

Summary of Consolidated Financial Results  
for the Second Quarter Ended September 30, 2015(Unaudited)

November 6, 2015

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: Masanori Kishima, President & CEO  
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## 1. Consolidated Financial Results for the Second Quarter Ended September 30, 2015 and 2014

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

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%
For the Second quarter ended								
September 30, 2015	6,469	(1.4)	447	(2.9)	436	(4.1)	282	(2.0)
September 30, 2014	6,558	8.5	461	16.0	454	14.8	288	19.2

Note: Comprehensive income:

As of September 30, 2015: 280 million yen (4.6%) As of September 30, 2014: 293 million yen 17.5%

	EPS
For the Second quarter ended	Yen
September 30, 2015	23.14
September 30, 2014	23.60

## (2) Financial Position

	Total assets	Total net assets	Shareholders' equity ratio
As of	Millions of Yen	Millions of Yen	%
September 30, 2015	10,588	5,251	49.6
March 31, 2015	11,053	5,057	45.8

Note: Shareholders' equity As of September 30, 2015: 5,251 million yen As of March 31, 2015: 5,057 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, 2015	-	5.00	-	7.00	12.00
March 31, 2016	-	5.00			
March 31, 2016(expected)			-	5.00	10.00

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

## 3. Consolidated Earnings Forecast for the Year Ending March 2016(April 1, 2015 ~ March 31, 2016):

(%: Change from the previous fiscal year for Year ending March 31,2016)

	Net sales	Operating income	Ordinary income	Profit attributable to owners of parent	EPS
For the year ending March 31, 2016	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen	Yen
Full year	12,700 (3.6)	660 (31.9)	640 (34.3)	400 (33.7)	32.75

Note: Revision of outlook for fiscal 2015 consolidated earnings results in the Second quarter : Yes

4. Others

- (1) Changes in major subsidiaries during the fiscal year (changes in specified subsidiaries accompanying changes in scope of consolidation). : No
- (2) Application of special accounting for preparing quarterly consolidated financial statements : No
- (3) Changes in accounting policies, accounting estimates and retrospective restatements in the consolidated financial statements
1. Changes due to amendment of accounting standards : Yes
  2. Changes due to other reasons : No
  3. Changes in accounting estimates : No
  4. Retrospective restatements : 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 September 30, 2015: 13,029,500	As of March 31, 2015: 13,029,500
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  2. Number of treasury shares at the end of the period:
 

As of September 30, 2015: 816,455	As of March 31, 2015: 815,030
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  3. Average number of outstanding shares during period:
 

For the 2nd Quarter ending March 31, 2016: 12,213,801	For the 2nd Quarter ended March 31, 2015: 12,215,511
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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.

## Consolidated quarterly balance sheets

(Thousands of Japanese yen)

	March 31, 2015	September 30, 2015
<b>Assets</b>		
Current assets		
Cash and deposits	2,380,841	2,287,322
Notes and accounts receivable—trade	1,927,010	1,861,677
Merchandise and finished goods	1,342,062	1,426,364
Work in process	215,462	173,319
Raw materials and supplies	1,028,701	694,714
Other	107,784	82,138
Allowance for doubtful accounts	(6,309)	(5,849)
Total current assets	6,995,551	6,519,688
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	1,184,763	1,175,657
Machinery, equipment and vehicles, net	832,878	785,801
Land	1,478,590	1,478,590
Other, net	84,486	169,720
Total property, plant and equipment	3,580,719	3,609,770
Intangible assets	60,053	56,662
Investments and other assets	415,491	401,858
Total non-current assets	4,056,264	4,068,291
Deferred assets	1,508	753
Total assets	11,053,325	10,588,734
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable—trade	814,736	467,155
Electronically recorded obligations—operating	402,099	321,268
Short-term loans payable	1,873,500	2,102,000
Income taxes payable	239,525	146,723
Provision for bonuses	115,149	111,278
Other	652,158	526,103
Total current liabilities	4,097,169	3,674,529
Non-current liabilities		
Bonds payable	18,000	—
Long-term loans payable	1,444,500	1,231,000
Net defined benefit liability	313,759	308,753
Asset retirement obligations	35,220	35,445
Other	87,387	87,329
Total non-current liabilities	1,898,868	1,662,528
Total liabilities	5,996,037	5,337,057
<b>Net assets</b>		
Shareholders' equity		
Capital stock	1,018,126	1,018,126
Capital surplus	564,725	564,725
Retained earnings	3,606,284	3,803,382
Treasury shares	(147,832)	(148,376)
Total shareholders' equity	5,041,303	5,237,858
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,126	(2,556)
Foreign currency translation adjustment	14,857	16,375
Total accumulated other comprehensive income	15,984	13,818
Total net assets	5,057,287	5,251,677
Total liabilities and net assets	11,053,325	10,588,734

## Consolidated quarterly statements of income

(Thousands of Japanese yen)

	Six months ended September 30,2014	Six months ended September 30,2015
Net sales	6,558,220	6,469,507
Cost of sales	5,653,719	5,559,026
Gross profit	904,500	910,481
Selling, general and administrative expenses	443,182	462,645
Operating income	461,317	447,835
Non-operating income		
Dividend income	1,841	1,587
Foreign exchange gains	4,753	4,300
Insurance income	9,833	1,035
Subsidy income	801	—
Insurance premiums refunded cancellation	1,309	2,575
Other	2,598	2,748
Total non-operating income	21,136	12,245
Non-operating expenses		
Interest expenses	20,380	16,393
Other	7,206	7,282
Total non-operating expenses	27,586	23,676
Ordinary income	454,867	436,405
Extraordinary income		
Gain on sales of non-current assets	241	—
Total extraordinary income	241	—
Extraordinary losses		
Loss on retirement of non-current assets	324	5,880
Total extraordinary losses	324	5,880
Income before income taxes and minority interests	454,785	430,524
Income taxes-current	159,256	142,691
Income taxes-deferred	7,208	5,232
Total income taxes	166,465	147,924
Profit	288,319	282,599
Profit attributable to owners of parent	288,319	282,599

## Consolidated quarterly statements of comprehensive income

(Thousands of Japanese yen)

	Six months ended September 30,2014	Six months ended September 30,2015
Profit	288,319	282,599
Other comprehensive income		
Valuation difference on available-for-sale securities	4,505	(3,682)
Foreign currency translation adjustment	991	1,517
Total other comprehensive income	5,496	(2,165)
Comprehensive income	293,816	280,434
Comprehensive income attributable to		
owners of parent	293,816	280,434

## Segment Information

(1) For the six months ended September 30, 2014

(Thousands of Japanese yen)

	Reportable Segments			Others	Total	Elimination & corporate	Consolidated
	Antimony products	Atomized metal powders	Total				
Net sales							
Outside customers	3,677,580	2,869,660	6,547,240	10,979	6,558,220	–	6,558,220
Inter-segment	–	23,689	23,689	–	23,689	(23,689)	–
Total	3,677,580	2,893,349	6,570,930	10,979	6,581,909	(23,689)	6,558,220
Operating income	164,453	279,285	443,738	10,524	454,262	7,054	461,317

※ The above-mentioned "Others" category is a real estate lease business not included in the reportable segments.

(2) For the six months ended September 30, 2015

(Thousands of Japanese yen)

	Reportable Segments			Others	Total	Elimination & corporate	Consolidated
	Antimony products	Atomized metal powders	Total				
Net sales							
Outside customers	3,428,624	3,030,941	6,459,565	9,942	6,469,507	–	6,469,507
Inter-segment	–	19,604	19,604	–	19,604	(19,604)	–
Total	3,428,624	3,050,545	6,479,170	9,942	6,489,112	(19,604)	6,469,507
Operating income	71,415	362,073	433,489	9,463	442,952	4,882	447,835

※ The above-mentioned "Others" category is a real estate lease business not included in the reportable segments.