

**Furukawa Electric Co., Ltd.**

**Summary of Q&A Session at the 198<sup>th</sup> Annual Shareholders Meeting**

Date & Time: June 23, 2020 (Wed.) 10:00-10:39

Q: Market potential and current state of new business; especially potential of digital coherent products, perimeter monitoring radars, and SuperPower Inc. (U.S. subsidiary)

A: We believe it is optical fiber networks that will support the 5G society, and therefore, technologies for achieving larger capacity and faster transmission speed will be essential. One of the main pillars of such technologies is digital coherent technology, and we will further grow this business in the future. Our roadmap is as follows: although currently products at the transmission speed of 100-400G are generally used, we expect that the required transmission speed will increase up to 800G or even higher with the progress of 5G, and have been working on necessary technology development.

In the sphere of CASE in the automobile industry, we believe that the perimeter monitoring radar is the most important product. As the only radar manufacturer in Japan, our Company has been receiving orders and gone into volume production. In addition to the detection in the vicinity of vehicle, the product is also characterized by not interfering with the design of bumper. This market is expected to grow further, and we will steadily capture the demand.

Since our Company (Group) can deal with both low and high temperature superconductivity, we would like to develop this business to a certain scale by creating a synergy effect. SuperPower Inc. (our U.S. subsidiary) manufactures and sells high-temperature superconductor products, and established a new plant in February. Among various product uses, we consider that the use for nuclear fusion is expected to grow significantly because nuclear fusion energy is expected to be safe energy with less CO<sub>2</sub> emissions, and will start volume production shortly.

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