

**Summary of Consolidated Financial Results
for the First Quarter Ended June 30, 2007**

August 6, 2007

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 First Quarter Ended June 30, 2007 and 2006

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

	Net Sales		Operating Income		Recurring Profit		Net Income	
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%
For the first quarter ended								
June 30, 2007	2,515	23.4	232	28.4	235	36.7	86	42.4
June 30, 2006	2,039	41.9	180	21.1	171	13.8	60	9.8
(Ref)FY 2006	8,774	-	838	-	831	-	324	-

	Net Income per share
For the first quarter ended	Yen
June 30, 2007	6.63
June 30, 2006	4.66
(Ref)FY 2006	25.00

Note:

Percentage indicate changes in net sales, operating income, recurring profit and net income are compared with preceding period.

(2) Financial Position(Consolidated)

	Total Assets	Total Net Assets	Shareholders' Equity Ratio	Shareholder's Equity per share
As of	Millions of Yen	Millions of Yen	%	Yen
June 30, 2007	7,337	4,277	49.1	277.73
June 30, 2006	6,942	3,884	48.0	256.37
(Ref)March 31, 2007	7,510	4,209	47.3	273.73

(3) Consolidated Statements of Cash Flows

	Operating Activities	Investing Activities	Financing Activities	Cash & Cash Equivalents at the end of the period
For the first quarter ended	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen
June 30, 2007	(20)	(22)	(217)	797
June 30, 2006	(279)	(41)	192	835
(Ref)FY 2006	304	(188)	(24)	1,058

2. Consolidated Earnings Forecast for the Year Ending March 2008(April 1,2007 ~ March 31, 2008):

The forecast for the year ending March 2008 remains unchanged from the prior forecast that was released on May 15,2007.

	Net Sales	Operating Income	Recurring Profit	Net Income
	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen
For the half year ending September 30, 2007	4,600	410	400	150
For the year ending march 31, 2008	9,300	810	800	300

Note : The above-mentioned forecast is based on available information at present.

Therefore, actual results may differ materially from the forecast due to many factors.

3. Basis for Preparation of Financial Results

- (1) Adoption of simplified accounting policies : Yes
- (2) Changes in accounting policies from the previous fiscal year : Yes
- (3) Changes in scope of consolidation and equity method of accounting : None
- (4) Involvement of independent auditors : None

Consolidated Balance Sheets

(Thousands of Japanese yen)

	June 30,2006	June 30,2007	Increase (Decrease)	March 31,2007
<Assets>				
Current assets:				
Cash and time deposits	835,963	797,507	(38,456)	1,058,231
Notes and accounts receivable, trade	1,684,967	2,132,696	447,729	1,996,977
Inventories	1,738,588	1,750,113	11,524	1,755,048
Others	84,684	82,652	(2,031)	93,197
Total current assets	4,344,204	4,762,971	418,766	4,903,456
Fixed assets:				
Tangible fixed assets	2,164,067	2,033,283	(130,783)	2,066,797
Intangible fixed assets	77,826	45,478	(32,348)	53,414
Investments and others	356,565	496,007	139,442	487,189
Total fixed assets	2,598,458	2,574,769	(23,689)	2,607,401
Total assets	6,942,663	7,337,740	395,077	7,510,857
<Liabilities>				
Current liabilities				
Notes and accounts payable, trade	1,005,786	1,143,505	137,719	1,174,996
Short-term loans	842,500	592,500	(250,000)	852,500
Others	407,987	490,428	82,441	538,330
Total current liabilities	2,256,273	2,226,434	(29,839)	2,565,826
Non-current liabilities				
Long-term loans	473,125	410,625	(62,500)	321,250
Allowance for retirement benefits of employee	237,182	266,025	28,842	262,577
Others	91,794	157,193	65,399	151,840
Total non-current liabilities	802,101	833,844	31,742	735,667
Total liabilities	3,058,375	3,060,278	1,902	3,301,494
<Net assets>				
Shareholders' equity				
Common stock	1,018,126	1,018,126	–	1,018,126
Capital surplus	564,725	564,725	–	564,725
Retained earnings	1,744,892	2,017,246	272,354	1,970,081
Treasury stock	(14,910)	(17,756)	(2,846)	(16,653)
Total shareholders' equity	3,312,834	3,582,342	269,508	3,536,279
Valuation and translation adjustments				
Net unrealized gains on available-for-sale securities	17,738	23,615	5,877	18,553
Minority interests	553,714	671,503	117,788	654,529
Total net assets	3,884,287	4,277,462	393,174	4,209,362
Total liabilities and net assets	6,942,663	7,337,740	395,077	7,510,857

Consolidated Statements of income

(Thousands of Japanese yen)

	1st Quarter ended June30,2006	1st Quarter ended June30,2007	Increase (Decrease)	FY2006
Net sales	2,039,026	2,515,320	476,293	8,774,508
Cost of sales	1,675,354	2,093,354	418,000	7,235,693
Gross profit	363,672	421,965	58,293	1,538,814
Selling, general and administrative expenses	182,764	189,646	6,882	700,812
Operating income	180,908	232,318	51,410	838,002
Other income				
Interest income & Dividends	1,053	1,860	806	1,166
Others	3,610	8,680	5,069	26,733
Total other income	4,664	10,540	5,875	27,900
Other expenses				
Interest expenses	4,991	7,015	2,023	24,814
Others	8,585	691	(7,894)	9,813
Total other expenses	13,576	7,706	(5,870)	34,627
Recurring profit	171,996	235,152	63,156	831,274
Extraordinary income	-	-	-	751
Extraordinary loss	293	-	(293)	15,204
Income before income taxes and minority interests	171,703	235,152	63,449	816,821
Income taxes	77,375	104,829	27,453	339,083
Minority interests in consolidated subsidiaries	33,842	44,197	10,355	153,066
Net income	60,486	86,125	25,639	324,671

Consolidated Statements of Cash Flows

(Thousands of Japanese yen)

	1st Quarter ended June30,2006	1st Quarter ended June30,2007	FY2006
Cash flows from operating activities			
Income before income taxes and minority interests	171,703	235,152	816,821
Depreciation and amortization	61,699	59,744	244,146
Increase(decrease)in allowance for retirement benefits of employee	(3,092)	3,448	22,301
Increase(decrease) in allowance for retirement benefits of directors and corporate auditors	(35,512)	1,777	(27,750)
Increase(decrease) in accrued bonuses	(8,306)	(11,371)	16,166
Increase(decrease)in allowance for doubtful accounts	692	425	2,961
Interest and dividend income(accrual basis)	(1,053)	(1,860)	(1,166)
Interest expense(accrual basis)	4,991	7,015	24,814
Foreign exchange gain	–	(26)	(614)
(Increase)decrease in notes and accounts receivable, trade	(253,089)	(135,718)	(565,099)
(Increase) in inventories	(361,449)	4,935	(377,909)
Increase in notes and accounts payable, trade	309,669	(31,490)	478,879
Others	39,549	23,021	55,186
Interest and dividend income(cash basis)	1,067	1,863	1,179
Interest expense(cash basis)	(5,851)	(4,953)	(23,638)
Income taxes(cash basis)	(200,543)	(172,611)	(361,407)
Net cash provided by operating activities	(279,526)	(20,648)	304,870
Cash flows from investing activities			
Acquisition of securities	(1,000)	(1,000)	(1,000)
Redemption of securities	1,000	1,000	1,000
Acquisition of investments in securities	(1,354)	–	(53,668)
Redemption of investments in securities	–	–	10,658
Proceeds from sale of investments in securities	–	–	–
Acquisition of tangible fixed assets	(40,630)	(22,005)	(149,187)
Proceeds from sale of tangible fixed assets	–	–	10,000
Acquisition of intangible fixed assets	–	(485)	(2,281)
Others	–	–	(3,568)
Net cash used in investing activities	(41,984)	(22,490)	(188,046)
Cash flows from financing activities			
Net increase in short-term loans	250,000	60,000	(60,000)
Proceeds from long-term loans	–	100,000	200,000
Repayments of long-term loans	(10,625)	(330,625)	(42,500)
Payments for purchase of treasury stock	(219)	(1,102)	(1,962)
Cash dividends	(16,562)	(18,613)	(71,445)
Cash dividends to minority shareholders	(30,300)	(27,270)	(48,480)
Others	–	–	–
Net cash used in financing activities	192,293	(217,611)	(24,388)
Effect of exchange rate changes on cash and cash equivalents	–	26	614
Net increase in cash and cash equivalents	(129,217)	(260,724)	93,050
Cash and cash equivalents at beginning of period	965,181	1,058,231	965,181
Cash and cash equivalents at end of period	835,963	797,507	1,058,231

Industrial Segment Information

(1) For the first quarter ended June 30, 2006

(Thousands of Japanese yen)

	Antimony products	Atomized metal powders	Total	Elimination & corporate	Consolidated
Net sales					
Outside customers	1,189,703	849,323	2,039,026	–	2,039,026
Inter-segment	–	2,031	2,031	(2,031)	–
Total	1,189,703	851,354	2,041,058	(2,031)	2,039,026
Operating expenses	1,128,722	732,220	1,860,943	(2,824)	1,858,118
Operating income	60,980	119,134	180,115	793	180,908

(2) For the first quarter ended June 30, 2007

(Thousands of Japanese yen)

	Antimony products	Atomized metal powders	Total	Elimination & corporate	Consolidated
Net sales					
Outside customers	1,372,052	1,143,268	2,515,320	–	2,515,320
Inter-segment	–	6,441	6,441	(6,441)	–
Total	1,372,052	1,149,709	2,521,761	(6,441)	2,515,320
Operating expenses	1,298,270	992,946	2,291,217	(8,215)	2,283,001
Operating income	73,781	156,762	230,544	1,774	232,318

(3) For the Year ended March 31, 2007

(Thousands of Japanese yen)

	Antimony products	Atomized metal powders	Total	Elimination & corporate	Consolidated
Net sales					
Outside customers	5,163,449	3,611,059	8,774,508	–	8,774,508
Inter-segment	–	19,322	19,322	(19,322)	–
Total	5,163,449	3,630,382	8,793,831	(19,322)	8,774,508
Operating expenses	4,858,432	3,101,656	7,960,088	(23,581)	7,936,506
Operating income	305,017	528,725	833,742	4,259	838,002