

Summary of Consolidated Financial Results  
for the First Quarter Ended June 30, 2009(Unaudited)

July 30, 2009

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  
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## 1. Consolidated Financial Results for the First Quarter Ended June 30, 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 First quarter ended June 30, 2009	1,361	(43.1)	(93)	-	(85)	-	(48)	-
June 30, 2008	2,391	-	146	-	149	-	70	-

	EPS
For the First quarter ended June 30, 2009	Yen (3.83)
June 30, 2008	5.46

## (2) Financial Position

	Total assets	Total net assets	Shareholders' equity ratio	Shareholders' equity per share
	Millions of Yen	Millions of Yen	%	Yen
As of June 30, 2009	7,413	3,031	40.9	240.52
March 31, 2009	7,123	3,098	43.5	245.79

Note: Shareholders' equity As of June 30, 2009: 3,031 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 March 31, 2009	Yen -	Yen 4.00	Yen -	Yen 2.00	Yen 6.00
March 31, 2010	-	-	-	-	-
March 31, 2010(expected)	-	0.00	-	-	-

Note: Revision of outlook for dividends in the first 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 half year for First half 2009)

(%: 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 First half 2009	2,200	(54.7)	(140)	-	(140)	-	(90)	-	(7.14)
Full year	5,400	(24.6)	130	-	140	-	100	-	7.93

Note: Revision of outlook for fiscal 2009 consolidated earnings results in the first 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 June 30, 2009: 13,029,500	As of March 31, 2009: 13,029,500
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  - 2. Number of treasury shares at the end of the period:

As of June 30, 2009: 427,294	As of March 31, 2009: 424,212
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  - 3. Average number of outstanding shares during period:

For the 1st Quarter ending March 31, 2010: 12,603,511	For the 1st Quarter ended March 31, 2009: 12,975,032
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Note concerning the Appropriate Use of Forecast

The aforementioned forecasts are based on certain assumptions that Company has deemed relevant and appropriate as of the date of publication.

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)

	June 30,2009	March 31,2009
<b>Assets</b>		
Current assets		
Cash and deposits	2,482,708	2,071,276
Notes and accounts receivable-trade	993,998	688,298
Short-term investment securities	1,000	1,000
Merchandise and finished goods	627,464	933,048
Work in process	75,663	63,144
Raw materials and supplies	463,333	643,349
Other	229,171	200,834
Allowance for doubtful accounts	(3,098)	(2,256)
Total current assets	4,870,241	4,598,695
Noncurrent assets		
Property, plant and equipment		
Buildings and structures, net	651,450	665,429
Machinery, equipment and vehicles, net	461,150	453,199
Land	812,378	812,378
Other, net	112,222	102,544
Total property, plant and equipment	2,037,201	2,033,551
Intangible assets	22,673	23,153
Investments and other assets	479,053	467,775
Total noncurrent assets	2,538,928	2,524,480
Deferred assets	3,893	—
Total assets	7,413,063	7,123,175
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable-trade	317,905	134,274
Short-term loans payable	1,800,600	1,882,300
Income taxes payable	4,475	4,986
Provision for bonuses	51,257	65,969
Other	258,313	139,458
Total current liabilities	2,432,551	2,226,987
Noncurrent liabilities		
Bonds payable	200,000	—
Long-term loans payable	1,217,400	1,181,700
Provision for retirement benefits	339,635	347,713
Other provision	17,622	30,017
Negative goodwill	119,356	127,261
Other	55,367	111,198
Total noncurrent liabilities	1,949,381	1,797,890
Total liabilities	4,381,932	4,024,878
<b>Net assets</b>		
Shareholders' equity		
Capital stock	1,018,126	1,018,126
Capital surplus	564,725	564,725
Retained earnings	1,543,279	1,616,733
Treasury stock	(78,725)	(78,296)
Total shareholders' equity	3,047,405	3,121,288
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	(16,274)	(22,991)
Total net assets	3,031,130	3,098,297
Total liabilities and net assets	7,413,063	7,123,175

## Consolidated quarterly statements of income

(Thousands of Japanese yen)

	1st Quarter ended June 30,2008	1st Quarter ended June 30,2009
Net sales	2,391,752	1,361,246
Cost of sales	2,055,282	1,292,574
Gross profit	336,470	68,671
Selling, general and administrative expenses	189,518	161,716
Operating income (loss)	146,952	(93,044)
Non-operating income		
Dividends income	1,853	508
Amortization of negative goodwill	7,680	7,904
Subsidy income	—	10,921
Other	2,415	1,246
Total non-operating income	11,949	20,581
Non-operating expenses		
Interest expenses	8,052	11,820
Other	1,103	1,577
Total non-operating expenses	9,156	13,397
Ordinary income (loss)	149,745	(85,861)
Extraordinary income		
Extraordinary loss		
Loss on retirement of noncurrent assets	3,589	562
Loss on valuation of inventories	12,790	—
Total extraordinary losses	16,379	562
Income (loss) before income taxes and minority interests	133,365	(86,423)
Income taxes—current	60,668	1,348
Income taxes—deferred	(2,072)	(39,528)
Total income taxes	58,596	(38,179)
Minority interests in income	3,883	—
Net income (loss)	70,885	(48,243)

## Consolidated quarterly statements of cash flows

(Thousands of Japanese yen)

	1st Quarter ended June 30,2008	1st Quarter ended June 30,2009
Net cash provided by (used in) operating activities		
Income (loss) before income taxes and minority interests	133,365	(86,423)
Depreciation and amortization	66,513	59,880
Amortization of negative goodwill	(7,680)	(7,904)
Increase (decrease) in allowance for doubtful accounts	121	841
Increase (decrease) in provision for bonuses	(52,827)	(14,712)
Increase (decrease) in provision for directors' bonuses	(7,500)	—
Increase (decrease) in provision for retirement benefits	3,149	(8,078)
Increase (decrease) in provision for directors' retirement benefits	(40,685)	(12,395)
Interest and dividends income	(1,860)	(515)
Interest expenses	8,052	11,820
Foreign exchange losses (gains)	—	323
Loss on retirement of property, plant and equipment	3,589	562
Decrease (increase) in notes and accounts receivable-trade	(74,508)	(305,699)
Decrease (increase) in inventories	(188,654)	473,081
Increase (decrease) in notes and accounts payable-trade	91,328	183,631
Other, net	79,865	36,877
Subtotal	12,269	331,289
Interest and dividends income received	1,867	522
Interest expenses paid	(6,335)	(9,185)
Income taxes paid	(153,064)	(2,730)
Net cash provided by (used in) operating activities	(145,263)	319,896
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	(59,479)	(46,495)
Payments for retirement of property, plant and equipment	(7,108)	—
Purchase of investments in subsidiaries	(575,700)	—
Net cash provided by (used in) investing activities	(642,288)	(46,495)
Net cash provided by (used in) financing activities		
Proceeds from long-term loans payable	460,000	100,000
Repayment of long-term loans payable	(10,625)	(146,000)
Proceeds from issuance of bonds	—	195,845
Purchase of treasury stock	(273)	(429)
Cash dividends paid	(17,229)	(11,061)
Cash dividends paid to minority shareholders	(22,725)	—
Net cash provided by (used in) financing activities	409,147	138,353
Effect of exchange rate change on cash and cash equivalents	—	(323)
Net increase (decrease) in cash and cash equivalents	(378,404)	411,431
Cash and cash equivalents at beginning of period	1,045,404	2,071,276
Cash and cash equivalents at end of period	667,000	2,482,708

## Industrial Segment Information

(1) For the first quarter ended June 30, 2009

(Thousands of Japanese yen)

	Antimony products	Atomized metal powders	Total	Elimination & corporate	Consolidated
Net sales					
Outside customers	732,156	629,090	1,361,246	–	1,361,246
Inter-segment	–	5,346	5,346	(5,346)	–
Total	732,156	634,437	1,366,593	(5,346)	1,361,246
Operating income(loss)	(184,037)	89,682	(94,354)	1,310	(93,044)

(2) For the first quarter ended June 30, 2008

(Thousands of Japanese yen)

	Antimony products	Atomized metal powders	Total	Elimination & corporate	Consolidated
Net sales					
Outside customers	1,368,983	1,022,769	2,391,752	–	2,391,752
Inter-segment	–	8,435	8,435	(8,435)	–
Total	1,368,983	1,031,204	2,400,188	(8,435)	2,391,752
Operating income	71,965	73,789	145,755	1,196	146,952