SIFCO INDUSTRIES, INC.

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# 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 plating. The products include forged components, machined forged parts and other machined metal components, remanufactured component parts for aerospace turbine engines, and selective plating solutions and equipment. The Company's operations are conducted in three business segments: (1) Forged Components Group, (2) Turbine Components Services and Repair Group, and (3) Applied Surface Concepts Group.

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## SIFCO Industries, Inc. Announces Fiscal 2011 Net Income of $1.40 per Share

SIFCO Industries, Inc. (NYSE Amex: SIF) today announced financial results for its fiscal 2011 fourth quarter, which ended September 30, 2011. Net income for the fourth quarter of fiscal 2011 was $2.2 million, or $0.41 per diluted share, compared with a net income of $1.4 million, or $0.26 per diluted share in the comparable fiscal 2010 period.

Net sales increased 34.0% in the fourth quarter of fiscal 2011 to $30.3 million, compared with $22.6 million for the same period a year ago. The results for the fourth quarter of fiscal 2011 include the results of T&W Forge, which was acquired on December 10, 2010. In the fourth quarter of fiscal 2011:

- Forged Component Group net sales increased by $7.8 million, or 45.9%, to $24.7 million, compared with $16.9 million in the comparable fiscal 2010 period;
- Turbine Component Services and Repair Group net sales were $2.0 million, compared with $2.4 million in the comparable fiscal 2010 period; and
- Applied Surface Concepts Group net sales increased by $0.2 million, or 7.3%, to $3.5 million, compared with $3.3 million in the comparable fiscal 2010 period.

Income before income taxes for the year ended September 30, 2011 increased to $11.2 million, compared with $8.4 million in fiscal 2010. Included in income before income taxes in fiscal 2011 was $0.5 million of LIFO expense, compared with $0.2 million of LIFO expense in fiscal 2010. Net income in fiscal 2011 was $7.4 million, or $1.40 per diluted share, compared with net income of $5.4 million, or $1.00 per diluted share, in fiscal 2010.

Net sales increased 28.9% in fiscal 2011 to $107.4 million, compared with $83.3 million in fiscal 2010. The results for fiscal 2011 include the results of T&W Forge, which was acquired on December 10, 2010. In fiscal 2011:

- Forged Component Group net sales increased by $22.0 million, or 35.5%, to $84.1 million, compared with $62.1 million in fiscal 2010;
- Turbine Component Services and Repair Group net sales increased by $0.1 million, or 1.3%, to $9.0 million, compared with $8.9 million in fiscal 2010; and
- Applied Surface Concepts Group net sales increased by $2.0 million, or 15.7%, to $14.2 million, compared with $12.2 million in fiscal 2010.

**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-K for the year ended September 30, 2011 can be accessed through its website: www.sifco.com, or on the Securities and Exchange Commission's website: www.sec.gov.

SIFCO INDUSTRIES, INC.

**Fourth Quarter Ended September 30, 2011**
(Amounts in thousands, except per share data)

**Consolidated Condensed Statements of Operations**

| | Fourth Quarter Ended September 30, | | Year Ended September 30, | |
|---|---|---|---|---|
| | **2011** | **2010** | **2011** | **2010** |
| Net sales | $ 30,282 | $ 22,601 | $ 107,357 | $ 83,270 |
| Cost of goods sold | 22,542 | 17,325 | 80,916 | 63,529 |
| Selling, general and administrative expenses | 3,752 | 3,151 | 13,669 | 11,826 |
| Amortization of intangible assets | 588 | --- | 1,917 | --- |
| Operating income | 3,400 | 2,125 | 10,855 | 7,915 |
| Interest expense, net | 32 | 1 | 82 | 14 |
| Foreign currency exchange loss (gain), net | (14) | 25 | 5 | (23) |
| Other income, net | (118) | (118) | (470) | (470) |
| Income before income tax provision | 3,500 | 2,217 | 11,238 | 8,394 |
| Income tax provision | 1,316 | 856 | 3,789 | 3,032 |
| Net income | $ 2,184 | $ 1,361 | $ 7,449 | $ 5,362 |
| Net income per share: | | | | |
| Basic | $ 0.41 | $ 0.26 | $ 1.41 | $ 1.01 |
| Diluted | $ 0.41 | $ 0.26 | $ 1.40 | $ 1.00 |
| Weighted average number of common shares (basic) | 5,293 | 5,283 | 5,279 | 5,300 |
| Weighted average number of common shares (diluted) | 5,332 | 5,318 | 5,317 | 5,344 |