

FACT BOOK

Financial results for the fiscal year 2018 ended March 31, 2019

<Contents>

- P/L Summary
- Segment
 - 【Net sales】
 - 【Operating income】
 - 【Operating income margin on sales】
 - 【CAPEX】
 - 【Depreciation】
 - 【Research and development expenses】
 - 【Total assets】
- Area
 - 【Net sales】
- P/L
- B/S
- Cash flow
- Financial index

FURUKAWA ELECTRIC CO., LTD.

(Figures are rounded down to the nearest one million yen)

P/L Summary		FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018
Net sales		924,717	931,781	867,817	874,879	843,344	967,333	991,590
Operating income		17,763	25,456	17,873	27,116	38,623	44,804	40,842
	Operating income margin on sales	1.9%	2.7%	2.1%	3.1%	4.6%	4.6%	4.1%
Profit/Loss in equity method affiliates		112	-825	1,855	-5,684	102	4,311	1,685
Other non-operating income/loss		-263	900	-1,130	-2,721	-2,701	-2,207	-3,449
Ordinary income		17,612	25,532	18,598	18,710	36,024	46,908	39,078
Extraordinary profit		2,936	8,931	15,661	21,864	12,437	9,776	9,887
Extraordinary loss		7,717	17,160	18,091	19,193	20,496	16,219	13,208
Profit/Loss before income taxes		12,831	17,303	16,168	21,380	27,965	40,466	35,757
Income taxes		7,040	9,038	6,693	7,939	5,534	8,151	3,310
Net income attributable to non-controlling interests		2,214	2,656	2,120	3,433	4,860	3,767	3,338
Net income attributable to owners of the parent company		3,576	5,608	7,355	10,007	17,570	28,547	29,108

Average exchange rate(¥/US\$)	82.9	100.2	109.8	120.1	108.3	110.9	110.9
Average cooper price(¥/kg)	696.4	757.6	765.8	675.5	603.9	756.7	746.6

Segment	(Net sales)	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018
Infrastructure					252,671	263,751	293,396	287,973
Communications Solutions					159,122	168,499	191,318	179,853
Energy infrastructure					93,548	95,252	102,077	108,119
Electronics & Automotive Systems					491,095	455,457	533,790	562,671
Automotive Products & Batteries					234,119	223,401	248,148	267,251
Electronics Component Materials					256,975	232,055	285,641	295,419
Functional Products					136,318	131,485	153,065	149,300
Service and Developments, etc.					51,505	49,653	51,001	47,565
Adjusted amount					-56,711	-57,003	-63,920	-55,921
Total		924,717	931,781	867,817	874,879	843,344	967,333	991,590

Segment	(Operating income)	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018
Infrastructure					7,717	14,339	12,375	7,430
Communications Solutions					7,973	14,193	14,009	9,809
Energy infrastructure					-256	145	-1,633	-2,379
Electronics & Automotive Systems					10,468	12,793	18,360	19,706
Automotive Products & Batteries					8,023	10,052	13,241	13,451
Electronics Component Materials					2,445	2,741	5,118	6,254
Functional Products					8,457	11,683	14,032	13,539
Service and Developments, etc.					413	-148	-22	55
Adjusted amount					59	-45	58	111
Total		17,763	25,456	17,873	27,116	38,623	44,804	40,842

Segment	(Operating income margin on sales)	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018
Infrastructure					3.1%	5.4%	4.2%	2.6%
Communications Solutions					5.0%	8.4%	7.3%	5.5%
Energy infrastructure					-0.3%	0.2%	-1.6%	-2.2%
Electronics & Automotive Systems					2.1%	2.8%	3.4%	3.5%
Automotive Products & Batteries					3.4%	4.5%	5.3%	5.0%
Electronics Component Materials					1.0%	1.2%	1.8%	2.1%
Functional Products					6.2%	8.9%	9.2%	9.1%
Service and Developments, etc.					0.8%	-0.3%	-0.0%	0.1%
Adjusted amount					-0.1%	0.1%	-0.1%	-0.2%
Total		1.9%	2.7%	2.1%	3.1%	4.6%	4.6%	4.1%

Segment	(CAPEX)	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018
Infrastructure					7,075	10,643	17,868	23,986
Electronics & Automotive Systems					11,069	11,609	12,070	16,133
Functional Products					4,014	4,855	3,645	5,247
Service and Developments, etc.					2,423	2,361	2,042	1,692
Adjustment or Corporate					1,104	2,114	2,916	2,976
Total		47,772	37,436	30,674	25,687	31,584	38,543	50,036

Segment	(Depreciation)	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018
Infrastructure					6,274	6,087	6,839	7,632
Electronics & Automotive Systems					10,592	11,117	11,722	11,797
Functional Products					3,955	3,898	4,289	4,416
Service and Developments, etc.					1,312	1,159	1,150	1,218
Adjustment or Corporate					1,100	1,106	1,105	1,207
Total		35,347	28,106	22,508	23,235	23,370	25,106	26,271

Segment	(Research and development expenses)	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018
Infrastructure					8,101	8,763	10,190	11,162
Electronics & Automotive Systems					4,559	4,711	4,995	5,161
Functional Products					1,721	1,837	1,998	2,191
Service and Developments, etc.					2,462	2,141	2,348	2,626
Total		20,210	17,461	16,599	16,845	17,454	19,533	21,141

Segment	(Total assets)	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018
	Infrastructure				196,272	231,823	251,329	263,288
	Electronics & Automotive Systems				284,299	301,875	332,930	340,767
	Functional Products				98,643	107,475	114,164	102,879
	Service and Developments, etc.				149,035	137,237	134,678	138,621
	Adjusted amount				-22,524	-28,284	-24,471	-27,534
	Total	819,702	714,845	734,125	705,725	750,126	808,632	818,021

Area	(Net sales)	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018
	Japan	579,003	547,699	482,564	469,617	453,317	510,663	521,281
	China	68,177	72,167	77,779	90,336	82,039	96,911	94,006
	Asia (except Japan and China)	169,565	186,822	167,224	166,516	155,983	193,059	213,260
	North America, Central America	48,228	49,268	57,753	73,980	82,302	84,746	72,677
	Other (Europe, Russia, Brazil etc.)	59,741	75,823	82,493	74,429	69,701	81,952	90,364
	Total	924,717	931,781	867,817	874,879	843,344	967,333	991,590
	Overseas sales	345,713	384,083	385,250	405,262	390,027	456,669	470,309
	Overseas sales ratio	37.4%	41.2%	44.4%	46.3%	46.2%	47.2%	47.4%

P/L		FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018
	Net sales	924,717	931,781	867,817	874,879	843,344	967,333	991,590
	Cost of sales	786,825	790,541	741,076	733,943	689,160	801,411	824,481
	Gross profit	137,891	141,240	126,741	140,935	154,184	165,921	167,108
	SG&A	120,128	115,783	108,867	113,819	115,560	121,117	126,266
	Selling expenses	36,930	36,812	35,759	36,728	35,724	39,047	40,044
	G&A expenses	83,197	78,970	73,107	77,090	79,836	82,069	86,221
	Operating income/loss	17,763	25,456	17,873	27,116	38,623	44,804	40,842
	Non-operating income	7,142	7,927	7,147	5,874	4,954	10,457	6,855
	Interest income	614	846	551	617	586	654	607
	Dividend income	1,524	1,724	1,719	1,817	1,501	1,910	2,765
	Foreign exchange gains	2,678	2,033	-	-	-	-	-
	Profit in equity method affiliates	112	-	1,855	-	102	4,311	1,685
	Other	2,212	3,323	3,021	3,439	2,763	3,581	1,796
	Non-operating expenses	7,293	7,852	6,422	14,281	7,553	8,352	8,619
	Interest expenses	5,067	4,551	3,993	3,715	3,484	3,977	4,075
	Foreign exchange losses	-	-	60	2,084	1,184	1,216	1,100
	Loss in equity method affiliates	-	825	-	5,684	-	-	-
	Other	2,226	2,474	2,368	2,795	2,884	3,158	3,443
	Ordinary income	17,612	25,532	18,598	18,710	36,024	46,908	39,078
	Extraordinary income	2,936	8,931	15,661	21,864	12,437	9,776	9,887
	Extraordinary loss	7,717	17,160	18,091	19,193	20,496	16,219	13,208
	Profit/Loss before income taxes	12,831	17,303	16,168	21,380	27,965	40,466	35,757
	Income taxes-current	4,823	6,228	3,736	6,942	6,747	8,402	8,811
	Income taxes for prior periods	-	-	-	717	-	-	-
	Income taxes - deferred	2,217	2,809	2,956	280	-1,212	-251	-5,500
	Net income	5,791	8,264	9,475	13,440	22,430	32,314	32,446
	Net income attributable to non-controlling interests	2,214	2,656	2,120	3,433	4,860	3,767	3,338
	Net income attributable to owners of the parent company	3,576	5,608	7,355	10,007	17,570	28,547	29,108

B/S		FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018
Assets	Current assets	392,644	360,009	368,818	364,030	382,398	416,191	420,513
	Cash and deposits	31,293	26,719	30,010	52,504	47,165	50,635	44,628
	Notes and accounts receivable-trade	222,430	199,286	190,431	187,028	198,864	224,335	219,347
	Securities	17	20	19	15	54	0	2,371
	Merchandise and finished goods	30,714	29,946	36,479	29,561	32,967	36,814	40,169
	Work in process	31,593	27,073	28,238	29,027	31,273	32,273	36,956
	Raw materials and supplies	41,940	36,648	34,726	34,578	40,114	44,703	45,764
	Deferred tax assets	6,311	5,025	4,209	5,292	8,243	0	0
	Other	29,562	36,690	46,064	27,433	24,945	28,643	32,365
	Allowance for doubtful accounts	-1,220	-1,400	-1,360	-1,412	-1,231	-1,215	-1,090
	Non-current assets	427,057	354,835	365,307	341,694	367,727	392,441	397,508
	Property, plant and equipment							
	Buildings and structures	261,521	206,375	210,430	215,242	215,304	218,385	216,932
	Machinery and delivery equipment	664,682	439,047	449,949	448,824	457,180	463,538	467,247
	Tools, furniture and fixtures	83,746	68,137	70,184	70,756	71,193	72,325	71,977
	Land	86,154	40,630	39,845	37,490	38,348	39,981	36,777
	Leased assets	1,875	3,133	4,518	4,765	4,952	3,808	3,444
	Construction in progress	20,264	14,477	17,237	12,088	15,495	20,484	36,444
	Accumulated depreciation	-838,157	-580,732	-592,948	-592,623	-596,983	-601,794	-603,463
	Total; Property, plant and equipment	280,086	191,069	199,217	196,544	205,490	216,728	229,360
	Intangible assets							
	Goodwill	4,910	4,070	3,879	3,768	3,149	2,542	2,751
	Other	7,704	5,525	5,147	4,747	6,592	8,762	9,453
	Total; Intangible assets	12,614	9,596	9,027	8,516	9,742	11,304	12,204
	Investments and other assets							
	Investment securities	107,006	128,884	132,124	109,028	125,227	132,270	119,188
	Investments in capital	9,580	7,274	6,996	5,155	5,693	6,062	6,199
	Net defined benefit asset	-	3,472	4,177	4,660	4,884	5,143	5,633
	Deferred tax assets	5,895	3,529	3,090	6,855	4,013	6,359	13,644
	Other	14,317	12,453	12,817	13,456	14,087	15,777	12,448
	Allowance for doubtful accounts	-2,443	-1,445	-2,142	-2,522	-1,410	-1,206	-1,172
	Total; Investments and other assets	134,356	154,169	157,062	136,633	152,494	164,407	155,942
	Total assets	819,702	714,845	734,125	705,725	750,126	808,632	818,021

B/S		FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018
Liabilities and Net assets	Current liabilities	327,868	293,869	287,149	299,341	293,364	330,335	331,621
	Notes and accounts payable - trade	133,125	104,377	110,404	100,398	108,087	124,387	131,422
	Short-term debt	125,049	119,913	96,749	113,081	90,310	106,279	106,710
	Bonds payable	2,333	100	10,000	10,000	10,000	10,000	0
	Income taxes payable	2,846	1,653	1,408	4,390	3,287	4,024	3,893
	Deferred tax liabilities	42	65	56	53	8	0	0
	Provision for product defect compensation	1,396	1,099	1,601	3,008	15,971	22,827	28,400
	Other	63,074	66,659	66,929	68,408	65,698	62,815	61,193
	Non-current liabilities	268,990	221,242	232,232	207,796	219,711	206,226	206,488
	Bonds payable	30,284	40,000	30,000	20,000	20,000	20,000	20,000
	Long-term debt	162,830	117,842	137,783	114,764	132,234	122,227	119,298
	Deferred tax liabilities	1,306	1,269	2,423	1,808	6,263	2,327	1,547
	Provision for retirement benefits	52,294	-	-	-	-	-	-
	Net defined benefit liability	-	42,525	43,486	51,058	45,178	43,174	47,731
	Provision for environmental measures	12,048	11,768	10,495	10,345	10,322	10,470	10,691
	Asset retirement obligations	1,214	566	573	543	502	1,084	1,246
	Other	9,012	7,269	7,470	9,276	5,210	6,943	5,972
	Total liabilities	596,858	515,111	519,382	507,137	513,075	536,561	538,109
	Capital stock	69,395	69,395	69,395	69,395	69,395	69,395	69,395
	Other capital surplus	21,467	21,467	21,467	21,466	21,562	22,271	22,535
	Retained earnings	76,125	79,219	83,265	90,313	103,942	128,130	151,744
	Treasury shares	-274	-276	-278	-280	-633	-613	-600
	Total shareholders' equity	166,712	169,805	173,849	180,894	194,267	219,182	243,074
	Valuation difference on available-for-sale securities	18,160	19,094	21,590	14,070	26,622	30,020	21,788
	Deferred gains or losses on hedges	419	-298	516	-1,391	717	-495	124
	plans	-4,206	-	-	-	-	-	-
	Remeasurements of defined benefit plans	-	-5,555	-9,293	-13,917	-8,138	-6,525	-8,391
	Foreign currency translation adjustment	-15,346	-5,808	4,078	-6,492	-6,756	-5,664	-8,937
	Total accumulated other comprehensive income	-973	7,431	16,892	-7,731	12,445	17,335	4,584
	Non-controlling interests	57,103	22,496	24,001	25,424	30,338	35,552	32,252
	Total net assets	222,843	199,733	214,743	198,587	237,051	272,071	279,911
	Total liabilities and net assets	819,702	714,845	734,125	705,725	750,126	808,632	818,021

Cash flow	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018
I Cash flows from operating activities	54,947	18,912	41,489	41,569	40,402	38,429	46,460
Profit/Loss before income taxes	12,831	17,303	16,168	21,380	27,965	40,466	35,757
Depreciation	35,347	28,106	22,508	23,235	23,370	25,106	26,271
Loss (Profit : -) in equity method affiliates	-112	825	-1,855	5,684	-102	-4,311	-1,685
Loss (gain;-) on disposal of non-current assets	672	580	-643	-18,879	-2,982	-8,394	-1,000
Impairment loss	2,581	6,805	1,346	995	192	3,122	2,627
Loss on valuation of inventories	1,770	1,446	867	624	928	1,297	1,366
Interest and dividend income	-2,139	-2,571	-2,270	-2,435	-2,088	-2,564	-3,373
Interest expenses	5,067	4,551	3,993	3,715	3,484	3,977	4,075
Foreign exchange losses (gains;-)	-431	-263	-795	168	559	-137	-111
Decrease (increase;-) in notes and accounts receivable - trade	9,022	-13,699	20,118	-1,537	-10,935	-26,363	1,196
Decrease (increase;-) in inventories	-6,284	-13,100	-3,108	5,572	-7,457	-9,387	-11,479
Increase (decrease;-) in notes and accounts payable - trade	5,002	-2,591	-1,114	-7,660	7,278	17,057	6,009
Other	-3,215	1,871	-11,551	14,993	15,274	6,567	-4,382
Subtotal	60,111	29,263	43,664	45,855	55,486	46,436	55,271
Interest and dividend income received	2,705	3,384	3,734	3,460	3,346	3,961	4,732
Interest expenses paid	-5,211	-4,541	-4,055	-3,763	-3,587	-3,953	-4,152
Income taxes (paid;-) refund	-2,656	-9,193	-1,853	-3,982	-7,719	-8,014	-9,390
Other	-	-	-	-	-7,123	-	-
II Cash flows from investing activities	-44,939	-40,290	-23,533	1,947	-36,361	-34,319	-31,042
Purchase of investment securities	-4,740	-3,285	-3,162	-2,033	-4,148	-799	-2,924
Proceeds from sales of investment securities	306	7,227	9,611	3,043	2,992	526	9,051
Purchase of property, plant and equipment	-45,753	-39,364	-27,676	-25,646	-28,443	-34,349	-43,053
Purchase of intangible assets	-2,202	-964	-737	-824	-2,539	-3,533	-3,997
Proceeds from sales of non-current assets	508	2,374	2,592	22,571	6,031	9,951	5,515
Decrease (increase;-) in short-term loans receivable	4,684	-5,174	-4,610	3,134	-7,984	-5,886	2,182
Other	2,258	-1,104	449	1,702	-2,270	-229	2,184
III Cash flows from financing activities	-11,402	29,917	-15,537	-20,942	-10,378	-1,943	-19,414
Net increase (decrease;-) in short-term loans payable	-12,145	4,116	-2,234	-3,510	-3,140	875	4,140
Proceeds from long-term loans payable	52,298	46,475	36,230	14,434	35,822	19,668	26,186
Repayments of long-term loans payable	-45,177	-29,235	-44,601	-18,540	-38,297	-17,778	-31,421
Proceeds from issuance of bonds	10,070	10,070	-	-	10,000	10,000	0
Redemption of bonds	-16,562	-2,295	-100	-10,000	-10,000	-10,000	-10,000
Cash dividends paid	-22	-2,120	-2,115	-2,112	-2,823	-3,885	-5,647
Dividends paid to non-controlling interests	-1,257	-883	-575	-547	-701	-1,226	-2,291
Other	1,393	3,789	-2,142	-667	-1,239	403	-381
Effect of exchange rate change on cash and cash equivalents	1,670	591	1,466	-1,422	-314	1,040	853
Net increase in cash and cash equivalents	276	9,131	3,885	21,151	-6,652	3,206	-3,142
Cash and cash equivalents at beginning of the year	30,084	30,476	25,320	29,488	51,659	46,147	49,758
Increase in cash and cash equivalents from newly consolidated subsidiary	109	135	244	1,019	1,529	463	223
Decrease in cash and cash equivalents resulting from exclusion of subsidiaries	-	-14,422	-9	-	-416	-59	-
Increase in cash and cash equivalents resulting from merger	5	-	48	-	27	-	-
Cash and cash equivalents at end of the year	30,476	25,320	29,488	51,659	46,147	49,758	46,838

Financial index		FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018
Profitability	Net sales	924,717	931,781	867,817	874,879	843,344	967,333	991,590
	Operating income	17,763	25,456	17,873	27,116	38,623	44,804	40,842
	Ordinary income	17,612	25,532	18,598	18,710	36,024	46,908	39,078
	Profit/Loss before income taxes	12,831	17,303	16,168	21,380	27,965	40,466	35,757
	Net income attributable to owners of the parent company	3,576	5,608	7,355	10,007	17,570	28,547	29,108
	Total assets	819,702	714,845	734,125	705,725	750,126	808,632	818,021
	Net assets	222,843	199,733	214,743	198,587	237,051	272,071	279,911
	Equity Capital	165,739	177,237	190,741	173,163	206,712	236,518	247,659
	ROE	2.3%	3.3%	4.0%	5.5%	9.3%	12.9%	12.0%
	ROA	2.2%	3.3%	2.6%	2.6%	4.9%	6.0%	4.8%
	Operating assets	396,951	294,333	307,688	298,228	319,588	341,825	364,456
	Return on operating assets	4.5%	8.6%	5.8%	9.1%	12.1%	13.1%	11.2%
	Operating income margin on sales	1.9%	2.7%	2.1%	3.1%	4.6%	4.6%	4.1%
	Ordinary income margin on sales	1.9%	2.7%	2.1%	2.1%	4.3%	4.8%	3.9%
Net profit margin on sales	0.4%	0.6%	0.8%	1.1%	2.1%	3.0%	2.9%	
Safety	Equity capital ratio	20.2%	24.8%	26.0%	24.5%	27.6%	29.2%	30.3%
	Interest-bearing debt balance	320,497	277,855	274,532	257,845	252,544	258,506	246,009
	D/E ratio	1.9	1.6	1.4	1.5	1.2	1.1	1.0
	Net Interest bearing debt balance	289,204	251,136	244,521	205,341	205,378	207,870	201,380
	NET D/E ratio	1.7	1.4	1.3	1.2	1.0	0.9	0.8
	Current assets	392,644	360,009	368,818	364,030	382,398	416,191	420,513
	Current liabilities	327,868	293,869	287,149	299,341	293,364	330,335	331,621
Current ratio	119.8%	122.5%	128.4%	121.6%	130.3%	126.0%	126.8%	
Efficiency	Total asset turnover ratio	1.15	1.21	1.20	1.22	1.16	1.24	1.21
	Balance of inventory assets	104,249	93,668	99,443	93,167	104,355	113,792	122,890
	Inventory turnover ratio	9.29	9.42	8.99	9.08	8.54	8.87	8.38
	Balance of account receivable	222,430	199,286	190,431	187,028	198,864	224,335	219,347
	Receivables turnover ratio	4.16	4.42	4.45	4.64	4.37	4.57	4.47
Index per share	Net income per share (Yen) ※	5.07	7.94	10.42	14.17	249.17	405.05	412.98
	Net assets per share (Yen) ※	234.73	251.02	270.15	245.26	2,933.21	3,355.77	3,513.58

※The company executed a one-for-ten reverse stock split of its common shares effective October 1, 2016.