

# Delivering Sustained Profitable Growth

Furukawa **G** Plan 2020 **G**roup **G**lobal **G**rowth

## 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.
- The 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.

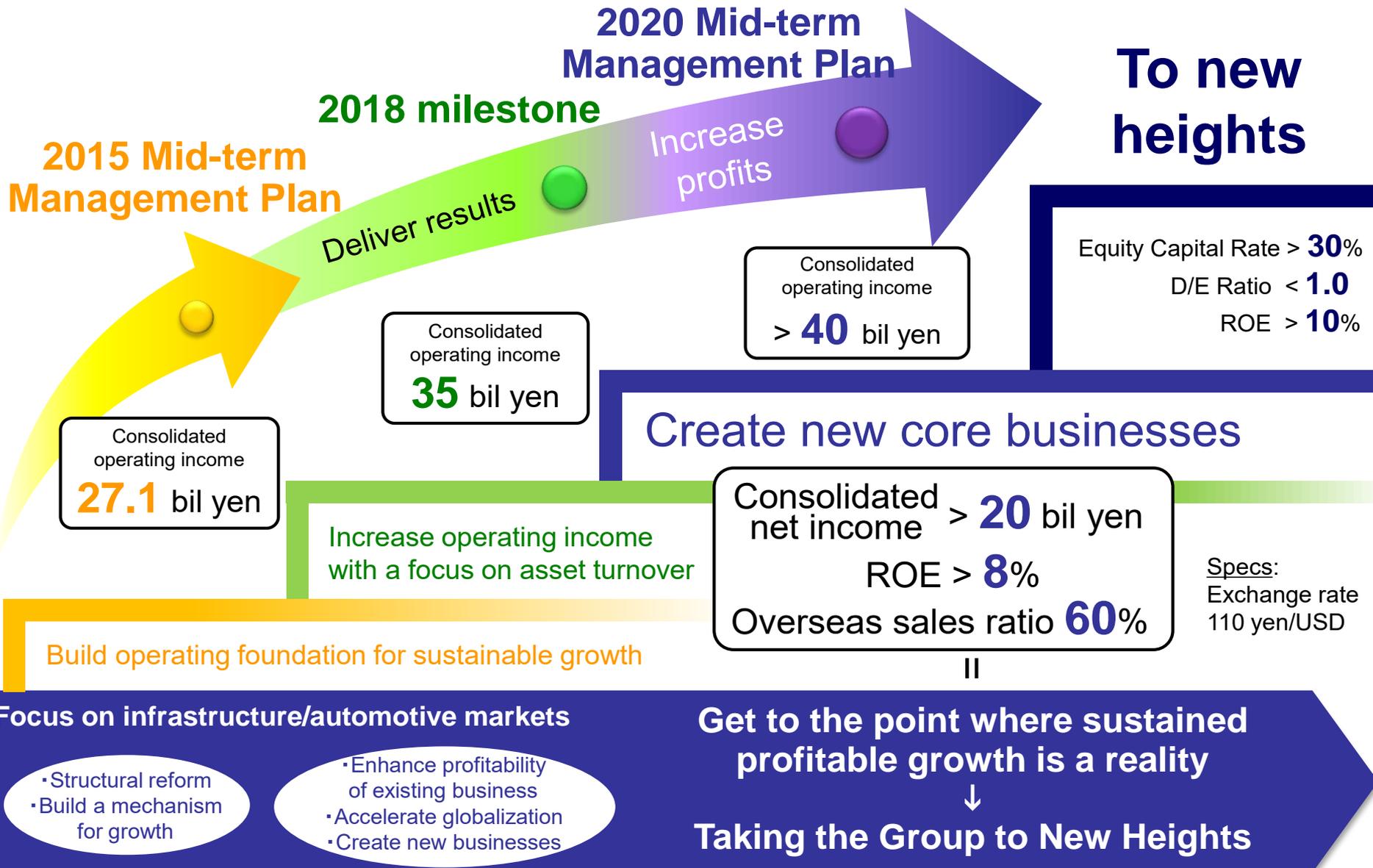
Due to the above factors, actual sales, earnings, and other operating results may differ significantly from Looking Statements in these materials. In addition, following the release of these materials, Furukawa Electric Group assumes no obligation to publicly announce any revisions to forward-looking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

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# Furukawa Electric Co., Ltd.

# Overview of 2020 Mid-term Plan



# Operating Income by business segment

(billion yen)

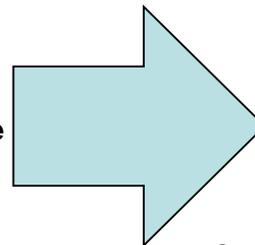
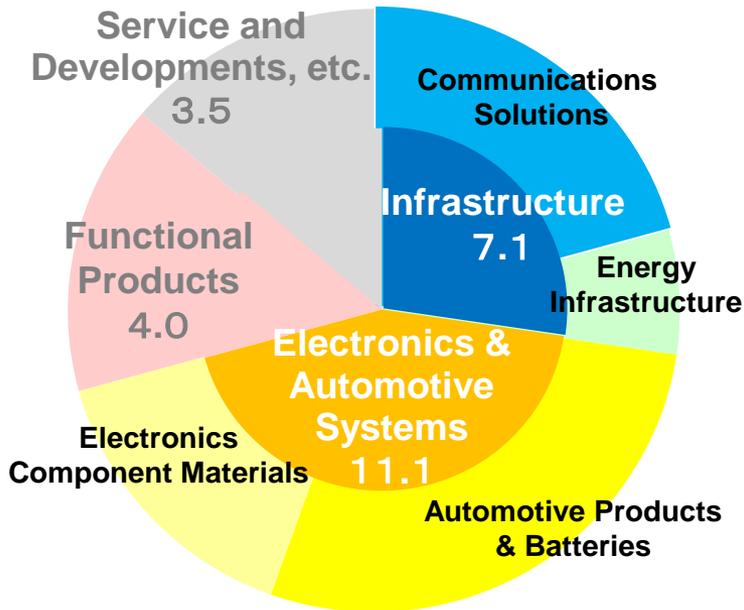
	FY15 A	FY16(e) B	FY18(e) C	Difference B-A	Difference C-A
<b>Infrastructure</b>	<b>7.7</b>	<b>7.5</b>	<b>10.0</b>	<b>Δ0.2</b>	<b>+2.3</b>
Communications Solutions	8.0	8.1	9.4	+0.1	+1.4
Energy Infrastructure	Δ 0.3	Δ 0.6	0.6	Δ0.3	+0.9
<b>Electronics &amp; Automotive Systems</b>	<b>10.5</b>	<b>12.0</b>	<b>15.0</b>	<b>+1.5</b>	<b>+4.5</b>
Automotive Products & Batteries	8.0	9.0	11.0	+1.0	+3.0
Electronics Component Materials	2.5	3.0	4.0	+0.5	+1.5
<b>Functional Products</b>	<b>8.5</b>	<b>8.5</b>	<b>10.0</b>	<b>+0.0</b>	<b>+1.5</b>
<b>Service and Developments, etc.</b>	<b>0.4</b>	<b>Δ 0.5</b>	<b>0.0</b>	<b>Δ0.9</b>	<b>Δ0.4</b>
Elimination of intra-company transactions	Δ 0	Δ 0	0	+0	+0
<b>Total</b>	<b>27.1</b>	<b>27.5</b>	<b>35.0</b>	<b>+0.4</b>	<b>+7.9</b>

\* Exchange rate (yen/\$) FY15: 121, FY16/FY18: 110

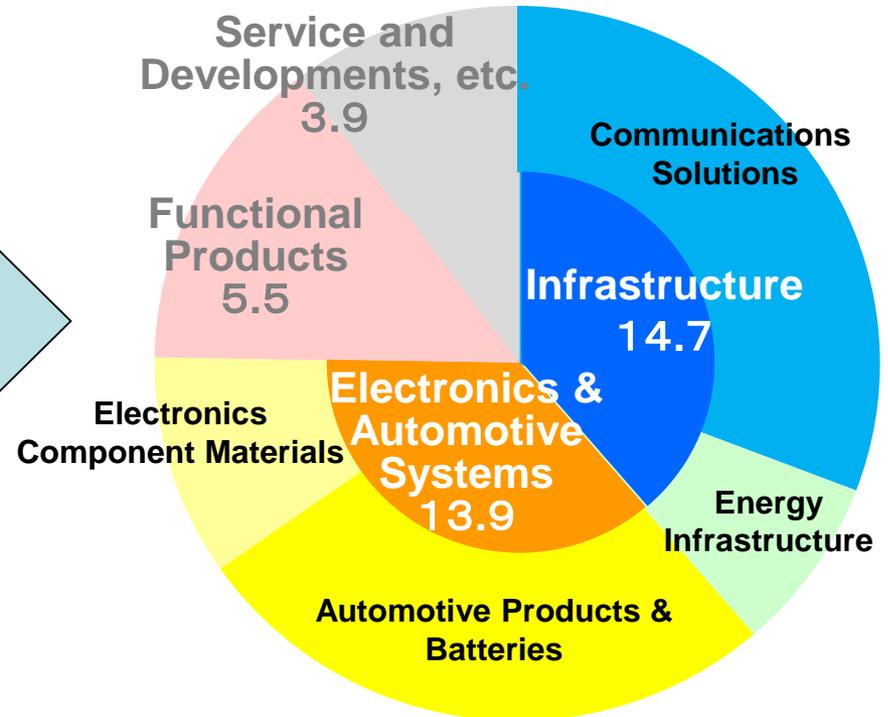
\* Copper price (yen/kg) FY15: 675, FY16/FY18: 600

# Capital Investment

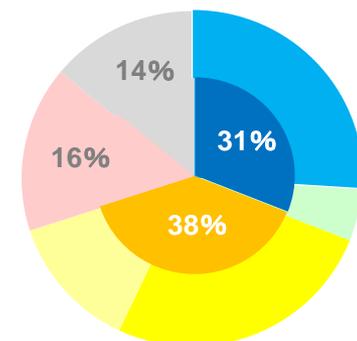
FY15 **25.7** bil.



FY16 (e) **38.0** bil.



FY16-18 total (e)  
**110** bil.



## Infrastructure

Strengthen

### Communications Solutions

- ✓ Increase optical fiber production
- ✓ Strengthen active optical products
- ✓ Expand solutions business in Asia, Africa and LatAm
- ✓ Continue to reform domestic communications business

### Energy Infrastructure

Reform

- ✓ Quickly tap into new energy demand
- ✓ Reform ultra-high-voltage power cable business
- ✓ Reform low-voltage cable business targeting construction material suppliers

## Automotive Products & Materials

Strengthen

### Automotive products and batteries

- ✓ Increase the ratio of aluminum and functional products
- ✓ Expand battery sales (for industrial/automotive applications)
- ✓ Promote integration with telecommunications and wireless technologies

### Electronics Component Material

Reform

- ✓ Expand sales of products using oxygen-free copper
- ✓ Boost high-performance magnet wire  
(automotive rectangular wire and ribbon wire)
- ✓ **Downsize underperforming product lines**  
(shift to high-value-added products)