

1H FY2022 Financial Results



November 9, 2022

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1. Summary of 1H FY2022 Financial Results

Summary of 1H FY2022 Financial Results

【Comparison with YY basis】

- The weak yen against the U.S. dollar was a factor in boosting business performance.
- In Telecommunication Systems, demand for data centers and FTTx was strong.
- In Electronics, demand for smartphones was strong.
- Despite the impact of the Shanghai lockdown, the impact of the semiconductor shortage was reduced.

As a result of the above, net sales increased by 22%, operating income increased by 90%, and **Sales, operating income, ordinary income, and net income reached record highs.**

【Comparison with 1H forecast (22.08.05)】

- The weak yen against the U.S. dollar was a factor in boosting business performance.
- In the Energy, business in North America was strong.
- The Telecommunication Systems and Electronics continued to perform well.
- The decrease in sales due to helium procurement difficulties was less than expected due to production measures and other factors.

As a result of the above, Sales increased by 5% and operating income by 53% compared to the previous forecast.

FY2022 - 1H Financial Results

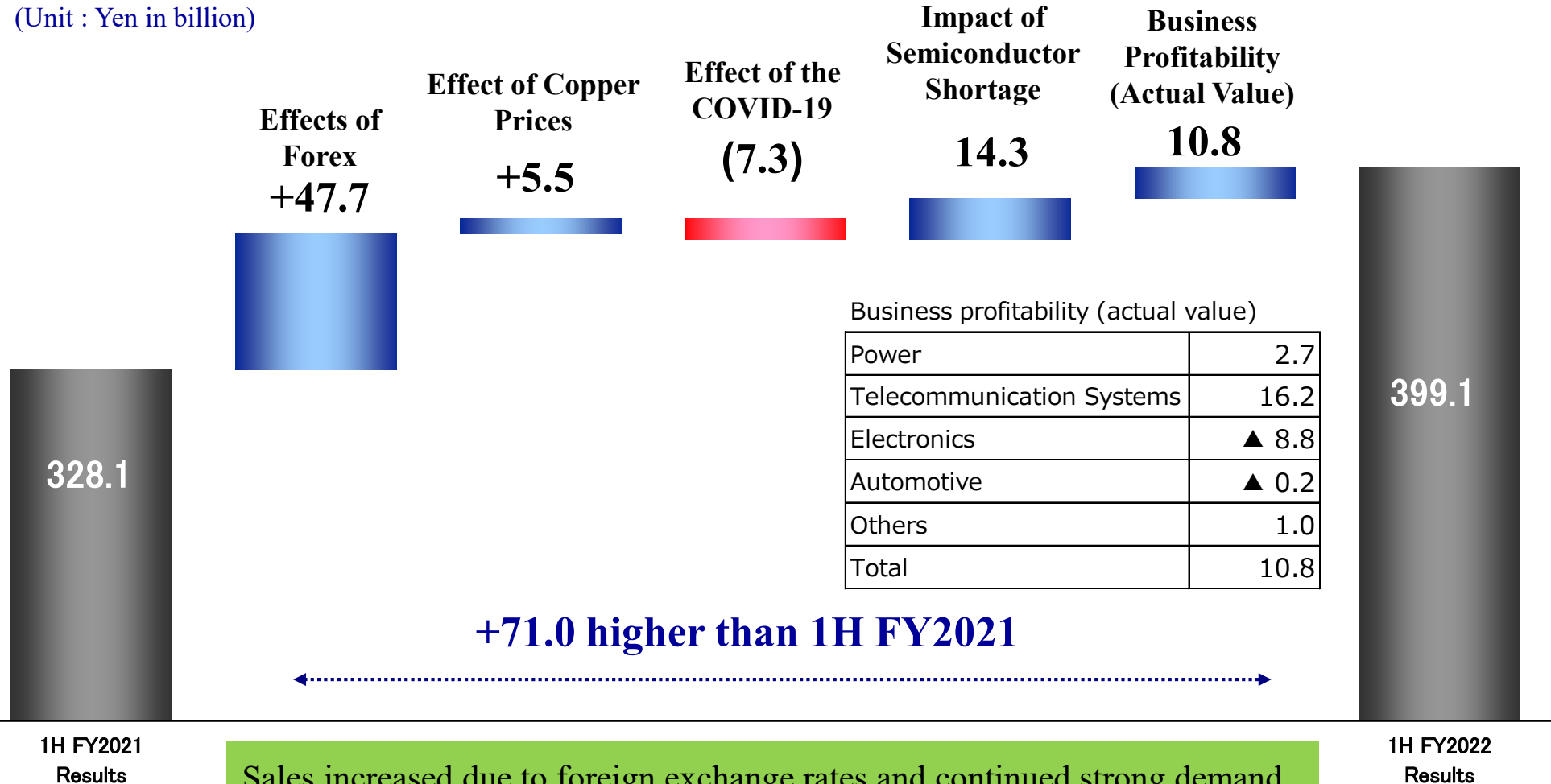
(Unit : Yen in billion)

	FY21-1H Actual	FY22-1H Revised Plan	FY22-1H Actual	Change			
				FY21vs FY22	Change(%)	8.5vs 11.9	Change(%)
Net sales	328.1	380.0	399.1	71.0	122%	19.1	105%
Operating Income	18.6	23.0	35.3	16.7	190%	12.3	153%
Ratio of Operating Income to Net Sales(%)	5.7	6.0	8.8	3.2	—	2.8	—
Share of other comprehensive income of entities accounted for using equity method	0.7	1.7	1.7	1.0	261%	0.0	105%
Ordinary Income	16.7	23.0	38.5	21.8	230%	15.5	167%
Net Income Attributable to Owners of Parent	17.2	17.0	31.8	14.6	185%	14.8	187%
Net Income per Share (JPY)	62.37	61.66	115.28	52.91	—	53.62	—
Exchange Rate (USD/JPY)	109.82	129.87	134.05	24.23	—	4.18	—
CU Base ('000JPY/ton)	1,086	1,190	1,205	119	—	15	—

1H FY2022 Contributing Factors to Net Sales Change (year-on-year basis)

Net Sales

(Unit : Yen in billion)



Sales increased due to foreign exchange rates and continued strong demand for data centers and FTTx in the Telecommunication Systems.

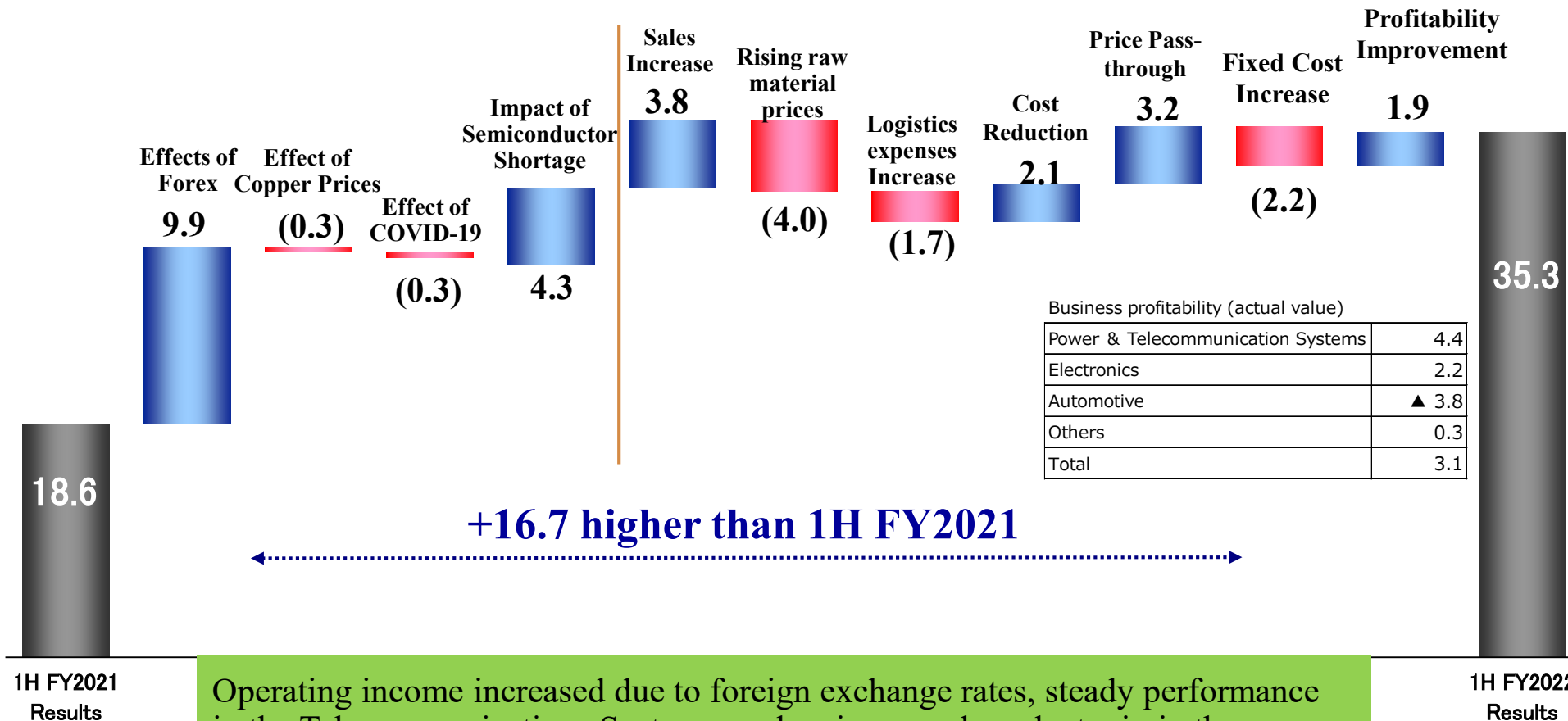
1H FY2022 Contributing Factors to Operating Income Change (year-on-year basis)

(Unit : Yen in billion)

Operating Income

Market Environment Factors +13.6

Business Profitability Factors +3.1

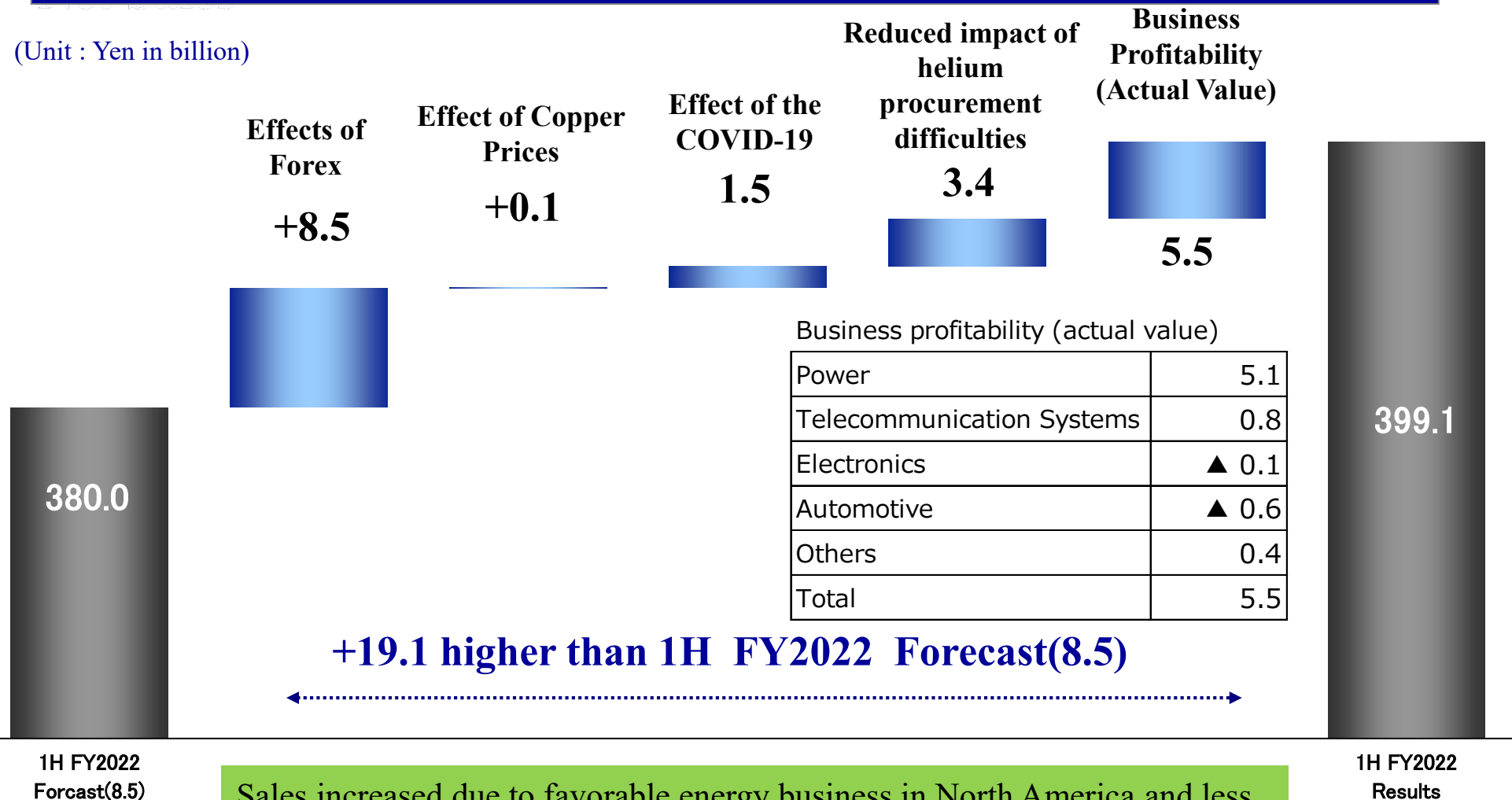


Operating income increased due to foreign exchange rates, steady performance in the Telecommunications Systems, and an improved product mix in the Electronics Business as a result of an order strategy that emphasizes profitability.

1H FY2022 Contributing Factors to Net Sales Change (forecast- basis)

Net Sales

(Unit : Yen in billion)



Sales increased due to favorable energy business in North America and less emergence of helium shortage than expected, in addition to the impact of foreign exchange fluctuations.

1H FY2022 Contributing Factors to Operating Income Change (forecast-basis)

Operating Income

(Unit : Yen in billion)

Reduced impact of

helium

procurement
difficulties

2.0

Effect of the
COVID-19

0.4

Effect of
Copper
Prices

0.3

Effects of
Forex

2.3

Business
Profitability
(Actual Value)

7.3

35.3

Business profitability (actual value)

Power & Telecommunication	5.1
Electronics	2.4
Automotive	▲ 0.7
Others	0.4
Total	7.3

23.0

+12.3 higher than FY2022 Forecast (8.5)

1H FY2022
Forecast(8.5)

1H FY2022
Results

Operating income increased due to strong performance of Power Business in North America and solid performance of Telecommunication Systems and Electronics Business, and also due to the effect of foreign exchange rate fluctuations.

1H FY2022 Extraordinary Profit and Loss

(Unit: Yen in billion)

	FY21-1H	FY22-1H
Operating Income	18.6	35.3
Share of other comprehensive income of entities accounted for using equity method	0.7	1.7
Ordinary Income	16.7	38.5
Extraordinary Income	5.6	4.7
Extraordinary Loss	0.6	2.2
Income before Income Taxes and Minority Interests	21.8	41.0
Total Income Taxes	4.0	8.6
Net Income non-controlling interests	0.6	0.7
Net Income attributable to owners of parent	17.2	31.8

FY2022 1H

Gain on sales of subsidiaries and affiliates: 4.2 billion yen, etc.

Consolidated B/S (1)

(Unit: Yen in billion)

	As of March 31, 2022	As of September 30, 2022	Change
〈Assets〉	611.5	685.4	73.9
Current Assets	369.1	421.4	52.2
Cash and Deposits	91.0	85.6	▲ 5.4
Notes and accounts receivable and	144.9	172.1	27.2
Inventories	112.6	142.2	29.6
Fixed Assets	242.4	264.1	21.7
Tangible Fixed Assets	174.1	186.5	12.4
Intangible Fixed Assets	15.4	19.5	4.1
Sub Total	189.5	206.0	16.4
Total Investments and Other Assets	52.8	58.1	5.2

Increase due to higher demand in the Power and Telecommunications Systems and seasonal factors in the Electronics Business.

Increase due to higher demand in the Power and Telecommunications Systems and mass production of new models in the Automotive Business, etc.

Lease 12.3
(Adoption of U.S. GAAP ASC 842)

Consolidated B/S (2)

(Unit: Yen in billion)

	As of March 31, 2022	As of September 30, 2022	Change
Total	611.5	685.4	73.9
(Treasury Stock)	(▲10.6)	(▲10.5)	0.1
<Liability>	367.9	388.5	20.6
Notes and Account Payable	71.8	82.7	10.8
Interest-bearing Debt	211.5	214.5	3.0
Other Liability	84.5	91.3	6.7
<Net Equity>	243.7	296.9	53.3
Shareholder's Equity	197.1	226.8	29.7
(Treasury Stock)	(▲10.6)	(▲10.5)	0.1
Accumulated Other Comprehensive Income	23.4	46.6	23.2
Non-controlling Interests	23.2	23.5	0.4
Equity-to-assets-ratio	36.1	39.9	3.8

Mainly due to an increase in operating capital.
Net D/E ratio is improved (35:65→32:68)
Net Debt 120.4⇒128.9 (+8.5)

Increase in lease obligations mainly due to the adoption of U.S. GAAP ASC 842 (+12.4)

Foreign currency impact +22.3

Financial Results and Forecasts by Segment

(Unit: Yen in billion)

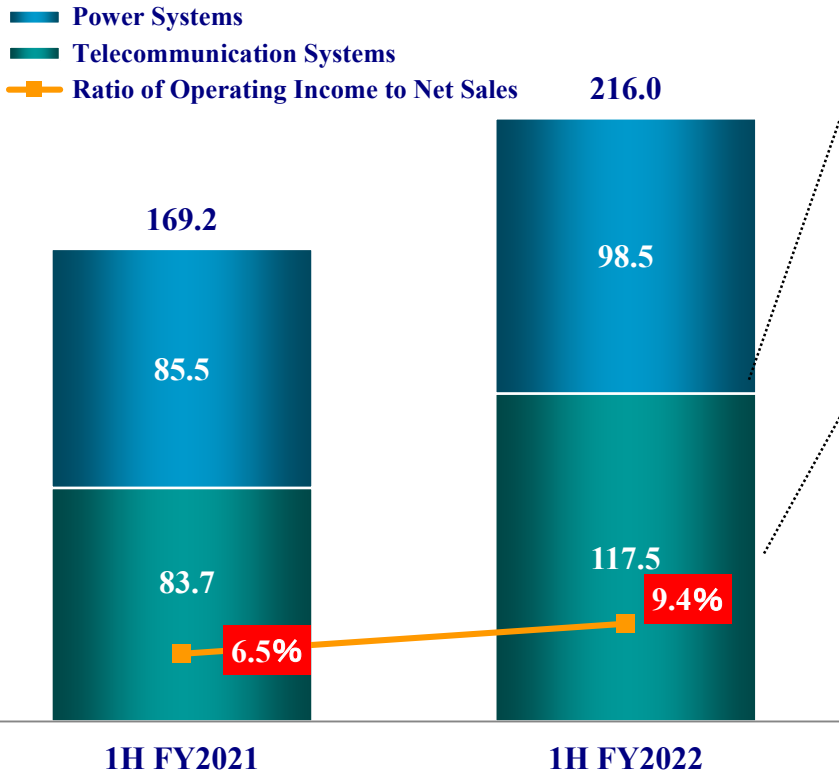
Segment	Net Sales				Operating Income(Loss) and Ratio of Operating Income to Net Sales			
	FY21	FY22	Change	Change (%)	FY21	FY22	Change	Change (%)
	1H Actual	1H Actual			1H Actual	1H Actual		
Power & Telecommunication	169.2	216.0	46.8	128% ▲	11.0 6.5%	20.3 9.4%	9.3 2.9%	184%
Electronics Business	91.8	98.8	6.9	108% ▲	6.8 7.5%	14.9 15.1%	8.1 7.7%	218%
Automotive Products	58.8	74.6	15.8	127% ▲	▲ 1.9 ▲ 3.3%	▲ 3.0 ▲ 4.1%	▲ 1.1 ▲ 0.8%	—
Electronic Products & Connector	150.6	173.4	22.8	115%	4.9 3.3%	11.9 6.9%	7.0 3.6%	242%
Real Estate Business	5.5	5.5	0.0	101% ▲	2.7 50.3%	2.7 48.7%	▲ 0.1 ▲ 1.6%	97%
Other	2.8	4.2	1.4	150%	▲ 0.1	0.4	0.5	—
Total	328.1	399.1	71.0	122%	18.6 5.7%	35.3 8.8%	16.7 3.2%	190%

Power & Telecommunication Systems

- 1H results showed an increase in sales and income, mainly due to forex effect and high demand for data centers and FTTx, and impact of helium shortage was less than expected.

(Unit: Yen in billion)

Net sales and Ratio of Operating Income to Net Sales



Power Systems

- 1H sales increased due to strong business in North America and rising copper prices.

Telecommunication Systems

- 1H sales increased due to increased demand for data centers and FTTx.

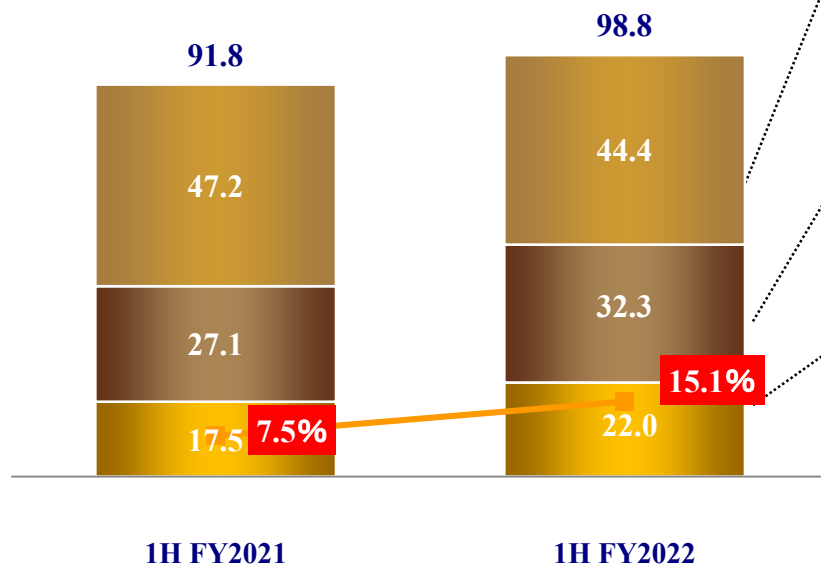
Electronics Business

- 1H results showed an increase in both sales and profit due to an improved product mix and the impact of foreign exchange rates, despite the impact of the Shanghai lockdown and the company's ongoing strategy of placing priority on profitability.

(Unit: Yen in billion)

Net sales and Ratio of Operating Income to Net Sales

- FPC
- Connector
- Other
- Ratio of Operating income to Net Sales



FPC

- 1H results showed a decrease in sales due to the impact of the Shanghai lockdown.

Connector

- In 1H, net sales slightly increased mainly for smartphones.

Electronic Components

- In 1H results were higher sales due to steady demand and the impact of foreign exchange rates.

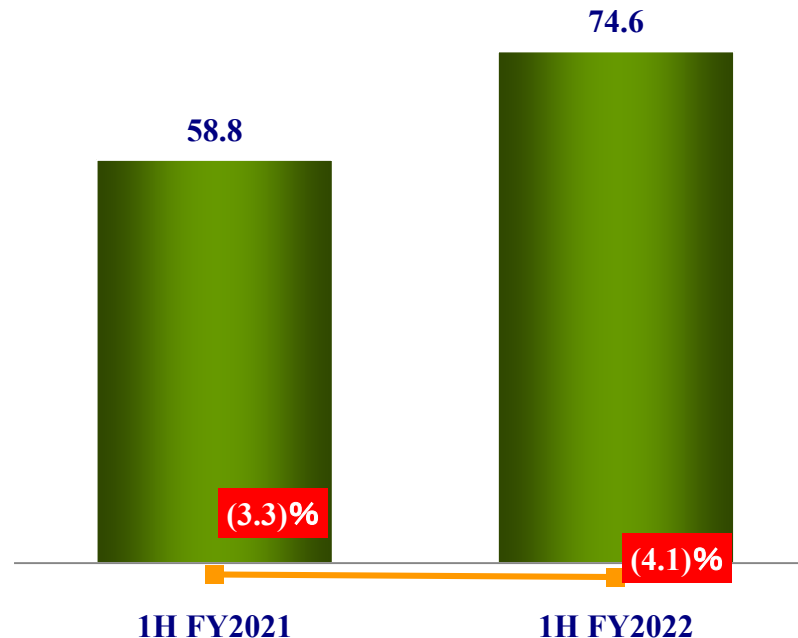
Automotive Products Business

- 1H sales are showed to increase due to the reduced impact of the semiconductor shortage and foreign exchange effects, but losses are showed to increase due to soaring material, distribution, and labor costs, as well as upfront costs associated with the launch of new models in the second half of the year.

(Unit: Yen in billion)

Net sales and Ratio of Operating Income to Net Sales

— Ratio of Operating Income to Net sales



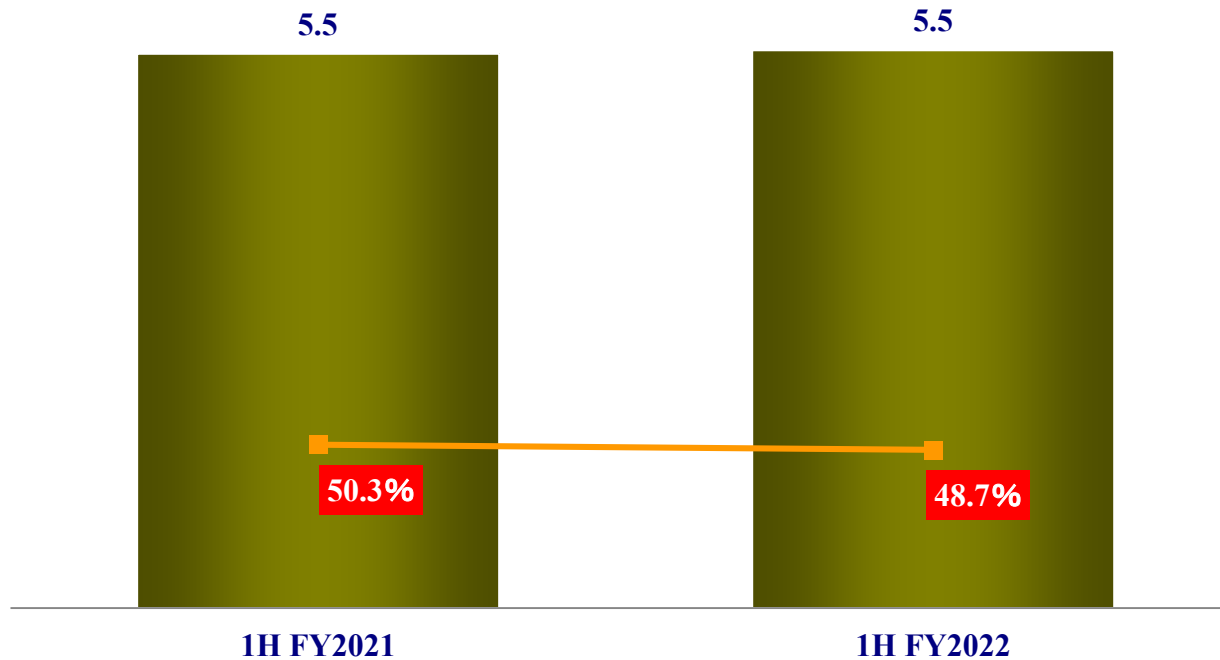
Real Estate Business

- Although vacancy rates in the surrounding areas increased slightly from the previous period, our facilities were able to maintain high occupancy rates, and revenues remained on par with the previous period. As a result, earnings remained at the same level as the previous period.

(Unit: Yen in billion)

Net sales and Ratio of Operating Income to Net Sales

— Ratio of Operating Income to Net Sales



2. Revision of Full-year Forecasts

Summary of FY2022 - Full-Year Forecasts

<Net sales>

- Due to the impact of foreign exchange rates and the expected continued strong performance of the Telecommunication Systems, sales are expected to increase 18% and 7% from previous forecast.

<Operating Income, Ordinary Income>

- Due to the strong performance of the Telecommunication Systems and Electronics businesses and the impact of foreign exchange rates, both operating income and ordinary income are expected to increase significantly from the previous year and from the previous forecast.

<Net Income>

- Based on the current business environment, including the impact of semiconductor shortages among customers and further intensification of price competition, and factoring in the risk of losses, net income attributable to shareholders of the parent company is expected to increase only slightly, by 4% compared to the previous forecast.

Net sales, operating income, and ordinary income are expected to reach record highs.

Summary of FY2022 - 1H Forecasts

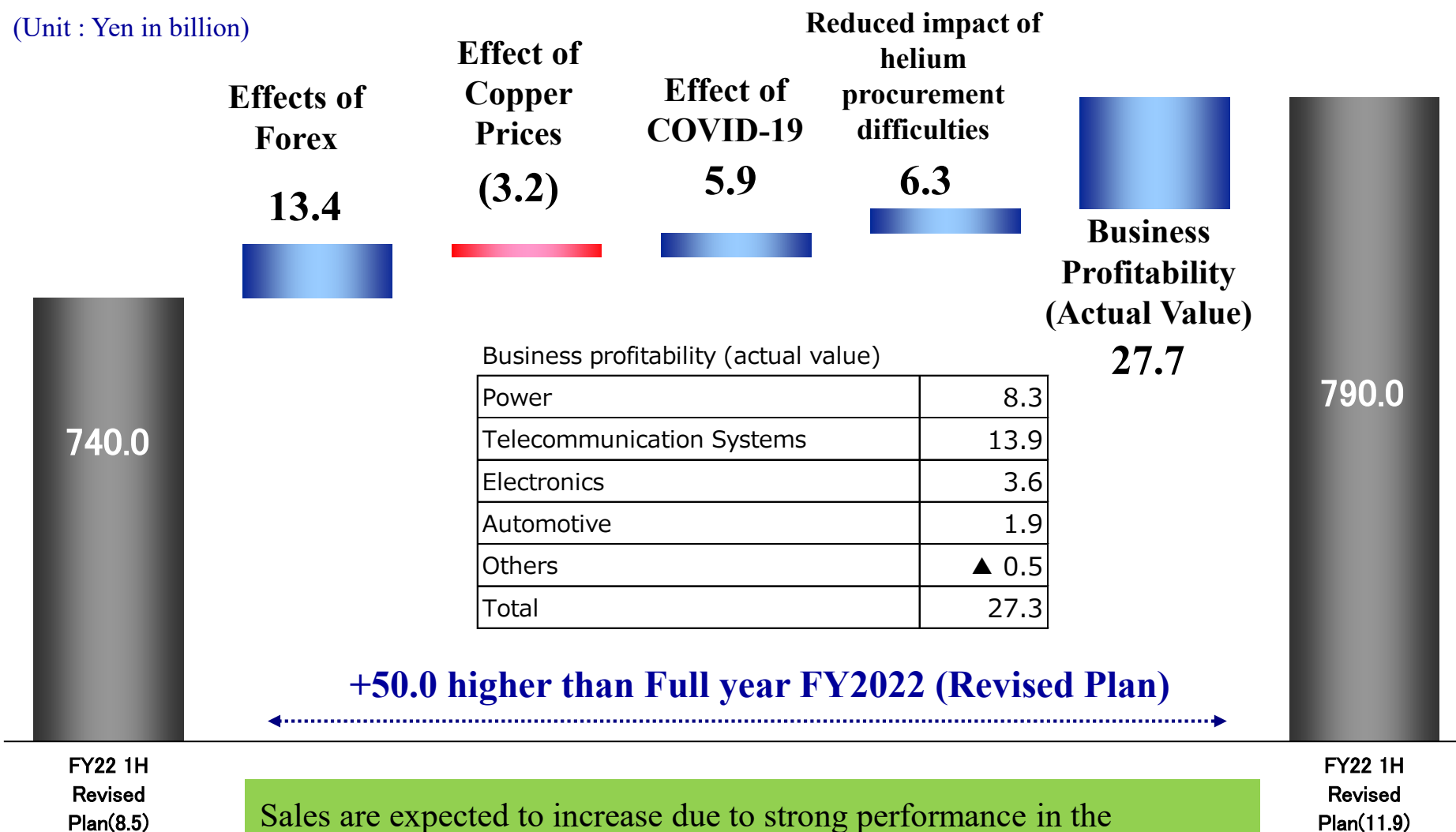
(Unit : Yen in billion)

	FY21	FY22	FY22	FY22	Change			
	Actual	Original Plan	Revised Plan	Revised Plan	FY21vs FY22	Change (%)	8.5vs 11.9	Change (%)
		2022.05.12	2022.08.05	2022.11.09				
Net sales	670.3	700.0	740.0	790.0	119.7	118%	50.0	107%
Operating Income	38.3	42.0	50.0	68.5	30.2	179%	18.5	137%
Ratio of Operating Income to Net Sales(%)	5.7	6.0	6.8	8.7	3.0	—	1.9	—
Share of other comprehensive income of entities accounted for using equity method	2.1	2.4	3.0	3.2	1.1	152%	0.2	107%
Ordinary Income	34.1	37.0	47.0	69.0	34.9	202%	22.0	147%
Net Income Attributable to Owners of Parent	39.1	22.5	34.0	35.5	▲3.6	91%	1.5	104%
Net Income per Share (JPY)	141.85	81.61	123.31	128.74	▲ 13.11	—	5.43	—
Dividend per Share (JPY)	10.0	16.0	16.0	26.0	16.0	—	10.0	—
ROE (%)	20.4	9.8	14.4	14.4	▲6.0	—	0.0	—
Exchange Rate (USD/JPY)	112.40	120.00	125.00	132.00	19.60	—	7.00	—
CU Base ('000JPY/ton)	1,130	1,200	1,200	1,150	20	—	▲ 50	—

Full year FY2022 Contributing Factors to Net Sales Change (Revised Plan Basis)

Net Sales

(Unit : Yen in billion)

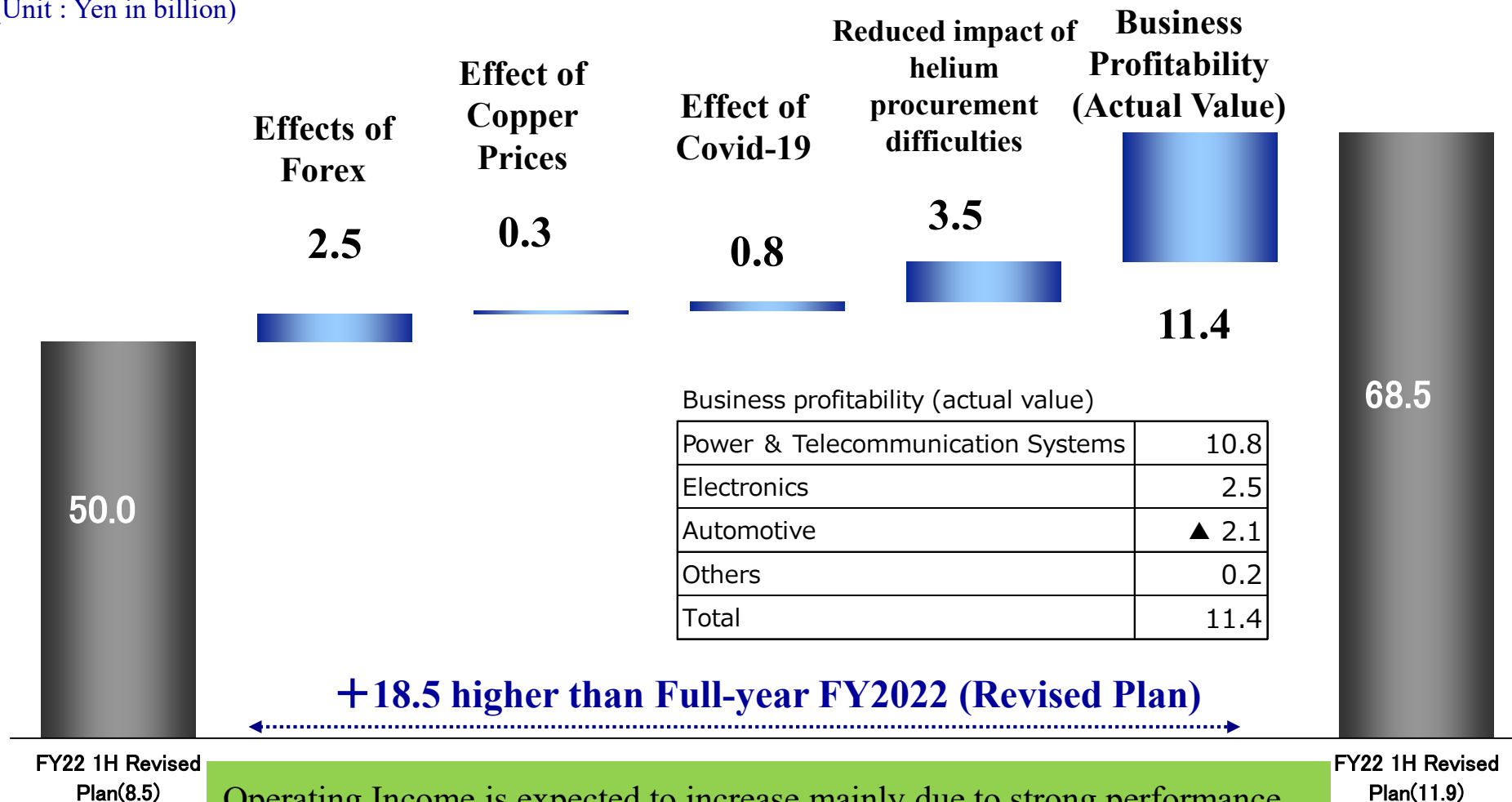


Sales are expected to increase due to strong performance in the Telecommunications Systems and the Power in North America, as well as the impact of foreign exchange fluctuations.

Full year FY2022 Contributing Factors to Operating Income Change (Revised Plan Basis)

Operating Income

(Unit : Yen in billion)



Operating Income is expected to increase mainly due to strong performance mainly in the Telecommunication Systems and Electronics Business, etc.

FY2022 - Full year Forecasts by Segment

(Unit: Yen in billion)

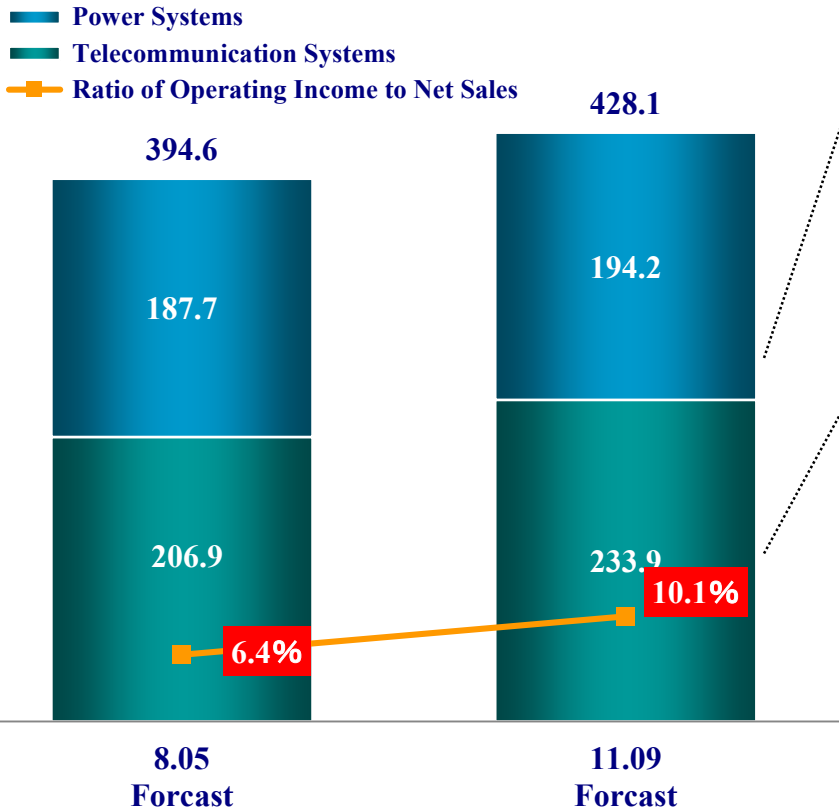
Segment	Net Sales				Operating Income(Loss) and Ratio of Operating Income to Net Sales			
	Revised Plan	Revised Plan	Change	Change(%)	Revised Plan	Revised Plan	Change	Change(%)
	22.08.05	22.11.09			22.08.05	22.11.09		
Power & Telecommunication	394.6	428.1	33.5	108%	25.5 6.4%	43.2 10.1%	17.8 3.6%	170%
Electronics Business	181.2	194.0	12.8	107%	20.6 11.4%	23.5 12.1%	2.9 0.7%	114%
Automotive Products	145.2	148.9	3.7	103%	▲ 0.8 ▲0.6%	▲ 3.2 ▲2.1%	(▲2.3) (▲1.6%)	—
Electronic Products & Connector	326.5	343.0	16.5	105%	19.7 6.0%	20.3 5.9%	0.5 (▲0.1%)	103%
Real Estate Business	10.7	10.7	0.0	100%	4.6 43.1%	4.7 43.6%	0.1 0.5%	102%
Other	8.2	8.2	0.0	100%	0.2	0.3	0.1	158%
Total	740.0	790.0	50.0	107%	50.0 6.8%	68.5 8.7%	18.5 1.9%	137%

Power & Telecommunication Systems

- Compared to the previous forecast, sales and profit are expected to increase due to the impact of foreign exchange rates and high demand for data centers and FTTx support, and impact of helium shortage was less than expected.

(Unit: Yen in billion)

Net sales and Ratio of Operating Income to Net Sales



Power Systems

- Sales are expected to increase due to strong business in North America and solid domestic private-sector demand.

Telecommunication Systems

- Sales are expected to increase mainly due to increased demand in response to data centers and FTTx.

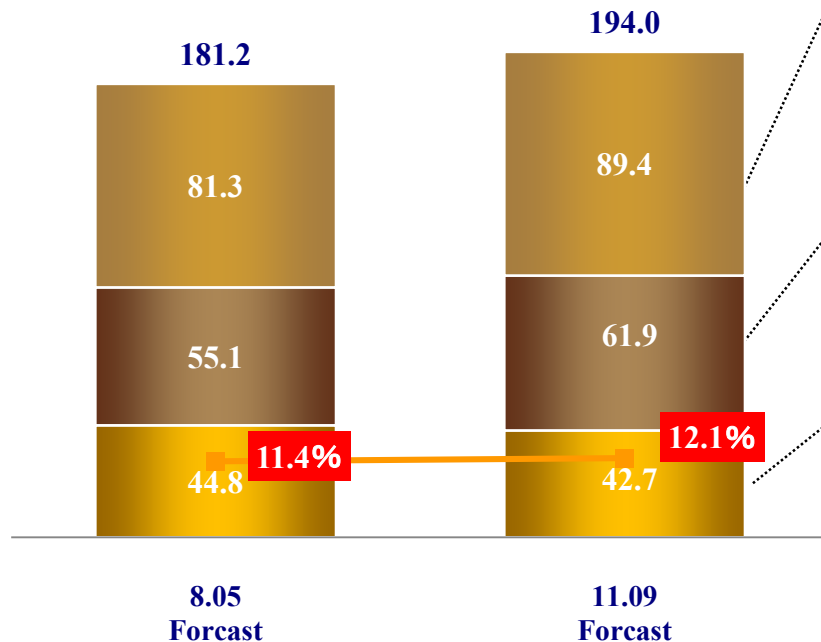
Electronics Business

- Compared to the previous forecast, sales and profits are expected to increase due to favorable sales for smartphones, improved product mix, and the impact of foreign exchange rates.

(Unit: Yen in billion)

Net sales and Ratio of Operating Income to Net Sales

- FPC
- Connector
- Other
- Ratio of Operating income to Net Sales



FPC

- Sales are expected to increase due to a better product mix and the impact of foreign exchange rates.

Connector

- Sales are expected to increase due to strong sales for smartphones.

Electronic Components

- Sales are expected to decrease due to a slowdown in special demand caused by the COVID-19.

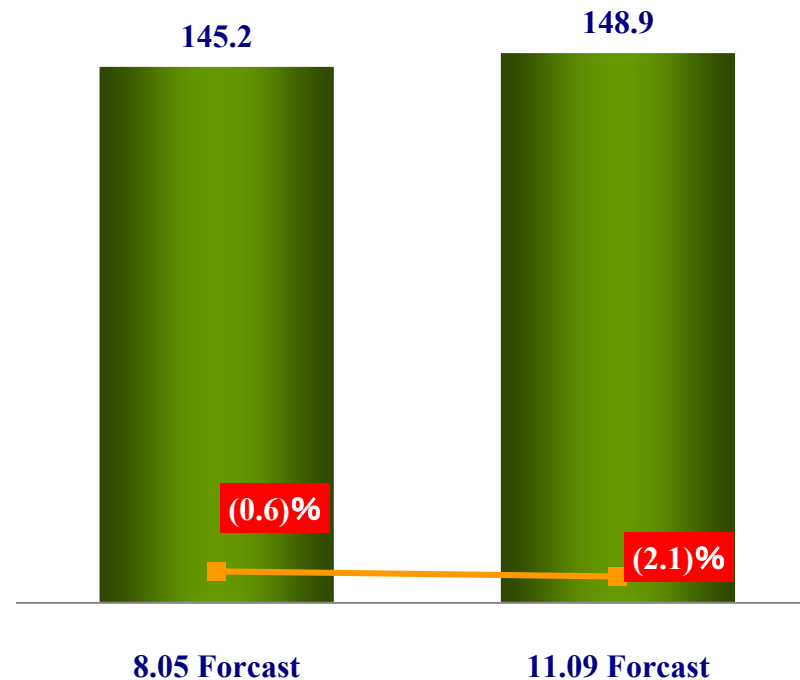
Automotive Products Business

- Losses are expected to increase due to higher material and logistics costs and labor costs.

(Unit: Yen in billion)

Net sales and Ratio of Operating Income to Net Sales

— Ratio of Operating Income to Net sales



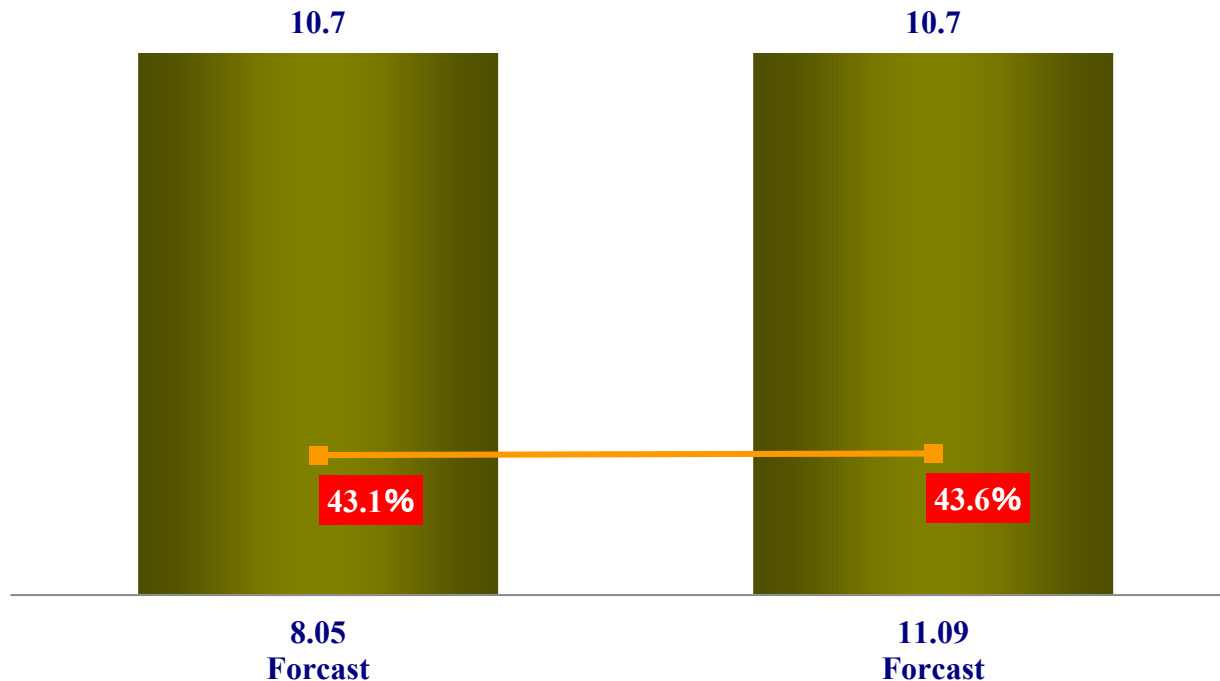
Real Estate Business

- Rent levels and expected vacancies remain unchanged from the previous forecast. The company will continue to systematically implement facility renewal and strive to increase asset value.

(Unit: Yen in billion)

Net sales and Ratio of Operating Income to Net Sales

— Ratio of Operating Income to Net Sales



Shareholder Return

■FY22: Shareholder Return

With regard to dividends for the current fiscal year, we have resolved an interim dividend and revised the year-end dividend, increasing the annual dividend forecast by 10 yen per share, to 26 yen per share, since our business remained strong in the first half of the fiscal year and is expected to exceed the forecast as of August 5, 2022 in the second half of the fiscal year.

■ FY22:Forecast

Dividend 26.0 yen/share (interim 13.0 yen/share, year-end 13.0 yen/share,
total dividend 7.2 billion yen)

■ FY 21 results

Dividend 10.0 yen/share (Interim: 0.0 yen/share, Year-end: 10.0 yen/share,
total dividend 2.8 billion yen)

Appendix

Net Sales by Segment

Unit: Yen in Billion

		FY2021						FY2022					FY2022 Forecast (8.5)		
		1Q	2Q	3Q	4Q	1H	2H	Full Year	1Q	2Q	1H	2H	Full Year	1H	Full Year
Power & Telecommunication Systems	Power Systems	42.1	43.3	45.2	48.5	85.5	93.7	179.2	47.1	51.3	98.5	95.7	194.2	92.6	187.7
	Telecommunication Systems	40.9	42.8	44.2	46.6	83.7	90.7	174.5	53.8	63.7	117.5	116.4	233.9	110.6	206.9
		83.1	86.1	89.4	95.1	169.2	184.4	353.6	100.9	115.1	216.0	212.1	428.1	203.2	394.6
Electronics	FPC	23.5	23.7	21.8	21.3	47.2	43.1	90.3	16.5	27.9	44.4	45.0	89.4	42.7	81.3
	Connector	11.1	16.0	13.0	12.9	27.1	25.9	53.0	12.0	20.4	32.3	29.5	61.9	28.2	55.1
	Components	8.6	8.9	9.5	8.2	17.5	17.7	35.2	10.6	11.4	22.0	20.7	42.7	22.4	44.8
		43.3	48.6	44.3	42.3	91.8	86.7	178.5	39.0	59.7	98.8	95.3	194.0	93.4	181.2
	Automotive Products	32.3	26.5	29.9	32.6	58.8	62.5	121.3	36.1	38.5	74.6	74.3	148.9	74.2	145.2
		75.6	75.1	74.2	74.9	150.6	149.2	299.8	75.2	98.2	173.4	169.6	343.0	167.6	326.5
	Real Estate Business	2.7	2.7	2.7	2.7	5.5	5.4	10.9	2.7	2.8	5.5	5.2	10.7	5.4	10.7
	Other	1.3	1.5	1.4	1.8	2.8	3.2	6.0	2.1	2.1	4.2	4.0	8.2	3.8	8.2
	Total	162.7	165.4	167.7	174.5	328.1	342.3	670.3	180.9	218.2	399.1	390.9	790.0	380.0	740.0

Operating Income by Segment

Unit: Yen in Billion

	FY2021							FY2022					FY2022 Forecast (8.5)	
	1Q	2Q	3Q	4Q	1H	2H	Full Year	1Q	2Q	1H	2H	Full Year	1H	Full Year
Power & Telecommunication Systems	6.4	4.6	6.5	7.6	11.0	14.2	25.2	7.0	13.3	20.3	23.0	43.2	12.2	25.5
Electronics	2.1	4.8	4.2	2.8	6.8	6.9	13.8	4.1	10.9	14.9	8.5	23.5	10.3	20.6
Automotive Products	(0.2)	(1.8)	(2.2)	(1.4)	(1.9)	(3.6)	(5.6)	(1.3)	(1.8)	(3.0)	(0.1)	(3.2)	(2.2)	(0.8)
Electronics Automotive Connector	1.9	3.0	1.9	1.4	4.9	3.3	8.2	2.8	9.1	11.9	8.4	20.3	8.0	19.7
Real Estate Business	1.4	1.3	1.1	1.3	2.7	2.4	5.1	1.4	1.3	2.7	2.0	4.7	2.5	4.6
Other	(0.1)	0.0	(0.2)	0.0	(0.1)	(0.2)	(0.2)	0.1	0.3	0.4	(0.2)	0.3	0.1	0.2
Total	9.7	8.9	9.4	10.3	18.6	19.7	38.3	11.3	24.0	35.3	33.2	68.5	23.0	50.0



Special Notes:

Statements in this presentation that relate to future to results and events (including statements regarding Fujikura's revenue and earnings guidance) and based on Fujikura's current expectations. Actual results in future periods may differ materially from those currently expected because of a number of risks and uncertainties. These factors include the effects of general economics on the level of demand for Fujikura's products and services, and on Fujikura's ability to manage supply and delivery logistics; the level and intensity of competition in the electronic and telecommunication equipment industries, the pricing pressures that result, the ability of Fujikura to timely and effectively manage product transitions, component/material availability and cost; the ability of Fujikura to develop new products based on new or evolving technology; and the ability of Fujikura to manage its inventory levels to minimize excess inventory.