

March 19, 2019

Notice of Issuance of Unsecured Corporate Bonds

Based on a resolution of the Board of Directors Meeting held on March 15, Ferrotec Holdings Corporation has decided the terms of 10th Unsecured Straight Corporate Bonds. Details are as follows.

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| (1) Name of issue | 10 th Unsecured Straight Corporate Bonds of Ferrotec Holdings Corporation (Private Placement for a Small Number of Qualified Institutional Investors with Restrictions on Divestiture) |
| (2) Total amount of the bonds | 3.6 billion yen |
| (3) Denomination of the bonds | 100 million yen |
| (4) Application of the Book-Entry Transfer System | The Bonds shall be subject to the "Act on Book-Entry Transfer of Corporate Bonds and Shares, etc." for all of the Bonds. |
| (5) Interest rate | 1.00% |
| (6) Amount to be paid | 100 yen per 100 yen amount of each bond |
| (7) Redemption amount | 100 yen per 100 yen amount of each bond |
| (8) Payment date | March 26 and September 26 of each year (if the day on which interest is payable falls on a bank holiday, the payment shall be advanced to the preceding bank business day). |
| (9) Payment date | March 26, 2019 |
| (10) Maturity date | March 25, 2022 |
| (11) Collateral | The Bonds are not collateralized or guaranteed and there are no assets specifically reserved for the Bonds. |
| (12) Acquisition Rating | BBB-(Japan Credit Rating Agency, Ltd.) |
| (13) Underwriter | SMBC Nikko Securities Inc. |
| (14) Institutions for Book-Entry Transfer | Japan Securities Depository Center, Inc. |
| (15) Fiscal agent | Sumitomo Mitsui banking corporation |
| (16) Issuing Agent and Paying Agent | Sumitomo Mitsui banking corporation |
| (17) Use of proceeds | Business fund |

(NOTE) This notice is a public announcement regarding the issuance of the above bonds and is not intended to solicit investment or conduct similar thereto.