

Summary of Consolidated Financial Results  
for the First Quarter Ended June 30, 2021(Unaudited)

August 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  
 Contact Information: Takenori Wakabayashi, Managing Director, General Manager, Corporate Planning  
 & Administration Dept. Tel +81-3-3235-0021

## 1. Consolidated Financial Results for the First Quarter Ended June 30, 2021 and 2020

(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 First quarter ended June 30, 2021	4,262	67.1	692	141.6	686	141.5	477	139.7
June 30, 2020	2,551	(13.4)	286	45.5	284	53.7	199	60.0

Note: Comprehensive income:

As of June 30, 2021: 487 million yen 137.4%

As of June 30, 2020: 205 million yen 69.9%

	EPS
For the First quarter ended June 30, 2021	Yen 195.63
June 30, 2020	81.60

## (2) Financial Position

	Total assets	Total net assets	Shareholders' equity ratio
As of June 30, 2021	Millions of Yen 12,813	Millions of Yen 8,356	% 65.2
March 31, 2021	12,213	7,966	65.2

Note: Shareholders' equity As of June 30, 2021: 8,356 million yen As of March 31, 2021: 7,966 million yen

## 2. Cash Dividends

	Cash Dividends per Share				
	First Quarter	Second Quarter	Third Quarter	Year-end	Annual
For the year ended March 31, 2021	Yen -	Yen 25.00	Yen -	Yen 40.00	Yen 65.00
March 31, 2022	-				
March 31, 2022(expected)		40.00	-	40.00	80.00

Note: Revision of outlook for dividends in the First quarter : No

## 3. Consolidated Earnings Forecast for the Year Ending March 2022(April 1, 2021 ~ March 31, 2022):

(%: Change from the previous fiscal half year for First half 2021)

(%: Change from the previous fiscal year for Year ending March 31,2022)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		EPS
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Yen
For the year ending March 31, 2022									
First half 2021	6,560	33.0	830	71.2	810	67.1	560	66.2	229.46
Full year	12,700	12.9	1,320	10.5	1,290	6.8	880	8.2	360.59

Note: Revision of outlook for fiscal 2021 consolidated earnings results in the first 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 : Yes
  - 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 June 30, 2021: 2,605,900	As of March 31, 2021: 2,605,900
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  - 2. Number of treasury shares at the end of the period:

As of June 30, 2021: 165,423	As of March 31, 2021: 165,423
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  - 3. Average number of outstanding shares during period:

For the 1st Quarter ending March 31, 2022: 2,440,477	For the 1st Quarter ended March 31, 2021: 2,440,565
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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 balance sheets

(Thousands of yen)

	As of March 31, 2021	As of June 30, 2021
<b>Assets</b>		
Current assets		
Cash and deposits	3,500,628	3,165,831
Notes and accounts receivable – trade	1,936,520	2,479,726
Merchandise and finished goods	1,112,549	1,404,669
Work in process	324,598	336,109
Raw materials and supplies	699,045	830,349
Other	191,374	89,510
Allowance for doubtful accounts	(5,338)	(7,194)
Total current assets	7,759,378	8,299,001
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	1,683,430	1,753,106
Machinery, equipment and vehicles, net	710,320	704,735
Land	1,436,191	1,436,191
Other, net	136,879	140,166
Total property, plant and equipment	3,966,821	4,034,201
Intangible assets	81,404	79,849
Investments and other assets	405,477	400,241
Total non-current assets	4,453,704	4,514,292
<b>Total assets</b>	<b>12,213,082</b>	<b>12,813,293</b>

## Consolidated balance sheets

(Thousands of yen)

	As of March 31, 2021	As of June 30, 2021
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable – trade	1,039,150	1,261,092
Electronically recorded obligations – operating	293,684	318,119
Short-term borrowings	1,298,000	1,308,000
Income taxes payable	358,967	180,435
Provision for bonuses	142,562	70,313
Other	456,279	614,121
Total current liabilities	3,588,645	3,752,083
Non-current liabilities		
Long-term borrowings	225,000	271,000
Retirement benefit liability	351,295	344,421
Asset retirement obligations	37,090	37,165
Other	44,634	52,433
Total non-current liabilities	658,020	705,020
Total liabilities	4,246,665	4,457,103
<b>Net assets</b>		
Shareholders' equity		
Share capital	1,018,126	1,018,126
Capital surplus	564,725	564,725
Retained earnings	6,504,985	6,884,800
Treasury shares	(153,787)	(153,787)
Total shareholders' equity	7,934,050	8,313,865
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	31,257	38,354
Foreign currency translation adjustment	1,109	3,969
Total accumulated other comprehensive income	32,366	42,324
Total net assets	7,966,417	8,356,190
Total liabilities and net assets	12,213,082	12,813,293

## Consolidated statements of income

(Thousands of yen)

	Three months ended June 30, 2020	Three months ended June 30, 2021
Net sales	2,551,471	4,262,760
Cost of sales	2,053,185	3,323,877
Gross profit	498,286	938,882
Selling, general and administrative expenses	211,647	246,366
Operating profit	286,638	692,515
Non-operating income		
Dividend income	2,444	1,626
Other	2,078	1,679
Total non-operating income	4,522	3,305
Non-operating expenses		
Interest expenses	2,820	2,929
Foreign exchange losses	1,798	3,634
Care and maintenance costs of suspended mine	1,253	1,386
Other	821	990
Total non-operating expenses	6,693	8,941
Ordinary profit	284,467	686,879
Extraordinary income		
Gain on sale of non-current assets	—	1,299
Total extraordinary income	—	1,299
Extraordinary losses		
Loss on retirement of non-current assets	107	284
Total extraordinary losses	107	284
Profit before income taxes	284,360	687,894
Income taxes – current	82,900	185,637
Income taxes – deferred	2,302	24,823
Total income taxes	85,202	210,460
Profit	199,158	477,434
Profit attributable to owners of parent	199,158	477,434

## Consolidated statements of comprehensive income

(Thousands of yen)

	Three months ended June 30, 2020	Three months ended June 30, 2021
Profit	199,158	477,434
Other comprehensive income		
Valuation difference on available-for-sale securities	7,291	7,097
Foreign currency translation adjustment	(1,167)	2,860
Total other comprehensive income	6,124	9,958
Comprehensive income	205,283	487,392
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	205,283	487,392

## Segment Information

## (1) Three months ended June 30, 2020

(Thousands of yen)

	Reportable segments			Others	Total	Reconciling items	Per quarterly consolidated financial statements
	Antimony products	Atomized metal powders	Reportable segments				
Sales							
Revenues from external customers	1,129,244	1,416,589	2,545,834	5,637	2,551,471	—	2,551,471
Transactions with other segments	—	6,839	6,839	—	6,839	(6,839)	—
Net sales	1,129,244	1,423,429	2,552,673	5,637	2,558,311	(6,839)	2,551,471
Operating profit (loss)	36,542	241,868	278,411	5,548	283,959	2,679	286,638

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

## (2) Three months ended June 30, 2021

(Thousands of yen)

	Reportable segments			Others	Total	Reconciling items	Per quarterly consolidated financial statements
	Antimony products	Atomized metal powders	Reportable segments				
Sales							
Revenues from external customers	1,824,169	2,430,753	4,254,923	7,836	4,262,760	—	4,262,760
Transactions with other segments	—	12,965	12,965	361	13,327	(13,327)	—
Net sales	1,824,169	2,443,719	4,267,888	8,198	4,276,087	(13,327)	4,262,760
Operating profit (loss)	181,606	503,113	684,719	5,848	690,568	1,947	692,515

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