

Business Briefing Introduction

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FURUKAWA ELECTRIC CO., LTD.

Forward-Looking Statements

Projections of future sales and earnings in these materials are “forward-looking statements.”

Management offers these projections in good faith and on the basis of information presently available.

Information in these statements reflects assumptions about such variables as economic trends and currency exchange rates.

Forward-looking statements incorporate known and unknown risks as well as other uncertainties that include, but are not limited to, the following items.

- Economic trends in the U.S., Europe, Japan and elsewhere in Asia, particularly with regard to consumer spending and corporate expenditures.
- Changes in exchange rates of the U.S. dollar, euro, and Asian currencies.
- Furukawa Electric Group’s ability to respond to rapid advances in technology.
- Changes in assumptions involving financial and managerial matters and the operating environment.
- Current and future trade restrictions and related matters in foreign countries.
- Changes in the market value of securities held by the Furukawa Electric Group.

Due to the above factors, actual sales, earnings, and other operating results may differ significantly from Looking Statements in these materials. In addition, following the release of these materials, Furukawa Electric Group assumes no obligation to announce any revisions to forward-looking statement in these materials

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FURUKAWA ELECTRIC CO., LTD.







Quantitative management target

	FY2018 Result	FY2019 Forecast	2020 Mid-term Management Plan
Operating income	JPY 40.8 billion	JPY 40.0 billion	At least JPY 55.0 billion
Net income	JPY 29.1 billion	JPY 21.0 billion	At least JPY 30.0 billion
NET D/E Ratio	0.81	0.8	<0.8
Equity capital ratio	30.3%	31%	>30%
R O E	12.0%	8%	>10%
Return on operating assets	11.2%	11%	At least 10%

Business division policies

Business division	Policy
Communications Solutions	<p><u>Expand the global business with an eye on the advances in 5G</u></p> <ul style="list-style-type: none">•Develop and promote sales of products and services that support high speed, high capacity communications infrastructure
Energy Infrastructure	<p><u>Establish a business foundation for contributing to strengthening the interconnections and preparing & toughening the power lines in response to renewable energy</u></p> <ul style="list-style-type: none">•In the power cable business, narrow down and concentrate efforts on particular fields, and aim to become profitable in FY2019
Electronics & Automotive Systems	<p><u>Expand the business through the synergy effects between materials and components</u></p> <ul style="list-style-type: none">•Provide unique value to the advancement of "CASE"•Improve profitability by improving the product mix and increasing capabilities of manufacturing
Functional Products	<p><u>Work to co-create with customers and continue to provide solutions</u></p> <ul style="list-style-type: none">•In the electronics market, including data centers, expand profits through differentiated, high value added products•Through product development based on resin technology, provide solutions in line with the changes in the social environment

Today's Speakers

Division	Business Division	Title	
Communications Solutions	Optical Fiber and Cable Products FITEL Products Broadband Solution Business	Director and Corporate Executive Vice President	Takahide Kimura 
Energy Infrastructure	Power Cable Industrial Cable & Power Cable Accessories	Director and Corporate Executive Vice President	Takamitsu Kozuka 
Electronics & Automotive Systems	Automotive Products Electric Conductor Magnet Wire Copper & High Performance Material Products Copper Tube	Corporate Executive Vice President Corporate Vice President	Hiroshi Kawaguchi  Shigenobu Abe 
Functional Products	AT & Functional Plastics Thermal Management Solution & Products Memory Disk Copper Foil	Corporate Senior Vice President	Ryoji Ono 
		Director and Corporate Vice President Corporate Vice President	Ken Maki  Akihiro Fukunaga 