

(Presentation Materials)**I Financial Results for the Fiscal Year Ended March 31, 2009****1. Results of Operations**

(Billions of yen)

	FY Ended Mar.31,2009 (Actual)	FY Ended Mar.31,2008 (Actual)	Change	FY Ended Mar.31,2009 (Current forecast)	Change
	a	b	a - b	c	a - b
Net sales	617.3	649.4	(32.1)	620.0	(2.7)
Operating income	(7.3)	58.4	(65.7)	14.0	(21.3)
Income before special items	(12.3)	54.5	(66.8)	7.0	(19.3)
Net income	(25.4)	32.1	(57.5)	2.0	(27.4)
Net income per share (Yen)	(28.15)	35.37	(63.52)	2,21	(30.36)

(Of which) Stainless Steel Business Results

Net sales	150.0	225.0	(75.0)	150.0	0
Income before special items	(30.0)	32.0	(62.0)	(12.0)	(18.0)

2. Other Information (Non-Consolidated)

	FY Ended Mar.31,2009 (Actual)					FY Ended Mar.31,2008 (Actual)		
	1st half	2nd half		Full year	1st half	2nd half	Full year	
		3Q	4Q					
Crude steel production (1,000 tons)	2,039	936	705	1,641	3,680	2,027	2,091	4,118
Of which, stainless steel	297	108	68	176	473	311	326	637
Sales volume (1,000 tons)	1,981	890	602	1,492	3,473	1,941	1,993	3,934
Of which, stainless steel	287	91	76	167	454	271	290	561
Average sales price of steel products (¥1,000/ton)	143	139	121	132	138	140	130	135
Export ratio (monetary basis; %)	21	11	15	13	17	16	16	16
Export exchange rate (¥/U.S. \$)	106	95	94	95	103	120	108	114
Excess of imports over exports (US\$ million)	773	488	427	915	1,688	812	600	1,412

3. Income Before Special Items Differential Breakdown

①FY Ended Mar.31,2008 (Actual) VS FY Ended Mar.31,2009 (Actual)

(Billions of yen)

(Of which, Stainless steel)

FY Ended Mar.31,2008 (Actual)	54.5	Breakdown	32.0
Sales related	27.0	Price difference 46.5 Volume and composition difference (19.5)	(35.5)
Purchasing price	(86.0)	Coke (50.0), Iron ore (26.0), Nickels 30.0, Chromium (19.5), Oil and gas (12.0)	5.0
Cost improvement, etc.	22.9	Cost improvement 8.5 , Cost for reduced production (5.0),Exchange rate 19.0, Depreciation (2.5)	9.5
Subsidiaries	1.0	WN 1.0	-
Special items	(31.7)	Un realized holding gains on inventories (30.2)	(41.0)
Total	(66.8)		(62.0)
FY Ended Mar.31,2009 (Actual)	(12.3)		(30.0)

②FY Ended Mar.31,2009 Current forecast VS Actual

(Billions of yen)

(Of which, Stainless steel)

FY Ended Mar.31,2009 (Current forecast)	7.0	Breakdown	(12.0)
Sales related	(2.0)	Price difference (1.0) Volume and composition difference (1.0)	(1.0)
Purchasing price	(5.0)	Coke (0.5), Iron ore (0.5), Nickels (1.5) , Chromium (1.0) , Oil and gas (1.0)	(3.5)
Cost improvement, etc.	4.9	Exchange rate , 1.0	(3.5)
Subsidiaries	0		-
Special items	(17.2)	Un realized holding gains on inventories (17.2)	(17.0)
Total	(19.3)		(18.0)
Actual	(12.3)		(30.0)

4. Dividends

The planned year-end dividend is ¥3 per share.

The interim dividend was ¥4 per share.

5. Financial Information

① Balance Sheet (Summary)

(Billions of yen)

	Vs. March, 2008			Vs. March, 2008	
Cash on hand and in banks	39.6	21.4	Interest-bearing debt	286.2	67.6
Accounts receivable	57.0	(36.2)	Intangible debt	1.2	(33.8)
Inventories	177.5	11.0	Other liabilities	174.1	(29.0)
Other current assets	20.5	(10.3)	Total liabilities	461.6	4.7
Property, plant and equipment	275.1	(1.9)	Common stock and additional paid-in capital	129.8	-
Investments and long-term receivables	140.8	(81.7)	Retained earnings	151.1	(34.5)
Intangible assets	11.5	1.7	Treasury stock, at cost	(26.4)	(0.5)
			Valuation and translation adjustments	0.6	(65.7)
			Minority interests	5.5	0
Total assets	722.2	(96.0)	Total net assets	260.6	(100.8)
			Total liabilities and total net assets	722.2	(96.0)

② Cash Flows

(Billions of yen)

	FY Ended Mar.31,2009 (Actual)		FY Ended Mar.31,2008 (Actual)
Cash flows from operating activities	25.8	Loss before provision for income taxes (17.9) Depreciation and amortization 40.4 Decrease in notes and accounts receivable 36.0 Decrease in notes and accounts payable (20.1) Increase in inventories (11.3)	26.5
Cash flows from investing activities	(62.2)	Acquisition of property, plant and equipment (33.2) Acquisition of investments in securities (23.4)	(49.1)
Cash flows from financing activities	(58.5)	Increase in interest-bearing debt 67.7 Cash dividends (9.0)	26.9
Cash and cash equivalents at end of year	39.6		18.1

II Forecasts of Results of Operations for the Fiscal Year Ending March 31, 2010

(Billions of yen)

	FY Ending Mar.31,2010 (Forecast)			FY Ended Mar.31,2009 (Actual) b	Change b - a
	1st half	2nd half	a		
Net sales	170.0	220.0	390.0	617.3	(227.3)
Operating income	(45.0)	0	(45.0)	(7.3)	(37.7)
Income before special items	(50.0)	0	(50.0)	(12.3)	(37.7)
Net income	(51.0)	0	(51.0)	(25.4)	(25.6)

(Yen)

Net income per share(Yen)	(56.42)	-	(56.42)	(28.15)	28.27
---------------------------	---------	---	---------	---------	-------

Excess of imports over export (US\$ million)	100	100	100	103	3(Yen appreciation)
--	-----	-----	-----	-----	---------------------

(Reference)

① Investment and Depreciation

(Billions of yen)

	FY Ended Mar.31,2009 (Actual)			FY Ended Mar.31,2008 (Actual) Full year
	1st half	2nd half	Full year	
Investment	18.5	19.5	38.0	34.0
Depreciation	19.4	21.0	40.4	37.3

② Interest-bearing debt (Billions of yen) and D/E ratio

Interest-bearing debt	252.3	-	286.2	218.6
D/E ratio	0.73	-	1.12	0.61