

Notice of the Difference Between Actual Results and Interim Consolidated Business Forecast for FY3/25, Revision to the Full-year Consolidated Business Forecast, Dividend of Surplus and Revision to (Increase of) Dividend Forecasts

Ferrotec Holdings Corporation (Representative Director: He Xian Han; hereinafter "the Company") hereby announces that a difference has arisen between actual results disclosed today and the interim forecast for FY3/25 disclosed on August 14, 2024. We also announce that we, at the meeting of the Board of Directors held today, resolved to revise the consolidated business forecast for FY3/25 and the dividend forecasts (increased dividend) considering recent business performance.

1. Difference between actual results and interim consolidated business forecast for FY3/25

(1) Difference between actual results and interim consolidated forecast for FY3/25 (April 1, 2024 to September 30, 2024)

	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent	Profit per share
Previous forecasts (A)	Million yen 120,000	Million yen 13,000	Million yen 14,500	Million yen 8,500	Yen 180.78
Revised forecasts (B)	135,157	14,251	15,470	9,190	195.47
Change (B-A)	15,157	1,251	970	690	
Percentage change (%)	12.6%	9.6%	6.7%	8.1%	
(Reference) Previous results (FY3/24 Q2)	105,494	13,035	15,217	8,390	178.78

(2) Reason for the revision

- Sales and profit were better than the forecast thanks mainly to the demand from Chinese local manufacturers for the Semiconductor Equipment-related Business, which surpassed our forecast, and the stronger demand for thermo-electric modules related to communications. This notice is released as net sales exceeded the previous forecast by 10%.

2. Revision to the consolidated business forecast

(1) Revision to the full-year consolidated business forecast for FY3/25 (April 1, 2024 to March 31, 2025)

	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent	Profit per share
Previous forecasts (A)	Million yen 235,000	Million yen 26,000	Million yen 26,000	Million yen 16,000	Yen 340.29
Revised forecasts (B)	265,000	26,000	26,000	16,000	340.29
Change (B-A)	30,000	-	-	-	
Percentage change (%)	12.8%	-%	-%	-%	
(Reference) Previous results (FY3/24)	222,430	24,872	26,537	15,154	322.65

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(2) Reason for the revision

- We have revised net sales forecast because (1) net sales were better than the forecast in the first half as mentioned above and (2) we can expect increased sales in Semiconductor Equipment-related, Electronic Device and Automotive businesses in the second half. Meanwhile, profit is unchanged from the forecast, taking into consideration a decrease in profit margin due to (1) the weak solar panel market and (2) the intensified competition in the power semiconductor substrate market. (Assumed exchange rate has been changed from 150 yen per US dollar to 152 yen per US dollar.)

3. Dividend of surplus (interim dividend) and revision to full-year dividend forecasts

(1) Dividends for FY3/25 (dividend of surplus (interim dividend) and full-year dividend forecasts)

	Dividend per share		
	End of the 2Q	Year-end	Annual
Previous forecasts (Announced on May 15, 2024)	Yen 50.00	Yen 50.00	Yen 100.00
Revised forecasts	-	55.00	110.00
Results of this term	55.00	-	-
Results of previous term	50.00	50.00	100.00

(2) Reason for dividend of surplus and revision to full-year dividend forecasts

- The Company clarified our policy for shareholder returns in the Medium-term Management Plan announced on May 31, 2024, as well as the measures to strengthen shareholder returns in the presentation titled “Regarding initiatives for realizing business administration conscious of capital cost and share price” released on July 31, 2024.
- Thereby, as we considered the recent business performance and revised the dividend level as measures to strengthen shareholder returns, we have increased annual dividend forecast from 100 yen per share to 110 yen per share and interim dividend from 50 yen per share to 55 yen per share for the dividends in this term.