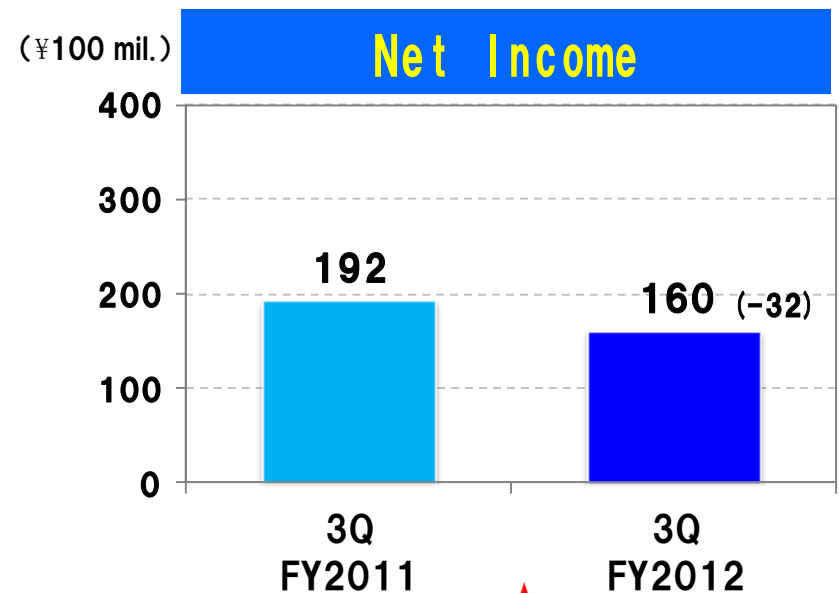
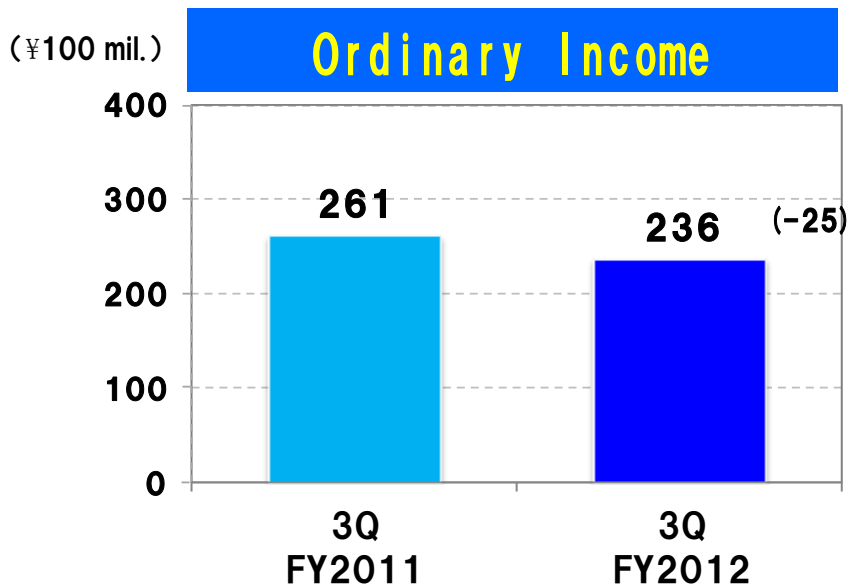
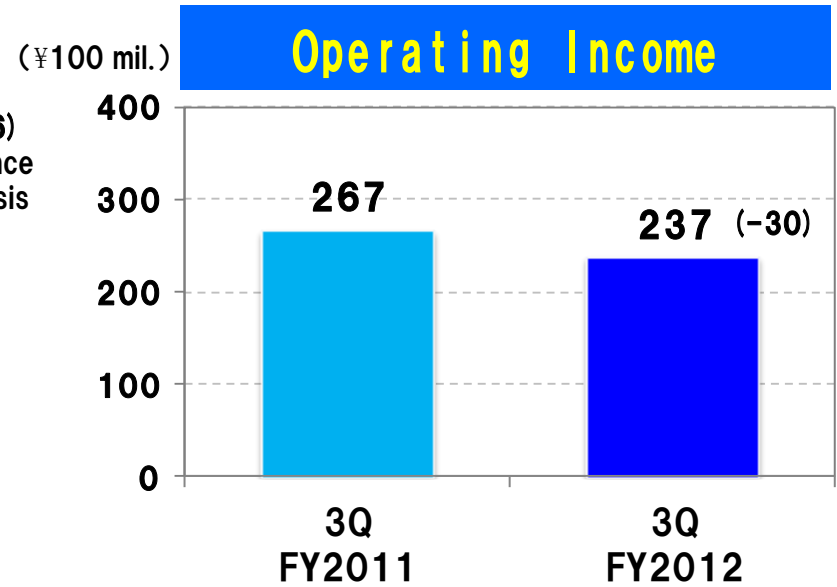
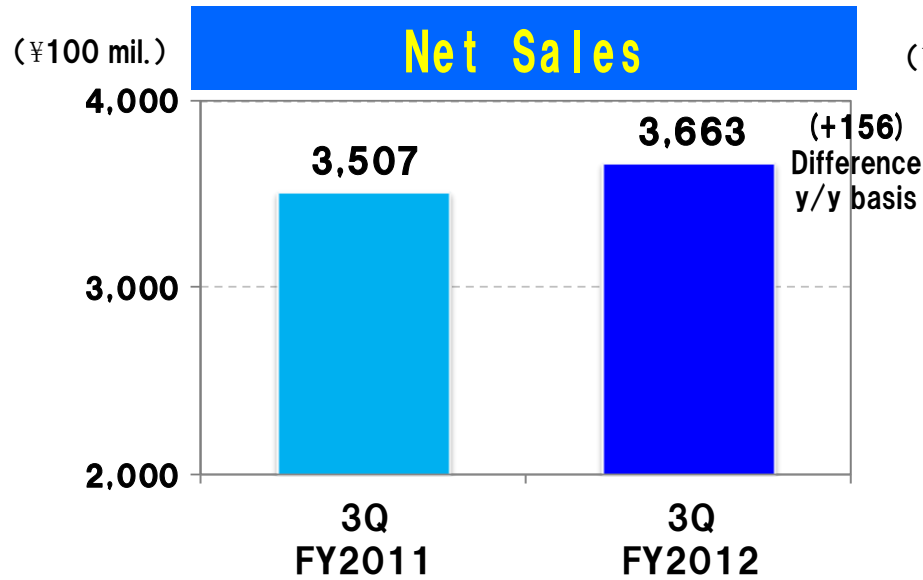


For Telephone Conference

**Fiscal Year ending March 2012
3rd Quarter Results
(Apr. 1 – Dec. 31 / 2011)**

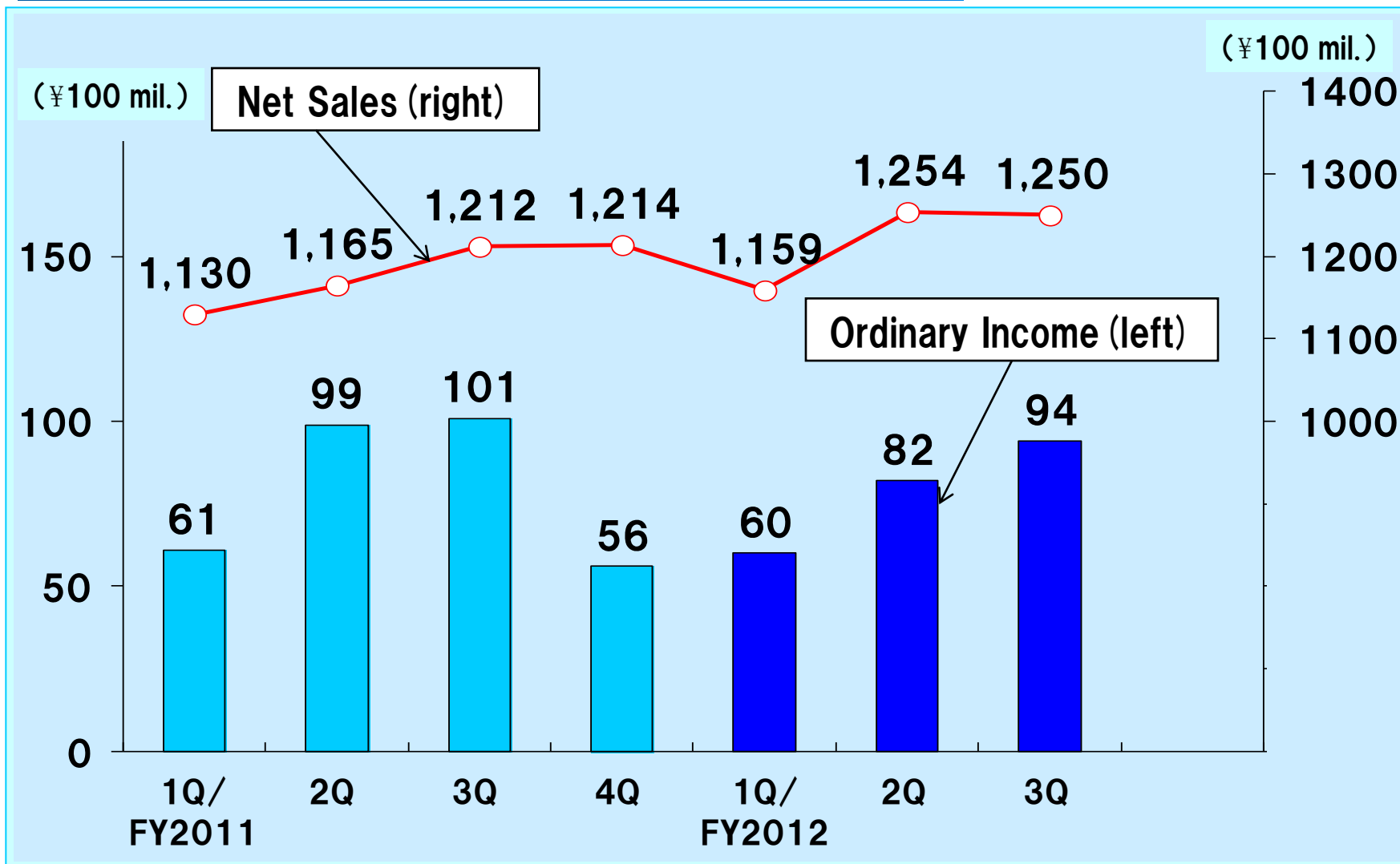
January 31, 2012

Summary of the results for 3rd 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.)

		FY2012		
		1Q Results	2Q Results	3Q Results
Specialty Steel	Net Sales	720	744	755
	Operating Income (Volume)	40 (292Kt)	56 (318Kt)	64 (332Kt)
Electronic & Magnetic Materials	Net Sales	103	110	110
	Operating Income	5	5	3
Parts for Automobile & Industrial Equipment	Net Sales	250	281	277
	Operating Income	10	13	14
Engineering	Net Sales	39	70	64
	Operating Income	1	7	4
New Materials	Net Sales	24	22	21
	Operating Income	1	1	2
Trading & Service	Net Sales	23	27	23
	Operating Income	3	4	4
Total	Net Sales	1,159	1,254	1,250
	Operating Income	60	86	91

FY2012 Net Sales & Operating Income by Segment

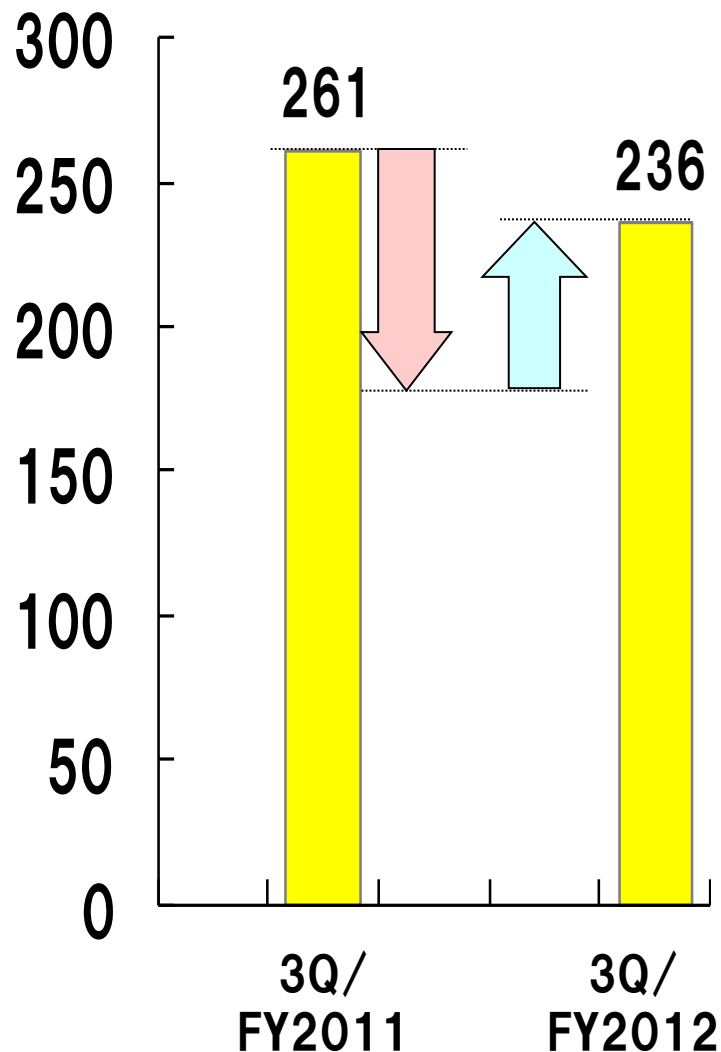
(¥100 mil.)

		FY2012		FY2012		Results/Forecast
		1Q (Results)	2Q (Results)	3Q (Results)	2H (Forecast)	
Specialty Steel	Net Sales	720	744	755	1,354	69%
	Operating Income (Volume)	40 (292Kt)	56 (318Kt)	64 (332Kt)	93 (627Kt)	
Electronic & Magnetic Materials	Net Sales	103	110	110	239	18%
	Operating Income	5	5	3	17	
Parts for Automobile & Industrial Equipment	Net Sales	250	281	277	563	40%
	Operating Income	10	13	14	35	
Engineering	Net Sales	39	70	64	127	57%
	Operating Income	1	7	4	7	
New Materials	Net Sales	24	22	21	57	100%
	Operating Income	1	1	2	2	
Trading & Service	Net Sales	23	27	23	47	80%
	Operating Income	3	4	4	5	
Total	Net Sales	1,159	1,254	1,250	2,387	57%
	Operating Income	60	86	91	159	

FY2012/3Q Changes in Ordinary Income (y/y)

(¥100 mil.)

(¥100 mil.)



FY2011/3Q 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	
FY2012/3Q Ordinary Income	

261	
-34	/
/	+19
/	+40
-8	/
-2	/
-45	/
-89	+59
/	+5
236 (-25)	

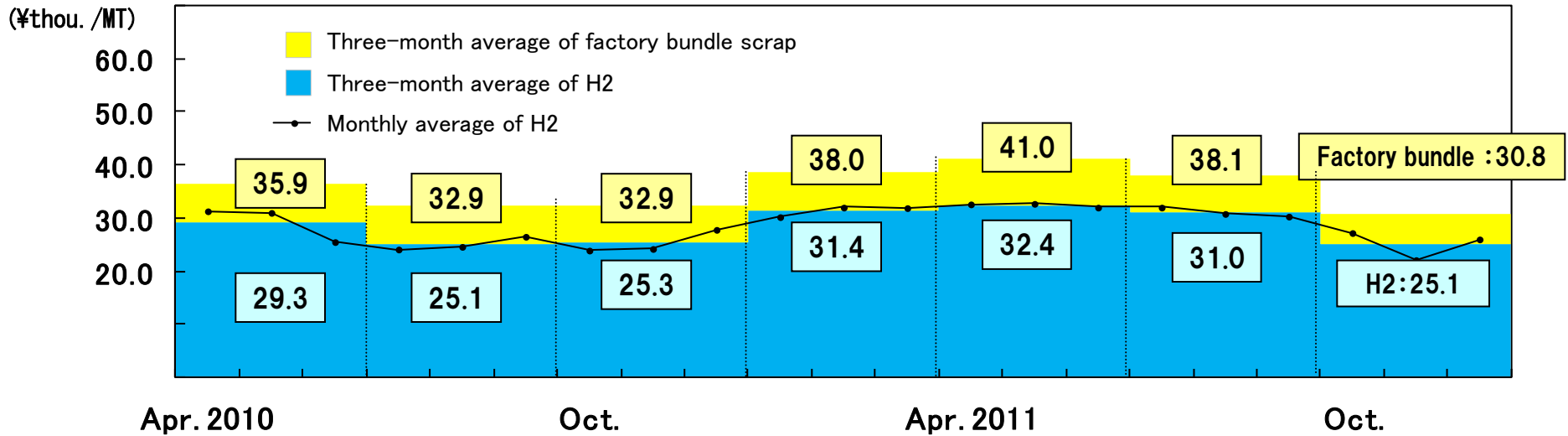
Net Sales & Operating Income by Segment (y/y basis)

(¥100 mil.)

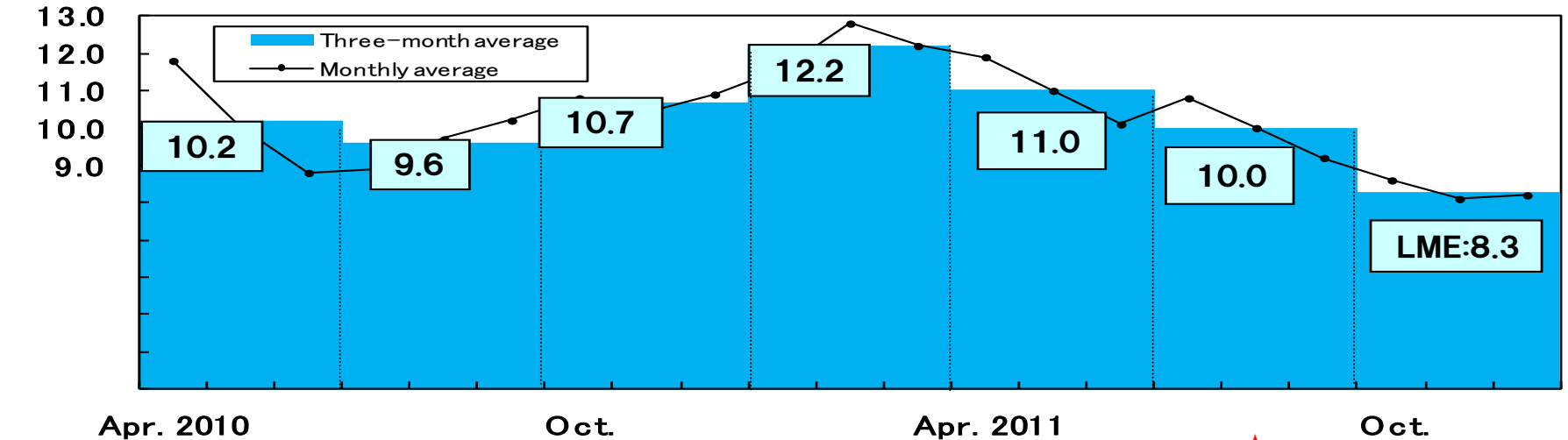
		FY2011/3Q	FY2012/3Q	
		Results (A)	Results (B)	y/y basis (B) - (A)
Specialty Steel	Net Sales	2,138	2,219	81
	Operating Income	173	160	-13
	Volume	920Kt	942Kt	22Kt
Electronic & Magnetic Materials	Net Sales	301	323	22
	Operating Income	15	13	-2
Parts for Automobile & Industrial Equipment	Net Sales	766	808	42
	Operating Income	55	37	-18
Engineering	Net Sales	161	173	12
	Operating Income	11	12	1
New Materials	Net Sales	72	67	-5
	Operating Income	4	4	0
Trading & Service	Net Sales	69	73	4
	Operating Income	9	11	2
Total	Net Sales	3,507	3,663	156
	Operating Income	267	237	-30

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)

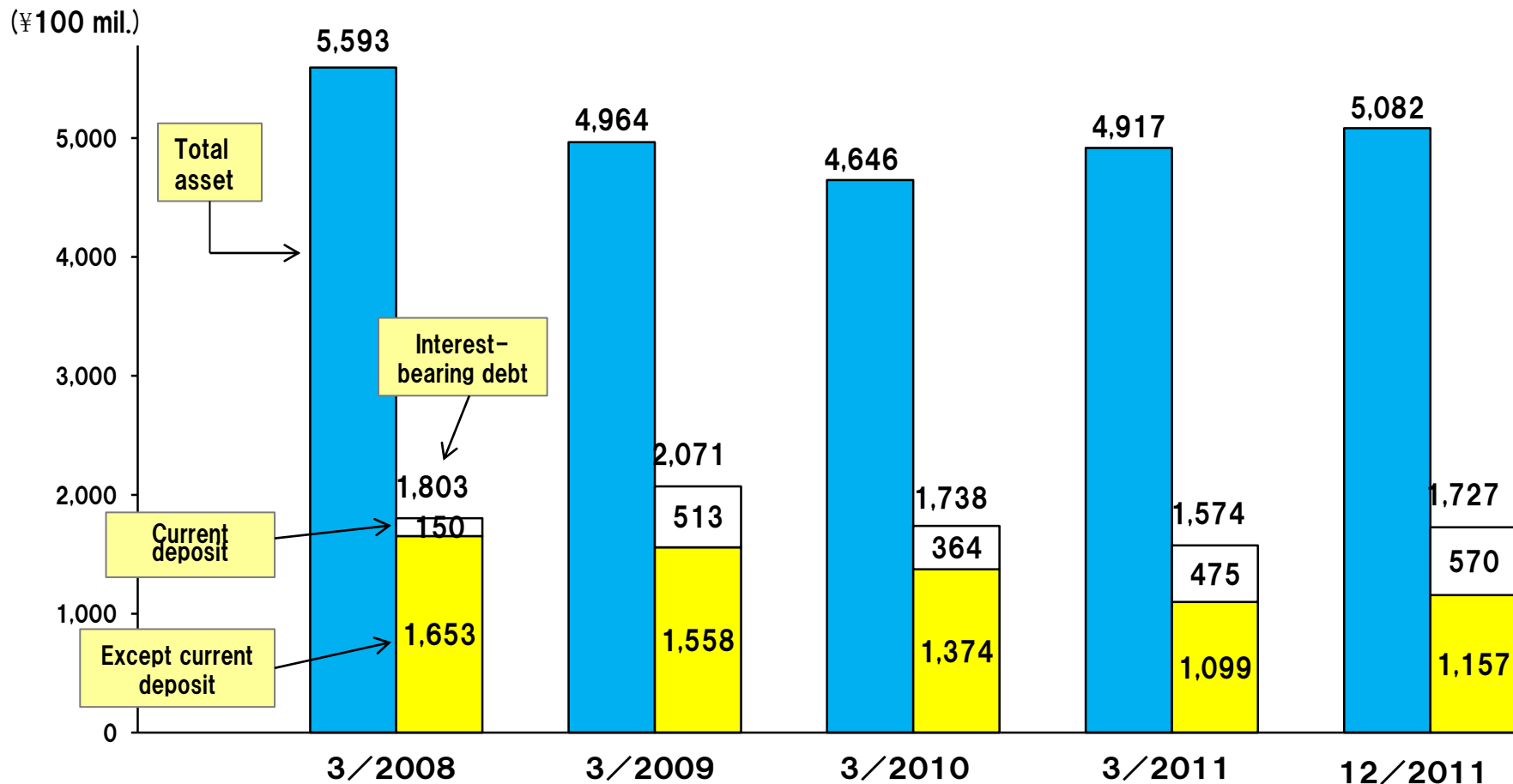
	UNIT	SH of FY2012 Premises of plan (At the time of Oct. 31)	FY2012/3Q Results (Difference)
Scrap steel Upper:H2 Lower:Factory bundle	JPY1000 /MT	29.0 35.0	25.1 (-3.9) 30.8 (-4.2)
Nickel (LME)	\$/LB	9.0	8.3 (-0.7)
Molybdenum (MW)	\$/LB	14.5	13.4 (-1.1)
Chrome (South African price quotation)	¢ /LB	128.0	128.0 (0.0)
Exchange rate	¥/\$	78.0	77.4 (-0.6)

FY2012 3rd quarter Extraordinary Income/Loss and Net Income

(¥100 mil.)

FY2012 3rd quarter Ordinary income	236
Extraordinary income / loss	▲17
Income taxes	▲59
FY2012 3rd quarter Net income	160

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



	3/2008	3/2009	3/2010	3/2011	12/2011
ROA	6.9%	1.6%	▲2.9%	6.6%	6.3%
D/E	0.96	1.25	1.09	0.88	0.93
(NET. D/E)	(0.88)	(0.94)	(0.86)	(0.62)	(0.62)

(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.