

We aim to be recognized as a first-class global company, possessing the ability to generate sustainable growth and stable profits, resting on a solid financial base. By working toward these objectives, we are confident that we can enhance corporate value.



Chairman
Yasuyuki Shimizu

President and Chief Executive Officer
Mitsunori Takahagi

In the fiscal year ended March 31, 2008, the Nippon Mining Holdings Group's mainstay resources, materials and energy business areas faced significant rises in prices and price volatility driven by burgeoning demand from China, India and other countries and national enclosure, growing resource nationalism among resource-supplying countries, heightening environmental concern worldwide and increasing flows of fund money into commodities markets. Meanwhile, the risk of economic recession and uncertainty about the future grew worldwide due to a shift of fortune in the previously favorable business climate triggered by the U.S. subprime loan problem.

Amid these business conditions, the Company Group achieved higher revenues for the fifth consecutive year since establishing a holding company system, recording a 14.1% year-on-year increase in net sales, to ¥4,339.5 billion. In earnings, decreasing petroleum product margins due to crude oil price hikes and reduced copper smelting margins due to unfavorable conditions for copper concentrates procurement were the main causes of year-on-year declines of 14.4% in income before special items, to ¥192.0 billion, and 6.7% in net income, to ¥99.3 billion. As in the previous fiscal year, we paid cash dividends per share of ¥16.00, comprising an interim cash dividend of ¥8.00 and a year-end cash dividend of ¥8.00.

In May 2008, Nippon Mining Holdings Group prepared the "Long-Term Vision towards Fiscal 2015," outlining the corporate profile the Company Group aspires to. The Long-Term Vision clarifies the Company Group's commitment to further strengthening its earnings platform and financial position while pursuing corporate management with an emphasis on corporate social responsibility and protection of the natured environment. In other words, as well as reinforcing and expanding existing businesses, we will bring to bear technology, experience and innovative capabilities garnered over many years to take on new business challenges and build a highly profitable company less susceptible to dramatic fluctuations in business conditions. Specifically, by the fiscal year ending March 31, 2016, we aim to establish an earnings platform that realizes a minimum of ¥250 billion for income before special items, ¥130 billion for net income and 12% for ROE. For financial benchmarks, we are targeting the early achievement of a shareholders' equity ratio of 40% or higher and a debt-to-equity ratio of 1.0 times or lower.

Supplying society at large with resources, materials and energy, centered on oil and copper, the Nippon Mining Holdings Group, as a first-class global company, will pursue its Long-Term Vision to advance toward achievement and development on a different order of magnitude over the coming century. Although realizing its Long-Term Vision will not be easy, the Company Group will unite and undauntedly rise to the challenge of reaching the targets it has set.

In addition, we will further improve the soundness and transparency of corporate management by further developing internal control systems, while pursuing initiatives for safety control, stringent compliance and the global environment in everyday management and business activities.

In closing, we would like to ask our stakeholders for their continued support and understanding.

June 2008



Chairman



President and Chief Executive Officer