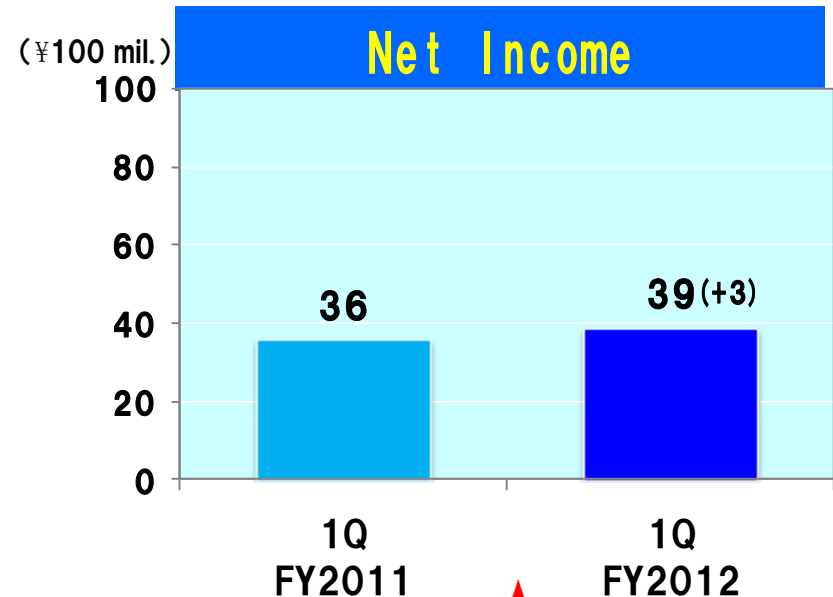
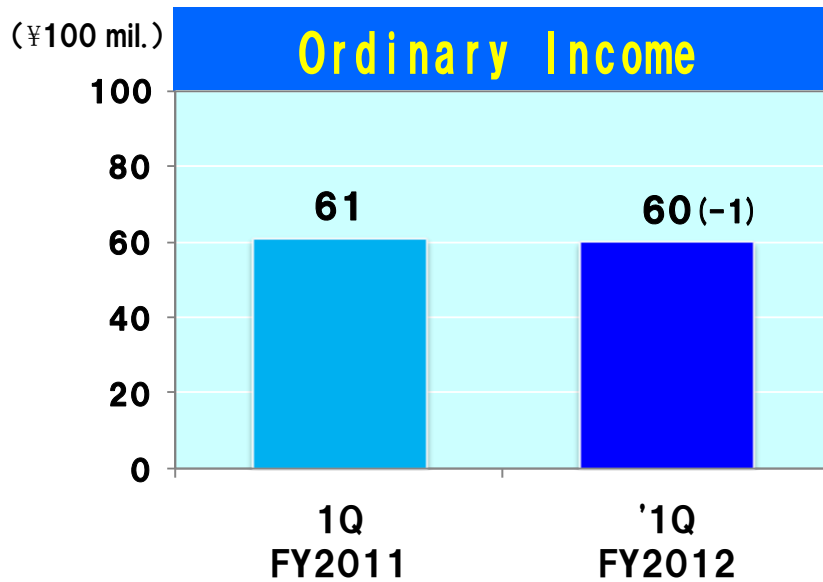
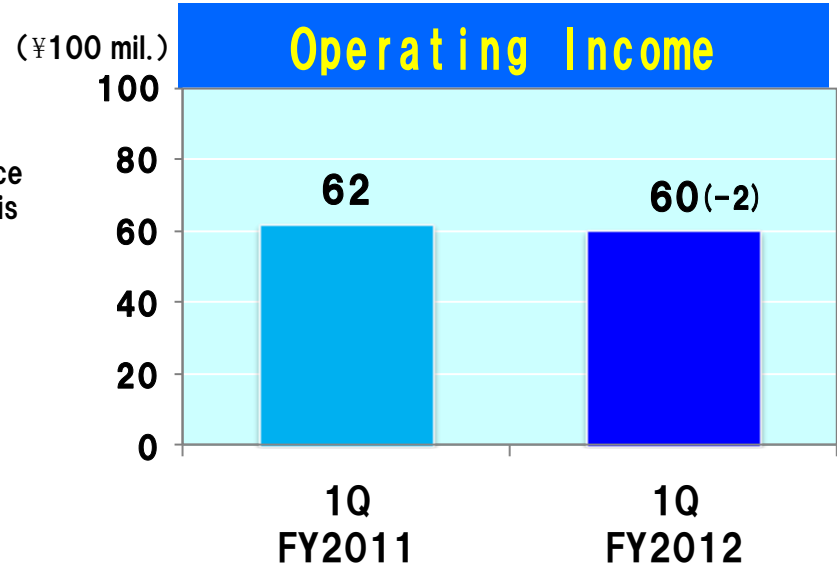
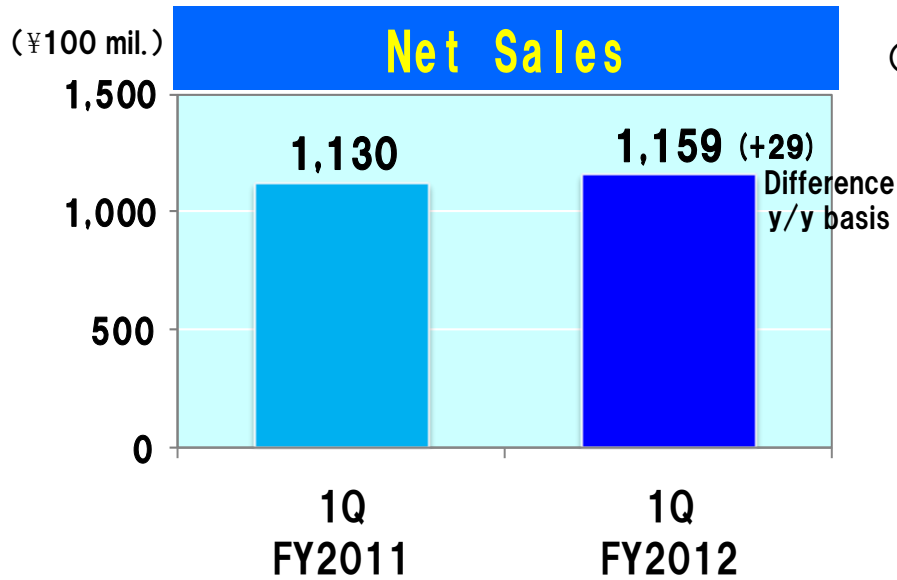


For Telephone Conference

Fiscal Year ending March 2012 1st Quarter Results Briefing (Apr.1 – Jun.30 / 2011)

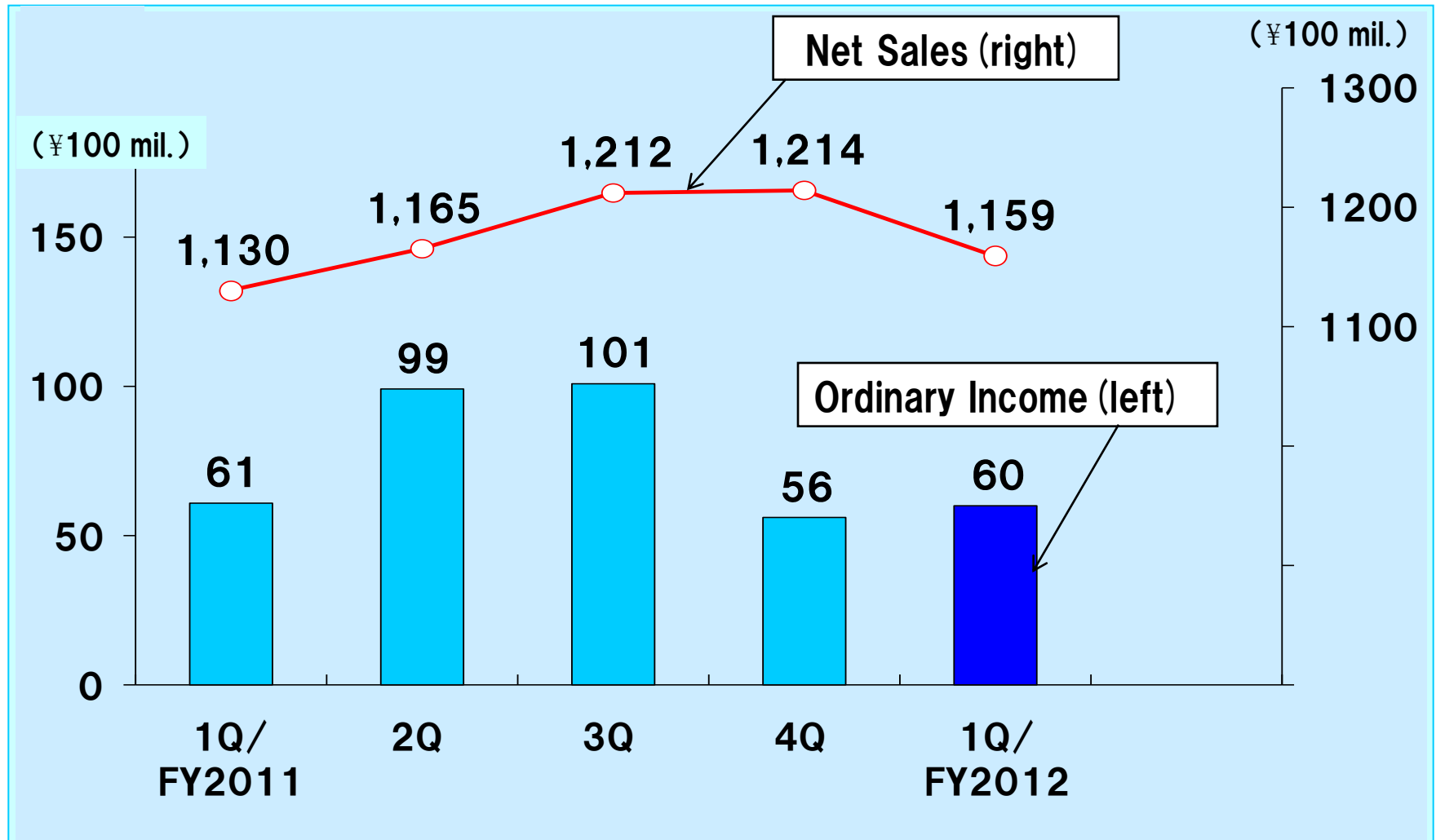
July 26th 2011

Summary of the results for 1st quarter in FY2012



Changes in Net Sales & Ordinary Income (Quarterly)

Changes in Net Sales & Ordinary Income



Net Sales & Operating Income by Segment (Quarterly)

(¥100 mil.)

		FY2011				FY2012
		1Q Results	2Q Results	3Q Results	4Q Results	1Q Results
Specialty Steel	Net Sales	700	704	734	731	720
	Operating Income (Volume)	36 (301thou.t)	70 (305thou.t)	67 (314thou.t)	37 (302thou.t)	40 (292thou.t)
Electronic & Magnetic Materials	Net Sales	96	96	109	98	103
	Operating Income	8	3	4	3	5
Parts for Automobile & Industrial Equipment	Net Sales	244	255	267	259	250
	Operating Income	14	18	23	10	10
Engineering	Net Sales	46	62	53	77	39
	Operating Income	0	8	3	5	1
New Materials	Net Sales	21	25	26	24	24
	Operating Income	1	▲ 1	4	2	1
Trading & Service	Net Sales	23	23	23	25	23
	Operating Income	3	3	3	3	3
Total	Net Sales	1,130	1,165	1,212	1,214	1,159
	Operating Income	62	101	104	60	60

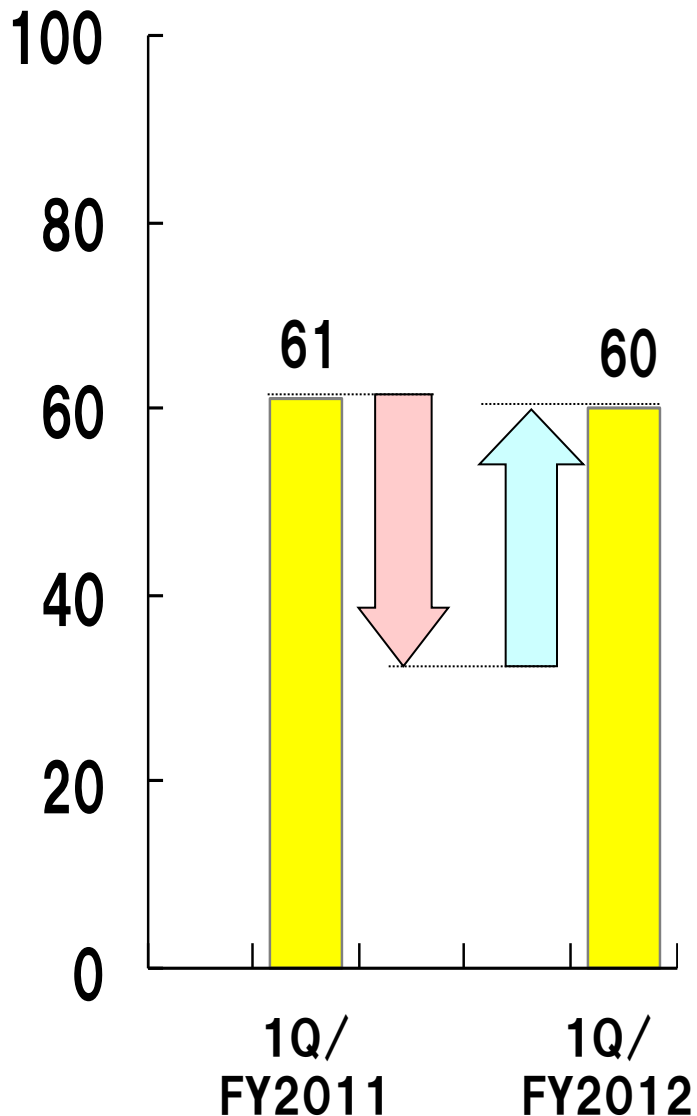
FY2012 Net Sales & Operating Income by Segment

(¥100 mil.)

		FY2011		FY2012 1Q (Results)	FY2012 1H (Forecast)	Progress rate of Operating Income
		1H (Results)	2H (Results)			
Specialty Steel	Net Sales	1,404	1,465	720	1,404	48%
	Operating Income (Volume)	106 (606thou.t)	104 (616thou.t)	40 (292thou.t)	83 (602thou.t)	
Electronic & Magnetic Materials	Net Sales	192	207	103	218	56%
	Operating Income	11	7	5	9	
Parts for Automobile & Industrial Equipment	Net Sales	499	526	250	516	63%
	Operating Income	32	33	10	16	
Engineering	Net Sales	108	130	39	114	33%
	Operating Income	8	8	1	3	
New Materials	Net Sales	46	50	24	48	33%
	Operating Income	0	6	1	3	
Trading & Service	Net Sales	46	48	23	50	50%
	Operating Income	6	6	3	6	
Total	Net Sales	2,295	2,426	1,159	2,350	50%
	Operating Income	163	164	60	120	

FY2012/1Q Changes in Ordinary Income (y/y)

(¥100 mil.)



(¥100 mil.)

FY2011/1Q Ordinary Income		
Changes (y/y)	Operating Income / Loss	Raw material price
		Sales volume
		Sales price
		Sales mix
		Variable cost
		Fixed cost
		Subtotal
	Non-Operating income	
FY2012/1Q Ordinary Income		

61	
▲8	/
▲4	/
/	+18
/	+7
/	+3
▲18	/
▲30	+28
/	+1
60 (-1)	

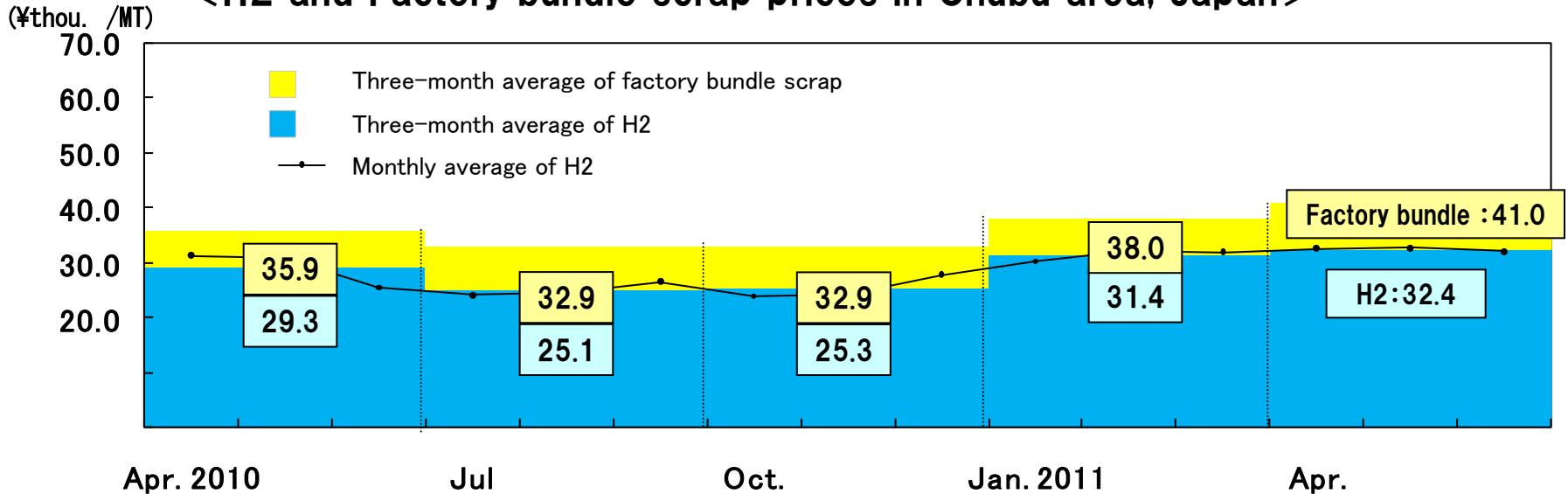
Net Sales & Operating Income by Segment (y/y basis)

(¥100 mil.)

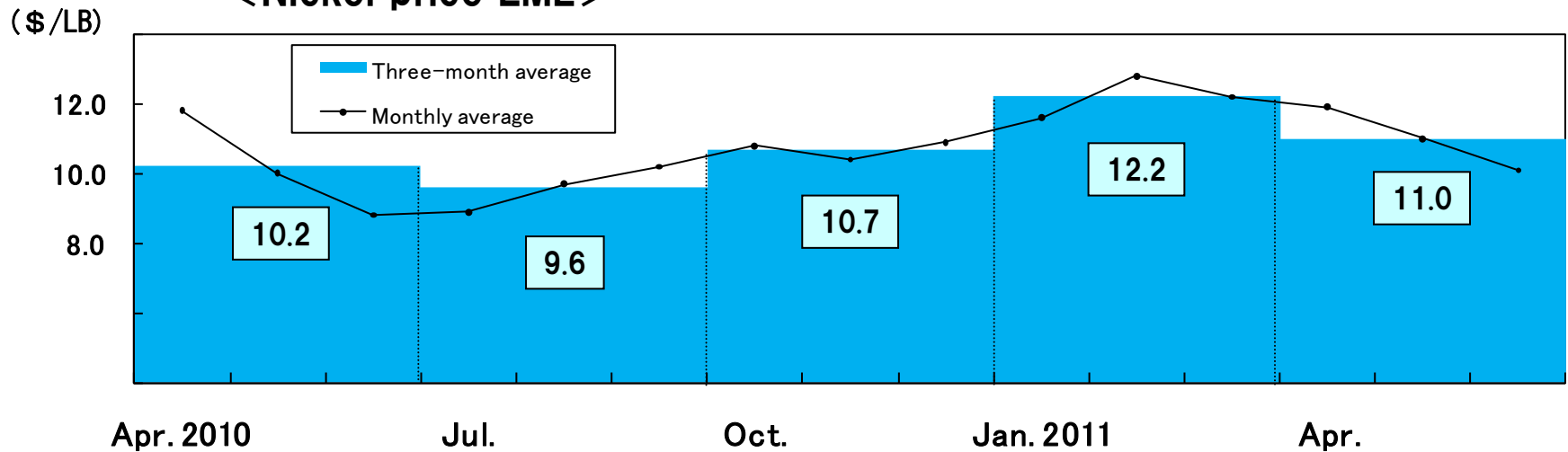
		FY2011/1Q	FY2012/1Q	
		Results (A)	Results (B)	y/y basis (B) - (A)
Specialty Steel	Net Sales	700	720	20
	Operating Income	36	40	4
	Volume	301thou.t	292thou.t	-9thou.t
Electronic & Magnetic Materials	Net Sales	96	103	7
	Operating Income	8	5	-3
Parts for Automobile & Industrial Equipment	Net Sales	244	250	6
	Operating Income	14	10	-4
Engineering	Net Sales	46	39	-7
	Operating Income	0	1	1
New Materials	Net Sales	21	24	3
	Operating Income	1	1	0
Trading & Service	Net Sales	23	23	0
	Operating Income	3	3	0
Total	Net Sales	1,130	1,159	29
	Operating Income	62	60	-2

Market Trend of Raw Materials (Scrap Steel Prices & Nickel LME)

<H2 and Factory bundle scrap prices in Chubu area, Japan>



<Nickel price LME>



Premises of Profit Planning for FY2012 (Market Trend)

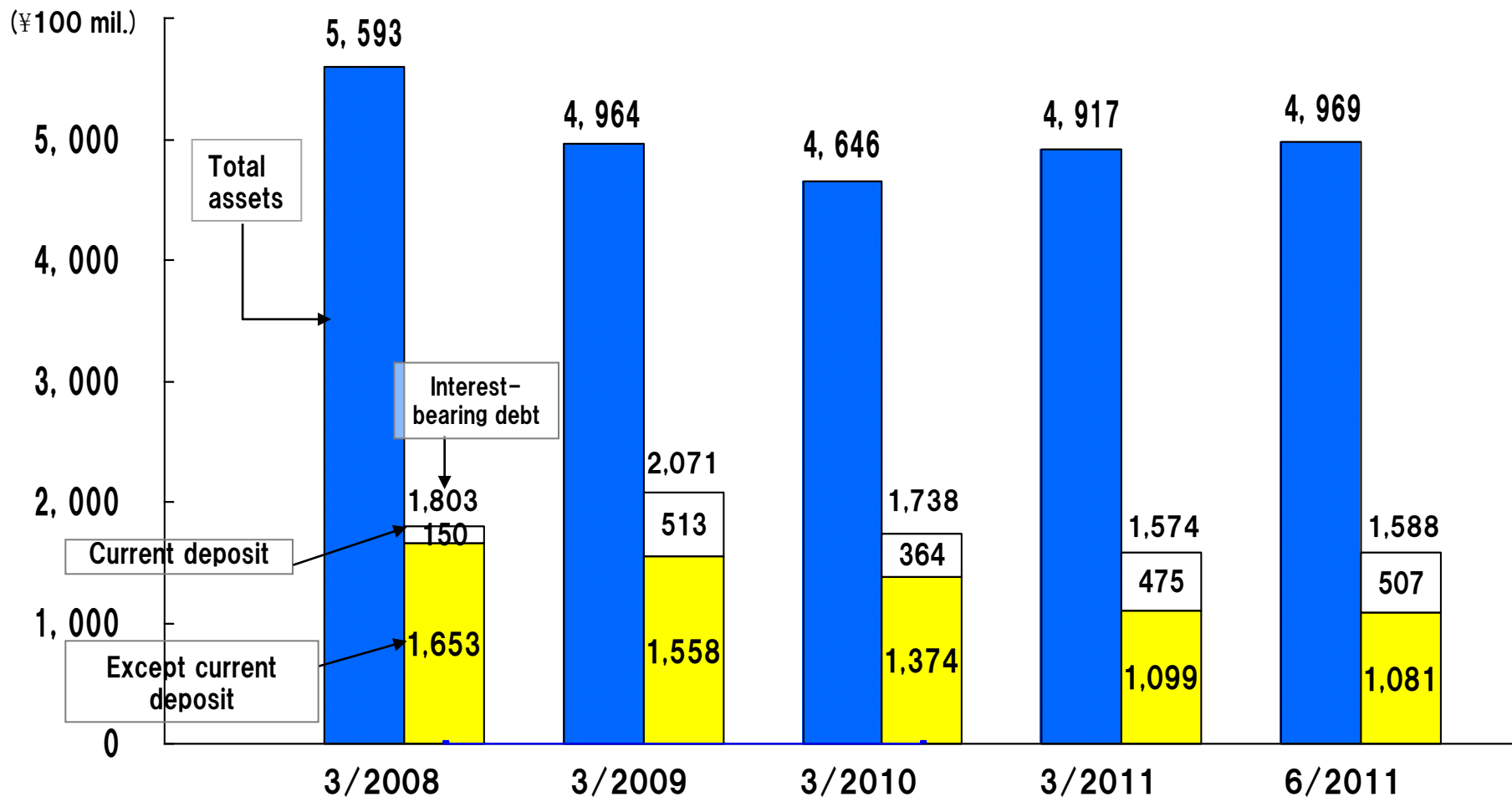
	UNIT	FH of FY2012 (Premises of plan)	FY2012/1Q (Results)
Scrap steel Upper:H2 Lower:Factory bundle	¥thou. /MT	32.0 41.0	32.4 41.0
Nickel (LME)	\$/LB	11.0	11.0
Molybdenum (MW)	\$/LB	19.0	16.7
Chrome (South African price quotation)	¢ /LB	143.0	143.0
Exchange rate	¥/\$	82.5	81.7

FY2012 1st quarter Extraordinary Income/Loss and Net Income

(¥100 mil.)

FY2012 1st quarter results Ordinary income	60
Extraordinary income / loss	▲1
Income taxes and minority interests	▲20
FY2012 1st quarter results Net income	39

Total Assets, Interest-bearing Debt, D/E Ratio



	3/2008	3/2009	3/2010	3/2011	3/2011
ROA	6.9%	1.6%	▲2.9%	6.6%	4.9%
D/E	0.96	1.25	1.09	0.88	0.88
(NET. D/E)	(0.88)	(0.94)	(0.86)	(0.62)	(0.60)

(Note)

Figures such as the business forecasts described in this document are based on specific assumptions which are predictable under the present state.

However, changes in circumstances could lead to different business outcomes, so blind reliance on this data as decision criterion is not recommended.

Also predicted figures can be changed in the future without prior notice. All use of this document is at the volition and discretion of the user. Please be aware that our company shall not assume any responsibility for the results of using the information in this document.