

November 12, 2015

Notice Concerning the Difference between Forecasts and Actual Results for the Six Months Ended September 30, 2015 and Revision to Full-year Business Forecasts

Ferrotec Corporation announced its difference between consolidated forecasts for the second quarter ended September 30, 2015, which it announced on August 13, 2015, and actual results for the second quarter ended September 30, 2015. In addition, in view of recent trends in operating results, Ferrotec Corporation has revised its full-year forecasts for the fiscal year ending March 2016 that were announced on May 15, 2015 as follows.

1. Difference between cumulative consolidated forecasts and actual results for the second quarter ended September 30, 2015 (April 1, 2015 to September 30, 2015)

	Net sales	Operating income	Ordinary income	Net income attributable to owners of parent	Net income per share
	Million yen	Million yen	Million yen	Million yen	Yen
Previous forecast (A)	33,000	1,550	1,400	950	30.83
Actual results (B)	33,615	1,924	1,888	1,202	39.02
Increase/ decrease (B-A)	615	374	488	252	
Percentage change %	1.8	24.1	34.8	26.5	
(Ref.) Previous results (2Q of FY 3/15)	29,238	1,199	834	354	11.51

2. Revisions to full-year forecasts for the fiscal year ending March 2016 (April 1, 2015 to March 31, 2016)

	Net sales	Operating income	Ordinary income	Net income attributable to owners of parent	Net income per share
	Million yen	Million yen	Million yen	Million yen	Yen
Previous forecasts (A)	65,000	3,000	2,500	1,700	55.18
Revised forecasts (B)	66,000	3,400	3,000	1,900	61.66
Increase/decrease (B-A)	1,000	400	500	200	
Percentage change (%)	1.5	13.3	20.0	11.7	
(Ref.) Previous results (FY3/15)	59,078	1,671	2,030	-2,132	-69.21

3. Reason for difference and revisions

- (1) Difference between cumulative consolidated forecasts and actual results for the second quarter
Net sales and operating income exceeded the previous forecasts because orders for material products for semiconductor manufacturing equipment increased favorably, sales of ADMAP Inc. have started to be posted in the Group's earnings, and sales of thermo-electric modules for temperature-controlled automobile seats performed well.

With regard to ordinary income, the company posted foreign exchange gain since the market was in the yen-depreciation trend. Net income attributable to owners of parent also increased for the same reason.

- (2) Revisions to the full-year forecasts

The company made a conservative plan for its full-year forecasts, because capital investments and capacity utilizations are likely to decline in the electronics industry, and there are unclear outlooks for the economic activity of each country.

* The forecasts regarding future performance in this material are based on information available at the time this report was prepared. Therefore, actual results may differ from the above forecasts due to various factors.