

Summary of Business Results for the Fiscal Year Ended March 31, 2010

May 20, 2010

Company **Ferrotec Corporation**
 Stock Code 6890 <http://www.ferrotec.co.jp>
 Representative Akira Yamamura, Representative Director and President
 Contact Masaru Yoshida, Director
 Expected date of annual shareholders' meeting: June 24, 2010
 Expected date of filing of annual securities report: June 25, 2010

Stock Exchange Listing: JASDAQ

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Expected starting date of dividend payment: June 25, 2010

(Rounded down to million yen)

1. Consolidated business results for the fiscal year ended March 2010

(April 1, 2009 - March 31, 2010)

(1) Consolidated results of operations

(% change from the previous corresponding period)

	Net sales		Operating income		Ordinary income		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
March 2010	31,541	(13.9)	703	(74.8)	524	(75.0)	156	(79.0)
March 2009	36,653	0.1	2,790	(8.7)	2,097	(13.1)	743	(61.0)

	Net income per share	Diluted net income per share	Return on equity	Ratio of ordinary income to total assets	Ratio of operating income to net sales
	Yen	Yen	%	%	%
March 2010	6.58	6.58	0.8	1.1	2.2
March 2009	34.39	34.22	3.7	4.8	7.6

(Reference) Investment earnings/loss on equity-method:

Fiscal year ended March 2010: 0 million yen

Fiscal year ended March 2009: (49) million yen

(2) Consolidated financial position

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
March 2010	47,963	22,581	46.1	892.19
March 2009	46,951	19,034	39.6	856.22

(Reference) Shareholders' equity:

Fiscal year ended March 2010: 22,129 million yen

Fiscal year ended March 2009: 18,583 million yen

(3) Consolidated results of cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at the end of period
	Million yen	Million yen	Million yen	Million yen
March 2010	2,374	(1,521)	(459)	5,867
March 2009	2,699	(8,692)	6,686	5,410

2. Dividends

	Dividend per share					Total dividend (Total)	Dividend payout ratio (Consolidated)	Rate of total dividend to net assets (Consolidated)
	End of 1Q	End of 2Q	End of 3Q	Year-end	Annual			
Fiscal year ended Mar. 2009	Yen —	Yen 0.00	Yen —	Yen 12.00	Yen 12.00	Million yen 260	% 34.9	% 1.3
Fiscal year ended Mar. 2010	—	0.00	—	12.00	12.00	297	182.4	1.4
Fiscal year ending Mar. 2011 (forecast)	—	0.00	—	12.00	12.00		21.9	

3. Forecast of consolidated business results for the fiscal year ending March 2011

(April 1, 2010 - March 31, 2011)

(% change from the previous year)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
First half	18,780	39.9	1,390	—	1,170	—	700	—	28.22
Full year	38,000	20.5	2,750	290.9	2,330	344.5	1,360	770.1	54.83

4. Others

(1) Changes in significant subsidiary during the period (changes in specified subsidiary accompanying changes in the scope of consolidation): None

(2) Changes in rules, procedures and indication methods of accounting process concerning the preparation of consolidated financial results (Changes to important items that form the basis for preparing consolidated financial statements)

① Changes due to revision of accounting standards: Yes

② Changes other than ①: Yes

(3) Shares outstanding (common stock)

① Number of shares outstanding at the end of period (treasury stock included):

Fiscal year ended March 2010: 24,897,022 shares

Fiscal year ended March 2009: 21,797,422 shares

② Treasury stock at the end of period:

Fiscal year ended March 2010: 93,344 shares

Fiscal year ended March 2009: 93,344 shares

(Reference) Summary of non-consolidated business results

1. Non-consolidated business results for the fiscal year ended March 2010

(April 1, 2009 - March 31, 2010)

(1) Non-consolidated results of operations

(% change from the previous year)

	Net sales		Operating income		Ordinary income		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
March 2010	15,181	10.0	132	—	872	(23.9)	628	74.5
March 2009	13,795	(23.5)	(28)	—	1,145	8.9	360	(44.5)

	Net income per share	Diluted net income per share
	Yen	Yen
March 2010	26.47	26.47
March 2009	16.67	16.59

(2) Non-consolidated financial position

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
March 2010	31,015	21,424	69.1	863.76
March 2009	27,908	17,599	63.1	810.87

(Reference) Shareholders' equity:

Fiscal year ended March 2010: 21,424 million yen

Fiscal year ended March 2009: 17,599 million yen

* Explanation regarding appropriate use of business forecasts and other special instructions

Forecasts regarding future performance in this material are based on information and assumptions at the time this report was prepared. Therefore, actual results may differ from these forecasts for a number of factors.