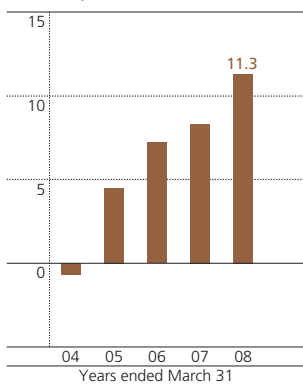


Other Operations (Independent Operating and Functional Support Companies)

In addition to companies whose core business relates to petroleum and metals, the Group includes independent operating companies engaged in such businesses as titanium production, electric wire and cable manufacture and land transport. Functional support companies provide services to meet the common administrative needs of companies throughout the Group.

Income before special items

(Billions of yen)



Each independent operating company works to enhance its corporate value by bolstering its business base and improving profitability. Nippon Mining Holdings supports the management strategy of each company.

Toho Titanium Co., Ltd. (titanium business; listed on the first section of the Tokyo Stock Exchange) is an integrated titanium manufacturer with an extensive product lineup, including titanium metals, catalysts and electronic materials. From January 31 to February 28, 2008, Nippon Mining Holdings made a tender offer for the shares of Toho Titanium with the principal aim of acquiring the shares of Toho Titanium held by Mitsui & Co., Ltd. Following the tender offer, as of March 31, 2008 the Group held 42.7% of the voting rights of Toho Titanium. A majority of the directors of Toho Titanium appointed at that company's annual general meeting of shareholders in June 2008 are from Nippon Mining Holdings Group. As a result, Toho Titanium became a consolidated subsidiary of Nippon Mining Holdings from the fiscal year ending March 31, 2009.

In January 2007, a three company joint venture agreement between Nippon Mining Holdings, Inc., Toho Titanium Co., Ltd. and Chisso Corporation established Japan Solar Silicon Co., Ltd., which has progressed research into the commercialization of technology for the production of polysilicon for photovoltaic power generation by a zinc-reduction method. Based on the results of Japan Solar Silicon's research, in May 2008 the three companies, upon the creation of a new joint venture company, agreed to invest a total of ¥24 billion to construct a facility for mass production of polycrystalline silicon within the Kashima industrial complex in Ibaraki Prefecture.

Tatsuta Electric Wire & Cable Co., Ltd. (wire and cable business; listed on the first section of the Tokyo Stock Exchange and first section of the Osaka Securities Exchange) is an integrated electric wire manufacturer that is also active in the optical and electronic components markets.

Maruwn Corporation (land transportation business; listed on the first section of the Tokyo Stock Exchange) is a comprehensive logistics company that focuses on providing safe logistics and transportation operations while striving to enhance its transportation services.

In April 2008, the Group transferred 60% of the issued and outstanding shares of Central Computer Services Co., Ltd. (information service business) to NTT Data Corporation. The purpose of this transaction is to utilize the advanced project management know-how of NTT Data to help strengthen the Group's competitiveness through the strategic use of IT. Simultaneously, Nippon Mining IT Co., Ltd. was established to handle the Company Group's IT-related standards and management functions.

The common administrative tasks of the Company Group, such as financing, administrative services, environmental management, research and consulting, and materials procurement, are efficiently conducted by a range of functional support companies, such as Nippon Mining Finance Co., Ltd.