

# FY2010 Management Plan Q1 Follow

August 2010  
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Furukawa Electric

(yen in billions)

OI forecast(previous⇒new)

H1 +3.0(15.0⇒18.0)

FY2010+4.0(32.0⇒36.0)

Metal and Light Metal segment are robust thanks to the continuous recovery of demand for electronics and automotive markets

# 10Q1 Sales and Profits increased FURUKAWA ELECTRIC

(yen in billions)

Functional Materials for electronics and automotive business recovered

	a	b	b-a
PL	09Q1	10Q1	change
Net Sales	166.7	<b>224.3</b>	<b>+34.5%</b>
Operating Income	-7.9	<b>9.1</b>	<b>+17.0</b>
Equity Method	0.7	-0.6	-1.3
Ordinary Profit	-6.8	<b>8.4</b>	<b>+15.3</b>
Net Income	-3.5	<b>4.2</b>	<b>+7.8</b>

# 10Q1 ROA improved

(yen in billions)

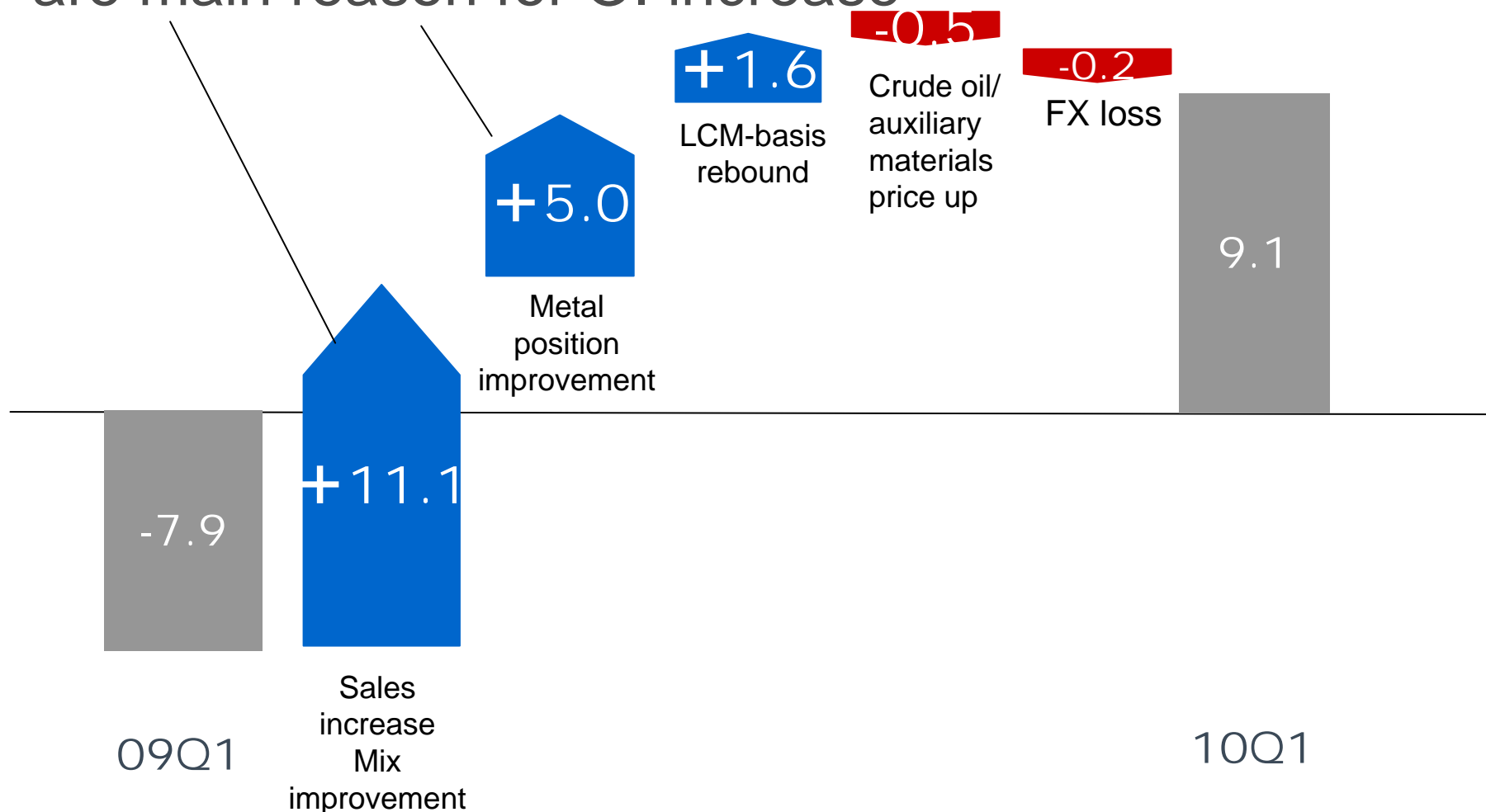
	a	b	b-a
<b>BS</b>	09Q4	<b>10Q1</b>	change
Total Assets	835.8	843.3	+7.5
Capital Ratio	19.6%	19.4%	-0.2
Debt	362.1	367.3	+5.2
D/E Ratio	2.22	2.25	+0.03
Turnover	0.97	*1.06	+0.09
ROA on OI basis	2.4%	*4.3%	+1.9

\*annual rate

# 09Q1→10Q1 OI Analysis

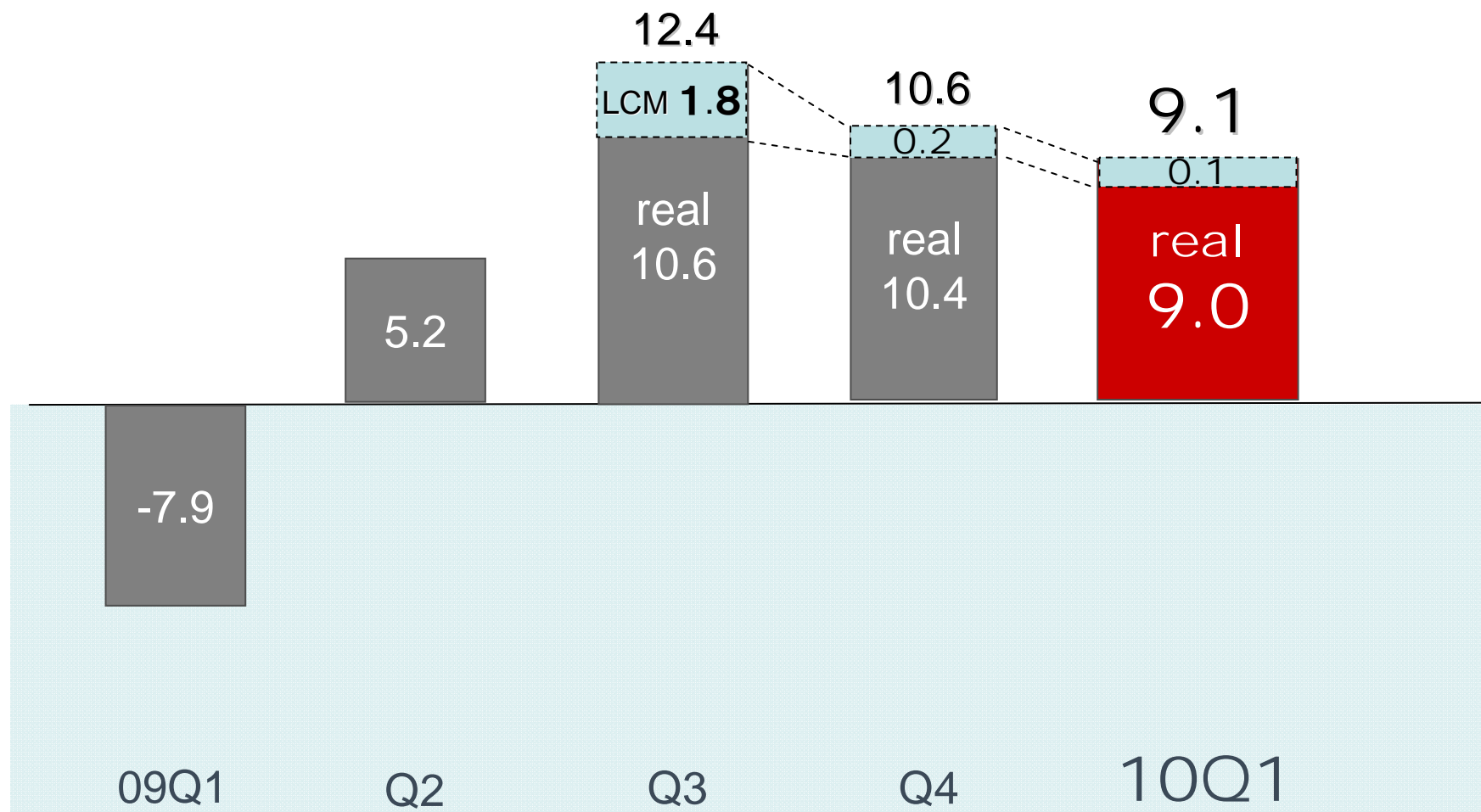
(yen in billions)

## Sales increase and Improvement of metal position are main reason for OI increase



# 10Q1 OI exceeded its forecast

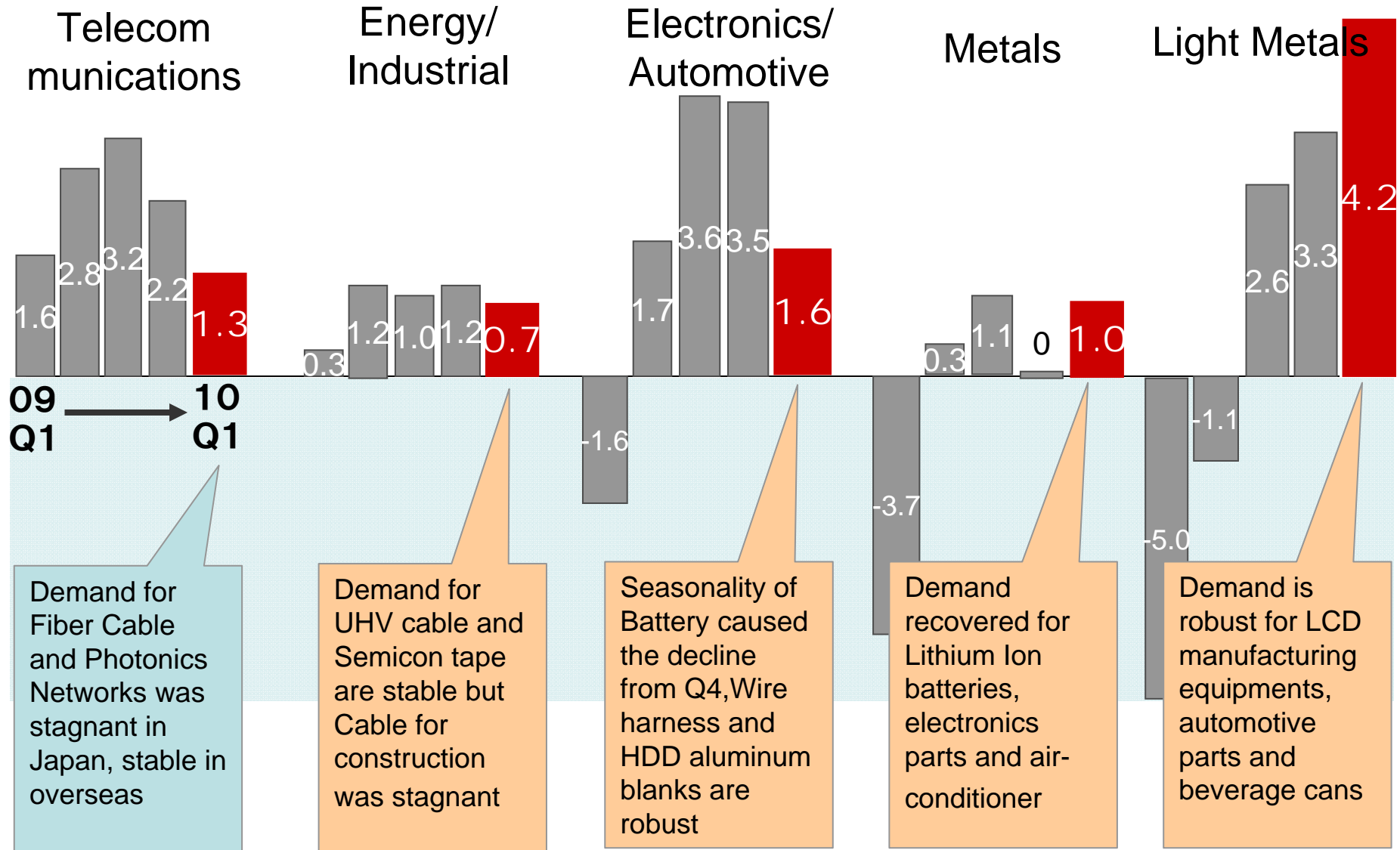
(yen in billions)



# 09Q1 → 10Q1 OI results by Segment

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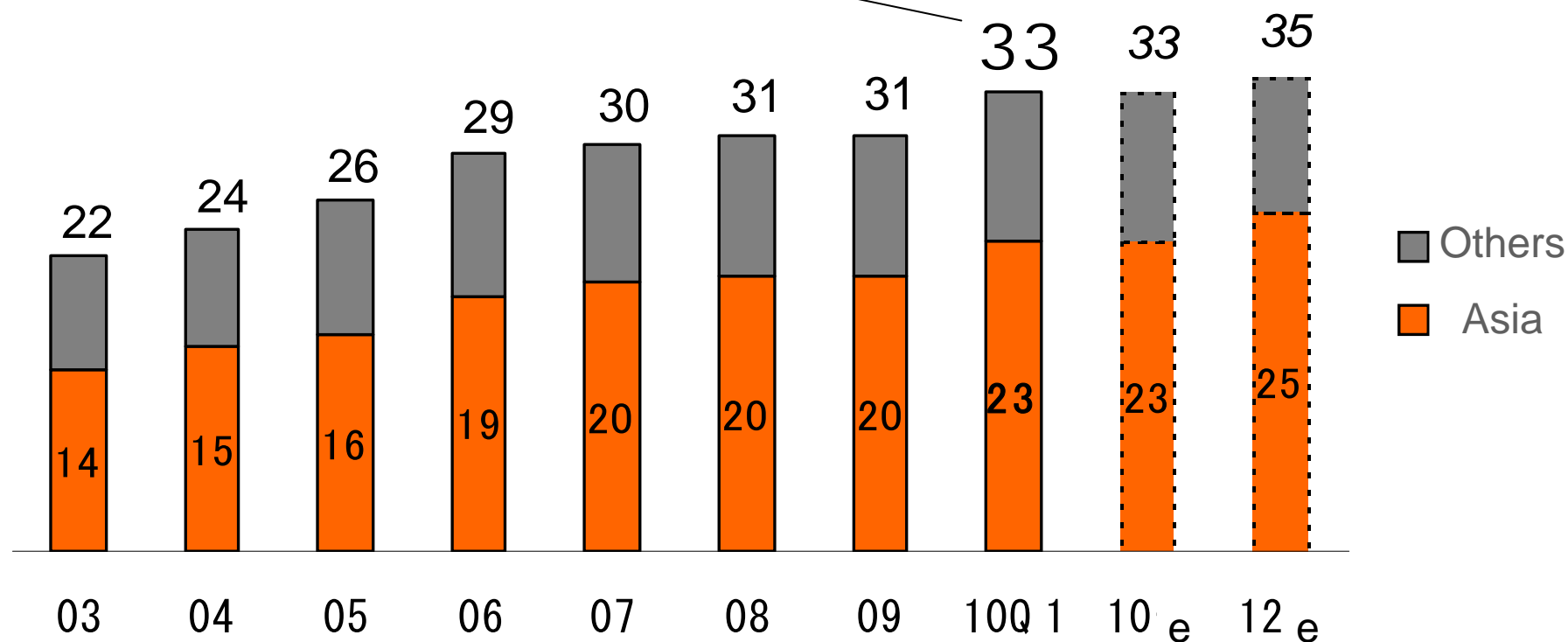
(yen in billions)



# Overseas Sales increased

(unit: %)

Overseas Sales reached 33% and achieved FY10 target thanks to Asian sales increase





# Upward revision of FY2010 forecast FURUKAWA ELECTRIC

(yen in billions)

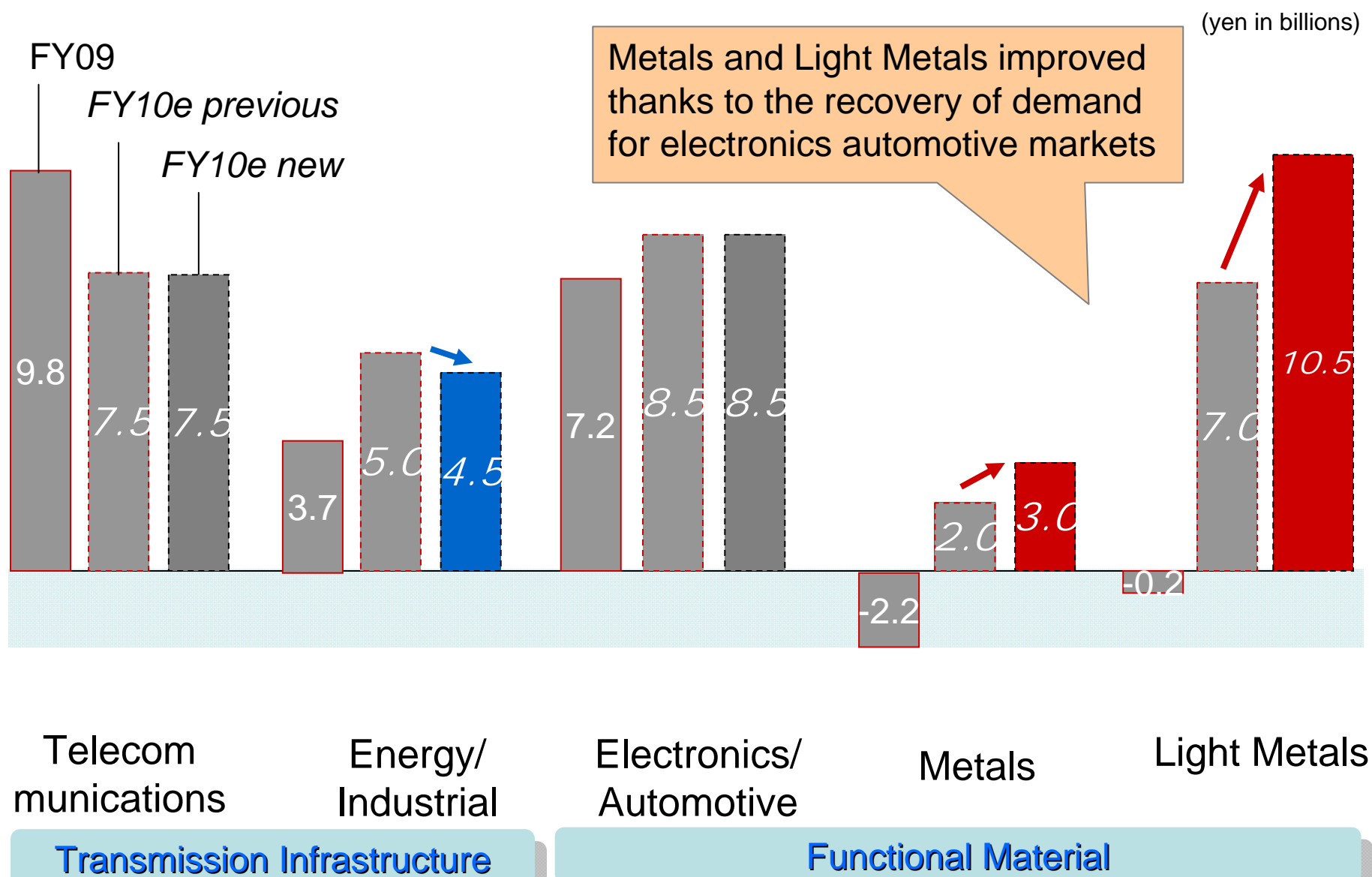
	10H1 forecast			FY10 forecast		
	previous	new	change	previous	new	change
Net Sales	445.0	460.0	+15.0	900.0	920.0	+20.0
Operating Income	15.0	18.0	+3.0	32.0	36.0	+4.0
Ordinary Profit	12.5	16.0	+3.5	27.0	32.0	+5.0
Net Income	5.0	7.5	+2.5	11.0	12.5	+1.5

## Assumptions

FX rate (JPY/USD)	90	90	±0	90	90	±0
Copper (JPY/kg)	640	640	±0	640	640	±0
Aluminum (JPY/kg)	220	245	+25	220	233	+13
Crude oil (USD, USD/B)	79	76	-3	79	78	-1

- 上期は電子・自動車関連事業の好調が続く
- 下期は不透明感あるものの、上期と同レベルを見込む

# OI Forecast by Business Segment FURUKAWA ELECTRIC



# Functional Materials

Robust for Lithium & Semiconductor

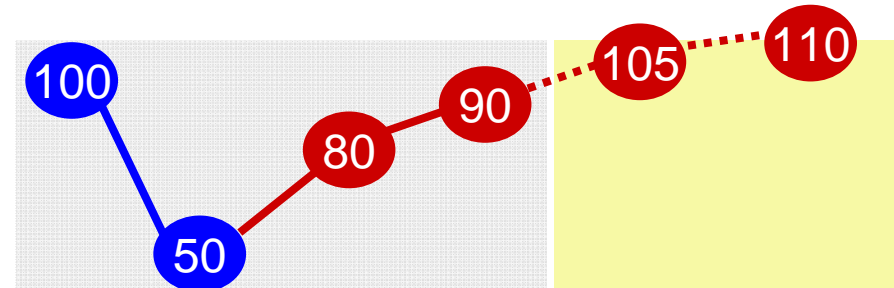
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Unit sales basis  
08H1 = 100

08H1 H2 09H1 H2 10H1e H2e

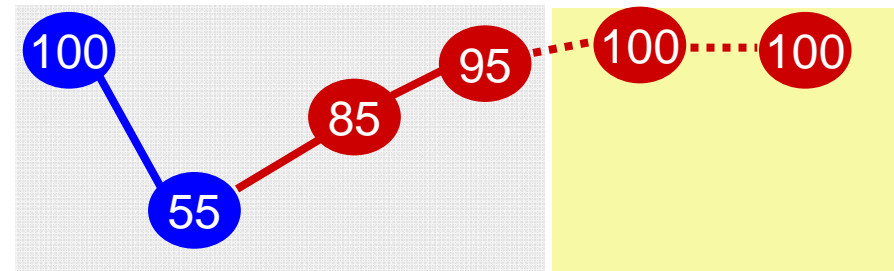
## Copper foil

*For Li batteries, printed circuit boards*



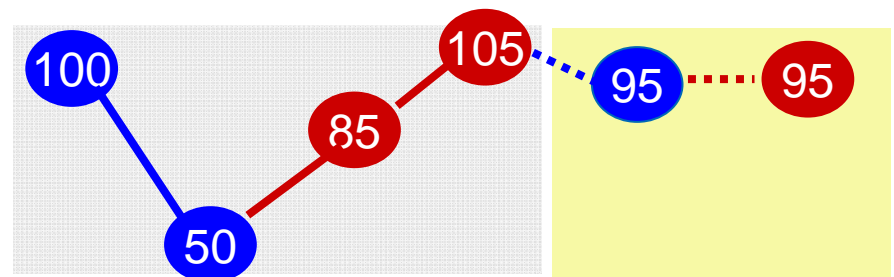
## Semiconductor process tapes

*For wafer dicing processes*



## Aluminum blank discs

*For hard disk drives*



# Traditional Processing

Change varied by products

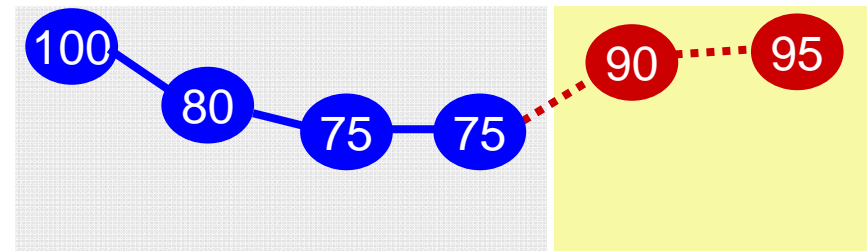
FURUKAWA ELECTRIC

Unit sales basis  
08H1 = 100

08H1 H2 09H1 H2 10H1e H2e

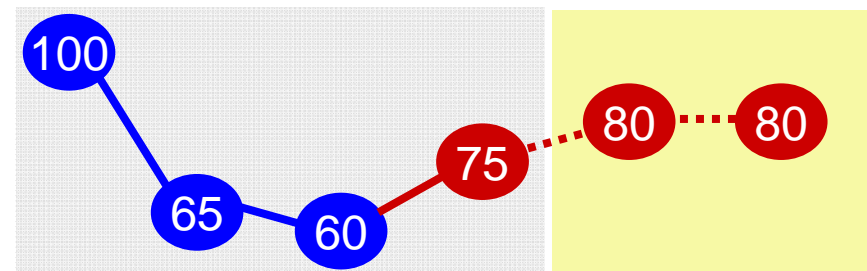
## Copper wire

*For power cables*



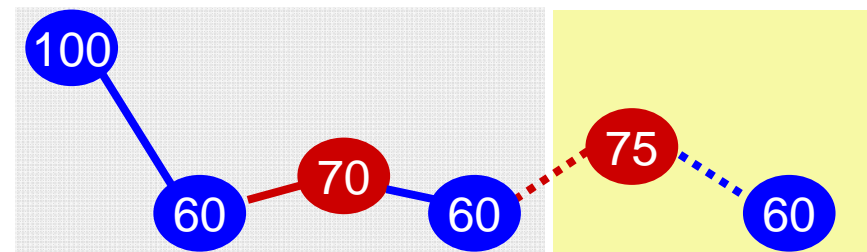
## Copper strips

*For leadframes, connectors*



## Copper pipes

*For air conditioners*



# Measures we had announced in FY10

## Telecommunications

We have reached an agreement with Hen Tong China on the establishment of a JV for fiber preform production

## Energy / Industrial

We have reached an agreement on the establishment of a JV for the industrial cable production in China

## Electronics / Automotive

We have begun the mass production of the glass substrate for HDD in May

## Metals

We have got started the restructuring of domestic copper production  
And we have begun the negotiation for forming a JV of copper production in China

Thank you for your attention.



## 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 capital expenditures.
- Changes in exchange rates of the U.S. dollar, euro, and Asian currencies.
- The 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 at foreign countries.
- Changes in the market value of securities held by the Furukawa Electric Group.

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