

Summary of the third quarter business result for FY March 2006 (Consolidated)

Date: Feb. 13, 2006

Company **Ferrotec Corporation**
Stock Code 6890

Registered on the JASDAQ
Head office location: Tokyo

1. The third quarter business results as of FY March 2006 (April 1, 2005 - Dec. 31, 2005)

Notes 1. This report is non-audited.

Notes 2. Tax effect accounting and other accounting adjustments are not implemented.

Notes 3. Accounting date of Consolidated subsidiaries and affiliates accounted for by the equity method is Sep. 30, 2005.

(1) Results of Operations

(Note: Rounded down to ¥ Million)

	Net Sales		Operating Income		Recurring Income		Net Income	
	¥ Million	%	¥ Million	%	¥ Million	%	¥ Million	%
3 rd quarter, FY March 2006	17,087	5.3	578	-58.5	560	-52.2	500	-12.8
3 rd quarter, FY March 2005	16,221	53.0	1,393	720.9	1,172	-	574	-
FY March 2005	21,105		1,762		1,456		633	

(Note) 1. Equity in net earnings of affiliated companies for the fiscal years: ¥-8m in 3Q, FY March 2006, ¥-109m in 3Q, FY March 2005
¥-58m in FY March 2005

2. Change in accounting method: None

3. Percentages for net sales, operating income and net income represent change from the 3rd quarter of the prior-year.

(2) Financial Position

	Total Assets	Shareholders' Equity	Shareholders' equity to total assets
	¥ Million	¥ Million	%
3 rd quarter, FY March 2006	33,962	16,383	48.2
3 rd quarter, FY March 2005	30,474	13,166	43.2
FY March 2005	30,041	14,789	49.2

(3) 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

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

Consolidated subsidiaries(increase) 3 (decrease) None

Equity method companies(increase) 4 (decrease) None

2. Sales and operating profits by segments

Sales	Equipment-related business	Electronic-devices business	CMS business
	¥ Million	¥ Million	¥ Million
3 rd quarter, FY March 2006	8,690	2,320	6,077
3 rd quarter, FY March 2005	8,335	2,813	5,074
FY March 2005	11,203	3,577	6,325

Operating profits	Equipment-related business	Electronic-devices business	CMS business	Elimination
	¥ Million	¥ Million	¥ Million	¥ Million
3 rd quarter, FY March 2006	721	-314	203	-31
3 rd quarter, FY March 2005	1,076	232	116	-32
FY March 2005	1,374	245	181	-39

3. 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