



Furukawa Electric Co., Ltd.

Q3 Financial Results Briefing for the Fiscal Year Ending March 2026

February 9, 2026

[Number of Speakers]

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Koji Aoshima

Representative Director, Corporate Senior
Vice President, and General Manager of
Finance and Accounting Division

Furukawa Electric Group FY2025 Q3 Financial Results

February 9, 2026

Koji Aoshima, Representative Director & Senior Executive Officer, Chief Financial Officer
Furukawa Electric Co., Ltd.

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Aoshima: I am Aoshima from the Finance & Accounting Division. Thank you for your cooperation.

I will now explain the financial results for Q3 of FY2025 and the forecast for the full year of FY2025.

Agenda

FY25Q3 Financial Results and FY25 Full-year Forecasts

- FY25Q3 Financial Results Highlights
- FY25Q3 Financial Results
 - P/L Summary
 - Breakdown of Changes in Net Sales & Operating Profit
- FY25 Forecasts
 - P/L Summary
 - Operating Profit by Segment
- Net Sales & Operating Profit by Segment
- FY25 Q3 Results -B/S Summary
- CAPEX, Depreciation & Amortization and R&D Expenses
- Directed at FY26
- Shareholder Returns
- Appendix

Please see page three. Today, we will follow along with the agenda here.

FY25Q3 Financial Results Highlights

■ Net sales and each level of profit increased compared to last year

(JPY billion, JPY/kg, USD/JPY)

	FY24_Q3 Results	FY25_Q3 Results	YoY change	
	a	b	b-a	
Net sales	882.0	948.9	+66.9	● Strong performance in the Infrastructure segment
Operating profit	31.4	35.1	+3.7	● Impact of soaring copper prices
Ordinary profit	36.1	40.8	+4.6	
Profit attributable to owners of parent	16.4	35.5	+19.1	● Gain on sale of strategic shareholdings
Average copper price	1,481	1,559	+78	
Average exchange rate	153	149	(4)	

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Please see page five. Here are the key points for FY2025 Q3. Net sales increased YoY, and each level of profit increased. The infrastructure segment performed well. Certain segments were affected by the high price of copper.

With gains on sale of strategic shareholdings, net sales, ordinary profit, and profit attributable to owners of parent reached record highs.

FY25Q3 Financial Results -P/L Summary

(JPY billion, JPY/kg, USD/JPY)	FY24 Q3 Results		FY25 Q3 Results		YoY change		Breakdown of change (YoY in Q3)
	10-12		10-12		10-12		
	a'	a	b'	b	b'-a'	b-a	
Net sales	311.6	882.0	338.2	948.9	+26.6	+66.9	See page 7
Operating profit	13.9	31.4	15.9	35.1	+2.1	+3.7	See page 8
(Margin)	4.4%	3.6%	4.7%	3.7%	+0.3	+0.1	
Interest income (expenses)	(1.9)	(5.9)	(2.2)	(6.1)	(0.3)	(0.2)	
Share of profit (loss) of entities accounted for using equity method	2.1	8.2	4.3	9.3	+2.2	+1.1	
Foreign exchange gains (losses)	2.2	(0.4)	1.2	(0.8)	(1.0)	(0.4)	
Ordinary profit	17.1	36.1	20.4	40.8	+3.3	+4.6	
(Margin)	5.5%	4.1%	6.0%	4.3%	+0.5	+0.2	
Extraordinary income (losses)	(4.6)	(7.7)	10.2	10.6	+14.8	+18.3	· Extraordinary income: +17.5 [1.8 → 19.3]
Income taxes	(6.5)	(9.6)	(7.4)	(13.7)	(1.0)	(4.1)	· Extraordinary loss: +0.8 [(9.5) → (8.7)]
Profit attributable to non-controlling interests	(0.9)	(2.5)	(0.6)	(2.1)	+0.3	+0.4	
Profit attributable to owners of parent	5.2	16.4	22.6	35.5	+17.4	+19.1	
(Margin)	1.7%	1.9%	6.7%	3.7%	+5.0	+1.9	
Average copper price	1,449	1,481	1,753	1,559	+304	+78	
Average exchange rate	152	153	154	149	+2	(4)	

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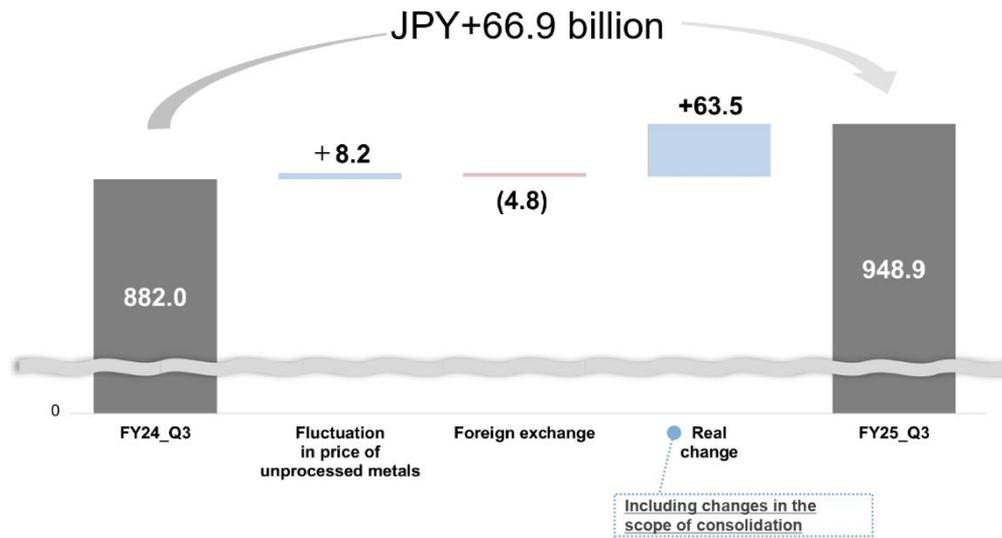
Please see page six. Net sales and operating profit will be explained in the increase/decrease factors on the next page and thereafter, and I will supplement other items.

Share of profit (loss) of entities accounted for using equity method increased by JPY1.1 billion YoY. Extraordinary income (loss) improved by JPY18.3 billion due to the sale of strategic shareholdings.

FY25Q3 Financial Results

-Breakdown of Changes in Net Sales

(JPY billion)



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Page seven shows the factors for net sales increase/decrease.

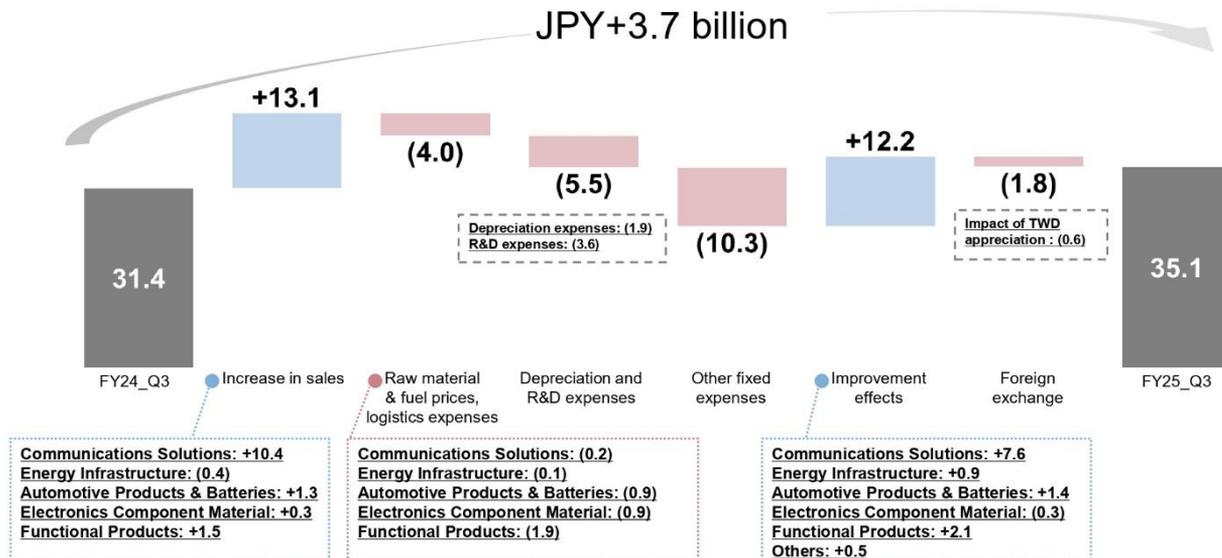
Net sales increased by JPY66.9 billion YoY. The fluctuation in the price of unprocessed metals was a positive JPY8.2 billion due to soaring copper prices, the foreign exchange impact of yen appreciation was a negative JPY4.8 billion, and the real change, including changes in the scope of consolidation, was a positive JPY63.5 billion.

The main components of the real change were an increase of about JPY42 billion in Communications solutions, an increase of about JPY7 billion in Automotive Products & Batteries, an increase of about JPY8 billion in Electronics Component Material, and an increase of about JPY7 billion in Functional Products.

FY25Q3 Financial Results

-Breakdown of Changes in Operating Profit

(JPY billion)



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Page eight shows factors contributing to increase/decrease in operating profit. Increase in sales was positive JPY13.1 billion.

The main breakdown shows gains of JPY10.4 billion in Communications Solutions, JPY1.3 billion in Automotive Products & Batteries, and JPY1.5 billion in Functional Products. Raw material & fuel prices, logistics expenses increased by JPY4 billion, partly due to the impact of high copper prices.

Depreciation and R&D expenses and other fixed expenses increased, partly due to the effect of new consolidation, but were offset by improvement effects and other factors by JPY12.2 billion. Foreign exchange effects were negative JPY1.8 billion due to the appreciation of the yen against the US dollar and the appreciation of the Taiwan dollar against the US dollar.

The overall increase/decrease factor was a positive JPY3.7 billion.

FY25 Forecasts -P/L Summary

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

(JPY billion, JPY/kg, USD/JPY)	FY24 ^{*1}	FY25 Previous forecasts ^{*2}	FY25 Forecasts	YoY change	Change from previous forecasts
	a	b	c	c-a	c-b
Net sales	1,201.8	1,200.0	1,300.0	+98.2	+100.0
Operating profit	47.0	53.0	56.0	+9.0	+3.0
(Margin)	3.9%	4.4%	4.3%	+0.4	(0.1)
Interest income (expenses)	(8.0)	—	—	—	—
Share of profit (loss) of entities accounted for using equity method	10.6	—	—	—	—
Foreign exchange gains (losses)	(2.2)	—	—	—	—
Ordinary profit	48.5	52.0	65.0	+16.5	+13.0
(Margin)	4.0%	4.3%	5.0%	+1.0	+0.7
Extraordinary income (losses)	5.5	6.0	16.5	+11.0	+10.5
Income taxes	(16.7)	—	—	—	—
Profit attributable to non-controlling interests	(3.9)	—	—	—	—
Profit attributable to owners of parent	33.4	36.0	54.0	+20.6	+18.0
(Margin)	2.8%	3.0%	4.2%	+1.4	+1.2
Average copper price	1,478	1,398	1,694	+216	+296
Average exchange rate	153	143	149	(4)	+6

^{*1} Restatement following the determination in FY25_Q3 of the provisional accounting treatment concerning business combination (Refer to Appendix 1-1)

^{*2} Announced on May 13, 2025

- Strong sales of data center related products and firm performance in the Automotive Products business
- Impact of soaring copper prices
(Electronics Component Material, Copper foil)

- Increase in share of profit of entities accounted for using equity method
- Improvement in foreign exchange gains (losses)

- Increased gain on revision of the retirement benefit plan (extraordinary income) due to rising stock prices

Previous forecast:
H2 assumptions
Copper price:JPY1,335/kg
Exchange rate:JPY140/USD

Q3 result:
Copper price:JPY1,753/kg
Exchange rate:JPY154/USD
Q4 assumptions:
Copper price:JPY2,100/kg
Exchange rate:JPY150/USD

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Page nine shows the full-year forecast for FY2025. The full-year forecasts for net sales and each stage of profit are revised upward.

Net sales are revised upward by JPY100 billion mainly due to higher copper prices, operating profit by JPY3 billion, ordinary profit by JPY13 billion, and net profit attributable to owners of parent by JPY18 billion. Operating profit is discussed on the next page.

Supplementing other items, non-operating income is expected to increase due to higher share of profit (loss) of entities accounted for using equity method and improved foreign exchange gains (losses). Regarding extraordinary income, we anticipated an increase in gains on revision of the retirement benefit plan due to rising stock prices.

The Company has revised its assumptions for foreign exchange rates and copper prices.

FY25 Forecasts -Operating Profit by Segment

Operating profit of major segments

(JPY billion)										Change from previous forecasts	Major revised factors in the full-year forecast
Segments	Sub-segments	H1 Results	H2 Forecasts	FY25 Previous forecasts ¹⁾	H1 Results ²⁾	Q3 Results	Q4 Forecasts	H2 Forecasts	FY25 Forecasts		
				a					b	b-a	
Infrastructure	Communications Solutions	0.1	7.4	7.5	(0.0)	2.7	7.3	10.0	10.0	+2.5	Increased sales of data center related products (Realization of the benefits from investing in increased production)
	Energy Infrastructure	2.6	3.9	6.5	2.6	3.0	2.4	5.4	8.0	+1.5	Firm demand and price optimization
Electronics & Automotive Systems	Automotive Products & Batteries	10.8	11.2	22.0	10.8	8.1	7.1	15.2	26.0	+4.0	Price optimization, limited fixed expenses, etc.
	Electronics Component Material	2.2	2.8	5.0	2.2	0.3	1.5	1.8	4.0	(1.0)	Soaring copper prices
Functional Products		7.4	9.6	17.0	7.4	3.3	4.3	7.6	15.0	(2.0)	Soaring copper prices Delayed recovery in tapes for semiconductor process
Consolidated total (include service and developments, etc. segment, and elimination)		19.4	33.6	53.0	19.2	15.9	20.9	36.8	56.0	+3.0	

¹⁾ Announced on November 10, 2025 (unchanged from the figures announced on August 7, 2025)

²⁾ Restatement following the determination in FY25_Q3 of the provisional accounting treatment concerning business combination (Refer to Appendix 1-2)

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Page 10 shows the full-year forecast for operating profit by segment. The Company-wide forecast has been revised upward by JPY3 billion from the previous forecast.

Communications Solutions is revised upward by JPY2.5 billion due to increased sales of data center related products. Energy Infrastructure is revised upward by JPY1.5 billion due to firm demand and price optimization, and Automotive Products & Batteries is revised upward by JPY4 billion due to price optimization and limited fixed expenses.

Electronics Component Material is revised downward by JPY1 billion due to soaring copper prices, and Functional Products are revised downward by JPY2 billion due to soaring copper prices and a delayed recovery in tapes for semiconductor process.

Net Sales & Operating Profit by Segment (Q3 Results/ Full-year Forecasts)

	Net sales			Operating profit			Net sales					Operating profit				
	FY24_Q3	FY25_Q3	YoY change	FY24_Q3	FY25_Q3	YoY change	FY24 ¹	FY25 Previous forecasts ²	FY25 Forecasts	YoY change	Change from previous forecasts	FY24 ¹	FY25 Previous forecasts ²	FY25 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	222.5	262.1	+39.6	0.7	8.2	+7.5	309.1	375.0	375.0	+65.9	—	5.7	14.0	18.0	+12.3	+4.0
Communications Solutions	119.6	159.4	+39.8	(5.9)	2.7	+8.5	167.0	235.0	235.0	+68.0	—	(4.1)	7.5	10.0	+14.1	+2.5
Energy Infrastructure	102.9	102.7	(0.2)	6.6	5.6	(1.0)	142.1	140.0	140.0	(2.1)	—	9.8	6.5	8.0	(1.8)	+1.5
Electronics & Automotive Systems	540.3	559.8	+19.5	22.3	21.4	(0.9)	736.4	665.0	770.0	+33.6	+105.0	32.6	27.0	30.0	(2.6)	+3.0
Automotive Products & Batteries	298.4	305.5	+7.1	18.6	19.0	+0.4	409.5	370.0	395.0	(14.5)	+25.0	27.6	22.0	26.0	(1.6)	+4.0
Electronics Component Materials	241.9	254.3	+12.4	3.7	2.5	(1.2)	327.0	295.0	375.0	+48.0	+80.0	5.0	5.0	4.0	(1.0)	(1.0)
Functional Products	112.1	119.2	+7.1	12.2	10.6	(1.6)	147.0	160.0	155.0	+8.0	(5.0)	14.1	17.0	15.0	+0.9	(2.0)
Service and Developments, etc.	26.2	30.4	+4.2	(3.8)	(5.0)	(1.3)	34.8	40.0	40.0	+5.2	—	(5.4)	(5.0)	(7.0)	(1.6)	(2.0)
Elimination of intra-company transactions	(19.1)	(22.6)	(3.5)	(0.1)	(0.1)	(0.0)	(25.6)	(40.0)	(40.0)	(14.4)	—	(0.1)	0.0	0.0	+0.1	—
Total	882.0	948.9	+66.9	31.4	35.1	+3.7	1,201.8	1,200.0	1,300.0	+98.2	+100.0	47.0	53.0	56.0	+9.0	+3.0

¹ Restatement following the determination in FY25_Q3 of the provisional accounting treatment concerning business combination (Refer to Appendix 1-2)

² Announced on November 10, 2025 (unchanged from the figures announced on August 7, 2025)

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I will omit the explanation on page 11.

1-(1) Infrastructure (Communications Solutions)

FY25_Q3 Results

(JPY billion)	FY24_Q3	FY25_Q3	YoY change
	a	b	b-a
Net sales	119.6	159.4	+39.8
Operating profit	(5.9)	2.7	+8.5

【Factors affecting profits】

(+) Increased sales of data center related products, etc.

(±) Impact of new consolidation

^{*1} Restatement following the determination in FY25_Q3 of the provisional accounting treatment concerning business combination (Refer to Appendix 1-2)

^{*2} Announced on November 10, 2025 (unchanged from the figures announced on August 7, 2025)

^{*3} Distributed Feedback Laser chips

FY25_Forecasts

(JPY billion)	FY24 ^{*1}	FY25 previous forecasts ^{*2}	FY25 Forecasts	YoY change	Change from previous forecasts
	a	b	c	c-a	c-b
Net sales	167.0	235.0	235.0	68.0	—
Operating profit	(4.1)	7.5	10.0	14.1	+2.5

Recognition of the business environment

>> FY25_H1 FY25_H2 >>

Increased demand for the data center market
(Data center operators, dark fiber and communication system providers)

Key points

- Develop, increase production and expand sales of data center related products

Rollable ribbon cables and solution

MT ferrules

DFB laser chips^{*3}

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Page 12. The following section describes the status of the sub-segments. First, Communications solutions.

Q3 results were higher than in the same period of the previous year due to increased sales of products for data centers, etc. We have also revised our full-year forecast upward in anticipation of increased demand for data center related products.

1-(2) Infrastructure (Energy Infrastructure)

FY25_Q3 Results

(JPY billion)	FY24_Q3	FY25_Q3	YoY change
	a	b	b-a
Net sales	102.9	102.7	(0.2)
Operating profit	6.6	5.6	(1.0)

【Factors affecting profits】

- Continued firm demand in Japan for extra-high voltage, renewable energy and functional power cables (excluding for the construction and wholesale market)

* Announced on November 10, 2025 (unchanged from the figures announced on August 7, 2025)

FY25_Forecasts

(JPY billion)	FY24	FY25 previous forecasts	FY25 Forecasts	YoY change	Change from previous forecasts
	a	b	c	c-a	c-b
Net sales	142.1	140.0	140.0	(2.1)	—
Operating profit	9.8	6.5	8.0	(1.8)	+1.5

Recognition of the business environment

>> FY25_H1 FY25_H2 >>

Domestic extra-high voltage	Steady demand in Japan for renewal of underground power cables and renewable energy projects
Submarine lines	
Functional power cable/components	Steady demand
China Business	Plan to deconsolidate from Q4 (Shenyang Furukawa Cable Co., Ltd.)

Key points

- Increase cable manufacturing and installation capacity
 - Domestic extra-high voltage and submarine cables
 - Renewable energy projects
- Increase sales by promoting marketing activities
 - Rakuraku aluminum cable®
 - Transmission and distribution components

Page 13 shows Energy Infrastructure.

Although Q3 results showed a YoY decline in profit due to differences in profitability and other factors for each construction project, we are revising our full-year forecast upward due to firm demand for domestic extra-high voltage, renewable energy and functional power cables, as well as price optimization.

FY25_Q3 Results

(JPY billion)	FY24_Q3	FY25_Q3	YoY change
	a	b	b-a
Net sales	298.4	305.5	+7.1
Operating profit	18.6	19.0	+0.4

【Factors affecting profits】

(+) Firm performance in the Automotive Products business

(-) Decline in net sales of automotive batteries

*1 Announced on November 10, 2025 (unchanged from the figures announced on August 7, 2025)

*2 Impact of the deconsolidation of the batteries business
Net sales: About JPY (21.0) billion
Operating profit: About JPY (2.0) billion

FY25_Forecasts

(JPY billion)	FY24	FY25 previous forecasts ^{*1}	FY25 Forecasts	YoY change ^{*2}	Change from previous forecasts
	a	b	c	c-a	c-b
Net sales	409.5	370.0	395.0	(14.5)	+25.0
Operating profit	27.6	22.0	26.0	(1.6)	+4.0

Recognition of the business environment

>> FY25_H1 FY25_H2 >>

Automotive Products

Customer vehicle production volume remains unchanged from the previous year

Decreased sales in Chinese and Southeast Asian market

Batteries

deconsolidation from Q4

Key points

- Respond to the impact of the US tariffs
- Automation of assembly
- Develop products for the EV market

Aluminum wire harnesses and high-voltage products

Page 14 is for Automotive Products & Batteries. Q3 results show a YoY increase due to firm sales in the Automotive Products business.

The full-year forecast has been revised upward due to factors such as the incorporation of the status of negotiations with customers regarding the depreciation of the yen and soaring labor costs, as well as fixed cost containment.

FY25_Q3 Results

(JPY billion)	FY24_Q3	FY25_Q3	YoY change
	a	b	b-a
Net sales	241.9	254.3	+12.4
Operating profit	3.7	2.5	(1.2)

【Factors affecting profits】

(-) Impact of exchange rates and copper prices

*1 Announced on November 10, 2025 (unchanged from the figures announced on August 7, 2025)

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

FY25_Forecasts

(JPY billion)	FY24	FY25 previous forecasts ^{*1}	FY25 Forecasts	YoY change	Change from previous forecasts ^{*2}
	a	b	c	c-a	c-b
Net sales	327.0	295.0	375.0	+48.0	+80.0
Operating profit	5.0	5.0	4.0	(1.0)	(1.0)

Recognition of the business environment

>> FY25_H1 FY25_H2 >>

Gradual recovery in demand for electronics-related products

soaring copper prices

Key points

- Improved product mix by expanding sales of high-value-added products

Oxygen-free copper product lineup
(for power semiconductors and heat dissipation products)

Ribbon cable & Square cable
(for high performance inductors and memory)

High performance resistance materials
(for smartphones and xEV)

- Optimize sales prices and withdraw from low-margin products

Page 15 is Electronics Component Material.

Q3 results showed a YoY decrease in profit due to a sharp rise in copper prices. The full-year forecast has been revised downward, taking into account the current copper prices, as we expect it will be difficult to recover the effects of the copper price hike during the current fiscal year.

Net Sales and Operating Profit by Segment
3 Functional Products

FY25_Q3 Results

(JPY billion)	FY24_Q3	FY25_Q3	YoY change
	a	b	b-a
Net sales	112.1	119.2	+7.1
Operating profit	12.2	10.6	(1.6)

【Factors affecting profits】

- (+) Increased sales of data center related products
- (-) Impact of TWD appreciation and soaring copper prices (Copper foil)
- (-) Changes in demand from key customers (Tapes for semiconductor process)

* Announced on November 10, 2025 (unchanged from the figures announced on August 7, 2025)

FY25_Forecasts

(JPY billion)	FY24	FY25 previous forecasts	FY25 Forecasts	YoY change	Change from previous forecasts
	a	b	c	c-a	c-b
Net sales	147.0	160.0	155.0	+8.0	(5.0)
Operating profit	14.1	17.0	15.0	+0.9	(2.0)

Recognition of the business environment

>> **FY25_H1** **FY25_H2** >>

Continued momentum in the data center investments

Impact of foreign exchange (TWD appreciation) and soaring copper prices

Progress toward domestic semiconductor manufacturing in China

Key points

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

Tapes for semiconductor process High performance foam products High performance heat dissipation and cooling products Thin aluminum blanks for HDD Copper foil for high frequency circuit boards

Page 16 shows Functional Products.

Although Q3 results showed a YoY increase in sales due to higher sales of data center related products and soaring copper prices, profits decreased due to a change in demand from key customers for Tapes for semiconductor process and hedge valuation losses caused by a sudden rise in copper prices, in addition to the impact of the strong Taiwan dollar and weak US dollar in the Copper foil business.

The full-year forecast has also been revised downward, mainly due to continuing changes in demand from key customers for Tapes for semiconductor process.

FY25 Q3 Results -B/S Summary

(JPY billion)	End of FY24 [*]	End of FY25Q3	Change
	a	b	b-a
Current assets	556.4	593.1	+36.7
Cash and deposits	60.0	72.0	+12.1
Notes and accounts receivable - trade, and contract assets	260.6	264.9	+4.3
Total inventories	195.0	208.8	+13.8
Non-current assets	431.6	434.9	+3.3
Property, plant and equipment	277.0	261.9	(15.1)
Intangible assets	24.0	23.9	(0.1)
Investments and other assets	130.6	149.0	+18.4
Total assets	988.1	1,028.0	+39.9
Current liabilities	394.5	432.6	+38.1
Non-current liabilities	219.8	201.3	(18.5)
Total liabilities	614.3	633.8	+19.6
Shareholders' equity	291.5	319.4	+27.9
Accumulated other comprehensive income	49.9	58.3	+8.3
Non-controlling interests	32.3	16.4	(15.9)
Total net assets	373.8	394.1	+20.4
Total liabilities and net assets	988.1	1,028.0	+39.9
Equity capital ratio	34.6%	36.7%	+2.1
Net interest-bearing debt	246.2	245.4	(0.8)
Net D/E ratio	0.72	0.65	(0.07)

Total assets Increased by JPY 39.9 billion

Reorganization of the Furukawa Battery Group :	JPY (52.0) billion	} Working capital and others JPY 56.0 billion
Cash and deposits :	JPY +16.0 billion	
Notes and accounts receivable - trade, and contract assets :	JPY +20.0 billion	
Total inventories :	JPY +20.0 billion	
Investment securities:	JPY +10.0 billion	
Impact of foreign currency exchange :	JPY +5.0 billion	
Impact of change in scope of consolidation :	JPY +10.0 billion	

* Restatement following the determination in FY25_Q3 of the provisional accounting treatment concerning business combination (Refer to Appendix 1-3)

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Page 17 is the balance sheet.

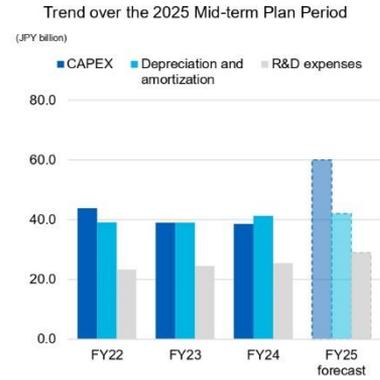
Total assets amounted to JPY1,028 billion, an increase of JPY39.9 billion from the end of the previous fiscal year. The main factors were a decrease of about JPY52 billion due to the reorganization of the Furukawa Battery Group, an increase of about JPY56 billion in working capital and other assets due to increased sales, an increase of about JPY10 billion in investment securities due to soaring stock prices, an increase of about JPY5 billion due to the impact of foreign currency exchange, and an increase of about JPY10 billion due to the impact of changes in the scope of consolidation.

All of the management indicators have improved.

CAPEX, Depreciation & Amortization and R&D Expenses

■ Full-year forecast remains unchanged

(JPY billion)	FY24_Q3	FY25_Q3	YoY change	FY24 ¹	FY25 Previous Forecasts ²	FY25 Forecasts	YoY change	Change from previous forecasts
	a	b	b-a	c	d	e	e-c	e-d
CAPEX	23.8	35.8	+12.0	38.6	60.0	60.0	+21.4	—
Depreciation and amortization	30.4	32.4	+1.9	41.4	42.0	42.0	+0.7	—
R&D expenses	19.1	22.6	+3.6	25.4	29.0	29.0	+3.6	—



¹ Restatement following the determination in FY25_Q3 of the provisional accounting treatment concerning business combination

² Announced on November 10, 2025

Next, page 18 shows capital expenditures, depreciation & amortization, and R&D expenses.

The YoY increase is due to increased investment in production in response to rising demand for data center related products. Forecasts for capital expenditures, depreciation & amortization, and R&D expenses remain unchanged from those announced in November.

Directed at FY26

- Continued robust demand for data center related products
- Actively invest in increasing production in order to capture the demand

Illustrative operating profit potential of major segments in FY2026

Segments	Sub-segments	FY24 Results*	FY25 Forecasts		FY26 Forecasts	Premise
			H1 Results*	H2 Forecasts		
Infrastructure	Communications Solutions	(4.1)	(0.0)	10.0	10.0	➔ Increase in net sales of data center related products (Rollable Ribbon Cables, MT ferrules, DFB laser chips, etc.)
	Energy Infrastructure	9.8	2.6	5.4	8.0	➔ Firm demand for extra-high voltage underground power cables, renewable energy, functional power cables and transmission components
Electronics & Automotive Systems	Automotive Products & Batteries	27.6	10.8	15.2	26.0	➔ Impact of the deconsolidation of battery business (from 25Q4) Customer vehicle production volumes will remain unchanged from FY25
	Electronics Component Material	5.0	2.2	1.8	4.0	➔ No major changes in the demand environment Closely monitor the impact of fluctuations in copper prices
Functional Products		14.1	7.4	7.6	15.0	➔ Increase in net sales of data center related products (Heat dissipation and cooling products, Copper foil for high frequency boards, Tapes for semiconductor process, etc.)

* Restatement following the determination in FY25_Q3 of the provisional accounting treatment concerning business combination (Refer to Appendix 1-2)

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Page 19 shows the operating profit image for each sub-segment at this time for FY2026, indicated by arrows.

Demand for data center related products remains strong, and we will aggressively invest in increased production to capture demand.

Shareholder Returns

■ For the year-end dividend, we plan to issue a dividend of JPY 160 per share
 (Raised by JPY 40 from JPY 120 announced on May 13, 2025)

Annual dividend per share (JPY)



Profit attributable owners of parent	JPY 10.1 billion	JPY 15.9 billion	JPY 6.5 billion	JPY 33.4 billion*	JPY 36.0 billion	JPY 54.0 billion
Dividend payout ratio	41.8%	35.4%	64.9%	25.4%*	23.5%	20.9%

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

* Restatement following the determination in FY25_Q3 of the provisional accounting treatment concerning business combination (Refer to Appendix 1-1)

Page 20 is shareholder returns. Regarding the year-end dividend, in light of the revision of the full-year forecast, the year-end dividend forecast for this fiscal year has been changed from the previously announced JPY120 per share to JPY160 per share.

This concludes my explanation.