

Summary of Consolidated Financial Results
for the Third Quarter Ended December 31, 2009(Unaudited)

February 5, 2010

English translation from the original Japanese-language document

(All financial information has been prepared in accordance with accounting principles generally accepted in Japan)

Company name: Nihon Seiko Co., Ltd.
 URL: <http://www.nihonseiko.co.jp>
 Listed stock exchange: The second section of Tokyo Stock Exchange
 Securities Code: 5729
 Company Representative: Hideaki Fukui, President & CEO
 Contact Information: Shigeki Watanabe, Director Tel +81-3-3235-0021

1. Consolidated Financial Results for the Third Quarter Ended December 31, 2009 and 2008

(1) Operating Results (Rounded down to millions of Japanese Yen)

	Net sales		Operating income		Ordinary income		Net income	
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%
For the Third quarter ended								
December 31, 2009	5,118	(20.7)	133	71.4	143	104.1	(244)	-
December 31, 2008	6,457	-	78	-	70	-	(93)	-

	EPS
For the Third quarter ended	Yen
December 31, 2009	(19.40)
December 31, 2008	(7.27)

(2) Financial Position

	Total assets	Total net assets	Shareholders' equity ratio	Shareholders' equity per share
	Millions of Yen	Millions of Yen	%	Yen
As of				
December 31, 2009	8,029	2,819	35.1	223.81
March 31, 2009	7,123	3,098	43.5	254.79

Note: Shareholders' equity As of December 31, 2009: 2,819 million yen As of March 31, 2009: 3,098 million yen

2. Cash Dividends

	Cash Dividends per Share				
	First Quarter	Second Quarter	Third Quarter	Year-end	Annual
For the year ended	Yen	Yen	Yen	Yen	Yen
March 31, 2009	-	4.00	-	2.00	6.00
March 31, 2010	-	0.00	-	-	-
March 31, 2010(expected)	-	-	-	-	-

Note: Revision of outlook for dividends in the Third quarter : No

Dividends per share for the fiscal year ending March 31, 2010, are yet to be determined.

3. Consolidated Earnings Forecast for the Year Ending March 2010(April 1,2009 ~ March 31, 2010):

(%: Change from the previous fiscal year for Year ending March 31,2010)

	Net sales		Operating income		Ordinary income		Net income		EPS
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Yen
For the year ending March 31, 2010									
Full year	6,600	(7.9)	115	-	125	-	(230)	-	(18.25)

Note: Revision of outlook for fiscal 2009 consolidated earnings results in the Third quarter : No

4. Others

- (1) Changes in major subsidiaries during the fiscal year (changes in specified subsidiaries accompanying changes in scope of consolidation) : No
- (2) Adoption of simplified accounting policies : No
- (3) Changes in accounting policies, procedures or method of presentation for preparing quarterly consolidated financial statements
 - 1. Changes due to amendment of accounting standards : No
 - 2. Change due to other reasons : No
- (4) Number of outstanding shares at the end of the period:
 - 1. Number of outstanding shares at the end of the period:

As of December 31, 2009: 13,029,500	As of March 31, 2009: 13,029,500
-------------------------------------	----------------------------------
 - 2. Number of treasury shares at the end of the period:

As of December 31, 2009: 429,686	As of March 31, 2009: 424,212
----------------------------------	-------------------------------
 - 3. Average number of outstanding shares during period:

For the 3rd Quarter ending March 31, 2010: 12,601,589	For the 3rd Quarter ended March 31, 2009: 12,931,397
---	--

Note concerning the Appropriate Use of Forecast

Actual results may differ materially from the forecast due to many factors.

Dividends per share for the fiscal year ending March 31, 2010, are yet to be determined.

We will immediately announce the estimated dividend after we appropriately ascertains the future business environment.

Consolidated quarterly balance sheets

(Thousands of Japanese yen)

	December 31,2009	March 31,2009
Assets		
Current assets		
Cash and deposits	2,785,502	2,071,276
Notes and accounts receivable-trade	1,626,912	688,298
Short-term investment securities	1,000	1,000
Merchandise and finished goods	695,417	933,048
Work in process	134,948	63,144
Raw materials and supplies	500,444	643,349
Other	139,535	200,834
Allowance for doubtful accounts	(5,207)	(2,256)
Total current assets	5,878,554	4,598,695
Noncurrent assets		
Property, plant and equipment		
Buildings and structures, net	669,090	665,429
Machinery, equipment and vehicles, net	412,485	453,199
Land	812,378	812,378
Other, net	68,846	102,544
Total property, plant and equipment	1,962,800	2,033,551
Intangible assets	21,859	23,153
Investments and other assets	162,501	467,775
Total noncurrent assets	2,147,162	2,524,480
Deferred assets	3,608	—
Total assets	8,029,325	7,123,175
Liabilities		
Current liabilities		
Notes and accounts payable-trade	1,302,218	134,274
Short-term loans payable	1,709,200	1,882,300
Income taxes payable	22,086	4,986
Provision for bonuses	32,646	65,969
Other	292,601	139,458
Total current liabilities	3,358,751	2,226,987
Noncurrent liabilities		
Bonds payable	158,000	—
Long-term loans payable	1,112,800	1,181,700
Provision for retirement benefits	336,010	347,713
Other provision	19,902	30,017
Negative goodwill	103,547	127,261
Other	120,361	111,198
Total noncurrent liabilities	1,850,621	1,797,890
Total liabilities	5,209,373	4,024,878
Net assets		
Shareholders' equity		
Capital stock	1,018,126	1,018,126
Capital surplus	564,725	564,725
Retained earnings	1,347,036	1,616,733
Treasury stock	(79,186)	(78,296)
Total shareholders' equity	2,850,701	3,121,288
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	(30,749)	(22,991)
Total net assets	2,819,952	3,098,297
Total liabilities and net assets	8,029,325	7,123,175

Consolidated quarterly statements of income

(Thousands of Japanese yen)

	Nine months ended December 31,2008	Nine months ended December 31,2009
Net sales	6,457,407	5,118,145
Cost of sales	5,802,317	4,478,963
Gross profit	655,089	639,181
Selling, general and administrative expenses	577,074	505,484
Operating income	78,015	133,697
Non-operating income		
Dividends income	2,325	862
Amortization of negative goodwill	24,616	23,713
Subsidy income	—	24,723
Other	7,233	5,232
Total non-operating income	34,175	54,531
Non-operating expenses		
Interest expenses	25,305	40,842
Foreign exchange losses	12,617	1,130
Other	4,037	2,901
Total non-operating expenses	41,959	44,874
Ordinary income	70,230	143,354
Extraordinary income		
Reversal of allowance for doubtful accounts	1,005	—
Total extraordinary income	1,005	—
Extraordinary loss		
Loss on retirement of noncurrent assets	6,520	4,035
Loss on valuation of inventories	12,790	—
Loss on valuation of investment securities	180,000	—
Loss on valuation of golf club membership	10,000	—
Other	1,560	—
Total extraordinary losses	210,870	4,035
Income (loss) before income taxes and minority interests	(139,634)	139,318
Income taxes-current	4,048	16,825
Income taxes-deferred	(53,590)	366,979
Total income taxes	(49,542)	383,805
Minority interests in income	3,883	—
Net loss	(93,975)	(244,486)

Consolidated quarterly statements of income

(Thousands of Japanese yen)

	3rd Quarter ended December 31,2008	3rd Quarter ended December 31,2009
Net sales	1,603,987	2,032,575
Cost of sales	1,621,343	1,653,090
Gross profit (loss)	(17,356)	379,484
Selling, general and administrative expenses	191,423	171,639
Operating income (loss)	(208,779)	207,845
Non-operating income		
Dividends income	472	354
Amortization of negative goodwill	8,262	7,904
Compensation income	2,810	—
Subsidy income	—	2,827
Other	1,137	1,474
Total non-operating income	12,682	12,560
Non-operating expenses		
Interest expenses	8,228	14,941
Foreign exchange losses	9,269	—
Other	1,715	1,103
Total non-operating expenses	19,214	16,044
Ordinary income (loss)	(215,311)	204,360
Extraordinary income		
Reversal of allowance for doubtful accounts	903	—
Total extraordinary income	903	—
Extraordinary loss		
Loss on retirement of noncurrent assets	675	844
Loss on valuation of golf club membership	10,000	—
Other	1,560	—
Total extraordinary losses	12,235	844
Income (loss) before income taxes and minority interests	(226,643)	203,516
Income taxes-current	(74,188)	14,128
Income taxes-deferred	(9,793)	47,293
Total income taxes	(83,982)	61,421
Net income (loss)	(142,660)	142,094

Consolidated quarterly statements of cash flows

(Thousands of Japanese yen)

	Nine months ended December 31,2008	Nine months ended December 31,2009
Net cash provided by (used in) operating activities		
Income (loss) before income taxes and minority interests	(139,634)	139,318
Depreciation and amortization	209,988	194,472
Amortization of negative goodwill	(24,616)	(23,713)
Increase (decrease) in allowance for doubtful accounts	(998)	2,950
Increase (decrease) in provision for bonuses	(51,584)	(33,323)
Increase (decrease) in provision for directors' bonuses	(7,500)	—
Increase (decrease) in provision for retirement benefits	31,774	(11,703)
Increase (decrease) in provision for directors' retirement benefits	(38,105)	(10,115)
Interest and dividends income	(2,593)	(1,084)
Interest expenses	25,305	40,842
Foreign exchange losses (gains)	25	(13)
Loss on retirement of property, plant and equipment	6,520	4,035
Loss (gain) on valuation of investment securities	180,000	—
Loss on valuation of golf club memberships	10,000	—
Decrease (increase) in notes and accounts receivable-trade	438,039	(938,614)
Decrease (increase) in inventories	(529,749)	308,731
Increase (decrease) in notes and accounts payable-trade	(108,898)	1,167,944
Other, net	10,586	87,304
Subtotal	8,560	927,032
Interest and dividends income received	2,601	1,091
Interest expenses paid	(23,021)	(28,395)
Income taxes paid	(240,905)	(40,777)
Income taxes refund	—	90,899
Net cash provided by (used in) operating activities	(252,765)	949,850
Net cash provided by (used in) investing activities		
Purchase of short-term investment securities	(1,000)	(1,000)
Proceeds from redemption of securities	1,000	1,000
Purchase of property, plant and equipment	(164,056)	(146,522)
Payments for retirement of property, plant and equipment	(9,135)	(2,733)
Purchase of intangible assets	(4,182)	(126)
Purchase of investments in subsidiaries	(575,700)	—
Net cash provided by (used in) investing activities	(753,074)	(149,382)
Net cash provided by (used in) financing activities		
Net increase (decrease) in short-term loans payable	380,000	(150,000)
Proceeds from long-term loans payable	560,000	100,000
Repayment of long-term loans payable	(167,250)	(192,000)
Proceeds from issuance of bonds	—	195,845
Redemption of bonds	—	(14,000)
Purchase of treasury stock	(58,085)	(890)
Cash dividends paid	(90,775)	(25,210)
Cash dividends paid to minority shareholders	(22,725)	—
Net cash provided by (used in) financing activities	601,163	(86,255)
Effect of exchange rate change on cash and cash equivalents	(25)	13
Net increase (decrease) in cash and cash equivalents	(404,701)	714,225
Cash and cash equivalents at beginning of period	1,045,404	2,071,276
Cash and cash equivalents at end of period	640,702	2,785,502

Industrial Segment Information

(1) For the third quarter ended December 31, 2008 (Thousands of Japanese yen)

	Antimony products	Atomized metal powders	Total	Elimination & corporate	Consolidated
Net sales					
Outside customers	964,340	639,646	1,603,987	–	1,603,987
Inter-segment	–	4,645	4,645	(4,645)	–
Total	964,340	644,292	1,608,633	(4,645)	1,603,987
Operating loss	(8,436)	(201,724)	(210,160)	1,380	(208,779)

(2) For the third quarter ended December 31, 2009 (Thousands of Japanese yen)

	Antimony products	Atomized metal powders	Total	Elimination & corporate	Consolidated
Net sales					
Outside customers	1,113,450	919,125	2,032,575	–	2,032,575
Inter-segment	–	6,510	6,510	(6,510)	–
Total	1,113,450	925,636	2,039,086	(6,510)	2,032,575
Operating income	113,027	93,680	206,708	1,136	207,845

(3) For the nine months ended December 31, 2008 (Thousands of Japanese yen)

	Antimony products	Atomized metal powders	Total	Elimination & corporate	Consolidated
Net sales					
Outside customers	3,672,470	2,784,937	6,457,407	–	6,457,407
Inter-segment	–	20,035	20,035	(20,035)	–
Total	3,672,470	2,804,972	6,477,443	(20,035)	6,457,407
Operating income(loss)	80,125	(5,798)	74,326	3,688	78,015

(4) For the nine months ended December 31, 2009 (Thousands of Japanese yen)

	Antimony products	Atomized metal powders	Total	Elimination & corporate	Consolidated
Net sales					
Outside customers	2,774,794	2,343,350	5,118,145	–	5,118,145
Inter-segment	–	17,808	17,808	(17,808)	–
Total	2,774,794	2,361,158	5,135,953	(17,808)	5,118,145
Operating income(loss)	(128,078)	258,223	130,144	3,552	133,697