

Summary of Consolidated Financial Results
for the Second Quarter Ended September 30, 2013(Unaudited)

November 1, 2013

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, 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 Second quarter ended								
September 30, 2013	6,045	(3.5)	397	(5.6)	396	(1.4)	241	(3.5)
September 30, 2012	6,267	(13.9)	421	(37.9)	401	(38.3)	250	(35.2)

Note: Comprehensive income:

As of September 30, 2013: 250 million yen 1.5% As of September 30, 2012: 246 million yen (33.3)%

	EPS
	Yen
For the Second quarter ended	
September 30, 2013	19.79
September 30, 2012	20.50

(2) Financial Position

	Total assets	Total net assets	Shareholders' equity ratio
	Millions of Yen	Millions of Yen	%
As of			
September 30, 2013	10,378	4,470	43.1
March 31, 2013	10,430	4,282	41.1

Note: Shareholders' equity As of September 30, 2013: 4,470 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 Second 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 Second 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 September 30, 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 September 30, 2013: 812,413	As of March 31, 2013: 811,306
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 - 3. Average number of outstanding shares during period:

For the 2nd Quarter ending March 31, 2014: 12,217,867	For the 2nd Quarter ended March 31, 2013: 12,219,955
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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	September 30,2013
Assets		
Current assets		
Cash and deposits	2,040,248	2,190,385
Notes and accounts receivable-trade	1,888,087	1,878,141
Securities	1,000	—
Merchandise and finished goods	1,200,872	1,240,576
Work in process	182,427	183,085
Raw materials and supplies	770,831	573,429
Other	90,628	77,147
Allowance for doubtful accounts	(6,184)	(6,067)
Total current assets	6,167,911	6,136,698
Noncurrent assets		
Property, plant and equipment		
Buildings and structures, net	1,345,766	1,304,855
Machinery, equipment and vehicles, net	1,040,525	963,820
Land	1,478,590	1,478,590
Other, net	69,975	63,467
Total property, plant and equipment	3,934,858	3,810,734
Intangible assets	66,115	61,472
Investments and other assets	257,437	365,501
Total noncurrent assets	4,258,411	4,237,709
Deferred assets	4,525	3,770
Total assets	10,430,848	10,378,177
Liabilities		
Current liabilities		
Notes and accounts payable-trade	889,063	1,086,597
Short-term loans payable	1,987,500	1,879,900
Income taxes payable	99,698	158,117
Provision for bonuses	97,143	96,911
Other	534,357	308,038
Total current liabilities	3,607,762	3,529,565
Noncurrent liabilities		
Bonds payable	274,000	260,000
Long-term loans payable	1,819,900	1,670,700
Provision for retirement benefits	304,535	306,281
Negative goodwill	787	—
Asset retirement obligations	35,279	34,917
Other	106,497	105,929
Total noncurrent liabilities	2,540,999	2,377,828
Total liabilities	6,148,762	5,907,393
Net assets		
Shareholders' equity		
Capital stock	1,018,126	1,018,126
Capital surplus	564,725	564,725
Retained earnings	2,859,236	3,039,979
Treasury stock	(146,705)	(147,002)
Total shareholders' equity	4,295,383	4,475,828
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(13,297)	(5,044)
Total accumulated other comprehensive income	(13,297)	(5,044)
Total net assets	4,282,086	4,470,784
Total liabilities and net assets	10,430,848	10,378,177

Consolidated quarterly statements of income

(Thousands of Japanese yen)

	Six months ended September 30,2012	Six months ended September 30,2013
Net sales	6,267,468	6,045,202
Cost of sales	5,419,138	5,219,577
Gross profit	848,330	825,625
Selling, general and administrative expenses	427,249	428,056
Operating income	421,080	397,569
Non-operating income		
Dividends income	1,016	1,524
Amortization of negative goodwill	15,809	787
Foreign exchange gains	—	20,829
Subsidy income	4,584	450
Other	4,292	6,434
Total non-operating income	25,702	30,024
Non-operating expenses		
Interest expenses	28,626	20,223
Foreign exchange losses	8,046	—
Other	8,200	11,068
Total non-operating expenses	44,873	31,291
Ordinary income	401,909	396,302
Extraordinary loss		
Loss on sales of noncurrent assets	2,881	—
Loss on retirement of noncurrent assets	4,194	2,073
Loss on sales of golf club memberships	3,376	—
Total extraordinary losses	10,452	2,073
Income before income taxes and minority interests	391,456	394,229
Income taxes—current	147,895	157,293
Income taxes—deferred	(7,008)	(4,897)
Total income taxes	140,887	152,396
Income before minority interests	250,569	241,833
Net income	250,569	241,833

Consolidated quarterly statements of comprehensive income

(Thousands of Japanese yen)

	Six months ended September 30,2012	Six months ended September 30,2013
Income before minority interests	250,569	241,833
Other comprehensive income		
Valuation difference on available-for-sale securities	(4,145)	8,252
Total other comprehensive income	(4,145)	8,252
Comprehensive income	246,423	250,086
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	246,423	250,086

Segment Information

(1) For the six months ended September 30, 2012

(Thousands of Japanese yen)

	Reportable Segments			Others	Total	Elimination & corporate	Consolidated
	Antimony products	Atomized metal powders	Total				
Net sales							
Outside customers	3,789,276	2,470,367	6,259,643	7,825	6,267,468	-	6,267,468
Inter-segment	-	15,547	15,547	-	15,547	(15,547)	-
Total	3,789,276	2,485,914	6,275,190	7,825	6,283,016	(15,547)	6,267,468
Operating income	189,154	209,134	398,289	7,352	405,641	15,438	421,080

※ 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, 2013

(Thousands of Japanese yen)

	Reportable Segments			Others	Total	Elimination & corporate	Consolidated
	Antimony products	Atomized metal powders	Total				
Net sales							
Outside customers	3,453,140	2,585,194	6,038,335	6,867	6,045,202	-	6,045,202
Inter-segment	-	19,565	19,565	-	19,565	(19,565)	-
Total	3,453,140	2,604,760	6,057,900	6,867	6,064,768	(19,565)	6,045,202
Operating income	96,533	283,181	379,715	6,402	386,118	11,450	397,569

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