Consolidated Statements of Income

Nippon Mining Holdings, Inc. and its consolidated subsidiaries
Fiscal years ended March 31, 2007 and 2008

	Millions of yen		Thousands of U.S. dollars (Note 1 - A)
	2007	2008	2008
Net sales	¥3,802,447	¥4,339,472	$43,312,426
Cost of sales (Note 15)	3,485,283	4,038,589	40,309,302
Gross profit	317,164	300,883	3,003,124
Selling, general and administrative expenses (Notes 14, 15 and 18)	184,906	197,697	1,973,221
Operating income	132,258	103,186	1,029,903
Other income (expenses):			
Interest and dividend income	4,556	4,586	45,773
Interest expenses	(13,102)	(13,058)	(130,332)
Exchange gain	5,133	5,016	50,065
Equity in income of non-consolidated subsidiaries and affiliates	94,895	91,927	917,527
Amortization of negative goodwill (Note 2 - A (5))	1,837	1,403	14,003
Other, net	(1,341)	(1,034)	(10,321)
Income before special items	224,236	192,026	1,916,618
Special profit (loss):			
Gain on sales of investments in securities	13,629	3,407	34,005
Reversal of reserve for loss on business liquidation	—	2,187	21,829
Compensation income for expropriation	—	2,111	21,070
Loss on sales and disposal of property, plant and equipment, net	(3,229)	(1,549)	(15,461)
Impairment losses (Note 16)	(1,877)	(2,678)	(26,729)
Loss on write-down of investments in securities	(1,256)	(447)	(4,462)
Reorganization and restructuring costs (Note 17)	(5,204)	—	—
Provision for allowance for environmental remediation	(2,710)	(4,087)	(40,792)
Provision for allowance for cost of disposal of unutilized property, plant and equipment	(4,465)	(494)	(4,931)
Provision for allowance for restoration and rehabilitation costs of a closed mining site	—	(2,394)	(23,895)
Other, net	958	213	2,127
Income before income taxes and minority interests	220,082	188,295	1,879,379
Income taxes:			
Current	66,661	55,152	550,474
Deferred	18,739	10,641	106,208
	85,400	65,793	656,682
Income before minority interests	134,682	122,502	1,222,697
Minority interests in earnings of consolidated subsidiaries	(28,252)	(23,203)	(231,590)
Net income	¥ 106,430	¥ 99,299	$ 991,107

	Yen		U.S. dollars (Note 1 - A)
	2007	2008	2008
Net income per share:			
Basic	¥117.98	¥107.14	$1.07
Diluted	117.91	107.06	1.07
Cash dividends per share	¥ 16.00	¥ 16.00	$0.16

The accompanying notes are an integral part of these financial statements.