

Summary of Consolidated Financial Results
for the Third Quarter Ended December 31, 2013(Unaudited)

February 5, 2014

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 Third Quarter Ended December 31, 2013 and 2012

(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, 2013	8,996	(0.1)	552	(0.4)	542	1.5	329	(0.6)
December 31, 2012	9,006	(11.2)	554	(32.7)	534	(32.0)	331	(29.1)

Note: Comprehensive income:

As of December 31, 2013: 338 million yen 2.3 % As of December 31, 2012: 331 million yen (26.5)%

	EPS
	Yen
For the Third quarter ended	
December 31, 2013	26.97
December 31, 2012	27.13

(2) Financial Position

	Total assets	Total net assets	Shareholders' equity ratio
	Millions of Yen	Millions of Yen	%
As of			
December 31, 2013	10,809	4,498	41.6
March 31, 2013	10,430	4,282	41.1

Note: Shareholders' equity As of December 31, 2013: 4,498 million yen As of March 31, 2013: 4,282 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, 2013	-	5.00	-	5.00	10.00
March 31, 2014	-	5.00	-		
March 31, 2014(expected)				5.00	10.00

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

3. Consolidated Earnings Forecast for the Year Ending March 2014(April 1, 2013 ~ March 31, 2014):

(%: Change from the previous fiscal year for Year ending March 31, 2014)

	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, 2014									
Full year	12,400	6.2	720	12.9	670	7.6	410	6.4	33.56

Note: Revision of outlook for fiscal 2013 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) 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 : No
 - 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 December 31, 2013: 13,029,500	As of March 31, 2013: 13,029,500
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 - 2. Number of treasury shares at the end of the period:

As of December 31, 2013: 812,683	As of March 31, 2013: 811,306
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 - 3. Average number of outstanding shares during period:

For the 3rd Quarter ending March 31, 2014: 12,217,604	For the 3rd Quarter ended March 31, 2013: 12,219,688
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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, 2013	December 31, 2013
Assets		
Current assets		
Cash and deposits	2,040,248	2,019,846
Notes and accounts receivable—trade	1,888,087	2,093,583
Securities	1,000	—
Merchandise and finished goods	1,200,872	1,229,100
Work in process	182,427	227,823
Raw materials and supplies	770,831	816,841
Other	90,628	86,793
Allowance for doubtful accounts	(6,184)	(6,790)
Total current assets	6,167,911	6,467,198
Noncurrent assets		
Property, plant and equipment		
Buildings and structures, net	1,345,766	1,287,292
Machinery, equipment and vehicles, net	1,040,525	959,713
Land	1,478,590	1,478,590
Other, net	69,975	69,125
Total property, plant and equipment	3,934,858	3,794,722
Intangible assets	66,115	61,585
Investments and other assets	257,437	482,511
Total noncurrent assets	4,258,411	4,338,819
Deferred assets	4,525	3,392
Total assets	10,430,848	10,809,410
Liabilities		
Current liabilities		
Notes and accounts payable—trade	889,063	1,419,544
Short-term loans payable	1,987,500	1,761,350
Income taxes payable	99,698	93,065
Provision for bonuses	97,143	44,973
Other	534,357	445,516
Total current liabilities	3,607,762	3,764,449
Noncurrent liabilities		
Bonds payable	274,000	246,000
Long-term loans payable	1,819,900	1,848,950
Provision for retirement benefits	304,535	311,535
Negative goodwill	787	—
Asset retirement obligations	35,279	34,971
Other	106,497	105,319
Total noncurrent liabilities	2,540,999	2,546,775
Total liabilities	6,148,762	6,311,225
Net assets		
Shareholders' equity		
Capital stock	1,018,126	1,018,126
Capital surplus	564,725	564,725
Retained earnings	2,859,236	3,066,610
Treasury stock	(146,705)	(147,079)
Total shareholders' equity	4,295,383	4,502,382
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(13,297)	(4,197)
Total accumulated other comprehensive income	(13,297)	(4,197)
Total net assets	4,282,086	4,498,185
Total liabilities and net assets	10,430,848	10,809,410

Consolidated quarterly statements of income

(Thousands of Japanese yen)

	Nine months ended December 31,2012	Nine months ended December 31,2013
Net sales	9,006,685	8,996,062
Cost of sales	7,820,729	7,800,211
Gross profit	1,185,955	1,195,851
Selling, general and administrative expenses	631,536	643,525
Operating income	554,419	552,326
Non-operating income		
Dividends income	1,488	1,996
Amortization of negative goodwill	23,713	787
Foreign exchange gains	—	24,187
Subsidy income	5,484	900
Other	8,504	7,992
Total non-operating income	39,191	35,862
Non-operating expenses		
Interest expenses	40,529	30,323
Foreign exchange losses	7,049	—
Other	11,182	15,107
Total non-operating expenses	58,761	45,430
Ordinary income	534,849	542,758
Extraordinary loss		
Loss on sales of noncurrent assets	2,881	—
Loss on retirement of noncurrent assets	5,093	3,277
Loss on sales of golf club memberships	3,376	—
Total extraordinary losses	11,351	3,277
Income before income taxes and minority interests	523,498	539,480
Income taxes—current	185,225	200,287
Income taxes—deferred	6,701	9,643
Total income taxes	191,927	209,930
Income before minority interests	331,570	329,549
Net income	331,570	329,549

Consolidated quarterly statements of comprehensive income

(Thousands of Japanese yen)

	Nine months ended December 31, 2012	Nine months ended December 31, 2013
Income before minority interests	331,570	329,549
Other comprehensive income		
Valuation difference on available-for-sale securities	(491)	9,100
Total other comprehensive income	(491)	9,100
Comprehensive income	331,078	338,649
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	331,078	338,649

Segment Information

(1) For the nine months ended December 31, 2012

(Thousands of Japanese yen)

	Reportable Segments			Others	Total	Elimination & corporate	Consolidated
	Antimony products	Atomized metal powders	Total				
Net sales							
Outside customers	5,370,518	3,626,306	8,996,824	9,860	9,006,685	-	9,006,685
Inter-segment	-	23,907	23,907	-	23,907	(23,907)	-
Total	5,370,518	3,650,213	9,020,732	9,860	9,030,592	(23,907)	9,006,685
Operating income	248,437	275,718	524,155	9,155	533,311	21,108	554,419

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

(2) For the nine months ended December 31, 2013

(Thousands of Japanese yen)

	Reportable Segments			Others	Total	Elimination & corporate	Consolidated
	Antimony products	Atomized metal powders	Total				
Net sales							
Outside customers	5,092,820	3,892,605	8,985,426	10,636	8,996,062	-	8,996,062
Inter-segment	-	30,245	30,245	-	30,245	(30,245)	-
Total	5,092,820	3,922,850	9,015,671	10,636	9,026,308	(30,245)	8,996,062
Operating income	132,605	392,628	525,234	9,953	535,187	17,138	552,326

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