



SIFCO **INDUSTRIES, INC.**

Date of Release: February 13, 2009
Contact: Frank Cappello

NEWS RELEASE

SIFCO Industries, Inc. is engaged in the production and sale of a variety of metalworking processes, services and products produced primarily to the specific design requirements of its customers. The processes and services include forging, heat-treating, coating, welding, machining and selective electrochemical finishing. The products include forged components, machined forged components and other machined metal components, remanufactured component parts for aerospace turbine engines, and selective electrochemical finishing solutions and equipment. The Company's operations are conducted in three business segments: (1) Aerospace Component Manufacturing Group, (2) Turbine Components Services and Repair Group, and (3) Applied Surface Concepts Group.

970 East 64th Street • Cleveland, OH 44103 • Phone: (216) 881-8600 • Fax: (216) 432-6281
Or visit our home page: www.sifco.com

SIFCO Industries, Inc. Announces Fiscal 2009 First Quarter Financial Results

SIFCO Industries, Inc. today announced financial results for its fiscal 2009 first quarter, which ended December 31, 2008. Income from continuing operations in the first quarter of fiscal 2009 increased to \$1.5 million, compared with \$1.1 million in the comparable fiscal 2008 period. Included in income from continuing operations in the first quarter of fiscal 2008 was \$0.5 million of expense related to the business settlement of a product dispute. Net income for the first quarter of fiscal 2009 was \$1.6 million, or \$0.31 per diluted share, compared with a net income of \$1.1 million, or \$0.20 per diluted share for the comparable fiscal 2008 period.

Net sales increased 2.1% in the first quarter of fiscal 2009 to \$23.5 million compared with \$23.1 million for the same period a year ago. In the first quarter of fiscal 2009:

- Aerospace Component Manufacturing Group net sales increased by \$0.4 million, or 2.6%, to \$16.2 million, compared with \$15.8 million in the comparable 2008 period;
- Turbine Components Services and Repair Group net sales decreased by \$0.3 million, or 7.4%, to \$3.5 million, compared with \$3.8 million for the comparable 2008 period; and
- Applied Surface Concepts Group net sales increased by \$0.4 million, or 9.8%, to \$3.8 million, compared with \$3.4 million for the comparable 2008 period.

Forward-Looking Language

Certain statements contained in this press release are "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995, such as statements relating to financial results and plans for future business development activities, and are thus prospective. Such forward-looking statements are subject to risks, uncertainties and other factors, which could cause actual results to differ materially from future results expressed or implied by such forward-looking statements. Potential risks and uncertainties include, but are not limited to, economic conditions, competition and other uncertainties detailed from time to time in the Company's Securities and Exchange Commission filings.

The Company's Form 10-Q for the quarter ended December 31, 2008 can be accessed through its website: www.sifco.com, or on the Securities and Exchange Commission's website: www.sec.gov.

Consolidated Condensed Statements of Operations

	First Quarter Ended December 31,	
	2008	2007
Net sales -----	\$ 23,537	\$ 23,061
Cost of goods sold-----	18,155	17,824
Selling, general and administrative expenses-----	<u>2,863</u>	<u>3,425</u>
Operating income-----	2,519	1,812
Interest expense, net -----	11	64
Foreign currency exchange loss -----	72	5
Other income, net -----	<u>(5)</u>	<u>(2)</u>
Income from continuing operations before income tax provision-----	2,441	1,745
Income tax provision-----	<u>903</u>	<u>630</u>
Income from continuing operations -----	1,538	1,115
Income (loss) from discontinued operations, net of tax -----	<u>92</u>	<u>(43)</u>
Net income -----	<u>\$ 1,630</u>	<u>\$ 1,072</u>
Income per share from continuing operations:		
Basic -----	\$ 0.29	\$ 0.21
Diluted -----	\$ 0.29	\$ 0.21
Income (loss) per share from discontinued operations, net of tax:		
Basic -----	\$ 0.02	\$ (0.01)
Diluted -----	\$ 0.02	\$ (0.01)
Net income per share:		
Basic -----	\$ 0.31	\$ 0.20
Diluted -----	\$ 0.31	\$ 0.20
Weighted average number of common shares (basic) -----	5,295	5,285
Weighted average number of common shares (diluted)-----	5,307	5,336

Business Segment Reporting

	First Quarter Ended December 31,	
	2008	2007
Net sales		
Aerospace Component Manufacturing -----	\$ 16,236	\$ 15,817
Turbine Component Service and Repair-----	3,522	3,802
Applied Surface Concepts-----	<u>3,779</u>	<u>3,442</u>
Consolidated net sales-----	<u>\$ 23,537</u>	<u>\$ 23,061</u>
Operating income (loss)		
Aerospace Component Manufacturing -----	\$ 2,441	\$ 2,287
Turbine Component Service and Repair-----	158	(103)
Applied Surface Concepts-----	303	99
Corporate unallocated expenses -----	<u>(383)</u>	<u>(471)</u>
Consolidated operating income from continuing operations-----	<u>\$ 2,519</u>	<u>\$ 1,812</u>