

Summary of Consolidated Financial Results  
for the First Quarter Ended June 30, 2022(Unaudited)

August 4, 2022

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 standard market of Tokyo Stock Exchange  
 Securities Code: 5729  
 Company Representative: Noritaka Ueda, President & CEO  
 Contact Information: Takenori Wakabayashi, Senior Managing Director, General Manager, Corporate Planning  
 & Administration Dept. Tel +81-3-3235-0021

## 1. Consolidated Financial Results for the First Quarter Ended June 30, 2022 and 2021

(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, 2022	4,362	2.4	397	(42.6)	426	(37.9)	300	(37.1)
June 30, 2021	4,262	67.1	692	141.6	686	141.5	477	139.7

Note: Comprehensive income:

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

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

	EPS
For the First quarter ended June 30, 2022	Yen 123.06
June 30, 2021	195.63

## (2) Financial Position

	Total assets	Total net assets	Shareholders' equity ratio
As of June 30, 2022	Millions of Yen 13,864	Millions of Yen 9,376	% 67.6
March 31, 2022	14,840	9,298	62.7

Note: Shareholders' equity As of June 30, 2022: 9,376 million yen As of March 31, 2022: 9,298 million yen

## 2. Cash Dividends

	Cash Dividends per Share				
	First Quarter	Second Quarter	Third Quarter	Year-end	Annual
For the year ended March 31, 2022	Yen -	Yen 50.00	Yen -	Yen 90.00	Yen 140.00
March 31, 2023	-				
March 31, 2023(expected)		60.00	-	60.00	120.00

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

## 3. Consolidated Earnings Forecast for the Year Ending March 2023(April 1, 2022 ~ March 31, 2023):

(%: Change from the previous fiscal half year for First half 2022)

(%: Change from the previous fiscal year for Year ending March 31,2023)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		EPS
For the year ending March 31, 2023	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Yen
First half 2022	9,760	11.3	800	(38.6)	780	(39.6)	540	(39.8)	221.28
Full year	19,600	14.6	1,500	(31.6)	1,450	(35.5)	1,000	(35.1)	409.78

Note: Revision of outlook for fiscal 2022 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, 2022: 2,605,900	As of March 31, 2022: 2,605,900
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  - 2. Number of treasury shares at the end of the period:

As of June 30, 2022: 165,537	As of March 31, 2022: 165,537
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  - 3. Average number of outstanding shares during period:

For the 1st Quarter ending March 31, 2023: 2,440,363	For the 1st Quarter ended March 31, 2022: 2,440,477
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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, 2022	As of June 30, 2022
<b>Assets</b>		
Current assets		
Cash and deposits	3,085,883	2,091,649
Notes and accounts receivable – trade	2,755,550	2,759,097
Merchandise and finished goods	1,920,393	2,098,264
Work in process	371,838	434,688
Raw materials and supplies	1,427,658	1,449,255
Other	241,181	79,207
Allowance for doubtful accounts	(8,838)	(8,696)
Total current assets	9,793,667	8,903,466
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	1,728,126	1,752,870
Machinery, equipment and vehicles, net	664,198	746,474
Land	1,436,191	1,436,191
Other, net	640,494	509,515
Total property, plant and equipment	4,469,011	4,445,052
Intangible assets	111,046	111,848
Investments and other assets	466,348	404,487
Total non-current assets	5,046,406	4,961,388
<b>Total assets</b>	<b>14,840,073</b>	<b>13,864,854</b>

## Consolidated balance sheets

(Thousands of yen)

	As of March 31, 2022	As of June 30, 2022
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable – trade	1,534,757	1,069,030
Electronically recorded obligations – operating	285,391	309,082
Short-term borrowings	1,343,000	1,341,000
Income taxes payable	541,744	77,215
Provision for bonuses	210,630	101,731
Other	595,102	610,266
Total current liabilities	4,510,626	3,508,327
Non-current liabilities		
Long-term borrowings	249,500	207,500
Retirement benefit liability	365,219	356,924
Asset retirement obligations	37,183	37,315
Other	378,952	378,403
Total non-current liabilities	1,030,855	980,142
Total liabilities	5,541,481	4,488,470
<b>Net assets</b>		
Shareholders' equity		
Share capital	1,018,126	1,018,126
Capital surplus	564,725	564,725
Retained earnings	7,826,337	7,907,013
Treasury shares	(154,168)	(154,168)
Total shareholders' equity	9,255,020	9,335,696
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	35,964	29,265
Foreign currency translation adjustment	7,607	11,422
Total accumulated other comprehensive income	43,571	40,688
Total net assets	9,298,591	9,376,384
<b>Total liabilities and net assets</b>	<b>14,840,073</b>	<b>13,864,854</b>

## Consolidated statements of income

(Thousands of yen)

	Three months ended June 30, 2021	Three months ended June 30, 2022
Net sales	4,262,760	4,362,983
Cost of sales	3,323,877	3,690,952
Gross profit	938,882	672,031
Selling, general and administrative expenses	246,366	274,473
Operating profit	692,515	397,557
Non-operating income		
Dividend income	1,626	2,258
Foreign exchange gains	—	25,439
Other	1,679	6,457
Total non-operating income	3,305	34,155
Non-operating expenses		
Interest expenses	2,929	4,031
Foreign exchange losses	3,634	—
Care and maintenance costs of suspended mine	1,386	1,291
Other	990	98
Total non-operating expenses	8,941	5,421
Ordinary profit	686,879	426,291
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	284	640
Total extraordinary losses	284	640
Profit before income taxes	687,894	425,650
Income taxes – current	185,637	85,630
Income taxes – deferred	24,823	39,712
Total income taxes	210,460	125,342
Profit	477,434	300,308
Profit attributable to owners of parent	477,434	300,308

## Consolidated statements of comprehensive income

(Thousands of yen)

	Three months ended June 30, 2021	Three months ended June 30, 2022
Profit	477,434	300,308
Other comprehensive income		
Valuation difference on available-for-sale securities	7,097	(6,698)
Foreign currency translation adjustment	2,860	3,815
Total other comprehensive income	9,958	(2,882)
Comprehensive income	487,392	297,425
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	487,392	297,425

## Segment Information

## (1) 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, etc., not included in the reportable segments.

## (2) 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 (loss)	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.