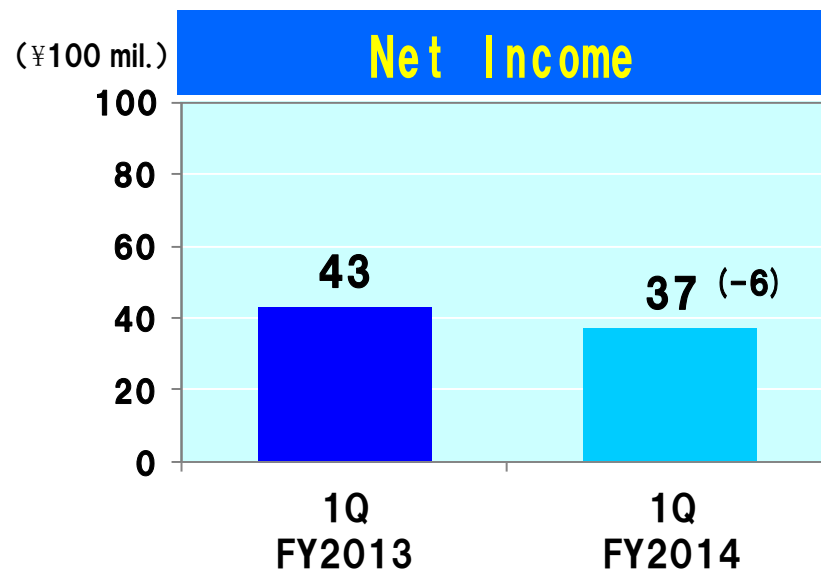
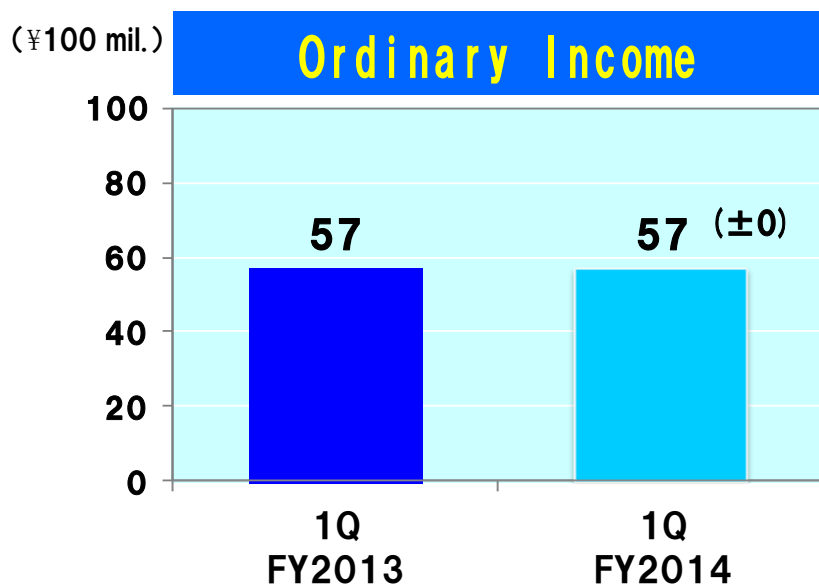
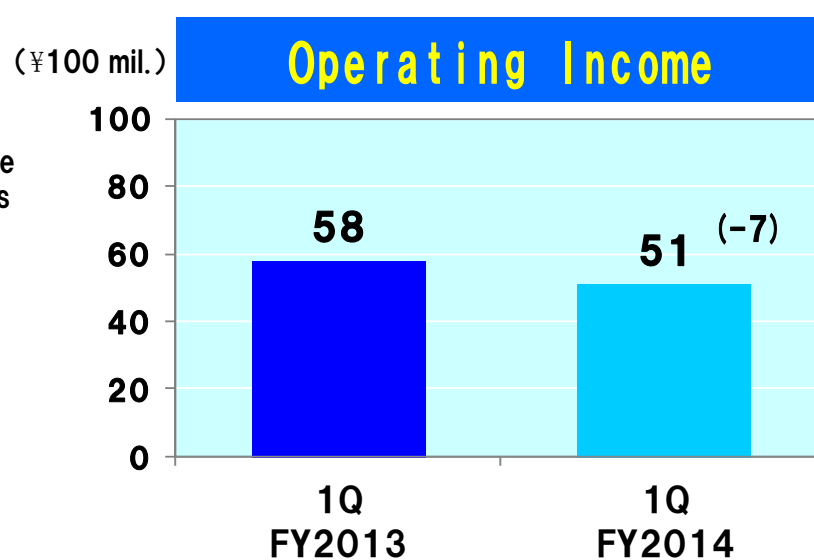
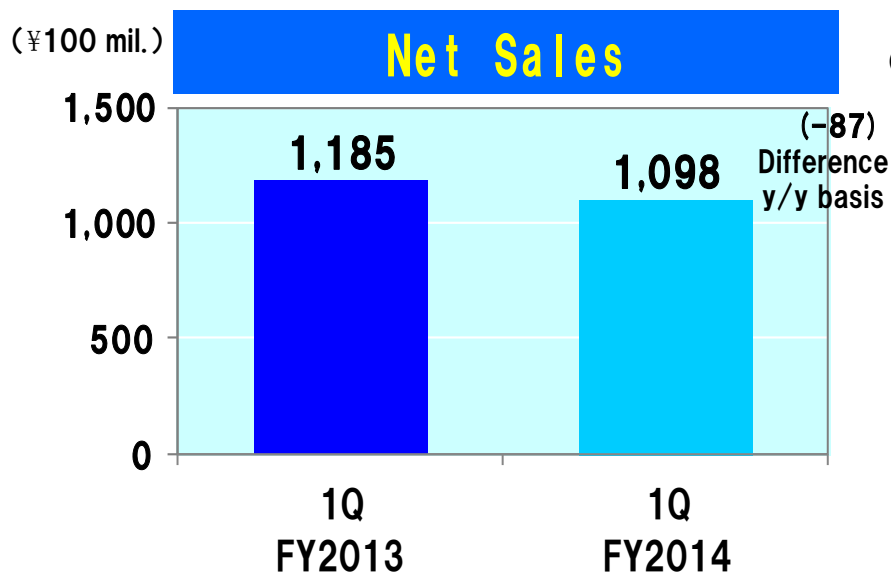


For Telephone Conference

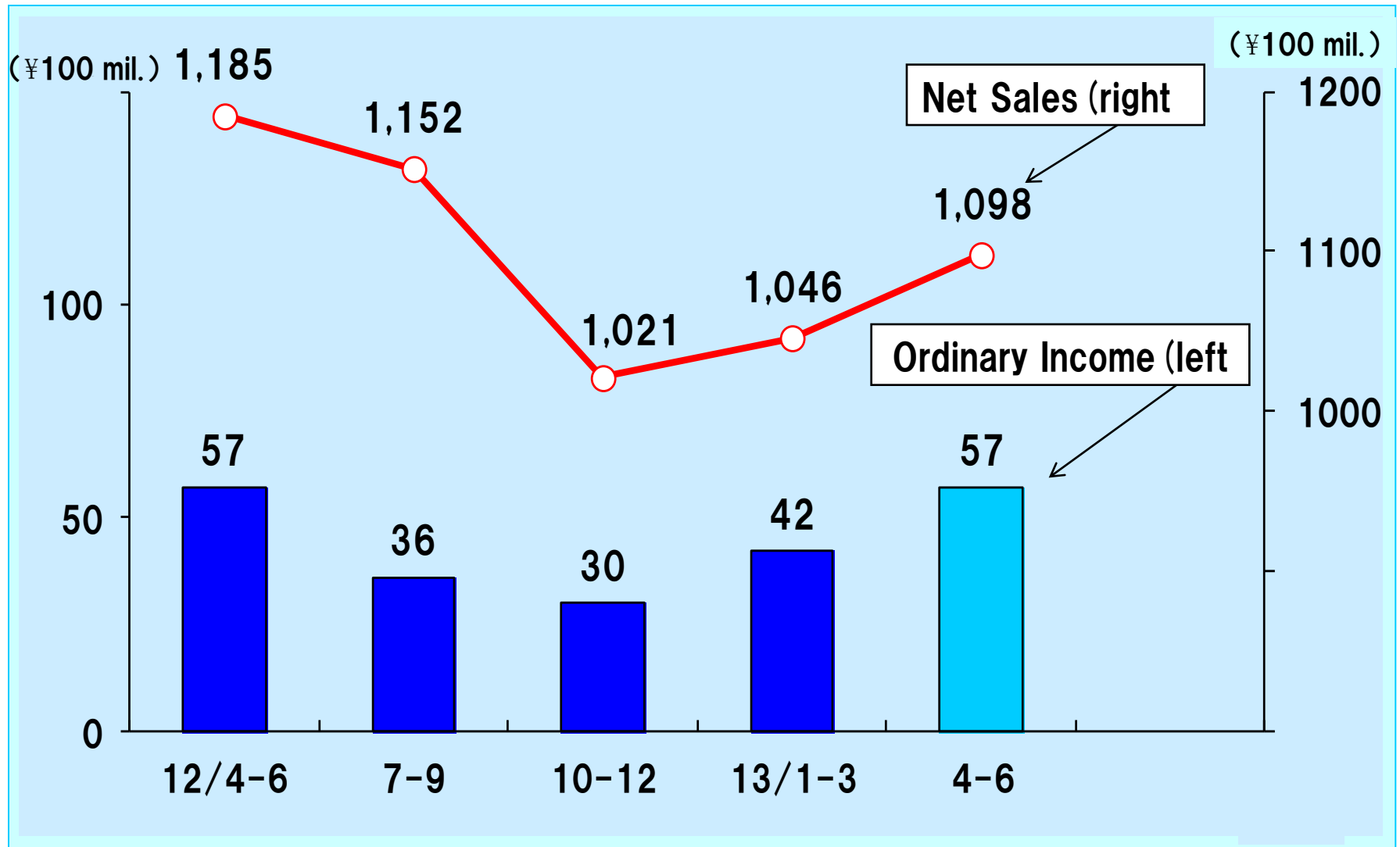
**Fiscal Year ending March 2014
1st Quarter Results
(Apr. 1 – JUN.30 / 2013)**

July 24, 2013

Summary of the results for 1st quarter in FY2014

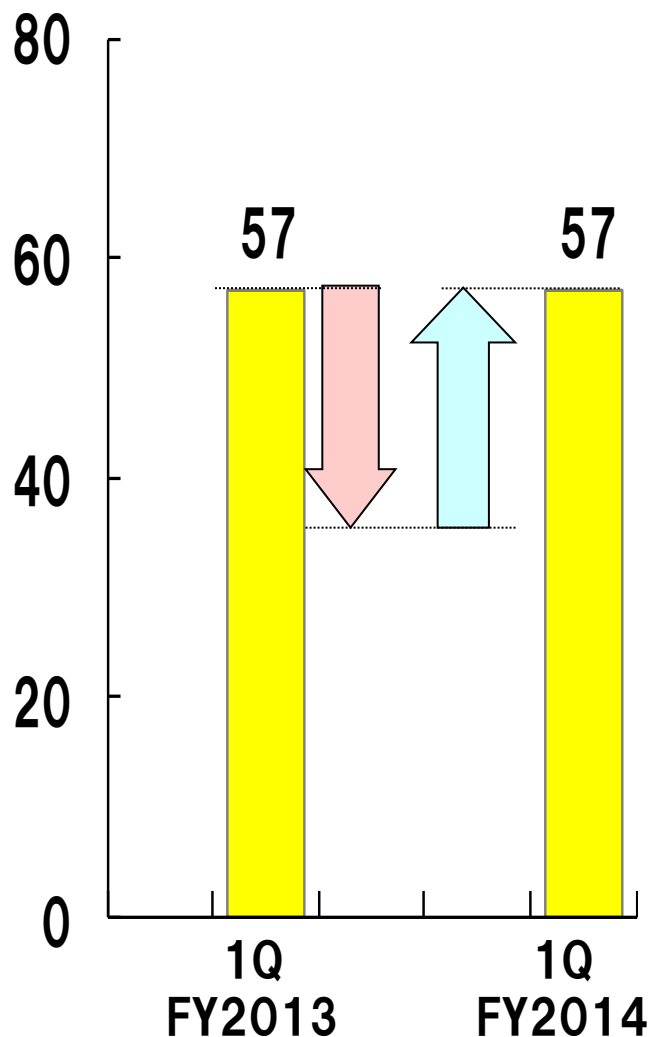


Changes in Net Sales & Ordinary Income (Quarterly)



FY2014/1Q Changes in Ordinary Income (y/y)

(¥100 mil.)



(¥100 mil.)

FY2013/1Q 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	
FY2014/1Q Ordinary Income		

57	
-5	/
-10	/
-5	/
/	+4
/	+3
/	+6
-20	+13
/	+7
57 (±0)	

FY2014 Net Sales & Operating Income by Segment

(¥100 mil.)

		FY2013/1Q	FY2014/1Q	
		Results (A)	Results (B)	y/y basis (B) - (A)
Specialty Steel	Net Sales	470	442	-28
	Operating Income	17	8	-9
High Performance Materials and Magnetic Materials	Net Sales	381	354	-27
	Operating Income	27	28	1
Parts for Automobile and Industrial Equipment	Net Sales	245	231	-14
	Operating Income	11	13	2
Engineering	Net Sales	67	47	-20
	Operating Income	0	-1	-1
New Materials	Net Sales	22	24	2
	Operating Income	3	3	0
Trading and Service	Net Sales	1,185	1,098	-87
	Operating Income	58	51	-7

Former Net Sales of
Specialty steel

volume

310thou.t

281thou.t

-29thou.t

FY2014 Net Sales & Operating Income by Segment (Quarterly)

(¥100 mil.)

		FY2013				FY2014
		1Q Results	2Q Results	3Q Results	4Q Results	1Q Results
Specialty Steel	Net Sales	470	432	401	391	442
	Operating Income	17	7	5	6	8
High Performance Materials and Magnetic Materials	Net Sales	381	340	317	330	354
	Operating Income	27	14	10	15	28
Parts for Automobile and Industrial Equipment	Net Sales	245	230	228	230	231
	Operating Income	11	7	9	7	13
Engineering	Net Sales	67	126	53	74	47
	Operating Income	0	6	-1	3	-1
Trading and Service	Net Sales	22	24	22	21	24
	Operating Income	3	4	2	2	3
Total	Net Sales	1,185	1,152	1,021	1,046	1,098
	Operating Income	58	38	25	33	51

Former Net Sales of
Specialty steel

volume

310thou.t 286thou.t 260thou.t 248thou.t 281thou.t

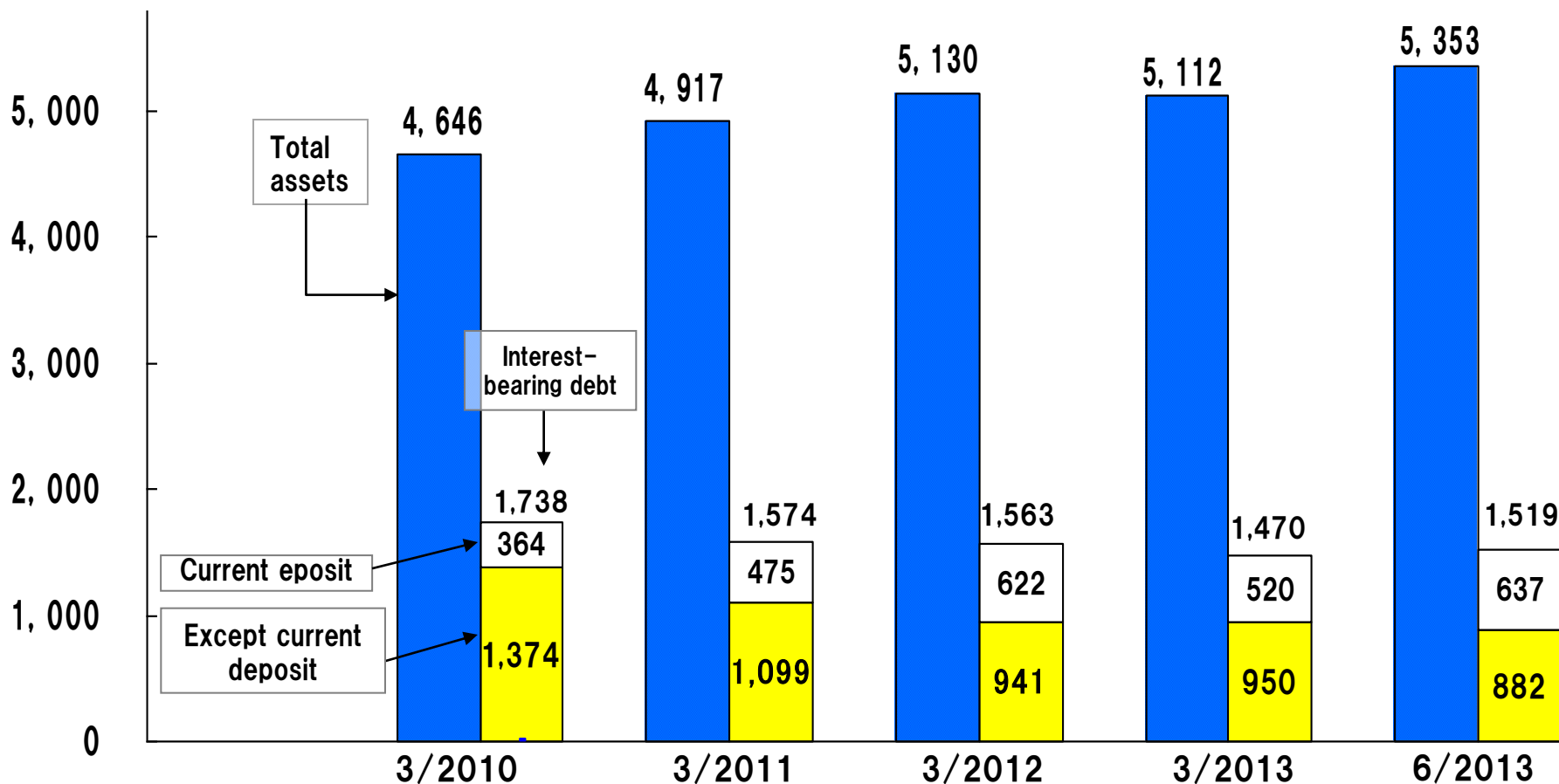
FY2014 1st quarter Extraordinary Income/Loss and Net Income

(¥100 mil.)

FY2014 1st quarter Ordinary income	57
Extraordinary income / loss	+5
Income taxes	-25
FY2014 1st quarter Net income	37

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

(¥100 mil.)

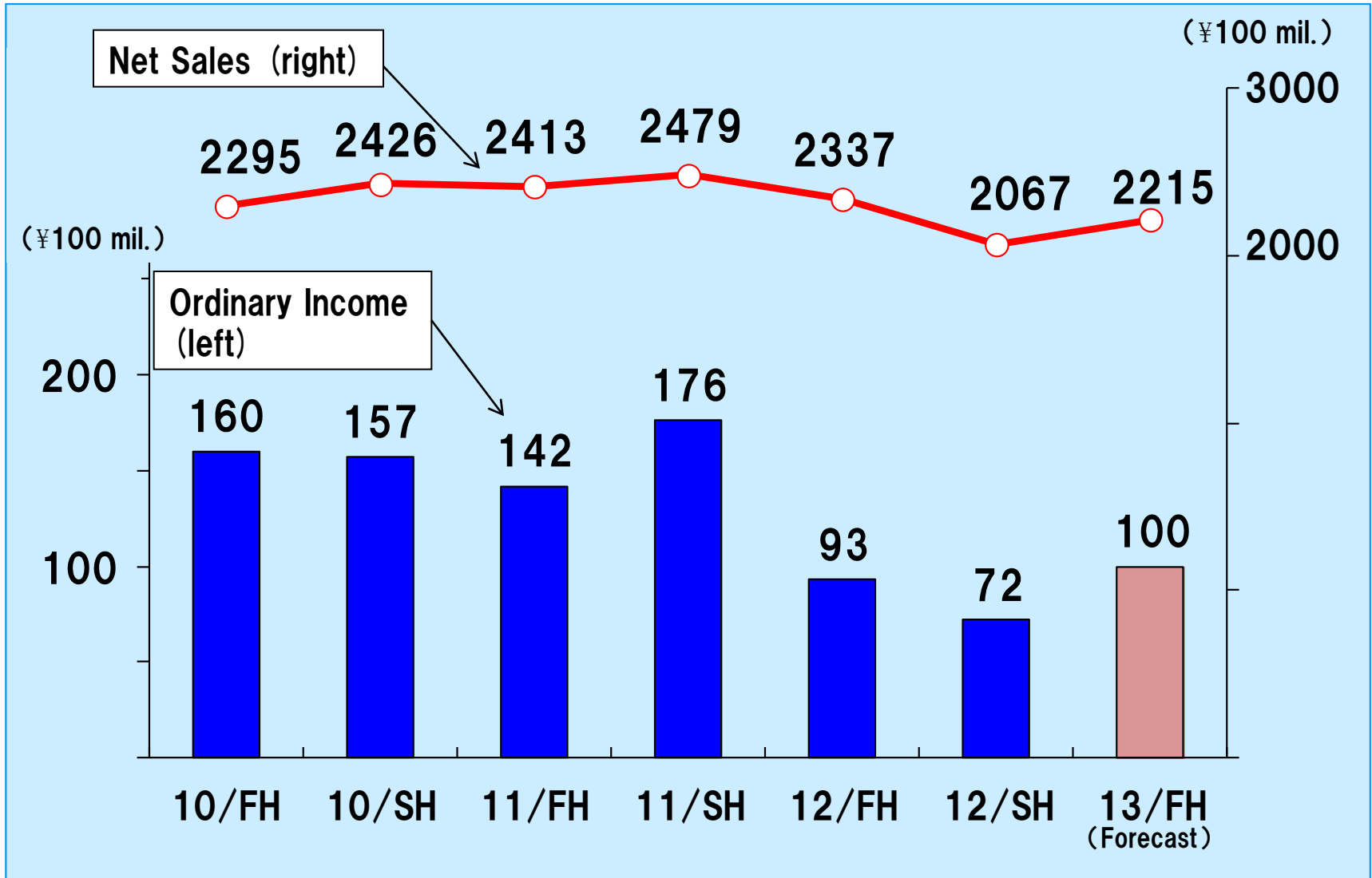


	3/2010	3/2011	3/2012	3/2013	6/2013
ROA	-2.9%	6.6%	6.3%	3.2%	4.3%
D/E	1.09	0.88	0.79	0.69	0.69

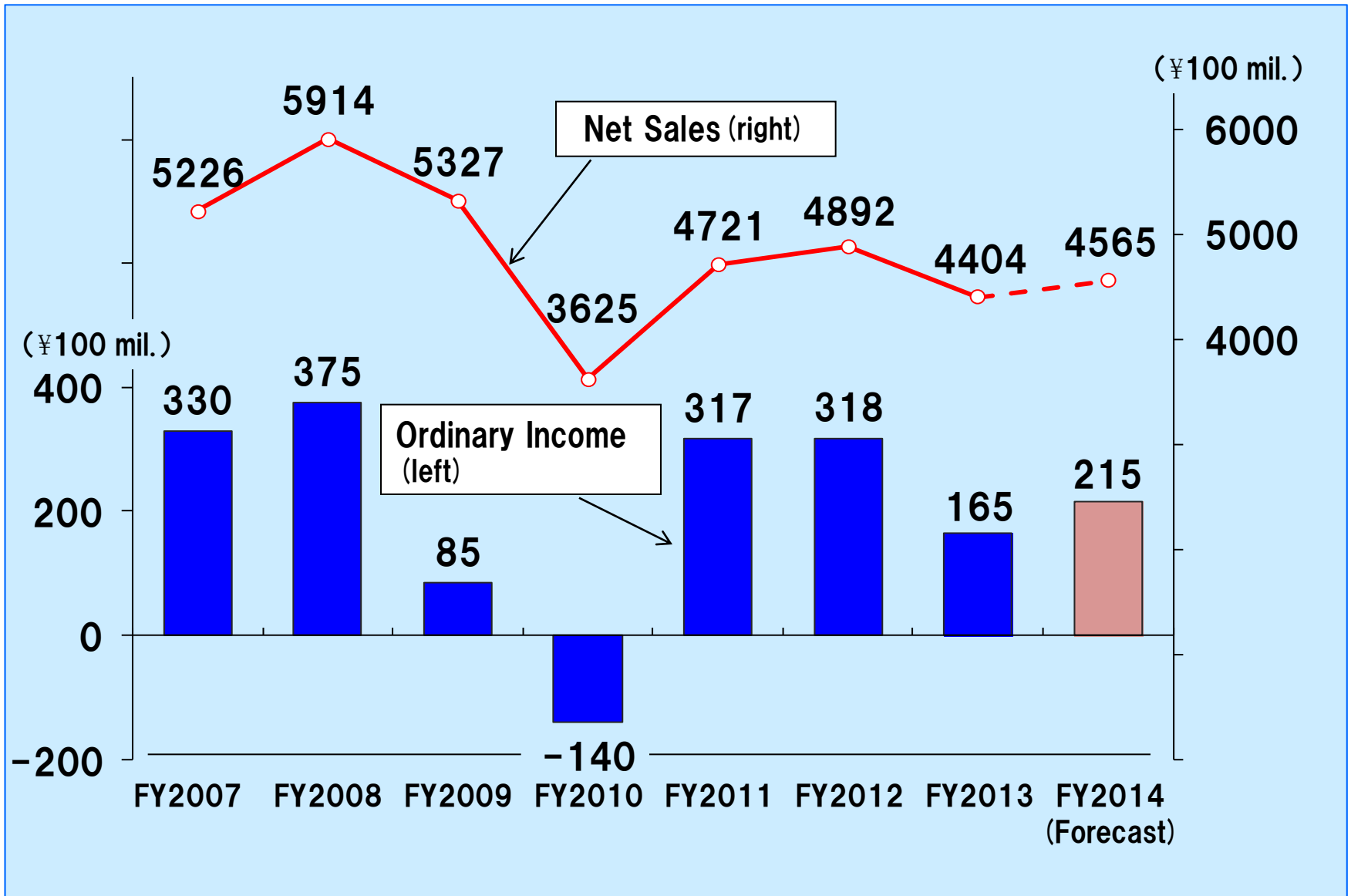
Plan for FY2014

(Apr.1 / 2013 – Mar.31 / 2014)

Changes in Net Sales & Ordinary Income (Interim)

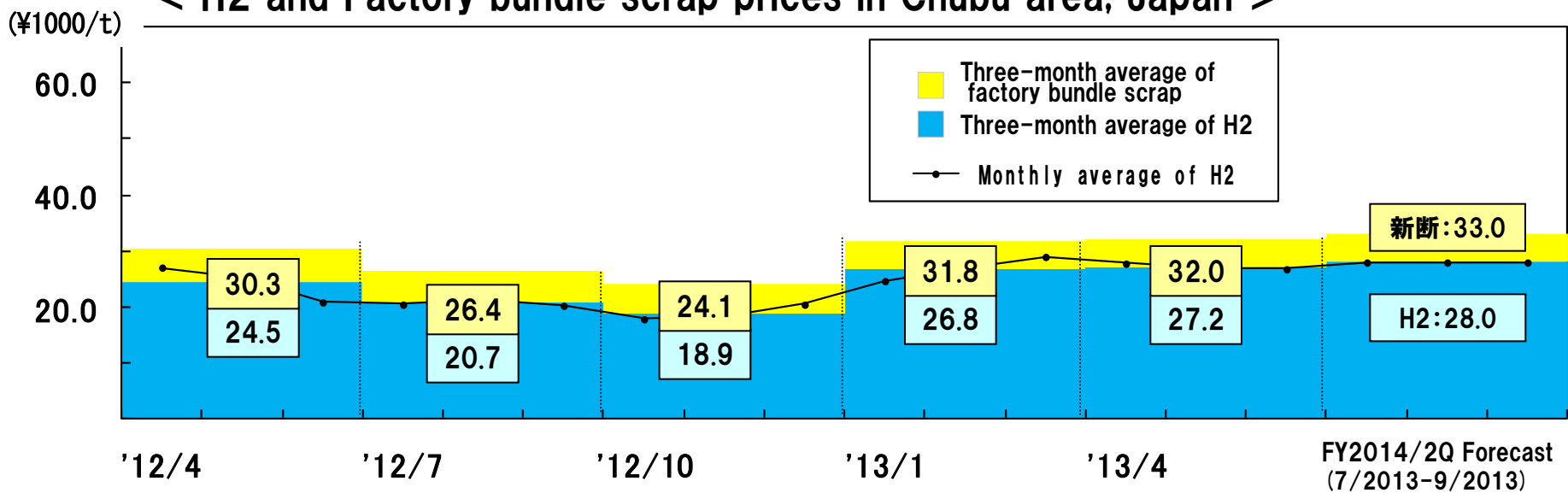


Changes in Net Sales & Ordinary Income (Forecast for FY2014)

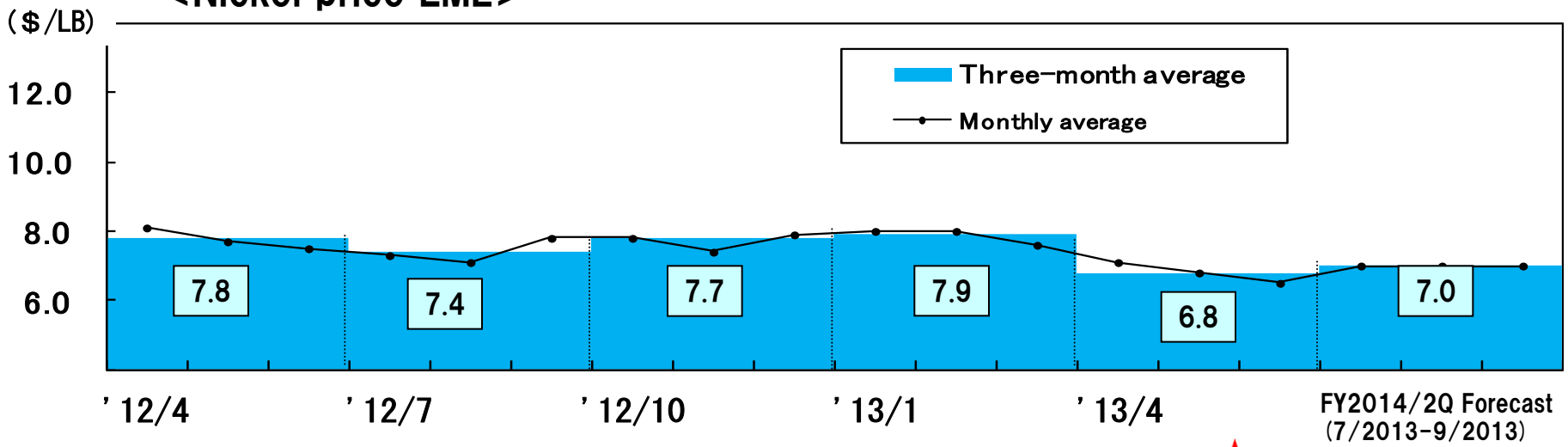


Market Trend of Raw Materials(Scrap Steel and Nickel)

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



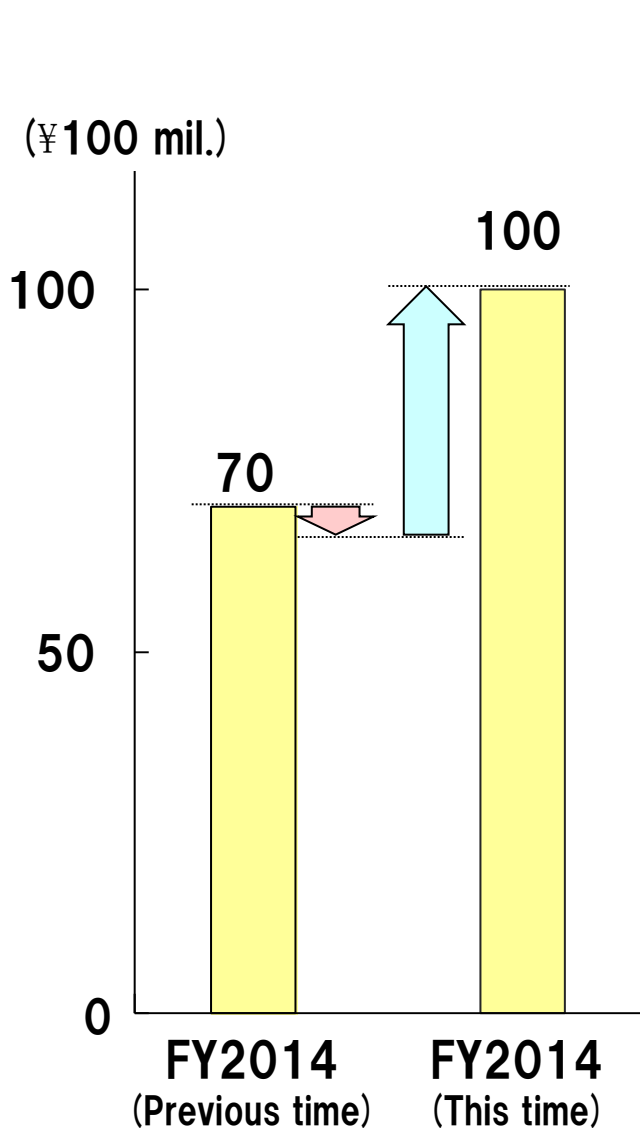
< Nickel price LME >



Premises of Profit Planning for FY2014 (Market Trend)

	UNIT	FY2014/1Q Results Results (Difference)	'13/7-9 Premises of plan (Difference)
Scrap steel Upper:H2 Lower:Factory bundle	¥thou./T	27.2 (-2.8) 32.0 (-3.0)	28.0 (-2.0) 33.0 (-2.0)
Nickel (LME)	\$/LB	6.8 (-1.7)	7.0 (-1.5)
Molybdenum (MW)	\$/LB	10.9 (-2.1)	11.0 (-2.0)
Crude oil (Dubai)	\$/B	100.8 (-14.2)	110.0 (-5.0)
Exchange rate (TTM)	¥/\$	98.8 (+6.3)	92.5 (±0)

FY2014 Changes in Ordinary Income (Difference from the previous forecast)



FY2014 Ordinary Income (Previous time)	
Changes (Difference between the previous forecast)	Operating Income / Loss
	Raw material price
	Sales volume
	Sales price
	Sales mix
	Variable cost
	Fixed cost
	Subtotal
Non-Operating income	
FY2014 Ordinary Income (This time)	

(¥100 mil.)

70	
/	+18
/	+16
-6	/
/	+2
/	/
/	/
-6	+36
/	/
100 (+30)	

Net Sales & Operating Income by Segment (Difference from the previous forecast)

(¥100 mil.)

		FY2014/2Q Forecast (previous time) (A)	FY2014/2Q Forecast (B)	Differences (B) - (A)
Specialty Steel	Net Sales	853	885	32
	Operating Income	1	16	15
High Performance Materials and Magnetic Materials	Net Sales	705	706	1
	Operating Income	47	55	8
Parts for Automobile and Industrial Equipment	Net Sales	458	472	14
	Operating Income	13	24	11
Engineering	Net Sales	119	102	-17
	Operating Income	3	-2	-5
Trading and Service	Net Sales	45	50	5
	Operating Income	6	7	1
Total	Net Sales	2,180	2,215	35
	Operating Income	70	100	30

Former Net Sales of
Specialty steel

volume

559 thou.t

578 thou.t

19 thou.t

FY2014 Extraordinary Income/Loss and Net Income

(¥100 mil.)

FY2014 Ordinary income	100
Extraordinary income / loss	+7
Income taxes	-52
FY2014 Net income	55

(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.