

Summary of Business Result for FY March 2005 (Consolidated)

Date: May 23, 2005

Company **Ferrotec Corporation**

Stock Code 6890

Date of the meeting of board of directors

May 23, 2005

Application of US Accounting Standard

None

Registered on the JASDAQ

Head office location: Tokyo

1. Business Results as of FY March 2005 (April 1, 2004 - March 31, 2005)

(1) Results of Operations

(Note: Rounded down to ¥ Million)

	Net Sales		Operating Income		Recurring Income	
	¥ Million	%	¥ Million	%	¥ Million	%
FY March.2005	21,105	40.7	1,762	186.5	1,456	-
FY March 2004	15,000	16.8	615	452.6	-177	-

	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.2005	633	-	36.99	32.17	4.6	4.9	6.9
FY March 2004	-645	-	-37.89	-	-4.9	-0.6	-1.2

(Note) 1. Equity in net earnings of affiliated companies for the fiscal years: ¥58 m in March 2005, ¥128 m in March 2004

2. Outstanding averaged number of shares (Consolidated): 17,274,075 shares in March 2005, 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.

5. Diluted net income per share of FY March 2004 was not reported because the company had net loss.

(2) Financial Position

	Total Assets	Shareholders' Equity	Shareholders' equity to total assets	Shareholders' equity per share
	¥ Million	¥ Million	%	¥
FY March.2005	30,041	14,789	49.2	742.57
FY March 2004	28,934	12,555	43.4	738.06

(Note) Outstanding shares at the end of March (Consolidated): 19,916,406 shares in March 2005, 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
FY March.2005	2,149	-2,349	273	3,188
FY March 2004	1,126	-2,229	1,366	3,123

(4) Scope of consolidation and application of equity method

Number of consolidated subsidiaries: 13, 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) 2 (decrease) None

Equity method companies (increase) (decrease) None

2. Forecast of Financial Performance in FY March 2006 (April 1, 2005 - March 31, 2006)

	Net Sales	Operating Income	Recurring Income	Net Income
	¥ Million	¥ Million	¥ Million	¥ Million
Sept. 2005 Interim	10,100	340	170	90
FY ended Mar. 2006	22,400	1,800	1,500	700

(Note) Forecast net income per share for the year: 35.15 yen