

Summary of Consolidated Financial Results
for the Third Quarter Ended December 31, 2008(Unaudited)

January 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 : Osamu Iwayama, President & CEO
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1. Consolidated Financial Results for the Third Quarter Ended December 31, 2008 and 2007

(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, 2008	6,457	-	78	-	70	-	(93)	-
December 31, 2007	7,447	12.8	670	(4.5)	653	(7.2)	239	(13.1)

	EPS
For the Third quarter ended	Yen
December 31, 2008	(7.27)
December 31, 2007	18.47

Note: Percentage indicate changes in net sales, operating income, ordinary income and net income are compared with preceding period.

(2) Financial Position

	Total Assets	Total Net Assets	Shareholders' Equity Ratio	Shareholder's Equity per share
	Millions of Yen	Millions of Yen	%	Yen
As of				
December 31, 2008	6,869	3,454	50.3	274.09
March 31, 2008	7,265	4,474	51.2	286.81

Note: Shareholders' equity As of December 31, 2008: 3,454 million yen As of March 31, 2008: 3,721 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, 2008	-	3.00	-	3.00	6.00
March 31, 2009	-	4.00	-	-	-
March 31, 2009(expected)	-	-	-	2.00	6.00

Note: Revision of outlook for dividends in the third quarter : Yes

3. Consolidated Earnings Forecast for the Year Ending March 31, 2009(April 1, 2008 ~ March 31, 2009):

(%: Change from the previous fiscal year for the year ending March 31, 2009)

	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, 2009									
Full year	7,500	(23.3)	(345)	-	(350)	-	(380)	-	(29.39)

Note: Revision of outlook for fiscal 2008 consolidated earnings results in the third 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 : Yes
 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 December 31, 2008 : 13,029,500 As of March 31, 2008 : 13,029,500
 2. Number of treasury shares at the end of the period:
As of December 31, 2008 : 424,019 As of March 31, 2008 : 53,507
 3. Average number of outstanding shares during period:
For the 3rd Quarter ending March 31, 2009 : 12,931,397 For the 3rd Quarter ended March 31, 2008 : 12,981,861

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)

	December 31,2008	March 31,2008
Assets		
Current assets		
Cash and deposits	640,702	1,045,404
Notes and accounts receivable-trade	1,433,193	1,871,233
Short-term investment securities	1,000	1,000
Finished goods	954,084	662,392
Semi-finished goods	177,021	172,065
Raw materials	965,352	632,061
Work in process	95,251	195,440
Other	210,301	66,067
Allowance for doubtful accounts	(4,974)	(5,972)
Total current assets	4,471,932	4,639,693
Noncurrent assets		
Property, plant and equipment		
Buildings and structures, net	678,542	686,289
Machinery, equipment and vehicles, net	503,830	573,905
Land	812,378	812,378
Other, net	109,724	60,568
Total property, plant and equipment	2,104,475	2,133,141
Intangible assets	23,633	21,553
Investments and other assets	269,549	471,545
Total noncurrent assets	2,397,657	2,626,240
Total assets	6,869,590	7,265,933
Liabilities		
Current liabilities		
Notes and accounts payable-trade	741,587	850,486
Short-term loans payable	1,122,000	671,250
Income taxes payable	4,473	155,186
Provision for bonuses	40,802	92,386
Other	235,635	273,801
Total current liabilities	2,144,498	2,043,111
Noncurrent liabilities		
Long-term loans payable	622,000	300,000
Provision for retirement benefits	313,826	282,051
Other provision	28,687	66,792
Negative goodwill	135,729	2,253
Other	169,859	96,863
Total noncurrent liabilities	1,270,101	747,959
Total liabilities	3,414,600	2,791,071
Net assets		
Shareholders' equity		
Capital stock	1,018,126	1,018,126
Capital surplus	564,725	564,725
Retained earnings	1,966,434	2,151,186
Treasury stock	(78,272)	(20,187)
Total shareholders' equity	3,471,014	3,713,851
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	(16,024)	7,797
Minority interests	—	753,213
Total net assets	3,454,990	4,474,862
Total liabilities and net assets	6,869,590	7,265,933

Consolidated quarterly statements of income

(Thousands of Japanese yen)

	3rd Quarter ended December 31,2008
Net sales	6,457,407
Cost of sales	5,802,317
Gross profit	655,089
Selling, general and administrative expenses	577,074
Operating income	78,015
Non-operating income	
Dividends income	2,325
Amortization of negative goodwill	24,616
Other	7,233
Total non-operating income	34,175
Non-operating expenses	
Interest expenses	25,305
Foreign exchange losses	12,617
Other	4,037
Total non-operating expenses	41,959
Ordinary income	70,230
Extraordinary income	
Reversal of allowance for doubtful accounts	1,005
Total extraordinary income	1,005
Extraordinary loss	
Loss on retirement of noncurrent assets	6,520
Loss on valuation of inventories	12,790
Loss on valuation of investment securities	180,000
Loss on valuation of golf club membership	10,000
Other	1,560
Total extraordinary losses	210,870
Loss before income taxes and minority interests	(139,634)
Income taxes-current	4,048
Income taxes-deferred	(53,590)
Total income taxes	(49,542)
Minority interests in income	3,883
Net loss	(93,975)

Consolidated quarterly statements of cash flows

(Thousands of Japanese yen)

	3rd Quarter ended December 31,2008
Net cash provided by (used in) operating activities	
Loss before income taxes and minority interests	(139,634)
Depreciation and amortization	209,988
Amortization of negative goodwill	(24,616)
Increase (decrease) in allowance for doubtful accounts	(998)
Increase (decrease) in provision for bonuses	(51,584)
Increase (decrease) in provision for directors' bonuses	(7,500)
Increase (decrease) in provision for retirement benefits	31,774
Increase (decrease) in provision for directors' retirement benefits	(38,105)
Interest and dividends income	(2,593)
Interest expenses	25,305
Foreign exchange losses (gains)	25
Loss on retirement of property, plant and equipment	6,520
Loss(gain) on valuation of investment securities	180,000
Loss on valuation of golf club memberships	10,000
Decrease (increase) in notes and accounts receivable-trade	438,039
Decrease (increase) in inventories	(529,749)
Increase (decrease) in notes and accounts payable-trade	(108,898)
Other, net	10,586
Subtotal	8,560
Interest and dividends income received	2,601
Interest expenses paid	(23,021)
Income taxes paid	(240,905)
Net cash provided by (used in) operating activities	(252,765)
Net cash provided by (used in) investing activities	
Purchase of short-term investment securities	(1,000)
Proceeds from redemption of securities	1,000
Purchase of property, plant and equipment	(164,056)
Payments for retirement of property, plant and equipment	(9,135)
Purchase of intangible assets	(4,182)
Purchase of investments in subsidiaries	(575,700)
Net cash provided by (used in) investing activities	(753,074)
Net cash provided by (used in) financing activities	
Net increase (decrease) in short-term loans payable	380,000
Proceeds from long-term loans payable	560,000
Repayment of long-term loans payable	(167,250)
Purchase of treasury stock	(58,085)
Cash dividends paid	(90,775)
Cash dividends paid to minority shareholders	(22,725)
Net cash provided by (used in) financing activities	601,163
Effect of exchange rate change on cash and cash equivalents	(25)
Net increase (decrease) in cash and cash equivalents	(404,701)
Cash and cash equivalents at beginning of period	1,045,404
Cash and cash equivalents at end of period	640,702

Industrial Segment Information

(1) For the third quarter ended December 31, 2008

(Thousands of Japanese yen)

	Antimony products	Atomized metal powders	Total	Elimination & corporate	Consolidated
Net sales					
Outside customers	3,672,470	2,784,937	6,457,407	-	6,457,407
Inter-segment	-	20,035	20,035	(20,035)	-
Total	3,672,470	2,804,972	6,477,443	(20,035)	6,457,407
Operating income(loss)	80,125	(5,798)	74,326	3,688	78,015

Supplementary Information

Consolidated Statements of Income

(Thousands of Japanese yen)

	3rd Quarter ended December31,2007
Net sales	7,447,557
Cost of sales	6,180,242
Gross profit	1,267,314
Selling, general and administrative expenses	597,110
Operating income	670,203
Non-operating income	
Interest income & Dividends	2,384
Other	6,222
Total non-operating income	8,607
Non-operating expenses	
Interest expenses	19,400
Other	6,306
Total non-operating expenses	25,707
Ordinary income	653,103
Extraordinary income	594
Extraordinary loss	654
Income before income taxes and minority interests	653,043
Income taxes	276,849
Minority interests in income	136,481
Net income	239,713

Supplementary Information

Consolidated Statements of Cash Flows

(Thousands of Japanese yen)

	3rd Quarter ended December 31, 2007
Net cash provided by (used in) operating activities	
Income before income taxes and minority interests	653,043
Depreciation and amortization	170,810
Amortization of goodwill	21,254
Amortization of negative goodwill	(1,689)
Increase(decrease) in provision for retirement benefits	8,358
Increase(decrease) in provision for directors' retirement benefits	9,081
Increase(decrease) in provision for bonuses	(50,195)
Increase(decrease) in provision for director's bonuses	(6,600)
Increase(decrease) in allowance for doubtful accounts	368
Interest and dividends income	(2,384)
Interest expense	19,400
Decrease(increase) in notes and accounts receivable-trade	(120,232)
Decrease(increase) in inventories	86,101
Increase(decrease) in notes and accounts payable-trade	24,654
Other, net	8,823
Subtotal	820,794
Interest and dividend income received	2,388
Interest expense paid	(16,354)
Income taxes paid	(330,692)
Net cash provided by (used in) operating activities	476,135
Net cash provided by (used in) investing activities	
Purchase of short-term investment securities	(1,000)
Proceeds from redemption of securities	1,000
Purchase of property, plant and equipment	(97,769)
Proceeds from sale of property, plant and equipment	101
Purchase of intangible assets	(843)
Net cash provided by (used in) investing activities	(98,511)
Net cash provided by (used in) financing activities	
Net increase (decrease) in short-term loans payable	10,000
Proceeds from long-term loans payable	100,000
Repayments of long-term loans payable	(351,875)
Purchase of treasury stock	(3,259)
Cash dividends paid	(77,897)
Cash dividends paid to minority shareholders	(49,995)
Net cash provided by (used in) financing activities	(373,026)
Effect of exchange rate change on cash and cash equivalents	-
Net increase(decrease) in cash and cash equivalents	4,596
Cash and cash equivalents at beginning of period	1,058,231
Cash and cash equivalents at end of period	1,062,828

Supplementary Information

Industrial Segment Information

(1) For the Third quarter ended December 31, 2007

(Thousands of Japanese yen)

	Antimony products	Atomized metal powders	Total	Elimination & corporate	Consolidated
Net sales					
Outside customers	4,129,497	3,318,059	7,447,557	-	7,447,557
Inter-segment	-	21,566	21,566	(21,566)	-
Total	4,129,497	3,339,625	7,469,123	(21,566)	7,447,557
Operating expenses	3,950,348	2,852,825	6,803,173	(25,819)	6,777,353
Operating income	179,149	486,800	665,950	4,253	670,203