Capital expenditure for the production of HVDC cable

October 8, 2025

Furukawa Electric Co., Ltd.

This presentation materials are created for the purpose of providing information on Furukawa Electric's activities for shareholders, investors, and members of the media.

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 forward 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.

Copyrights

Agenda

Presentation

1. **Overview**

2. **Business Plan**

3. **Growth strategy of the Energy Infrastructure Division (Power Cable business)**

4. **Business/product development towards achieving Vision 2030**

Q&A session

1. Overview

■ On a day October 8, 2025, the Board of Directors resolved on capital expenditure for the production of HVDC cable

1. Intent of the Capital Expenditure

- On October 7, 2025, our group was selected for the Ministry of Economy, Trade and Industry's GX Supply Chain Construction Support Project
- To contribute to the construction of core infrastructure that supports the realization of carbon neutrality by 2050, we aim to manufacture 500 kV-class HVDC cable, the highest voltage cable
- With an eye on the growing global demand for carbon neutrality, we will continue to expand our business internationally-particularly in Asia-while striving to achieve world-class quality standards
- This initiative is a part of the growth strategy of the Energy Infrastructure Division (Power Cable business)

2. Overview of the Capital Expenditure

- At our location (including in Futtsu City, Chiba Prefecture), we will install HVDC cable manufacturing facilities and other buildings and conduct the manufacturing and sales of HVDC cable
- Primary location: Futtsu City, Chiba Prefecture
- Total investment: Approximately JPY100.0 billion
  (acquisition of building etc., equipment, and system development expenses)

3. Start of operation Scheduled within 2030 (tentative)

1. Overview

4. Details of the selection under the GX Supply Chain Construction Support Project

1)Product	HVDC cable (finished product is a device capable of transmitting direct current electricity at 500kV-class)
2)Subsidy ratio	One-third
3)Subsidized expenses	Approximately JPY30.7 billion (maximum)
4)Production capacity	200km/year of HVDC cable (typical cable specification of 500kV-class cable)
5)Subsidy issuance period	November 2025 - December 2029

5. Impact on financial results

- The impact on the consolidated financial results for the fiscal year ending March 31, 2026 has been determined to be minor

HVDC cable

High Voltage Direct Current Cable

- Compared to AC transmission, HVDC cables offer significantly lower transmission losses, making them ideal for long-distance and high-capacity power transmission
- Primarily installed undersea, it play a vital role in transporting renewable energy -such as wind power-from remote generation sites to major consumption areas. it is a key technology for enhancing interregional grid connectivity and expanding the adoption of renewable energy

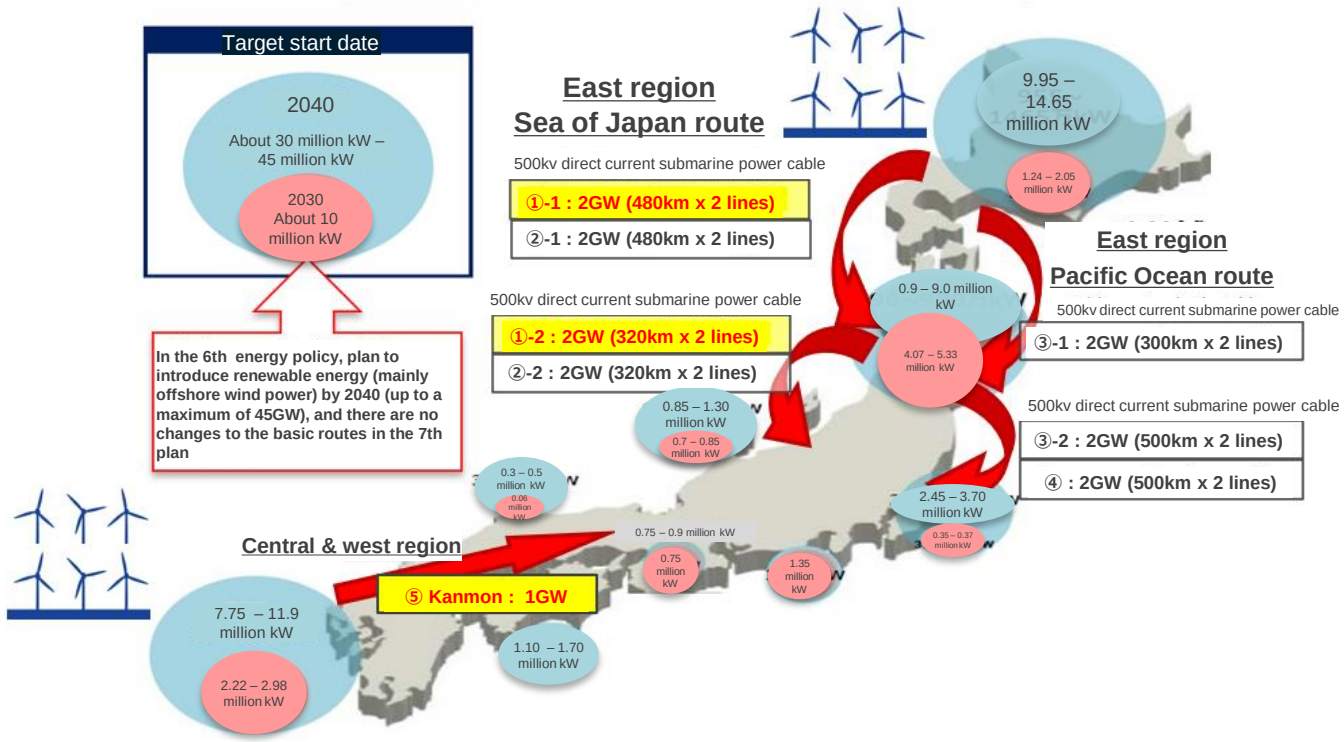
■ Wide-area interconnection line

A wide-area interconnection submarine cable project using HVDC is currently underway

- East region interconnection (Hokkaido-Tohoku-Tokyo)
  Transmission capacity: 2GW
  Submarine cable length: 800km

- Central/West region interconnection (Kanmon)
  Transmission capacity: 1GW
  Submarine cable length: 40-55km

Wide-area interconnection vision following the large-scale introduction of renewable energy



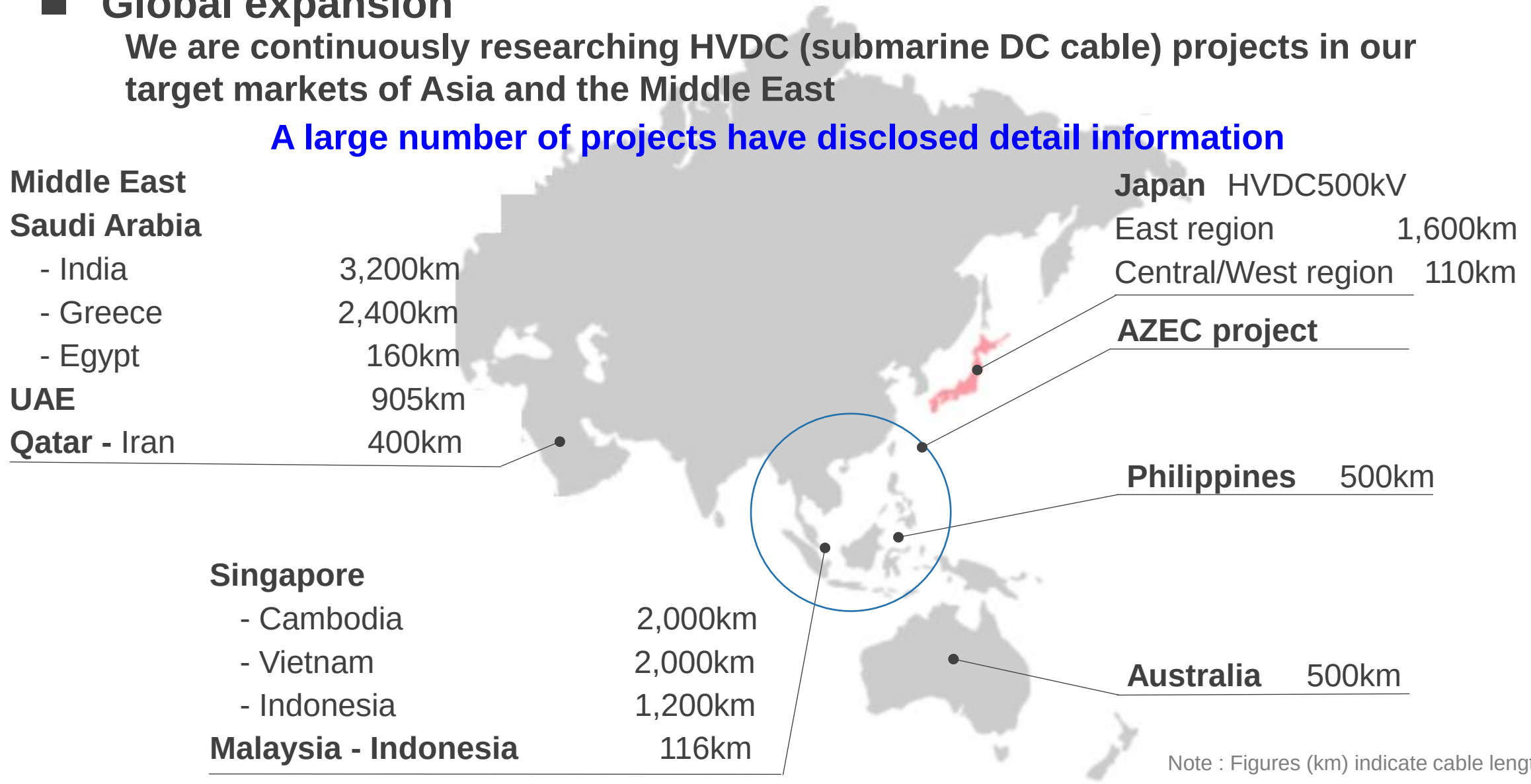
Source: Second “Public-private study session toward enhancing industrial competitiveness in offshore wind power” (December 15, 2020) Meeting materials ※Some alterations have been made

2. Business Plan

■ Global expansion

We are continuously researching HVDC (submarine DC cable) projects in our target markets of Asia and the Middle East

A large number of projects have disclosed detail information



Middle East

Saudi Arabia

- India 3,200km
- Greece 2,400km
- Egypt 160km

UAE 905km

Qatar - Iran 400km

Singapore

- Cambodia 2,000km
- Vietnam 2,000km
- Indonesia 1,200km

Malaysia - Indonesia 116km

Japan HVDC500kV

East region 1,600km

Central/West region 110km

AZEC project

Philippines 500km

Australia 500km

Note : Figures (km) indicate cable length

3. Growth strategy of the Energy Infrastructure Division (Power Cable business)

Japan extra-high voltage underground cable

Contribute to strengthening the electrical power grid (including OF replacement projects)

Japan underground cable for renewable energy

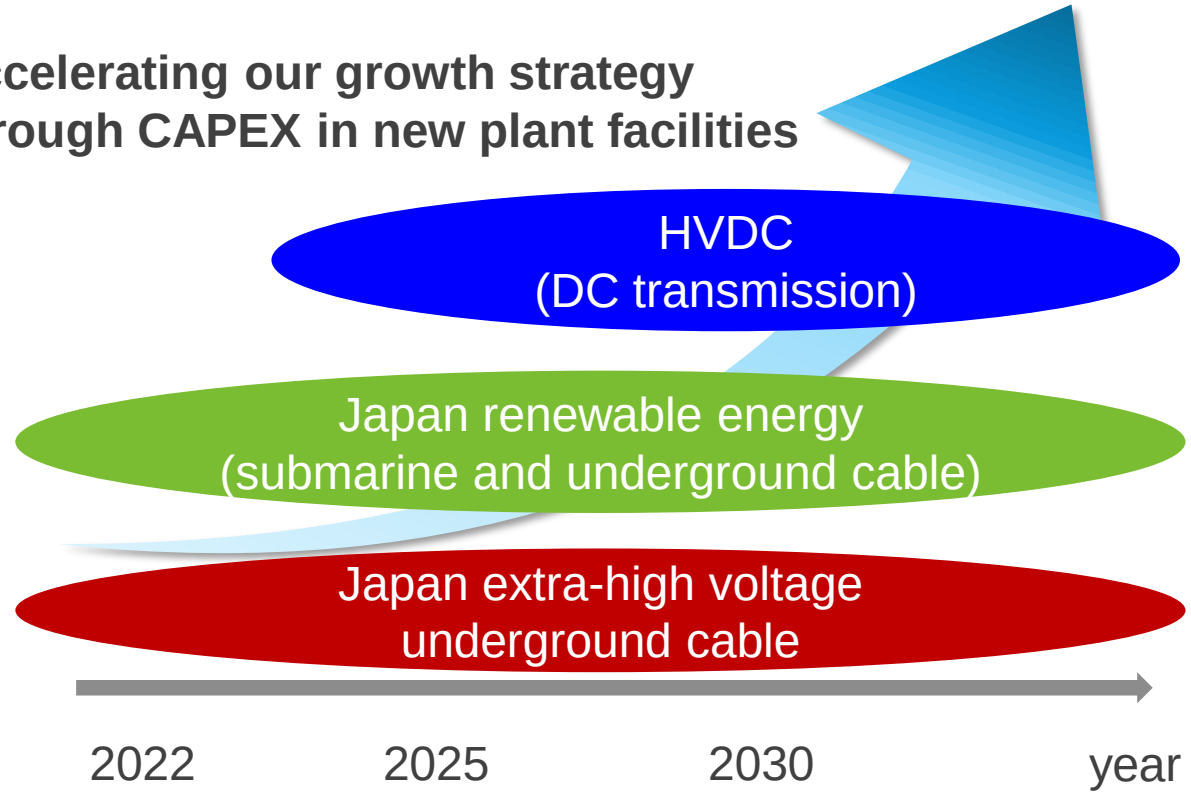
Compatible with underground cables for renewable energy sources such as solar power, onshore and offshore wind (including privately-owned lines)

Japan submarine cable for renewable energy

Contribute to the expansion of the offshore wind market (including projects in general maritime areas)

HVDC (Direct Current (DC) transmission)

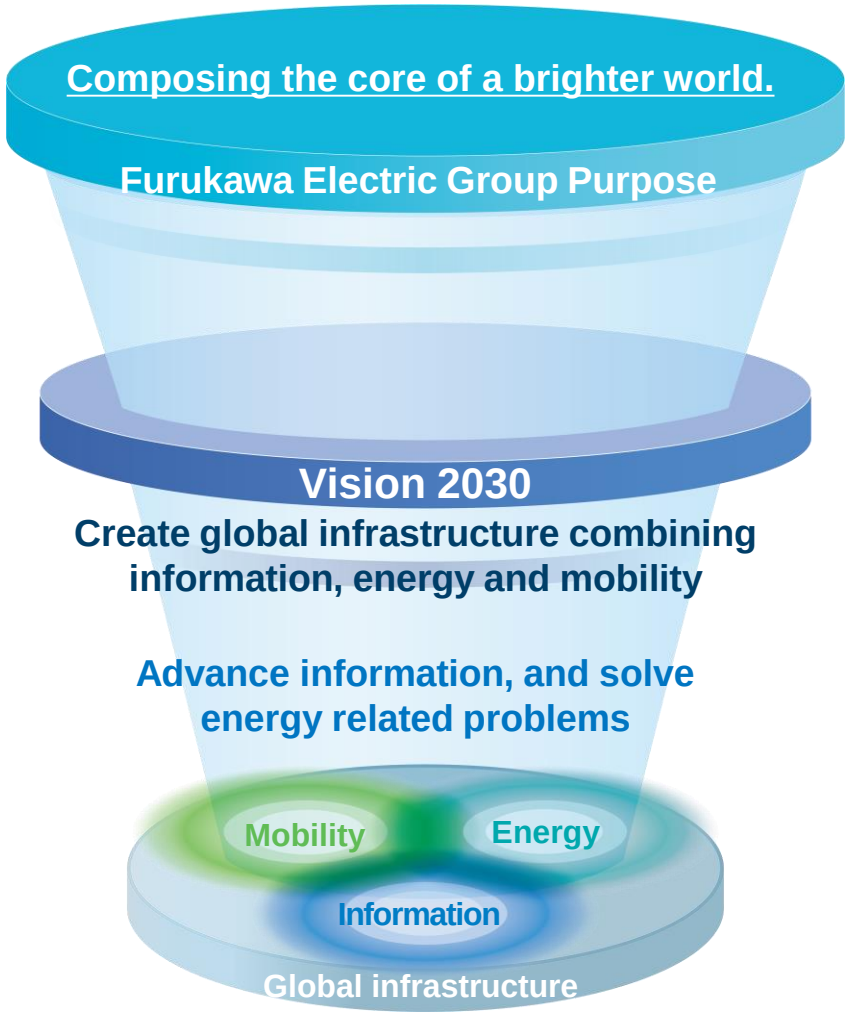
Accelerating our growth strategy through CAPEX in new plant facilities



Securing large-scale DC transmission projects domestically and internationally as a key growth driver for our Power Cable business

5. Business/product development towards achieving Vision 2030

By achieving Vision 2030 and embodying the Purpose, we will address a wide range of social issues.



Phase 3

Challenge new domains that will create indispensables for people and society

- Laser applications (Infrastructure laser®、BRACE®)
- Medical components/devices (NT wire, optical probe, laser devices)

Phase 2

Contribute to realization of a sustainable society through energy management (Increase data center performance and respond to EV)

- Submarine/ underground cable for renewable energy, power cable for wide-area interconnections
- Green LP gas
- Superconductor
- Photonics-electronics convergence (ELS , membrane modulator)
- High voltage wire harness/connector
- High voltage components/junction box

Phase 1

Larger capacity data centers, and expansion of energy-saving solutions that support this trend

- Preconnectorized cable* (RR cable + MT ferrule)
- DFB laser chip
- Heat sink
- Tape for semiconductor process
- Aluminum blanks for HDD
- Copper foil for high frequency circuit boards

* Cable with connector

As previously presented in the May 21 2025 “Progress of the 2022-2025 Medium-term Management Plan (2025 Mid-term Plan)”

Thank you

FURUKAWA ELECTRIC GROUP PURPOSE

Composing the core of a brighter world.

Appendix

- GX Supply Chain Construction Support Project

Appendix: GX Supply Chain Construction Support Project

As more countries and regions declare their commitment to carbon neutrality, a fierce global competition is emerging for long-term and large-scale investments aimed at achieving Green Transformation (GX), while also realizing decarbonization based on the strengthening industrial competitiveness and driving economic growth.

Against this backdrop, Japan aims to leverage the strengths of its manufacturing supply chains—including small and medium-sized enterprises—and its technological foundation to take the lead in building domestic GX-related supply chains. These include essential components for GX realization such as water electrolysis systems, floating offshore wind power equipment, perovskite solar cells, fuel cells, and **HVDC cables**

Call for applications – summary

Budget Amount: Approximately JPY143.75 billion

*Total amount across all areas, including government debt obligations through FY2029

Eligible Expenses:

Costs for acquiring equipment, machinery, buildings, etc., used in factories that manufacture HVDC cables (including new construction, rebuilding, and renovation), as well as system development costs

Subsidy Rate: Up to 1/2 of eligible expenses

Project Period:

From the date of grant approval to December 31, FY2029