

Furukawa Electric Group

FY2024 Q2 Financial Results

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Furukawa Electric Co., Ltd.

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

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FY24 H1 Financial Results and FY24 Forecasts

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.

(JPY billion, JPY/kg, JPY/USD)	FY23_H1	FY24_H1	YoY change	
	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	

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

(JPY billion, JPY/kg, JPY/USD)	FY23 Results	FY24 Previous forecasts*	FY24 Forecasts	YoY change	Change from previous forecasts
	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

*Announced on May 13, 2024

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

FY24 Forecast Revision -Operating Profit by Segment



Operating profit of main segments

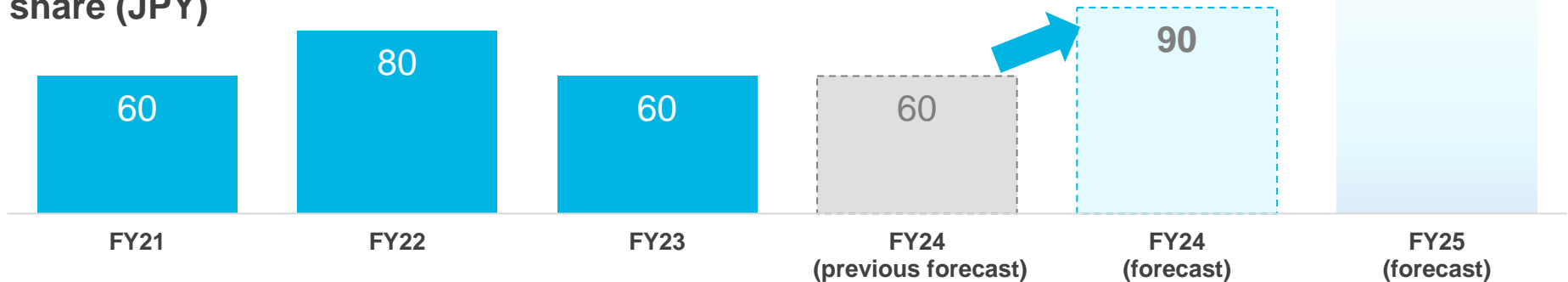
(JPY billion)											
Segments	Sub-segments	H1	H2	FY23 Results	FY24 Previous forecasts*	H1	H2	FY24 Forecasts	YoY change	Change from previous forecasts	Recognition of the situation
				a	b			c	c-a	c-b	
Infrastructure	Communications Solutions	(6.0)	(6.9)	(13.0)	(6.0)	(5.8)	(0.2)	(6.0)	+7.0	—	H1: Financial results slightly exceeded expectations H2: Telecom market recovery will likely be delayed
	Energy Infrastructure	(2.6)	4.4	1.7	3.5	2.9	2.1	5.0	+3.3	+1.5	H1: Financial results exceeded expectations H2: Expected to progress as expected
Electronics & Automotive Systems	Automotive Products & Batteries	2.3	13.3	15.6	16.5	11.2	11.8	23.0	+7.4	+6.5	H1: Improved productivity resulting from stable orders H2: Situation will remain ongoing from H1
	Electronics Component Material	0.6	2.5	3.1	4.5	3.1	1.4	4.5	+1.4	—	H1: Impact of improvement to the product mix and foreign currency exchange H2: Electronics market recovery will be delayed
Functional Products		2.1	3.4	5.5	10.0	7.9	7.1	15.0	+9.5	+5.0	H1: Recovery in HDD demand occurred earlier than expected H2: Demand of data center products will continue to be strong
Consolidated total (include service and developments, etc. segment, and elimination)		(4.6)	15.8	11.2	25.0	17.5	20.5	38.0	+26.8	+13.0	

*Announced on May 13, 2024

FY24 Forecast Revision -Year-end Dividend Forecast

■ For the year-end dividend, we plan to issue a dividend of JPY 90 per share
(Raised by JPY 30 from JPY 60 announced on May 13, 2024)

Annual dividend per share (JPY)



Profit attributable owners of parent	JPY 10.1 billion	JPY 15.9 billion	JPY 6.5 billion	JPY 13.0 billion	JPY 22.0 billion	More than JPY 37.0 billion
Dividend payout ratio	41.8%	35.4%	64.9%	32.5%	28.9%	30%(target)

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 profit attributable to owners of parent

Business Environment and Initiatives

		FY2024	FY2025 and beyond
Business environment	Macroenvironment	Markets continue to be volatile due to political/economic uncertainty	
	North America telecom market	Gradual recovery	Full-scale recovery expected to occur from FY25 or beyond
	Data center/AI market	Large growth from last year	Continued growth
	Electronics market	Delay in recovery of demand of products for smartphone and PC	Gradual recovery
	Automotive market	Low vehicle production volume, especially in China market	Vehicle production volumes will gradually increase
			Semi-conductor market
Initiatives		Advance the initiatives for enhancing earnings capability	Strengthen and accelerate the initiatives aimed at further growth
	Communications Solutions	Increase production of data center products and expand the product lineup	In addition to the factor stated on the left, capture the recovering telecom demand
	Energy Infrastructure	Accept orders with a focus on profits, and increase installation capacity	In addition to the factor stated on the left, prepare to expand the wide-area interconnection business
	Automotive Products & Batteries	Further improve productivity and optimize sales prices	Develop products and accelerate the response to autonomy for the electric vehicle market
	Electronics Component Material	Making progress in improving the product mix and optimizing sales prices	Develop and supply high performance materials that meet customer needs
	Functional Products	Capture the strong demand in growing markets (advance customer responses, prepare a production system, develop next generation products, etc.)	

Initiatives for Recovering the Communications Solutions Business

- Data center market will continue to grow, and we will work to enhance the product supply system and increase sales.
- Overseas telecom market will gradually recover, and we will work to prepare for the full-scale recovery from FY25 or beyond.

Market forecast

Data centers

Optical cable and optical component demand is strong, and the market is expected to highly grow in the future

Overseas telecom

the market will gradually recover in North America, and full-scale BEAD*¹ demand will occur from FY25 H2

Central and South America markets are weak, and timing of recovery is unclear

Main initiatives

- Increase production of data center products

Rollable ribbon cable



2 times

MT ferrules



More than 5 times

DFB laser*² chips



More than 5 times

Manufacturing capacity in FY25
(Compared to FY23)

Grow up with Hakusan Inc.

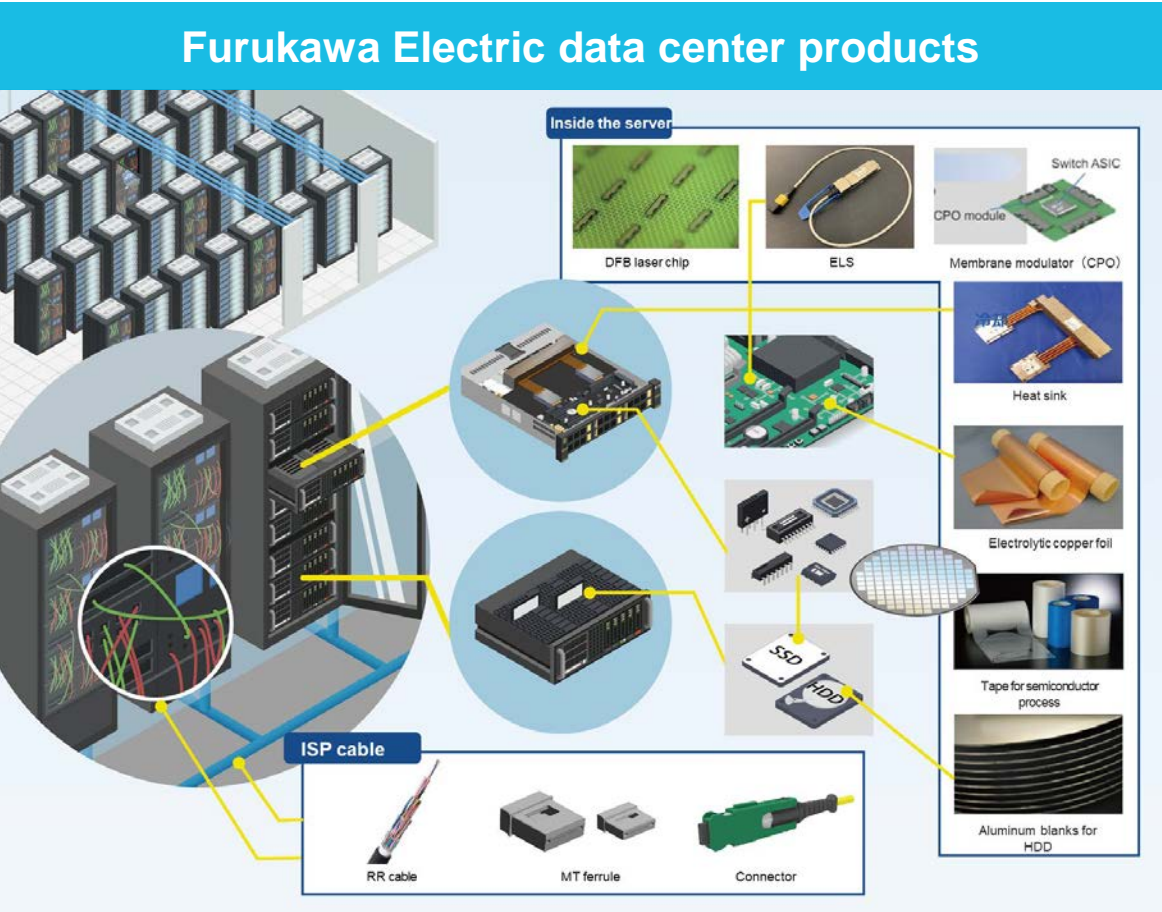
- Continue to prepare for the recovery in telecom market demand (prepare a manufacturing system, improve productivity, strengthen sales marketing activities)

*1 Broadband Equity Access and Deployment Program

*2 Distributed Feedback Laser

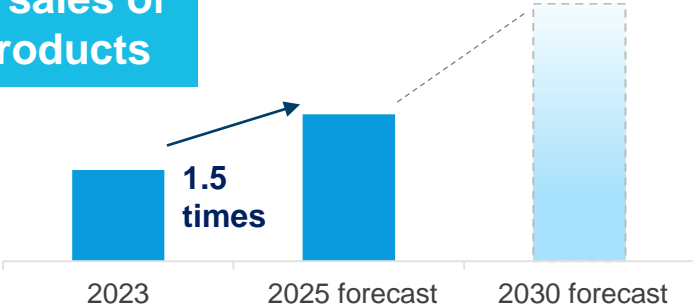
Strengthen the Product Lineup for Data Centers

■ We will work to increase net sales in the data center market, which will continue to grow in the future.



DFB laser: Distributed Feedback Laser
ELS: External Laser Source
ISP: Inside Plant Cable
RR cable: Rollable Ribbon Cable

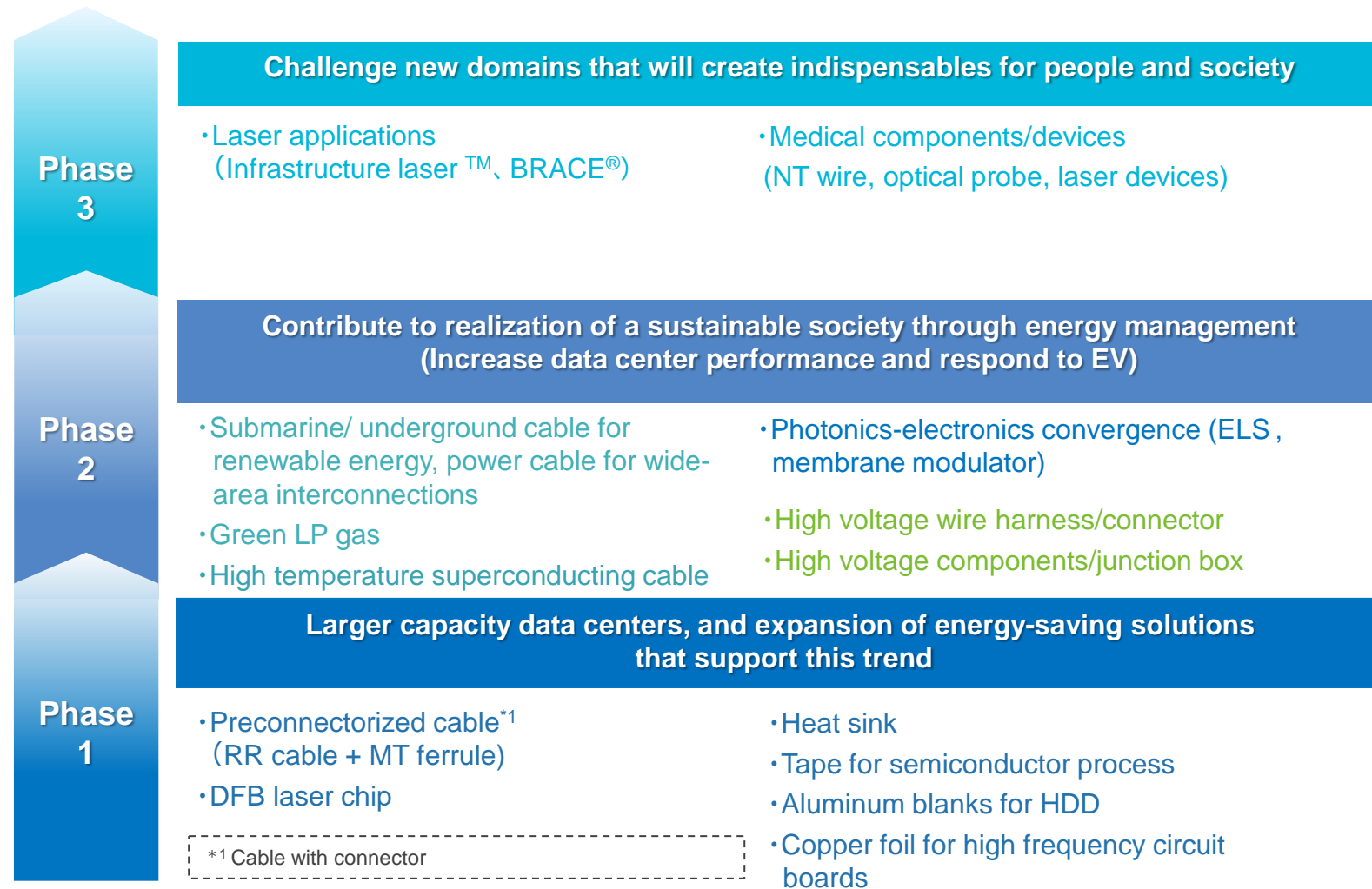
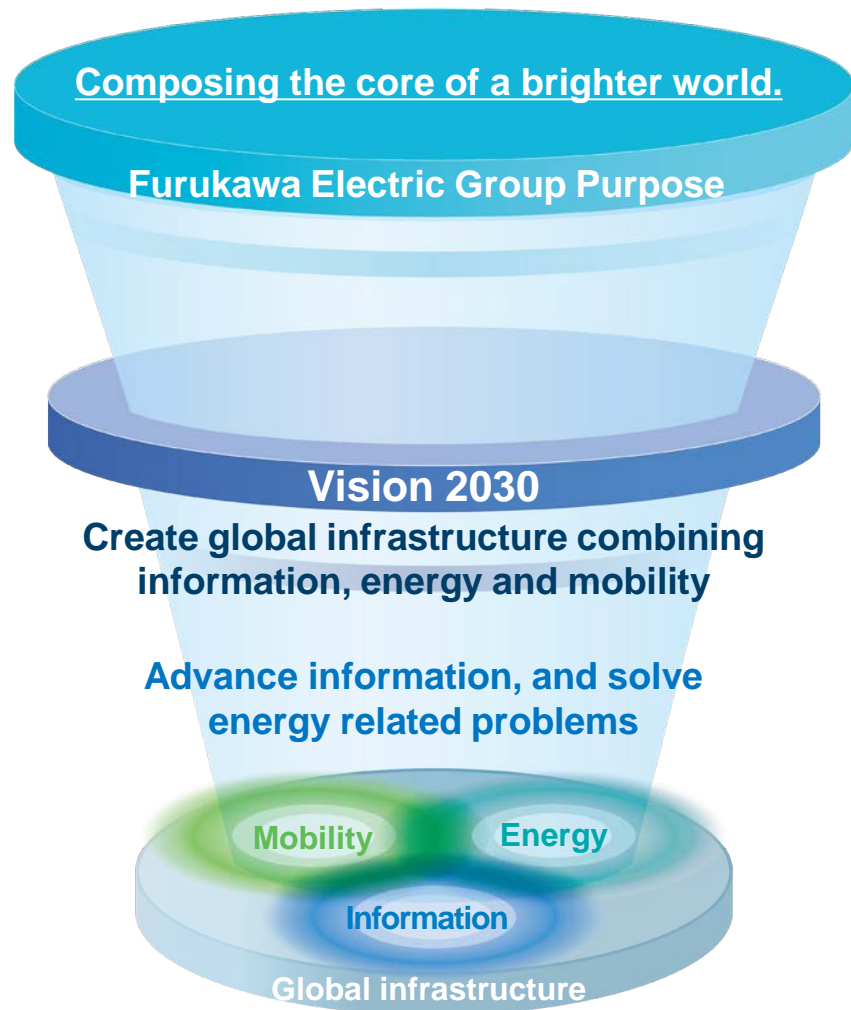
Change in net sales of data center products



Main initiatives (Functional Products)

- Heat sink** Prepare a supply system for air cooling products for which demand is expected to remain strong, and build a new plant for water cooling products (plan to start mass production in FY26)
- Electrolytic copper foil** Increase supply capacity of copper foil for high frequency circuit boards
- Tape for semiconductor process** Increase the supply capacity of high value-added products by starting operation of the No. 2 plant at the Mie Works (start mass production in FY25)
- Aluminum blanks for HDD** Nimble respond to the demand recovery/ changes, and achieve differentiation through thinner blanks

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



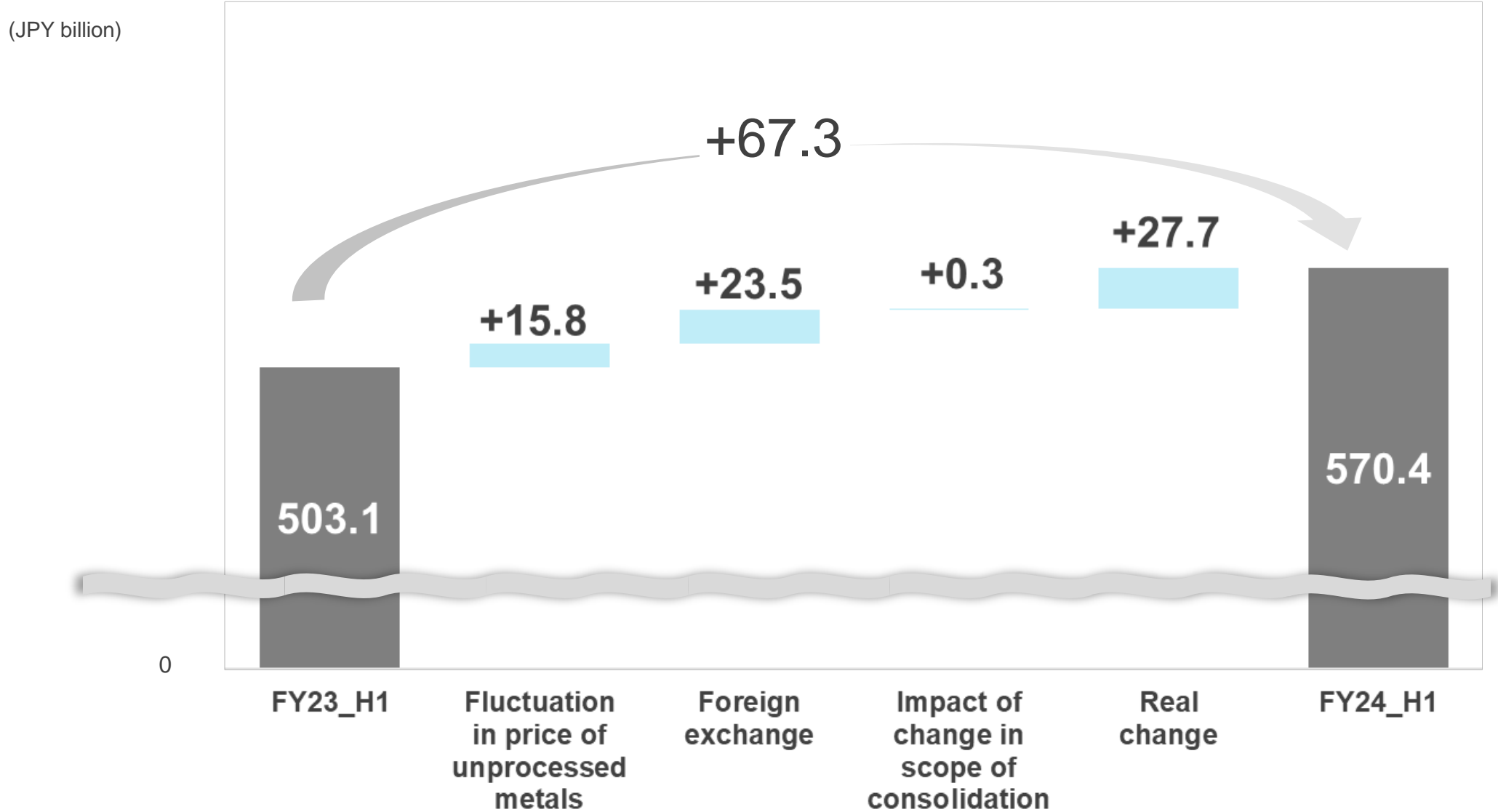
FY24 H1 Financial Results and FY24 Forecast (details)

FY24 H1 Results -P/L Summary

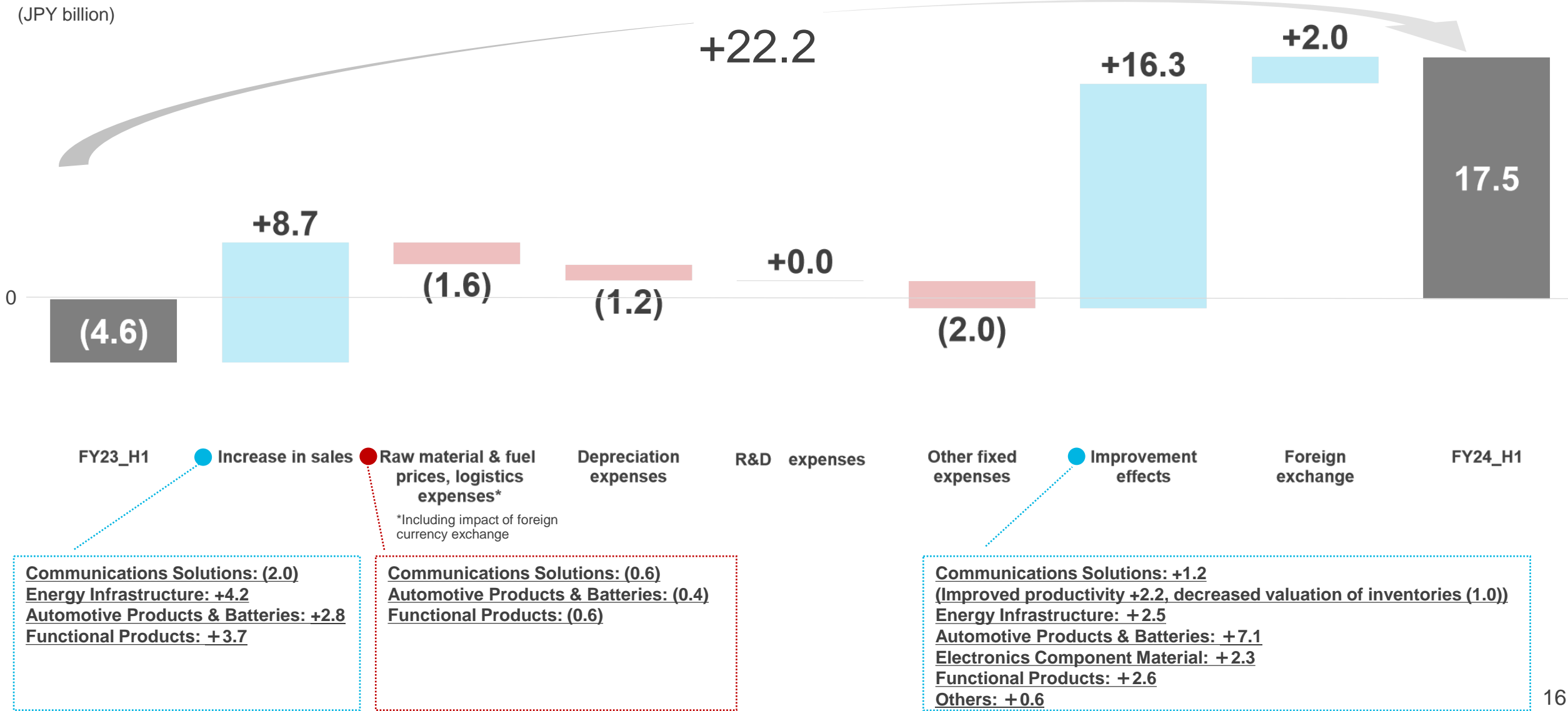
- Achieved increased profit on higher revenue compared to the same period last year, and the businesses are performing better than expected.

(JPY billion, JPY/kg, JPY/USD)	FY23_H1	FY24_H1	YoY change	Breakdown of change
	a	b	b-a	
Net sales	503.1	570.4	+67.3	See page 15
Operating profit	(4.6)	17.5	+22.2	See page 16
(Margin)	(0.9%)	3.1%	+4.0	
Interest income (expenses)	(3.6)	(4.0)	(0.4)	
Share of profit (loss) of entities accounted for using equity method	2.2	6.2	+4.0	
Foreign exchange gains (losses)	2.1	(2.6)	(4.6)	
Ordinary profit	(3.6)	19.0	+22.6	
(Margin)	(0.7%)	3.3%	+4.0	
Extraordinary income (losses)	3.5	(3.1)	(6.6)	• Extraordinary income : (4.8) [6.3 → 1.5]
Income taxes	(3.6)	(3.1)	+0.5	• Extraordinary loss : (1.8) [(2.8) → (4.6)]
Profit attributable to non-controlling interests	(0.4)	(1.6)	(1.2)	
Profit attributable to owners of parent	(4.1)	11.2	+15.3	
(Margin)	(0.8%)	2.0%	+2.8	
Average copper price	1,241	1,497	+256	
Average exchange rate	141	153	+12	

FY24 H1 Results -Breakdown of Changes in Net Sales



FY24 H1 Results -Breakdown of Changes in Operating Profit



FY24 Forecasts -P/L Summary

■ The forecasts for net sales and each stage of profit have been revised up.

(JPY billion, JPY/kg, JPY/USD)	FY23 Results	FY24 Previous forecasts*	FY24 Forecasts	YoY change	Change from previous forecasts change
	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
(Margin)	1.1%	2.3%	3.3%	+2.3	+1.0
Interest income (expenses)	(7.4)	-	-	-	-
Share of profit (loss) of entities accounted for using equity method	6.3	-	-	-	-
Foreign exchange gains (losses)	(0.1)	-	-	-	-
Ordinary profit	10.3	20.5	36.0	+25.7	+15.5
(Margin)	1.0%	1.9%	3.2%	+2.2	+1.3
Extraordinary income (losses)	9.8	4.0	0.0	(9.8)	(4.0)
Income taxes	(11.6)	-	-	-	-
Profit attributable to non-controlling interests	(2.0)	-	-	-	-
Profit attributable to owners of parent	6.5	13.0	22.0	+15.5	+9.0
(Margin)	0.6%	1.2%	1.9%	+1.3	+0.7
Average copper price	1,262	1,155	1,396	+134	+241
Average exchange rate	145	140	146	+2	+6

**Capture growing demand in the
strong market environment**
Energy Infrastructure
Automotive Products & Batteries
Functional Products

**Increase share of profit of entities
accounted for using equity method**

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

Net Sales and Operating Profit by Segment

(JPY billion)	Net sales			Operating porfit			Net sales					Operating porfit				
	FY23_H1	FY24_H1	YoY change	FY23_H1	FY24_H1	YoY change	FY23 Results	FY24 Previous forecasts	FY24 Forecasts	YoY change	Change from previous forecasts	FY23 Results	FY24 Previous forecasts	FY24 Forecasts	YoY change	Change from previous forecasts
	a	b	b-a	c	d	d-c	e	f	g	g-e	g-f	h	i	j	j-h	j-i
Infrastructure	134.8	144.0	+9.1	(8.7)	(2.9)	+5.8	278.2	290.0	300.0	+21.8	+10.0	(11.3)	(2.5)	(1.0)	+10.3	+1.5
Communications Solutions	86.2	82.1	(4.1)	(6.0)	(5.8)	+0.2	168.0	175.0	175.0	+7.0	-	(13.0)	(6.0)	(6.0)	+7.0	-
Energy Infrastructure	48.6	61.9	+13.2	(2.6)	2.9	+5.6	110.2	115.0	125.0	+14.8	+10.0	1.7	3.5	5.0	+3.3	+1.5
Electronics & Automotive Systems	308.7	350.6	+42.0	2.9	14.3	+11.4	653.7	650.0	685.0	+31.3	+35.0	18.7	21.0	27.5	+8.8	+6.5
Automotive Products & Batteries	180.4	196.8	+16.5	2.3	11.2	+8.9	379.8	385.0	390.0	+10.2	+5.0	15.6	16.5	23.0	+7.4	+6.5
Electronics Component Material	128.3	153.8	+25.5	0.6	3.1	+2.5	273.9	265.0	295.0	+21.1	+30.0	3.1	4.5	4.5	+1.4	-
Functionl Products	55.7	72.4	+16.8	2.1	7.9	+5.8	115.4	135.0	150.0	+34.6	+15.0	5.5	10.0	15.0	+9.5	+5.0
Service and Developments, etc.	15.5	16.2	+0.7	(1.1)	(1.7)	(0.6)	31.6	30.0	30.0	(1.6)	-	(1.9)	(3.5)	(3.5)	(1.6)	-
Elimination of intra-company transactions	(11.5)	(12.8)	(1.3)	0.1	(0.1)	(0.2)	(22.4)	(25.0)	(25.0)	(2.6)	-	0.1	0.0	0.0	(0.1)	-
Consolidated total	503.1	570.4	+67.3	(4.6)	17.5	+22.2	1,056.5	1,080.0	1,140.0	+83.5	+60.0	11.2	25.0	38.0	+26.8	+13.0

* Announced on May 13, 2024

Operating Profit by Segment

- In FY24 H1, profit increased compared to the same period last year in all segments excluding Service and Developments, etc., and the businesses are performing better than expected.

Operating profit of main segments

(JPY billion)	Segments	Sub-segments	H1			Breakdown of change (YoY)	Full-year				
			FY23	FY24	YoY		FY24 Previous forecasts*	FY24 Forecasts	Change from previous forecasts		
			a	b	b-a		c	d	d-c		
Infrastructure	Communications Solutions	(6.0)	(5.8)	+0.2	• Increased net sales of data center products • Stagnant orders for telecom products	Slightly exceed expectations	(6.0)	(6.0)	—		
	Energy Infrastructure	(2.6)	2.9	+ 5.6	• Increase in sales of domestic extra-high voltage, renewable energy projects, functional power cable, etc.	Exceed expectations	3.5	5.0	+1.5		
Electronics & Automotive Systems	Automotive Products & Batteries	2.3	11.2	+ 8.9	• Improved productivity through stable orders • Optimized battery prices	Exceed expectations	16.5	23.0	+ 6.5		
	Electronics Component Material	0.6	3.1	+ 2.5	• Improved product mix • Impact of foreign currency exchange	Slightly exceed expectations	4.5	4.5	—		
Functional Products		2.1	7.9	+ 5.8	• Increased net sales of data center products	Exceed expectations	10.0	15.0	+ 5.0		
Consolidated total (include service and developments, etc. segment, and elimination)			(4.6)	17.5	+ 22.2				25.0	38.0	+ 13.0

*Announced on May 13, 2024

1-(1) Infrastructure (Communications Solutions)

FY24_H1

Increased profit
on lower revenue

(JPY billion)	FY23_H1	FY24_H1	YoY change
	a	b	b-a
Net sales	86.2	82.1	(4.1)
Operating profit	(6.0)	(5.8)	+0.2

【Factors affecting profits】

(+)Increased net sales of data center products

(-)Stagnant orders for telecom products

FY24_Forecast

Increased profit on higher revenue

(JPY billion)	FY23	FY24 previous forecasts*	FY24 Forecasts	YoY change	Change from previous forecasts	
	a	b	c	c-a	c-b	
Net sales	168.0	175.0	175.0	+7.0	-	Unchanged
Operating profit	(13.0)	(6.0)	(6.0)	+7.0	-	

* Announced on May 13, 2024

Recognition of the situation

	FY24_H1	FY24_H2
>>		>>
Fiber & cable	Elimination of customers' inventory adjustments Recovery in demand	BEAD* ¹ programs
Optical device/ Networking related products in Japan	Increase demand for the data center market Weighted heavily in the second half	

Key points

- Shift from general-use products to high-value-added products and solutions
- Develop new customers and strengthen production and sales structure in the data center and FTTx market^{*2}

Rollable ribbon cable

Networking systems

ITLA^{*3}/DFB^{*4}

*1 Broadband Equity Access and Deployment Program
*2 Fiber To The x (generic term for communications service networks using optical fiber)

*3 Integrated Tunable Laser Assemble
*4 Distributed Feedback Laser

1-(2) Infrastructure (Energy Infrastructure)

FY24_H1

Increased profit
on higher revenue

(JPY billion)

FY23_H1

FY24_H1

YoY
change

a

b

b-a

Net sales	48.6	61.9	+13.2
Operating profit	(2.6)	2.9	+5.6

【Factors affecting profits】

(+) Increase in sales of domestic extra-high voltage, renewable energy projects, functional power cable, etc.

FY24_Forecast

Increased profit on higher revenue

(JPY billion)

FY23

FY24
previous
forecasts*

FY24
Forecasts

YoY
change

Change from
previous
forecasts

a

b

c

c-a

c-b

Net sales	110.2	115.0	125.0	+14.8	+10.0
Operating profit	1.7	3.5	5.0	+3.3	+1.5

Upward
revision

* Announced on May 13, 2024

Recognition of the situation

>>

FY24_H1

FY24_H2

>>

Domestic extra-high voltage

Steady demand such as domestic renewal and renewable energy projects

Submarine lines

China

Moderate economic recovery

Functional power cable/components

Steady demand

Key points

- Secure orders with a focus on profits, and optimize sales prices
- Increase cable manufacturing and installation capacity

Domestic extra-high voltage and submarine lines

Renewable energy projects

- Increase sales by promoting marketing activities

Rakuraku aluminum cable®

Transmission and distribution components

2-(1) Electronics & Automotive Systems (Automotive Products & Batteries)

FY24_H1

Increased profit
on higher revenue

(JPY billion)

FY23_H1

FY24_H1

YoY
change

a

b

b-a

Net sales 180.4 196.8 +16.5

Operating profit 2.3 11.2 +8.9

【Factors affecting profits】

(+) Improved productivity through stable orders

(+) Optimized battery prices

FY24_Forecast

Increased profit on higher revenue

(JPY billion)

FY23

FY24
previous
forecasts*

FY24
Forecasts

YoY
change

Change from
previous
forecasts

a

b

c

c-a

c-b

Net sales 379.8 385.0 390.0 +10.2 +5.0

Operating profit 15.6 16.5 23.0 +7.4 +6.5

Upward
revision

* Announced on May 13, 2024

Recognition of the situation

>>

FY24_H1

FY24_H2

>>

Automotive
Products

Customer production plans are generally stable
Slight increase in automobile production
Increase in the number of models equipped with aluminum wire harnesses

Batteries

Both automotive and industrial sales concentrated in the second half

Key points

- Develop products and respond to autonomy for the electric vehicle market

Aluminum wire harness (including high-voltage products)

2-(2) Electronics & Automotive Systems (Electronics Component Material)

FY24_H1

Increased profit
on higher revenue

(JPY billion)	FY23_H1	FY24_H1	YoY change
	a	b	b-a
Net sales	128.3	153.8	+25.5
Operating profit	0.6	3.1	+2.5

*1

【Factors affecting profits】

(+) Improved product mix

(+) Impact of changes in foreign currency
exchange

*1 Including the impact of changes in copper prices
and foreign currency exchange

FY24_Forecast

Increased profit on higher revenue

(JPY billion)	FY23	FY24 previous forecasts*2	FY24 Forecasts	YoY change	Change from previous forecasts
	a	b	c	c-a	c-b
Net sales	273.9	265.0	295.0	+21.1	+30.0
Operating profit	3.1	4.5	4.5	+1.4	-

Revision
to net sales
only

*1

*2 Announced on May 13, 2024

Recognition of the situation

>>	FY24_H1	FY24_H2	>>
Demand for automotive-related products are firm			

Delayed recovery in electronics-
related demand

Key points

- Promote and expand sales of high-value-added products

Heat-resistant oxygen-free copper strips
(for power semiconductors/
heat dissipation components)

Ribbon cable and ultra fine flat wire
(for 5G telecommunications)

High performance products
(resistance materials)

- Optimize sales prices and withdraw from low-margin products

Net Sales and Operating Profit by Segment

3 Functional Products



FY24_H1

Increased profit on higher revenue

(JPY billion)			
	FY23_H1	FY24_H1	YoY change
	a	b	b-a
Net sales	55.7	72.4	+16.8
Operating profit	2.1	7.9	+5.8

FY24_Forecast

Increased profit on higher revenue

(JPY billion)						
	FY23	FY24 previous forecasts*	FY24 Forecasts	YoY change	Change from previous forecasts	
	a	b	c	c-a	c-b	
Net sales	115.4	135.0	150.0	+34.6	+15.0	Upward revision
Operating profit	5.5	10.0	15.0	+9.5	+5.0	

* Announced on May 13, 2024

【Factors affecting profits】

(+) Increased net sales of data center products

Recognition of the situation

>>

FY24_H1

FY24_H2

>>

Continued active data center investments

Sooner-than-expected ended to inventory adjustments in the supply chain for HDD related products

Moderate recovery in global demand for smartphones and PCs. related products

Key points

Increase production and sales of high value-added products for data center and renewable energy markets

Tape for semiconductor process

High performance heat dissipation and cooling products

Aluminum blanks for HDD

Copper foil for high frequency circuit boards

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FY24 H1 Results -B/S Summary

(JPY billion)	End of FY23*	End of FY24H1	Change
	a	b	b-a
Current assets	517.8	535.4	+17.7
Cash and deposits	48.9	51.7	+2.9
Notes and accounts receivable - trade, and contract assets	245.7	247.1	+1.3
Total inventories	183.6	196.3	+12.7
Non-current assets	467.2	440.4	(26.9)
Property, plant and equipment	278.6	273.8	(4.8)
Intangible assets	20.3	20.0	(0.3)
Investments and other assets	168.3	146.5	(21.8)
Total assets	985.0	975.8	(9.2)
Current liabilities	400.9	401.3	+0.4
Non-current liabilities	225.9	221.3	(4.6)
Total liabilities	626.8	622.5	(4.2)
Shareholders' equity	284.9	267.2	(17.8)
Accumulated other comprehensive income	43.4	56.6	+13.2
Non-controlling interests	29.9	29.5	(0.4)
Total net assets	358.2	353.3	(5.0)
Total liabilities and net assets	985.0	975.8	(9.2)
Equity capital ratio	33.3%	33.2%	(0.1)
Net interest-bearing debt	284.1	279.8	(4.4)
Net D/E ratio	0.87	0.86	(0.01)

Inventories Increased by JPY 12.7 billion
(including the impact of foreign currency exchange and copper prices of JPY 3.7 billion)
Increased in net sales (Increased by JPY 5.7 billion compared with the end of FY23)
Projects and construction planned to be recorded as net sales in the future
(Increased by JPY 3.3 billion compared with the end of FY23)

Property, plant and equipment, and intangible assets
Decreased by JPY 5.1 billion
Impact of CAPEX and depreciation: JPY (3.9) billion
Impact of foreign currency exchange: JPY (0.7) billion
Retirement, etc.: JPY (0.5) billion

Investments and other assets Decreased by JPY 21.8 billion
Investment securities: JPY (19.2) billion
*Mainly due to the reclassification of UACJ shares
(Shares of subsidiaries and associates → Shares of a non-affiliated company)

Total assets Decreased by JPY 9.2 billion
Impact of change in scope of consolidation: JPY (18.6) billion *Mainly UACJ
Impact of foreign currency exchange: JPY +7.9 billion

Shareholders' equity Decreased by JPY 17.8 billion
Retained earnings: JPY (17.8) billion *Mainly sale of UACJ shares

Accumulated other comprehensive income Increased by JPY 13.2 billion
Valuation difference on available-for-sale securities: JPY +18.4 billion
*Mainly due to the gain on mark-to-market valuation of UACJ
Foreign currency translation adjustment: JPY (3.2) billion

Free cash flow	
FY23_H1	FY24_H1
JPY (1.3) billion	JPY +9.1 billion

*Restated the FY23 financial results following changes to the accounting standards for corporate taxes, municipal taxes and business taxes (refer to the Appendix)

CAPEX, Depreciation & Amortization and R&D Expenses

■ Full year forecasts remain unchanged

《 Announced on May 13, 2024 》

(JPY billion)	FY23_H1 Results	FY24_H1 Results	YoY change	FY23 Results	FY24 Forecasts	YoY change
	a	b	b-a	c	d	d-c
CAPEX	16.9	15.0	(1.9)	39.0	48.0	+9.0
Depreciation and amortization	19.2	20.4	+1.2	39.0	41.0	+2.0
R&D expenses	12.4	12.4	(0.0)	24.5	26.0	+1.5

Thank you

FURUKAWA ELECTRIC GROUP PURPOSE

**Composing the core
of a brighter world.**

Appendix

- FY22-25 Net sales and operating profit by segment
- Changes from FY24 -B/S
- Segments and Business Divisions

Appendix FY22-25 Net sales and operating profit by segment

(JPY billion)

	FY22 results			FY23 results			FY24 forecasts			FY25 targets (announced on May 26, 2022)		
	Net Sales	Operating profit	Margin	Net Sales	Operating profit	Margin	Net Sales	Operating profit	Margin	Net Sales	Operating profit	Margin
Infrastructure	323.9	8.6	2.7%	278.2	(11.3)	(4.0%)	300.0	(1.0)	(0.3%)	360.0	16.0	4.4%
Communications Solutions	217.6	6.5	3.0%	168.0	(13.0)	(7.7%)	175.0	(6.0)	(3.4%)	230.0	11.5	5.0%
Energy Infrastructure	106.3	2.1	2.0%	110.2	1.7	1.6%	125.0	5.0	4.0%	130.0	4.5	3.5%
Electronics & Automotive Systems	610.3	4.7	0.8%	653.7	18.7	2.9%	685.0	27.5	4.0%	590.0	23.5	4.0%
Automotive Products & Batteries	337.4	1.5	0.4%	379.8	15.6	4.1%	390.0	23.0	5.9%	330.0	16.5	5.0%
Electronics Component Material	273.0	3.2	1.2%	273.9	3.1	1.1%	295.0	4.5	1.5%	260.0	7.0	2.7%
Functional Products*	126.5	4.2	3.3%	115.4	5.5	4.8%	150.0	15.0	10.0%	165.0	19.5	11.8%
Service and Developments, etc.	31.7	(2.1)	(6.6%)	31.6	(1.9)	(6.0%)	30.0	(3.5)	(11.7%)	40.0	(1.0)	(2.5%)
Total	1,066.3	15.4	1.4%	1,056.5	11.2	1.1%	1,140.0	38.0	3.3%	1,155.0	58.0	5.0%

(Reference)

Functional Products (Excluding special factor*)	<u>114.2</u>	<u>1.8</u>	<u>1.6%</u>	115.4	5.5	4.8%	150.0	15.0	10.0%	<u>143.3</u>	<u>15.3</u>	<u>10.7%</u>
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*Deconsolidation of the TOTOKU from FY22Q4

JPY/kg, JPY/USD	FY22	FY23	FY24	FY25
Average copper price	1,209	1,262	1,396	1,085
Average exchange rate	135	145	146	110

Appendix Changes from FY24 -B/S

■ Changes in the accounting standards for corporate taxes, municipal taxes and business taxes

We restated the FY23 financial results following the above changes

(JPY billion)	End of FY23	
Current assets	517.8	517.8
Cash and deposits	48.9	48.9
Notes and accounts receivable - trade, and contract assets	245.7	245.7
Total inventories	183.6	183.6
Non-current assets	467.2	467.2
Property, plant and equipment	278.6	278.6
Intangible assets	20.3	20.3
Investments and other assets	168.3	168.3
Total assets	985.0	985.0
Current liabilities	400.9	400.9
Non-current liabilities	226.1	225.9
Total liabilities	627.0	626.8
Shareholders' equity	284.7	284.9
Accumulated other comprehensive income	43.4	43.4
Non-controlling interests	29.9	29.9
Total net assets	358.0	358.2
Total liabilities and net assets	985.0	985.0
Equity capital ratio	33.3%	33.3%
Net interest-bearing debt	284.1	284.1
Net D/E ratio	0.87	0.87
ROE	2.1%	2.1%

Appendix Segments and Business Divisions

Segment	Sub-segment	Business Division
Infrastructure	Communications Solutions	Optical Fiber and Cable Products
		FITEL Products
		Broadband Solutions Business
	Energy Infrastructure	Power Cable
		Industrial Cable & Power Cable Accessories
Electronics & Automotive Systems	Automotive Products & Batteries	Automotive Products
		Batteries
	Electronics Component Material	Electric Conductor
		Copper & High Performance Material Products
Functional Products		AT & Functional Plastics
		Thermal Management Solution & Products
		Memory Disk
		Copper Foil
Service and Developments, etc.		