

[Translation for Reference Purpose Only]

June 4, 2026

Dear Shareholders:

Notice of the 204th Annual General Meeting of Shareholders

You are cordially invited to attend the 204th Annual General Meeting of Shareholders of Furukawa Electric Co., Ltd. to be held on June 26, 2026, at 10:00 a.m., at the conference room of Furukawa Electric Co., Ltd. on the 18th floor of Tokiwabashi Tower, 2-6-4 Otemachi Chiyoda-ku, Tokyo, Japan.

The Annual General Meeting of Shareholders will be held for following purposes:

Items to be reported,

1. Business Report, Consolidated Accounting Documents and the Audit Reports of Account Auditors and Audit & Supervisory Committee for Consolidated Accounting Documents for the 204th fiscal year (from April 1, 2025 to March 31, 2026)
2. Reports on Non-Consolidated Accounting Documents for the 204th fiscal year (from April 1, 2025 to March 31, 2026)

Items to be resolved,

- | | |
|-----------------------|---|
| Proposal No.1: | Dividends from surplus |
| Proposal No.2: | Election of seven (7) Directors (excluding those who serve as Audit & Supervisory Committee Members) |
| Proposal No.3: | Election of two (2) Directors who are Substitute Audit & Supervisory Committee Members |

The foregoing proposals are more fully described in the documents attached and made a part hereof. Your vote is important. When you are attending the Annual General Meeting of Shareholders, please bring enclosed Card for Exercise of Voting Rights with you. If you are unable to attend the Annual General Meeting of Shareholders, please exercise your voting rights in writing or via the Internet (<https://soukai.mizuho-tb.co.jp/>). The Card arrived at the Company and the submission via the Internet after 5:00 p.m. on June 25, 2026 would be a void vote.

Sincerely
Hideya Moridaira
President

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DISCLAIMER: This translation may be used only for reference purposes. This English version is not an official translation of the original Japanese version (including Reference Documents for Annual General Meeting of Shareholders, the Business Report, Financial Statements for the fiscal year ended March 31, 2026, which consist of consolidated balance sheet, and consolidated statement of operation, non-consolidated balance sheet, non-consolidated statement of operation; hereinafter the same). Due to differences of accounting, legal, and other systems as well as language, etc., this English version might contain inaccuracies, and therefore, might be inconsistent with the original import intended in Japanese version. Certain parts of the translation may have been edited to accommodate differences in writing style and expression between English and Japanese version. In the event of any discrepancies between the Japanese and English version, the former shall prevail. Furukawa Electric Co., Ltd. shall accept no responsibility or liability for damage or loss caused by any error, inaccuracy, or misunderstanding with regard to this translation.

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Proposal No.1: Dividends from surplus

The Company's capital allocation policy is to strike a balance among investments in growth and new business opportunities, improvement of balance sheet and shareholder returns, with priority placed on management strategy.

Based on this policy, as its shareholder return policy during the period of the Medium-term Management Plan "Road to the Vision 2030: Transform and Challenge" ending in FY2025, the Company focuses on its investment in growth segments in order to increase corporate value through profit growth, and provides a return to shareholders in a stable and continuous manner. Specifically, the Company makes performance-linked dividend distribution, which is projected to be approximately 30% of profit attributable to owners of parent.

It is proposed that the year-end dividend for the current fiscal year be 210 yen per share.

- (1) Matters concerning allotment of dividend assets to shareholders and total amount of dividends
210 yen per common share of the Company
Total amount: 14,829,288,600 yen
- (2) Effective date of the dividend from surplus
June 29, 2026

【Reference】

Change in the shareholder return policy

Recently, the Company reviewed the above-mentioned shareholder return policy, and for the period of Vision2030 (from FY2026 to FY2030). The basic policy is to provide stable returns to shareholders, while making investments to increase corporate value. Accordingly, instead of traditional dividend payout ratio, the Company adopted the dividend on equity (DOE) ratio as a new indicator, because it is less susceptible to business results of a single year, and distributes dividends roughly at 3.5% of shareholders' equity (DOE = 3.5%) going forward.

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Proposal No.2: Election of seven (7) Directors (excluding those who serve as Audit & Supervisory Committee Members)

The term of office of all Directors (eight Directors) (excluding Directors who also serve as Audit & Supervisory Committee Members; hereinafter, the same shall apply to this proposal) will expire at the close of the Annual General Meeting of Shareholders.

To optimize the size and effectiveness of the Board of Directors, we would like to reduce the number of Directors by one to seven Directors. We therefore request you to appoint seven Directors.

The candidates for Directors are as shown below.

Candidate no.	Name		Position/responsibilities
1	Hideya Moridaira (Male)	Re-election	Representative Director, President CEO (Chief Executive Officer)
2	Satoshi Miyamoto (Male)	Re-election	Representative Director, Corporate Executive Vice President CSO (Chief Strategy Officer)
3	Koji Aoshima (Male)	Re-election	Representative Director, Corporate Senior Vice President CFO (Chief Financial Officer)
4	Takashi Tsukamoto (Male)	Re-election Candidate for Outside Director, Independent Officer	Outside Director
5	Yukiko Yabu (Female)	Re-election Candidate for Outside Director, Independent Officer	Outside Director
6	Tamotsu Saito (Male)	Re-election Candidate for Outside Director, Independent Officer	Outside Director
7	Takeo Hoshino (Male)	Re-election Candidate for Outside Director, Independent Officer	Outside Director

The Company board of directors selected the candidates here based on the reports from

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Nominating/ Compensation Committee majority members and Chairman of which are outside directors.

We were reported by the Audit & Supervisory Committee that there is no specific comment on this proposal, upon checking the candidate nomination process, etc. based on the report on the overview of discussions at Nominating/Compensation Committee.

Please see the following pages for the individual candidates' background, reasons for nomination, anticipated role in the board and other information.

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1.	Hideya Moridaira (Male)	[Date of Birth: July 13, 1965]
<p>■Brief history</p> <p>April 1990 Joined Furukawa Electric Co., Ltd.</p> <p>April 2020 Corporate Vice President, General Manager of Optical Fiber & Cable Products Division in Communications Solutions Division</p> <p>April 2021 Corporate Vice President, General Manager of Communications Solutions Division, General Manager of Optical Fiber & Cable Products Division (concurrent posts)</p> <p>May 2021 Corporate Vice President, General Manager of Communications Solutions Division</p> <p>April 2022 Corporate Senior Vice President, General Manager of Communications Solutions Division</p> <p>June 2022 Director and Corporate Senior Vice President, General Manager of Communications Solutions Division</p> <p>April 2023 President and Representative Director</p> <p>April 2026 Representative Director, President and CEO (Chief Executive Officer) (present post)</p>		
<p>Number of shares in the Company 7,000 Shares</p> <p>Number of Potential shares (*1) 33,297 Shares</p>		
<p>The Number of Attendance at the Board of Directors Meetings 16 out of 16 times(*2)</p> <p>The Number of Attendance at Nominating/ Compensation Committee 6 out of 6 times (*3)</p>		
<p>■Important Concurrent Posts</p> <p>N/A</p>		
<p>■Reasons for nomination as Director</p> <p>Mr. Hideya Moridaira has significant experience in production technologies and intellectual properties, and led Corporate Planning Section in formulating the previous Medium-term Management Plan. He has served as General Manager of Communications Solutions Division (global business) to promote the transformation of overall Communications Solutions business, thus he has extensive experience in business operations as well as advanced knowledge of technologies in core business areas of our Group. Since April this year, he has assumed the position of President & Representative Director, and played a role in firmly advancing the Medium-term Management Plan “Road to Vision 2030: Transform and Challenge” under his excellent leadership. He, as CEO, is also responsible for further increasing corporate value toward realizing “Furukawa Electric Group Vision 2030.” Therefore, the Company requests his re-election as a Director.</p>		

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2.	Satoshi Miyamoto (Male)	[Date of Birth: February 20, 1962]
■Brief history		
April 1984	Joined Ministry of Trade and Industry (current Ministry of Economy, Trade and Industry)	
July 1999	Director, Information Disclosure Promotion Office, Public Relations Office, Minister's Secretariat, Ministry of Economy, Trade and Industry	
June 2001	Deputy Director, Japan External Trade Organization (JETRO) New York Center	
June 2004	Director, Commodity Derivatives Division, Commerce and Information Policy Bureau, Ministry of Economy, Trade and Industry	
April 2006	Canon Inc. (exchange via Act on Personnel Exchange Between the Government Sector and Private Enterprises)	
June 2010	Counselor to the Commissioner of the Small and Medium Enterprise Agency, Ministry of Economy, Trade and Industry	
April 2011	Councilor for Policy Evaluation, Minister's Secretariat, Ministry of Economy, Trade and Industry	
Feb. 2012	Councilor, Minister's Secretariat, Ministry of Economy, Trade and Industry (Manufacturing Industries Bureau)	
June 2013	Deputy Chairman, JETRO	
Oct. 2015	Deputy Commissioner of the Small and Medium Enterprise Agency, Ministry of Economy, Trade and Industry	
June 2016	Commissioner of the Small and Medium Enterprise Agency, Ministry of Economy, Trade and Industry	
July 2017	Retired from the Ministry of Economy, Trade and Industry	
Nov. 2017	Advisor (full-time), Furukawa Electric Co., Ltd.	
April 2018	Corporate Vice President, and General Manager, Administration & CSR Division	
April 2019	Corporate Senior Vice President, and General Manager, Administration & CSR Division	
June 2019	Director and Corporate Senior Vice President, and General Manager, Administration & CSR Division	
April 2021	Director and Corporate Senior Vice President, and General Manager, Business Basis Transformation Division	
April 2022	Director and Corporate Executive Vice President, and General Manager, Strategy Division	
June 2025	Representative Director and Corporate Executive Vice President, and General Manager, Strategy Division	
April 2026	Representative Director, Corporate Executive Vice President and CSO (Chief Strategy Officer) (present post)	
Number of shares in the Company 4,600 Shares		
Number of Potential shares (*1) 21,451 Shares		
The Number of Attendance at the Board of Directors Meetings 16 out of 16 times (*2)		
■Important Concurrent Posts		
N/A		
■Reasons for nomination as Director		
<p>During his career at the Ministry of Economy, Trade and Industry, Mr. Satoshi Miyamoto assumed several prominent positions, including Councilor of the Minister's Secretariat (Manufacturing Industries Bureau) and Commissioner of the Small and Medium Enterprise Agency, etc. and has a wealth of experience and knowledge in industrial policies, as well as a wide network of connections. As the head of various divisions of the Company including legal affairs/compliance, human resources, sustainability, and group management strategy since 2018, and as Representative Director since June 2025, he has promoted various measures , while leading discussions and initiatives concerning the optimization of the business portfolio and allocation of management resources. Toward realizing “Furukawa Electric Group</p>		

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Vision 2030”, the Company believes that his perspectives of group management strategy and allocation of management resources are indispensable for strategic discussions at the Board of Directors for the integration of mid- to long-term strategies based on “Furukawa Electric Group Purpose” and optimization of business and product portfolios. Therefore, the Company requests his re-election as a Director.

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3.	Koji Aoshima (Male)	[Date of Birth: March 4, 1969]
■Brief history		
April 1992	Joined Furukawa Electric Co., Ltd.	
April 2024	Corporate Vice President, General Manager, Finance & Accounting Division	
June 2024	Director and Corporate Vice President, General Manager, Finance & Accounting Division	
April 2025	Director and Corporate Senior Vice President, General Manager, Finance & Accounting Division	
June 2025	Representative Director and Corporate Senior Vice President, General Manager, Finance & Accounting Division	
April 2026	Representative Director, Corporate Senior Vice President and CFO (Chief Financial Officer) (present post)	
Number of shares in the Company 1,300 Shares		
Number of Potential shares (*1) 3,663 Shares		
Number of Attendance at the Board of Directors Meetings 16 out of 16 times (*2)		
■Important Concurrent Posts		
N/A		
■Reasons for nomination as Director		
<p>Mr. Koji Aoshima has assumed the leadership positions of Finance & Accounting Department of the Company and its domestic subsidiary, led the project for introducing the internal control and reporting system (J-SOX), and thus has a wealth of experience and advanced knowledge in finance & accounting and risk management. As the leader of Finance & Accounting Division since April 2024, and as Representative Director since June 2025, he has worked on further strengthening the Group's financial position and promoting the Group's global management. Toward realizing "Furukawa Electric Group Vision 2030", the Company believes that his experience and knowledge in finance & accounting and risk management are indispensable for stimulating strategic discussions at the Board of Directors regarding the maximization of corporate value by focusing on both capital efficiency and growth investments. Therefore, the Company requests his re-election as a Director.</p>		

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4.	Takashi Tsukamoto (Male)	[Date of Birth: August 2, 1950]
Candidate for outside Director and Independent Officer		
■Brief history		
April 1974 Joined The Dai-Ichi Kangyo Bank., Ltd. (presently Mizuho Bank, Ltd.)		
April 2002 Executive Officer / General Manager of Human Resources Division of Mizuho Corporate Bank, Ltd. (presently Mizuho Bank, Ltd.)		
Mar. 2003 Managing Executive Officer / Head of Risk Management Group and Head of Human Resources Group of Mizuho Financial Group, Inc.		
April 2004 Managing Executive Officer / Head of Europe, Middle East and Africa of Mizuho Corporate Bank, Ltd.		
Mar. 2006 Managing Director / Chief Strategy Officer and Chief Financial Officer of Mizuho Corporate Bank, Ltd.		
April 2007 Deputy President of Mizuho Corporate Bank, Ltd.		
April 2008 Deputy President-Executive Officer / Head of Financial Control and Accounting Group of Mizuho Financial Group, Inc.		
June 2008 Deputy President / Head of Financial Control and Accounting Group of Mizuho Financial Group, Inc.		
April 2009 President & CEO of Mizuho Financial Group, Inc.		
June 2011 Chairman of Mizuho Financial Group, Inc. and President & CEO of Mizuho Bank, Ltd.		
July 2013 Chairman of Mizuho Financial Group, Inc. and Chairman of Mizuho Bank, Ltd.		
Nov. 2013 Chairman of Mizuho Financial Group, Inc.		
April 2014 Senior Advisor of Mizuho Financial Group		
April 2017 Honorary Advisor of Mizuho Financial Group		
June 2017 Outside Audit & Supervisory Board Member of Furukawa Electric Co., Ltd.		
June 2021 Outside Director of Furukawa Electric Co., Ltd. (present post)		
July 2023 Senior Advisor of Mizuho Financial Group, Inc. (present post)		
Number of shares in the Company 6,000 Shares		
The Number of Attendance at the Board of Directors Meetings 15 out of 16 times (*2)		
The Number of Attendance at Nominating/ Compensation Committee 6 out of 6 times (*3)		
■Important Concurrent Posts		
Senior Advisor of Mizuho Financial Group, Inc. / Outside Director of Asahi Mutual Life Insurance Company / Outside Director of AEON CO., LTD. / Outside Director of Internet Initiative Japan Inc.		
■Reasons for nomination as Director and expected roles		
<p>Mr. Takashi Tsukamoto has held several leadership positions, including Director in charge of Finance and Representative Director, in a financial institution, and has a wealth of experience and extensive knowledge of overall corporate management, including finance and accounting. Since he assumed the position of Outside Director of the Company in 2021, he has actively provided advice and recommendations mainly on business strategy, group management, financial policies and investor relations from the perspectives of the Group's global management as well as shareholders and other stakeholders. Furthermore, he has demonstrated his leadership as the chairperson of Nominating/ Compensation Committee as well as outside officer meetings, while taking initiative as the lead outside officer by sharing the recognition of the Company's management challenges among outside officers and by ensuring cooperation between outside officers and the management/Audit & Supervisory Board (Members). As such, he has significantly contributed to improving the Company's corporate governance. As the Group will work on strengthening the corporate governance system and</p>		

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promoting global corporate management, his advice and recommendations on corporate management and finance/accounting based on his experience and expertise, as well as his leadership will be extremely beneficial for the Company. In addition, the Company believes that his advice and recommendations are indispensable for strengthening the oversight function of the Board of Directors from an independent viewpoint. Therefore, the Company requests his re-election as an Outside Director.

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5.	Yukiko Yabu (Female)	[Date of Birth: June 23, 1958]
Candidate for outside Director and Independent Officer		
<p>■Brief history</p> <p>April 1981 Joined Matsushita Electric Industrial Co., Ltd. (presently Panasonic Holdings Corporation)</p> <p>Jan. 2006 Director of Lifestyle Value Research Laboratory, R&D Headquarters, Home Appliances Company, Matsushita Electric Industrial Co., Ltd.</p> <p>Jan. 2011 Director of Global Consumer Research Center, Corporate Brand Strategy Division, Panasonic Corporation</p> <p>April 2012 Director of Consumer Research Center, Global Consumer Marketing Sector, Panasonic Corporation</p> <p>April 2013 Director and Group Manager responsible for consumer research at the Global Marketing Planning Center, Appliances Company, Panasonic Corporation</p> <p>Mar. 2014 Retired from Panasonic Corporation</p> <p>June 2014 Outside Director of DUSKIN CO., LTD.</p> <p>June 2015 Outside Director of TAKARA HOLDINGS INC.</p> <p>June 2016 Outside Director of Daiwa House Industry Co., Ltd.</p> <p>June 2019 Outside Director of Furukawa Electric Co., Ltd. (present post)</p> <p>June 2021 Outside Director (Audit & Supervisory Committee Member) of IBIDEN CO., LTD (present post)</p>		
Number of shares in the Company 2,600 Shares		
The Number of Attendance at the Board of Directors Meetings 16 out of 16 times (*2)		
The Number of Attendance at Nominating/ Compensation Committee 6 out of 6 times (*3)		
<p>■Important Concurrent Posts</p> <p>Outside Director (Audit & Supervisory Committee Member) of IBIDEN CO., LTD</p>		
<p>■Reasons for nomination as Director and expected roles</p> <p>Ms. Yukiko Yabu has served as outside director of several listed companies including our Company, although she has not engaged in corporate management in any other capacity; and has a wealth of experience and advanced knowledge of customer-oriented marketing and product development based on her experience with a leading electrical appliance manufacturer. Since she assumed the position of Outside Director of the Company, she has actively provided advice and recommendations mainly on business strategy, marketing, and diversity from a broad perspective. Her advice and recommendations based on her experience and expertise in marketing and product development, among others, will be extremely useful while the Group aims at further accelerating global sales expansion. In addition, the Company believes that her advice and recommendations are indispensable for strengthening the oversight function of the Board of Directors from an independent viewpoint. Therefore, the Company requests her re-election as an Outside Director.</p>		

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6.	Tamotsu Saito (Male)	[Date of Birth: July 13, 1952]
Candidate for outside Director and Independent Officer		
<p>■Brief history</p> <p>April 1975 Joined Ishikawajima-Harima Heavy Industries Co., Ltd (presently IHI Corporation)</p> <p>June 2006 Executive Officer, Vice President of Aero-Engine & Space Operations of Ishikawajima-Harima Heavy Industries Co., Ltd.</p> <p>Jan. 2008 Executive Officer, President of Aero-Engine & Space Operations of IHI Corporation</p> <p>April 2008 Director, Executive Officer, President of Aero Engine & Space Operations of IHI Corporation</p> <p>April 2009 Director, Managing Executive Officer, President of Aero-Engine & Space Operations of IHI Corporation</p> <p>April 2011 Executive Vice President of IHI Corporation</p> <p>April 2012 President, Chief Executive Officer of IHI Corporation</p> <p>April 2016 Chairman of the Board, Chief Executive Officer of IHI Corporation</p> <p>April 2017 Chairman of the Board of IHI Corporation</p> <p>April 2020 Director of IHI Corporation</p> <p>June 2020 Senior Counselor of IHI Corporation</p> <p>June 2021 Outside Director of Furukawa Electric Co., Ltd. (present post)</p> <p>April 2024 Senior Advisor of IHI Corporation (present post)</p>		
Number of shares in the Company 1,700 Shares		
The Number of Attendance at the Board of Directors Meetings 16 out of 16 times (*2)		
The Number of Attendance at Nominating/ Compensation Committee 6 out of 6 times (*3)		
<p>■Important Concurrent Posts</p> <p>Senior Advisor of IHI Corporation</p> <p>Outside Director of Oki Electric Industry Company, Limited</p> <p>Outside Director of KAJIMA CORPORATION</p> <p>Chairman of New Energy and Industrial Technology Development Organization (NEDO)</p>		
<p>■Reasons for nomination as Director and expected roles</p> <p>Mr. Tamotsu Saito has held several leadership positions including President & Representative Director and Chairman of one of Japan's leading heavy manufacturers, and has a wealth of experience and extensive expertise of global corporation management and overall manufacturing (<i>monozukuri</i>). Since he assumed the position of Outside Director of the Company, he has actively provided advice and recommendations mainly on business strategy, manufacturing (<i>monozukuri</i>), and finance and accounting from the perspective of the Group's global management. His advice and recommendations based on his experience and expertise in corporate management and manufacturing will be extremely useful while the Group plans to further expand business as a manufacturer in the future. In addition, the Company believes that his advice and recommendations are indispensable for strengthening the oversight function of the Board of Directors from an independent viewpoint. Therefore, the Company requests his re-election as an Outside Director.</p>		

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7.	Takeo Hoshino (Male)	[Date of Birth: May 16, 1962]
Candidate for outside Director and Independent Officer		
■Brief history		
<p>April 1987</p> <p>June 2003</p> <p>July 2004</p> <p>July 2007</p> <p>July 2009</p> <p>July 2011</p> <p>July 2012</p> <p>Feb. 2013</p> <p>June 2014</p> <p>April 2015</p> <p>July 2016</p> <p>July 2017</p> <p>July 2018</p> <p>Nov. 2018</p> <p>April 2019</p> <p>Sep. 2019</p> <p>June 2024</p>	<p>Joined Ministry of International Trade and Industry (Presently Ministry of Economy, Trade and Industry)</p> <p>Officer, Policy Planning and Research Office, Personnel Division, Ministry of International Trade and Industry</p> <p>Assistant Manager of the San Francisco Office and Manager of the Business Innovation Center, Japan External Trade Organization</p> <p>Director for Electronic Devices, Commerce and Information Policy Bureau, Ministry of Economy, Trade and Industry</p> <p>Director, Technology Cooperation Division, Trade and Economic Cooperation Bureau, Ministry of Economy, Trade and Industry</p> <p>Director, Nonferrous Metals Division, Manufacturing Industries Bureau, Ministry of Economy, Trade and Industry</p> <p>Commissioner and Director-General for Information, National Institute of Technology and Evaluation</p> <p>Director for Nuclear Incident Recovery, Reconstruction Agency</p> <p>Director, Regional Economic and Industrial Policy Division, Regional Economic and Industrial Group, Ministry of Economy, Trade and Industry</p> <p>Deputy Director-General for Industrial Technology and Standards Certification, Ministry of Economy, Trade and Industry</p> <p>Deputy Director-General for Regional Economic and Industrial Policy, Ministry of Economy, Trade and Industry</p> <p>Deputy Director-General, Town/ People/ Work Revitalization Headquarters, Cabinet Secretariat</p> <p>Deputy Secretary General, Office for the Promotion of Regional Revitalization Cabinet Secretariat</p> <p>Deputy Director-General, Nuclear Incident Disaster Response, Ministry of Economy, Trade and Industry</p> <p>Retired from the Ministry of Economy, Trade and Industry</p> <p>Research Fellow, Department of Materials Engineering, Graduate School of Engineering, The University of Tokyo</p> <p>Project Professor, Department of Materials Engineering, Graduate School of Engineering, The University of Tokyo (present post)</p> <p>Deputy General Manager, Division of University Corporate Relations, The University of Tokyo</p> <p>Outside Director of Furukawa Electric Co., Ltd. (present post)</p>	
Number of shares in the Company 300 Shares		
Number of Attendance at the Board of Directors Meetings 16 out of 16 times (*2)		
The Number of Attendance at Nominating/ Compensation Committee 6 out of 6 times (*3)		
■Important Concurrent Posts		
Project Professor, Graduate School of The University of Tokyo		
■Reasons for nomination as Director and expected roles		
Mr. Takeo Hoshino has held prominent positions, including Deputy Director-General, at the Ministry of Economy, Trade and Industry, and has a wealth of experience and advanced knowledge		

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in industrial policies, especially in environment and energy fields, as well as materials engineering, although he has not been directly involved in corporate management other than serving as an outside officer. Since he assumed the position of Outside Director of the Company, he has actively provided advice and recommendations mainly on agenda items related to research & development from a broad perspective. The Company believes that his advice and recommendations based on his experience and expertise in industrial policy and materials engineering are extremely useful while the Group further focuses on promoting climate-conscious business activities and developing new businesses, and indispensable for strengthening the Board's oversight function from an independent viewpoint. Therefore, the Company requests his re-election as an Outside Director.

[Note]

(*1) The number of potential shares represents the number of shares equivalent to vested points granted to each Director under the stock remuneration plan utilizing the trust.

(*2) The number of the Board of Directors meetings held does not include two occasions of resolution in writing which is deemed to be approved at the Board of Directors meeting according to Article 370 of the Companies Act and Article 23, Paragraph 2 of the Company's Articles of Incorporation.

(*3) The Company established the Nomination/Compensation Committee, which is a voluntary committee consisting of the majority of Outside Directors and chaired by an Outside Director for the purposes of appointing/removing and evaluating Directors as well as discussing remuneration for the management.

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[Note] Matters concerning candidates for Directors

1. Mr. Takashi Tsukamoto, Ms. Yukiko Yabu, Mr. Tamotsu Saito and Mr. Takeo Hoshino are currently Outside Directors of the Company and their term will be five (5) years, seven (7) years, five (5) years and two (2) years respectively at the close of the Annual General Meeting of Shareholders.
2. The relationship between the firm from which the candidate for Outside Directors came and the Company are as follows.
 - 1) Concerning Mr. Takashi Tsukamoto, in light of the independence Standards for outside officers specified by the Tokyo Stock Exchange and the Company, it is our judgement that he is independent from the Company. When his appointment is approved, the Company will register him as an independent director. Mizuho Bank, Ltd., where Mr. Tsukamoto served as President & CEO in the past, holds 1.38% of the Company's outstanding shares placed in a retirement benefit trust, and the Group borrowed 73,282 million yen per year as of the end of FY2025.
 - 2) Concerning Ms. Yukiko Yabu, in light of the independence Standards for outside officers specified by the Tokyo Stock Exchange and the Company, it is our judgement that he is independent from the Company. When his appointment is approved, the Company will register him as an independent director. There is no special interest between Ms. Yabu and the Company.
 - 3) Concerning Mr. Tamotsu Saito, in light of the independence Standards for outside officers specified by the Tokyo Stock Exchange and the Company, it is our judgement that he is independent from the Company. When his appointment is approved, the Company will register him as an independent director. There is no special interest between Mr. Saito and the Company.
 - 4) Concerning Mr. Takeo Hoshino, in light of the independence Standards for outside officers specified by the Tokyo Stock Exchange and the Company, it is our judgement that he is independent from the Company. When his appointment is approved, the Company will register him as an independent director. There is no special interest between Mr. Hoshino and the Company.
3. With respect to the candidates for reappointment as Outside Directors, there are no specific facts of inappropriate business execution by the Company during the term of the Outside Director.
4. During the past five years, there was no fact of inappropriate business execution by a candidate for the Company's Outside Director who served as an officer of another company.
5. Overview of limited liability agreement

It is stipulated in the Articles of Incorporation that the Company may enter into limited liability agreements with Outside Directors to bring qualified human resources capable of fulfilling expected roles in performing their duties. Accordingly, Mr. Takashi Tsukamoto, Ms. Yukiko Yabu, Mr. Tamotsu Saito and Mr. Takeo Hoshino, as Outside Directors, concluded the limited liability agreements with the Company, which will continue to be effective. The limit of liabilities under

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the agreements is the minimum amount provided for in laws and regulations.

6. Overview of Indemnity Agreement

The Company has concluded an indemnity agreement set forth in Article 430-2, Paragraph 1 in the Companies Act with each of the Directors. In case candidates for Directors are re-elected and re-assume their positions, the respective agreement will remain in force.

The indemnity agreement specifies that the Company shall compensate for expenses set forth in Item 1 and losses set forth in Item 2 of Paragraph 1 of the above-mentioned Article to the extent prescribed by laws and regulations. However, in the indemnity agreement, if bad faith or gross negligence on the part of Directors and other officers was found in relation to their execution of duties, the Company may claim refund of compensation; as such, the Company has taken measures for maintaining the adequacy of the execution of duties of Directors and other officers.

7. Overview of Directors and Officers Liability Insurance (D&O Insurance) agreement

The Company purchased a Directors and Officers Liability Insurance (D&O Insurance) policy, which covers Directors, Audit & Supervisory Board Members, and Corporate Vice Presidents, etc. (including those who retired on March 31, 1994 and thereafter) and their successors, in order to bring in competent people who fulfill expected roles in performing their duties.

The candidates for Directors are already insured under the D&O insurance policy. In case they are re-elected and assume the position, they will continue to be insured.

This insurance policy covers claims against insured directors/officers on the basis of their legal liability for damages caused by their actions (including failure to act) relating to their execution of duties, and litigation expenses that are incurred due to the liability claims against the directors/officers. However, there are some exclusions, for example, a case where the insured knowingly committed an illegal act. The Company bears all of the insurance premium.

The term of the policy is one year, and the Company will renew the policy in December 2026.

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Proposal No.3: Election of two (2) Directors who are Substitute Audit & Supervisory Committee Members

The effective terms of the resolution on the election of a substitute Audit & Supervisory Committee Members at the 203rd Annual General Meeting of Shareholders held on June 25, 2025, will expire at the beginning of this Shareholders Meeting. Therefore, to ensure that the Company will not lack the statutory number of Directors who serve as Audit & Supervisory Committee Members, we request the election of two Directors who are substitute Audit & Supervisory Committee Members.

We request you to elect Mr. Akihiro Fukunaga as a substitute for Director who serves as an Audit & Supervisory Committee Member (excluding Outside Director), and Mr. Kunihiko Sakai as a substitute for Outside Director who serves as an Audit & Supervisory Committee Member.

Details of the candidates for Directors who are substitute Audit & Supervisory Committee Members are as shown below.

We have obtained a prior approval of the Audit & Supervisory Committee for submission of this proposal.

1.	Akihiro Fukunaga (Male)	[Date of Birth: January 29, 1964]
Candidate for Directors who serve as Audit & Supervisory Committee Members		
■Brief history		
April 1986	Joined Furukawa Electric Co., Ltd.	
April 2018	Corporate Vice President, and General Manager, Global Management Division	
April 2019	Corporate Vice President, and General Manager, Finance & Global Management Division	
June 2019	Director and Corporate Vice President, and General Manager, Finance & Global Management Division	
April 2021	Director and Corporate Senior Vice President, and General Manager, Finance & Global Management Division	
April 2022	Director and Corporate Senior Vice President, and General Manager, Finance & Accounting Division	
April 2024	Director	
June 2024	Advisor, Finance & Accounting Division	
April 2026	Chief Marketing Officer (CMO) Advisor (present post)	
Number of shares in the Company 10,400 Shares		
■Important Concurrent Posts		
N/A		

[Translation for Reference Purpose Only]

2.	Kunihiko Sakai (Male)	[Date of Birth: March 4, 1954]
Candidate for outside and Independent Directors who serve as Audit & Supervisory Committee Members		
■Brief history		
April 1979	Public Prosecutor ,Tokyo District Public Prosecutors' Office	
July 1998	Senior Counsel, Minister's Secretariat of Ministry of Justice	
April 2000	Public Prosecutor of Tokyo High Public Prosecutors Office and Assistant Director, Public Security Department of Tokyo District Public Prosecutors' Office	
April 2002	Director, the United Nations Asia And Far East Institute for Crime Prevention	
July 2005	Director, Trial Department of Tokyo High Public Prosecutors' Office	
July 2006	Public Prosecutor, Supreme Public Prosecutors' Office	
June 2007	Chief Public Prosecutor, Nara District Public Prosecutors' Office	
July 2008	Director-General, General Affairs Department of Supreme Public Prosecutors' Office	
June 2010	Director, Lay Judge Trial Department	
Oct. 2010	Chief Public Prosecutor of Nagoya District Public Prosecutors' Office	
June 2012	President, Research and training Institute, Ministry of Justice	
July 2014	Superintending Prosecutor, Takamatsu District Public Prosecutors' Office	
Sept.2016	Superintending Prosecutor, Hiroshima District Public Prosecutors' Office	
Mar. 2017	Resigned Above	
April 2017	Advisor Attorney, TMI Associates (present post)	
June 2018	Audit & Supervisory Board Member (Outside) of Furukawa Electric Co., Ltd.	
June 2019	Director (Outside) of HONDA MOTOR CO., LTD. (Audit & Supervisory Committee Member)	
June 2021	Director (Outside) of HONDA MOTOR CO., LTD. (present post)	
June 2025	Retired as Outside Audit & Supervisory Board Member of Furukawa Electric Co., Ltd.	
Number of shares in the Company 2,700 Shares		
■Important Concurrent Posts		
Advisor Attorney of TMI Associates		
Director (Outside) of HONDA MOTOR CO., LTD.		

[Notes] Matters related to candidates for Directors who are substitute Audit & Supervisory Committee Members:

1. Reasons for nominating Mr. Akihiro Fukunaga as a Director who is a substitute Audit & Supervisory Committee Member are as follows:

Mr. Akihiro Fukunaga assumed the position of CFO of our U.S. subsidiary and leadership positions in the accounting division, and also directed and improved business management of affiliated companies in Japan and overseas as General Manager of Global Group Management Division. As such, he has considerable experience and knowledge in finance and accounting as well as group management. Thus, the Company believes that his above-mentioned experience and expertise are essential for maintaining/strengthening our auditing system from the perspectives of the legality of our Group management and adequate risk management, enhancing strategic discussion at Board meetings, and strengthening the oversight function of the Board of Directors, and therefore requests his election as a Director who is a substitute Audit & Supervisory Committee Member.

2. Reasons for nominating Mr. Kunihiko Sakai as an Outside Director who is a substitute Audit & Supervisory Committee Member as well as his expected role are as follows:

[Translation for Reference Purpose Only]

Although he has so far engaged in corporate management only in the capacity of outside officer, Mr. Kunihiro Sakai has a long experience as a legal professional both in Japan and abroad, and has a wealth of experience and high level of expertise in corporate governance, legal risk management and compliance, among others. Thus, the Company believes that his experience and expertise are essential for maintaining/strengthening our auditing system, enhancing strategic discussion at Board meetings, and strengthening the oversight function of the Board of Directors from an independent viewpoint, and therefore requests his election as an Outside Director who is a substitute Audit & Supervisory Committee Member.

3. The relationships between the Company and entities from which the candidate for Outside Director who is a substitute Audit & Supervisory Committee Member came are as follows:

Concerning Mr. Kunihiro Sakai, in light of the Independence Standards for outside officers specified by the Tokyo Stock Exchange and the Company, it is our judgement that he is independent from the Company. If he assumes the position of Outside Director who serves as Audit & Supervisory Committee Member, the Company will register him as an independent officer. He has served as Advisor Attorney of TMI Associates (“TMI”) since April 2017. There is a business relationship between the two companies, where the Company paid attorney’s fee to TMI. The total trading amount in FY2025 was approx. 4 million yen, which is less than the threshold stipulated in our independence standards. This transaction was a one-time transaction for legal consultation, instead of continuous transactions under an advisory contract or the like, and Mr. Sakai was not at all involved in this transaction.

Mr. Sakai has also assumed the position of outside director of Honda Motor Co., Ltd., which is a specified associated business operator for the Company, since June 2019. There is a business relationship between the two companies, where the Company sells automotive parts to Honda Motor.

4. Overview of limited liability agreement

It is stipulated in the Articles of Incorporation that the Company may enter into limited liability agreements with Outside Directors to bring qualified human resources capable of fulfilling expected roles in performing their duties. If Mr. Kunihiro Sakai assumes the position of Outside Director who serves as an Audit & Supervisory Committee Member, the Company will conclude such a limited liability agreement with him with the same content as above. The limit of liabilities under the agreements is the minimum amount provided for in laws and regulations.

5. Overview of Indemnity Agreement

The Company has concluded an indemnity agreement set forth in Article 430-2, Paragraph 1 in the Companies Act with each of the Directors. Upon the appointment of Mr. Akihiro Fukunaga and Mr. Kunihiro Sakai as directors who are members of the Audit and Supervisory Committee, the Company will enter into such compensation agreement with them.

The indemnity agreement specifies that the Company shall compensate for expenses set forth in Item 1 and losses set forth in Item 2 of Paragraph 1 of the above-mentioned Article to the extent prescribed by laws and regulations. However, in the indemnity agreement, if bad faith or gross negligence on the part of Directors and other officers was found in relation to their execution of duties, the Company may claim refund of compensation; as such, the Company has taken measures for maintaining the adequacy of the execution of duties of Directors and other officers.

6. Overview of Directors and Officers Liability Insurance (D&O Insurance) agreement

The Company purchased a Directors and Officers Liability Insurance (D&O Insurance) policy, which covers Directors, Audit & Supervisory Board Members, and Corporate Vice Presidents, etc. (including those who retired on March 31, 1994 and thereafter) and their successors, in order to bring in competent people who fulfill expected roles in performing their duties.

If Mr. Akihiro Fukunaga and Mr. Kunihiro Sakai assume the position of Director

[Translation for Reference Purpose Only]

who serves as an Audit & Supervisory Committee Member, they will also be insured.

This insurance policy covers claims against insured directors/officers on the basis of their legal liability for damages caused by their actions (including failure to act) relating to their execution of duties, and litigation expenses that are incurred due to the liability claims against the directors/officers. However, there are some exclusions, for example, a case where the insured knowingly committed an illegal act. The Company bears all of the insurance premium.

The term of the policy is one year, and the Company will renew the policy in December 2026.

[Translation for Reference Purpose Only]

【Reference】

Policy on Nomination of Candidates for Board of Directors and Skill Matrix

1. Policy on Nomination of Candidates for Board of Directors

With respect to board members, the Company believes that their skills, knowledge and experience, as well as multiple views from diverse board members, in terms of gender and international experience, contribute to the Group's global business operations and appropriate oversight/auditing. Based on this perception, the Company selects candidates for board members as follows:

- Candidates for Outside Directors are nominated in consideration of the balance of their knowledge and career, for example, a person with experience of corporate management or government, an engineer who is versed in technology and an expert on law or accounting. They are expected to participate in the deliberation of the Board Meetings from the variety of viewpoint.
- There are many affiliates in Japan and abroad, and our business area is very widely and variously. So candidates for Inside Directors are nominated with taking into consideration whether their skills, knowledge and experience are enough to each position for the occasion, in order to contribute to raising corporate value .

2. Skill Matrix of Board of Directors

Recently, with respect to important areas of experience/knowledge ("skill category/ies") which the Company expects Directors to have, we selected anew the categories from the following two perspectives: (1) skills required for Directors of a listed company (Common); and (2) skills required due to the nature of Company's businesses (Company-specific) [Classification 1].

Then, considering the purpose of the transition to a Company with Audit & Supervisory Committee which the Company underwent last year (delegation of authority from the Board of Directors to the management, and strengthening/sophistication of the Board of Directors' oversight function), we validated these skill categories from the following two perspectives: (a) capability to have substantial discussions/make a substantial proposals at the Board of Directors, as the authority was delegated to the management (Policy); and (b) capability to demonstrate sophisticated oversight function of the Board of Directors over business execution (Oversight) [Classification 2].

Accordingly, we revised the skill categories and set them as the following seven: corporate management,' 'finance, accounting and auditing,' 'legal affairs and risk management,' 'sustainability and human resources,' 'knowledge of industry/business strategy' 'technologies and DX/IT,' and 'internationality and global management.'

Details of each skill category were discussed and determined by the Nominating/Compensation Committee. Going forward, we will review them as necessary, taking into account the external environment as well as the Company's management plan and business nature, among others.

[Translation for Reference Purpose Only]

●Details of skill categories

Skill categories	Explanation	Classification 1	Classification 2
Corporate management	Have experience as representative director or senior management; and be capable of developing management strategy, and holistically making decisions for and overseeing the entire organization	Common	Policy Oversight
Finance/Accounting, and Auditing	Have advanced expertise in finance/accounting; and be capable of developing financial strategy and capital policy, or monitoring/overseeing financial reports to ensure their adequacy	Common	Oversight
Legal affairs/ Risk management	Have expert knowledge on corporate legal affairs, compliance and governance; and be capable of discovering potential risks and overseeing internal control	Common	Oversight
Sustainability/ Human resources	Be capable of overseeing the improvement of mid- to long-term corporate value by addressing sustainability issues, including human capital management, organizational development, and responses to climate change	Common	Policy Oversight
Knowledge of industry/ Business strategy	Be familiar with market trends, competitive environment, and business schemes/policies in our industry; and be capable of discussing business strategy that generates competitive advantages	Company-specific	Policy
Technologies, and DX/IT	Be capable of promoting and discussing business model transformation by utilizing the understanding of technology trends associated with our businesses or digital technologies (DX)	Company-specific	Policy
Internationality/ Global management	Be capable of discussing global strategies based on experience in overseas expansion and in business in the international market environment or cross-cultural understanding, taking into account the international business environment, regulations, and geopolitical risks	Company-specific	Policy

[Translation for Reference Purpose Only]

● Skill Matrix of Directors (including Proposed Candidates)

【Directors (excluding those who serve as Audit & Supervisory Committee Members)】

Name / Gender	Independent	Common				Company-specific		
		Policy / Oversight	Oversight	Oversight	Policy / Oversight	Policy	Policy	Policy
		Corporate management	Finance/Accounting, and Auditing	Risk management	Legal affairs/ Human resources	Knowledge of industry /Business strategy	Technologies, and DX/IT	Internationality/ Global management
Hideya Moridaira (Male)		○				○	○	○
Satoshi Miyamoto (Male)				○	○			○
Koji Aoshima (Male)			○	○				
Takashi Tsukamoto (Male)	★	○	○		○			○
Yukiko Yabu (Female)	★				○	○	○	
Tamotsu Saito (Male)	★	○				○	○	○
Takeo Hoshino (Male)	★					○	○	○

【Directors who serve as Audit & Supervisory Committee Members】

Name / Gender	Independent	Corporate management	Finance/Accounting, and Auditing	Risk management	Legal affairs/ Human resources	Sustainability/ Human resources	Knowledge of industry /Business strategy	Technologies, and DX/IT	Internationality/ Global management
Hiroyuki Ogiwara (Male)		○	○						○
Sayaka Sumida (Female)	★		○	○					○
Takao Shiomi (Male)	★	○	○				○		○

(Note)

1. The above tables do not cover all experience/knowledge of each person. A check-mark is placed only in case where the Company expects that a person's significant experience/knowledge in each item will particularly contribute to solving key issues.
2. Those who meet the independence criteria for outside officers stipulated by the Tokyo Stock Exchange (TSE) and the Independence Standards for Outside Officers stipulated by the Company and with respect to whom the Company has submitted independent officer notifications to the TSE.

Business Report(From April 1, 2025 to March 31, 2026)

1. Current status of our group

(1) Overview of progress and results of our Group's business in the current fiscal year

Looking at the global economy in the current fiscal year, although the United States saw an increase in certain procurement costs due, among others, to its own trade policy, as well as a slowdown in employment growth, the US economy has remained strong, supported by consumer spending growth on the back of greater AI investments and rising stock prices. In Europe, despite weak exports due to the uncertainty of the trade environment, capital expenditure has picked up, and the economy has shown a recovery trend. In China, as consumer spending has remained sluggish due to a prolonged downturn in the real estate market, and capital expenditure has declined, the Chinese economy has moderately slowed down. The global economic environment has remained unstable due to the prolonged Russian invasion of Ukraine and growing tension in the Middle East, among others.

In Japan, while capital expenditures, mainly those related to AI, have remained strong, exports have been weak due to the US trade policy, and an increase in wages/income did not stably exceed a rise in prices and consumer spending lacked momentum, thus, the pace of economic recovery has remained moderate.

Under such circumstances, the Group defined its ideal state in 2030 in “Furukawa Electric Group Vision 2030” (hereinafter, “Vision 2030”); and then formulated the Medium-term Management Plan “Road to Vision 2030: Transformation and Challenge” (hereinafter, “MTMP 2025”), articulating what needs to be achieved in 2025 by backcasting from Vision 2030. Based on the MTMP 2025, the Group has been working on “maximizing revenue from existing businesses by focusing on capital efficiency,” “strengthening the foundation for the creation of new businesses by strengthening development and proposal capabilities,” and “strengthening the foundation for ESG management.”

With regard to the current year's financial results, net sales of the entire Group increased due to increased sales of datacenter-related products such as optical fiber cables, increased sales of automotive parts such as wire harnesses, and upsurge of copper metal price. In terms of profitability, the Group achieved profit growth, not only due to the effect of sales growth, but also as a result of efforts to improve productivity and optimize selling prices.

As a result, the Company recorded consolidated net sales of 1,307.6 billion yen (up 8.8% year-on-year), consolidated operating profit of 63.9 billion yen (up 35.8% year on year), and consolidated ordinary profit of 75.9 billion yen (up 56.4 % year on year). Gains on sales of investment securities of 19.3 billion yen and gain on revision of retirement benefit plan of 19.4 billion yen were recorded as extraordinary income, and impairment losses of 1.6 billion yen and provision of allowance for doubtful accounts of 4.1 billion, etc. were recorded as extraordinary losses. Accordingly, profit attributable to owners of the parent company amounted to 72.5 billion yen (up 117.4% year on year). Overseas sales amounted to 662.0 billion yen (up 3.8 % year on year), and the overseas sales ratio was 50.6 % (down 2.4 percentage points year on year).

On a non-consolidated basis, the Company recorded net sales of 386.9 billion yen (up 9.5 % year on year), operating profit of 5.6 billion yen (up 270.0 % year on year), ordinary profit of 29.2 billion yen (up 123.7 % year on year), and profit of 60.9 billion yen (up 88.1 % year on year).

■ Review of the Medium-term Management Plan “Road to Vision 2030: Transformation and Challenge” (MTMP 2025)

Under the MTMP 2025, the Group has been working on “maximizing revenue from existing businesses by focusing on capital efficiency” to secure revenue for achieving targets set in the MTMP, and “strengthening the foundation for the creation of new businesses by strengthening development and proposal capabilities” to solve future social issues. Furthermore, the Group has also strived for “strengthening the foundation for ESG management” as it supports the above-mentioned two initiatives.

[Translation for Reference Purpose Only]

① Maximizing revenue from existing businesses by focusing on capital efficiency

By visualizing the positioning of each business by using growth and profitability indicators and accordingly allocating management resources intensively to business areas with growth potential, we have promoted capital efficiency-conscious management and reviewed our business portfolio.

To optimize our business portfolio, we have driven the transformation of our business portfolio through business restructuring/withdrawal and acquisition, and actively implemented M&As and formed capital tie-ups by using the strategic investment facility.

【Key efforts for optimizing business portfolio】

- ▶ Revamped the operating structure of optical fiber and cable product business, and integrated business in each area; and developed the structure that enables efficient and speedy decision-making through the integrated global management under the new brand “Lightera.”
- ▶ Restructured the metal cable business, and demonstrated synergy of increased operational efficiency, thus promptly addressing increasingly diversified and sophisticated needs.
- ▶ Acquired controlling stake in a company which has advantages in development of optical connectors and cost competitiveness, and a company which has the world’s top-level share in the high-speed optical modulator market (i.e. turned them into our subsidiaries), and thus built our competitive advantages in growth markets by creating synergy.
- ▶ Improved capital efficiency by cutting off non-core or unprofitable businesses towards re-investments into growth business areas, through selling shares/transferring equity of certain affiliated companies.

Furthermore, in order to make sure to capture growing demand associated with datacenters, we have increased capacity to manufacture a product group which contributes to realizing high speed and high capacity/low latency communications as well as thermal management solution & product group which address the issue of high-heat-generating servers, etc., and worked on strengthening the revenue base through development, production increase and sales expansion of such high value-added products. In addition, we have strived to reduce costs by working on the optimization of selling prices and improvement of operational procedures.

② Strengthening the foundation for the creation of new businesses by strengthening development and proposal capabilities

We have developed a foundation for creating new businesses designed to solve social issues, by drawing on 4 core technologies, namely, metal, polymer, photonics, and high-frequency technologies based on our long-standing expertise in the development and fabrication of advanced materials, and promoting the use of digital technologies and data, developing and delivering products/ services for solutions.

In the information segment, to adapt to B5G society, it is required to deal with increasing data traffic volume and ensure that data centers can achieve higher speed, higher capacity, and energy saving. Under such circumstances, we have strived to realize ‘all optical network’ and a society where energy use is highly efficient, by developing sophisticated photonics products for photonics-electronics convergence, taking advantage of our core technologies, namely photonics and high-frequency technologies.

Moreover, in new segments, we have implemented co-creation initiatives with partner companies in Japan and abroad through marketing activities from a market perspective by taking advantage of our insights based on our technologies, and also promoted cross-departmental business development. We have focused on such specific themes as life science, laser application, superconductor, and green LPG,* and accelerated our efforts towards commercialization. As for life science, we acquired controlling stake in a company which manufactures optical fibers and optical components for medical/industrial equipment,

[Translation for Reference Purpose Only]

to turn it our subsidiary, and strengthened businesses in the non-communication application segment by using its photonics technologies. As for laser application, with respect of a laser ablation system which can remove coating films and rust on metal surfaces in a contact-free way and contributes to reducing environmental burdens and enhancing safety and comfort in the work environment, we have jointly developed the system with multiple clients and validated it through trials, and a large railway company started operating the system. As for superconductor, we have supplied high-temperature superconducting wire rods to a British client company who has advanced the development of reactors for nuclear fusion,* a promising next-generation energy resource, and strengthened the partnership with the company through capital contribution. As for green LPG, we have developed multiple catalytic agents including our proprietary Ramune catalyst®, leveraged them to develop the process to change the molecular structure of biogas, and as such worked on developing a base technology to synthesize green LPG in a highly efficient manner. Furthermore, we have led the world in constructing a demonstration plant towards mass production of green LPG.

*Green LPG: LPG produced from raw materials with a smaller environmental burden, such as biogas (a mixture of methane gas, which is from the fermentation of animal manure and food waste, and carbon dioxide) and hydrogen from water electrolysis using carbon dioxide obtained by DAC (Direct Air Capture) and renewables.

*Nuclear fusion: The energy is generated through nuclear fusion reactions by trapping high-temperature plasma at several hundred million degrees, using a strong superconducting magnet. The fuel of nuclear fusion comes from seawater (deuterium), so it is possible to generate power without carbon dioxide emissions and with reduced environmental burdens. Therefore, nuclear fusion power generation is attracting expectations as a next-generation energy source.

③ Strengthening the foundation for ESG management

As Environmental initiatives, we have implemented various measures to achieve targets set under Furukawa Electric Group Environmental Targets 2030, which focuses on contribution to a carbon-free society and a recycling-oriented society for water and resources. We have strived to increase the share of electricity from renewables to total electricity consumption by solar power installation among others, and it led to achieve the greenhouse gas emission reduction target earlier than planned. Such initiatives came to a recognition: our climate change initiatives and information disclosure were highly evaluated by an international non-profit organization, and the Company was certified by the Ministry of Environment as a “Eco-First Company” in the industry.

As Social initiatives, we formulated Furukawa Electric Group Purpose “Composing the core of a brighter world” (hereinafter, the “Purpose”) which articulates our reason for being in March 2024, and implemented activities intended to facilitate employees’ understanding of the Purpose and foster their empathy, thereby ensuring that employees are proud of working for the Group and in turn the employee engagement is improved. Moreover, to ensure that both individual employees and the organization improve their execution abilities and achieve development, we have conducted a survey to monitor the current status, and implemented improvement measures based on the survey results. Through such initiatives, we have strived to make progress in “strengthening human capital and organizational execution abilities.” In order to increase corporate value through investment for human capital.

As initiatives related to Governance, in order to further enhance corporate governance, in June 2025, the Company underwent a transition from a Company with Audit & Supervisory Board to a Company with Audit & Supervisory Committee. Furthermore, as a mechanism for further promoting ESG initiatives, in July 2023, we added ESG-linked remuneration to the officers’ remuneration system. Furthermore, we have established a human rights due diligence mechanism in accordance with international code of conduct, and implemented measures to reduce risks which were newly identified upon the re-evaluation of human rights risks facing employees and in the supply chain.

[Translation for Reference Purpose Only]

As a result of such initiatives, we have achieved all financial targets which were set as standards to be achieved in FY2025.

Also, we have generally achieved sustainability targets which were set as standards to be achieved in FY2025 (including target values set as standards to be achieved every year in the MTMP 2025 period). With respect to unachieved targets, we will continue to implement the following measures: as for “employee engagement score,” we will continue to foster the organizational climate towards the improvement through dissemination of the Purpose; as for “ratio of female managers,” we will continue to improve the work environment for managerial positions and provide educational opportunities concerning career design.

FY2025 financial targets and actual results

	targets	actual results
ROIC	6% or more	12.2%
ROE	11% or more	19.1%
Net D/E ratio	0.8 or less	0.59
Equity capital ratio	35% or more	39.1%
Consolidated net sales	1.1 trillion yen or more	1.3 trillion yen
Consolidated operating profit	58.0 billion yen or more	63.9 billion
Profit attributable to owners of parent	37.0 billion yen or more	72.5 billion

FY2025 sustainability targets and actual results

	targets	actual results
Sales ratio of environmentally friendly products	70%	72.1%
R&D expense growth rate for new businesses (compared to FY2021)	125%	156%
Implementation rate of IP landscaping for strengthening businesses and themes for creating new businesses	100%	100%
GHG emissions reduction rate (Scope1,2) (compared to FY2021)	(18.7%)	(44%) (estimate)
Ratio of renewable energy use to total consumption	30%	53% (estimate)
Employee engagement score	80	76
Ratio of female managers (non-consolidated)	7.0%	6.3%
Ratio of mid-career hires to total new hires (non-consolidated)	30%	52.8%
Ratio of follow-up on risk management activities for all risk domains	100%	100%
Ratio of SAQ implementation based on CSR Procurement Guidelines for major suppliers	100%	100%
Implementation rate of human rights education for managerial positions	100%	100%

[Translation for Reference Purpose Only]

(2) Changes in business outcomes and assets

(i) Changes in Group business outcomes and assets

Category	201 st term Fiscal 2022	202 nd term Fiscal 2023	203 rd term Fiscal 2024	204 th term (Current term) Fiscal 2025
Net sales (JPY millions)	1,066,326	1,056,528	1,201,762	1,307,560
Operating profit (JPY millions)	15,441	11,171	47,032	63,856
Ordinary profit (JPY millions)	17,258	10,267	48,506	75,858
Profit attributable to owners of parent (JPY millions)	15,894	6,508	33,357	72,514
Profit per share (JPY)	225.80	92.40	473.36	1,030.17
Total assets (JPY millions)	933,469	985,007	988,052	1,066,372
Net assets (JPY millions)	329,302	358,245	373,766	435,231

(Notes) 1. UACJ Corporation, which was an equity-method affiliate of the Company, adopted IFRS instead of the Japanese Accounting Standard from the 202nd term, and the related figures in the 201st term were restated by reflecting the change of the accounting standard.

2. The Company has adopted “Accounting Standard for Current Income Taxes, etc.” (ASBJ Statement No.27, issued on October 28, 2022) from the 203rd term, and the above figures for the 202nd or earlier term are reported upon retroactive application of the above-mentioned Standard.

3. In the 204th term, the provisional accounting treatment for business combination was finalized, and with regard to figures for the 203rd term, the finalization of provisional accounting treatment was reflected.

(ii) Changes in Company business outcomes and assets

Category	201 st term Fiscal 2022	202 nd term Fiscal 2023	203 rd term Fiscal 2024	204 th term (Current term) Fiscal 2025
Net sales (JPY millions)	305,835	296,766	353,520	386,945
Operating profit / loss (JPY millions)	(1,761)	(9,087)	1,513	5,601
Ordinary profit (JPY millions)	8,686	330	13,048	29,195
Profit (JPY millions)	25,235	1,913	32,390	60,932
Profit per share (JPY)	358.40	27.15	459.52	865.41
Total assets (JPY millions)	593,768	632,447	642,568	732,871
Net assets (JPY millions)	201,845	199,212	239,517	296,546

[Translation for Reference Purpose Only]

(3) Overview and results of business activities for the term (each segment)

[Consolidated Net Sales and Operating Profit by Segment] (Unit: JPY millions)

Segment	Net sales	Increase/ decrease from the previous year-end	Operating profit / loss	Increase/ decrease from the previous year-end
Infrastructure	370,856	61,797	21,439	15,738
Electronics & Automotive Systems	765,067	28,638	33,887	1,268
Functional Products	161,089	14,059	15,379	1,252
Services and Developments etc.	42,208	7,381	(6,703)	(1,343)
Elimination	(31,662)	(6,078)	(147)	(92)
Total	1,307,560	105,797	63,856	16,823

Infrastructure

With respect to Communications Solutions business, on the background of the growing demand for datacenter-related products, the business made progress in development and sales expansion of high value-added products such as rollable ribbon cables which contribute to establishing high-speed, high-capacity communication networks, MT ferrules which connector parts are indispensable for optical communications, and DFB laser diode chips, which are suitable for higher-communication speed, aiming at increasing net sales. In the meantime, capital expenditure was incurred to enhance production capacity. Furthermore, to make sure to capture growing demand, we revamped the operating structure of Optical Fiber and Cable Products business, aiming at increasing revenue by operating the business through efficient and speedy decision-making under the globally integrated strategy. By improving the sales expansion system for optical fiber cables in North America, both revenue and profit from the business increased.

With respect to Energy Infrastructure business, on the background of strong demand for extra-high voltage underground cables, submarine and underground cables for renewable energy in Japan, Power Cable division has worked on enhancing cable manufacturing capacity and construction capacity. Also, we have transferred all stakes in a Chinese subsidiary for the business restructuring purpose. With respect to Industrial Cable & Power Cable Accessories business, metal cable businesses within the Group were integrated for the purpose of maximizing synergy effect such as the expansion of sales channels by leveraging trade areas/commercial distribution, and the increased competitiveness through efficient allocation of resources. The business also strived to expand sales of functional cables such as aluminum CV cables which are lightweight and highly flexible and contribute to increased efficiency of installation work and labor-saving, and focus products such as plug-in connectors with cables which receive high reputation for the mechanism for preventing incorrect insertion allowing for safe and speedy use regardless of skills of users. Also, the business has worked on order-taking with the emphasis on securing profit and optimization of selling prices, and as a result, net sales and profit remained at the same level as the previous year.

As a result, this segment recorded consolidated net sales of 370.9 billion yen (up 20.0 % year on year), and consolidated operating profit of 21.4 billion yen (up 276.1 % year on year). On a non-consolidated basis, the segment reported net sales of 86.7 billion yen (down 11.4% year on year).

Electronics & Automotive Systems

With respect to Automotive Products business, affected by the US trade policy and exchange rates as well as a rise in personnel expenses, we have optimized selling prices. Also, on the background of steady demand for wire harnesses for the Japanese market, we have continuously implemented measures for enhancing the production which can respond to geopolitical risks and changes in the business environment, including securing redundancy of production sites and their optimization, as well as sharing/automating production lines. Furthermore, we have also developed and expanded sales of products such as wire harnesses, which can carry high voltage, for the electric vehicles market; worked on the sales expansion of aluminum wire harnesses which is suitable for weight reduction; and worked on improving the productivity for manufacturing these products. As a result of such initiatives, while revenue declined due to the impact of removing a subsidiary in the battery business from the scope of consolidation, profit increased.

With respect to Electronics Component Materials business, while demand for electronics-related products was on a recovery trend, we have worked on increasing sales of high-value-added products, such as oxygen-free copper products and copper alloys for high-performance resistance materials. We have also worked on the optimization of selling prices, and the improvement of the product mix including withdrawal from less profitable product lines. Accordingly, despite the impact of rising copper metal prices and the weak yen, both net sales and profit increased.

As a result, this segment recorded consolidated net sales of 765.1 billion yen (up 3.9 % year on year), and consolidated operating profit of 33.9 billion yen (up 3.9 % year on year). On a non-consolidated basis, the segment reported net sales of 193.2 billion yen (up 21.0 % year on year).

Functional Products

With respect to Functional Products business, on the background of a boom of datacenter-related investments and increasing demand related to renewable energy, we have strived to increase sales by focusing on thermal management solutions & products, tapes for semiconductor process, and high-frequency compatible electrolytic copper foils. As for the tapes for semiconductor process, a new plant started operations in FY2025, allowing for stable supply of the products. Due to such initiatives, despite the impact of rising copper metal prices and exchange rates, both net sales and profit increased.

As a result, this segment recorded consolidated net sales of 161.1 billion yen (up 9.6 % year on year), and consolidated operating profit of 15.4 billion yen (up 8.9 % year on year). On a non-consolidated basis, the segment reported net sales of 102.6 billion yen (up 11.7 % year on year).

Services and Developments etc.

This segment supports the Group's businesses through hydropower generation, R&D of new products, real estate leasing, and various services. In our Nikko Works, most of its necessary electric power comes from hydropower, which plays a part in achieving our sustainability target "ratio of renewable energy use to total consumption: 30%" defined in the 2025 Medium-term Management Plan.

This segment recorded consolidated net sales of 42.2 billion yen (up 21.2 % year on year), and consolidated operating loss of 6.7 billion yen (deteriorated by 1.3 billion yen year on year). On a non-consolidated basis, the segment reported net sales of 4.4 billion yen (up 8.2 % year on year).

[Translation for Reference Purpose Only]

(4) Issues to be addressed

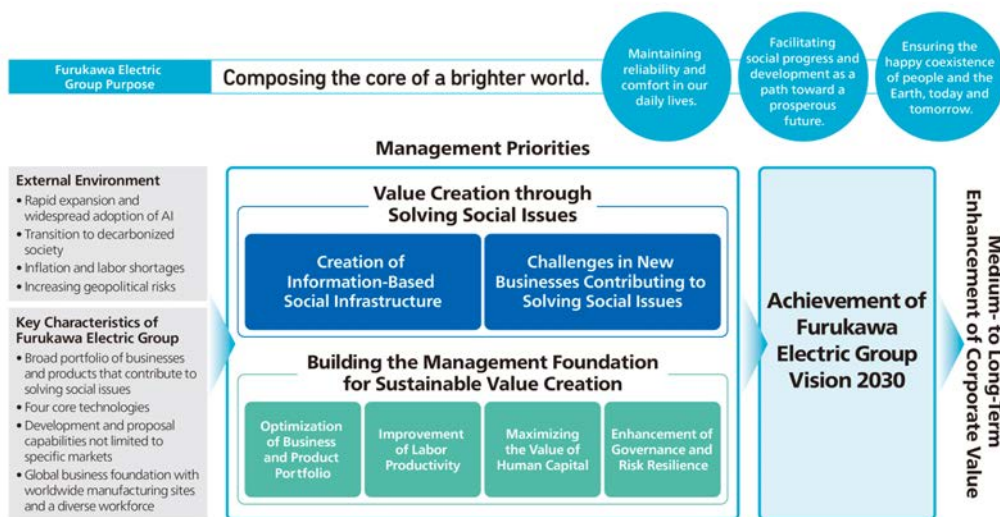
■ Furukawa Electric Group’s Philosophy System

To drive management in accordance with “Furukawa Electric Group Purpose” (hereinafter, the “Purpose”) which articulates the Group’s reasons for being and serves as the basis for decision-making, the Group defined its corporate philosophy system with the Purpose at the top of the structure.

■ Furukawa Electric Group Vision 2030

To realize the Purpose, the Group articulated its ideal state in 2030 in “Furukawa Electric Group Vision 2030” (hereinafter, “Vision 2030”). Under Vision 2030, the Group aims at creating solutions for social challenges in information, energy and mobility domains - individually and in combination. In new domains as well, the Group aims at solving social issues through the creation of unprecedented new businesses.

Based on the review of the Medium-term Management Plan “Road to Vision 2030: Transformation and Challenge,” taking into account the external environment and the key characteristics of the Group, the Group identified significant management issues to be addressed in order to realize Vision 2030.



● Value Creation Through Solving Social Issues

< Creation of Information-Based Social Infrastructure >

On the background of explosive increase in data processing volume due to rapid advancement and dissemination of AI technology, datacenters are expanding, and it poses a challenge associated with increasing data traffic, power consumption and high heat. The Group offers a wide range of high-performance products to cope with volume growth and densification of datacenters, and higher heat of servers, etc. in datacenters, leveraging our technological capabilities centered around 4 core technologies of metals, polymers, photonics, and high-frequency. We will further increase our manufacturing capacity for these products, and also continue to develop new technologies and new products towards offering even higher performance. Furthermore, to satisfy such social demands as growing electricity demand, wide-area use of renewables, and resilient power infrastructure, we will move ahead with establishing manufacturing capability for direct current high-voltage cables.

[Translation for Reference Purpose Only]

< Challenges in New Businesses Contributing to Solving Social Issues >

Changes in the social structure and innovations have been posing various social issues. In order to solve such issues, we will develop and deliver products/services whose concept starts from solving social issues, and thereby build a foundation for creating new businesses. For businesses envisaged from the perspective of social issues, we will advance cross-departmental business development, leveraging our technological capabilities centered around 4 core technologies as well as development capability/proposal skills without being limited to a specific market. Furthermore, by capturing business opportunities through co-creation with partners, and examining a profitable business model, we will scale up new businesses. Moreover, we will invest in themes which may lead to new businesses, and foster/support them.

● Building the Management Foundation for Sustainable Value Creation

< Optimization of Business and Product Portfolio >

To adapt to changes in the market environment and promote our growth strategy, we face such challenges as enhancing the profitability/growth potential by business and by product, and optimizing allocation of management resources from a group-wide perspective. Among diverse businesses within the Group, we designate datacenter-related business, which is expected to experience accelerated growth towards 2030, as our focus area, and concentrate management resources on the business. Meanwhile, we will constantly examine the business portfolio of the enterprise for optimization. With respect to the product portfolio, we will create forward-looking new products mainly from the existing businesses, and reduce/withdraw less profitable or loss-making products, thus maintaining the best portfolio and maximizing revenue.

< Improvement of Labor Productivity >

While expanding the scales of operations and production towards 2030, we face an issue of improving labor productivity. To solve this issue, we will make efforts to advance our production, sales, and indirect operations, for example, setting up new plants, replacing existing facilities, and improving operating process by utilizing AI, thereby improving labor productivity of individual employees and the entire organization.

< Maximizing the Value of Human Capital >

In addition to securing human resources for focus businesses, we need to address an issue of possible decline in employee engagement because the improvement of the foundation for business operations and human resources management fails to catch up with the speed of business expansion. To solve this issue, we will design our business strategy and human capital strategy in an integrated manner, and develop human resources and secure/deploy necessary manpower, thereby strengthening human capital management. Through such initiatives, we will link investments into employees to business outcomes, aiming at sustainable growth.

< Enhancement of Governance and Risk Resilience >

An increasingly uncertain and complex business environment poses an issue of advancing value creation without emergence of significant risks. To solve this issue, we design and implement the decision-making system upon identifying the likelihood of risks and potential impact, ensuring both speedier management decision-making, and the improvement of governance, risk management and compliance.

For these significant management issues, we implement various measures by setting indicators to evaluate outcomes and solve such issues. Accordingly, we expect that we will

[Translation for Reference Purpose Only]

achieve the following level of financial results in FY2030.

Consolidated operating profit	250.0 billion
ROE	20%
ROIC	15%

While the international situation remains uncertain due to the impact of the US trade policy, prolonged Russian invasion of Ukraine and growing tension in the Middle East, the Group will steadily implement various measures, aiming at increasing its corporate value. We would appreciate your understanding and continued support.

(5) Capital investments

The status of capital investments executed by the Company Group for the current period is as follows:

Segment	Detail of key investments	Amount (JPY millions)	Increase/decrease from the previous year-end (JPY millions)
Infrastructure	Enhancing production capacity for optical semiconductor devices and optical fibers; establishing power cable production site, etc.	25,432	13,854
Electronics & Automotive Systems	Preparation for production of wire harnesses for automobiles	14,332	842
Functional Products	Constructing new factory for water-cooled modules	9,743	852
Services and Developments etc.	Establishing production sites for new business development, etc.	4,176	2,198
Elimination	—	2,976	313
Total	—	56,662	18,061

(6) Fund procurement

The Company and each Group company raise necessary funds through long-term/short-term borrowing from financial institutions, issuance of corporate bonds and commercial paper, securitization of trade receivables, etc. In Japan, China and Thailand, the cash management system is introduced for subsidiaries/affiliates in each country (including the Company in Japan), aiming at efficient use of funds and reduction of interest-bearing debts.

Consolidated interest-bearing debts as of the end of the year increased by 10.5 billion yen from the previous year to 316.7 billion yen.

[Translation for Reference Purpose Only]

(7) Main loan creditor (as of March 31,2026)

Name of creditor	Amount of loan credit (JPY millions)
Mizuho Bank, Ltd.	73,282
MUFG Bank, Ltd.	31,624
The Norinchukin Bank	21,503
Sumitomo Mitsui Banking Corporation	16,384
The Bank of Yokohama,Ltd.	14,389

(8) Main offices, plants, and Subsidiaries (as of March 31, 2026)

1) Furukawa Electric Co., Ltd.

Head office	6-4, Otemachi 2-chome, Chiyoda-ku, Tokyo
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Type of facility	Name	Location
Branch offices	Hokkaido Branch Office	Sapporo
	Tohoku Branch Office	Sendai
	Chubu Branch Office	Nagoya
	Kansai Branch Office	Osaka
	Chugoku Branch Office	Hiroshima
	Kyusyu Branch Office	Fukuoka
Plant	Nikko Works	Nikko, Tochigi Pref.
	Chiba Works	Ichihara, Chiba Pref.
	Yokohama Works	Yokohama
	Hiratsuka Works	Hiratsuka, Kanagawa Pref.
	Mie Works	Kameyama, Mie Pref.
	Copper Foil Division	Nikko, Tochigi Pref.
R&D Laboratories	Sustainable Technology Laboratory	Yokohama (within Yokohama Works)
	Electronics Laboratory	Hiratsuka, Kanagawa Pref. (within Hiratsuka Works)
	Photonics Laboratory	Ichihara, Chiba Pref. (within Chiba Works)
	Material Laboratory	Nikko, Tochigi Pref. (within Nikko Works)

[Note] Due to the restructuring laboratories on April 1, 2026, functions of Sustainable Technology Laboratories, Electronics Laboratories, Photonics Laboratories, and Materials Research Laboratories were transferred to newly established Fundamental Technology Laboratory (within Yokohama Works) and Advanced Technology Laboratory (within Chiba Works), etc.

[Translation for Reference Purpose Only]

2) Subsidiaries in Japan

Company name (Head office / Plant)	Capital	% of the FEC's share	Scope of business
FURUKAWA SANGYO KAISHA, LTD. (Minato-ku, Tokyo)	JPY 700 million	100%	Sales of electric cables and non-ferrous metal products
Okano Cable Co., Ltd. (Yamato, Kanagawa Pref. / Yamato, Kanagawa Pref.)	JPY 489 million	100%	Manufacture and sales of optical fiber cables and optical parts
Furukawa Electric Metal Cable Co.,Ltd. (Arakawa-ku, Tokyo / Ichihara, Chiba Pref. , Hiratsuka, Kanagawa Pref. & Kitakyusyu)	JPY 450 million	100%	Manufacture and sales of electric cables and other cables
Furukawa Electric Power Systems Co., Ltd. (Yokohama/ Nagai, Yamagata Pref.)	JPY 450 million	100%	Manufacture and sales of equipment for transmission-transformation of electric energy and overhead /underground distribution equipment
MFOPTEX Co., Ltd. (Amagasaki, Hyogo Pref/ Amagasaki, Hyogo Pref)	JPY 310 million	80%	Manufacture and sale of fiber for laser delivery, fiber bundle, light guide, and image guide
Furukawa Industrial Plastics Co., Ltd (Chiba/ Chiba)	JPY 300 million	100%	Manufacture and sales of Plastic electric cable protection tubes
Furukawa Techno Material Co., Ltd. (Hiratsuka, Kanagawa Pref./ Hiratsuka, Kanagawa Pref.)	JPY 300 million	100%	Manufacture and sales of fire prevention products
Furukawa Nikko Power Generation Inc. (Nikko, Tochigi Pref.)	JPY 300 million	100%	Generation, supply and sale of electric power and transmission of electric power
FURUKAWA NETWORK SOLUTION CORPORATION (Hiratsuka, Kanagawa Pref./ Hiratsuka, Kanagawa Pref.)	JPY 150 million	100%	Manufacture and sales of Network router equipment
Furukawa Automotive Systems Inc. (Inugami, Shiga Pref. /Inugami, Shiga Pref. & Kameyama Mie Pref.)	JPY 100 million	100%	Manufacture and sales of automotive components
Furukawa Fitel Optical Device co.,Ltd. (Ichihara, Chiba Pref./ Ichihara, Chiba Pref. & Naka, Ibaraki Pref.)	JPY 100 million	70.59%	Manufacture of optical semiconductor products
FURUKAWA PRECISION ENGINEERING CO.,LTD. (Nikko, Tochigi Pref./ Nikko, Tochigi Pref.)	JPY 100 million	100%	Manufacture and sales of electronic components
Riken Electric Wire Company Limited (Chuo-ku, Tokyo / Tamba, Hyogo Pref. & Niigata)	JPY 100 million	100%	Manufacture and sales of electric cables and other cables
Hakusan Inc. (Kanazawa, Ishikawa Pref. /Hakui, Ishikawa Pref.)	JPY 100 million	67.10%	Manufacture and sale of optical communications-related products,

[Translation for Reference Purpose Only]

Company name (Head office / Plant)	Capital	% of the FEC's share	Scope of business
			and connectors related to communications and electricity
Furukawa Elecom Co., Ltd. (Chiyoda-ku, Tokyo)	JPY 98 million	100%	Sales of electric cables and other cables
Furukawa Magnet Wire Co., Ltd. (Chiyoda-ku, Tokyo /Niigata)	JPY 96 million	100%	Manufacture and sales of magnet wire and various type of metal cables
Miharu Communication Inc. (Kamakura, Kanagawa Pref./ Kamakura, Kanagawa Pref. & Hiratsuka, Kanagawa Pref.)	JPY 90 million	100%	Manufacturing and sales of CATV-related equipment, and telecommunication equipment

3) Overseas subsidiaries

Company name (Location)	Capital	% of the FEC's share	Scope of business
Lightera, LLC (USA)	USD 362 million	100%	Manufacture and sale of optical fiber cables
Lightera LatAm S.A. (Brazil)	BRL 149 million	100%	Manufacture and sale of optical fiber cables
American Furukawa, Inc. (USA)	USD 109 million	100%	Manufacture and sales of automotive components
Furukawa Electric Copper Foil Taiwan Co., Ltd. (Taiwan)	TWD1,555 million	100%	Manufacture and sale of copper foils for li-ion batteries
Furukawa Circuit Foil Taiwan Corporation (Taiwan)	TWD1,475 million	81.85%	Manufacture and sale of electrodeposited copper foils
Furukawa Electric Singapore Pte. Ltd. (Singapore)	USD 3 million	100%	Sales of electric cables, electric wires, coiled wires and metal products
Furukawa FITEL (Thailand) Co., Ltd.	THB 580 million	100%	Manufacture of photo-electronic components, optical components, and optical devices
Furukawa Precision (Thailand) Co., Ltd.	THB 169 million	100%	Manufacture and sales of electronic components
Thai Furukawa Unicomm Engineering Co., Ltd. (Thailand)	THB 104 million	91.75%	Engineering work in Telecommunication and CATV
Furukawa Automotive Parts (Vietnam) Inc.	USD 18 million	100%	Manufacture and sale of automotive components
PT.Tembaga Mulia Semanan Tbk (Indonesia)	USD 12 million	42.42%	Manufacture and sales of copper wires and aluminium wires
Trocellen GmbH (Germany)	EUR 8 million	100%	Manufacture and sales of foam products

[Notes] 1. The figures in the bracket include the ratio of indirectly ownership.

2. In fiscal 2025, the Company had 115 consolidated subsidiaries and 8 equity-method affiliates.

[Translation for Reference Purpose Only]

3. On December 24, 2025, all shares of The Furukawa Battery Co., Ltd. owned by the Company were transferred to Furukawa Battery as its treasury shares. As a result, Furukawa Battery and its subsidiary, PT.Furukawa Indomobil Battery Manufacturing, were removed from the scope of consolidation of the Company on the same date.
4. With respect to SHENYANG FURUKAWA CABLE CO., LTD. (“SFC”), on February 10, 2026, the Company sold all of its stake in SFC. As a result, SFC was removed from the scope of consolidation of the Company on the same date.
5. On April 1, 2025, Lightera Japan Co., Ltd., which was newly established as the Company’s wholly owned subsidiary, succeeded the Company’s optical fiber and cable business, as well as shares of its subsidiary related to optical fiber and cable business, through an absorption-type company split. On the same date, all outstanding shares (equity) of Lightera Japan, OFS Fitel, LLC (currently, Lightera, LLC) and Furukawa Electric LatAm S.A. (currently, Lightera LatAm S.A.) were contributed in kind to Lightera Holding, the intermediary holding company which was established as the Company’s wholly owned subsidiary.
6. On October 1, 2025, an absorption-type company split was implemented, and the Company’s business related to development, manufacture and sale of metal wires was succeeded by Furukawa Electric Metal Cable Co.,Ltd.

(9) Employee Data (as of March 31,2026)

Segment	Number of employees of the Group	Number of employees of Furukawa Electric Co., Ltd.
Infrastructure	9,319	1,053
Electronics & Automotive Systems	34,934	523
Functional Products	2,503	842
Services and Developments etc.	2,356	1,591
Total	49,112(-2,055)	4,009(-424)

- [Notes]1. Temporary employees and loan employees assigned to companies outside the Group are not included.
2. Brackets () in the above table show changes compared to the end of the previous period.
 3. Number of employees in the segment of Services and Developments etc. includes personnel engaged in country-wide operations such as the Head Office departments of the Company.
 4. The average age of employees of the Company is 43.4 years old, and the average years of service is 18.4 years. (Temporary employees and loan employees are not included.)

(10) Other important matters concerning the current status of the Group

The Company has been examined by Brazil’s competition law authority, with respect to trading of automotive products. In class actions filed in the U.S., claiming for damage resulting from cartel activities pertaining to automotive parts, the Company or its subsidiary was named as the defendant. All of the above have arisen from conduct in the past, and there is no such conduct at present.

[Translation for Reference Purpose Only]

2. Shares (as of March 31,2026)

(1) Shareholder' Equity

Class of share	Total number of shares to be issued by the company	Total number of outstanding shares	Number of shareholders
Common Stock	250,000,000	70,666,917	48,208

(2) Major top 10 shareholders of the Company and the Company's capital contributions to such shareholders.

Name of major shareholders	Number of shares	Shareholding ratio (%)
The Master Trust Bank of Japan, Ltd. (Trust Account)	11,829,600	16.75
Custody Bank of Japan, Ltd. (Trust Account)	4,581,250	6.49
Asahi Mutual Life Insurance Company	1,365,050	1.93
HSBC-FUND SERVICES HSBC – 006 MF EFM	1,100,200	1.56
The Nomura Trust and Banking Co., Ltd. (Investment Trust Account)	1,066,700	1.51
Custody Bank of Japan, Ltd. (Mizuho Trust & Banking; Employee Retirement Benefit Trust, Asahi Mutual Life Insurance Company Account)	1,050,000	1.49
STATE STREET BANK AND TRUST COMPANY 505001	1,019,485	1.44
JP MORGAN CHASE BANK 385781	1,008,380	1.43
Custody Bank of Japan, Ltd. (Mizuho Trust & Banking; Employee Retirement Benefit Trust, Mizuho Bank Account)	971,900	1.38
BNY GCM CLIENT ACCOUNT JPRD AC ISG (FE-AC)	951,231	1.35

[Note] Shareholding ratio is calculated with the number which deducted 51,257 shares of the Company's treasury stock.

(3) Shares granted to the Company's officers in compensation for execution of duties in the current year

In accordance with the resolution of the 194th Annual General Meeting of Shareholders held on June 27, 2016, the Company introduced the performance-linked stock remuneration system for Directors (excluding Outside Directors), Corporate Vice Presidents (excluding Directors), and Senior Fellows (the latest revision was made at the 203rd Annual General Meeting of Shareholders held on June 25, 2025). Under the System, there was no common stock granted to Director (excluding Outside Director) in the current year.

[Note] For more details of the System, please refer to “(3) Remuneration for officers in the current fiscal year” under Section 3 “Corporate Officers (as of March 31,2026)”.

[Translation for Reference Purpose Only]

3. Corporate Officers (as of March 31,2026)

(1) Directors

Name	Position/responsibilities	Other significant positions
Keiichi Kobayashi	Chairman and Director	Outside Director of NTT DATA Japan Corporation Outside Director of JFE Holdings, Inc.
Hideya Moridaira	President and Representative Director	
Satoshi Miyamoto	Director and Corporate Executive Vice President (General Manager, Strategy Division)	
Koji Aoshima	Director and Corporate Senior Vice President (General Manager, Finance & Accounting Division)	
Takashi Tsukamoto	Outside Director (part-time)	Senior Advisor of Mizuho Financial Group, Inc. Outside Director of Asahi Mutual Life Insurance Company Outside Director of AEON CO., LTD. Outside Director of Internet Initiative Japan Inc.
Yukiko Yabu	Outside Director (part-time)	Outside Director (Audit & Supervisory Committee Member) of IBIDEN CO., LTD.
Tamotsu Saito	Outside Director (part-time)	Senior Advisor of IHI Corporation Outside Director of Oki Electric Industry Company, Limited Outside Director of KAJIMA CORPORATION Chairman of New Energy and Industrial Technology Development Organization (NEDO)
Takeo Hoshino	Outside Director (part-time)	Project Professor, Graduate School of The University of Tokyo

[Translation for Reference Purpose Only]

Hiroyuki Ogiwara	Director (full-time Audit & Supervisory Committee Member)	Outside Director of Asahi- Seiki Manufacturing Co., Ltd.
Sayaka Sumida	Outside Director (Audit & Supervisory Committee Member)	Outside Director (Audit & Supervisory Committee Member) of ADVANTEST CORPORATION Outside Director of Japan Exchange Group, Inc.
Takao Shiomi	Outside Director (Audit & Supervisory Committee Member)	

[Notes]

1. Mr. Takashi Tsukamoto, Ms. Yukiko Yabu, Mr. Tamotsu Saito, Mr. Takeo Hoshino, Ms. Sayaka Sumida and Mr. Takao Shiomi are registered with the Tokyo Stock Exchange as independent officers.
2. Each Director (Audit & Supervisory Committee Member) has the following expertise in finance and accounting:
 - Mr. Hiroyuki Ogiwara served as an officer in charge of the finance division in the Group, and has considerable expertise in finance and accounting.
 - Ms. Sayaka Sumida has a licensed CPA, she has considerable expertise in finance and accounting.
 - Mr. Takao Shiomi has experience in assuming key senior positions at Finance Division of a large trading company, and has significant expertise in finance and accounting.
3. The Company selected Mr. Hiroyuki Ogiwara as full-time Audit & Supervisory Committee Member, in order to ensure the effectiveness of activities of Audit & Supervisory Committee by facilitating information gathering from Directors (excluding those who also serve as Audit & Supervisory Committee Members), information sharing regarding Management Committee and other important meetings, and collaboration with the internal audit department and internal control department.
4. Between the Company and New Energy and Industrial Technology Development Organization (NEDO), for which Mr. Tamotsu Saito serves as Chairman, there are transactions related to research and development, etc.
5. The Company contributed to the amount equivalent to 18.18 % of total funds to Asahi Mutual Life Insurance Company, for which Mr. Takashi Tsukamoto is the Outside Director, which in turn holds 3.42% (including shares placed by Asahi Mutual Life in a retirement benefit trust) of the Company's outstanding shares. Between the Company and Internet Initiative Japan Inc. (IIJ), for which he serves as an outside director, there is a trade relationship where the Company receives network-related services from IIJ.
Between the Company and Oki Electric Industry Company, Limited, for which Mr. Tamotsu Saito serves as outside director, there is a trade relationship where the Company purchases communication-related products, among others, from Oki Electric. Also, between the Company and KAJIMA CORPORATION, for which he serves as outside director, there are transactions where the Company sells communication-related products, among others, to Kajima.
There is a transaction between the Company and ADVANTEST CORPORATION, for which Ms. Sayaka Sumida is the Outside Director (Audit & Supervisory Committee Member), in which the Company sells communication related products to ADVANTEST CORPORATION.
6. Overview of limited liability agreements
The Company has agreements to limit liabilities under Paragraph 1, Article 423 of the Companies Act with all of outside Directors. The upper limit of liabilities under this agreement is the statutory lower limit.
7. Overview of Indemnity Agreement

[Translation for Reference Purpose Only]

The Company has concluded an indemnity agreement set forth in Article 430-2, Paragraph 1 with Mr. Keiichi Kobayashi, Mr. Hideya Moridaira, Mr. Satoshi Miyamoto, Mr. Koji Aoshima, Mr. Takashi Tsukamoto, Ms. Yukiko Yabu, Mr. Tamotsu Saito, Mr. Takeo Hoshino, Mr. Hiroyuki Ogiwara, Ms. Sayaka Sumida and Mr. Takao Shiomi.

The indemnity agreement specifies that the Company shall compensate for expenses set forth in Item 1 and losses set forth in Item 2 of Paragraph 1 of the above-mentioned Article to the extent prescribed by laws and regulations. However, in the indemnity agreement, if bad faith or gross negligence on the part of Directors and other officers was found in relation to their execution of duties, the Company may claim refund of compensation; as such, the Company has taken measures for maintaining the adequacy of the execution of duties of Directors and other officers.

8. Overview of Directors and Officers Liability Insurance (D&O Insurance) agreement

The Company purchased a Directors and Officers Liability Insurance (D&O Insurance) policy, which covers Directors, Audit & Supervisory Board Members, and Corporate Vice Presidents, etc. (including those who retired on March 31, 1994 and thereafter) and their successors.

This insurance policy covers claims against insured directors/officers on the basis of their legal liability for damages caused by their actions (including failure to act) relating to their execution of duties, and litigation expenses that are incurred due to the liability claims against the directors/officers. However, there are some exclusions, for example, a case where the insured knowingly committed an illegal act. The Company bears all of the insurance premium.

[Translation for Reference Purpose Only]

(2) Information related to Outside Directors

1) Principal activities of outside directors

① Outside Directors (excluding those who serve as Audit & Supervisory Committee Members)

Name	Attendance to Board of Directors Meeting (Attendance rate)	Comments and Remarks/ Outline of duties performed in light of expected roles
Takashi Tsukamoto	15 out of 16 (93.8%)	<p>Based on his extensive knowledge/experience as a business manager of a financial institution, Mr. Tsukamoto appropriately oversees the management, actively speaks mainly on business strategy, Group company management, financial policy, and investor relations from the Group's global management perspective, and fulfills the expected role.</p> <p>He serves as Chairman of the Outside Officer's Meeting ^(Note) as a lead outside director. Moreover, he is also active as Chairman of the Nomination/Compensation Committee.</p>
Yukiko Yabu	16 out of 16 (100%)	<p>Based on her extensive knowledge/experience in marketing and product development at a major electronics manufacturer, Ms. Yabu appropriately oversees the management, actively speaks mainly on topics such as business strategy, marketing and diversity from a wide range of perspectives and he fulfils expected role.</p> <p>Moreover, she is also active as a member of the Nomination/Compensation Committee.</p>
Tamotsu Saito	16 out of 16 (100%)	<p>Based on his extensive knowledge/experience as a business manager of a leading heavy manufacturer, Mr. Saito appropriately oversees the management, actively speaks mainly on business strategy, manufacturing, economic policies from a perspective of Group's global management, and fulfills the expected role.</p> <p>Moreover, he is also active as a member of the Nomination/Compensation Committee.</p>
Takeo Hoshino	16 out of 16 (100%)	<p>Based on his extensive knowledge/experience in the industrial policy of the Ministry of Economy, Trade and Industry, Mr. Hoshino appropriately oversees the management, actively speaks mainly on climate change and product technology, taking into</p>

[Translation for Reference Purpose Only]

		<p>account economic policies and market trend, and he fulfills expected role.</p> <p>Moreover, he is also active as a member of the Nomination/Compensation Committee.</p>
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[Note] The Company holds regular Outside Officers' Meetings in order to give opportunities to Outside Officers to exchange opinions and establish a shared understanding of the Company from an objective viewpoint, and to enable the resulting opinions to be reported to the Board of Directors if necessary. The Company held five(5) Outside Officers' Meetings during the year.

② Outside Directors (Audit & Supervisory Committee Members)

Name	Attendance(Attendance rate)		Comments and Remarks/ Outline of duties performed in light of expected roles
	Board of Directors Meeting (Attendance rate)	Audit & Supervisory Board Meeting/ Audit & Supervisory Committee (Attendance rate)	
Sayaka Sumida	16 out of 16 (100%)	<p>Audit & Supervisory Board Meeting 4 out of 4 (100%)</p> <p>Audit & Supervisory Committee 9 out of 9 (100%)</p>	<p>Based on her extensive knowledge and expertise in accounting and finance through long years of experience as a CPA holder, Ms. Sumida appropriately oversees the management, actively speaks mainly on the Group's corporate management and finance and accounting from the perspective of risk management at the Board of Directors meetings, and she fulfills expected role.</p> <p>In addition, at the Audit & Supervisory Board and the Audit & Supervisory Committee, she actively speaks on the above-mentioned topics as well as questions and confirmation about plans/results of auditing and semi-annual reviews by an accounting auditor.</p> <p>Moreover, he is also active as a member of the Nomination/Compensation Committee.</p>

[Translation for Reference Purpose Only]

Takao Shiomi	16 out of 16 (100%)	<p>Audit & Supervisory Board Meeting 4 out of 4 (100%)</p> <p>Audit & Supervisory Committee 9 out of 9 (100%)</p>	<p>Based on his extensive knowledge and experience as top management of a large general trade company, a financial institution, and a manufacturer, Mr. Shiomi appropriately oversees the management, actively speaks mainly on the Group's corporate management from a risk management perspective at the Board of Directors meetings and he fulfills expected role.</p> <p>In addition, at the Audit & Supervisory Board and the Audit & Supervisory Committee, he actively speaks on such topics as recommendations about strengthening Group governance as well as questions and confirmation about plans/results of auditing and semi-annual reviews by an accounting auditor.</p> <p>Moreover, he is also active as a member of the Nomination/Compensation Committee.</p>
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2) Action in response to improper or unlawful business conduct during the current fiscal year

There has been no specific fact of such conduct.

[Translation for Reference Purpose Only]

(3) Remuneration for officers in the current fiscal year

① Policies for determining officers’ remuneration, etc.

The Company has the policy for determining remuneration for individual Directors and other officers (hereinafter, “Individual Remuneration Policy”), which was established by resolution of the Board of Directors. The overview is as shown below. Nominating/Compensation Committee confirms adequacy, effectiveness, and appropriateness of plan design and level of remuneration every year, by means of outside survey that is comparing the Company’s remuneration level with those of other similar size 30 manufacturing companies.

➤ Basic policy

The remuneration for officers shall be determined in a way that encourages each officer to exert his/her abilities to the maximum level and proactively fulfill his/her duties so that the Group will increase its corporate value and achieve sustainable growth while contributing to the society through its business activities.

➤ Policy for determining remuneration for individual officer by element

The Company’s remuneration for officers consists of base salary, short-term performance-linked remuneration (on an individual level), short-term performance-linked remuneration (on the company level), ESG-linked remuneration, and Medium-to-long-term performance-linked remuneration; and the policy for determining an amount of each remuneration element is as follows:

Element of remuneration	Overview	Recipient			
		Directors (excluding Outside Directors & those who serve as Audit & Supervisory Committee Members)	Outside Directors (excluding those who serve as Audit & Supervisory Committee Members)	Corporate Vice President and Senior Fellow, excluding Director	Directors who serve as Audit & Supervisory Committee Members
Base salary	This element is paid in cash in a fixed amount every month, and the amount is determined depending on his/her role (e.g. management oversight or business execution) and official position.	•	•	•	•
Short-term performance-linked remuneration (individual level)	This element is paid in cash once a year, and the amount is determined by the Nominating/Compensation Committee upon comprehensively evaluating achievements of the relevant business plan in the previous fiscal year, such as Economic Value Added in the division(s) he/she is in charge of, and the status of relevant measures.	•	—	•	—

[Translation for Reference Purpose Only]

Short-term performance-linked remuneration (company level)	This element is paid in cash once a year, and the amount is fixed according to the evaluation criterion based on consolidated operating profit, as defined by the Nominating/Compensation Committee.	●	—	●	—
ESG-linked remuneration	This element is paid in cash once a year, and the amount is determined upon evaluating achievements of materiality indicators (to measure the achievement level of targets for material management issues to be addressed by the Group)	●	—	●	—
Mid-to-long-term performance-linked remuneration	This is the stock remuneration system, which provides the Company's stocks acquired by the Trust that was funded by the Company.	●	—	●	—

➤ Policy of determining the percentage of remuneration paid to each individual for each remuneration system

In terms of a percentage of each component of remuneration, by reference to policies of other companies in the same industry as well as other similar-sized companies in other industries, and comprehensively considering official positions/responsibilities, business results, and target achievement levels among others, it is designed as follows: for executive directors, performance-linked remuneration accounts for roughly more than half; and the higher the officer's rank, the larger the percentage of performance-linked remuneration.

➤ Matters concerning determination of details of remuneration for individual Directors

At the Company, the Board of Directors has delegated authority to Nominating/Compensation Committee to determine details of the system of remuneration to be paid to Directors and other officers as well as individual remuneration, etc. in accordance with the Individual Remuneration Policy.

② Matters concerning the delegation of the determination of remuneration by resolution of the Board of Directors

From the perspective of ensuring the objectivity, fairness and transparency, the Board of Directors delegated the authorities related to items under (2) of the following matters for deliberation, including the determination of remuneration for individual directors and officers, to the Nominating/Compensation Committee comprising a majority of Outside Directors.

【Matters to be deliberated by Nominating/Compensation Committee】

- (1) Nominating/Compensation Committee deliberates the following matters in response to inquiries from the Board of Directors, and reports the results to the Board:
- ① Agendas to be proposed to a Shareholders Meeting upon an appointment and removal of Directors
 - ② Election and dismissal of a Representative Director, Chairperson of the Board and President
 - ③ Appointment and removal of Corporate Vice Presidents
 - ④ Appointment and dismissal of Executive Officers
 - ⑤ Policy on Remuneration for Directors (excluding Directors who serve as Audit & Supervisory Committee Members) and Corporate Vice Presidents
 - ⑥ Agenda to be proposed to a Shareholders Meeting on Remuneration for Directors
- (2) Nominating/Compensation Committee deliberates and determines the following matters delegated by the Board of Directors:

[Translation for Reference Purpose Only]

①	Evaluation of Directors (excluding Directors who serve as Audit & Supervisory Committee Members) and Corporate Vice Presidents
②	Systems concerning Remuneration for Directors (excluding Directors who serve as Audit & Supervisory Committee Members) and Corporate Vice Presidents based on the policy decided by Board of Directors on the item 5 of the preceding paragraph
③	Details concerning Remuneration for individual Directors (excluding Directors who serve as Audit & Supervisory Committee Members) and Corporate Vice Presidents based on the policy decided by Board of Directors on the item 5 of the preceding paragraph
④	Guidelines of Remuneration for representatives of affiliated companies
⑤	Policy on the term of Directors (excluding Directors who serve as Audit & Supervisory Committee Members) and Corporate Vice Presidents and handling after their retirement
⑥	Contents of appointment, removal and remuneration about Senior Advisors and Honorary Advisors
⑦	Contents of the Management's succession planning
(3)	Nominating/Compensation Committee deliberates and determines on the training and its policy of Directors and Corporate Vice President.

The Committee comprises 8 members, and 6 members, including the chairperson, are Outside Directors.

The following table shows the Committee composition as of the date when remuneration for individual Directors and other officers was determined for the current fiscal year (June 25, 2025).

name	position
Takashi Tsukamoto	Outside Director (Chairman of Nominating/Compensation Committee)
Keiichi Kobayashi	Chairman of the Board and Director
Hideya Moridaira	President and Representative Director
Yukiko Yabu	Outside Director
Tamotsu Saito	Outside Director
Takeo Hoshino	Outside Director
Sayaka Sumida	Outside Directors (Audit & Supervisory Committee Members)
Takao Shiomi	Outside Directors (Audit & Supervisory Committee Members)

The activities of the Board of Directors and the Nominating/Compensation Committee in the process of determining the amount of remuneration of Directors and other officers during the current fiscal year are as follows:

Meeting Date / Body	Overview
June 10, 2025 Nominating/Compensation Committee	Discussed/evaluated performance of officers during the fiscal year ended March 2025
June 25, 2025 Board of Directors	Resolved on delegating the decision on a remuneration amount for individual Directors and other officers to Nominating/ Compensation Committee

[Translation for Reference Purpose Only]

June 25, 2025 Nominating/Compensation Committee	Determined the remuneration amount for individual Directors and other officers for the fiscal year ending March 2026
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The Board of Directors has received a report from the Nomination and Compensation Committee that the content and method of determining remuneration for individual Directors and other officer, determined by the committee are in line with the Individual Remuneration Policy. We have determined that the content of remuneration for each individual is in line with the Individual Remuneration Policy.

③ Overview of performance indicators selected as the basis for calculating performance-linked remuneration and calculation method for remuneration

Under the Company's remuneration system, this section applies to short-term performance-linked remuneration (company level), ESG-linked remuneration, and mid-to-long-term performance-linked remuneration.

● Short-term performance-linked remuneration (company level)

We designated consolidated operating profit as the indicator for ensuring the Company's performance in a relevant fiscal year is appropriately and clearly reflected to the remuneration. The following table shows remuneration amount corresponding to an achievement level of consolidated operating profit (estimate), which is the evaluation criterion here, and official position. The Nominating/Compensation Committee regularly checks and reviews this table to ensure the remuneration levels are adequate, taking into account consolidated operating profit in the past several years.

(Unit: JPY thousand per year)

Officer classification	Achievement Level of Consolidated Operating Profit (estimate)						
	+50% or more	+30% or more but less than+50%	+15% or more but less than+30%	-15% or more but less than+15%	-15% or more but less than-30%	-30% or more but less than-50%	Less than 15 billion yen or below -50%
Chairman of the Board	17,000	14,025	11,050	8,500	6,800	4,250	-
President	32,000	26,400	20,800	16,000	12,800	8,000	-
Corporate Senior Executive Vice President	20,000	16,500	13,000	10,000	8,000	5,000	-
Corporate Executive Vice President	15,500	12,788	10,075	7,750	6,200	3,875	-
Corporate Senior Vice President	10,600	8,745	6,890	5,300	4,240	2,650	-
Corporate Vice President / Senior Fellow	3,800	3,135	2,470	1,900	1,520	950	-

[Translation for Reference Purpose Only]

● ESG-linked remuneration

To ensure this element functions as an appropriate incentive for engaging in sustainability initiatives, we designated materiality indicators (to measure the achievement level of targets for material management issues to be addressed by the Group) as the indicator here. Nominating/Compensation Committee determines whether or not to pay, upon evaluating achievements of greenhouse gas emission reduction rate and employee engagement score among such materiality indicators. With respect to indicators to be adopted for ESG-linked remuneration as well as target achievement level, Nominating/Compensation Committee periodically confirms/revises them.

● Mid-to-long-term performance-linked remuneration

We adopted the Company's stock price as an indicator, in order to appropriately reflect increased corporate value to remuneration amounts, and to share incentives for increasing corporate value with shareholders. In this stock remuneration program, three fiscal years constitute a performance period and the Company contributes funds up to the maximum amount of 1,450 million yen per performance period to the Trust as remuneration for eligible officers. Eligible officers are granted a pre-determined number of points depending on their titles/positions every year as the basis of their rights to receive the Company's stocks. After the end of each performance period, the number of points qualifying eligible officers for receiving the Company's stocks are finalized after an adjustment for certain cases, according to the criteria for comparing changes in the Company's stock prices with those of TOPIX during the period. (The actual points to be granted are calculated by multiplying the payout ratio, which is determined by multiplying the degree of divergence of the volatility of the Company's stock price and volatility of TOPIX by the cumulative total points granted during the evaluation period.) In case any of eligible officers retire from the position during the period, in principle, eligible officers receive the Company's stocks from the trust, in proportion to the number of points accumulated during their tenure.

■ Point table by official position (from April 1, 2025 to March 31, 2028)

The maximum total number of points granted to an eligible officer in a performance period is 168,000, and 1 point correspond to 1 share unit of the Company's common stock.

Officer classification	Number of Point Granted	Number of Stock Granted per period
Chairman of the Board	3,320	12,948
President	5,590	21,801
Corporate Senior Executive Vice President	3,470	13,533

[Translation for Reference Purpose Only]

Corporate Executive Vice President	2,720	10,608
Corporate Senior Vice President	1,960	7,644
Corporate Vice President / Senior Fellow	1,060	4,134

■ Formula for calculating the degree of divergence

Degree of divergence = Volatility of the Company’s stock price / Volatility of TOPIX

Volatility of the Company’s stock price = average stock price of the Company in the final year of the evaluation period / average stock price of the Company in the year prior to the start of the evaluation period

Volatility of TOPIX = average TOPIX in the final year of the evaluation period / average TOPIX in the year prior to the start of the evaluation period

■ Rate correspondence table for each degree of deviation

Deviation (Scope)	Rate (%)
$X \geq 1.3$	130
$1.2 \leq X < 1.3$	120
$1.1 \leq X < 1.2$	110
$0.95 \leq X < 1.1$	100
$0.85 \leq X < 0.95$	90
$0.75 \leq X < 0.85$	80
$0.65 \leq X < 0.75$	70
$0.55 \leq X < 0.65$	60
$0.2 \leq X < 0.55$	50
$0.2 > X$	0

■ Formula for calculating each eligible officer’s points during the evaluation period

Finalized points = (cumulative total points granted to each eligible officer during the evaluation period) x (payout ratio for the evaluation period)

“Payout ratio” represents the percentage of change in the actual remuneration amount as a result of performance evaluation, where the standard amount of the mid- to long-term performance-linked remuneration is 100%. At the time of their retirement, eligible officers receive the Company’s stocks and money calculated by the following formula as the mid- to long-term performance-linked remuneration from the Trust.

- Number of the Company’s shares to be granted = (cumulative total points as of the vesting date x payout ratio – number of points corresponding to a fraction of shares) x 0.7

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- If there is a fraction of shares of the Company upon calculation by the above formula, such shares will be disregarded.

- Amount of money to be paid = (Number of points convertible into share units x 0.3 + number of points corresponding to a fraction of shares) x market value of the Company's stock as of the vesting date
 - “The number of points convertible into share units” is defined as (cumulative total points as of the vesting date x payout ratio – the number of points corresponding to a fraction of shares).
 - If there are any points corresponding to a fraction of shares upon calculation by the formula “the number of points convertible into share units x 0.3”, such a fraction will be rounded up to a share unit and added to the number of share units.
 - The vesting date is defined as the first end date of June after the retirement of eligible officer, and after the closing of the last fiscal year, in which he/she is eligible for receiving points.

④ Matters concerning the determination of remuneration of officers at annual meeting

Date of resolution of shareholders meeting	Overview of resolution	Resolution about officers numbers	Remuneration element under the current system
203 rd Annual General Meeting of Shareholders (held on June 25, 2025)	Remuneration for Directors (excluding those who also serve as Audit & Supervisory Committee Members) shall not exceed 500 million yen per year. The above-mentioned maximum amount does not include salaries for employees who serve as Director.	8 (4 Directors (excluding Outside Directors & those who serve as Audit & Supervisory Committee Members), 4 Outside Directors (excluding those who serve as Audit & Supervisory Committee Members))	Base salary Short-term performance-linked remuneration (individual level) Short-term performance-linked remuneration (company level) ESG-linked remuneration
	Remuneration for Directors who serve as Audit & Supervisory Committee Members shall not exceed 85 million yen per year.	3 (Directors who serve as Audit & Supervisory Committee Members)	Base salary
	The maximum amount, which the Company can additionally contribute to the Trust established under the performance-linked stock remuneration program for Directors (excluding Outside Directors & those who serve as Audit & Supervisory Committee Members) as well as Corporate Vice Presidents and Senior Fellows who are not directors, shall be 1,450 million yen in every 3 fiscal years.	35 (4 Directors (excluding Outside Directors & those who serve as Audit & Supervisory Committee Members), 27 Corporate Vice Presidents and 4 Senior Fellows)	Mid-to-long-term performance-linked remuneration

[Notes]1. The determination on the amount of remuneration for each officer is delegated by the Board of Directors to the Nominating/Compensation Committee.

2. The number of eligible officers about each Remuneration element at the end of 204th Annual General Meeting of Shareholders is blow.

Remuneration element under the current system	Number of eligible officers at the end of 204 th Annual General Meeting of Shareholders
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Base salary	7
Short-term performance-linked remuneration (individual level)	(3 Directors (excluding Outside Directors & those who serve as Audit & Supervisory Committee Members), 4 Outside Directors (excluding those who serve as Audit & Supervisory Committee Members))
Short-term performance-linked remuneration (company level)	
ESG-linked remuneration	
Base salary	3 (Directors who serve as Audit & Supervisory Committee Members)
Mid-to-long-term performance-linked remuneration	30 (3 Directors (excluding Outside Directors & those who serve as Audit & Supervisory Committee Members), 24 Corporate Vice Presidents and 3 Senior Fellows)

⑤ Amount of remuneration for officers for the current fiscal year

Officer classification	Total remuneration (JPY millions)	Total remuneration by element (JPY millions)					Number of subject officers (persons)
		Base salary (JPY millions)	Short-term performance-linked remuneration (individual level) (JPY millions)	Short-term performance-linked remuneration (company level) (JPY millions)	ESG-linked remuneration (JPY millions)	Mid-to-long-term performance-linked remuneration (JPY millions)	
Directors (excluding Outside Directors & those who serve as Audit & Supervisory Committee Members)	317	184	25	40	6	59	6
Directors who serve as Audit & Supervisory Committee Members (excluding Outside Directors)	23	23	—	—	—	—	1
Audit & Supervisory Board Member (excluding Outside Audit & Supervisory Board Member)	23	23	—	—	—	—	3
Outside Officers	95	95	—	—	—	—	10
Outside Directors (excluding those who serve as Audit & Supervisory Committee Members)	61	61	—	—	—	—	5
Outside Directors (Audit & Supervisory Committee Members)	25	25	—	—	—	—	2
Outside Audit & Supervisory Board Member	9	9	—	—	—	—	3

Notes:1. The amounts and numbers of officers in the above table include three Directors & three Audit & Supervisory Board Members who retired from the positions due to the expiry of their terms at the end of the 203rd Annual General Meeting of Shareholders held on June 25, 2025 as well as amounts of their remuneration.

2. The column of short-term performance-linked remuneration (company level) shows the payment amount which was determined in June 2025 as compensation for execution of duties in FY2024. The amount for the current fiscal year is not yet fixed at the time of preparing this business report, and therefore not included in the above table.

3. The column of Mid-to-long-term performance-linked remuneration shows the amount corresponding to the number of shares granted in the form of points under the stock

[Translation for Reference Purpose Only]

compensation system for the current fiscal year, which is deemed as compensation for the current fiscal year.

4. Short-term performance-linked remuneration (on the company level) falls under the category of performance-linked remuneration. For this remuneration, we designated consolidated operating profit as the indicator for ensuring the Company's performance in a relevant fiscal year is appropriately and clearly reflected to the remuneration. In FY2024, the Company recorded consolidated operating profit of 47,032 million yen. In FY2025, the Company finalized the provisional accounting treatment for business combination, and the above-mentioned amount of consolidated operating profit for FY2024 is the value after the finalization of provisional accounting treatment.
5. ESG-linked remuneration falls under the category of performance-linked remuneration. For this remuneration, to ensure it functions as an appropriate incentive for engaging in sustainability initiatives, we designated sustainability indicators (from April 1, 2026, materiality indicators to measure the achievement level of targets for material management issues to be addressed by the Group) as the indicator here. Nominating/Compensation Committee determines whether or not to pay, upon evaluating achievements of targets for sustainability indicators. With respect to the remuneration amount which was determined in June 2025 as the compensation for business execution during FY2024, while greenhouse gas emission reduction target (scope 1, 2) (compared to FY2021) was set at 14.0%, actual reduction rate in FY2024 was 34.8%. The amount for the current fiscal year is not yet fixed at the time of preparing this business report, and therefore not included in the above table.
6. Mid-to-long-term performance-linked remuneration falls under the categories of performance-linked remuneration as well as non-monetary remuneration. For this remuneration, the Company adopted its stock price, in order to appropriately reflect increased corporate value to remuneration amounts, and to share incentives for increasing corporate value with shareholders. Actual deviation was 7.04 (a reference value calculated by using numerical value in FY2025).

[Translation for Reference Purpose Only]

4. Accounting Auditor

(1) Name of accounting auditors

Deloitte Touche Tohmatsu LLC

(2) Remuneration of accounting auditors to be paid

(i) Total amount of monetary and other property benefits to be paid by Furukawa Electric Co., Ltd. and its subsidiaries	JPY 310 million
(ii) Of the amount stated in (i) above, remuneration for auditing services stipulated in Paragraph 1, Article 2 of the Certified Public Accountant Act	JPY 295 million
(iii) Of the amount stated in (ii) above, remuneration to be paid by Furukawa Electric Co., Ltd. to the accounting auditor	JPY 159 million

[Note] In the auditing agreement between the Company or the Company's subsidiaries and the accounting auditors, no distinctions are made between the amount of remuneration paid to accounting auditors for their auditing service under the Company Act and the amount of remuneration paid to accounting auditors for their auditing service under the Financial Instruments and Exchange Act. For this reason, the amounts of (ii) and (iii) above include the amount of remuneration to accounting auditors for their auditing service under the Financial Instruments and Exchange Act.

Among the key subsidiaries of the Company, Lightera LatAm S.A. (Brazil) and ten(10) others are subject to auditing (limited to that which is conducted under the Company Act, the Financial Instruments and Exchange Act or any overseas law or regulation equivalent to any of these Japanese laws) performed by certified public accountants or auditing companies other than the accounting auditor of Furukawa Electric Co., Ltd. (including those with an overseas qualification equivalent to any of these Japanese qualifications).

(3) Reason for Audit & Supervisory Committee to have agreed to remuneration of the accounting auditors

Audit & Supervisory Committee received explanations from accounting auditors regarding the overview of their audit plan, including estimated audit time and audit fees, and checked the adequacy and appropriateness of the estimated audit time and estimated unit price of audit fees. Consequently, the Committee judged that sufficient audit time is secured for high-quality auditing services, and that audit fees and the level of the unit price are rational and appropriate in light of the fees paid in the previous fiscal year, and therefore, expressed agreement as set forth in Article 399, Paragraph 1 and Paragraph 3 of the Companies Act.

[Translation for Reference Purpose Only]

(4) Contents of non-audit services

Other than audit certification work under the scope of Article 2, Paragraph 1 of the Certified Public Accountants Act, the Company has engaged the accounting auditor for advisory services concerning its accounting policy for applying “Accounting Standard for Leases” (ASBJ Statement No. 34, September 13, 2024).

(5) Policies on making decisions on dismissing or not reappointing accounting auditor

Audit & Supervisory Committee has determined the following policies on making decisions on dismissing or not reappointing accounting auditors.

Audit & Supervisory Committee shall, based on the consent of all Directors (Audit & Supervisory Committee Members), dismiss the Accounting Auditors after reviewing a case if it determines that the circumstance falls under any of the items set forth in Article 340, Paragraph 1 of the Companies Act. In this case, a Director (Audit & Supervisory Committee Member) designated by the Audit & Supervisory Committee shall report the dismissal of the Accounting Auditor and the reasoning at the first General Meeting of Shareholders convenes following the dismissal.

In the event that the Audit & Supervisory Committee determines that the execution of duties by the Accounting Auditor has been disrupted due to incomplete independence, audit structure and quality control structure, etc., or it is appropriate to further enhance the reliability/appropriateness of an audit, the Committee shall consider the dismissal or non-reappointment of the Accounting Auditor and determine proposals related to the dismissal and non-reappointment of the Accounting Auditor to be submitted to the General Meeting of Shareholders if determined necessary.

5. The Company’s systems and policies

Policy for determining dividends of surplus

The Company’s capital allocation policy is to strike a balance among investments in growth and new business opportunities, improvement of balance sheet and shareholder returns, with priority placed on management strategy.

Based on this policy, as its shareholder return policy during the period of the Medium-term Management Plan “Road to the Vision 2030: Transform and Challenge” ending in FY2025, the Company focuses on its investment in growth segments in order to increase corporate value through profit growth, and provides a return to shareholders in a stable and continuous manner. Specifically, the Company makes performance-linked dividend distribution, which is projected to be approximately 30% of profit attributable to owners of parent.

[Translation for Reference Purpose Only]

[Reference]

Change in the shareholder return policy

Recently, the Company reviewed the above-mentioned shareholder return policy, and for the period of Vision2030 (from FY2026 to FY2030). The basic policy is to provide stable returns to shareholders, while making investments to increase corporate value. Accordingly, instead of traditional dividend payout ratio, the Company adopted the dividend on equity (DOE) ratio as a new indicator, because it is less susceptible to business results of a single year, and distributes dividends roughly at 3.5% of shareholders' equity (DOE = 3.5%) going forward.

End

[Translation for Reference Purpose Only]

Consolidated Financial Statements for the 204th Fiscal Year
Consolidated Balance Sheet
(As of March 31, 2026)

(Unit: JPY millions)

Account title	Amount	Account title	Amount
(Assets)		(Liabilities)	
Current assets	595,508	Current liabilities	428,665
Cash and deposits	69,150	Notes and accounts payable - trade	140,543
Notes and accounts receivable - trade, and contract assets	266,458	Short-term borrowings	149,405
Securities	1,822	Current portion of bonds payable	10,000
Merchandise and finished goods	75,085	Commercial papers	15,000
Work in process	53,427	Income taxes payable	7,534
Raw materials and supplies	82,384	Provision for product warranties	3,931
Other	52,047	Other	102,250
Allowance for doubtful accounts	(4,867)	Non-current liabilities	202,475
Non-current assets	470,864	Bonds payable	30,000
Property, plant and equipment	276,925	Long-term borrowings	112,257
Buildings and structures	259,093	Provision for product warranties	2,390
Machinery, equipment and vehicles	511,681	Provision for environmental measures	9,082
Tools, furniture and fixtures	81,679	Retirement benefit liability	13,641
Land	30,423	Lease liabilities	12,701
Leased assets	1,485	Asset retirement obligations	2,077
Right-of-use assets	25,889	Deferred tax liabilities	15,060
Construction in progress	37,406	Other	5,263
Accumulated depreciation	(670,732)	Total liabilities	631,141
Intangible assets	25,404	(Net assets)	
Goodwill	2,452	Shareholders' equity	356,156
Other	22,952	Share capital	69,395
Investments and other assets	168,533	Capital surplus	23,808
Investment securities	145,478	Retained earnings	264,698
Investments in capital	377	Treasury shares	(1,745)
Deferred tax assets	3,771	Accumulated other comprehensive income	60,892
Retirement benefit asset	6,112	Valuation difference on available-for-sale securities	29,519
Other	13,746	Deferred gains or losses on hedges	1,315
Allowance for doubtful accounts	(953)	Foreign currency translation adjustment	29,073
Total assets	1,066,372	Remeasurements of defined benefit plans	983
		Non-controlling interests	18,182
		Total net assets	435,231
		Total liabilities and net assets	1,066,372

[Notes]1. Figures above are rounded off to the nearest JPY millions.

2. In the 204th term, the provisional accounting treatment for business combination was finalized, and with regard to figures for the 203rd term, the finalization of provisional accounting treatment was reflected.

[Translation for Reference Purpose Only]

Consolidated Statement of Income
(From April 1, 2025 to March 31, 2026)

(Unit: JPY millions)

Account title	Amount
Net sales	1,307,560
Cost of sales	1,077,746
Gross profit	229,813
Selling, general and administrative expenses	165,957
Operating profit	63,856
Non-operating income	23,578
Interest and dividend income	3,964
Share of profit of entities accounted for using equity method	16,535
Foreign exchange gains	155
Other	2,922
Non-operating expenses	11,576
Interest expenses	9,005
Other	2,570
Ordinary profit	75,858
Extraordinary income	40,159
Gain on disposal of non-current assets	787
Gain on sale of investment securities	19,294
Gain on revision of retirement benefit plan	19,437
Other	639
Extraordinary losses	11,072
Loss on disposal of non-current assets	1,494
Impairment losses	1,583
Provision of allowance for doubtful accounts	4,149
Other	3,845
Profit before income taxes	104,944
Total income taxes	29,047
Income taxes-current	19,440
Income taxes-deferred	9,607
Profit	75,897
Profit attributable to non-controlling interests	3,383
Profit attributable to owners of parent	72,514

[Notes]1. Figures above are rounded off to the nearest JPY millions.

2. In the 204th term, the provisional accounting treatment for business combination was finalized, and with regard to figures for the 203rd term, the finalization of provisional accounting treatment was reflected.

[Translation for Reference Purpose Only]

Non-Consolidated Financial Statements for the 204th Fiscal Year

Non-Consolidated Balance Sheet

(As of March 31,2026)

(Unit: JPY millions)

Account title	Amount	Account title	Amount
(Assets)		(Liabilities)	
Current assets	359,249	Current liabilities	271,773
Cash and deposits	8,708	Notes payable - trade	131
Notes receivable - trade	64	Electronically recorded obligations – operating	8,355
Electronically recorded monetary claims - operating	16,566	Accounts payable - trade	109,199
Accounts receivable - trade	131,449	Short-term borrowings	72,696
Contract assets	5,904	Current portion of bonds payable	10,000
Securities	1,822	Commercial papers	15,000
Merchandise and finished goods	13,466	Accounts payable - other	28,283
Work in process	27,512	Accrued expenses	18,334
Raw materials and supplies	18,288	Contract liabilities	3,044
Prepaid expenses	1,124	Provision for product warranties	426
Short-term loans receivable	85,937	Provision for loss on construction contracts	1,176
Accounts receivable - other	47,189	Income taxes payable	35
Other	5,395	Other	5,087
Allowance for doubtful accounts	(4,180)	Non-current liabilities	164,551
Non-current assets	373,621	Bonds payable	30,000
Property, plant and equipment	89,991	Long-term borrowings	108,000
Buildings	35,195	Provision for retirement benefits	700
Structures	3,939	Provision for product warranties	2,347
Machinery and equipment	23,062	Provision for environmental measures	9,082
Vehicles	112	Provision for loss on business of subsidiaries and associates	4,490
Tools, furniture and fixtures	3,369	Provision for share awards for directors (and other officers)	840
Land	12,530	Asset retirement obligations	251
Leased assets	891	Deferred tax liabilities	7,288
Construction in progress	10,889	Other	1,550
Intangible assets	11,828	Total liabilities	436,324
Software	11,621	(Net assets)	
Other	207	Shareholders' equity	268,719
Investments and other assets	271,802	Share capital	69,395
Investment securities	77,242	Capital surplus	21,466
Shares of subsidiaries and associates	73,680	Other capital surplus	21,466
Investments in capital of subsidiaries and associates	56,862	Retained earnings	179,558
Long-term loans receivable from subsidiaries and associates	79,794	Legal retained earnings	5,755
Prepaid pension costs	120	Other retained earnings	173,803
Other	6,182	Retained earnings brought forward	173,803
Allowance for doubtful accounts	(22,080)	Treasury shares	(1,701)
Total assets	732,871	Valuation and translation adjustments	27,826
		Valuation difference on available-for-sale securities	26,934
		Deferred gains or losses on hedges	892
		Total net assets	296,546
		Total liabilities and net assets	732,871

[Note] Figures above are rounded off to the nearest JPY millions.

[Translation for Reference Purpose Only]
Non-Consolidated Statement of Income
(From April 1, 2025 to March 31, 2026)

(Unit: JPY millions)

Account title	Amount
Net sales	386,945
Cost of sales	330,367
Gross profit	56,577
Selling, general and administrative expenses	50,976
Operating profit	5,601
Non-operating income	30,288
Interest and dividend income	29,393
Foreign exchange gains	458
Other	436
Non-operating expenses	6,693
Interest expenses	2,858
Provision for loss on business of subsidiaries and associates	1,411
Provision of allowance for doubtful accounts	1,628
Other	794
Ordinary profit	29,195
Extraordinary income	52,293
Gain on disposal of non-current assets	892
Gain on sale of shares of subsidiaries and associates	12,725
Gain on sale of investment securities	18,983
Gain on revision of retirement benefit plan	19,437
Other	254
Extraordinary losses	10,396
Loss on disaster	6
Impairment losses	78
Loss on disposal of non-current assets	989
Loss on sale of investments in capital of subsidiaries and associates	4,493
Loss on valuation of investment securities	457
Provision of allowance for doubtful accounts	4,149
Other	220
Profit before income taxes	71,093
Income taxes-current	2,859
Income taxes-deferred	7,300
Profit	60,932

[Note] Figures above are rounded off to the nearest JPY millions.