

*November 14, 2011***Notice of Revisions to Business Forecasts**

In view of recent trends in operating results, Ferrotec Corporation has revised its forecasts as follows. The revised forecasts replace the forecasts that were announced on August 12, 2011.

**●Revisions to business forecasts**

Revisions to consolidated forecasts for the year ending March 2012  
(April 1, 2011 to March 31, 2012)

*Unit: Yen in millions*

	Net sales	Operating income	Ordinary income	Net income	Net income per share (yen)
Previous forecasts (A)	70,000	7,500	7,200	5,000	172.16
Revised forecasts (B)	63,000	5,200	4,200	2,700	93.16
Increase/decrease (B-A)	(7,000)	(2,300)	(3,000)	(2,300)	
Percentage change (%)	(10.0)	(30.6)	(41.6)	(46.0)	
(Ref.)Previous results (year ended Mar. 2011)	57,880	6,931	6,290	4,483	180.63

**Reasons for revisions**

Future economic environment is expected to be unpredictable due to the yen's appreciation and disruption of procurement of various parts as a result of the flood in Thailand, in addition to the global economic slowdown including credit crunch for inflation control in emerging countries, prolongation of financial problems in Europe and unemployment rate in the U.S.

Regarding the operating environment surrounding the Ferrotec Group, in the electronics industry, orders are expected to decrease in the future. This is mainly because in the semiconductor, LED and FPD industries, the motivation to invest in various manufacturing equipment will decrease and also because of the decreasing demand for such as consumables used for manufacturing process in view of trend in demand for final products. Moreover, in the photovoltaic industry, Ferrotec is likely to make adjustments of demand for silicon manufacturing equipment because the Company is taking time making adjustments in photovoltaic panel inventory in the European market, the final destination for consumption, and the prices of photovoltaic cells and wafers are on the decline.

Due to such operating environment, Ferrotec believes that the effects on the Ferrotec Group's equipment-related business and photovoltaic-related business are unavoidable. Therefore, Ferrotec made revisions to its consolidated forecasts for the year ending March 2012.

As our measures, the Ferrotec Group will further strengthen marketing in the Chinese market and overseas markets and develop new products and launch them onto the market. The group will also reduce parts material cost and other costs, reduce inventories as well as personnel aiming to ensure profit through corporate cost-cutting.

Ferrotec assumes an exchange rate of 75 yen to the dollar and 12 yen to the yuan.

\* The above forecasts are based on information available at the time this material was prepared. Actual results may differ from these forecasts for a number of reasons.