

**Notice of the Results of the Tender Offer for the Share Certificates of Toyo Knife Co., Ltd.
(Securities Code: 5964) and the Changes in a Subsidiary**

Ferrotec Holdings Corporation (hereinafter “the Tender Offeror” or “the Company”) resolved, at the meeting of Board of Directors held on June 3, 2022, to acquire the common shares of Toyo Knife Co., Ltd. (hereinafter, “the Target Company’s Shares”) (the Tokyo Stock Exchange, Inc. (hereinafter, “the TSE”); the Standard Market; Securities Code: 5964; hereinafter, “the Target Company”) through the tender offer (hereinafter “the Tender Offer”) pursuant to the Financial Instruments and Exchange Act (Act No. 25 of 1948; including any subsequent amendments; hereinafter “the Act”), and started the Tender Offer on June 6, 2022. As the Tender Offer ended on July 15, 2022, we would like to report the results as follows.

In addition, as a result of the Tender Offer, the Target Company is scheduled to become a consolidated subsidiary of the Company on July 25, 2022 (date of start of settlement of the Tender Offer).

I. Regarding the Results of the Tender Offer

1. Outline of the Tender Offer

(1) Name and Location of the Tender Offeror

Ferrotec Holdings Corporation
2-3-4 Nihonbashi, Chuo-ku, Tokyo

(2) Name of the Target Company

Toyo Knife Co., Ltd.

(3) Types of Share Certificates Related to the Tender Offer

Common shares

(4) Number of Share Certificates to Be Purchased

Type of share certificates	Number of shares to be purchased	Lower limit of the number of shares to be purchased	Upper limit of the number of shares to be purchased
Common shares	957,331 shares	479,400 shares	-
Total	957,331 shares	479,400 shares	-

(Note 1) In the event that the total number of share certificates that have been sold in response to the Tender Offer (hereinafter “the Sold Share Certificates, Etc.”) does not reach the lower limit of the number of shares to be purchased (479,400 shares), the Tender Offeror will not purchase all of the Sold Share Certificates, Etc. When the total number of the Sold Share Certificates, Etc. exceeds the lower limit of the number of shares to be purchased (479,400 shares), the Tender Offeror will purchase all of the Sold Share Certificates, Etc.

(Note 2) The upper limit of the number of shares to be purchased is not set in the Tender Offer. Therefore, the number of shares to be purchased represents the maximum number of the Target Company’s Shares (957,331 shares) that may be acquired by the Tender Offeror in the Tender Offer. The number of shares to be purchased is obtained by subtracting the number of treasury shares held by the Target Company as of the same date stated in the “Financial Results of the Term Ended March 2022 [Japanese GAAP] (Consolidated)” announced by the Target Company on May 13, 2022 (hereinafter, “the Target Company’s Financial Results”) (431,969 shares) and the number of the Target Company’s Shares held by the Tender Offeror as of June 3, 2022 (476,600 shares) from the total number of Target Company’s outstanding shares as of March 31, 2022 as stated in the Target Company’s Financial Results (1,865,900 shares).

(Note 3) There is no plan to acquire the treasury shares held by the Target Company through the Tender Offer.

(Note 4) The shares less than one lot are also eligible for the Tender Offer. When a right to purchase shares less than one lot is exercised by the shareholders pursuant to the Companies Act (Act No. 86 of 2005; including any subsequent amendments), the Target Company may purchase its treasury shares following the statutory procedures during the period of the Tender Offer (hereinafter “the Tender Offer Period”).

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(5) Period of the Tender Offer

1. Scheduled Period of the Tender Offer as of the Submission

From Monday, June 6, 2022 to Friday, July 15, 2022 (30 business days)

2. Possibility of Extension Based on the Target Company's Request

None applicable.

(6) Price of the Purchase

2,254 yen per common share

2. Results of the Tender Offer

(1) Success or Failure of the Tender Offer

The Tender Offer had a condition that if the total number of the Sold Share Certificates, Etc. falls below the lower limit of the number of shares to be purchased (479,400 shares), we will not purchase all of the Sold Share Certificates, Etc. However, the total number of the Sold Share Certificates, Etc. (828,923 shares) has exceeded the lower limit of the number of shares to be purchased (479,400 shares), so we will purchase all of the Sold Share Certificates, Etc. as mentioned in the public notice on the commencement of the Tender Offer and the Tender Offer notification (including the revised contents mentioned in the revised notification).

(2) Date of Announcement of the Results of the Tender Offer, and the Names of Newspapers Including the Announcement

We announced the results of the Tender Offer toward the press at the TSE on July 16, 2022, with the method specified in Article 9-4 of the Order for Enforcement of the Financial Instruments and Exchange Act (Cabinet Order No. 321 of 1965; including any subsequent amendments) and Article 30-2 of the Cabinet Office Ordinance on Disclosure Required for Tender Offer for Share Certificates, etc. by Person Other than Issuer (Ordinance of the Ministry of Finance No. 38 of 1990; including any subsequent amendments; hereinafter "the Cabinet Ordinance") in accordance with Article 27-13, Paragraph 1 of the Act.

(3) Number of Share Certificates, Etc. Purchased

Types of share certificates, etc.	Converted number of shares sold	Converted number of shares bought
Share certificates	828,923 shares	828,923 shares
Share option certificates	-	-
Corporate bond certificates with share options	-	-
Beneficiary certificates of share certificates, etc. in trust ()	-	-
Depository receipt for share certificates etc. ()	-	-
Total	828,923 shares	828,923 shares
(Total number of dilutive share certificates, etc.)	(-)	(-)

(4) Ownership Ratio of Share Certificates, Etc. After the Tender Offer

Number of voting rights pertaining to the share certificates, etc. held by the Tender Offeror before the Tender Offer	4,766	(Ownership ratio of the share certificates, etc. before the Tender Offer: 33.24%)
Number of voting rights pertaining to the share certificates, etc. held by the special related parties before	257	(Ownership ratio of the share certificates, etc. before the Tender Offer: 1.79%)

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the Tender Offer		
Number of voting rights pertaining to the share certificates, etc. held by the Tender Offeror after the Tender Offer	13,055	(Ownership ratio of the share certificates, etc. after the Tender Offer: 91.05%)
Number of voting rights pertaining to the share certificates, etc. held by the special related parties after the Tender Offer	57	(Ownership ratio of the share certificates, etc. after the Tender Offer: 0.40%)
Number of voting rights of all shareholders of the Target Company	14,314	

(Note 1) "Number of voting rights pertaining to the share certificates, etc. held by the special related parties before the Tender Offer" represents the total number of voting rights pertaining to the share certificates, etc. held by each special related party.

(Note 2) "Number of voting rights of all shareholders of the Target Company" represents the number of voting rights of all shareholders as of March 31, 2022, as stated in the Securities Report for the 145th Term submitted by the Target Company on June 30, 2022 (hereinafter "the Target Company's Securities Report") (100 shares correspond to one lot.). However, since all shares less than one lot (except the treasury shares) are eligible in the Tender Offer, in the calculation of "Ownership ratio of the share certificates, etc. before the Tender Offer" and "Ownership ratio of the share certificates, etc. after the Tender Offer," the denominator has the number of voting rights (14,339 units) pertaining to the number of shares (1,433,931 shares), which is obtained by subtracting the number of treasury shares held by the Target Company as of the same date stated in the Target Company's Securities Report (431,969 shares) from the total number of Target Company's outstanding shares as of March 31, 2022 as stated in the Target Company's Securities Report (1,865,900 shares).

(Note 3) "Ownership ratio of the share certificates, etc. before the Tender Offer" and "Ownership ratio of the share certificates, etc. after the Tender Offer" are rounded to two decimal places.

(5) Calculation in the Case of Purchase, Etc. with the Pro-rata Method

None applicable.

(6) Settlement Method

1. Names and Head Offices' Locations of the Securities Firms, Banks, Etc. That Will Settle Purchase, Etc.

Mita Securities Co., Ltd.

3-11 Nihonbashi-kabuto-cho, Chuo-ku, Tokyo

Monex, Inc. (sub-agent)

1-12-32 Akasaka, Minato-ku, Tokyo

2. Date of Start of Settlement

Monday, July 25, 2022

3. Settlement Method

(Via Mita Securities Co., Ltd.)

Immediately after the Tender Offer Period, we will send a notification on purchase, etc. through the Tender Offer to the addresses of shareholders selling share certificates, etc. (standing agents in the case of non-Japanese shareholders or the like) by post. Purchase will be conducted in cash. The purchase price of share certificates, etc. will be remitted by the Tender Offeror to the places designated by shareholders selling share certificates, etc. (standing agents in the case of non-Japanese shareholders or the like) or paid into the accounts of shareholders selling share certificates, etc. who have made an application via the agent, following the instructions from shareholders selling share certificates, etc. (standing agents in the case of non-Japanese shareholders or the like)

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without delay after the start of settlement.

(Via Monex, Inc.)

Immediately after the Tender Offer Period, we will send a notification on purchase, etc. through the Tender Offer to the addresses or locations of shareholders selling share certificates, etc. (standing agents in the case of non-Japanese shareholders) by post. Purchase will be conducted in cash. The purchase price of share certificates, etc. will be remitted by the sub-agent to the places designated by shareholders selling share certificates, etc. (standing agents in the case of non-Japanese shareholders), following the instructions from shareholders selling share certificates, etc. (standing agents in the case of non-Japanese shareholders) without delay after the start of settlement.

3. Policy, Etc. after the Tender Offer and the Future Outlook

The policy, etc. after the Tender Offer and the future outlook have not been changed from the contents of "Notice of the Commencement of the Tender Offer for the Share Certificates of Toyo Knife Co., Ltd. (Securities Code: 5964)," which was announced by the Tender Offeror on June 3, 2022.

Seeing the results of the Tender Offer, the Tender Offeror plans to conduct the procedures for acquiring all of the Target Company's Shares (excluding the Target Company's Shares already held by the Tender Offeror and the treasury shares held by the Target Company). The Target Company's Shares are currently listed on the Standard Market of the TSE, but when said procedures have been completed, it will be delisted after the specified procedures in accordance with the standards for delisting stipulated by the TSE. After the delisting, it will be impossible to trade the Target Company's Shares on the Standard Market of the TSE. The future procedures will be announced by the Target Company as soon as they are determined.

4. Sites Where the Copy of the Report on the Tender Offer can be browsed

Ferrotec Holdings Corporation
2-3-4 Nihonbashi, Chuo-ku, Tokyo

The Tokyo Stock Exchange, Inc.
2-1 Nihonbashi-kabuto-cho, Chuo-ku, Tokyo

II. Regarding the Changes in a Subsidiary

1. Reason for the Changes

As a result of the Tender Offer, the Target Company will become a consolidated subsidiary of the Company on July 25, 2022 (date of start of settlement of the Tender Offer).

2. Overview of the Subsidiary (Target Company) to be included as a consolidated subsidiary

(1)	Name	Toyo Knife Co., Ltd.
(2)	Address	34-11 Tomiya-Hiwatashi, Tomiya City, Miyagi Prefecture
(3)	Title and name of representative	Yoshiaki Seino, Representative Director and President
(4)	Contents of business	Manufacturing and sale of knives for machinery, machines and parts, as well as greening and landscaping
(5)	Capital	700 million yen (as of March 31, 2022)
(6)	Date of establishment	August 9, 1925
(7)	Major shareholders and shareholding ratio (As of March 31, 2022) (Note 1)	Ferrotec Holdings Corporation 33.24 Hikari Tsushin, Inc. 7.48 The Joyo Bank, Ltd. 3.45 The 77 Bank Ltd. 3.45 Toyo Knife Employee Shareholding Association 2.94 UH Partners 2, Inc. 2.50 SIL CO., Ltd. 2.29

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	Mizuho Trust & Banking Co., Ltd.	1.95	
	Sendai Building Inc.	1.64	
	Yoshiyuki Michibata	1.49	
(8) Relationship between public companies and the Target Company			
Capital relationship	The Company holds 476,600 shares of the Target Company (ownership ratio: 33.24% [Note 2]) as of today, and has the Target Company as an equity-method affiliate.		
Personnel relationship	As of today, out of 10 directors of the Target Company, one director also serves as a director of the Company.		
Business relationship	None applicable.		
Current status of related parties	The Target Company is the Company's equity-method affiliate, and is a related party of the Company.		
(9) Consolidated business results and consolidated financial position over the past 3 years of the Target Company			
Fiscal year end	FY3/2020	FY3/2021	FY3/2022
Consolidated net assets	1,823 million yen	1,93 million yen	2,472 million yen
Consolidated total assets	6,122 million yen	6,124 million yen	6,835 million yen
Consolidated net assets per share	1,269.67 yen	1,349.99 yen	1,722.62 yen
Consolidated net sales	4,920 million yen	4,599 million yen	5,185 million yen
Consolidated operating income	164 million yen	175 million yen	348 million yen
Consolidated ordinary income	120 million yen	100 million yen	925 million yen
Net income attributable to owners of parent	68 million yen	114 million yen	471 million yen
Consolidated net income per share	46.36 yen	79.71 yen	329.11 yen
Dividend per share	20 yen	20 yen	30 yen

(Note 1) "(7) Major shareholders and shareholding ratio (As of March 31, 2022)" is written with reference to the "Situation of major shareholders" in the Target Company's Securities Report.

(Note 2) "Ownership ratio" represents a percentage (rounded to two decimal places) to the number of shares (1,433,931 shares) which was obtained by subtracting the number of treasury shares (431,969 shares) owned by the Target Company as of the same date as stated in the Target Company's Securities Report from the total number of the Target Company's outstanding shares (1,865,900 shares) as of March 31, 2022 as stated in the Target Company's Securities Report.

3. Number of Shares Acquired, Acquisition Price, and Statuses of Shares Held Before and After the Acquisition

(1)	No. of shares held before the change	476,600 shares (No. of voting rights: 4,766 units) (Ratio of ownership of voting rights: 33.24%)
(2)	Number of shares acquired	828,923 shares (No. of voting rights: 8,289 units) (Ratio of ownership of voting rights: 57.81%)
(3)	Acquisition price	The Target Company's Shares, 1,868 million yen
(4)	No. of shares held after the change	1,305,523 shares (No. of voting rights: 13,055 units) (Ratio of ownership of voting rights: 91.05%)

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(Note 1) In the calculation of "Ratio of ownership of voting rights," the denominator has the number of voting rights (14,339 units) pertaining to the number of shares (1,433,931 shares), which is obtained by subtracting the number of treasury shares held by the Target Company as of the same date stated in the Target Company's Securities Report (431,969 shares) from the total number of Target Company's outstanding shares as of March 31, 2022 as stated in the Target Company's Securities Report (1,865,900 shares).

(Note 2) "Ratio of ownership of voting rights" is rounded to two decimal places.

(Note 3) "Acquisition price" does not include advisory fees or the like.

4. Scheduled Date of the Change

Monday, July 25, 2022 (date of start of settlement of the Tender Offer)

5. Future Outlook

The impact of the change in a subsidiary through the Tender Offer on the consolidated business performance of the Company is under scrutiny. We will make a prompt announcement if matters that should be disclosed arise in the future.