

For individual investors

FURUKAWA ELECTRIC

Furukawa Electric Co., Ltd.
Hideya Moridaira, President & CEO
December 4, 2024

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Furukawa Electric Group Purpose

FURUKAWA ELECTRIC GROUP PURPOSE

Composing the core of a brighter world.

Maintaining reliability and comfort in our daily lives.

Facilitating social progress and development as a path toward a prosperous future.

Ensuring the happy coexistence of people and the Earth, today and tomorrow.

Creating and delivering these “indispensables” as the core of a better future.

That is our reason for being.

That is what drives us to approach various social issues with new ideas
and take on a wide range of challenges in infrastructure and beyond.

We have diligently honed our technological and problem-solving
capabilities since our foundation in 1884.

Through continuous innovation, we are uniquely
positioned to achieve even more.

All to brighten the world.

Furukawa Electric Group

Overview of the company (as of March 31, 2024)

Proposing optimum businesses
through the comprehensive capabilities as a global corporate group

Consolidated net sales

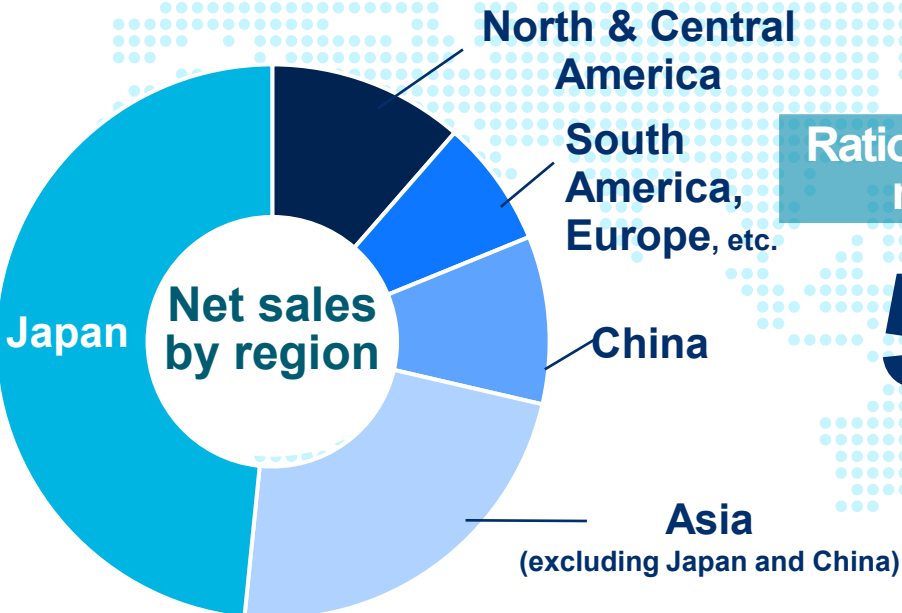
JPY 1,056.5
billion

Consolidated
operating profit

JPY 11.2
billion

Profit attributable to
owners of parent

JPY 6.5
billion



Ratio of overseas
net sales

51%

Number of employees
(Consolidated)

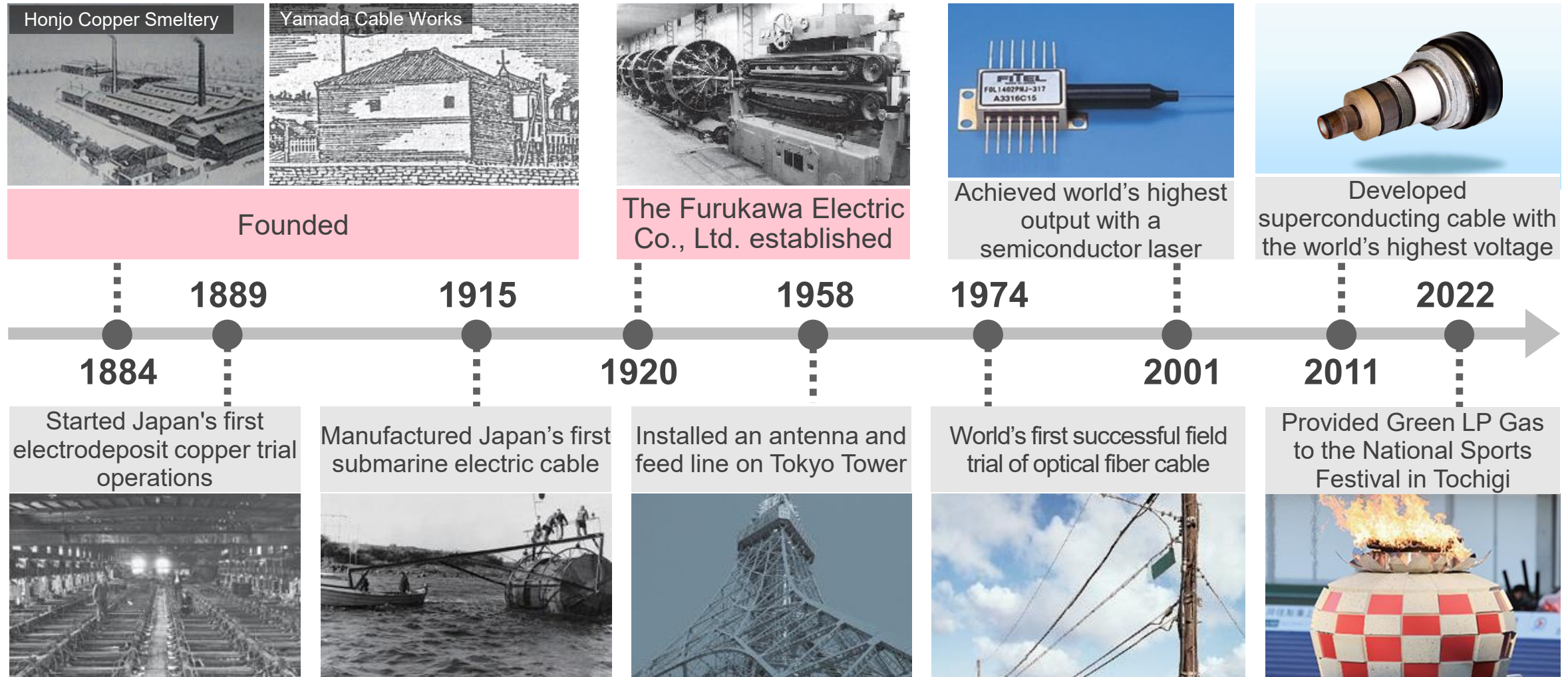
52,757
employees

Number of consolidated
companies

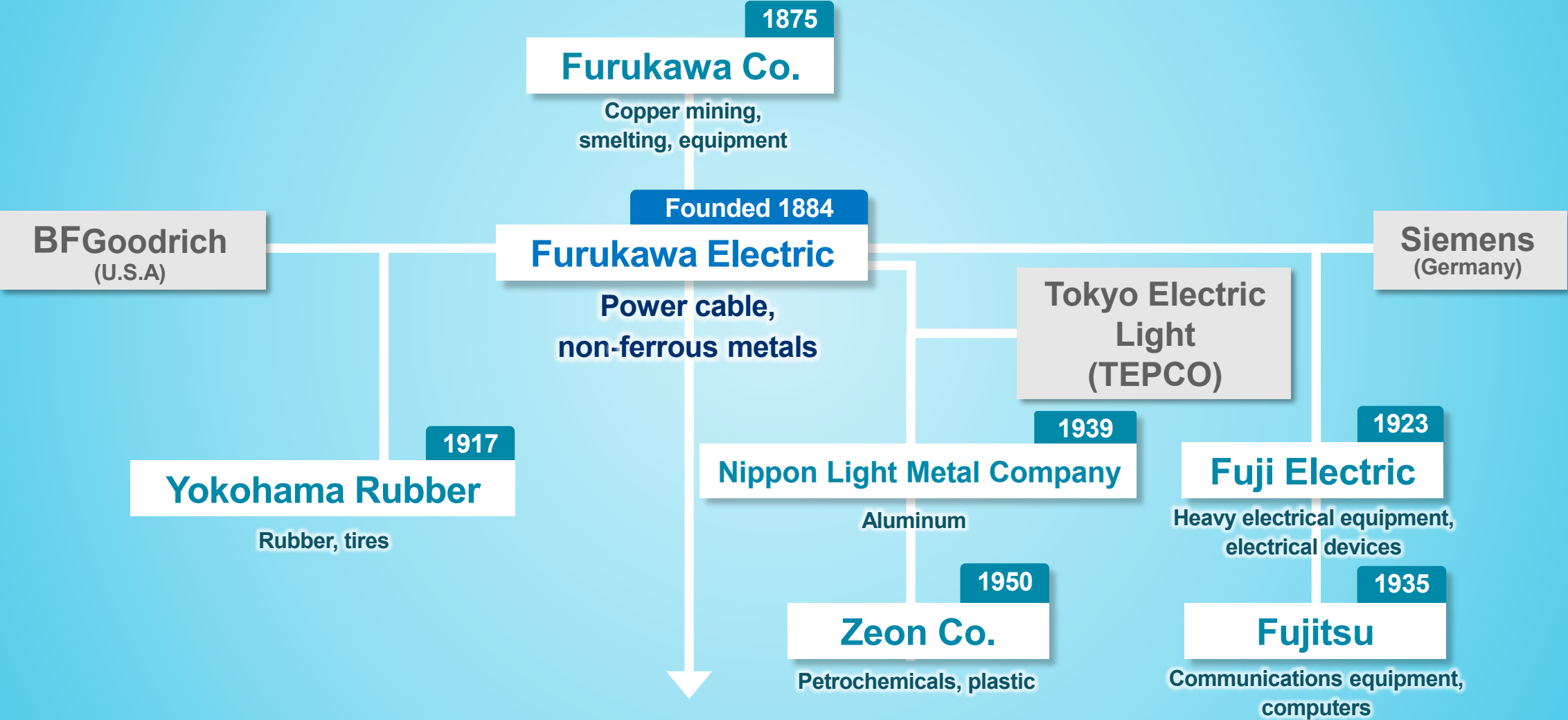
124
Companies

Business history

Centered on the materials capabilities accumulated for more than a century,
contributing to the realization of a truly prosperous, sustainable society



Produced a number of companies that contribute to society



Business overview

Developing a wide range of products in each business domain leveraging the four core technologies of “metals”, “polymers”, “photonics” and “high frequency”

Providing well-differentiated products through rapid response capabilities and flexible proposal capabilities

Functional Products



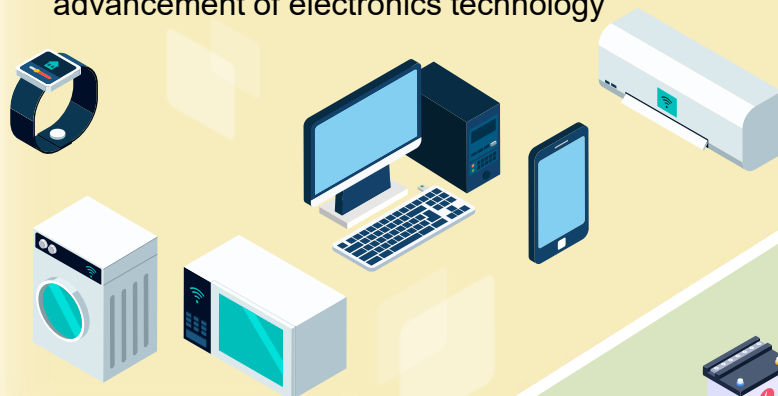
Communications Solutions

Optical communications technology that supports safe, secure next-generation infrastructure



Electronics Component Material

Leveraging the development capabilities for high performance materials and contributing to the advancement of electronics technology



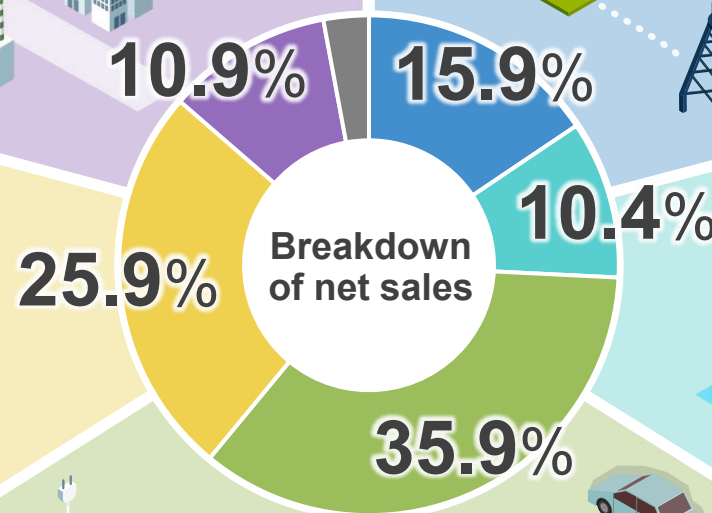
Energy Infrastructure

Supporting social infrastructure through advanced technology development capabilities, installation capability and stable quality



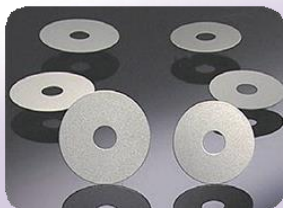
Automotive Products & Batteries

We support the future of safer, more comfortable mobility by connecting people, vehicles and the world



Current business portfolio

Product lineups that boast top-level market share in Japan and overseas



Aluminum Blanks
for Hard Disk Drive (HDD)

World's second market share



“Eflex” buried protective
conduit for cables

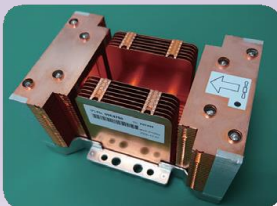
Domestic top market share

Functional Products



Cross-linked foamed polyolefin

World-leading market share



Heat sinks (Heat pipe type)

World-leading market share

Communications Solutions



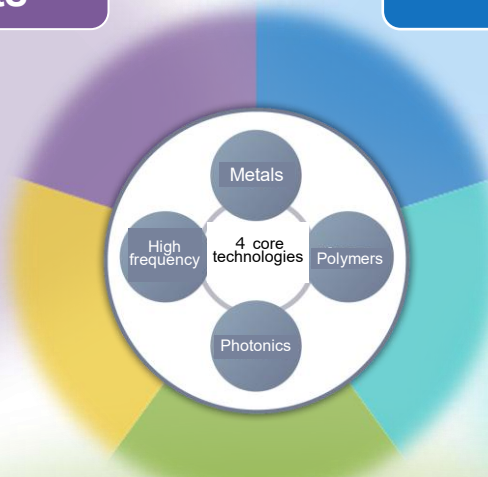
Optical Fiber Cables

World-leading market share



Variable wavelength laser modules

World-leading market share

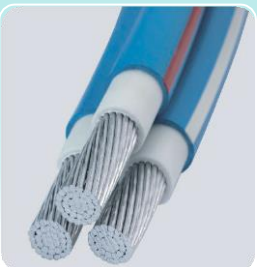


Energy Infrastructure



Submarine power cable

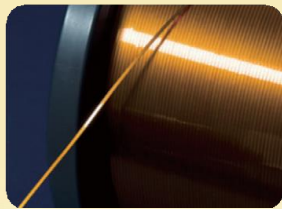
Domestic-leading market share



High-performance low-voltage
aluminum conductor cable
“Rakuraku Cable”

Domestic top market share

Electronics Component Material



Rectangular magnet wires for chip inductors

World's top market share

Automotive Products & Batteries



Alkaline Storage Battery
for Railroad

Domestic-leading market share



Steering Roll Connectors
(SRCs)

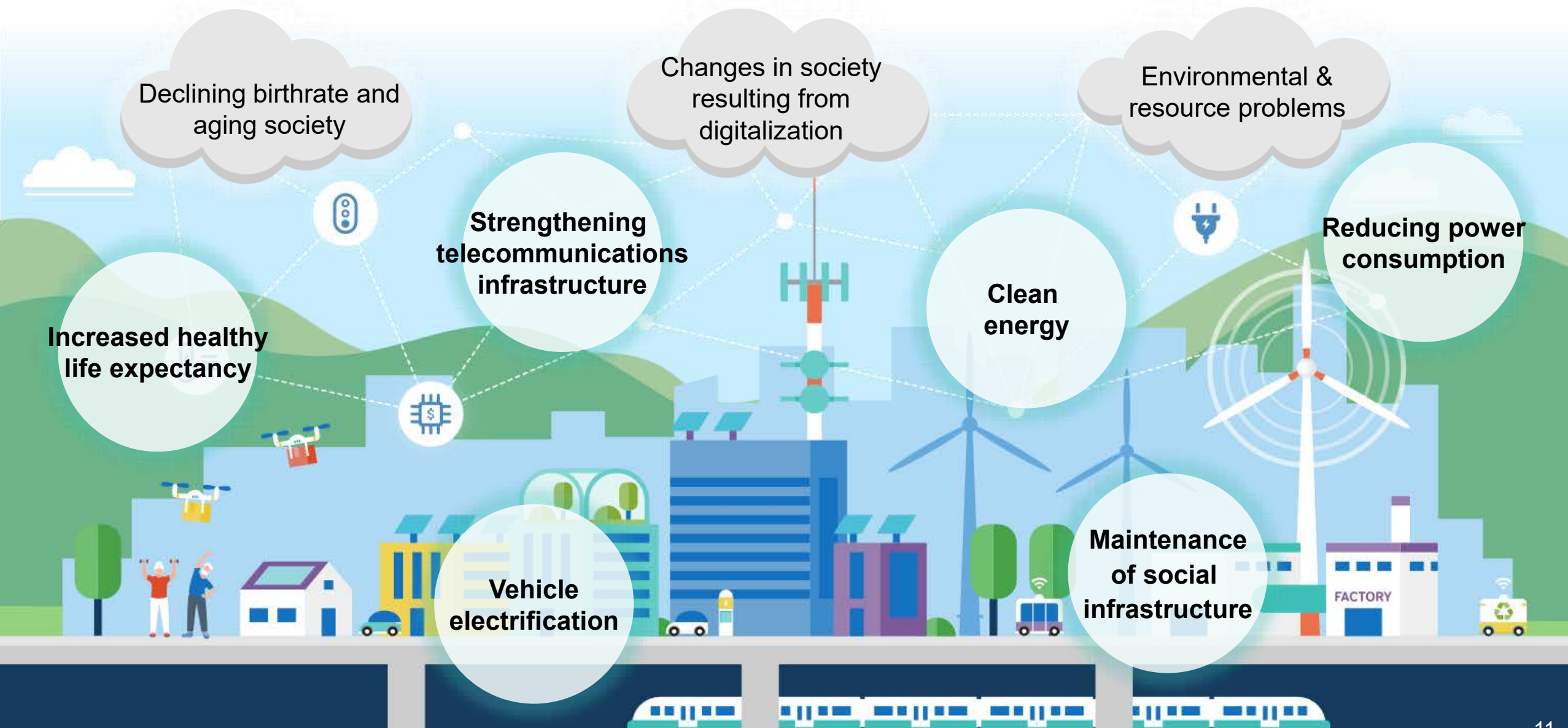
World's top market share



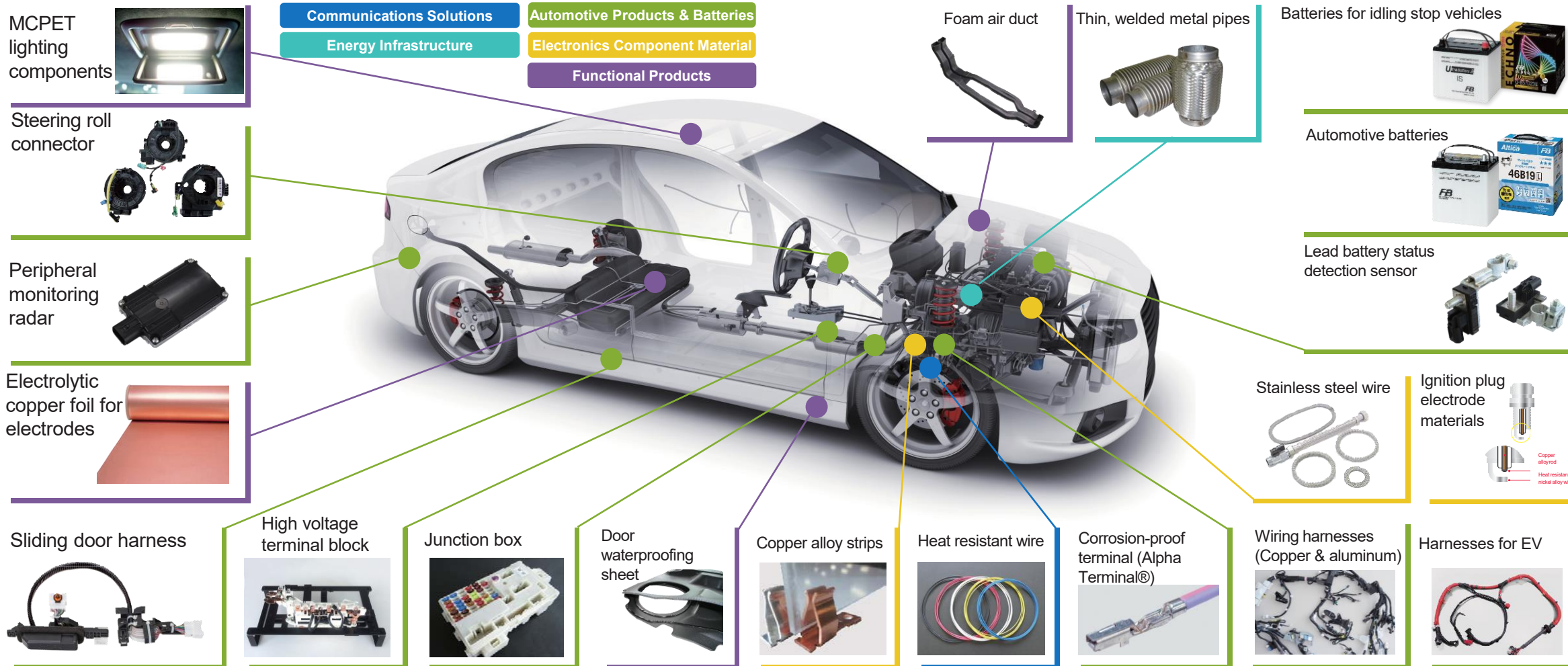
Wire harnesses

Domestic-leading market share

Approach to solving social issues



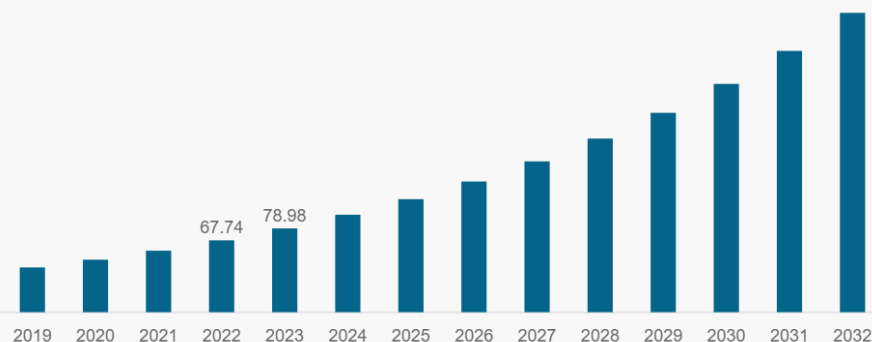
Our products are used in automobiles, which play an essential role in daily life



Our products are used in data centers that safely store and utilize information

Global storage market scale

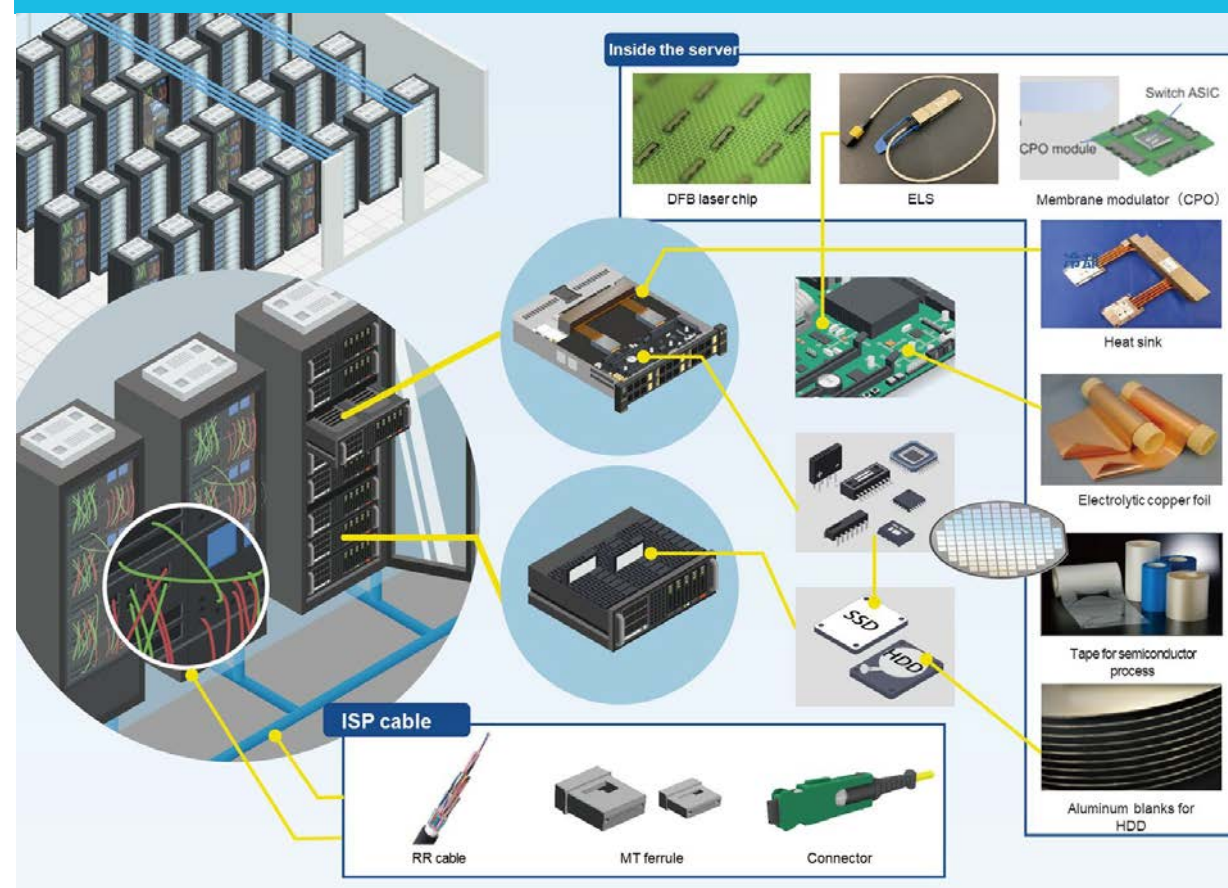
North America Data Storage Market Size, 2019-2032 (USD Billion)



www.fortunebusinessinsights.com

Fortune business insights "Data storage market"

Furukawa Electric data center products



Our solutions for solving the social issues

Changes in society resulting from digitalization/
Environmental & resource problems /Declining birthrate and aging society

**Strengthening
telecommunications
infrastructure**



**B5G/6G
Photonics-
electronics
convergence**

**Reducing power
consumption**



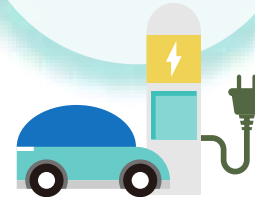
**High
temperature
super-
conductors
wire**

Clean energy



**Green
LP gas**

**Vehicle
electrification**



**High voltage
components
and wire
harnesses**

**Maintenance
of social
infrastructure**



**Laser
applications**

**Increased
healthy life
expectancy**



**Medical
components
and devices**

Our solutions for solving the social issues

Changes in society resulting from digitalization/
Environmental & resource problems /Declining birthrate and aging society

**Strengthening
telecommunications
infrastructure**



**B5G/6G
Photonics-
electronics
convergence**

**Reducing power
consumption**



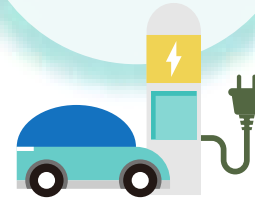
**High
temperature
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**Green
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**Vehicle
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**High voltage
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harnesses**

**Maintenance
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**Laser
applications**

**Increased
healthy life
expectancy**



**Medical
components
and devices**

Our solution for solving the “Changes in society resulting from digitalization”

Strengthening telecommunications infrastructure (Realize next-generation networks)

Low power
consumption

Large volume /
High quality

Low latency

IOWN®* partner

Leveraging photonics and wireless technology to “support and utilize simultaneous realization”

B5G/6G Photonics- electronics convergence

Photonics- electronics convergence

Connections through light without using electricity through the internal circuits of a computer

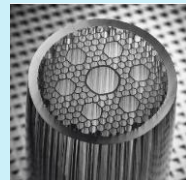
Our photonics products that contribute to the realization of next-generation networks



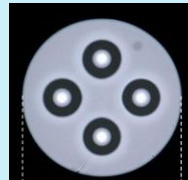
PON device



High
performance
fusion splicer



Optical fiber
with new
functions



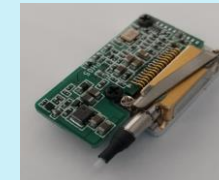
Multi-core
optical fiber



Forward Raman
amplifier unit



Excitation light
source for Raman
amplifiers



Ultra-small
tunable laser



High output
DFB external
light source

*IOWN is the abbreviation of “Innovative Optical and Wireless Network”. The concept is based on the use of revolutionary technology centered on photonics to realize network and data processors incorporated in terminals that can provide faster, larger volume communications and massive computational resources exceeding the limits of today’s infrastructure.

Our solution for solving the “Environmental & resource problems”

Clean energy

Stable supply of energy

Response to global warming

Increased energy self-sufficiency

Manufactured from livestock manure

Contribute to solving the issues faced by the livestock industry, including reducing waste disposal costs

Green LP gas

Can be stored and transported

In addition to succession of local resources and local culture for the future* of energy, it is beneficial during emergencies!

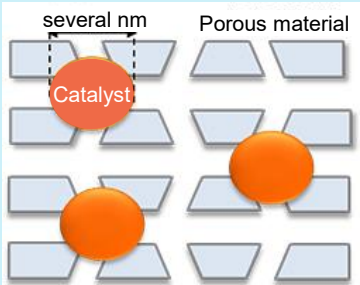
Our technology supporting the development of cleaner energy

Ramune Catalyst

Highly active, long-life catalyst used in dry reforming reactions for producing synthetic gas from biogas

Technology that converts biogas into LP gas

Structure of the Ramune Catalyst (conceptual image)



*Pass on local resources and culture to future generations

Our solution for solving
the “Declining birthrate and aging society”

Maintenance of social infrastructure

Reduce environmental
burden

Improve occupational
health

Establish sustainable
maintenance methods

Surface processing
solutions for
infrastructure

Fiber laser technology
X
Digital technology

Laser
applications

Laser welding
solutions

Fiber laser technology
X
Copper processing technology
(Supporting the electrification of mobility)

Application of our laser technology to support the maintenance of social infrastructure

Infrastructure Laser™

Utilizes a laser to remove rust and paint
“without the use of chemicals” and “without
creating dust”

Proposal for enabling the easier removal of rust and paint from ship hulls



From manual blast
cleaning...



To an automated
rust & paint
removal system!

Financial Results

FY24 H1 Financial Results Highlights

Achieved increased profit on higher revenue compared to the same period of last year, and the businesses are performing better than expected.

	FY23_H1	FY24_H1	YoY change	
(JPY billion, JPY/kg, JPY/USD)	a	b	b-a	
Net sales	503.1	570.4	+67.3	◀ Revenue increased in all segments
Operating profit	(4.6)	17.5	+22.2	◀ Profit increased in all segments excluding Service and Development, etc.
Ordinary profit	(3.6)	19.0	+22.6	
Profit attributable to owners of parent	(4.1)	11.2	+15.3	
Average copper price	1,241	1,497	+256	
Average exchange rate	141	153	+12	

FY24 Forecast Revision

The forecast for net sales and each stage of profit has been revised up.

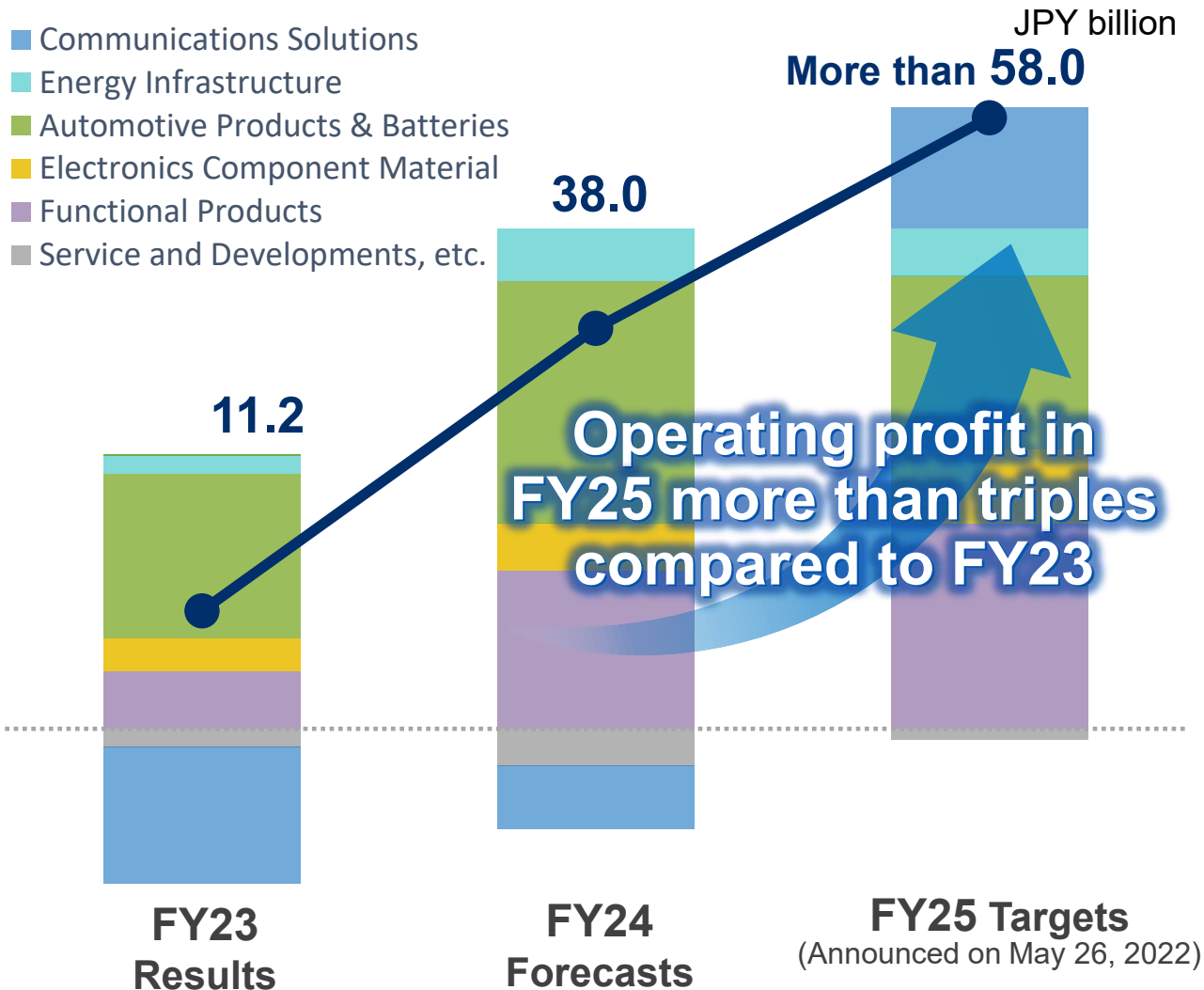
	FY23 Results	FY24 Previous forecasts*	FY24 Forecasts*	YoY change	Change from previous forecasts
(JPY billion, JPY/kg, JPY/USD)	a	b	c	c-a	c-b
Net sales	1,056.5	1,080.0	1,140.0	+83.5	+60.0
Operating profit	11.2	25.0	38.0	+26.8	+13.0
Ordinary profit	10.3	20.5	36.0	+25.7	+15.5
Profit attributable to owners of parent	6.5	13.0	22.0	+15.5	+9.0
Average copper price	1,262	1,155	1,396	+134	+241
Average exchange rate	145	140	146	+2	+6

H2 assumption
Copper price : JPY 1,295 /kg
Exchange rate: JPY 140/ USD

*Announced on May 13, 2024 *Announced on November 7, 2024

Financial targets

Operating profit trend (three fiscal years)

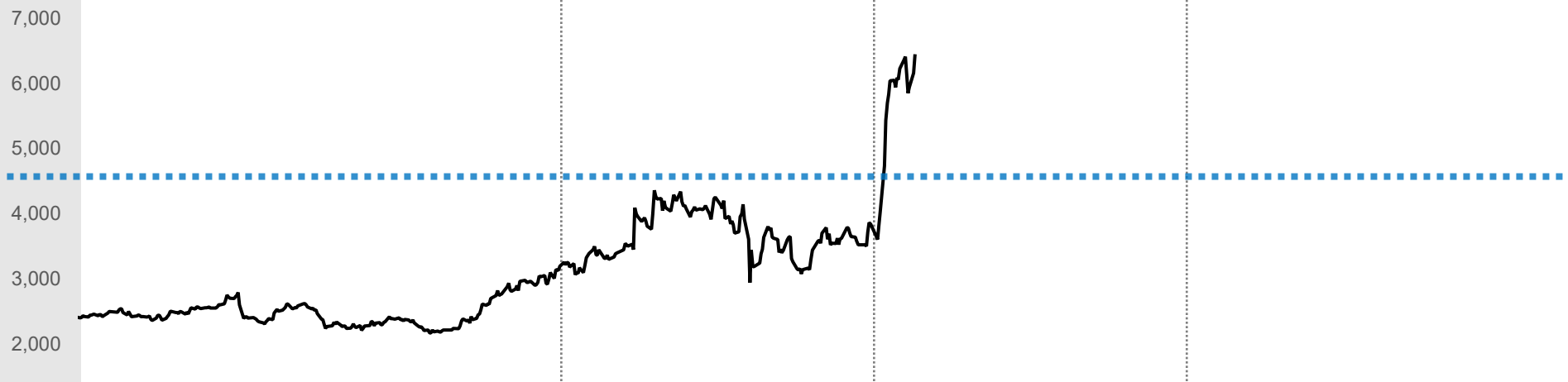


Financial targets (25 Mid-term Plan)

Announced on May 26, 2022

ROE	More than 11%
Capital ratio	More than 35%
Net sales	More than JPY 1,100.0 billion
Operating profit	More than JPY 58.0 billion
Profit attributable to owners of parent	More than JPY 37.0 billion

Share price trends and Dividend forecast

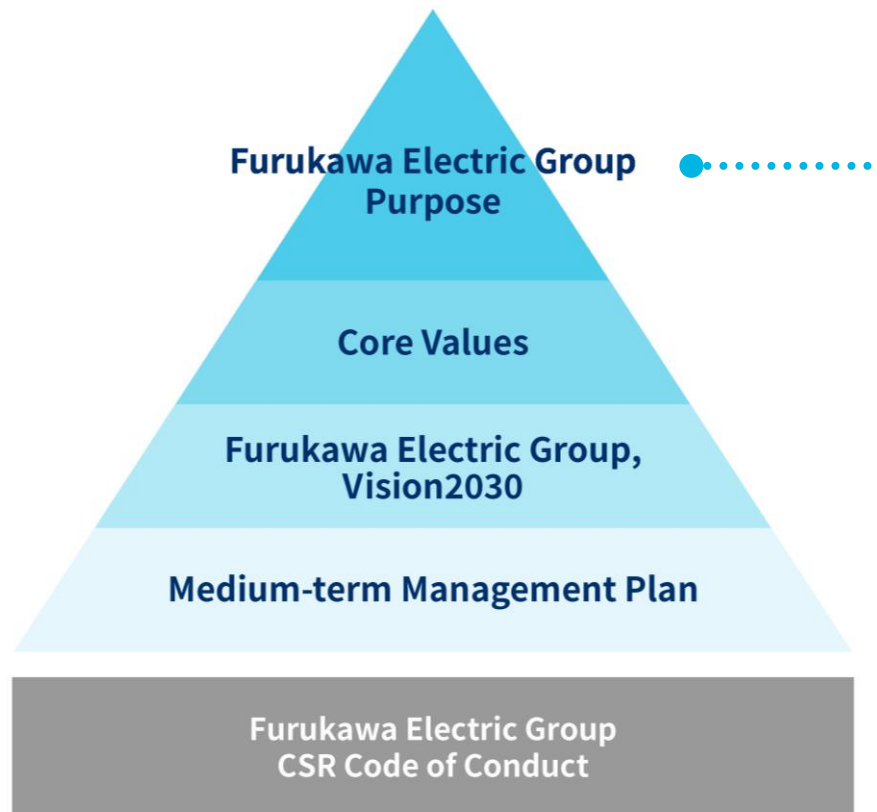
	FY23	FY24 (forecast)		FY25 (target)
		Previous (Announced on May 13, 2024)	Latest (Announced on November 7, 2024)	
Profit attributable to owners of parent	JPY 6.5 billion	JPY 13.0 billion	JPY 22.0 billion	More than JPY 37.0 billion
Dividend payout ratio	64.9%	32.5%	28.9%	Aiming for 30%
Dividend per share	JPY 60	JPY 60	JPY 90	—
Share price trends (JPY)				

Basic policy on shareholder returns

The Company's basic policy is to provide stable and continuous returns to shareholders and to link dividend payments to business performance, with a target of 30% of net income attributable to owners of the parent

In Conclusion

Furukawa Electric Group's Philosophy system



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All to brighten the world.

Thank you

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