August 14, 2026

# (Progress of Disclosed Matters) Disclosure of Financial Results Presentation and Medium-term Management Plan (Rolling Plan) Materials

Ferrotec Corporation (Representative Director: He Xian Han; hereinafter "the Company") hereby announces that it has today disclosed its Medium-term Management Plan (Rolling Plan) as set forth in the attached materials.

## 1. Trends in Key Target Figures

<table>
<tr><th rowspan="2">(Million yen)</th><th>FY26/3</th><th colspan="2">FY26/12</th><th colspan="2">FY27/12</th><th colspan="2">FY28/12</th></tr>
<tr><th>Actual</th><th>Previous Target (as of May 15, 2026)</th><th>Current Target (as of Aug 14, 2026)</th><th>Previous Target (as of May 15, 2026)</th><th>Current Target (as of Aug 14, 2026)</th><th>Previous Target (as of May 15, 2026)</th><th>Current Target (as of Aug 14, 2026)</th></tr>
<tr><td>Net Sales</td><td>288,933</td><td>340,000</td><td>380,000</td><td>400,000</td><td rowspan="5">Currently under review*</td><td>450,000</td><td rowspan="5">Currently under review*</td></tr>
<tr><td>Operating Profit</td><td>27,561</td><td>35,000</td><td>60,000</td><td>48,000</td><td>57,000</td></tr>
<tr><td>Operating Profit Margin</td><td>9.5%</td><td>10.3%</td><td>15.8%</td><td>12.0%</td><td>12.7%</td></tr>
<tr><td>Profit Attributable to Owners of Parent</td><td>14,886</td><td>20,000</td><td>36,000</td><td>30,000</td><td>38,000</td></tr>
<tr><td>Capital Expenditures</td><td>54,598</td><td>45,000</td><td>65,000</td><td>55,000</td><td>40,000</td></tr>
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*As disclosed, the overall Medium-term Management Plan is currently under full review for FY27/12 and FY28/12; revised figures will be formally disclosed once finalized.

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## 2. Background to Target-Setting

- The Company has revised its full-year earnings forecast for the fiscal year ending December 2026 from the forecast announced on May 15, 2026. This reflects favorable conditions including rising demand in the Company's Semiconductor Equipment-related business — driven by increased demand for semiconductor materials (ceramics, quartz), vacuum seals, metal processing, and other products used in semiconductor manufacturing equipment for generative AI applications — as well as rising demand in the Company's Electronic Device business, driven by increased demand for thermo-electric modules for optical transceivers used in AI data centers. Amid this favorable environment, demand for the Company's products across its Semiconductor Equipment-related and Electronic Device businesses has been rapidly increasing, and sales of higher-margin products have also increased.
- As a result, the Company's performance targets for the fiscal year ending December 2027 are expected to be achieved nearly ahead of schedule. The Company therefore recognizes the need to reset appropriate targets and is currently reviewing the Medium-term Management Plan in its entirety. The Company will continue to closely monitor future business trends and proceed with a thorough review, and will formally disclose the details once finalized.

## 3. Notes

- Please refer to the attached materials for further details.
- The attached materials are also available on the Company's website.

URL: https://www.ferrotec.co.jp/ir/ir_company_info_session.php

# Results for the First Quarter of the Fiscal Year Ending December 31, 2026
## (Supplementary Materials)

## Ferrotec Corporation

1. The consolidated results for this fiscal year include the results of consolidated subsidiaries for the period from January 1 to June 30, 2026.
2. This presentation has been prepared for the purpose of providing information regarding the Company's results of operations for the First Quarter of the Fiscal Year Ending December 31, 2026 and does not constitute a solicitation to purchase or sale of the Company's shares. Investment decisions should be made at the reader's own discretion and responsibility.
3. These materials were prepared based on information available as of the date of disclosure. All opinions, forecasts and other forward-looking statements are based on management's judgments in accordance with materials available at that time and may be changed without prior notice.

# FY26/12 Q1 Results Include Six Months of Consolidated Subsidiaries Results

- Due to the change in fiscal year-end, Q1 results for this fiscal year include the Company's results for April–June 2026 and the results of consolidated subsidiaries for January–June 2026.
- The current fiscal year will be a nine-month period from April to December 2026 (FY26/12). However, since the Company's consolidated subsidiaries have a December fiscal year-end, their net sales and profit will be recorded for the twelve-month period from January to December, while only the Company on a non-consolidated basis will record net sales and profit for the nine-month period from April to December. Therefore, the impact of the nine-month fiscal period on consolidated financial results will be limited.


*Q1 results for the current fiscal year will cover April–June 2026 for the parent (January–June 2026 for the subsidiaries), and Q2 results will cover April–September 2026 for the parent (January–September 2026 for the subsidiaries).

# Progress Against the Business Plan

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- **FY26/12 operating profit is expected to achieve, ahead of schedule, the level of the FY27/12 plan disclosed in May 2026.**
- **Regarding FY27/12 performance, the Company is currently confirming future customer demand trends and other factors, and a review of the plan is under consideration.**

| | FY26/12Plan | | FY27/12Plan | |
|---|---|---|---|---|
| | Disclosed on May 29 | Disclosed on July 22 | Disclosed on May 29 | Current Status |
| Net sales | **350.0 billion yen** | **380.0 billion yen** | **400.0 billion yen** | While customer demand is still being confirmed, the Company is building up and reviewing its plan with the aim of achieving net sales of approx. ¥500.0 billion and operating profit of approx. ¥80.0 billion. |
| Operating profit (margin) | **38.0 billion yen** (10.9%) | **60.0 billion yen** (15.8%) | **48.0 billion yen** (12.0%) | |

# Business Overview

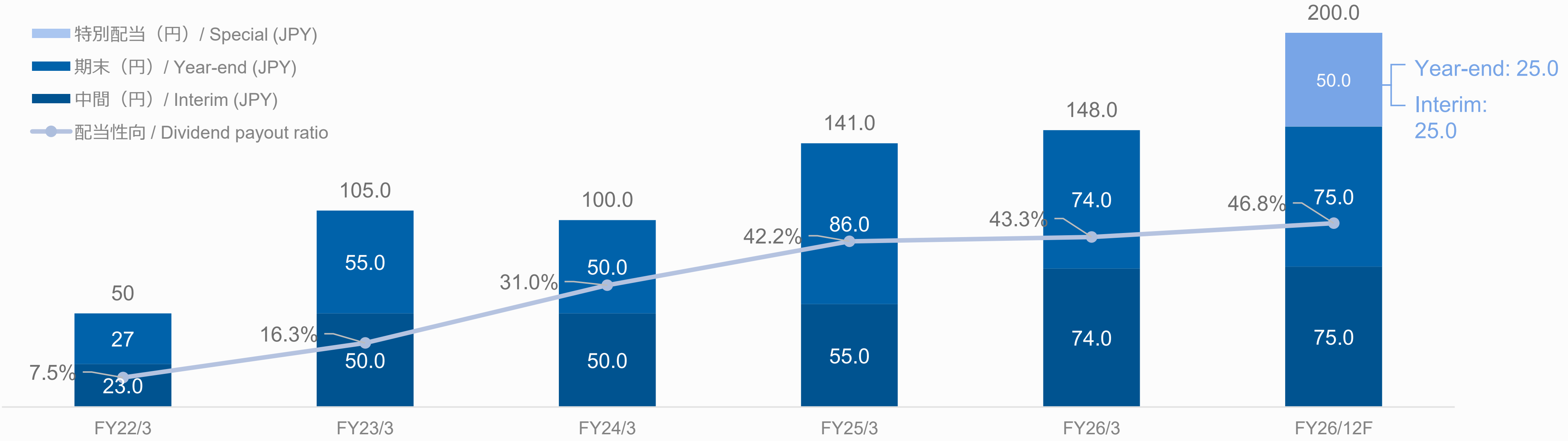
- Customer demand is expected to remain solid across all segments, continuing into FY27/12.
- Both the Semiconductor Equipment business and the Electronic Devices business are expected to grow, driven by robust AI-related investment.

| | |
|---|---|
| Semiconductor Equipment | Demand from U.S. customers has increased rapidly, with semiconductor materials—particularly ceramics—growing and driving performance.<br><br>Demand from Chinese customers has also continued to increase. |
| Electronic Device | Backed by robust investment in optical transceivers for AI servers, the Thermo-electric module business continues to grow and is driving performance. |
| Automotive | Demand for power semiconductor substrates from Chinese automotive customers is on a recovery trend, with sales trending upward; a rising adoption rate of SiC modules is also contributing. |

# Shareholder Return Policy

- **Strengthen shareholder returns by adopting DOE with a minimum level of 3.5%. Flexibly consider share buybacks, taking into account financial conditions, and aim for a total payout ratio of 50%. Maintain this policy unchanged from the previous plan.**
- **The Company plans to increase dividends, with a full-year dividend of ¥200 per share (ordinary dividend of ¥150 plus special dividend of ¥50; dividend payout ratio of 46.8%), with a target total payout ratio of 50% in mind.**

Dividend Per Share (DPS) Trends



# FY26/12 Q1 Actual Results and Q2+Q3 Plan: Net Sales by Product

| (Millions of yen) | FY26/3 Actual 1st Half | FY26/3 Actual 2nd Half | FY26/3 Actual Full year | FY26/12 1Q (Actual 1st-half Results ) | YoY (Ref.) | 2Q+3Q (Implied 2nd-half Forecast) | YoY (Ref.) | Full year (Forecast) | YoY (Ref.) |
|---|---|---|---|---|---|---|---|---|---|
| Semiconductor Equipment | 88.378 | 96,760 | 185,139 | 118,153 | 33.7% | 124,048 | 28.2% | 242,201 | 30.8% |
| Vacuum feedthroughs & metal processing OEM | 22,557 | 26,661 | 49,218 | 34,597 | 53.4% | 39,875 | 49.6% | 74,472 | 51.3% |
| Quartz products | 16,440 | 17,936 | 34,376 | 19,211 | 16.9% | 19,987 | 11.4% | 39,198 | 14.0% |
| Ceramics | 19,099 | 21,562 | 40,662 | 25,629 | 34.2% | 27,277 | 26.5% | 52,906 | 30.1% |
| Semiconductor – Other | 30,280 | 30,600 | 60,881 | 38,714 | 27.9% | 36,910 | 20.6% | 75,620 | 24.2% |
| Electronic Device | 28,090 | 29,494 | 57,584 | 39,954 | 42.2% | 44,601 | 51.2% | 84,555 | 46.8% |
| Thermo-electric modules | 14,639 | 16,182 | 30,821 | 26,097 | 78.3% | 29,830 | 84.3% | 55,927 | 81.5% |
| Electronic Device – Other | 13,451 | 13,311 | 26,762 | 13,857 | 3.0% | 14,770 | 11.0% | 28,628 | 7.0% |
| Automotive | 15,991 | 13,254 | 29,245 | 16,046 | 0.3% | 20,003 | 50.9% | 36,049 | 23.3% |
| Other | 8,520 | 8,443 | 16,964 | 8,283 | -2.8% | 8,910 | 5.5% | 17,193 | 1.3% |
| Total | 140,980 | 147,953 | 288,933 | 182,437 | 29.4% | 197,563 | 33.5% | 380,000 | 31.5% |

# Mid-Term Management Plan KPIs

**The FY26/12 plan has been revised upward. The overall plan for FY27/12 onward is currently under review**

*The FY27/12 net income, capital expenditures and other items, as well as the FY28/12 targets, are currently under review. Once finalized, they will be formally disclosed.

| (Millions of yen; unless otherwise stated)<br>Figures in parentheses indicate changes from the previous plan | | FY26/3<br>Actual | FY26/12<br>Forecast | FY27/12<br>Plan | FY28/12<br>Plan |
|---|---|---|---|---|---|
| Performance | Net sales | 288,933 | 380,000<br>(+30,000) | 400,000 | 450,000 |
| | Operating profit | 27,561 | 60,000<br>(+22,000) | 48,000 | 57,000 |
| | OP margin | 9.5% | 15.8%<br>(+4.9P) | 12.0% | 12.7% |
| | Profit | 14,886 | 36,000<br>(+13,000) | 30,000 | [illegible]3,000 |
| Capital efficiency | ROE | 6.0% | | | [illegible]1.0% |
| | ROIC※1 | 3.2% | | | 7.0% |
| Financial | Equity ratio | 37.6% | 40.0% | 40.0% | 40.0% |
| | CapEx | 54,598 | 65,000 | 55,000 | 40,000 |
| Shareholder Returns | DPS*2 (annual) | 148.0 yen | 200.0 yen | Adopt DOE (dividend on equity, based on consolidated shareholders' equity*2) with a minimum level of 3.5%. Flexibly consider share buybacks, targeting a total payout ratio of 50%. | |

The overall plan is currently under review.

*1. Profit attributable to owners of parent / (Interest-bearing debt + Net assets), excluding share acquisition rights and non-controlling interests from net assets

*2. Consolidated shareholders' equity = Share capital + Capital surplus + Retained earnings – Treasury shares. DOE = Total dividends paid ÷ Consolidated shareholders' equity

# Disclaimer

- The forward-looking statements contained in this material are based on information available as of the date of this presentation and on assumptions regarding uncertain factors that may affect future performance.
- Actual results may differ materially from those projected due to various factors. Factors that may affect performance include, but are not limited to, international conditions, economic conditions, supply and demand trends for products, raw material prices and market conditions, and foreign exchange rates.
- Figures in this material have been rounded to the nearest million yen or hundred million yen. Accordingly, figures may not exactly match those disclosed in financial statements such as the Summary of Financial Results (Kessan Tanshin) or Annual Securities Reports.
- Quantitative targets and other forward-looking information in this material are intended solely to illustrate medium- to long-term strategies and vision, and do not constitute earnings forecasts. The Company assumes no obligation to update such information.
- For official earnings forecasts, please refer to the Summary of Financial Results (Kessan Tanshin) disclosed in accordance with Tokyo Stock Exchange regulations.

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