

NITTETSU
MINING CO., LTD.



ANNUAL REPORT

For the year ended March 31, 2014

2014

Nittetsu Mining Co., Ltd.

Yusen Building, 3-2, Marunouchi 2-chome
Chiyoda-ku, Tokyo 100-8377, Japan
Tel: +81-3-3284-0516
Fax: +81-3-3215-8480
URL: <http://www.nittetsukou.co.jp/eng/>

Printed in Japan

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
	2014	2013	2012	2011	2010	2014
For the year						
Net Sales	¥ 114,317	¥ 102,840	¥ 101,505	¥ 107,741	¥ 93,726	\$ 1,110,740
Net Income	3,903	3,873	3,024	1,638	1,681	37,929
At year-end						
Total Assets	161,325	144,539	132,470	136,145	144,066	1,567,481
Per share data						
Net Income per Share	¥ 46.89	¥ 46.53	¥ 36.32	¥ 19.68	¥ 20.19	\$ 0.46

Non-Consolidated

Nittetsu Mining Co., Ltd.
Years ended March 31

	Millions of yen					Thousands of US dollars
	2014	2013	2012	2011	2010	2014
For the year						
Net Sales	¥ 92,547	¥ 87,079	¥ 86,928	¥ 94,076	¥ 77,086	\$ 899,219
Net Income	5,116	3,816	2,754	1,258	691	49,717
At year-end						
Total Assets	134,155	124,968	114,493	119,919	126,927	1,303,490
Per share data						
Net Income per Share	¥ 61.46	¥ 45.84	¥ 33.08	¥ 15.11	¥ 8.30	\$ 0.60

Note: US dollar amounts are translated from yen, for convenience only, at the rate of ¥102.92=US\$1.

Contents

1	Message from the Management
3	Consolidated Financial Information
4	Balance Sheets
6	Statements of Income
7	Statements of Comprehensive Income / Statements of Cash Flows
8	Notes to Consolidated Financial Statements
11	Corporate Information

Message from the Management

Operating Conditions and Consolidated Results

During the fiscal year ended March 31, 2014, Japan's economy showed signs of a modest recovery thanks to a boost in private-sector investment as well as an increase in public-sector investment and personal consumption owing to stronger demand from the rebuilding effort following the Great East Japan Earthquake, as well as the government's economic stimulus measures and the Bank of Japan's monetary easing.

In these economic conditions, the Nittetsu Mining Group posted net sales of ¥114,317 million, up 11.2% year on year, and ordinary income of ¥8,957 million, up 23.8%. This strong growth was attributed to a rise in sales of limestone, a mainstay product of the Non-Metallic Minerals Division, and an increase in revenue from the Metallic Minerals Division. Net income was virtually unchanged, however, rising only 0.8%, to ¥3,903 million, reflecting impairment losses from mining concessions in Chile.

Consolidated Business Results by Segment

Mineral Resources Group

Non-Metallic Minerals Division

Net sales of the Non-Metallic Minerals Division expanded 14.7%, or ¥7,036 million, over the previous fiscal year to ¥54,901 million, and operating income increased 24.3%, or ¥1,148 million, to ¥5,885 million, reflecting an increase in the sales volume of crushed stone and mainstay product limestone and the conversion of Sumimetal Mining Co., Ltd. into a consolidated subsidiary.

Metallic Minerals Division

Net sales of the Metallic Minerals Division increased 8.9%, or ¥3,762 million, over the previous fiscal year to ¥46,018 million, due to a rise in the domestic sales price of electrolytic copper. Operating income, however, fell 16.1%, or ¥657 million, to ¥3,425 million, due to a drop in copper prices.

Machinery & Environmental Engineering Group

The Machinery & Environmental Engineering Group saw net sales advance 6.0%, or ¥524 million, to ¥9,246 million, while operating income rose 2.9%, or ¥24 million, over the previous fiscal year to ¥885 million. These gains were attributed to an increase in sales of water treatment agents, a mainstay product of the Environmental Engineering Division, and to generally strong sales from the Machinery Engineering Division.

Real Estate Group

The Real Estate Group saw net sales expand 3.2%, or ¥82 million, over the previous fiscal year to ¥2,660 million, due to the utilization of new leased properties, while operating income fell 10.4%, or ¥140 million, to ¥1,213 million, due to higher repair expenses.

Renewable Energy Group

Until recently, Nittetsu Mining undertook the development of environmentally friendly energy as part of the Mineral Resources Group, which includes a geothermal business and hydroelectric power

plants operated by subsidiaries. However, with the launch of its solar power plants, the Company created a new segment called the Renewable Energy Group, effective from the fiscal year under review.

During the fiscal year under review, the Renewable Energy Group recorded sales of ¥1,490 million and operating income of ¥242 million.

Note: The renewable energy business was formerly included in the Mineral Resources Group (Non-Metallic Minerals Division), but from the fiscal year under review this business is presented separately from the Mineral Resources Group. As for the Mineral Resources Group, figures after reclassification reflecting the said changes are used for comparison with the previous fiscal year.

Capital Expenditures, Financing and Other Related Matters

During the fiscal year ended March 31, 2014, capital expenditures of the Nittetsu Mining Group totaled ¥6,850 million, down 23.1% year on year. Major outlays during the fiscal year under review were as follows.

Major facilities acquired during the fiscal year under review

- Toyako Mega Solar Power Plant
- Shonai Mega Solar Power Plant
- Yunoki Mega Solar Power Plant

Challenges Facing the Group

The future outlook indicates that the operating environment facing the Nittetsu Mining Group will continue to require caution. Despite expectations of a modest recovery in Japan's economy, there are still causes of concern in the global economy, such as weaker growth in China and other emerging countries, while Japan's consumption tax hike and rising raw materials and energy costs may impede progress.

The Nittetsu Mining Group will respond to this operating environment by striving to enhance its business performance as it upgrades and expands its operating base and improves and enhances its management structure. It will accomplish this by such means as further boosting sales, raising productivity, cutting costs and strengthening its business continuity plan. In addition, the Nittetsu Mining Group will continue with its commitment to pursue eco-friendly business activities. These include compliance with ISO14001, greenery initiatives at mined sites, obtaining certification for company-owned forests, and building solar power plants on idle lands.

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

June 2014

Rokuro Matsumoto
Representative Director and President

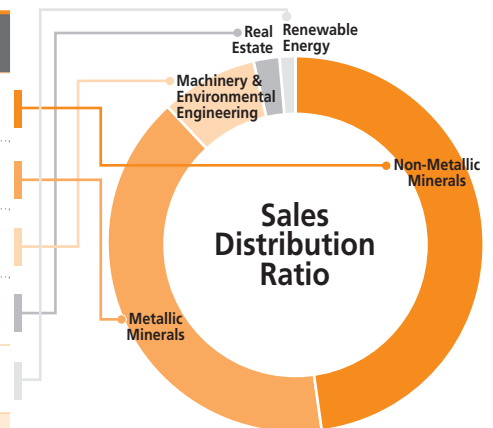
Consolidated Financial Information

Nittetsu Mining Co., Ltd. and Consolidated Subsidiaries

Net Sales by Business Segment

(Year ended March 31, 2014)

Business segment	Net sales (millions of yen)	% change from previous fiscal year	% of total net sales
Non-Metallic Minerals	¥ 54,901	14.7	48.0
Metallic Minerals	¥ 46,018	8.9	40.3
Machinery & Environmental Engineering	¥ 9,246	6.0	8.1
Real Estate	¥ 2,660	3.2	2.3
Renewable Energy	¥ 1,490	5.0	1.3
Total	¥ 114,317	11.2	100.0



Breakdown of Net Sales

(Years ended March 31)

(Millions of yen)

Business segment	Major products	2014		2013		Increase (decrease)
		Net sales	% of total net sales	Net sales	% of total net sales	
Mineral Resources	Limestone, calcium carbonate	¥ 29,336	25.7	¥ 26,092	25.4	¥ 3,244
	Crushed stone	5,977	5.2	4,935	4.8	1,041
	Ancillary products and others	19,586	17.1	16,835	16.3	2,750
	Sub-total	54,901	48.0	47,864	46.5	7,036
Metallic Minerals	Electrolytic copper	32,139	28.1	29,227	28.4	2,911
	Copper concentrate	6,624	5.8	4,240	4.1	2,384
	Others	7,254	6.4	8,788	8.6	(1,534)
	Sub-total	46,018	40.3	42,256	41.1	3,762
Total	Total	¥ 100,919	88.3	¥ 90,120	87.6	¥ 10,799
Machinery & Environmental Engineering	Machinery engineering	4,440	3.9	4,306	4.2	133
	Environmental engineering	4,806	4.2	4,415	4.3	390
	Total	¥ 9,246	8.1	¥ 8,722	8.5	¥ 524
Real Estate	Real estate rentals and sales	2,660	2.3	2,577	2.5	82
Renewable Energy	Geothermal steam and water supply, solar power, hydroelectric power	1,490	1.3	1,419	1.4	70
Total	Total	¥ 114,317	100.0	¥ 102,840	100.0	¥ 11,476

Consolidated Financial Information

Nittetsu Mining Co., Ltd. and Consolidated Subsidiaries

Balance Sheets

As of March 31, 2014 and 2013

Assets

	Millions of yen		Thousands of US dollars
	2014	2013	2014
Current Assets			
Cash and deposits	¥ 14,005	¥ 16,672	\$ 136,079
Notes and accounts receivable—trade	28,216	23,157	274,158
Lease receivables and investment assets	4,648	4,993	45,167
Short-term investment securities	30	30	296
Merchandise and finished goods	3,879	4,848	37,694
Work in process	13,196	10,282	128,222
Raw materials and supplies	1,676	1,327	16,289
Deferred tax assets	250	445	2,437
Other	2,328	2,562	22,620
Allowance for doubtful accounts	(165)	(435)	(1,603)
	68,067	63,884	661,363
Noncurrent Assets			
Property, plant and equipment:			
Buildings and structures	24,932	23,044	242,252
Machinery, equipment and vehicles	9,341	5,766	90,768
Land used for mining operations	4,399	2,937	42,750
Land for general use	16,503	14,520	160,348
Construction in progress	1,282	808	12,459
Other	421	383	4,090
	56,880	47,460	552,669
Intangible assets	1,955	2,384	18,998
Investments and Other Assets			
Investment securities	29,597	26,213	287,580
Deferred tax assets	869	473	8,448
Other	4,362	4,304	42,385
Allowance for doubtful accounts	(407)	(182)	(3,964)
	34,421	30,809	334,449
Total Assets	¥ 161,325	¥ 144,539	\$ 1,567,481

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
	2014	2013	2014
Current Liabilities			
Notes and accounts payable—trade	¥ 11,106	¥ 11,247	\$ 107,914
Short-term loans payable	9,806	14,070	95,281
Lease obligations	497	468	4,829
Income taxes payable	702	1,739	6,821
Deferred tax liabilities	1	1	9
Provision for bonuses	799	753	7,765
Provision for directors' bonuses	24	29	238
Provision for shareholders' benefits	12	12	120
Asset retirement obligations	—	170	—
Other	10,861	10,172	105,530
	33,810	38,665	328,511
Noncurrent Liabilities			
Long-term loans payable	20,576	9,195	199,922
Lease obligations	953	764	9,260
Deferred tax liabilities	8,514	7,243	82,727
Provision for retirement benefits	—	1,296	—
Provision for directors' retirement benefits	128	91	1,250
Provision for environmental safety measures	151	154	1,471
Net defined benefit liability	2,044	—	19,869
Asset retirement obligations	3,096	2,996	30,085
Other	7,294	7,386	70,877
	42,759	29,127	415,465
Total Liabilities	76,570	67,793	743,976
Net Assets			
Capital stock	4,176	4,176	40,576
Capital surplus	6,149	6,149	59,754
Retained earnings	60,490	57,169	587,746
Treasury stock	(134)	(129)	(1,309)
Shareholders' equity	70,682	67,366	686,768
Accumulated Other Comprehensive Income			
Valuation difference on available-for-sale securities	11,368	9,311	110,460
Deferred gains or losses on hedges	198	(134)	1,927
Foreign currency translation adjustment	79	(1,270)	774
Remeasurements of defined benefit plans	(736)	—	(7,160)
Total Accumulated Other Comprehensive Income	10,909	7,906	106,002
Minority interests	3,163	1,472	30,734
Total Net Assets	84,755	76,746	823,504
Total Liabilities and Net Assets	¥ 161,325	¥ 144,539	\$ 1,567,481

Consolidated Financial Information

Nittetsu Mining Co., Ltd. and Consolidated Subsidiaries

Statements of Income

Years ended March 31, 2014 and 2013

	Millions of yen		Thousands of US dollars
	2014	2013	2014
Net Sales	¥ 114,317	¥ 102,840	\$ 1,110,740
Cost of Sales	85,136	76,428	827,213
Selling, General and Administrative Expenses	19,662	17,762	191,049
Operating Income	9,517	8,649	92,477
Non-Operating Income:			
Interest income	55	87	542
Dividends income	601	392	5,849
Other	351	204	3,411
	1,008	684	9,802
Non-Operating Expenses:			
Interest expenses	431	457	4,190
Equity in losses of affiliates	161	551	1,568
Other	976	1,092	9,484
	1,568	2,100	15,243
Ordinary Income	8,957	7,233	87,036
Extraordinary Income:			
Gain on sales of noncurrent assets	228	164	2,222
Compensation income	48	—	469
Other	1	1	13
	278	166	2,705
Extraordinary Losses:			
Loss on sales and retirement of noncurrent assets	139	240	1,357
Impairment loss	1,366	7	13,273
Settlement for occupational diseases	6	35	60
Litigation expenses	11	56	115
Other	147	25	1,436
	1,672	365	16,247
Income before Income Taxes	7,564	7,034	73,494
Income Taxes:			
Income taxes—current	2,482	2,939	24,116
Income taxes—deferred	170	(670)	1,654
	2,652	2,269	25,770
Income before Minority Interests	4,911	4,765	47,724
Minority Interests in Income	1,008	891	9,794
Net Income	¥ 3,903	¥ 3,873	\$ 37,929

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, 2014 and 2013

	Millions of yen		Thousands of US dollars
	2014	2013	2014
Income before minority interests	¥ 4,911	¥ 4,765	\$ 47,724
Other comprehensive income:			
Valuation difference on available-for-sale securities	2,057	1,972	19,986
Deferred gains or losses on hedges	332	(48)	3,231
Foreign currency translation adjustment	1,708	813	16,596
Share of other comprehensive income of associates accounted for using the equity method	0	1	1
Total other comprehensive income	4,097	2,737	39,816
Comprehensive income	9,009	7,503	87,540
Comprehensive income attributable to owners of the parent	7,643	6,445	74,269
Comprehensive income attributable to minority interests	¥ 1,365	¥ 1,057	\$ 13,270

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, 2014 and 2013

	Millions of yen		Thousands of US dollars
	2014	2013	2014
Net cash provided by operating activities	¥ 5,742	¥ 11,838	\$ 55,795
Net cash used in investing activities	(10,186)	(8,674)	(98,972)
Net cash provided by (used in) financing activities	0	(2,341)	2
Effect of exchange rate change on cash and cash equivalents	515	408	5,012
Net increase (decrease) in cash and cash equivalents	(3,927)	1,229	(38,162)
Cash and cash equivalents at the beginning of the year	15,467	14,237	150,285
Cash and cash equivalents at the end of the year	¥ 11,539	¥ 15,467	\$ 112,123

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

During the fiscal year under review, Nittetsu Kagoshima Geothermal Co., Ltd. was dissolved after it was acquired and absorbed by Nittetsu Mining, and as a result it has been excluded from the scope of consolidation. In addition, Sumimetal Mining Co., Ltd. is now included as a consolidated subsidiary after Nittetsu Mining acquired 70% of its outstanding shares.

(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

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 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.

(e) 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.

(f) 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.

(g) Reserve for special repairs

The Company has a reserve for special repairs based on the estimated cost of applicable special repairs for the inspection and repair of ships requiring regular inspections under the Ship Safety Act and for regular repairs to steam production and transport facilities.

(4) Accounting method for retirement benefits

(a) Attribution method of retirement benefit estimates

The straight-line basis is used as the method for attributing estimated retirement benefits for the period until the end of the current fiscal year.

(b) Method of expense recording for actuarial differences

Actuarial differences are recorded as expenses from each consolidated fiscal year in which they occur by dividing the amount proportionately using the straight-line method over a certain number of years (13 years) within the average remaining service period of employees during the consolidated fiscal year. Certain consolidated subsidiaries of the Company record a lump-sum expense in the consolidated fiscal year in which they occur.

(c) Adoption of the simplified valuation method at small enterprise, etc

Certain consolidated subsidiaries employ the simplified method in which the retirement benefit amount required for voluntary termination at year-end is deemed a retirement benefit obligation for the calculation of liability associated with retirement and retirement benefit expenses.

(5) 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.

(6) Accounting standard for profits from financial lease transactions

Lease fees are accounted for in net sales and cost price at the time of receipt.

(7) 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.

(8) Main hedge accounting methods

(a) Hedge accounting method

However, for interest rate swaps, special treatment is applied in cases that meet the necessary requirements. 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 are carried out to avoid risk associated with loan interest 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 the effectiveness is determined. However, interest rate swap transactions are treated separately and are omitted from this effectiveness evaluation.

(9) Goodwill amortization method and period

The equal installment method is used for the amortization of goodwill over a period of time (less than 20 years) in which the investment effect in each subsidiary is realized. In addition, when the amount is immaterial, the complete amount is amortized in the consolidated fiscal year in which it occurs.

(10) Accounting method for consumption tax, etc.

The tax exclusion method is used when accounting for consumption tax and regional consumption tax.

5. Notes Concerning Changes to Accounting Policy

The Company has applied the Accounting Standard for Retirement Benefits (ASBJ Statement No. 26; May 17, 2012; hereinafter "Accounting Standard for Retirement Benefits") and Guidance on Accounting Standard for Retirement Benefits" (ASBJ Guidance No. 25; May 17, 2012 from the end of the current consolidated fiscal year (however, excluding the provisions of No. 35 Accounting Standard on Retirement Benefits and No. 67 Guidance on Retirement Benefits), and changed its accounting method to record the amount of pension assets deducted from retirement obligations as liabilities associated with retirement benefits and unrecognized actuarial differences as liabilities associated with retirement benefits.

The application of Accounting Standard for Retirement Benefits is in accordance with transitional handling prescribed in No. 37 Accounting Standard for

Retirement Benefits, and at the end of the current consolidated fiscal year the effect of these changes, has been adjusted in cumulative adjustments related to retirement benefits under accumulated other comprehensive income.

As a result, ¥2,044 million was recorded as a liability associated with retirement benefits as at the end of the current consolidated fiscal year. In addition, accumulated other comprehensive income decreased ¥736 million.

6. Note Concerning Changes to 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 in the second quarter 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. In addition, depreciation of the asset retirement obligation recorded as a mine closure expense based on the mine closure plan pursuant to Chile's Mining Law was extended for a reasonable period into the future.

As a result, depreciation charges for the fiscal year

under review decreased ¥218 million compared to the previous depreciation method, and increased operating income, ordinary income and net income by the same amount, respectively.

7. Notes to the Consolidated Balance Sheets

(1) Collateral assets		(Millions of yen)
Tangible assets		¥ 6,293
Debt collateralized by the above		
Short-term loans		69
Long-term loans		370
Guarantee deposits received		10
Total		449

(2) Accumulated depreciation of tangible assets:		¥145,421 million
--	--	------------------

(3) Guaranteed liabilities			(Millions of yen)
	Total guarantee	Consolidated company debt	
Guaranteed liabilities	¥ 96	¥ (15)	

8. Segment Information

	Millions of yen						
	2014						
	Non-Metallic Minerals	Metallic Minerals	Machinery & Environmental Engineering	Real Estate	Renewable Energy	Eliminations and Corporate	Total
Sales to external customers	¥ 54,901	¥ 46,018	¥ 9,246	¥ 2,660	¥ 1,490	¥ —	¥ 114,317
Inter-segment sales	470	—	1,296	34	—	(1,802)	—
Segment Revenue	55,371	46,018	10,543	2,695	1,490	(1,802)	114,317
Segment Profits	5,885	3,425	885	1,213	242	(2,134)	9,517

	Millions of yen						
	2013						
	Non-Metallic Minerals	Metallic Minerals	Machinery & Environmental Engineering	Real Estate	Renewable Energy	Eliminations and Corporate	Total
Sales to external customers	¥ 47,864	¥ 42,256	¥ 8,722	¥ 2,577	¥ 1,419	¥ —	¥ 102,840
Inter-segment sales	1,107	—	1,014	34	—	(2,156)	—
Segment Revenue	48,971	42,256	9,736	2,612	1,419	(2,156)	102,840
Segment Profits	4,736	4,083	860	1,353	508	(2,893)	8,649

	Thousands of US dollars						
	2014						
	Non-Metallic Minerals	Metallic Minerals	Machinery & Environmental Engineering	Real Estate	Renewable Energy	Eliminations and Corporate	Total
Sales to external customers	\$ 533,434	\$ 447,128	\$ 89,846	\$ 25,847	\$ 14,484	\$ 0	\$ 1,110,740
Inter-segment sales	4,572	0	12,597	339	0	(17,508)	—
Segment Revenue	538,006	447,128	102,443	26,186	14,484	(17,508)	1,110,740
Segment Profits	57,185	33,281	8,603	11,788	2,358	(20,739)	92,477

Corporate Information

Outline

As of March 31, 2014

Date of Establishment May 20, 1939

Common Stock

Authorized 200,000,000 shares

Issued and Outstanding 83,523,195 shares
(including 274,427 shares of treasury stock)

Number of Shareholders 5,704

Major Shareholders

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)	5.83
Mizuho Corporate Bank, Ltd.	3.53
Sumitomo Mitsui Banking Corporation	3.49
CBNY DFA INTL SMALL CAP VALUE PORTFOLIO	2.34
Japan Trustee Services Bank, Ltd. (trust account)	2.32
Nittetsu Kogyo Shareholding Association	1.93
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	1.68
Mitsubishi Material Corporation	1.62

*Non-profit corporation

Number of Employees (Consolidated)

Mineral Resources	
Non-Metallic Minerals	1,115
Metallic Minerals	301
Machinery & Environmental Engineering	257
Real Estate	4
Renewable Energy	13
Corporate (shared)	91
Total	1,781

Number of Employees (Non-Consolidated)

651

Principal Lenders

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

Primary Businesses

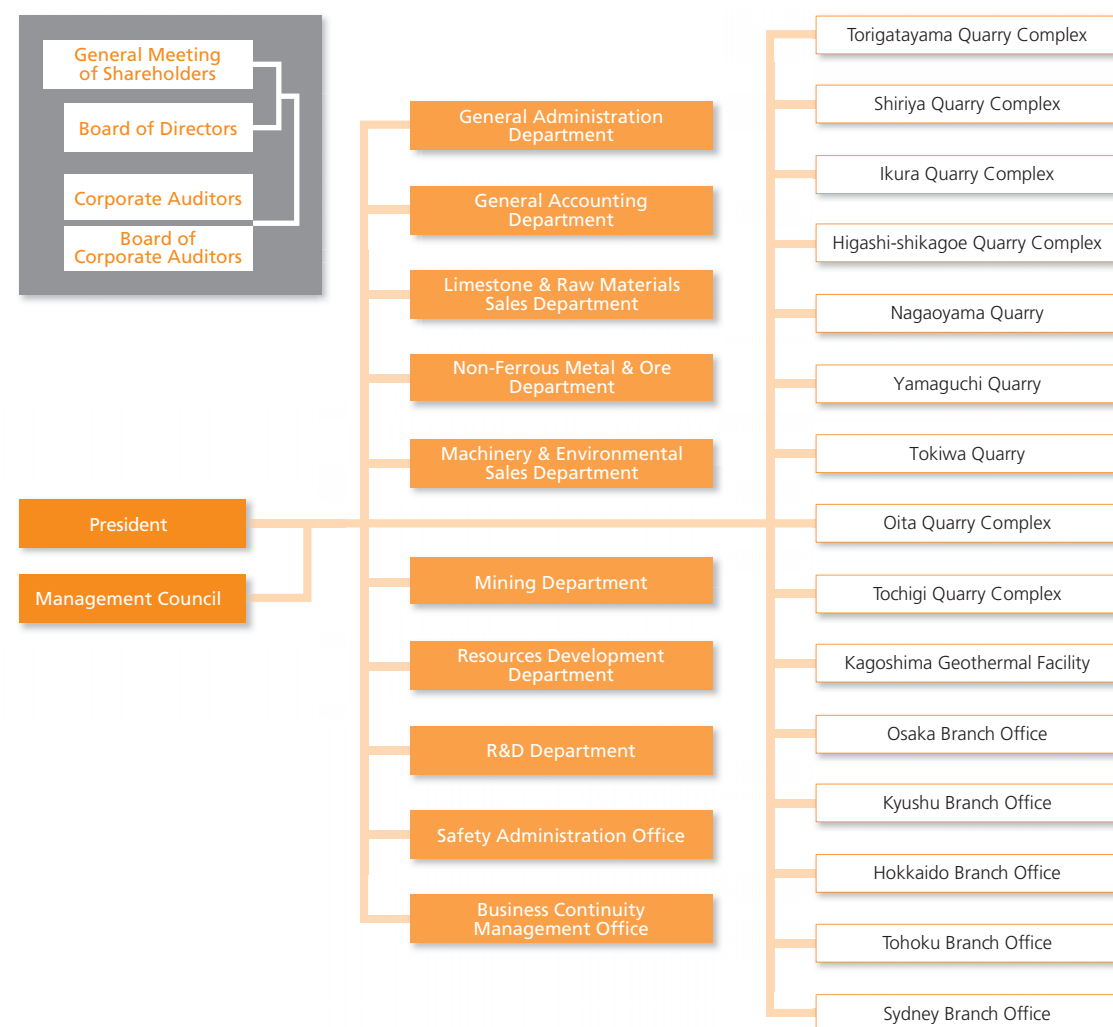
As of March 31, 2014

Group	Major Products
Mineral Resources	Non-Metallic Minerals 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
	Metallic Minerals Electrolytic copper, gold and silver, copper concentrate
Machinery & Environmental Engineering	Machinery Engineering 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
	Environmental Engineering Water treatment agents, deodorizers, others
Real Estate	Rentals of office buildings, condominiums, commercial spaces, factories and warehouses and real estate sales
Renewable Energy	Geothermal steam and water supply, solar power, hydroelectric power

Corporate Information

Organizational Chart

As of April 1, 2014



Directors and Corporate Auditors

As of June 27, 2014

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)

Takeyuki Kumamura*

*Outside director

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)

Offices

As of March 31, 2014

Domestic	
Head Office	Yusen Building, 3-2, Marunouchi 2-chome, Chiyoda-ku, Tokyo 100-8377, Japan URL: http://www.nittetsukou.co.jp/eng/
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
Information System Section	4-20-30, Shimorenjaku, Mitaka-city, Tokyo 181-0013, Japan Tel: +81-422-79-1160 Fax: +81-422-79-1161
R&D Department	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	
Sydney Branch Office	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, 2014

Subsidiaries	Capital Millions of yen	Company Holdings (%)	Primary Businesses
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
Nittetsukoukenzai 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
Sumimetal Mining Co., Ltd.	2,000	70.0	Mining and sales of limestone

Notes: 1. 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.
2. Nittetsu Mining Co., Ltd. acquired 70% of the outstanding shares of Sumimetal Mining Co., Ltd. on October 1, 2013, making Sumimetal Mining Co., Ltd. a consolidated subsidiary of Nittetsu Mining Co., Ltd. In addition, Sumimetal Mining Co., Ltd. changed its trade name to Hachinohe Mining Co., Ltd. effective April 1, 2014.

Subsidiary	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