

Summary of Consolidated Financial Results
for the Six Months Ended September 30, 2009(Unaudited)

November 6, 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 Second Quarter Ended September 30, 2009 and 2008

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

	Net sales		Operating income		Ordinary income		Net income	
For the Second quarter ended	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%
September 30, 2009	3,085	(36.4)	(74)	-	(61)	-	(386)	-
September 30, 2008	4,853	-	286	-	285	-	48	-

	EPS
For the Second quarter ended	Yen
September 30, 2009	(30.68)
September 30, 2008	3.75

(2) Financial Position

	Total assets	Total net assets	Shareholders' equity ratio	Shareholders' equity per share
As of	Millions of Yen	Millions of Yen	%	Yen
September 30, 2009	7,579	2,685	35.4	213.16
March 31, 2009	7,123	3,098	43.5	245.79

Note: Shareholders' equity As of September 30, 2009: 2,685 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 Second 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
For the year ending March 31, 2010	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Yen
Full year	6,600	(7.9)	115	-	125	-	(230)	-	(18.25)

Note: Revision of outlook for fiscal 2009 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) 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 September 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 September 30, 2009: 429,186	As of March 31, 2009: 424,212
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 - 3. Average number of outstanding shares during period:

For the 2nd Quarter ending March 31, 2010: 12,602,287	For the 2nd Quarter ended March 31, 2009: 12,973,494
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Note concerning the Appropriate Use of Forecast

The consolidated financial forecasts, announced on May 15, 2009, have been revised on figures for full year on this report.

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

Consolidated quarterly balance sheets

(Thousands of Japanese yen)

	September 30,2009	March 31,2009
Assets		
Current assets		
Cash and deposits	2,814,126	2,071,276
Notes and accounts receivable-trade	1,264,997	688,298
Short-term investment securities	1,000	1,000
Merchandise and finished goods	542,614	933,048
Work in process	106,799	63,144
Raw materials and supplies	491,433	643,349
Other	151,329	200,834
Allowance for doubtful accounts	(3,963)	(2,256)
Total current assets	5,368,336	4,598,695
Noncurrent assets		
Property, plant and equipment		
Buildings and structures, net	684,684	665,429
Machinery, equipment and vehicles, net	444,826	453,199
Land	812,378	812,378
Other, net	74,532	102,544
Total property, plant and equipment	2,016,422	2,033,551
Intangible assets	22,251	23,153
Investments and other assets	169,101	467,775
Total noncurrent assets	2,207,775	2,524,480
Deferred assets	3,751	—
Total assets	7,579,863	7,123,175
Liabilities		
Current liabilities		
Notes and accounts payable-trade	839,832	134,274
Short-term loans payable	1,790,900	1,882,300
Income taxes payable	7,694	4,986
Provision for bonuses	72,839	65,969
Other	205,218	139,458
Total current liabilities	2,916,483	2,226,987
Noncurrent liabilities		
Bonds payable	200,000	—
Long-term loans payable	1,177,100	1,181,700
Provision for retirement benefits	347,293	347,713
Other provision	18,762	30,017
Negative goodwill	111,451	127,261
Other	122,950	111,198
Total noncurrent liabilities	1,977,557	1,797,890
Total liabilities	4,894,041	4,024,878
Net assets		
Shareholders' equity		
Capital stock	1,018,126	1,018,126
Capital surplus	564,725	564,725
Retained earnings	1,204,942	1,616,733
Treasury stock	(79,100)	(78,296)
Total shareholders' equity	2,708,693	3,121,288
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	(22,871)	(22,991)
Total net assets	2,685,821	3,098,297
Total liabilities and net assets	7,579,863	7,123,175

Consolidated quarterly statements of income

(Thousands of Japanese yen)

	Six months ended September 30,2008	Six months ended September 30,2009
Net sales	4,853,420	3,085,569
Cost of sales	4,180,974	2,825,872
Gross profit	672,446	259,696
Selling, general and administrative expenses	385,650	333,844
Operating income (loss)	286,795	(74,147)
Non-operating income		
Dividends income	1,853	508
Amortization of negative goodwill	16,354	15,809
Subsidy income	—	21,896
Other	3,285	4,272
Total non-operating income	21,493	42,486
Non-operating expenses		
Interest expenses	17,076	25,900
Other	5,668	3,444
Total non-operating expenses	22,745	29,344
Ordinary income (loss)	285,542	(61,006)
Extraordinary income		
Reversal of allowance for doubtful accounts	101	—
Total extraordinary income	101	—
Extraordinary loss		
Loss on retirement of noncurrent assets	5,844	3,190
Loss on valuation of inventories	12,790	—
Loss on valuation of investment securities	180,000	—
Total extraordinary losses	198,634	3,190
Income (loss) before income taxes and minority interests	87,009	(64,197)
Income taxes-current	78,237	2,697
Income taxes-deferred	(43,796)	319,686
Total income taxes	34,440	322,383
Minority interests in income	3,883	—
Net income (loss)	48,685	(386,580)

Consolidated quarterly statements of income

(Thousands of Japanese yen)

	2nd Quarter ended September 30,2008	2nd Quarter ended September 30,2009
Net sales	2,461,667	1,724,322
Cost of sales	2,125,692	1,533,297
Gross profit	335,975	191,024
Selling, general and administrative expenses	196,254	172,128
Operating income	139,721	18,896
Non-operating income		
Amortization of negative goodwill	8,673	7,904
Subsidy income	—	10,974
Other	1,188	3,026
Total non-operating income	9,862	21,905
Non-operating expenses		
Interest expenses	9,023	14,079
Other	4,883	1,867
Total non-operating expenses	13,907	15,946
Ordinary income	135,675	24,854
Extraordinary income		
Reversal of allowance for doubtful accounts	223	—
Total extraordinary income	223	—
Extraordinary loss		
Loss on retirement of noncurrent assets	2,255	2,628
Loss on valuation of investment securities	180,000	—
Total extraordinary losses	182,255	2,628
Income (loss) before income taxes and minority interests	(46,356)	22,226
Income taxes-current	17,568	1,348
Income taxes-deferred	(41,724)	359,214
Total income taxes	(24,155)	360,563
Net loss	(22,200)	(338,337)

Consolidated quarterly statements of cash flows

(Thousands of Japanese yen)

	Six months ended September 30,2008	Six months ended September 30,2009
Net cash provided by (used in) operating activities		
Income (loss) before income taxes and minority interests	87,009	(64,197)
Depreciation and amortization	136,111	126,082
Amortization of negative goodwill	(16,354)	(15,809)
Increase (decrease) in allowance for doubtful accounts	(101)	1,706
Increase (decrease) in provision for bonuses	(4,458)	6,870
Increase (decrease) in provision for directors' bonuses	(7,500)	—
Increase (decrease) in provision for retirement benefits	5,743	(420)
Increase (decrease) in provision for directors' retirement benefits	(39,395)	(11,255)
Interest and dividends income	(2,114)	(723)
Interest expenses	17,076	25,900
Foreign exchange losses (gains)	39	92
Loss on retirement of property, plant and equipment	5,844	3,190
Loss (gain) on valuation of investment securities	180,000	—
Decrease (increase) in notes and accounts receivable-trade	10,799	(576,698)
Decrease (increase) in inventories	(511,373)	498,695
Increase (decrease) in notes and accounts payable-trade	(36,571)	705,557
Other, net	4,336	5,353
Subtotal	(170,908)	704,346
Interest and dividends income received	2,114	723
Interest expenses paid	(14,576)	(17,486)
Income taxes paid	(153,127)	(2,770)
Income taxes refund	—	90,899
Net cash provided by (used in) operating activities	(336,497)	775,712
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	(109,562)	(106,542)
Payments for retirement of property, plant and equipment	(9,135)	—
Purchase of intangible assets	(3,574)	(58)
Purchase of investments in subsidiaries	(575,700)	—
Net cash provided by (used in) investing activities	(697,971)	(106,600)
Net cash provided by (used in) financing activities		
Net increase (decrease) in short-term loans payable	380,000	(50,000)
Proceeds from long-term loans payable	460,000	100,000
Repayment of long-term loans payable	(21,250)	(146,000)
Proceeds from issuance of bonds	—	195,845
Purchase of treasury stock	(3,340)	(804)
Cash dividends paid	(38,927)	(25,210)
Cash dividends paid to minority shareholders	(22,725)	—
Net cash provided by (used in) financing activities	753,756	73,830
Effect of exchange rate change on cash and cash equivalents	(39)	(92)
Net increase (decrease) in cash and cash equivalents	(280,751)	742,849
Cash and cash equivalents at beginning of period	1,045,404	2,071,276
Cash and cash equivalents at end of period	764,652	2,814,126

Industrial Segment Information

(1) For the second quarter ended September 30, 2008 (Thousands of Japanese yen)

	Antimony products	Atomized metal powders	Total	Elimination & corporate	Consolidated
Net sales					
Outside customers	1,339,146	1,122,521	2,461,667	-	2,461,667
Inter-segment	-	6,954	6,954	(6,954)	-
Total	1,339,146	1,129,475	2,468,621	(6,954)	2,461,667
Operating income	16,565	122,044	138,610	1,110	139,721

(2) For the second quarter ended September 30, 2009 (Thousands of Japanese yen)

	Antimony products	Atomized metal powders	Total	Elimination & corporate	Consolidated
Net sales					
Outside customers	929,187	795,134	1,724,322	-	1,724,322
Inter-segment	-	5,950	5,950	(5,950)	-
Total	929,187	801,085	1,730,273	(5,950)	1,724,322
Operating income(loss)	(57,068)	74,859	17,791	1,105	18,896

(3) For the six months ended September 30, 2008 (Thousands of Japanese yen)

	Antimony products	Atomized metal powders	Total	Elimination & corporate	Consolidated
Net sales					
Outside customers	2,708,130	2,145,290	4,853,420	-	4,853,420
Inter-segment	-	15,389	15,389	(15,389)	-
Total	2,708,130	2,160,680	4,868,810	(15,389)	4,853,420
Operating income	88,561	195,925	284,487	2,307	286,795

(4) For the six months ended September 30, 2009 (Thousands of Japanese yen)

	Antimony products	Atomized metal powders	Total	Elimination & corporate	Consolidated
Net sales					
Outside customers	1,661,344	1,424,224	3,085,569	-	3,085,569
Inter-segment	-	11,297	11,297	(11,297)	-
Total	1,661,344	1,435,522	3,096,867	(11,297)	3,085,569
Operating income(loss)	(241,105)	164,542	(76,563)	2,415	(74,147)