



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

- 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	
	Disclosed on May 29	Disclosed on July 22
Net sales	350.0 billion yen	380.0 billion yen
Operating profit (margin)	38.0 billion yen (10.9%)	60.0 billion yen (15.8%)

FY27/12Plan	
Disclosed on May 29	Current Status
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.
48.0 billion yen (12.0%)	

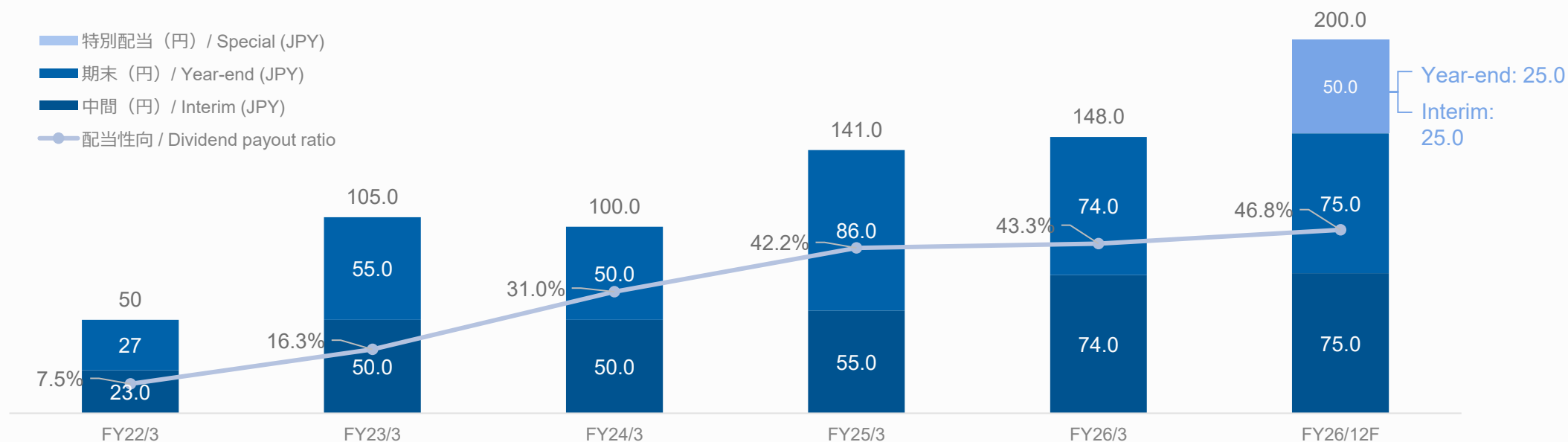
- Customer demand is expected to remain solid across all segments, continuing into FY27/12.
- Both the Semiconductor Equipment business and the Electronic Devices business are expected to grow, driven by robust AI-related investment.

Semiconductor Equipment	Demand from U.S. customers has increased rapidly, with semiconductor materials—particularly ceramics—growing and driving performance. 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			FY26/12					
	first half of the year	last half of the year	Full year	1Q (Actual first-half results)	Year Over Year(Ref.)	2Q+3Q (Actual last-half Forecast)	YoY (Ref.)	Full year (Forecast)	Year Over Year(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%
Silicon parts	6,713	6,649	13,363	9,220	37.3%	9,890	48.7%	19,110	43.0%
Ceramics	19,099	21,562	40,662	25,629	34.2%	27,277	26.5%	52,906	30.1%
CVD-SiC	4,639	2,949	7,588	1,834	-60.5%	3,113	5.6%	4,947	-34.8%
EB guns, LED deposition equipment, etc.	3,932	3,604	7,536	5,346	36.0%	3,781	4.9%	9,127	21.1%
Wafer reclaiming	2,216	2,661	4,878	3,200	44.4%	0	-100.0%	3,200	-34.4%
Parts cleaning	8,294	10,309	18,603	12,966	56.3%	14,130	37.1%	27,096	45.7%
Quartz crucibles	4,484	4,425	8,909	6,144	37.0%	5,996	35.5%	12,140	36.3%
Electronic Device	28,090	29,494	57,584	39,954	42.2%	44,601	51.2%	84,555	46.8%
Thermoelectric modules	14,639	16,182	30,821	26,097	78.3%	29,830	84.3%	55,927	81.5%
Power semiconductor substrates	10,009	9,567	19,576	9,624	-3.8%	9,647	0.8%	19,271	-1.6%
Ferrofluid	616	589	1,205	455	-26.1%	564	-4.2%	1,019	-15.4%
Thermistor sensors	2,825	3,155	5,980	3,778	33.7%	4,559	44.5%	8,337	39.4%
Automotive	15,991	13,254	29,245	16,046	0.3%	20,003	50.9%	36,049	23.3%
Thermoelectric modules	2,639	1,895	4,535	2,050	-22.3%	3,397	79.2%	5,447	20.1%
Power semiconductor substrates	9,961	8,095	18,057	10,352	3.9%	12,654	56.3%	23,006	27.4%
Thermistor sensors	3,390	3,263	6,653	3,642	7.4%	3,953	21.1%	7,595	14.2%
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) Figures in parentheses indicate changes from the previous plan		FY26/3 Actual	FY26/12 Forecast	FY27/12 Plan	FY28/12 Plan
Performance	Net sales	288,933	380,000 (+30,000)	400,000	450,000
	Operating profit	27,561	60,000 (+22,000)	48,000 12.0%	57,000 12.7%
	OP margin	9.5%	15.8% (+4.9P)		
	Profit	14,886	36,000 (+13,000)	30,000	38,000
Capital efficiency	ROE	6.0%			11.0%
	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		

The overall plan is currently under review.

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%.

*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

- ▶ 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.

