

Notice of a Change in the Accounting Period of our Subsidiary Toyo Knife Co., Ltd.

Ferrotec Holdings Corporation (Representative Director: He Xian Han; hereinafter “the Company”) announces that, at the meeting of Board of Directors held today, we resolved to change the accounting period of Toyo Knife Co., Ltd., a subsidiary which manufactures knives (hereinafter “Toyo Knife”). Details are as follows.

1. Regarding the change of the accounting period of Toyo Knife

	Current	After change
(1) Fiscal year end	March 31	December 31

- The reason for this change is to unite the management cycle with other business companies of the Company.
- This will change the fiscal year end of Toyo Knife to December 31, 2022 and Toyo Knife will be included in the scope of consolidation in the third quarter of the current fiscal year of the Company.

2. Regarding performance forecast**(1) Regarding the change in the forecasted figures of Toyo Knife**

- The change in the forecasted figures of net sales due to a change in the accounting period is as follows.

(Million yen)	Cumulative second quarter	Full year
Net sales of Toyo Knife (Aug. 12)	1,473	4,023
Net sales of Toyo Knife (After change)	-	3,074
Difference	(1,473)	(949)

- Initially, we disclosed the forecasted figures of net sales on the assumption that net sales of Toyo Knife for July to September 2022 will be included in the second quarter, for October to December 2022 in the third quarter and for January to March 2023 in the fourth quarter.
- Through this change, net sales of Toyo Knife for July to September 2022 will be included in the third quarter and for October to December 2022 in the fourth quarter. Accordingly, net sales in the second quarter become zero.

(2) Regarding performance forecast of the Company

- Considering the current business situation, the performance forecast of the Company (cumulative second quarter and full year) remains the same as that announced on August 12, 2022.

(Reference) Performance forecast announced on August 12, 2022

	Net sales	Operating income	Ordinary income	Net income attributable to owners of parent	Net income per share
Cumulative second quarter	(Million yen) 90,000	(Million yen) 16,000	(Million yen) 19,000	(Million yen) 12,000	Yen 266.37
Full year	195,000	32,500	34,000	20,000	440.15