

Summary of Consolidated Financial Results
for the Third Quarter Ended December 31, 2020(Unaudited)

February 5, 2021

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: <https://www.nihonseiko.co.jp>
 Listed stock exchange: The second section of Tokyo Stock Exchange
 Securities Code: 5729
 Company Representative: Michifumi Watanabe, President & CEO
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1. Consolidated Financial Results for the Third Quarter Ended December 31, 2020 and 2019

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

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%
For the Third quarter ended								
December 31, 2020	7,713	(5.3)	752	241.4	745	256.4	499	271.6
December 31, 2019	8,148	(25.8)	220	(78.7)	209	(79.4)	134	(80.8)

Note: Comprehensive income:

As of December 31, 2020: 512 million yen 314.6% As of December 31, 2019: 123 million yen (81.7)%

	EPS
For the Third quarter ended	Yen
December 31, 2020	204.56
December 31, 2019	55.05

(2) Financial Position

	Total assets	Total net assets	Shareholders' equity ratio
As of	Millions of Yen	Millions of Yen	%
December 31, 2020	11,437	7,645	66.8
March 31, 2020	10,784	7,286	67.6

Note: Shareholders' equity As of December 31, 2020: 7,645 million yen As of March 31, 2020: 7,286 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, 2020	-	37.50	-	37.50	75.00
March 31, 2021	-	25.00	-		
March 31, 2020(expected)				40.00	65.00

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

3. Consolidated Earnings Forecast for the Year Ending March 2021(April 1, 2020 ~ March 31, 2021):

(%: Change from the previous fiscal year for Year ending March 31,2020)

	Net sales	Operating income	Ordinary income	Profit attributable to owners of parent	EPS
For the year ending March 31, 2021	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen	Yen
Full year	11,300 3.5	970 116.3	960 121.4	660 130.6	270.44

Note: Revision of outlook for fiscal 2020 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) 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, 2020: 2,605,900	As of March 31, 2020: 2,605,900
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 2. Number of treasury shares at the end of the period:

As of December 31, 2020: 165,418	As of March 31, 2020: 165,331
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 3. Average number of outstanding shares during period:

For the 3rd Quarter ending March 31, 2021: 2,440,547	For the 3rd Quarter ended March 31, 2020: 2,440,818
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Explanation on appropriate use of business forecasts, and other special notes

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 31,2020	December 31,2020
Assets		
Current assets		
Cash and deposits	2,905,207	3,489,266
Notes and accounts receivable – trade	1,602,997	1,604,947
Merchandise and finished goods	1,061,471	1,099,371
Work in process	234,670	198,686
Raw materials and supplies	566,576	552,789
Other	131,545	130,450
Allowance for doubtful accounts	(4,793)	(4,555)
Total current assets	6,497,675	7,070,955
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	1,524,923	1,540,321
Machinery, equipment and vehicles, net	695,098	597,924
Land	1,474,191	1,451,214
Other, net	198,505	308,132
Total property, plant and equipment	3,892,719	3,897,592
Intangible assets	46,520	82,871
Investments and other assets	348,003	386,019
Total non-current assets	4,287,243	4,366,483
Total assets	10,784,918	11,437,438
Liabilities		
Current liabilities		
Notes and accounts payable – trade	627,157	715,052
Electronically recorded obligations – operating	241,512	208,316
Short-term borrowings	1,450,000	1,591,500
Income taxes payable	11,161	194,616
Provision for bonuses	110,627	47,347
Other	377,429	312,079
Total current liabilities	2,817,888	3,068,913
Non-current liabilities		
Long-term borrowings	240,000	269,000
Retirement benefit liability	347,423	363,847
Asset retirement obligations	36,792	37,170
Other	56,726	52,991
Total non-current liabilities	680,942	723,010
Total liabilities	3,498,831	3,791,923
Net assets		
Shareholders' equity		
Share capital	1,018,126	1,018,126
Capital surplus	564,725	564,725
Retained earnings	5,843,835	6,190,537
Treasury shares	(153,575)	(153,772)
Total shareholders' equity	7,273,112	7,619,617
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	12,382	25,759
Foreign currency translation adjustment	592	137
Total accumulated other comprehensive income	12,975	25,897
Total net assets	7,286,087	7,645,515
Total liabilities and net assets	10,784,918	11,437,438

Consolidated quarterly statements of income

(Thousands of Japanese yen)

	3rd Quarter ended December 31,2019	3rd Quarter ended December 31,2020
Net sales	8,148,655	7,713,883
Cost of sales	7,221,972	6,305,460
Gross profit	926,683	1,408,423
Selling, general and administrative expenses	706,304	656,161
Operating profit	220,378	752,261
Non-operating income		
Dividend income	3,559	3,305
Insurance claim income	11,780	-
Subsidy income	4,688	14,359
Other	10,105	9,783
Total non-operating income	30,134	27,448
Non-operating expenses		
Interest expenses	10,554	8,805
Foreign exchange losses	7,593	17,307
Care and maintenance costs of suspended mine	21,273	4,941
Other	1,844	2,941
Total non-operating expenses	41,266	33,994
Ordinary profit	209,247	745,715
Extraordinary income		
Gain on sales of non-current assets	-	15
Total extraordinary income	-	15
Extraordinary losses		
Impairment loss	-	22,977
Loss on retirement of non-current assets	1,648	2,823
Total extraordinary losses	1,648	25,800
Profit before income taxes	207,598	719,930
Income taxes - current	38,152	227,493
Income taxes - deferred	35,083	(6,799)
Total income taxes	73,235	220,693
Profit	134,362	499,236
Profit attributable to owners of parent	134,362	499,236

Consolidated quarterly statements of comprehensive income

(Thousands of Japanese yen)

	3rd Quarter ended December 31,2019	3rd Quarter ended December 31,2020
Profit	134,362	499,236
Other comprehensive income		
Valuation difference on available-for-sale securities	(6,967)	13,377
Foreign currency translation adjustment	(3,863)	(454)
Total other comprehensive income	(10,830)	12,922
Comprehensive income	123,532	512,159
Comprehensive income attributable to owners of parent	123,532	512,159

Segment Information

(1) For the nine months ended December 31,2019

(Thousands of Japanese yen)

	Reportable Segments			Others	Total	Elimination & corporate	Consolidated
	Antimony products	Atomized metal powders	Total				
Net sales							
Outside customers	4,370,236	3,761,415	8,131,651	17,003	8,148,655	-	8,148,655
Inter-segment	-	21,794	21,794	-	21,794	(21,794)	-
Total	4,370,236	3,783,209	8,153,446	17,003	8,170,450	(21,974)	8,148,655
Operating income	89,410	94,593	184,004	16,717	200,721	19,657	220,378

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

(2) For the nine months ended December 31,2020

(Thousands of Japanese yen)

	Reportable Segments			Others	Total	Elimination & corporate	Consolidated
	Antimony products	Atomized metal powders	Total				
Net sales							
Outside customers	3,213,032	4,484,389	7,697,421	16,461	7,713,883	-	7,713,883
Inter-segment	-	22,688	22,688	-	22,688	(22,688)	-
Total	3,213,032	4,507,077	7,720,110	16,461	7,736,572	(22,688)	7,713,883
Operating income	18,679	710,921	729,601	16,209	745,810	6,451	752,261

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