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(Japan Foundry Society, Inc.)

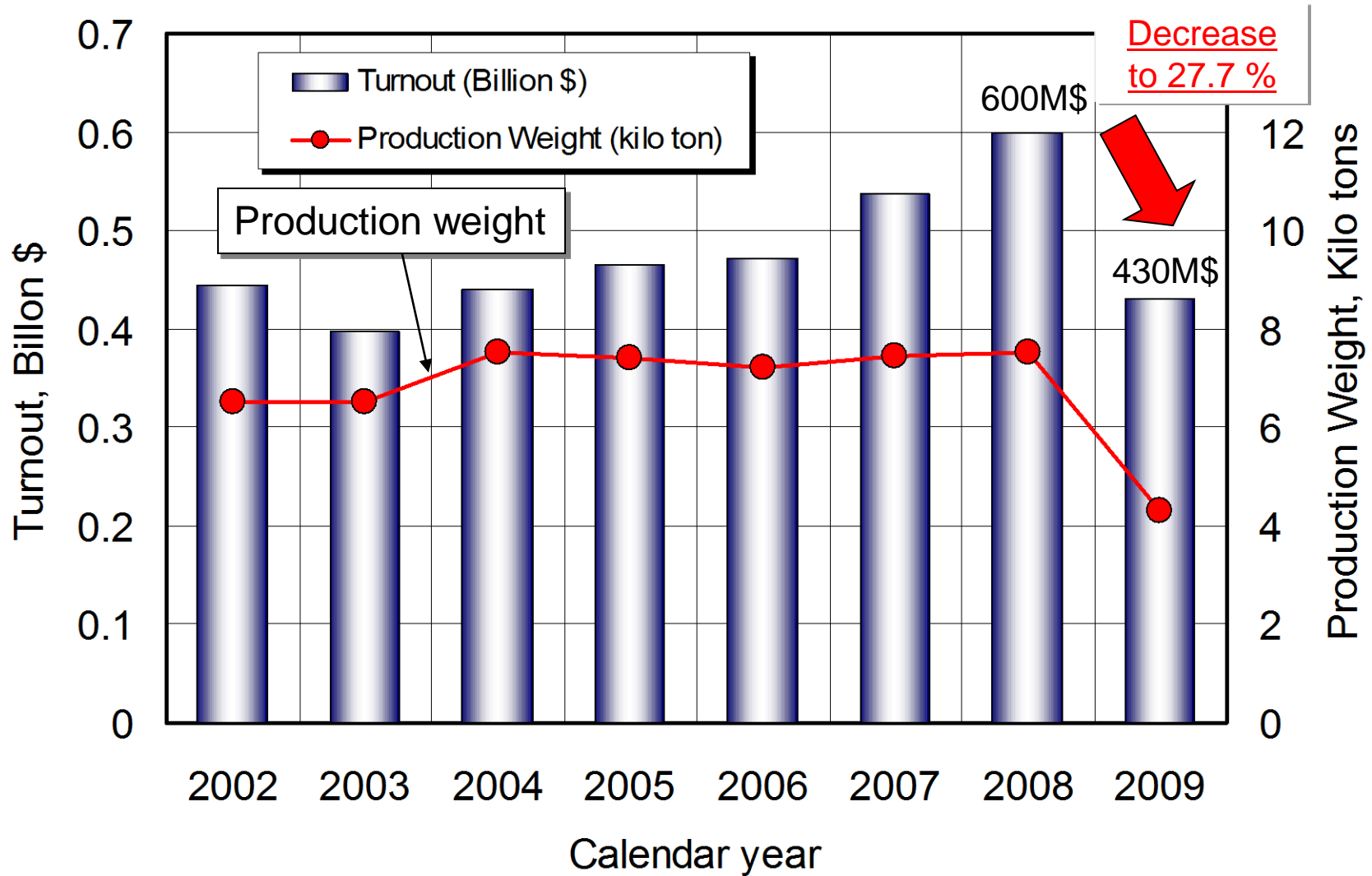
Review of Investment Casting Market for Korea, Taiwan and Japan in 2009

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1. Investment Castings Industry in Japan

(1) Transition of Production (Value & Weight)



(2) Distribution Chart of the Total Turnout in Japan

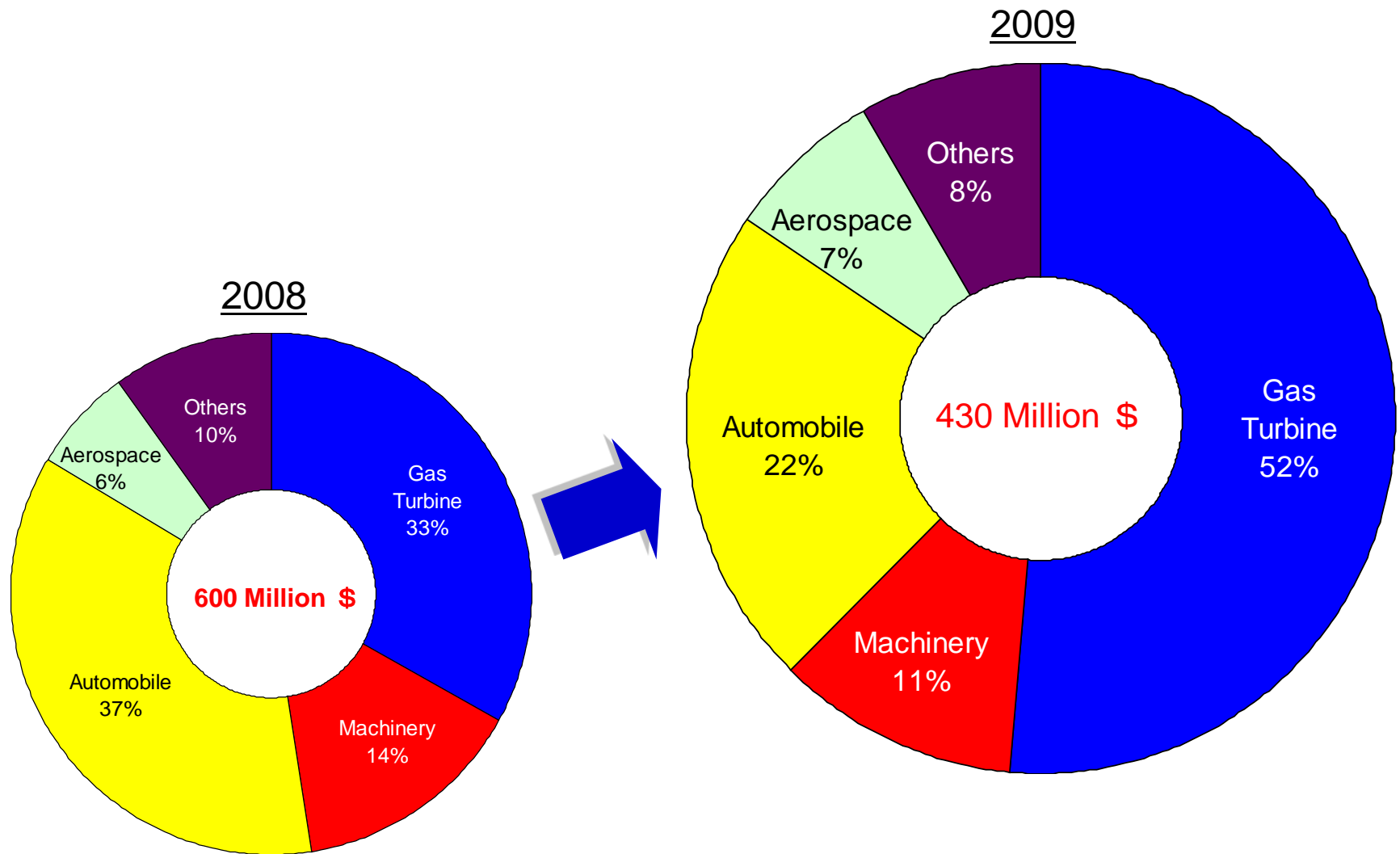
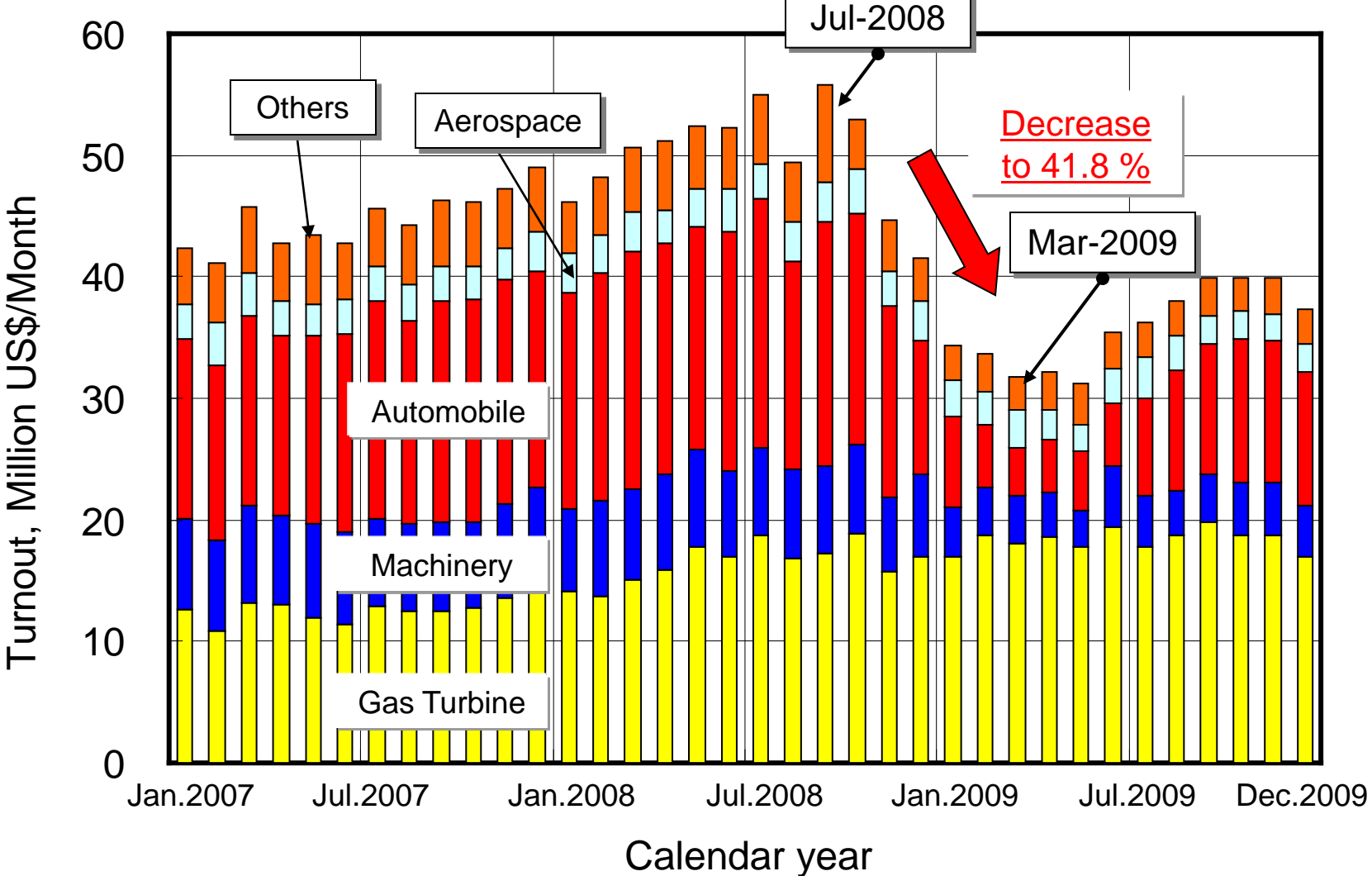


Fig. Sales by commodities in 2009 compared with 2008

(3) Turnout for each field in Investment Castings in Japan



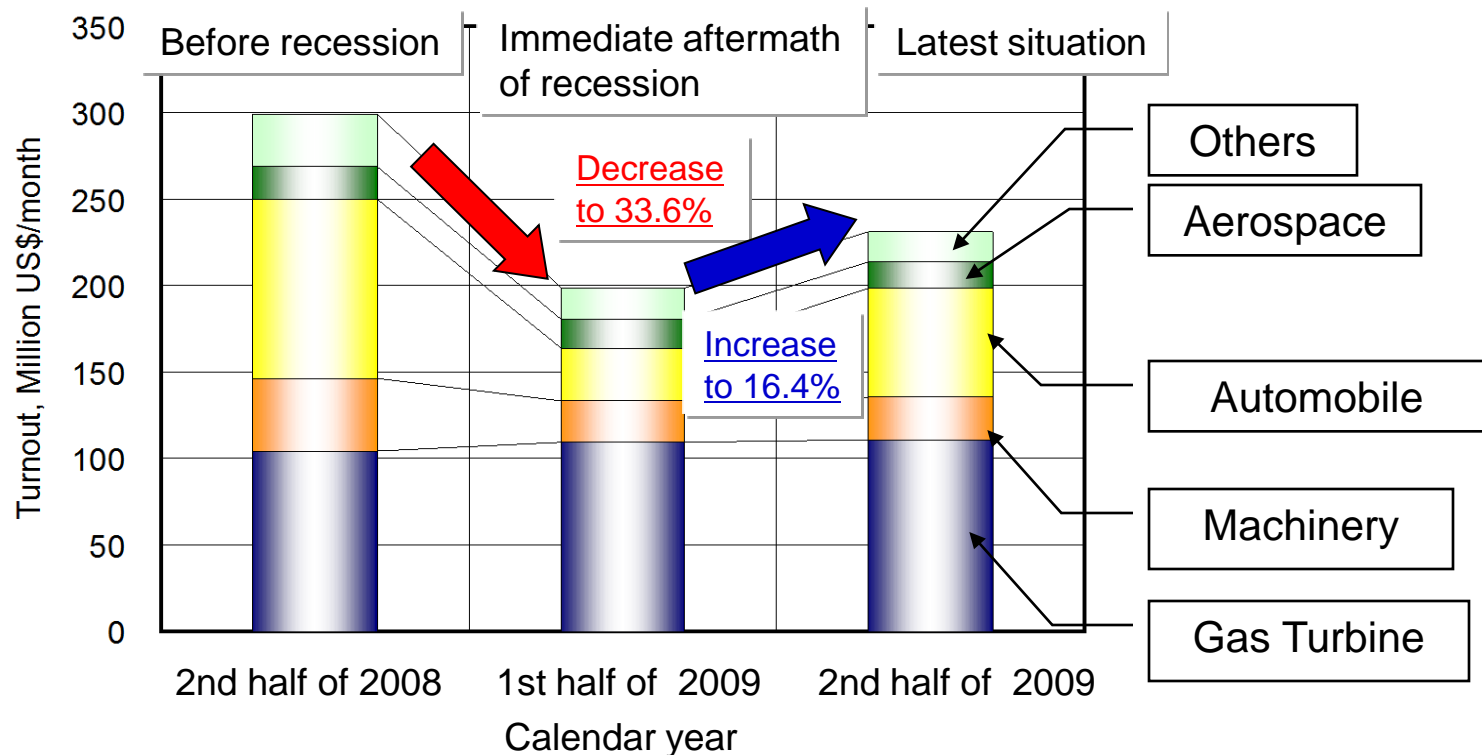
Unit: Million \$/month

	Jan-07	Jul-07	Jan-08	Jul-08	Jan-09	Mar-09	Jul-09	Jan-10
Total	42.4	45.7	46.2	55.0	34.4	31.8	36.3	37.3

(4) Market situation in Japan

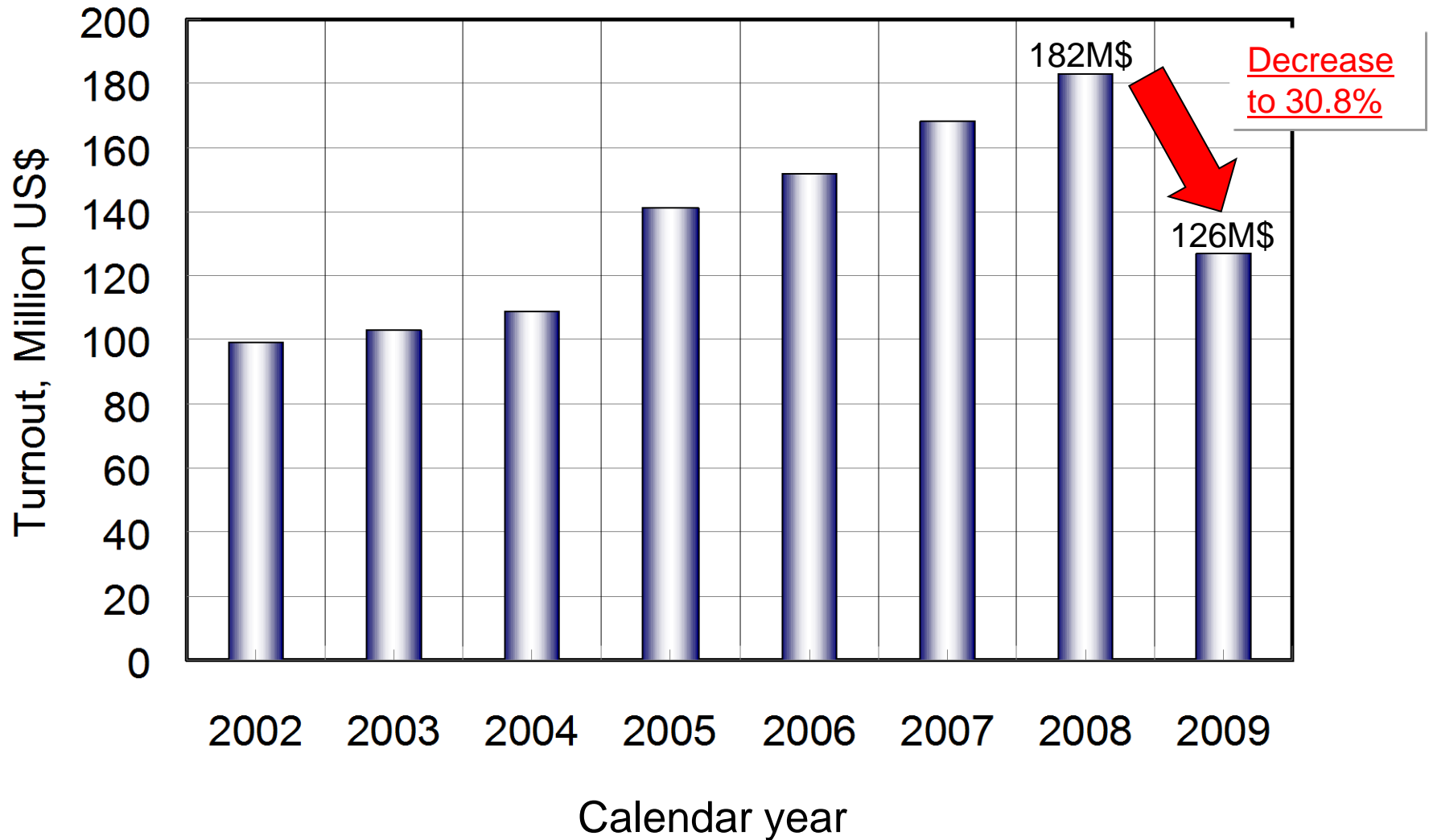
Turnout of production compared with the previous term and year

	2009	1st half of 2009	2nd half of 2009	Unit: %
Machinery	11.2	▲43.7	3.9	
Automobile	▲44.8	▲70.3	104.9	
Aerospace	▲54.4	▲15.0	▲5.0	
Gas Turbine	▲14.8	5.0	1.0	
Others	▲42.7	▲39.5	▲5.9	
Total	▲27.7	▲33.6	16.4	



2. Investment Castings Industry in South Korea

(1) Transition of Turnout of the Investment Casting



(2) Distribution Chart of the Total Turnout in South Korea

The total turnout of 2009 is estimated only **126 million US dollars**.

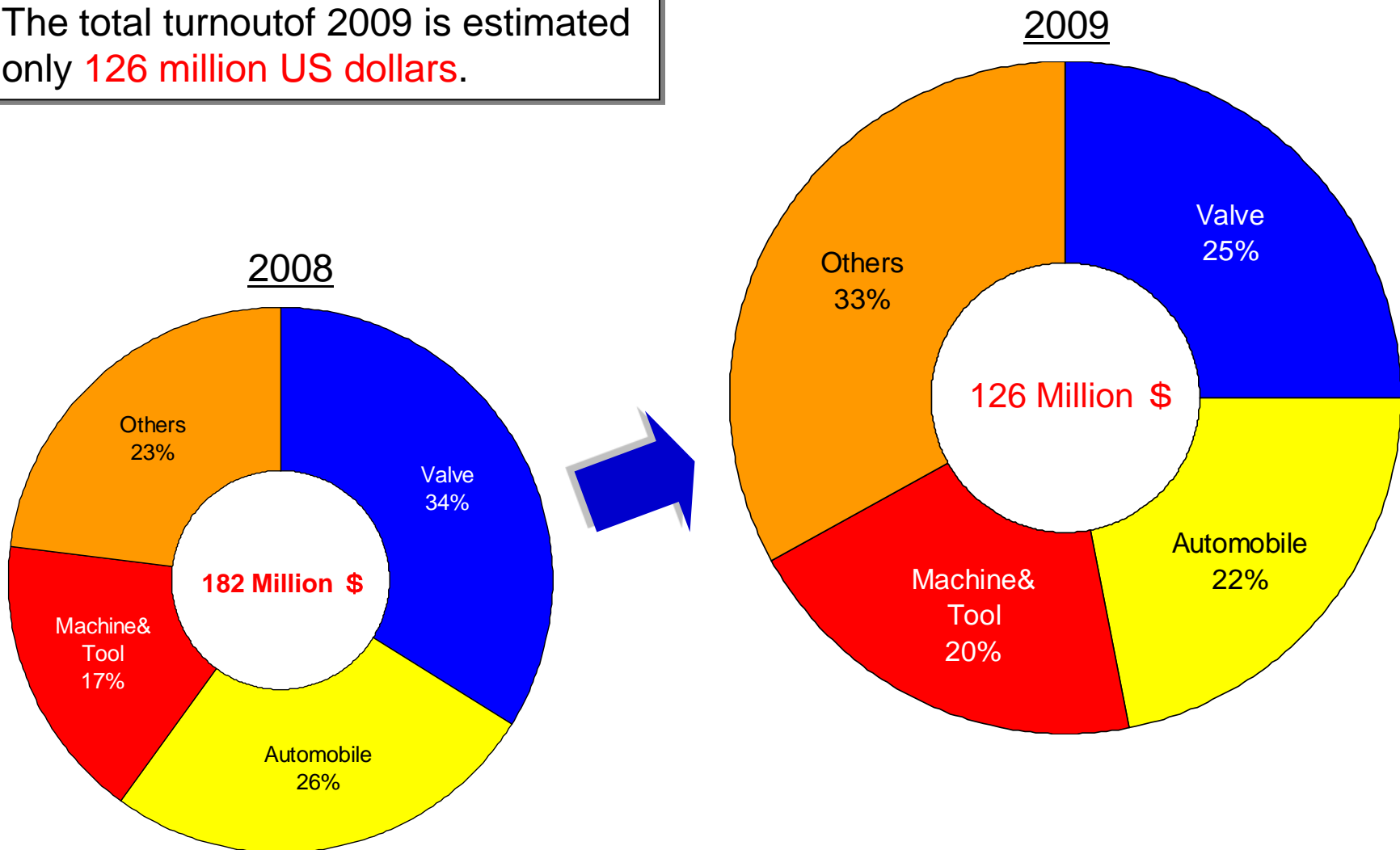


Fig. Sales by commodities in 2009 compared with 2008

(3) Market situation in South Korea

- ◆ Global economy shock
- ◆ Recorded very low operational rate
 - the first half 2008··· 10% increase
 - the second half 2008··· 30~40% decrease
 - total export··· 50% decrease
- ◆ Very bad business situation

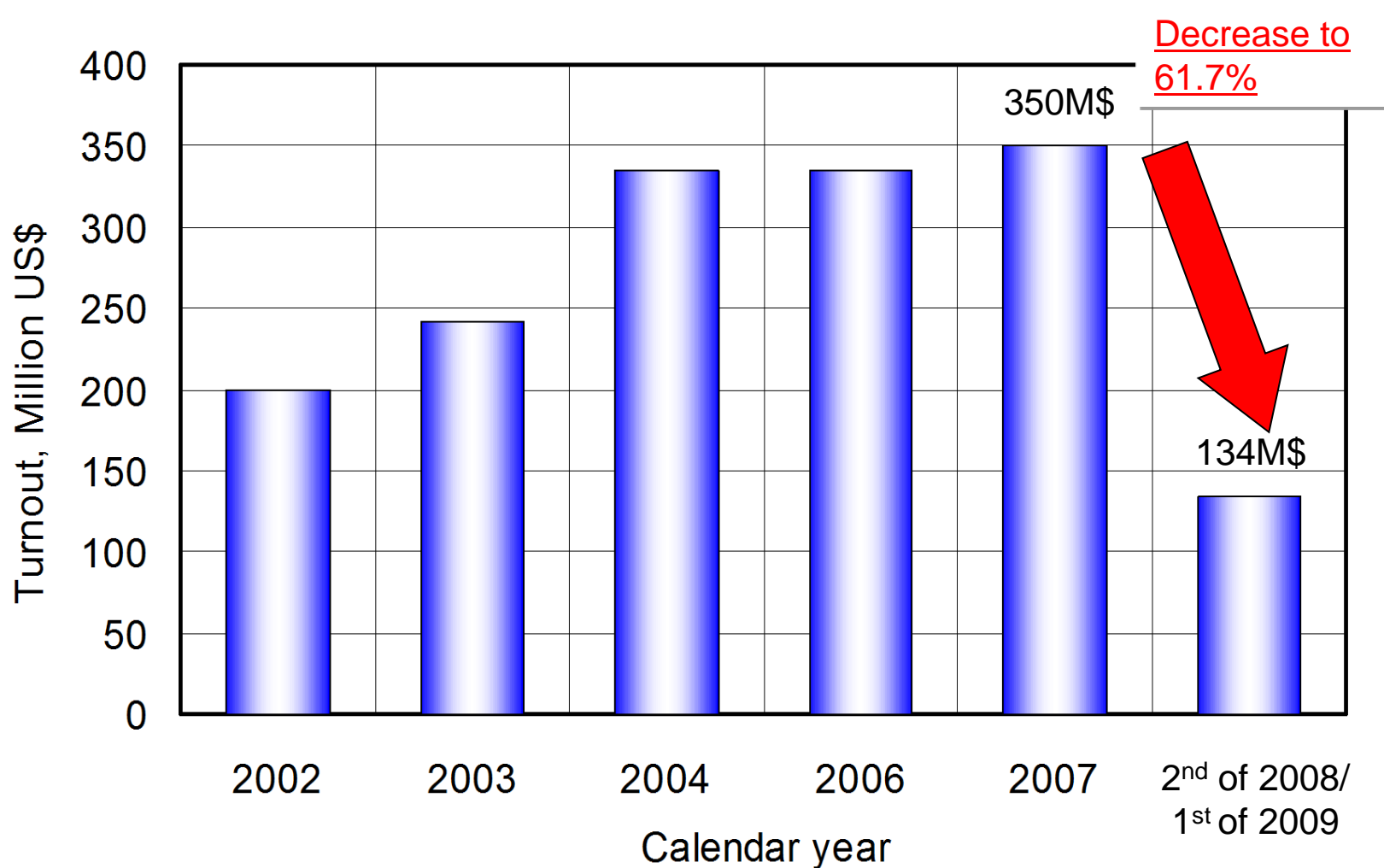
Ratio of turnout of production compared with 2008 in Taiwan

	2009
Machinery	▲ 18.6
Automobile	▲ 41.4
Valve	▲ 49.1
Others	▲ 0.70
Total	▲ 30.8

Unit: %

3. Investment Castings Industry in Taiwan

(1) Transition of Turnout of the Investment Casting



(2) Distribution Chart of the Total Turnout in Japan

The total turnout, from the second half of 2008 to the first half of 2009 is estimated only **134 million US dollars**.

From 2nd half of 2008 to 1st half of 2009

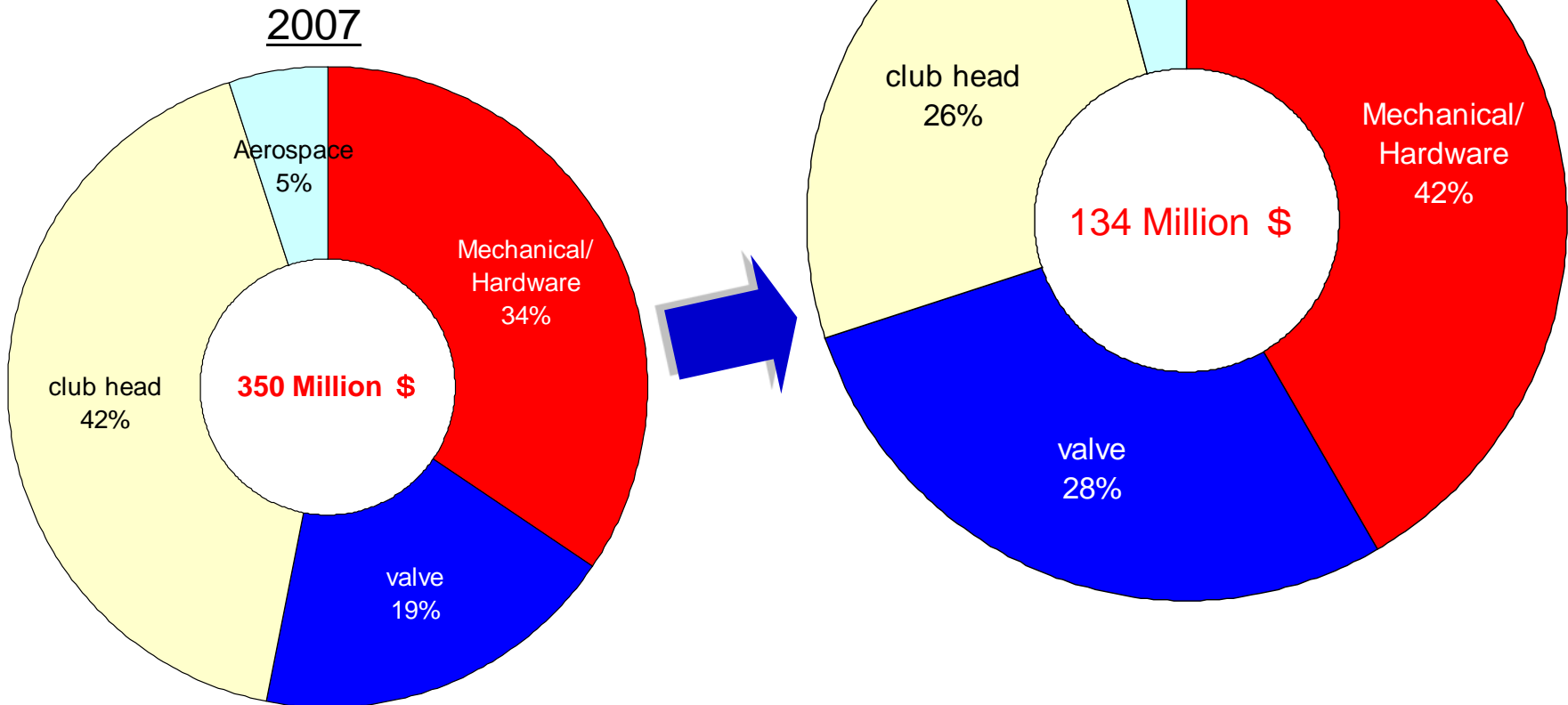


Fig. Sales by commodities
from second half of 2008 to first half of 2009

(3) Market situation in Taiwan

Ratio of turnout of production compared with 2007 in Taiwan

	2nd 2008 ~ 1st 2009	Unit: %
Machinery Parts	▲54.7	
Aerospace	▲69.1	
Golf Club Head	▲76.9	
Valve	▲42.6	
Total	▲61.7	

The number of operating foundries declined to around **65**.

Golf club head: 5 companies

Aerospace parts: 1 company

Machinery components: 59 companies

The employees are reduced to about **3,250**.

4. Conclusion

Turnout of production of each field compared with the previous term or year in each country.

	Japan		South Korea	Taiwan	Unit: %
	1st 2009	2nd 2009	2009	2nd 2008 ~ 1st 2009	
Machinery	▲43.7	3.9	▲18.6	▲54.7	
Automobile	▲70.3	104.9	▲41.4		
Aerospace	▲15.0	▲5.0		▲69.1	
Gas Turbine	5.0	1.0			
Golf Club Head				▲76.9	
Valve			▲49.1	▲42.6	
Others	▲39.5	▲5.9	▲0.70		
Total	▲33.6	16.4	▲30.8	▲61.7	

-1st half of 2009

Markets of investment casting in Asian countries had been plagued by economic stagnation because of Lehman shock.

-2nd half of 2009

The business of Japan begins to make a mild recovery mainly automobile field.

I think that this recovery trend is similar also in other Asian countries.