

Summary of Interim Business Result for FY March 2006 (Consolidated)

Date: Nov 25, 2005

Company **Ferrotec Corporation**

Stock Code 6890

Date of the meeting of board of directors

Nov 25, 2005

Application of US Accounting Standard

None

Registered on the JASDAQ

Head office location: Tokyo

1. Interim Business Results as of FY March 2006 (Apr.1, 2005 - Sep. 30, 2005)

(1) Results of Operations

(Note: Rounded down to ¥ Million)

	Net Sales		Operating Income		Recurring Income	
	¥ Million	%	¥ Million	%	¥ Million	%
Sep. 2005	10,725	-0.5	292	-72.5	253	-73.0
Sep. 2004	10,783	58.0	1,063	6162.5	940	-
March, 2005	21,105	-	1,762		1,456	-

	Net Income		Net Income	Diluted Net
	¥ Million	%	Per share	Income per share
Sep. 2005	410	-10.5	20.59	18.35
Sep. 2004	458	-	26.80	23.99
March, 2005	633		36.69	32.17

(Notes)

1. Profit or loss on investment accounted for by equity method: ¥-10m in half year ended in Sep. 2005, ¥-99m in half year ended in Sep. 2004,

¥-58m in year ended in March 2005

2. Outstanding averaged number of shares (Consolidated): 19,916,406 shares in Sep. 2005: 17,099,735 in Sep. 2004: 17,274,075 shares in March 2005

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	%	¥
Sep. 2005	32,859	15,682	47.7	787.41
Sep. 2004	29,992	12,813	42.7	748.63
March, 2005	30,041	14,789	49.2	742.57

(Note) Outstanding shares (Consolidated): 19,916,406 shares in Sep. 2005: 17,116,406 shares in Sep. 2004: 19,916,406 shares in March, 2005

(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. 2005	1,241	-1,329	639	3,759
Sep. 2004	1,070	-953	-251	2,973
March, 2005	2,149	-2,349	273	3,188

(4) Scope of consolidation and application of equity method

Number of consolidated subsidiaries: 16 Number of non-consolidated subsidiaries accounted for by the equity method: None

Number of affiliates accounted for by the equity method: 6

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

Consolidated subsidiaries(increase) 3 (decrease) None

Equity method companies(increase) 4 (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
FY March 2006	23,000	1,400	1,200	700

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