



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.

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SIFCO Industries, Inc. Announces Fiscal 2010 Third Quarter Financial Results

SIFCO Industries, Inc. (NYSE Amex: SIF) today announced financial results for its fiscal 2010 third quarter, which ended June 30, 2010. Income from continuing operations in the third quarter of fiscal 2010 decreased to \$1.0 million, compared with \$2.6 million in the comparable fiscal 2009 period. Net income for the third quarter of fiscal 2010 was \$1.0 million, or \$0.18 per diluted share, compared with a net income of \$2.4 million, or \$0.45 per diluted share for the comparable fiscal 2009 period.

Net sales decreased 17.3% in the third quarter of fiscal 2010 to \$19.5 million, compared with \$23.5 million for the same period a year ago. In the third quarter of fiscal 2010:

- Aerospace Component Manufacturing Group net sales decreased by \$2.6 million, or 15.1%, to \$14.3 million, compared with \$16.9 million in the comparable 2009 period;
- Turbine Component Services and Repair Group net sales decreased by \$1.4 million, or 40.6%, to \$2.0 million, compared with \$3.4 million for the comparable 2009 period; and
- Applied Surface Concepts Group net sales decreased by \$0.1 million, or 4.5%, to \$3.2 million, compared with \$3.3 million for the comparable 2009 period.

For the first nine months of fiscal 2010, income from continuing operations decreased to \$4.0 million, compared with \$6.3 million in the comparable fiscal 2009 period. Net income for the first nine months of fiscal 2010 was \$4.0 million, or \$0.75 per diluted share, compared with net income of \$6.4 million, or \$1.21 per diluted share, for the comparable fiscal 2009 period.

Net sales decreased 16.9% in the first nine months of fiscal 2010 to \$60.7 million, compared with \$73.0 million for the same period a year ago. In the first nine months of fiscal 2010:

- Aerospace Component Manufacturing Group net sales decreased by \$7.5 million, or 14.3%, to \$45.2 million, compared with \$52.7 million in the comparable 2009 period;
- Turbine Component Services and Repair Group net sales decreased by \$3.1 million, or 32.0%, to \$6.6 million, compared with \$9.6 million for the comparable 2009 period; and
- Applied Surface Concepts Group net sales decreased by \$1.7 million, or 16.2%, to \$8.9 million, compared with \$10.7 million for the comparable 2009 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 June 30, 2010 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

| | Third Quarter Ended June 30, | | Nine Months Ended June 30, | |
|---|---------------------------------|-----------------|-------------------------------|-----------------|
| | 2010 | 2009 | 2010 | 2009 |
| Net sales----- | \$ 19,481 | \$ 23,548 | \$ 60,669 | \$ 73,026 |
| Cost of goods sold----- | 15,188 | 16,517 | 46,204 | 54,484 |
| Selling, general and administrative expenses----- | <u>2,932</u> | <u>2,958</u> | <u>8,675</u> | <u>8,536</u> |
| Operating income----- | 1,361 | 4,073 | 5,790 | 10,006 |
| Interest expense, net----- | 3 | 14 | 13 | 38 |
| Foreign currency exchange loss (gain), net----- | (32) | (47) | (48) | 32 |
| Other expense (income), net----- | <u>(117)</u> | <u>5</u> | <u>(352)</u> | <u>(2)</u> |
| Income from continuing operations before income tax provision----- | 1,507 | 4,101 | 6,177 | 9,938 |
| Income tax provision----- | <u>523</u> | <u>1,484</u> | <u>2,176</u> | <u>3,683</u> |
| Income from continuing operations----- | 984 | 2,617 | 4,001 | 6,255 |
| Income (loss) from discontinued operations, net of tax----- | <u>---</u> | <u>(198)</u> | <u>---</u> | <u>188</u> |
| Net income----- | <u>\$ 984</u> | <u>\$ 2,419</u> | <u>\$ 4,001</u> | <u>\$ 6,443</u> |
| Income per share from continuing operations: | | | | |
| Basic----- | \$ 0.18 | \$ 0.49 | \$ 0.75 | \$ 1.18 |
| Diluted----- | \$ 0.18 | \$ 0.49 | \$ 0.75 | \$ 1.18 |
| Income (loss) per share from discontinued operations, net of tax: | | | | |
| Basic----- | \$ --- | \$ (0.04) | \$ --- | \$ 0.04 |
| Diluted----- | \$ --- | \$ (0.04) | \$ --- | \$ 0.04 |
| Net income per share: | | | | |
| Basic----- | \$ 0.18 | \$ 0.46 | \$ 0.75 | \$ 1.22 |
| Diluted----- | \$ 0.18 | \$ 0.45 | \$ 0.75 | \$ 1.21 |
| Weighted average number of common shares (basic)----- | 5,322 | 5,295 | 5,309 | 5,295 |
| Weighted average number of common shares (diluted)----- | 5,362 | 5,328 | 5,355 | 5,318 |