



June 10, 2024

Name of Company	Furukawa Electric Co., Ltd
Name of Representative	Hideya Moridaira, President (Code: 5801 Prime Market of the Tokyo Stock Exchange)
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Notice concerning transfer of an equity-method affiliate (*projected*) and recording an extraordinary profit on the non-consolidated basis

Furukawa Electric Co., Ltd. (hereinafter the “Company”) sold a part of its shares, namely 2.6 million shares, in its equity-method affiliate, UACJ Corporation (Code:5741, Prime Market of the Tokyo Stock Exchange) (hereinafter “UACJ”) (hereinafter “the Sale”). As a result of the Sale, the percentage of voting rights held in UACJ is changed from 25.20% to 19.75%, and UACJ will no longer be the Company’s equity-method affiliate (*projected*).

As a result of the Sale, for the fiscal year ending March 2025, the Company expects to record an extraordinary profit of approx. 6 billion yen on the non-consolidated basis, and an extraordinary loss of approx. 1.2 billion yen on the consolidated basis.

1. Reason for the Sale

Under the Medium-term Management Plan “Road to Vision 2030 - Transform and Challenge” released in May 2022, the Company has been focusing on improving the efficiency of management recourses while being conscious of cost of capital, and working on increasing the efficiency of funds and assets. As a result of examining the Company’s holding of shares in UACJ to this end, the Company judged that the Sale is consistent with its financial strategy and Group strategy, and executed the Sale.

2. Number of shares sold, the method of the Sale, and numbers of shares held before and after the Sale

(1) Number of shares to be sold	2,600,000 shares (percentage of voting rights held (note1) : 5.44%)
(2) Method of the Sale	Sold to a securities firm
(3) Number of shares held prior to the Sale	12,036,500 shares (percentage of voting rights held: 25.20%)
(4) Number of shares held after the Sale	9,436,500 shares (percentage of voting rights held: 19.75%)

(Note1) Percentage of voting rights held is computed and rounded up to the nearest third decimal place based on the total number of voting rights of all shareholders, 477,727 units, which is calculated by subtracting the number of shares without voting rights of UACJ as of March 31, 2024, 555,493 shares, from the total number of outstanding shares of UACJ, 48,328,193 shares, as of the same date.

### 3. Overview of the equity-method affiliate to be transferred

Name	UACJ Corporation	
Address	1-7-2 Otemachi Chiyoda-ku, Tokyo Japan	
Name and Title of Representative	Shinji Tanaka, Representative Director and President	
Business Outline	Manufacture and sales of rolling products, casting products, forged products and precision-machined products of nonferrous metals, including aluminum and alloys thereof.	
Capital	52,277 million yen	
Establishment	October 1, 2013	
Major Shareholders and Shareholding ratio (as of March 31, 2024)	Name of Shareholder	Shareholding ratio (note 2)
	Furukawa Electric Co., Ltd.	24.96%
	GOLDMAN SACHS INTERNATIONAL	10.48%
	The Master Trust Bank of Japan Ltd. (Trust Account)	10.38%
	Custody Bank of Japan Ltd. (Trust Account)	5.23%
	ECM MF	3.00%
	MLI FOR SEGREGATED PB CLIENT	2.08%
	STATE STREET BANK AND TRUST COMPANY 505103	1.97%
The UACJ Group Employee Stock	1.64%	

	Ownership Plan		
	Sumitomo Corporation		1.55%
	Mizuho Bank, Ltd.		1.52%
Relationship between the Company and the said affiliate	Capital relationship	As of March 31, 2024, the Company holds 12,036,500 shares of the said affiliate, which accounts for 24.96% of all outstanding shares (excluding treasury shares), and thus the said affiliate is an equity-method affiliate of the Company.	
	Personnel relationship	N/A	
	Business relationship	The Company supplies part of raw materials to and purchases some raw materials from the said affiliate, and is commissioned to deliver some services. The Company also rents out/leases real estates and facilities.	
Operating Performance and Financial Condition in the Last Three Fiscal Years			
Fiscal year	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Net assets (Millions of yen)	204,776	201,517	198,999
Total assets (Millions of yen)	573,812	582,703	575,790
Net assets per share (Yen)	4,246.48	4,179.00	4,126.96
Net sales (Millions of yen)	275,472	313,724	293,132
Operating income (Millions of yen)	13,020	772	1,718
Ordinary income (Millions of yen)	15,280	3,905	3,438
Net income (Millions of yen)	11,490	949	2,784
Net income per share (Yen)	238.26	19.69	57.74
Dividend per share (Yen)	85.00	85.00	90.00 (planned)

(Note 2) Shareholding percentage is expressed as the ratio of the number of shares held by the Company to the aggregate number of all outstanding shares (excluding treasury shares).

4. Schedule of the Sale

- (1) June 10, 2024 Contract date for the sale of shares
- (2) June 12, 2024 (projected) Share delivery date

5. Impact on business results

Due to the Sale, it is expected that the Company will record an extraordinary profit (i.e. gain on sales of shares of subsidiaries and associates) of approx. 6 billion yen on the non-consolidated basis; and an extraordinary loss (i.e. loss on sales of investment securities) of approx. 1.2 billion yen on the consolidated basis. If there occurs any material event, of which impact on the consolidate business results for the year ending in March 2025 should be disclosed, the Company will promptly disclose the matter.

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