

Summary of Consolidated Financial Results
for the First Quarter Ended June 30, 2023(Unaudited)

August 4, 2023

English translation from the original Japanese-language document

(All financial information has been prepared in accordance with accounting principles generally accepted in Japan)

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 URL: <https://www.nihonseiko.co.jp>
 Stock exchange listing: Tokyo
 Securities Code: 5729
 Company Representative: Noritaka Ueda, President & CEO
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1. Consolidated Financial Results for the First Quarter Ended June 30, 2023 and 2022

(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, 2023	3,800	(12.9)	52	(86.8)	79	(81.4)	22	(92.6)
June 30, 2022	4,362	2.4	397	(42.6)	426	(37.9)	300	(37.1)

Note: Comprehensive income:

As of June 30, 2023: 26 million yen (91.2)%

As of June 30, 2022: 297 million yen (39.0)%

	EPS
For the First quarter ended June 30, 2023	9.16
June 30, 2022	123.06

(2) Financial Position

	Total assets	Total net assets	Shareholders' equity ratio
As of June 30, 2023	14,444	9,288	64.3
March 31, 2023	13,953	9,408	67.4

Note: Shareholders' equity

As of June 30, 2023: 9,288 million yen

As of March 31, 2023: 9,408 million yen

2. Cash Dividends

	Cash Dividends per Share				
	First Quarter	Second Quarter	Third Quarter	Year-end	Annual
For the year ended March 31, 2023	-	60.00	-	60.00	120.00
March 31, 2024	-				
March 31, 2024(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 2024(April 1, 2023 ~ March 31, 2024):

(%: Change from the previous fiscal half year for First half 2023)

(%: Change from the previous fiscal year for Year ending March 31,2024)

	Net sales	Operating income	Ordinary income	Profit attributable to owners of parent	EPS
For the year ending March 31, 2024	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen	Yen
First half 2023	7,430 (13.7)	260 (57.3)	250 (60.1)	160 (63.4)	65.56
Full year	15,910 (0.1)	800 (0.4)	770 (2.7)	520 7.9	213.09

Note: Revision of outlook for fiscal 2023 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 : 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 June 30, 2023: 2,605,900	As of March 31, 2023: 2,605,900
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 2. Number of treasury shares at the end of the period:

As of June 30, 2023: 165,597	As of March 31, 2023: 165,561
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 3. Average number of outstanding shares during period:

For the 1st Quarter ending March 31, 2024: 2,440,337	For the 1st Quarter ended March 31, 2023: 2,440,363
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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, 2023	As of June 30, 2023
Assets		
Current assets		
Cash and deposits	2,276,200	2,572,502
Notes and accounts receivable – trade	2,539,247	2,772,023
Merchandise and finished goods	1,815,975	1,874,945
Work in process	322,846	341,576
Raw materials and supplies	1,566,420	1,422,461
Other	316,914	116,951
Allowance for doubtful accounts	(8,521)	(9,185)
Total current assets	8,829,084	9,091,276
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	1,717,767	1,694,974
Machinery, equipment and vehicles, net	781,691	767,302
Land	1,436,191	1,436,191
Other, net	625,909	912,594
Total property, plant and equipment	4,561,560	4,811,063
Intangible assets	149,773	142,863
Investments and other assets	413,505	399,792
Total non-current assets	5,124,839	5,353,719
Total assets	13,953,923	14,444,995

Consolidated balance sheets

(Thousands of yen)

	As of March 31, 2023	As of June 30, 2023
Liabilities		
Current liabilities		
Notes and accounts payable – trade	954,696	1,192,560
Electronically recorded obligations – operating	206,838	240,375
Short-term borrowings	1,445,200	1,459,650
Income taxes payable	75,782	23,441
Provision for bonuses	161,545	77,885
Other	623,264	614,978
Total current liabilities	3,467,328	3,608,890
Non-current liabilities		
Long-term borrowings	287,700	761,250
Retirement benefit liability	350,770	344,888
Asset retirement obligations	37,607	37,717
Other	401,646	403,839
Total non-current liabilities	1,077,724	1,547,695
Total liabilities	4,545,052	5,156,585
Net assets		
Shareholders' equity		
Share capital	1,018,126	1,018,126
Capital surplus	564,725	564,725
Retained earnings	7,942,134	7,818,078
Treasury shares	(154,242)	(154,343)
Total shareholders' equity	9,370,743	9,246,587
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	27,567	29,968
Foreign currency translation adjustment	10,560	11,853
Total accumulated other comprehensive income	38,127	41,822
Total net assets	9,408,871	9,288,409
Total liabilities and net assets	13,953,923	14,444,995

Consolidated statements of income

(Thousands of yen)

	Three months ended June 30, 2022	Three months ended June 30, 2023
Net sales	4,362,983	3,800,379
Cost of sales	3,690,952	3,476,688
Gross profit	672,031	323,691
Selling, general and administrative expenses	274,473	271,184
Operating profit	397,557	52,506
Non-operating income		
Dividend income	2,258	2,136
Foreign exchange gains	25,439	21,997
Other	6,457	12,624
Total non-operating income	34,155	36,758
Non-operating expenses		
Interest expenses	4,031	4,205
Care and maintenance costs of suspended mine	1,291	4,921
Other	98	825
Total non-operating expenses	5,421	9,952
Ordinary profit	426,291	79,312
Extraordinary losses		
Loss on retirement of non-current assets	640	10,427
Total extraordinary losses	640	10,427
Profit before income taxes	425,650	68,884
Income taxes – current	85,630	16,059
Income taxes – deferred	39,712	30,460
Total income taxes	125,342	46,519
Profit	300,308	22,365
Profit attributable to owners of parent	300,308	22,365

Consolidated statements of comprehensive income

(Thousands of yen)

	Three months ended June 30, 2022	Three months ended June 30, 2023
Profit	300,308	22,365
Other comprehensive income		
Valuation difference on available-for-sale securities	(6,698)	2,401
Foreign currency translation adjustment	3,815	1,292
Total other comprehensive income	(2,882)	3,694
Comprehensive income	297,425	26,059
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	297,425	26,059

Segment Information

(1) Three months ended June 30, 2022

(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	2,392,436	1,962,707	4,355,143	7,840	4,362,983	—	4,362,983
Transactions with other segments	—	26,213	26,213	362	26,575	(26,575)	—
Net sales	2,392,436	1,988,920	4,381,356	8,202	4,389,559	(26,575)	4,362,983
Operating profit	184,279	205,897	390,176	5,678	395,855	1,701	397,557

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

(2) Three months ended June 30, 2023

(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	2,321,223	1,471,347	3,792,571	7,807	3,800,379	—	3,800,379
Transactions with other segments	—	10,229	10,229	383	10,613	(10,613)	—
Net sales	2,321,223	1,481,577	3,802,801	8,191	3,810,992	(10,613)	3,800,379
Operating profit (loss)	95,391	(51,161)	44,230	5,487	49,717	2,788	52,506

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