

Summary of Business Results for the First Quarter Ended June 30, 2016

[Japan GAAP] (Consolidated)

August 12, 2016

Company **Ferrotec Corporation** Stock Exchange Listing: TSE
Stock Code 6890 URL: <http://www.ferrotec.co.jp>
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 Expected date of filing of quarterly report: August 12, 2016 Expected starting date of dividend payment: —
 Preparation of quarterly supplementary financial document: None
 Quarterly results briefing: None

(Rounded down to million yen)

1. Consolidated business results for the three months ended June 2016

(April 1, 2016 through June 30, 2016)

(1) Consolidated results of operations

(% change from the previous corresponding period)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Three months ended Jun. 2016	17,213	2.7	1,637	95.1	984	16.7	454	-22.2
Three months ended Jun. 2015	16,760	18.6	838	42.0	844	343.9	583	-

(Note) Comprehensive income

Three months ended June 2016: -1,465 million yen (- %)

Three months ended June 2015: 350 million yen (- %)

	Net income per share		Diluted net income per share	
	Yen		Yen	
Three months ended Jun. 2016	14.74		14.67	
Three months ended Jun. 2015	18.95		18.93	

(2) Consolidated financial position

	Total assets		Net assets		Shareholders' equity ratio		Net assets per share	
	Million yen		Million yen		%		Yen	
As of Jun. 2016	76,752		37,718		48.1		1,199.00	
As of Mar. 2016	78,769		39,488		49.1		1,255.55	

(Reference) Shareholders' equity

As of June 2016: 36,941 million yen

As of March 2016: 38,683 million yen

2. Dividends

	Annual dividend				
	End of 1Q	End of 2Q	End of 3Q	Year-end	Total
	Yen		Yen		Yen
Year ended Mar. 2016	-	0.00	-	10.00	10.00
Year ending Mar. 2017	-				
Year ending Mar. 2017 (forecast)		6.00	-	6.00	12.00

(Note) Revisions to dividend forecast for the current quarter: None

3. Forecast of consolidated business results for the fiscal year ending March 2017

(April 1, 2016 through March 31, 2017)

(% change from the previous corresponding period)

	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	
For the six months ending Sept. 2016	37,000	10.1	2,370	22.0	1,740	-7.9	1,250	4.0	40.57	
Year ending Mar. 2017	75,000	8.0	5,000	24.2	4,200	9.9	3,000	38.8	97.37	

(Note) Revisions to business forecast for the current quarter: None

※Notes

(1) Changes in significant subsidiaries during the period (changes in specified subsidiaries accompanying changes in the scope of consolidation): None

(2) Applications of simplified accounting procedures and specific accounting procedures: Yes

(3) Changes in rules, procedures and indication methods of accounting procedures

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|---|--------|
| ①Changes in accounting policies associated with revision of accounting standards: | : Yes |
| ②Changes in accounting policies other than ① | : None |
| ③Changes in accounting estimates | : None |
| ④Restatement | : None |

(4) Shares outstanding (common stock)

①Number of shares outstanding at the end of period (treasury stock included)

As of June 2016	30,903,702 shares
As of March 2016	30,903,702 shares

②Treasury stock at the end of period

As of June 2016	93,485 shares
As of March 2016	93,424 shares

③Average number of stock during period (quarterly cumulative period)

Three months ended June 2016	30,810,262 shares
Three months ended June 2015	30,810,278 shares

*Implementation status of quarterly review procedures

This financial summary is not subject to the quarterly review procedures pursuant to the Financial Instruments and Exchange Act. At the time of disclosure of this report, the procedures for review of consolidated financial statements pursuant to the Financial Instruments and Exchange Act have not been completed.

*Explanation regarding appropriate use of business forecasts and other special instructions

Forecasts regarding future performance in this material are based on information currently available to the company and certain assumptions that the company deems to be reasonable at the time this report was prepared. The company does not make promises about the achievements. Actual results may differ significantly from the forecasts due to various factors.