

Summary of Business Results for the Fiscal Year Ended March 31, 2020

[Japan GAAP] (Consolidated)

June 16, 2020

| | |
|---|---|
| <p>C o m p a n y Ferrotec Holdings Corporation</p> <p>Stock Code 6890 URL: http://www.ferrotec.co.jp</p> <p>Representative Akira Yamamura, Representative Director and President</p> <p>C o n t a c t Takeru Yamamura, Executive Vice President</p> <p>Expected date of annual shareholders' meeting: June 26, 2020</p> <p>Expected date of filing of annual securities report: July 31, 2020</p> <p>Preparation of supplementary financial document: None</p> <p>Results briefing: None</p> | <p>Stock Exchange Listing: TSE</p> <p>T E L: +81-3-3281-8186</p> <p>Expected starting date of dividend payment: June 29, 2020</p> |
|---|---|

(Rounded down to million yen)

1. Consolidated business results for the fiscal year ended March 2020

(April 1, 2019 through March 31, 2020)

(1) Consolidated results of operations (% change from the previous corresponding period)

| | Net sales | | Operating income | | Ordinary income | | Net income attributable to owners of parent | |
|----------------------|-------------|------|------------------|-------|-----------------|-------|---|-------|
| | Million yen | % | Million yen | % | Million yen | % | Million yen | % |
| Year ended Mar. 2020 | 81,613 | -8.8 | 6,012 | -31.5 | 4,263 | -47.1 | 1,784 | -37.3 |
| Year ended Mar. 2019 | 89,478 | -1.2 | 8,782 | 4.1 | 8,060 | 12.6 | 2,845 | 6.3 |

(Note) Comprehensive income:

Year ended March 2020: -655 million yen (-%)

Year ended March 2019: -931 million yen (-%)

| | 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 | % | % | % |
| Year ended Mar. 2020 | 48.12 | 47.35 | 3.6 | 2.4 | 7.4 |
| Year ended Mar. 2019 | 76.90 | 76.79 | 5.7 | 5.7 | 9.8 |

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

Year ended March 2020: 420 million yen

Year ended March 2019: 556 million yen

(2) Consolidated financial position

| | Total assets | Net assets | Shareholders' equity ratio | Net assets per share |
|-----------------|--------------|-------------|----------------------------|----------------------|
| | Million yen | Million yen | % | Yen |
| As of Mar. 2020 | 189,641 | 50,147 | 25.5 | 1,303.89 |
| As of Mar. 2019 | 163,098 | 49,848 | 30.3 | 1,337.33 |

(Reference) Shareholders' equity:

As of March 2020: 48,395 million yen

As of March 2019: 49,498 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 |
| Year ended Mar. 2020 | 8,902 | -34,472 | 17,996 | 23,709 |
| Year ended Mar. 2019 | 11,466 | -37,063 | 34,507 | 31,555 |

2. Dividends

| | Annual dividend | | | | | 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 | Total | | | |
| | Yen | Yen | Yen | Yen | Yen | Million yen | % | % |
| Year ended Mar. 2019 | - | 12.00 | - | 12.00 | 24.00 | 888 | 31.2 | 1.8 |
| Year ended Mar. 2020 | - | 12.00 | - | 12.00 | 24.00 | 890 | 49.9 | 1.8 |
| Year ending Mar. 2021 (forecast) | - | 12.00 | - | - | - | - | - | - |

(Note) Dividend forecasts for the fiscal year ending March 2021 have not yet been determined at this time.

3. Forecast of consolidated business results for the fiscal year ending March 2021

(April 1, 2020 through March 31, 2021)

(% change from the previous corresponding period)

| | Net sales | | Operating income | | Ordinary income | | Net income attributable to owners of parent | | Net income per share |
|--|-------------|------|------------------|-------|-----------------|-----|---|------|----------------------|
| | Million yen | % | Million yen | % | Million yen | % | Million yen | % | Yen |
| For the six months ending Sept. 30, 2020 | 40,000 | -4.4 | 3,000 | -15.9 | 2,500 | 1.1 | 1,500 | -2.6 | 40.41 |
| Year ending Mar. 2021 | - | - | - | - | - | - | - | - | - |

(Note) It is difficult to reasonably calculate the impact of the new coronavirus (COVID-19) infectious on the Company's consolidated full-year performance at this time. Therefore, the Company has not yet been determined its consolidated business forecasts for the fiscal year ending March 2021.

*Notes

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

(2) Changes in accounting policies, accounting estimates and restatement

- ① Changes in accounting policies associated with revision of accounting standards: : Yes
- ② Changes in accounting policies other than ① : None
- ③ Changes in accounting estimates : None
- ④ Restatement : None

(3) Shares outstanding (common stock)

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

As of March 2020 37,209,702 shares

As of March 2019 37,106,702 shares

② Treasury stock at the end of period:

As of March 2020 93,568 shares

As of March 2019 93,568 shares

③ Average number of stock during period

Year ended March 2020 37,090,590 shares

Year ended March 2019 37,004,010 shares

(Reference) Summary of non-consolidated business results

1. Non-consolidated business results for the fiscal year ended March 2020

(April 1, 2019 through March 31, 2020)

(1) Non-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 | % |
| Year ended Mar. 2020 | 7,652 | 11.6 | 5,402 | 11.0 | 5,186 | 20.0 | 4,666 | 112.6 |
| Year ended Mar. 2019 | 6,855 | 9.7 | 4,866 | 25.3 | 4,318 | 25.6 | 2,195 | - |

| | Net income per share | Diluted net income per share |
|----------------------|----------------------|------------------------------|
| | Yen | Yen |
| Year ended Mar. 2020 | 125.81 | 123.79 |
| Year ended Mar. 2019 | 59.32 | 59.24 |

(2) Non-consolidated financial position

| | Total assets | Net assets | Shareholders' equity ratio | Net assets per share |
|-----------------|--------------|-------------|----------------------------|----------------------|
| | Million yen | Million yen | % | Yen |
| As of Mar. 2020 | 113,837 | 47,198 | 41.4 | 1,269.66 |
| As of Mar. 2019 | 101,545 | 43,374 | 42.7 | 1,171.15 |

(Reference) Shareholders' equity:

As of March 2020: 47,124 million yen

As of March 2019: 43,347 million yen

***Financial summary is not subject to auditing procedures by certified public accountants or auditing firms.**

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

Forecasts regarding future performance in this material are based on information currently available to the company and certain assumptions that the company deems to be reasonable at the time this report was prepared. The company does not make promises about the achievements. Actual results may differ significantly from the forecasts due to various factors.

The Company decided to cancel its financial results briefing (for institutional investors and analysts) in light of the current situation of COVID-19 infections. The financial results materials will be posted on the Company's website on July 8, 2020.