



## ANNUAL REPORT

For the year ended March 31, 2013

# 2013

### **Nittetsu Mining Co., Ltd.**

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Nittetsu Mining Co., Ltd.

# Financial Highlights

## Consolidated

Nittetsu Mining Co., Ltd. and Consolidated Subsidiaries  
Years ended March 31

	Millions of yen					Thousands of US dollars
	2013	2012	2011	2010	2009	2013
<b>For the year</b>						
Net Sales	<b>¥ 102,840</b>	¥ 101,505	¥ 107,741	¥ 93,726	¥ 111,695	<b>\$ 1,093,468</b>
Net Income (Loss)	<b>3,873</b>	3,024	1,638	1,681	(462)	<b>41,190</b>
<b>At year-end</b>						
Total Assets	<b>144,539</b>	132,470	136,145	144,066	134,083	<b>1,536,840</b>
	Yen					US dollars
<b>Per share data</b>						
Net Income (Loss) per Share	<b>¥ 46.53</b>	¥ 36.32	¥ 19.68	¥ 20.19	¥ (5.55)	<b>\$ 0.49</b>

## Non-Consolidated

Nittetsu Mining Co., Ltd.  
Years ended March 31

	Millions of yen					Thousands of US dollars
	2013	2012	2011	2010	2009	2013
<b>For the year</b>						
Net Sales	<b>¥ 87,079</b>	¥ 86,928	¥ 94,076	¥ 77,086	¥ 91,402	<b>\$ 925,885</b>
Net Income	<b>3,816</b>	2,754	1,258	691	33	<b>40,582</b>
<b>At year-end</b>						
Total Assets	<b>124,968</b>	114,493	119,919	126,927	116,582	<b>1,328,745</b>
	Yen					US dollars
<b>Per share data</b>						
Net Income per Share	<b>¥ 45.84</b>	¥ 33.08	¥ 15.11	¥ 8.30	¥ 0.40	<b>\$ 0.49</b>

Note: US dollar amounts are translated from yen, for convenience only, at the rate of ¥94.05=US\$1.

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# Message from the Management

## Operating Conditions and Consolidated Results

During the fiscal year ended March 31, 2013, Japan's economy showed signs of a positive turnaround, despite a slowdown in emerging countries' economic growth and ongoing worldwide financial concerns due to the European sovereign debt crisis. The positive trend reflected stronger demand for reconstruction after the Great East Japan Earthquake as well as the correction of the yen's appreciation and improvement in stock market conditions resulting from economic policies enacted by Japan's new administration.

Under these economic conditions, the Nittetsu Mining Group posted consolidated net sales of ¥102,840 million, up 1.3% year on year, which was on par with the previous year, owing to a drop in revenue from the Metallic Minerals Division in spite of strong sales of limestone, the mainstay product of the Non-Metallic Minerals Division. Overall, profitability improved, with ordinary income increasing 7.2%, to ¥7,233 million on the back of higher earnings from the Non-Metallic Minerals Division and the Metallic Minerals Division. Net income rose 28.1%, to ¥3,873 million, reflecting a drop in extraordinary losses.

## Consolidated Business Results by Segment

### Mineral Resources Group

#### Non-Metallic Minerals Division

Net sales of the Non-Metallic Minerals Division advanced 5.0%, or ¥2,347 million, to ¥49,283 million, thanks to an increase in the sales volume of limestone and crushed stone.

Operating income jumped 47.7%, or ¥1,693 million, to ¥5,244 million, reflecting a rise in sales at domestic mines and a solid performance by consolidated subsidiaries.

#### Metallic Minerals Division

Net sales by the Metallic Minerals Division fell 3.5%, or ¥1,510 million, to ¥42,256 million, due to a drop in copper prices and a decline in the sales volume of electrolytic gold, which outweighed higher sales of electrolytic copper.

Operating income, however, surged 31.9%, or ¥987 million, to ¥4,083 million, buoyed by the lower yen and improved purchasing conditions for copper ore.

### Machinery & Environmental Engineering Group

The Machinery & Environmental Engineering Group saw net sales expand 7.1%, or ¥575 million, to ¥8,722 million, while operating income rose 23.7%, or ¥164 million, to ¥860 million. The gains resulted from robust sales of water treatment agents, a mainstay product of the Environmental Engineering Division, and generally strong sales posted by machinery-related subsidiaries.

### Real Estate Group

The Real Estate Group saw net sales fall 2.9%, or ¥76 million, to ¥2,577 million, due to a drop in leased properties, while its operating income decreased 3.1%, or ¥43 million, to ¥1,353 million.

## Capital Expenditures, Financing and Other Related Matters

During the fiscal year ended March 31, 2013, capital expenditures of the Nittetsu Mining Group totaled ¥8,908 million, up 91.5% year on year. Major outlays during the fiscal year under review were as follows.

Major facilities acquired during the fiscal year under review

### (1) Mineral Resources Group (Non-Metallic Minerals Division)

Nittetsu Mining's Torigatayama Quarry Complex: pier and ancillary facilities (equipment for the loading, unloading and transport of limestone) in Sodegaura, among others

### (2) Real Estate Group

Nittetsu Mining: Land and building in Sodegaura

## Challenges Facing the Group

In terms of the outlook, the operating environment surrounding the Nittetsu Mining Group will continue to require caution, despite expectations of a turnaround in Japan's economy supported by bold monetary easing policies enacted by the Bank of Japan as well as economic stimulus measures implemented by the government to end deflation. This is because concerns over a global economic downturn remain, while the cost of raw materials and energy is expected to rise going forward.

The Group will respond to this challenging operating environment by working to enhance its business performance. To achieve this, it will improve its management structure by seeking to boost sales further, increase productivity, cut costs and strengthen its business continuity plan. Concurrently, the Group will strive to improve its business performance through initiatives to expand and reinforce the operating base of its mainstay mineral resource business.

The Group will maintain its commitment to pursuing eco-friendly business activities. These include compliance with ISO14001 best practices, greenery initiatives at mined sites, and preparation for the construction of solar power plants on idle land and the obtaining of forest certification for company-owned forests.

We extend our appreciation to all shareholders and ask for your continued support and cooperation.

June 2013

**Rokuro Matsumoto**  
Representative Director and President

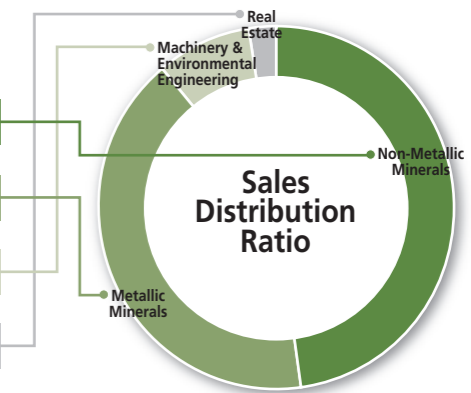
# Consolidated Financial Information

Nittetsu Mining Co., Ltd. and Consolidated Subsidiaries

## Net Sales by Business Segment

(Year ended March 31, 2013)

Business segment	Net sales (millions of yen)	% change from previous fiscal year	% of total net sales
Non-Metallic Minerals	¥ 49,283	5.0	47.9
Metallic Minerals	¥ 42,256	(3.5)	41.1
Machinery & Environmental Engineering	¥ 8,722	7.1	8.5
Real Estate	¥ 2,577	(2.9)	2.5
<b>Total</b>	<b>¥ 102,840</b>	<b>1.3</b>	<b>100.0</b>



## Breakdown of Net Sales

(Years ended March 31)

(Millions of yen)

Business segment	Major products	2013		2012		Increase (decrease)
		Net sales	% of total net sales	Net sales	% of total net sales	
Mineral Resources	Limestone, calcium carbonate	¥ 26,092	25.4	¥ 24,337	24.0	¥ 1,754
	Crushed stone	4,935	4.8	4,489	4.4	446
	Ancillary products and others	18,255	17.7	18,109	17.9	145
	Sub-total	49,283	47.9	46,936	46.3	2,347
Machinery & Environmental Engineering	Electrolytic copper	29,227	28.4	28,676	28.3	550
	Copper concentrate	4,240	4.1	4,109	4.0	130
	Others	8,788	8.6	10,980	10.8	(2,192)
	Sub-total	42,256	41.1	43,767	43.1	(1,510)
	<b>Total</b>	<b>¥ 91,540</b>	<b>89.0</b>	<b>¥ 90,703</b>	<b>89.4</b>	<b>¥ 836</b>
Machinery & Environmental Engineering	Industrial machinery	4,306	4.2	3,895	3.8	411
	Environmental products	4,415	4.3	4,252	4.2	163
	<b>Total</b>	<b>¥ 8,722</b>	<b>8.5</b>	<b>¥ 8,147</b>	<b>8.0</b>	<b>¥ 575</b>
Real Estate	Real estate rentals and sales	2,577	2.5	2,653	2.6	(76)
	<b>Total</b>	<b>¥ 102,840</b>	<b>100.0</b>	<b>¥ 101,505</b>	<b>100.0</b>	<b>¥ 1,335</b>

# Consolidated Financial Information

Nittetsu Mining Co., Ltd. and Consolidated Subsidiaries

## Balance Sheets

As of March 31, 2013 and 2012

### Assets

	Millions of yen		Thousands of US dollars
	2013	2012	2013
<b>Current Assets</b>			
Cash and deposits	¥ 16,672	¥ 14,419	\$ 177,267
Notes and accounts receivable—trade	23,157	22,266	246,221
Lease receivables and investment assets	4,993	5,308	53,097
Short-term investment securities	30	30	324
Merchandise and finished goods	4,848	4,685	51,556
Work in process	10,282	8,393	109,327
Raw materials and supplies	1,327	1,220	14,112
Deferred tax assets	445	417	4,736
Other	2,562	941	27,247
Allowance for doubtful accounts	(435)	(26)	(4,626)
	63,884	57,657	679,266
<b>Noncurrent Assets</b>			
Property, plant and equipment:			
Buildings and structures	23,044	20,757	245,027
Machinery, equipment and vehicles	5,766	5,712	61,315
Land used for mining operations	2,937	2,991	31,228
Land for general use	14,520	12,130	154,386
Construction in progress	808	1,273	8,595
Other	383	369	4,079
	47,460	43,234	504,632
Intangible assets	2,384	2,318	25,355
<b>Investments and Other Assets</b>			
Investment securities	26,213	23,594	278,722
Deferred tax assets	473	387	5,038
Other	4,304	5,723	45,764
Allowance for doubtful accounts	(182)	(446)	(1,938)
	30,809	29,259	327,586
<b>Total Assets</b>	<b>¥ 144,539</b>	<b>¥ 132,470</b>	<b>\$ 1,536,840</b>

The accompanying notes are an integral part of these statements.  
Totals may not add up due to rounding.

### Liabilities and Net Assets

	Millions of yen		Thousands of US dollars
	2013	2012	2013
<b>Current Liabilities</b>			
Notes and accounts payable—trade	¥ 11,247	¥ 7,601	\$ 119,595
Short-term loans payable	14,070	10,814	149,608
Current portion of bonds	—	2,000	—
Lease obligations	468	446	4,976
Income taxes payable	1,739	1,345	18,496
Deferred tax liabilities	1	2	13
Provision for bonuses	753	732	8,007
Provision for directors' bonuses	29	24	316
Provision for shareholders' benefits	12	12	131
Provision for environmental safety measures	—	52	—
Asset retirement obligations	170	215	1,812
Other	10,172	8,368	108,161
	38,665	31,618	411,118
<b>Noncurrent Liabilities</b>			
Long-term loans payable	9,195	10,834	97,773
Lease obligations	764	991	8,125
Deferred tax liabilities	7,243	6,642	77,019
Provision for retirement benefits	1,296	1,188	13,785
Provision for directors' retirement benefits	91	81	967
Provision for environmental safety measures	154	154	1,640
Asset retirement obligations	2,996	2,904	31,857
Other	7,386	7,232	78,535
	29,127	30,028	309,705
<b>Total Liabilities</b>	<b>67,793</b>	<b>61,646</b>	<b>720,823</b>
<b>Net Assets</b>			
Capital stock	4,176	4,176	44,403
Capital surplus	6,149	6,149	65,389
Retained earnings	57,169	53,878	607,867
Treasury stock	(129)	(126)	(1,373)
Shareholders' equity	67,366	64,078	716,287
<b>Accumulated Other Comprehensive Income</b>			
Valuation difference on available-for-sale securities	9,311	7,337	99,002
Deferred gains or losses on hedges	(134)	(85)	(1,426)
Foreign currency translation adjustment	(1,270)	(1,917)	(13,507)
<b>Total Accumulated Other Comprehensive Income</b>	<b>7,906</b>	<b>5,334</b>	<b>84,067</b>
Minority interests	1,472	1,410	15,660
<b>Total Net Assets</b>	<b>76,746</b>	<b>70,823</b>	<b>816,016</b>
<b>Total Liabilities and Net Assets</b>	<b>¥ 144,539</b>	<b>¥ 132,470</b>	<b>\$ 1,536,840</b>

# Consolidated Financial Information

Nittetsu Mining Co., Ltd. and Consolidated Subsidiaries

## Statements of Income

Years ended March 31, 2013 and 2012

	Millions of yen		Thousands of US dollars
	2013	2012	2013
<b>Net Sales</b>	<b>¥ 102,840</b>	¥ 101,505	<b>\$ 1,093,468</b>
<b>Cost of Sales</b>	<b>76,428</b>	77,993	<b>812,639</b>
<b>Selling, General and Administrative Expenses</b>	<b>17,762</b>	16,223	<b>188,864</b>
<b>Operating Income</b>	<b>8,649</b>	7,288	<b>91,965</b>
<b>Non-Operating Income:</b>			
Interest income	87	96	933
Dividends income	392	574	4,170
Other	204	189	2,178
	<b>684</b>	860	<b>7,281</b>
<b>Non-Operating Expenses:</b>			
Interest expenses	457	497	4,863
Equity in losses of affiliates	551	145	5,859
Other	1,092	760	11,611
	<b>2,100</b>	1,404	<b>22,335</b>
<b>Ordinary Income</b>	<b>7,233</b>	6,744	<b>76,911</b>
<b>Extraordinary Income:</b>			
Gain on sales of noncurrent assets	164	95	1,750
Other	1	16	18
	<b>166</b>	112	<b>1,769</b>
<b>Extraordinary Losses:</b>			
Loss on sales and retirement of noncurrent assets	240	371	2,552
Impairment loss	7	454	81
Settlement for occupational diseases	35	21	381
Litigation expenses	56	34	604
Other	25	30	268
	<b>365</b>	911	<b>3,888</b>
<b>Income before Income Taxes</b>	<b>7,034</b>	5,946	<b>74,792</b>
<b>Income Taxes:</b>			
Income taxes—current	2,939	2,053	31,259
Income taxes—deferred	(670)	(288)	(7,132)
	<b>2,269</b>	1,764	<b>24,126</b>
<b>Income before Minority Interests</b>	<b>4,765</b>	4,181	<b>50,666</b>
<b>Minority Interests in Income</b>	<b>891</b>	1,157	<b>9,476</b>
<b>Net Income</b>	<b>¥ 3,873</b>	¥ 3,024	<b>\$ 41,190</b>

The accompanying notes are an integral part of these statements.  
Totals may not add up due to rounding.

## Statements of Comprehensive Income

Years ended March 31, 2013 and 2012

	Millions of yen		Thousands of US dollars
	2013	2012	2013
Income before minority interests	<b>¥ 4,765</b>	¥ 4,181	<b>\$ 50,666</b>
Other comprehensive income:			
Valuation difference on available-for-sale securities	1,972	(919)	20,972
Deferred gains or losses on hedges	(48)	0	(518)
Foreign currency translation adjustment	813	(262)	8,647
Share of other comprehensive income of associates accounted for using equity method	1	(0)	10
Total other comprehensive income	<b>2,737</b>	(1,181)	<b>29,111</b>
Comprehensive income	<b>7,503</b>	3,000	<b>79,778</b>
Comprehensive income attributable to owners of the parent	<b>6,445</b>	1,885	<b>68,533</b>
Comprehensive income attributable to minority interests	<b>¥ 1,057</b>	¥ 1,114	<b>\$ 11,244</b>

The accompanying notes are an integral part of these statements.  
Totals may not add up due to rounding.

## Statements of Cash Flows

Years ended March 31, 2013 and 2012

	Millions of yen		Thousands of US dollars
	2013	2012	2013
Net cash provided by operating activities	<b>¥ 11,838</b>	¥ 10,195	<b>\$ 125,872</b>
Net cash used in investing activities	<b>(8,674)</b>	(3,696)	<b>(92,237)</b>
Net cash used in financing activities	<b>(2,341)</b>	(3,988)	<b>(24,898)</b>
Effect of exchange rate change on cash and cash equivalents	408	4	4,341
Net increase in cash and cash equivalents	<b>1,229</b>	2,515	<b>13,078</b>
Cash and cash equivalents at the beginning of the year	<b>14,237</b>	11,721	<b>151,381</b>
Cash and cash equivalents at the end of the year	<b>¥ 15,467</b>	¥ 14,237	<b>\$ 164,459</b>

The accompanying notes are an integral part of these statements.  
Totals may not add up due to rounding.

## 1. Scope of Consolidation

### (1) Number of consolidated subsidiaries: 21 companies

Main consolidated subsidiaries:

Funao Mining Co., Ltd., Sociedad Contractual Minera Atacama Kozan, Hokkaido Lime Co., Ltd., Nittetsu Mining Consultants Co., Ltd., Nittetsu Kagoshima Geothermal Co., Ltd., Nittetsukoukenzai Co., Ltd., Kobukuro Techno Co., Ltd.

Kirishima Geothermal Co., Ltd. was established in the year ended March 31, 2013 and so is included in the Company's consolidated subsidiaries.

### (2) Names of principal unconsolidated subsidiaries

Shin Yaguki Mining Co., Ltd., Yaguki Aggregate Co., Ltd.

Reason for exclusion from scope of consolidation

The unconsolidated subsidiaries are small in scale, and their total assets, net sales, net income and retained earnings, etc., (commensurate with equity holdings) do not have a material effect on the consolidated financial statements.

## 2. Application of the Equity Method

### (1) Number of affiliated companies accounted for by the equity method:

1 company: Hibi Kyodo Smelting Co., Ltd.

(2) Unconsolidated subsidiaries (Shin Yaguki Mining Co., Ltd. and others) and an affiliated company (POLYTETSU-KOREA Co., LTD.) not accounted for by the equity method are excluded from the scope of application of the equity method because they have no overall significance and their net income and retained earnings (commensurate with equity holdings) would have an immaterial effect on consolidated financial statements even if they were excluded from eligibility for the equity method.

## 3. Business Years of Consolidated Subsidiaries

Companies with account settlement dates different from the consolidated account settlement date are as follows:

Company Name	Settlement Date
Sociedad Contractual Minera Atacama Kozan	December 31
Minera Nittetsu Chile Limitada	December 31

The financial statements of the consolidated subsidiaries as of the account settlement date are used. Necessary adjustments are made in consolidation for significant transactions occurring between then and the consolidated account settlement date.

## 4. Summary of Significant Accounting Policies

### (1) Valuation standard and method for significant assets

#### (a) Marketable securities

Securities designated for sale are evaluated by the market value method (cost of securities sold is calculated by the moving-average method). Held-to-maturity securities are calculated by the amortized cost method (straight-line). Other marketable securities:

Securities with fair market value:

Valued at fair market value based on market prices, etc., at the balance sheet date (valuation differences are directly charged or credited to net assets, and cost of securities sold calculated by the moving-average method).

Securities without fair market value:

Valued at cost by the moving-average method.

#### (b) Derivatives

Market value method

#### (c) Inventories

The standard for evaluation is the cost method (book value devaluation method based on the decline in profitability). The method of evaluation is the periodic-average method or the first-in, first-out method, depending on the product line or type of business.

### (2) Method for depreciation and amortization of significant depreciable assets

#### (a) Property, plant and equipment (except for lease assets)

The Company and its domestic consolidated subsidiaries primarily use the declining balance method. However, buildings acquired on or after April 1, 1998, excluding leasehold improvements and auxiliary facilities attached to buildings, are depreciated using the straight-line method. Certain structures (major mineshafts) and all mining land are depreciated using the production output method. Overseas consolidated subsidiaries primarily use the straight-line method.

Estimated useful lives are as follows:

Buildings and structures: 5–60 years

Machinery, equipment and vehicles:

3–20 years

#### (b) Intangible assets (except for lease assets)

For mining rights, the production output method is adopted. For others, the straight-line method is adopted. Software for internal use is amortized using the straight-line method based on the usable period in the company (5 years).

#### (c) Lease assets

Leased property under finance leases that do not transfer ownership of the lease property are computed over the lease terms assuming no residual value.

### (3) Accounting for significant reserves and allowances

#### (a) Allowance for doubtful accounts

At the end of each fiscal year, the Company sets aside an allowance for doubtful accounts in the estimated unrecoverable amount, based on the Company's loss experience for general credit and on the Company's individual estimates of future recoverability for specific accounts, including doubtful accounts.

#### (b) Provision for bonuses

The Company and its domestic consolidated subsidiaries set aside a reserve for provision for bonuses, calculated based on estimated payments to cover payment of bonuses to employees.

#### (c) Provision for directors' bonuses

The Company and its domestic consolidated subsidiaries set aside a reserve to match provision for bonuses, calculated based on estimated payments to cover payment of bonuses to directors.

#### (d) Provision for retirement benefits

At the end of each fiscal year, the Company sets aside a reserve for provision for employees' retirement benefits in an amount equal to the amount required to be paid at the balance sheet date, based on the estimated amount of retirement benefit obligations and pension plan assets at the balance sheet date.

Calculation differences, which are prorated based on the straight-line method according to a stated number of years (13) within the average residual employee service time, are expensed for the consolidated fiscal year in which they occurred.

#### (e) Provision for directors' retirement benefits

At the end of each fiscal year, certain domestic consolidated subsidiaries set aside a reserve for provision for retirement benefits for directors according to internal company regulations.

#### (f) Provision for environmental safety measures

In accordance with the Special Measures Law for the Promotion of Proper Disposal of PCB Waste (Law No. 65, June 22, 2001), the Company sets aside a reasonable reserve in an amount equivalent to the estimated disposal expenses for stored PCB.

#### (g) Provision for shareholders' benefits

The Company sets aside a reasonable reserve to cover payments for expenses of the shareholders' benefit program, in an amount equivalent to the estimated expenses.

#### (h) Other reserves

Nittetsukoukenzai Co., Ltd. sets aside a reserve to cover expenses required for repairs to undergo periodic inspections under the Ship Safety Law, in an estimated amount required based on the previous special repair expenses.

Nittetsu Kagoshima Geothermal Co., Ltd. sets aside a reserve to cover estimated expenses for periodic repair of geothermal production transport equipment.

### (4) Standards for translation of significant foreign currency denominated assets and liabilities into Japanese yen

Current and non-current monetary accounts denominated in foreign currencies are translated into yen at the current exchange rates as of the balance sheet date, and any translation difference is accounted for as a profit or loss for the year.

All assets and liabilities of overseas consolidated subsidiaries are translated at the rates of exchange in effect at the overseas consolidated subsidiary's balance sheet date. All revenues and expenses of overseas consolidated subsidiaries are translated at the average rates of exchange for the fiscal year. Foreign currency translation adjustments are included in "Valuation and translation adjustments" and "Minority interests" in the Net Assets section of the Balance Sheet.

## (5) Main hedge accounting methods

### (a) Hedge accounting method

The Company uses mainly deferred hedging. However, under certain conditions, interest rate swap transactions are accounted for according to special conditions. The recognition of gains and losses on foreign monetary rights or obligations at a preset price is used for currency swap transactions that qualify for hedge accounting requirements.

### (b) Hedge instruments, hedge objects and hedge policy

The Company's interest rate swap transactions and currency swap transactions are carried out to avoid risk associated with loan interest rate fluctuations and exchange rate fluctuations.

### (c) Method of assessing the effectiveness of hedges

Over the period from the beginning of a commodity future transaction to the point at which the effectiveness is determined, the market fluctuations of the hedged commodity and the market fluctuations of the hedged instrument are compared and effectiveness determined. However, interest rate swap transactions are treated separately and are omitted from this effectiveness evaluation, and currency swap transaction also is omitted its evaluation of effectiveness because of the recognition of gains and losses on foreign monetary rights or obligations at a preset price.

### (6) Other significant items for the presentation of the consolidated financial statements

#### (a) Calculation method for revenue from construction work completed and costs of completed construction work

The percentage-of-completion method is used for construction contracts where the outcome of the section in progress is deemed certain by the end of the current consolidated fiscal year, while the completed-contract method is applied to all other construction contracts. In addition, estimates of the state of completion at the end of the current consolidated fiscal year are calculated using the cost-to-cost method for construction projects using the percentage-of-completion method.

#### (b) Accounting for consumption taxes, etc.

Consumption taxes and local consumption taxes are not included in the consolidated financial statements.

#### (c) Calculation method for revenues from finance lease transactions

Revenues and cost of sales are calculated at the time of receiving lease payment.

## 5. Note Concerning Changes in Accounting Estimates

Plant, property and equipment and intangible assets owned by consolidated subsidiary Sociedad Contractual Minera Atacama Kozan have been depreciated based on the number of minable years. However, mining activities have uncovered additional resources in the area around the existing mine. Based on a new calculation of minable ore, the service life of primary equipment has been extended and changed for all subsequent fiscal years.

As a result, depreciation charges for the fiscal year under review decreased ¥321 million compared to the previous depreciation method, and increased operating income, ordinary income and net income by the same amount, respectively.

### 6. Note Concerning Changes in Accounting Policy That Are Difficult to Distinguish from Changes in Accounting Estimates

Nittetsu Mining Co., Ltd. and its domestic consolidated subsidiaries changed the depreciation method they use for plant, property and equipment acquired on or after April 1, 2012 starting with the fiscal year under review in conjunction with revisions made to Japan's Corporation Tax Act.

As a result, depreciation charges for the fiscal year under review decreased ¥106 million compared to the previous depreciation method, and increased operating income, ordinary income and net income by the same amount, respectively.

### 8. Segment Information

	Millions of yen					
	2013					
	Non-Metallic Minerals	Metallic Minerals	Machinery & Environmental Engineering	Real Estate	Eliminations and Corporate	Total
Sales to external customers	¥ 49,283	¥ 42,256	¥ 8,722	¥ 2,577	¥ —	¥ 102,840
Inter-segment sales	300	—	1,014	34	(1,349)	—
<b>Segment Revenue</b>	<b>49,584</b>	<b>42,256</b>	<b>9,736</b>	<b>2,612</b>	<b>(1,349)</b>	<b>102,840</b>
<b>Segment Profits</b>	<b>5,244</b>	<b>4,083</b>	<b>860</b>	<b>1,353</b>	<b>(2,893)</b>	<b>8,649</b>

	Millions of yen					
	2012					
	Non-Metallic Minerals	Metallic Minerals	Machinery & Environmental Engineering	Real Estate	Eliminations and Corporate	Total
Sales to external customers	¥ 46,936	¥ 43,767	¥ 8,147	¥ 2,653	¥ —	¥ 101,505
Inter-segment sales	369	—	997	34	(1,402)	—
<b>Segment Revenue</b>	<b>47,306</b>	<b>43,767</b>	<b>9,145</b>	<b>2,688</b>	<b>(1,402)</b>	<b>101,505</b>
<b>Segment Profits</b>	<b>3,550</b>	<b>3,096</b>	<b>695</b>	<b>1,396</b>	<b>(1,451)</b>	<b>7,288</b>

	Thousands of US dollars					
	2013					
	Non-Metallic Minerals	Metallic Minerals	Machinery & Environmental Engineering	Real Estate	Eliminations and Corporate	Total
Sales to external customers	\$ 524,017	\$ 449,296	\$ 92,745	\$ 27,408	\$ —	\$ 1,093,468
Inter-segment sales	3,196	—	10,782	371	(14,350)	—
<b>Segment Revenue</b>	<b>527,214</b>	<b>449,296</b>	<b>103,528</b>	<b>27,779</b>	<b>(14,350)</b>	<b>1,093,468</b>
<b>Segment Profits</b>	<b>55,766</b>	<b>43,415</b>	<b>9,150</b>	<b>14,394</b>	<b>(30,761)</b>	<b>91,965</b>

### 7. Notes to the Consolidated Balance Sheets

(1) Collateral assets		(Millions of yen)
Tangible assets		¥ 909
Debt collateralized by the above		
Short-term loans		321
Long-term loans		392
Guarantee deposits received		10
<b>Total</b>		<b>724</b>

(2) Accumulated depreciation of tangible assets: ¥118,363 million

(3) Guaranteed liabilities		(Millions of yen)
	Total guarantee	Consolidated company debt
Guaranteed liabilities	¥ 178	¥ (31)

### Outline

As of March 31, 2013

**Date of Establishment** May 20, 1939

Common Stock	
Authorized	200,000,000 shares
Issued and Outstanding	83,523,195 shares (including 262,862 shares of treasury stock)

**Number of Shareholders** 5,780

Major Shareholders	% of total
Nippon Steel & Sumitomo Metal Corporation	14.87
Nittetsu Kogyo Shogakukai*	7.70
The Master Trust Bank of Japan, Ltd. (trust account)	5.61
Mizuho Corporate Bank, Ltd.	3.53
Sumitomo Mitsui Banking Corporation	3.49
Japan Trustee Services Bank, Ltd. (trust account)	3.11
Japan Trustee Services Bank, Ltd. (trust account 9)	2.37
CBNY DFA INTL SMALL CAP VALUE PORTFOLIO	2.33
Nittetsu Kogyo Shareholding Association	1.98
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	1.68

\*Non-profit corporation

### Number of Employees (Consolidated)

Mineral Resources	
Non-Metallic Minerals	1,018
Metallic Minerals	340
Machinery & Environmental Engineering	250
Real Estate	3
Corporate (shared)	93
<b>Total</b>	<b>1,704</b>

**Number of Employees (Non-Consolidated)** 645

### Principal Lenders

Mizuho Corporate Bank, Ltd.
Sumitomo Mitsui Banking Corporation
The Bank of Tokyo-Mitsubishi UFJ, Ltd.

### Primary Businesses

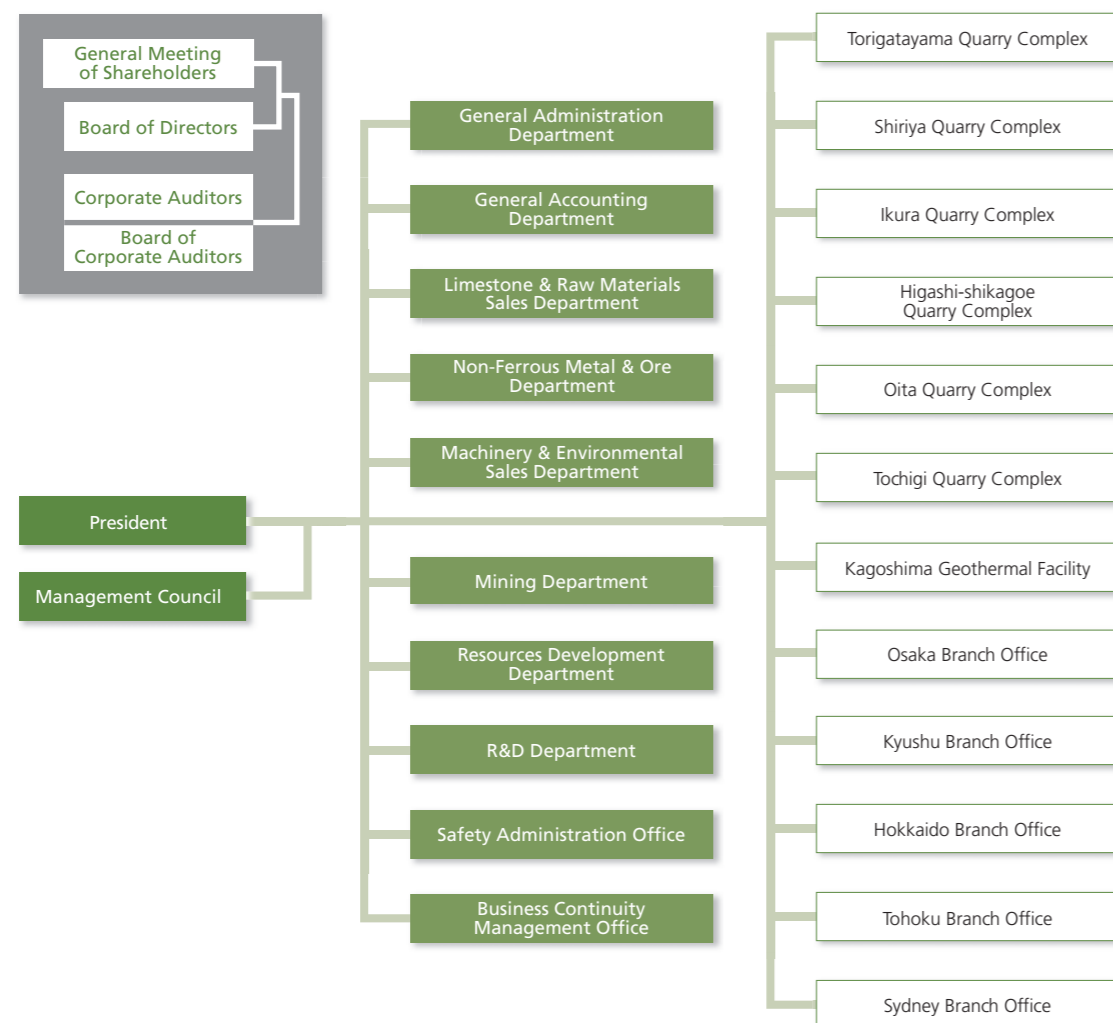
As of March 31, 2013

Group	Major Products
<b>Mineral Resources</b>	<b>Non-Metallic Minerals</b> Limestone, dolomite, crushed stone, calcium carbonate, silica rock, quicklime, hydrated lime, cement, gypsum, ready-mixed concrete and concrete products, petroleum products, coal, LPG, chips for pulp, mineral water, specialty papers (fire-retardant, calcium carbonate), granulates, handling and transportation of mineral products, technological consulting for mining and civil engineering, supply of geothermal steam and brine, others
	<b>Metallic Minerals</b> Electrolytic copper, gold and silver, copper concentrate
<b>Machinery &amp; Environmental Engineering</b>	<b>Machinery Engineering</b> Dust collectors, crushing and grinding equipment, mining machinery, construction-related machinery, civil engineering machinery, electric machinery, monorail for passenger transportation, ball valves, powder/fluid-related machinery, maintenance/repair of baryta machinery, others
	<b>Environmental Engineering</b> Water treatment agents, deodorizers, others
<b>Real Estate</b>	Rentals of office buildings, condominiums, commercial spaces, factories and warehouses and real estate sales

# Corporate Information

## Organizational Chart

As of July 1, 2013



## Offices

As of March 31, 2013

Domestic			
<b>Head Office</b>		Yusen Building, 3-2, Marunouchi 2-chome, Chiyoda-ku, Tokyo 100-8377, Japan URL: <a href="http://www.nittetsukou.co.jp/eng/">http://www.nittetsukou.co.jp/eng/</a>	
General Administration Section	Tel: +81-3-3284-0516	Fax: +81-3-3215-8480	
Public & Investor Relations Group	Tel: +81-3-3284-0518	Fax: +81-3-3215-8480	
Limestone Sales Section	Tel: +81-3-3216-5261	Fax: +81-3-3284-0037	
Limestone Powder and Aggregate Sales Section	Tel: +81-3-3216-5260	Fax: +81-3-3284-0037	
Fine Materials Sales Section	Tel: +81-3-3216-5254	Fax: +81-3-3215-7293	
Non-Ferrous Metal & Ore Section	Tel: +81-3-3216-5265	Fax: +81-3-3284-0037	
Environmental Sales Section	Tel: +81-3-3216-5320	Fax: +81-3-3216-5262	
Machinery Sales Section	Tel: +81-3-3216-5321	Fax: +81-3-3216-5263	
Resources Development Section	Tel: +81-3-3216-5281	Fax: +81-3-5962-5180	
<b>Information System Section</b>	4-20-30, Shimorenjaku, Mitaka-city, Tokyo 181-0013, Japan Tel: +81-422-79-1160 Fax: +81-422-79-1161		
<b>R&amp;D Department</b>	8-1, Hirai, Hinode-cho, Nishitama-gun, Tokyo 190-0182, Japan R&D Administration Section Tel: +81-42-597-7001 Fax: +81-42-597-7013		
Overseas			
<b>Sydney Branch Office</b>	Level 24, 1 York Street, Sydney, NSW 2000, Australia Tel: +61-2-9252-2076 Fax: +61-2-9252-2220		

## Major Subsidiaries

As of March 31, 2013

Subsidiaries	Capital Millions of yen	Company Holdings (%)	Primary Businesses
Nittetsu Kagoshima Geothermal Co., Ltd.	245	100.0	Supply and sales of geothermal steam and brine
Nittetsu Mining Consultants Co., Ltd.	100	100.0	Consulting services for geological surveys, geophysical exploration, test boring and construction
Hokkaido Lime Co., Ltd.	80	100.0	Manufacture and sales of quicklime and hydrated lime
Funao Mining Co., Ltd.	60	100.0	Mining and sales of limestone Manufacture and sales of calcium carbonate
Nittetsukouzenzai Co., Ltd.	50	100.0	Buying and selling of limestone, crushed stone and calcium carbonate
Kobukuro Techno Co., Ltd.	50	100.0	Manufacture and sales of crushing and grinding equipment and electric machinery

Notes: 1. Nittetsu Kagoshima Geothermal Co., Ltd. acquired its treasury stock on October 24, 2012. As a result, Nittetsu Mining Co. Ltd. became the company's sole shareholder, making it a wholly owned subsidiary of Nittetsu Mining Co., Ltd.  
2. Nittetsu Mining Co., Ltd. executed an absorption-type merger effective April 1, 2013 to acquire Nittetsu Kagoshima Geothermal Co., Ltd. As a result of this merger, Nittetsu Mining Co., Ltd. succeeded to all rights and obligations of Nittetsu Kagoshima Geothermal Co., Ltd. pertaining to the company's sale and supply of geothermal steam and hot water.

Subsidiaries	Capital Thousands of US dollars	Company Holdings (%)	Primary Businesses
Sociedad Contractual Minera Atacama Kozan	3,750	60.0	Mining and sales of copper and other minerals

## Directors and Corporate Auditors

As of June 27, 2013

Representative Director and President

**Rokuro Matsumoto**

Director and Vice President

**Kimio Sato**

Managing Director

**Yoshifumi Noguchi**

Directors

**Jun Matsunaga**

(Supervision of Resources Development Department)

**Hiroshi Koyama**

(Supervision of General Administration Department and General Accounting Department)

**Hideo Kawamura**

(Supervision of Safety Administration Office, and General Manager, Mining Department)

Standing Corporate Auditors

**Hikoso Takahashi**

**Izumi Tanaka**

Corporate Auditors

**Kaoru Yamazaki**

**Yohtaro Matsuo**

Corporate Executives

**Jinichi Kamitani**

(General Manager, Torigatayama Quarry Complex)

**Shinya Yamasaki**

(General Manager, Machinery & Environmental Sales Department)