special items	95.7	94.3	190.0	95.7	94.3	190.0	-	-	-

※Profit or loss in inventory valuation by segment

Petroleum	Inventory valuation by periodic inventory system	25.1	37.9	63.0	25.1	4.9	30.0	-	33.0	33.0
	Inventory valuation by the lower of cost or market method	0.0	(0.0)	-	0.0	-	0.0	-	(0.0)	(0.0)
	Total	25.1	37.9	63.0	25.1	4.9	30.0	-	33.0	33.0
Metals	Inventory valuation by periodic inventory system	(1.2)	(1.8)	(3.0)	(1.2)	-	(1.2)	-	(1.8)	(1.8)
	Inventory valuation by the lower of cost or market method	(4.5)	(4.0)	(8.5)	(4.5)	-	(4.5)	-	(4.0)	(4.0)
	Total	(5.7)	(5.8)	(11.5)	(5.7)	-	(5.7)	-	(5.8)	(5.8)

(4) Comparison of Income before Special Items (Revised vs. Previous Forecasts for FY2007)

(Billions of Yen)	FY2007 Revised	FY2007 Previous	Difference	Note
Petroleum	66.0	66.0	-	<ul style="list-style-type: none"> • Increase in profit in inventory valuation, 33.0bn (Previous: 30.0bn→Revised: 63.0bn) • Petrochemicals, (14.0bn) • Increase in energy costs, (3.7bn) • Deterioration in margin etc., (15.3bn)
Metals	113.0	116.0	(3.0)	
Resources & Metals	110.0	105.5	4.5	<u>Resources & Metals Company and consolidated subsidiaries, 2.4bn</u> <ul style="list-style-type: none"> • Increase in profit from Recycling & Environmental Services business etc. <u>Equity in income of non-consolidated subsidiaries and affiliates, 2.1bn</u> • Copper sales increase • Depreciation of yen (Jan-Dec. 2007 :115¥/\$→118¥/\$) etc.
Electronic Materials	(3.0)	3.1	(6.1)	<ul style="list-style-type: none"> • Increase in loss in inventory valuation, (5.7bn) (Previous: (5.5bn)→Revised: (11.2bn))
Metal Manufacturing	6.2	7.4	(1.2)	<ul style="list-style-type: none"> • Sales decrease • Fluctuation in metal prices etc.
Metals Group Adjustments	(0.2)	-	(0.2)	Elimination of unrealized profit etc.
Others	11.0	8.0	3.0	Increase in profit of consolidated subsidiaries and equity method affiliates etc.
Total	190.0	190.0	-	

Segment Information (3rd Quarter Results and Annual Forecast)

< 1 > Petroleum (Japan Energy Group)

(1) Sales Volume and Growth Rate

	Sales Volume (Thousands of KL)								Growth Rate (FY2007 vs. FY2006)	
	FY2007				FY2006				3Q(9months) Actual	Annual Forecast
	1H Actual	3Q(3months) Actual	3Q(9months) Actual	FY2007 Forecast	1H Actual	3Q(3months) Actual	3Q(9months) Actual	FY2006 Actual		
Gasoline	3,158	1,516	4,673	6,080	3,113	1,531	4,644	6,085	100.6%	99.9%
Naphtha	1,803	1,146	2,949	4,340	1,704	1,028	2,732	3,712	107.9%	116.9%
Jet Fuel	305	140	445	590	322	155	477	652	93.2%	90.5%
Kerosene	663	777	1,441	2,480	715	795	1,510	2,526	95.4%	98.2%
Gas Oil	2,092	1,142	3,234	4,260	2,084	1,103	3,187	4,197	101.5%	101.5%
A Heavy Fuel	1,059	611	1,670	2,330	1,235	645	1,880	2,594	88.8%	89.8%
C Heavy Fuel	1,261	723	1,984	2,840	939	489	1,428	1,998	138.9%	142.2%
Total (domestic sales)	10,340	6,055	16,395	22,920	10,112	5,747	15,859	21,763	103.4%	105.3%
Total (export sales)	1,378	720	2,098	2,820	1,272	622	1,894	2,561	110.8%	110.1%
Total (domestic + export)	11,718	6,775	18,493	25,740	11,384	6,369	17,753	24,324	104.2%	105.8%
Gasoline & middle distillation (domestic)	6,972	4,046	11,018	15,150	7,148	4,074	11,221	15,402	98.2%	98.4%

Source : Specified Statistics No.51 etc.

(2) Refining Volume of Crude Oil and Capacity Utilization Rate of Crude Oil Distillation Units

		FY2007				FY2006					
		Apr.-Jun. Actual	Jul.-Sep. Actual	1H Actual	Oct.-Dec. Actual	Apr.-Jun. Actual	Jul.-Sep. Actual	1H Actual	Oct.-Dec. Actual	Jan.-Mar. Actual	Total
Group Total	Refining volume (ten thousand of KL)	467	562	1,029	605	453	583	1,035	569	552	2,156
	Utilization rate	80%	93%	85%	93%	79%	98%	89%	94%	93%	91%
	Comparison with previous year	103%	96%	99%	106%	100%	110%	105%	105%	101%	104%
Mizushima	Refining volume (ten thousand of KL)	195	287	482	295	294	297	591	293	279	1,163
	Utilization rate	66%	96%	81%	98%	99%	99%	99%	98%	95%	98%
	Comparison with previous year	66%	97%	82%	101%	149%	110%	127%	105%	96%	112%
Kashima	Refining volume (ten thousand of KL)	272	275	547	310	159	286	445	276	272	993
	Utilization rate	90%	90%	90%	89%	57%	98%	78%	90%	91%	84%
	Comparison with previous year	171%	96%	123%	112%	62%	111%	86%	104%	106%	96%

Refining capacity of Japan Energy Group's refineries

· Mizushima Refinery, Japan Energy : 205,200 Barrels/Day

· Kashima Refinery, Kashima Oil : 210,000 Barrels/Day (from November 18, 2007 : 270,000 Barrels/Day)

(3) Number of JOMO Service Stations

	Mar. 31, 2002	Mar. 31, 2003	Mar. 31, 2004	Mar. 31, 2005	Mar. 31, 2006	Mar. 31, 2007	Sep. 30, 2007	Dec. 31, 2007
Owned by Japan Energy	1,284	1,229	1,207	1,172	1,154	1,143	1,130	1,123
<Self-SS>	105	227	264	297	347	384	401	412
Owned by wholesalers and others	3,192	3,067	2,943	2,851	2,679	2,565	2,518	2,485
<Self-SS>	59	95	121	143	187	222	236	246
Total	4,476	4,296	4,150	4,023	3,833	3,708	3,648	3,608
<Self-SS>	164	322	385	440	534	606	637	658

< 2 > Metals (Nippon Mining & Metals Group)

(1) Resources & Metals - Price and Sales Volume

			FY2007				FY2006				Difference			
			1H	3Q(3months)	3Q(9months)	FY2007	1H	3Q(3months)	3Q(9months)	FY2006	1H	3Q(3months)	3Q(9months)	Annual
			Actual	Actual	Actual	Forecast	Actual	Actual	Actual	Actual				
Price	Copper	¢ /lb	348	326	341	336	338	321	332	316	11	5	9	19
	Gold	\$/TOZ	674	788	712	709	625	614	621	629	49	174	91	80
	Platinum	\$/TOZ	1,290	1,448	1,343	1,307	1,200	1,129	1,176	1,180	90	319	167	127
	Palladium	\$/TOZ	358	360	359	344	335	321	330	333	23	39	29	11
Sales volume	Copper	Kt/period	326	168	494	658	308	176	484	645	18	(8)	10	13

(2) Electronic Materials - Breakdown by Product

		FY2007				FY2006				Difference			
		1H	3Q(3months)	3Q(9months)	FY2007	1H	3Q(3months)	3Q(9months)	FY2006	1H	3Q(3months)	3Q(9months)	Annual
		Actual	Actual	Actual	Forecast	Actual	Actual	Actual	Actual				
(Billions of Yen)													
Electro-deposited and	Net Sales	28.3	13.9	42.3	49.1	24.6	13.7	38.3	49.0	3.8	0.2	4.0	0.1
Treaded rolled copper foils	Operating income	2.7	1.2	4.0	4.1	2.3	1.9	4.2	5.0	0.4	(0.6)	(0.2)	(0.9)
Sputtering targets	Net sales	34.3	18.3	52.6	70.4	32.1	16.5	48.6	64.8	2.2	1.8	4.0	5.6
	Operating income	3.0	2.5	5.5	7.8	3.5	0.4	4.0	4.8	(0.5)	2.1	1.5	3.0
Compound semiconductor	Net sales	5.2	2.7	7.9	10.5	7.9	4.1	12.0	15.8	(2.8)	(1.4)	(4.2)	(5.2)
Materials and others	Operating income	(0.5)	(0.3)	(0.8)	(1.5)	(0.4)	(0.2)	(0.7)	(0.6)	(0.1)	(0.0)	(0.1)	(0.9)
Inventory valuation	Operating income	(5.5)	(5.6)	(11.0)	(11.2)	0.2	(0.8)	(0.6)	(9.9)	(5.7)	(4.7)	(10.5)	(1.3)
Total	Net sales	67.8	34.9	102.7	130.0	64.6	34.4	98.9	129.6	3.2	0.6	3.8	0.4
	Operating income	(0.3)	(2.1)	(2.4)	(0.8)	5.7	1.2	6.9	(0.7)	(6.0)	(3.3)	(9.3)	(0.1)

(3) Metal Manufacturing - Sales by Product

			FY2007				FY2006				Difference			
			1H	3Q(3months)	3Q(9months)	FY2007	1H	3Q(3months)	3Q(9months)	FY2006	1H	3Q(3months)	3Q(9months)	Annual
			Actual	Actual	Actual	Forecast	Actual	Actual	Actual	Actual				
(Billions of Yen)														
Precision Rolling	Wrought Copper	Phosphor bronze	12.9	6.8	19.7	25.2	12.3	6.2	18.5	24.0	0.6	0.6	1.2	1.2
		Corson alloy	4.6	2.4	7.0	9.8	3.9	2.5	6.4	8.1	0.7	(0.1)	0.6	1.7
		Copper foil	4.7	2.6	7.3	8.8	4.2	2.3	6.5	7.7	0.5	0.3	0.8	1.1
		Others	6.5	3.7	10.2	13.5	6.4	3.5	9.9	12.0	0.1	0.2	0.3	1.5
	Special Steel	1.7	0.6	2.3	2.9	3.7	1.7	5.4	6.3	(2.0)	(1.1)	(3.1)	(3.4)	
	Precision Fabrication	6.5	3.6	10.1	13.9	6.3	3.1	9.4	11.8	0.2	0.5	0.7	2.1	
	Eliminations	(0.7)	(0.5)	(1.2)	(0.1)	(1.7)	(0.2)	(1.9)	0.5	1.0	(0.3)	0.7	(0.6)	
	Total	36.2	19.2	55.4	74.0	35.1	19.1	54.2	70.4	1.1	0.1	1.2	3.6	

III Consolidated Balance Sheets, Cash Flows, etc.

1. Consolidated Balance Sheets

	Dec. 31,	Mar. 31,	(A)-(B) Difference	(Billions of Yen)	
	2007(A) Actual	2007(B) Actual		Mar. 31, 2008(C) Forecast	(C)-(B) Difference
Total assets	2,324.2	2,056.4	267.8	2,282.0	225.6
Current assets	1,240.3	996.8	243.5		
Fixed assets	1,083.9	1,059.6	24.3		
Total liabilities	1,558.7	1,355.3	203.3	1,507.0	151.7
Current liabilities	1,172.7	973.5	199.2		
Long-term liabilities	386.0	381.8	4.1		
Net assets	765.5	701.1	64.5	775.0	73.9
Shareholders' equity and valuation and translation adjustment	681.9	622.5	59.4	693.0	70.5
Minority interests etc.	83.7	78.6	5.1	82.0	3.4
Shareholders' equity ratio	29.3%	30.3%	(1.0%)	30.4%	0.1%
BPS (¥/share)	736	672	64	748	76
Interest-bearing debt	829.9	689.4	140.5	852.0	162.6
Debt to equity ratio	1.22	1.11	0.11	1.23	0.12

(*1) In calculation of shareholders' equity ratio and BPS, "shareholders' equity and valuation and translation adjustment" is used as shareholders' equity.

(*2) BPS of the forecast for the end of March, 2008 is calculated on the basis of the number of shares outstanding at the end of December, 2007 (926,817 thousand shares on a consolidated basis).

(1) Factors in Change from March 31, 2007 to December 31, 2007 (Billions of Yen)

Assets	267.8	Cash and cash equivalents 20.1, Notes and accounts receivable, trade and Inventories 209.5, Capital expenditures 62.4, Depreciation and amortization (45.1), Acquisition of investments in securities and lending of loans 5.7, Difference in equity in income of affiliates and dividend received from such companies 25.5, Unrealized gain on marketable securities (5.3), Other (5.0)
Liabilities	203.3	Interest-bearing debt 140.5 (Changes in amounts differ from the reduction in interest-bearing debt shown in the summary of cash flows due to the effect of translation adjustment, etc.), Notes and accounts payable, trade 89.5, Accrued income taxes, etc.(12.3), Account payable-facilities (12.4), Other (2.0)
Net assets	64.5	Net income 86.8, Cash dividends paid (14.8), Unrealized gain on marketable securities (3.2), Accumulated translation adjustment (2.6), Deferred hedge gain(loss) (6.5), Minority interests, etc. 4.8

(2) Factors in Change from March 31, 2007 to March 31, 2008 (Forecast) (Billions of Yen)

Assets	225.6	Cash and cash equivalents 20.0, Notes and accounts receivable, trade and Inventories 142.0, Capital expenditures 108.5, Depreciation and amortization (63.0), Acquisition of investments in securities and lending of loans 22.5, Difference in equity in income of affiliates and dividend received from such companies 27.5, Unrealized gain on marketable securities (5.3), Other (26.6)
Liabilities	151.7	Interest-bearing debt 162.6 (Changes in amounts differ from the reduction in interest-bearing debt shown in the summary of cash flows due to the effect of translation adjustment, etc.), Notes and accounts payable, trade 14.5, Other (25.4)
Net assets	73.9	Net income 98.0, Cash dividend paid (14.8), Minority interests, etc. (9.3)

2. Consolidated Cash Flows

(Billions of Yen)

	FY2007 Actual			FY2006 Actual			FY2007 Forecast	FY2006 Actual
	1H	3Q(3months)	3Q(9months)	1H	3Q(3months)	3Q(9months)		
Cash flows from operating activities	48.3	(74.2)	(25.9)	(42.8)	(8.1)	(50.9)	20.5	41.2
Cash flows from investing activities	(45.1)	(24.9)	(70.0)	(53.3)	(25.7)	(79.0)	(132.5)	(97.6)
Cash flows from financing activities	11.4	104.6	116.0	92.7	33.7	126.4	132.0	37.4
Exchange rate changes(*1)	0.5	(0.5)	(0.0)	(0.3)	0.3	0.0	-	(0.1)
Cash(*2)	15.1	5.0	20.1	(3.7)	0.1	(3.5)	20.0	(19.1)
(Ref.) Free cash flow	(12.5)	(108.2)	(120.8)	(120.4)	(41.3)	(161.8)	(146.0)	(94.4)

(*1) Exchange rate changes : Effect of exchange rate changes or cash and cash equivalents

(*2) Cash : Net increase or decrease in cash and cash equivalents

(1) Factors in Change from March 31, 2007 to December 31, 2007

Operating activities	(25.9)	Income before special items 152.4, Depreciation and amortization (includes goodwill and negative goodwill) 45.1, Trade receivables, inventories and trade payables (119.8), Equity in income of non-consolidated subsidiaries and affiliates (68.7), Dividend received from affiliates accounted for by equity method 32.1, Payments for income taxes (56.3), Other (10.7)
Investing activities	(70.0)	Acquisition of property, plant and equipment and intangible assets (62.4), Acquisition of investments in securities and lending of loans (5.7), Sales or maturities of investments in securities and collection of loans 7.2, Accounts payable-facilities (12.4), Other 3.3
Financing activities	116.0	Interest-bearing debt 140.8, Cash dividends paid (14.8), Cash dividends paid to minority shareholders (9.7), Other (0.3)

(2) Factors in Change from March 31, 2007 to March 31, 2008 (Forecast)

Operating activities	20.5	Income before special items 190.0, Depreciation and amortization 63.0, Trade receivables, inventories and trade payables (128.0), Equity in income of non-consolidated subsidiaries and affiliates (91.5), Dividend received from affiliates accounted for by equity method 64.0, Payments for income taxes, etc. (77.0)
Investing activities	(132.5)	Acquisition of property, plant and equipment and intangible assets (108.5), Acquisition of investments in securities and lending of loans (22.5), Sales or maturities of investments in securities and collection of loans 9.5, Accounts payable-facilities etc. (11.0)
Financing activities	132.0	Interest-bearing debt 163.0, Cash dividends paid (14.8), Cash dividends paid to minority shareholders, etc. (16.2)

3. Capital Expenditure and Depreciation and Amortization (consolidated)

(Billions of Yen)

	FY2007 Actual			FY2006 Actual		
	1H	3Q(3months)	3Q(9months)	1H	3Q(3months)	3Q(9months)
Capital expenditure	34.0	28.5	62.4	35.0	31.3	66.3
Depreciation (includes amortization of goodwill)	29.8	15.3	45.1	24.3	13.5	37.7
Difference	4.1	13.2	17.3	10.8	17.8	28.6

FY2007 Forecast	FY2006 Actual
108.5	98.1
63.0	51.6
45.5	46.5

Investments and lending of loans	4.7	1.0	5.7	38.5	0.4	38.9
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22.5	40.1
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(1) Capital Expenditure by Segment

	FY2007 Actual			FY2006 Actual		
	1H	3Q(3months)	3Q(9months)	1H	3Q(3months)	3Q(9months)
Petroleum	23.7	21.1	44.8	18.7	24.2	42.9
Metals	9.7	7.0	16.7	15.9	7.0	22.9
Resources & Metals	4.6	4.6	9.1	8.4	4.7	13.1
Electronic Materials	3.1	1.4	4.5	3.9	1.5	5.4
Metal Manufacturing	2.0	1.0	3.1	3.6	0.8	4.4
Others*	0.5	0.4	0.9	0.5	0.0	0.5
Total	34.0	28.5	62.4	35.0	31.3	66.3

FY2007 Forecast	FY2006 Actual
74.0	62.3
32.5	34.9
18.0	19.2
8.5	9.9
6.0	5.8
2.0	0.9
108.5	98.1

*Others include eliminations or corporate.

(2) Depreciation and Amortization by Segment

	FY2007 Actual			FY2006 Actual		
	1H	3Q(3months)	3Q(9months)	1H	3Q(3months)	3Q(9months)
Petroleum	16.6	8.4	25.0	14.2	7.4	21.6
Metals	12.9	6.8	19.7	9.8	6.0	15.7
Resources & Metals	8.8	4.5	13.2	6.1	4.0	10.1
Electronic Materials	2.7	1.5	4.2	2.2	1.2	3.4
Metal Manufacturing	1.5	0.8	2.3	1.5	0.8	2.2
Others*	0.3	0.2	0.5	0.3	0.1	0.4
Total	29.8	15.3	45.1	24.3	13.5	37.7

FY2007 Forecast	FY2006 Actual
35.5	29.1
26.5	22.0
17.5	14.2
6.0	4.7
3.0	3.1
1.0	0.5
63.0	51.6

*Others include eliminations or corporate.

4. Interest-bearing Debt

(Billions of Yen)

	Dec. 31, 2007	Mar.31, 2007	Difference
Petroleum	564.7	442.5	122.2
Metals	320.6	303.9	16.7
Others*	(55.4)	(57.0)	1.5
Total	829.9	689.4	140.5

*Others include eliminations or corporate.

5. Dividend

	FY2006 (Actual)				FY2007 (Actual, Forecast)			
	Interim	Final	Annual	Payment Amount	Interim	Final	Annual	Payment Amount*
	¥/share	¥/share	¥/share	millions of yen	¥/share	¥/share	¥/share	millions of yen
Dividend	8.00	8.00	16.00	14,842	8.00	8.00	16.00	14,840

*Payment amount of FY2007 is calculated on the basis of the number of shares outstanding at the end of December, 2007, which is 927,478 thousand shares (non-consolidated).

6. Number of Employees

(Persons)

	Mar. 31, 2006 Actual	Mar. 31, 2007 Actual	Sep. 30, 2007 Actual
Petroleum	3,920	3,999	4,171
Metals	4,348	4,704	4,768
Resources & Metals	1,553	1,843	1,931
Electronic Materials	1,373	1,426	1,375
Metal Manufacturing	1,422	1,435	1,462
Others	1,311	1,266	1,287
Total	9,579	9,969	10,226