

Summary of Interim Business Result for FY March 2005 (Consolidated)

Date: Nov 26, 2004

Company **Ferrotec Corporation**

Stock Code 6890

Date of the meeting of board of directors

Nov 26, 2004

Application of US Accounting Standard

None

Registered on the JASDAQ

Head office location: Tokyo

1. Interim Business Results as of FY March 2005 (Apr.1, 2004 — Sep. 30, 2004)

(1) Results of Operations

(Note: Rounded down to ¥ Million)

	Net Sales		Operating Income		Recurring Income	
	¥ Million	%	¥ Million	%	¥ Million	%
Sep. 2004	10,783	58.0	1,063	6162.5	940	-
Sep. 2003	6,824	9.0	16	-94.8	-267	-
March, 2004	15,000	-	615		-177	-

	Net Income		Net Income Per share	Diluted Net Income per share
	¥ Million	%	¥	¥
Sep. 2004	458	-	26.80	23.99
Sep. 2003	-499	-	-29.33	-
March, 2004	-645		-37.89	-

(Notes) 1. Profit or loss on investment accounted for by equity method: ¥-99m in half year ended in Sep. 2004, ¥-81m in half year ended in Sep. 2003, ¥-128m in year ended in March 2004

2. Outstanding averaged number of shares (Consolidated): 17,099,735 shares in Sep. 2004: 17,047,084 in Sep. 2003:

17,029,145 shares in March 2004

3. Change in accounting method: None

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	%	¥
Sep. 2004	29,992	12,813	42.7	748.63
Sep. 2003	28,075	13,391	47.7	787.21
March, 2004	28,934	12,555	43.4	738.06

(Note) Outstanding shares (Consolidated): 17,116,406 shares in Sep. 2004: 17,011,206 shares in Sep. 2003: 17,011,206 shares in March, 2004

(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
Sep. 2004	1,070	-953	-251	2,973
Sep. 2003	701	-1,293	69	2,336
March, 2004	1,126	-2,229	1,366	3,123

(4) Scope of consolidation and application of equity method

Number of consolidated subsidiaries: 11 Number of non-consolidated subsidiaries accounted for by the equity method: None

Number of affiliates accounted for by the equity method: 2

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

Consolidated subsidiaries(increase) None (decrease) None

Equity method companies(increase) None (decrease) None

2. Forecast of Financial Performance in FY March 2005 (April 1, 2004 — March 31, 2005)

	Net Sales	Operating Income	Recurring Income	Net Income
	¥ Million	¥ Million	¥ Million	¥ Million
FY March 2005	20,800	1,650	1,300	620

(Note) Forecast net income per share for the year:36.22 yen