

# Summary of Business Result for FY March 2003 (Consolidated)

Date: May 21, 2003

Company **Ferrotec Corporation**  
Stock Code 6890

Registered on the JASDAQ  
Head office location: Tokyo

Date of the meeting of board of directors May 21, 2003  
Application of US Accounting Standard None

## 1. Business Results as of FY March 2003 (Apr.1, 2002 — Mar. 31, 2003)

### (1) Results of Operations

(Note: Rounded down to ¥ Million)

	Net Sales		Operating Income		Recurring Income	
	¥ Million	%	¥ Million	%	¥ Million	%
FY March.2003	12,845	-13.1	111	-87.8	-626	-
FY March 2002	14,775	-10.1	916	-65.6	984	-61.6

	Net Income		Net Income Per share	Diluted Net Income per share	Ratio of Net Income to Shareholders' Equity	Ratio of Recurring Income to total Asset	Ratio of Recurring Income to Net Sales
	¥ Million	%	¥	¥	%	%	%
FY March.2003	-899	-	-52.23	-	-6.1	-4.2	-4.9
FY March 2002	-357	-	-26.85	-	-2.7	4.0	6.7

(Note) 1. Equity in net earnings of affiliated companies for the fiscal years: ¥53m in March 2003, None in March 2002

2. Outstanding averaged number of shares (Consolidated): 17,215,340 shares in March 2003, 13,295,424 shares in March 2002

3. Change in accounting method: Yes

4. Percentages for net sales, operating income and net income represent change from the prior-year..

### (2) Financial Position

	Total Assets	Shareholders' Equity	Shareholders' equity to total assets	Shareholders' equity per share
	¥ Million	¥ Million	%	¥
FY March.2003	28,279	13,824	48.9	806.22
FY March 2002	27,034	15,523	57.4	899.99

(Note) Outstanding shares at the end of March (Consolidated): 17,134,206 shares in March 2003, 17,248,275 shares in March 2002

### (3) Results of Cash Flows

	Net cash flows by operating activities	Net cash flows by investment activities	Net cash flows by financial activities	Balance of cash and cash equivalents at the end of year
	¥ Million	¥ Million	¥ Million	¥ Million
FY March.2003	-321	-3,494	2,827	2,812
FY March 2002	2,580	-6,745	5,050	3,657

### (4) Scope of consolidation and application of equity method

Number of consolidated subsidiaries: 10 Number of non-consolidated subsidiaries accounted for by the equity method: None

Number of affiliates accounted for by the equity method: 1

### (5) Change in scope of consolidation and equity method application

Consolidated subsidiaries(increase) 3 (decrease) 1

Equity method companies(increase) 1 (decrease) None

## 2. Forecast of Financial Performance in FY March 2004 (April 1, 2003 — March 31, 2004)

	Net Sales	Operating Income	Recurring Income	Net Income
	¥ Million	¥ Million	¥ Million	¥ Million
Sept. 2003 Interim	7,000	20	-180	-500
FY ended Mar. 2004	16,000	690	400	10

(Note) Forecast net income per share for the year: 0.58 yen