

1Q FY2022 Financial Results



August 5, 2022

Contents

- 1. Summary of 1Q FY2022 Financial Results**
- 2. Revision of 1H Forecasts**

1. Summary of 1Q FY2022 Financial Results

Summary of 1Q FY2022 Financial Results

【1Q Actual(Year on Year basis)】

<Net Sales>

- The impact of the Shanghai lockdown and the strategy of focusing on profitability in the FPC business, overall sales increased 11% due to continued strong demand for data centers in the Power & Telecommunication Systems.

<Operating Income>

- Operating income increased 17% overall due to steady performance in the Power & Telecommunication Systems, an improved product mix in the Electronics business as a result of an order strategy that emphasizes profitability, and the impact of foreign exchange rates.

<Ordinary Income and Net Income>

- Due to the solid performance of the business as described above, Ordinary income increased by 34% and net income attributable to owners of the parent increased by 26%.

FY2022-1Q Financial Results

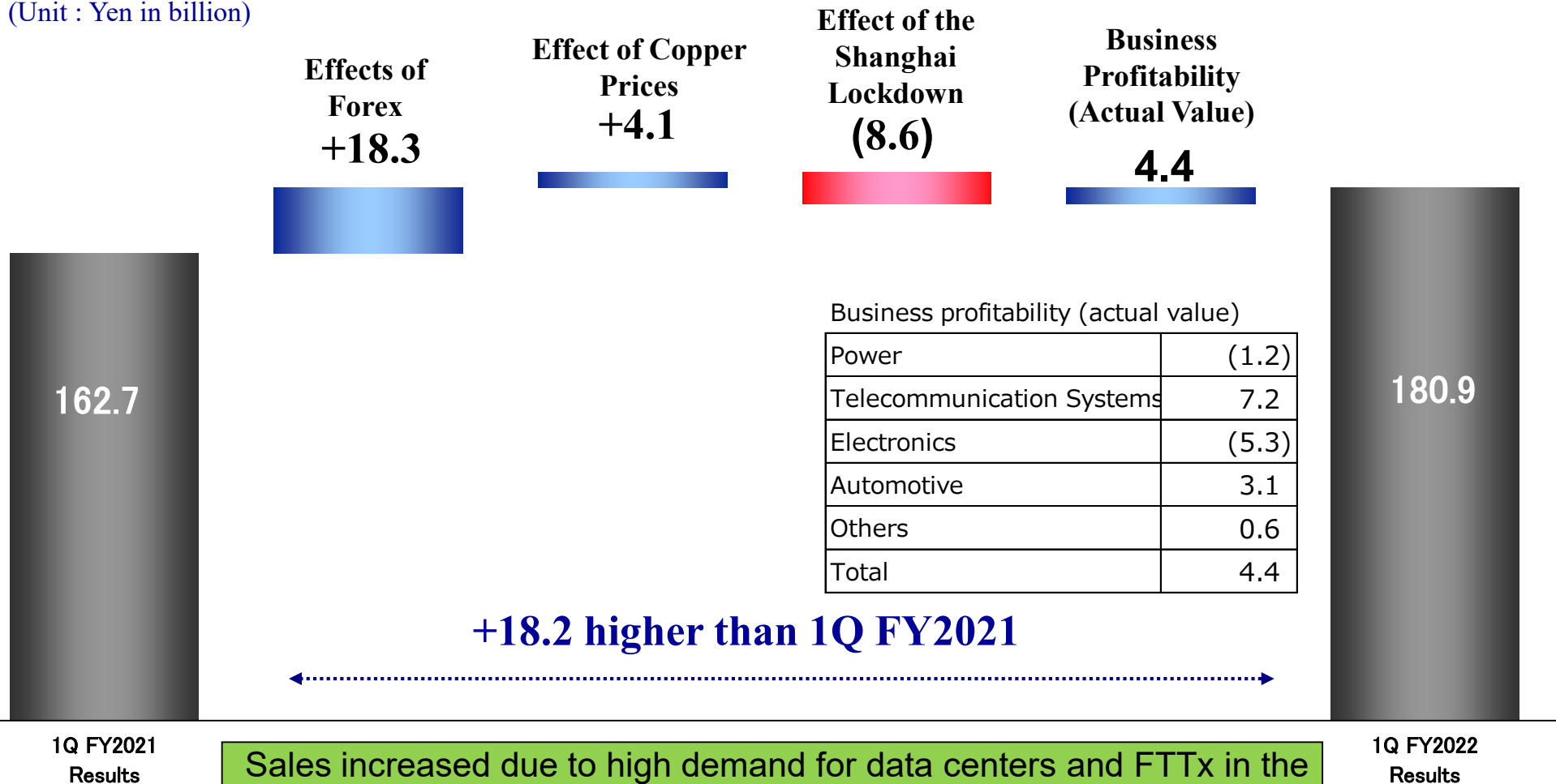
(Unit : Yen in billion)

	1Q Results Comparison			
	FY21-1Q	FY22-1Q	Change	Change(%)
Net sales	162.7	180.9	18.2	111%
Operating Income	9.7	11.3	1.6	117%
Ratio of Operating Income to Net Sales(%)	6.0	6.2	0.3	—
Share of other comprehensive income of entities accounted for using equity method	0.3	1.1	0.8	—
Ordinary Income	9.3	12.5	3.2	134%
Net Income Attributable to Owners of Parent	6.6	8.3	1.7	126%
Net Income per Share (JPY)	23.85	29.96	6.11	—
Exchange Rate (USD/JPY)	109.52	129.73	20.21	—
CU Base ('000JPY/ton)	1,104	1,286	182	—

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

Net Sales

(Unit : Yen in billion)



Sales increased due to high demand for data centers and FTTx in the Telecommunication Systems and favorable foreign exchange rates, despite the impact of the Shanghai lockdown.

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

Operating Income

(Unit : Yen in billion)

**Effects of
Forex
3.5**



**Effect of
Copper
Prices
(1.1)**



**Effect of the
Shanghai
Lockdown
(0.8)**



**Business
Profitability
(Actual Value)
0.0**

Business profitability (actual value)

Power & Telecommunication Systems	0.0
Electronics	0.6
Automotive	(0.7)
Others	0.1
Total	0.0

9.7

11.3

+1.6 higher than 1Q FY2021

1Q FY2021
Results

1Q FY2022
Results

Increase due to steady in the Telecommunication Systems and improved product mix in the Electronics Business as a result of an order strategy that emphasizes profitability and effect of forex.

1Q FY2022 Extraordinary Profit and Loss

(Unit: Yen in billion)

	FY21-1Q	FY22-1Q
Operating Income	9.7	11.3
comprehensive income of entities accounted for using equity method	0.3	1.1
Ordinary Income	9.3	12.5
Extraordinary Income	0.1	0.2
Extraordinary Loss	0.2	0.3
Income before Income Taxes and Minority Interests	9.2	12.4
Total Income Taxes	2.4	3.8
Net Income non-controlling interests	0.2	0.3
Net Income attributable to owners of parent	6.6	8.3

FY2022 1Q

There were no particularly large extraordinary gains or losses.

Consolidated B/S (1)

(Unit: Yen in billion)

	As of March 31, 2022	As of June 30, 2022	Chnge
〈Assets〉	611.5	658.4	46.9
Current Assets	369.1	395.6	26.4
Cash and Deposits	91.0	86.3	(4.8)
Notes and accounts receivable and contract assets	144.9	150.6	5.7
Inventories	112.6	137.3	24.7
Fixed Assets	242.4	262.8	20.5
Tangible Fixed Assets	174.1	188.0	13.9
Intangible Fixed Assets	15.4	19.0	3.6
Sub Total	189.5	207.0	17.5
Total Investments and Other Assets	52.8	55.8	3.0

Increase in inventories in preparation for higher demand in the Power & Telecommunication Systems division and for Shanghai lockdown and shipments in the 2Q in the Electronics business division.

Lease 12.7
(Adoption of U.S. GAAP ASC 842)

Consolidated B/S (2)

(Unit: Yen in billion)

	As of March 31, 2022	As of June 30, 2022	Change
Total	611.5	658.4	46.9
(Treasury Stock)	(▲10.6)	(▲10.5)	0.1
〈Liability〉	367.9	393.5	25.6
Notes and Account Payable	71.8	79.2	7.4
Interest-bearing Debt	211.5	220.1	8.6
Other Liability	84.5	94.1	9.6
〈Net Equity〉	243.7	265.0	21.3
Shareholder's Equity	197.1	203.6	6.5
(Treasury Stock)	(▲10.6)	(▲10.5)	0.1
Accumulated Other Comprehensive Income	23.4	38.4	15.0
Non-controlling Interests	23.2	22.9	(0.2)
Equity-to-assets-ratio	36.1	36.8	0.7

Mainly due to an increase in operating capital.
Net D/E ratio is improved (35:65→36:64)
Net Debt 120.4⇒133.9 (+13.4)

Increase in lease obligations mainly due to the adoption of U.S. GAAP ASC 842 (+12.7)

Foreign currency impact +14.6

Financial Results and Forecasts by Segment

(Unit: Yen in billion)

Segment	Net Sales				Operating Income(Loss) and Ratio of Operating Income to Net Sales			
	FY21-1Q Results	FY22-1Q Results	Change	Change (%)	FY21-1Q Results	FY22-1Q Results	Change	Change (%)
Power & Telecommunication	83.1	100.9	17.8	121% ▲	6.4 7.7%	7.0 6.9%	0.6 (▲0.8%)	109%
Electronics Business	43.3	39.0	(4.2)	90% ▲	2.1 4.8%	4.1 10.4%	2.0 5.6%	195%
Automotive Products	32.3	36.1	3.9	112% ▲	(0.2) (0.5%)	(1.3) (3.5%)	(1.1) (3.0%)	—
Electronic Products & Connector	75.6	75.2	(0.4)	99%	1.9 2.5%	2.8 3.7%	0.9 1.2%	146%
Real Estate Business	2.7	2.7	0.0	100%	1.4 52.4%	1.4 50.5%	(0.0) (▲2.0%)	97%
Other	1.3	2.1	0.7	156%	(0.1)	0.1	0.2	—
Total	162.7	180.9	18.2	111%	9.7 6.0%	11.3 6.2%	1.6 0.3%	117%

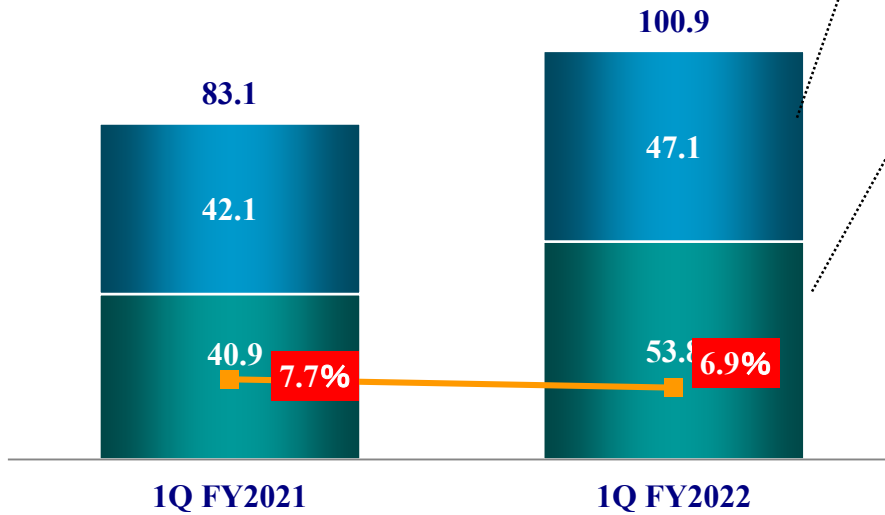
Power & Telecommunication Systems

- 1Q results showed an increase in sales and income, mainly due to favorable forex effect and high demand for data centers and FTTx at North America.

(Unit: Yen in billion)

Net sales and Ratio of Operating Income to Net Sales

- Power Systems
- Telecommunication Systems
- Ratio of Operating Income to Net Sales



Power Systems

- 1Q sales increased due to strong business in North America and favorable forex effect.

Telecommunication Systems

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

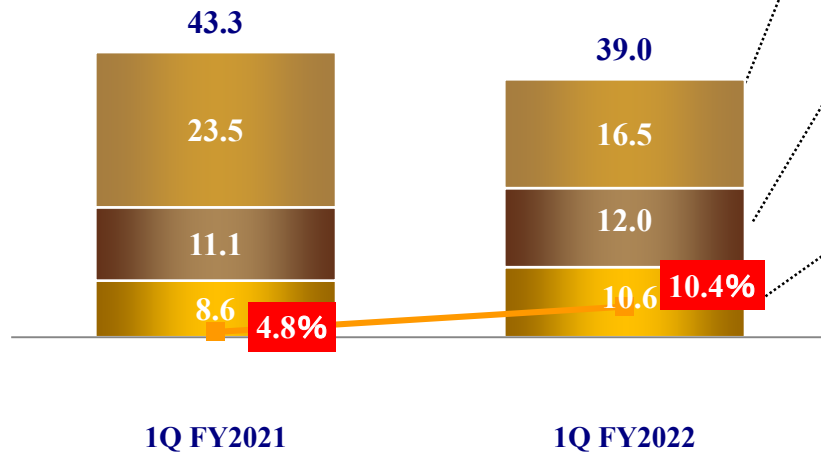
Electronics Business

- 1Q results showed decrease in sales due to the impact of the Shanghai lockdown and on-going order strategy emphasizing profitability, but an improvement in the product mix and favorable forex effect led to an increase in profit.

(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

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

Connector

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

Electronic Components

- In 1Q show an increase in sales due to the favorable impact of forex effect and Stay Home demand becomes the normalized trend.

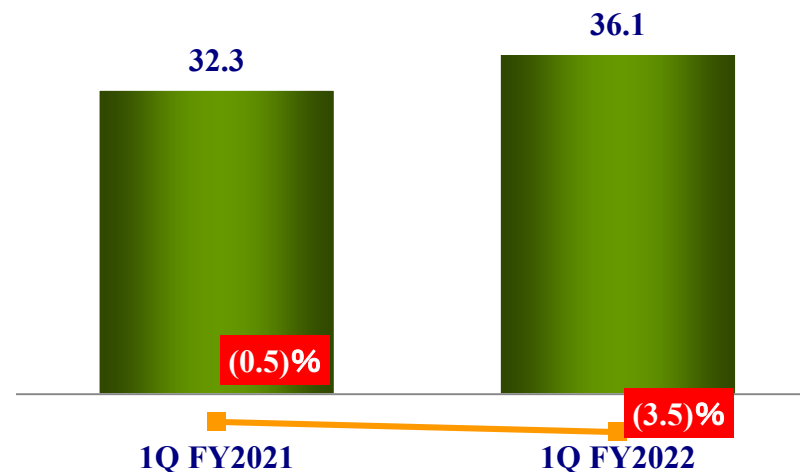
Automotive Products Business

- 1Q results showed higher sales due to high demand from European and U.S. customers, but lower profits due to soaring materials costs, logistics costs and 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



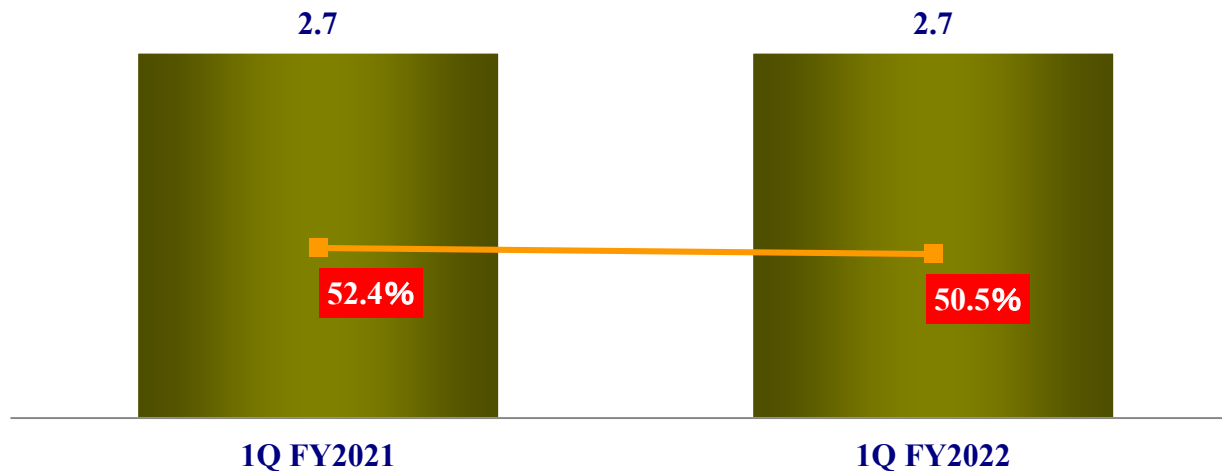
Real Estate Business

■ Revenues from leasing real estate properties continue to contribute to consolidated operating income.

(Unit: Yen in billion)

Net sales and Ratio of Operating Income to Net Sales

— Ratio of Operating Income to Net Sales



2. Revision of 1H Forecasts

Summary of FY2022-1H Forecasts

【Revision of 1H Forecast】

- **The 1H forecast has been revised upward from the original plan due to favorable foreign exchange rates, the impact of the Shanghai lockdown not being as large as originally expected, and the impact of Helium procurement difficulties in the Telecommunication systems segment likely to be lower than expected.**

【2H and Full Year】

- **For the 2H, due to many uncertainties such as foreign exchange rates, rising material and logistics costs, Helium procurement difficulties and economic slowdown in Europe and the U.S, the company maintained its original 2H forecast and upwardly revised its original forecast for the full year.**

Summary of FY2022-1H Forecasts

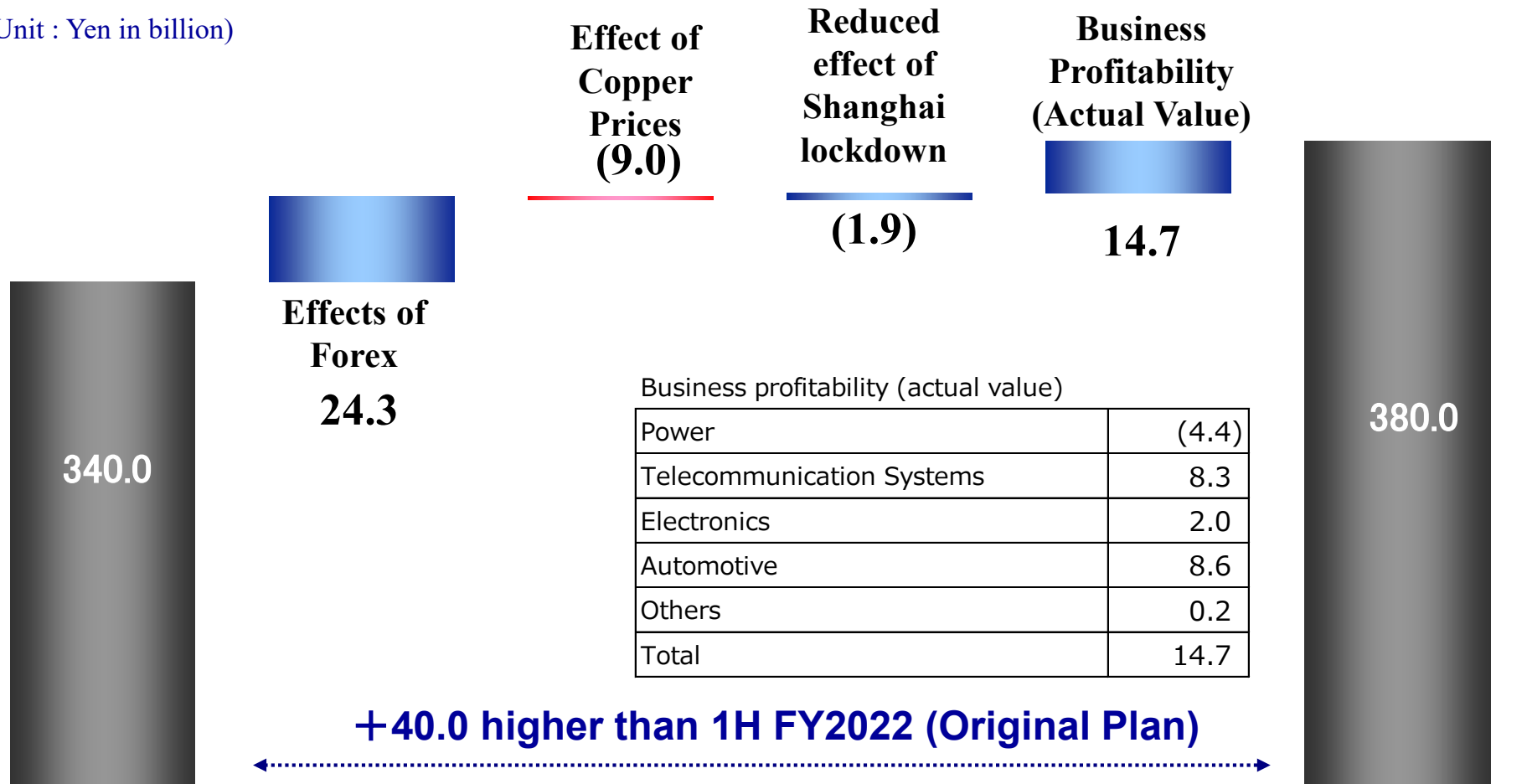
(Unit : Yen in billion)

	FY22		FY22		Change			
	Original Plan		Revised Plan					
	12-May-22		5-Aug-22					
	1H	Full Year	1H	Full Year	1H	Change (%)	Full Year	Change (%)
Net sales	340.0	700.0	380.0	740.0	40.0	112%	40.0	106%
Operating Income	15.0	42.0	23.0	50.0	8.0	153%	8.0	119%
Ratio of Operating Income to Net Sales(%)	4.4	6.0	6.0	6.8	1.6	—	0.8	—
Share of other comprehensive income of entities accounted for using equity method	1.1	2.4	1.7	3.0	0.6	—	0.6	—
Ordinary Income	13.0	37.0	23.0	47.0	10.0	177%	10.0	127%
Net Income Attributable to Owners of Parent	5.5	22.5	17.0	34.0	11.5	309%	11.5	151%
Net Income per Share (JPY)	19.95	81.61	61.66	123.31	41.71	—	41.70	—
Dividend per Share (JPY)	0.0	16.0	0.0	16.0	0.0	—	0.0	—
ROE (%)	—	9.8	—	14.4	—	—	4.6	—
Exchange Rate (USD/JPY)	120.00	120.00	129.87	125.00	9.87	—	5.00	—
CU Base ('000JPY/ton)	1,200	1,200	1,190	1,200	▲ 10	—	0	—

1H FY2022 Contributing Factors to Net Sales Change (Revised plan basis)

Net Sales

(Unit : Yen in billion)



FY22 1H Original Plan(5.12)

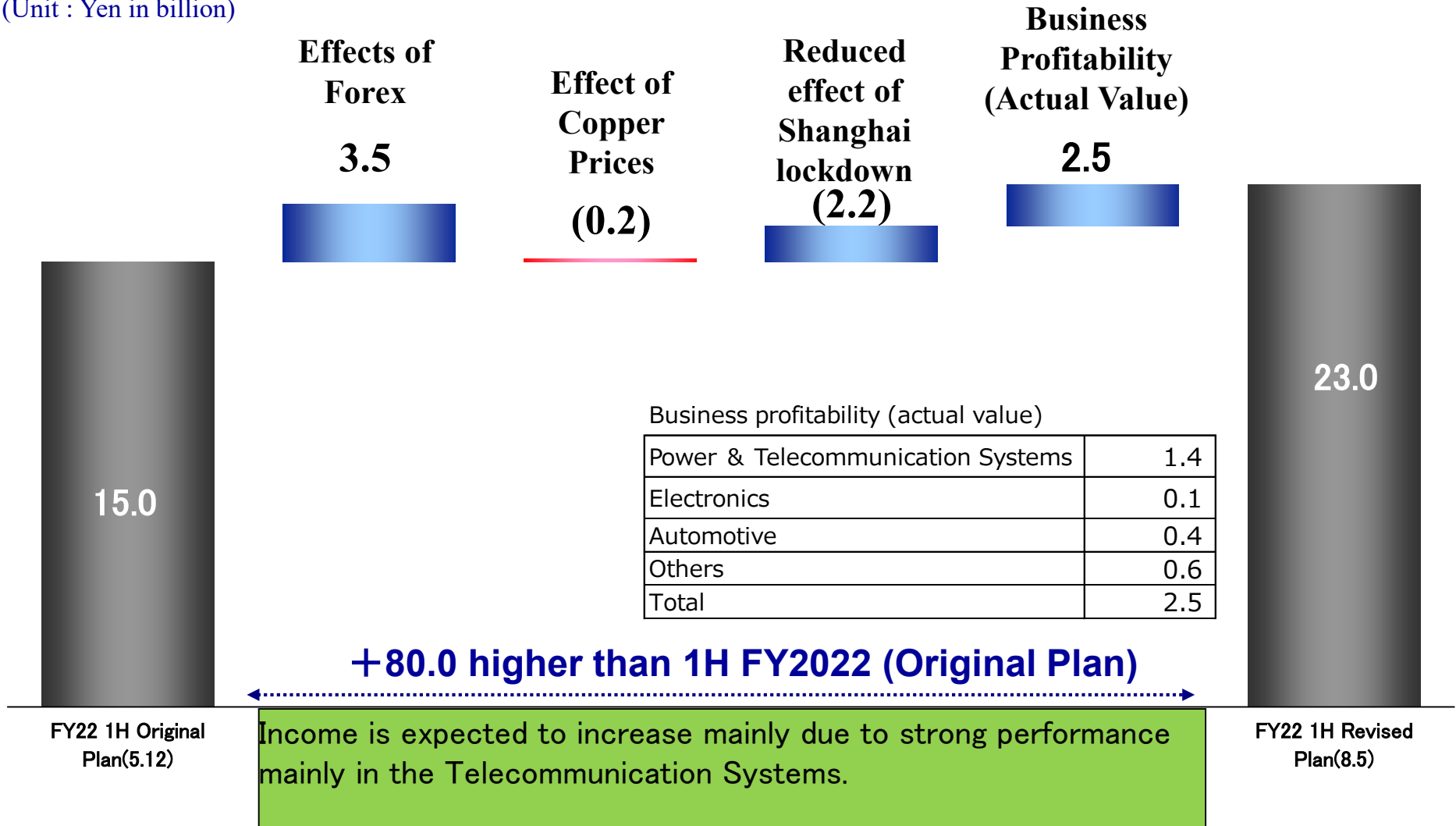
FY22 1H Revised Plan(8.5)

Sales are expected to increase compared with the original plan due to strong performance in the Telecommunication Systems and Electronics Business, and the impact of foreign exchange rates.

1H FY2022 Contributing Factors to Operating Income Change (Revised plan basis)

Operating Income

(Unit : Yen in billion)



FY2022-1H Forecasts by Segment

(Unit: Yen in billion)

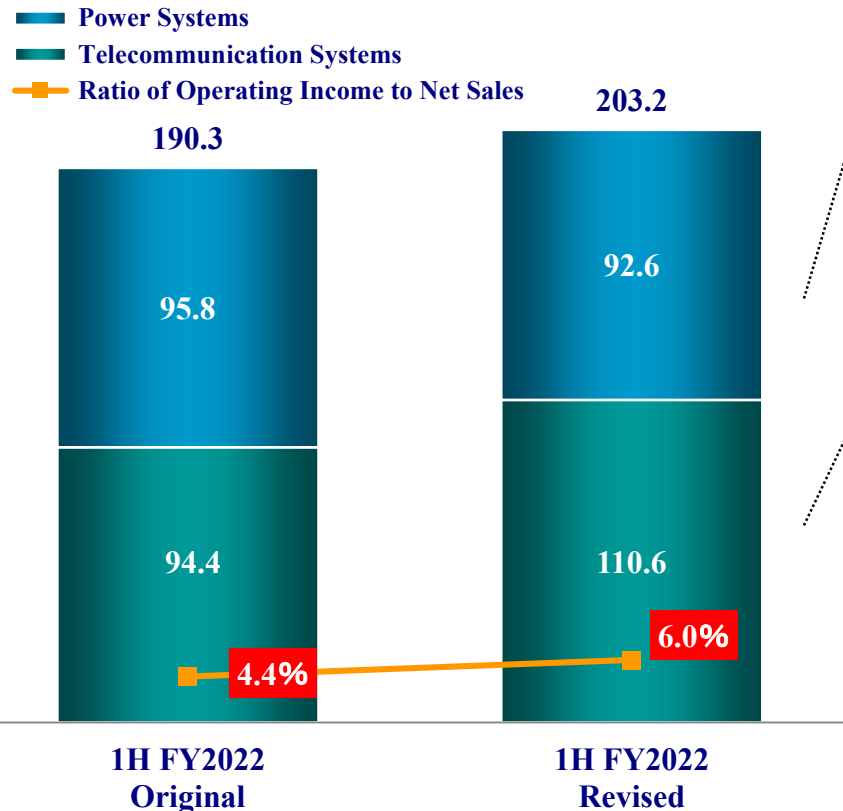
Segment	Net Sales				Operating Income(Loss) and Ratio of Operating Income to Net Sales			
	FY22-1H Original Plan	FY22-1H Revised Plan	Change	Change (%)	FY22-1H Original Plan	FY22-1H Revised Plan	Change	Change (%)
Power & Telecommunication	190.3	203.2	12.9	107%	8.3 4.4%	12.2 6.0%	3.9 1.7%	147%
Electronics Business	81.1	93.4	12.3	115%	7.3 9.0%	10.3 11.0%	3.0 2.0%	141%
Automotive Products	59.7	74.2	14.5	124%	(2.8) (4.7%)	(2.2) (3.0%)	0.6 1.7%	—
Electronic Products & Connector	140.7	167.6	26.9	119%	4.5 3.2%	8.0 4.8%	3.5 1.6%	179%
Real Estate Business	5.4	5.4	0.0	101%	2.4 44.5%	2.5 46.7%	0.1 2.2%	106%
Other	3.6	3.8	0.1	103%	(0.2)	0.1	0.4	—
Total	340.0	380.0	40.0	112%	15.0 4.4%	23.0 6.0%	8.0 1.6%	153%

Power & Telecommunication Systems

- 1H forecast is expected to show an increase in both sales and profit compared to the previous forecast, as demand for data centers and FTTx support is expected to remain high, as in the 1Q results.

(Unit: Yen in billion)

Net sales and Ratio of Operating Income to Net Sales



Power Systems

- 1H forecast is for lower sales due to a pause in the rise in copper prices.

Telecommunication Systems

- 1H forecast is for increased sales and profit, as demand is expected to increase in response to data centers and FTTx, as in the 1Q results.

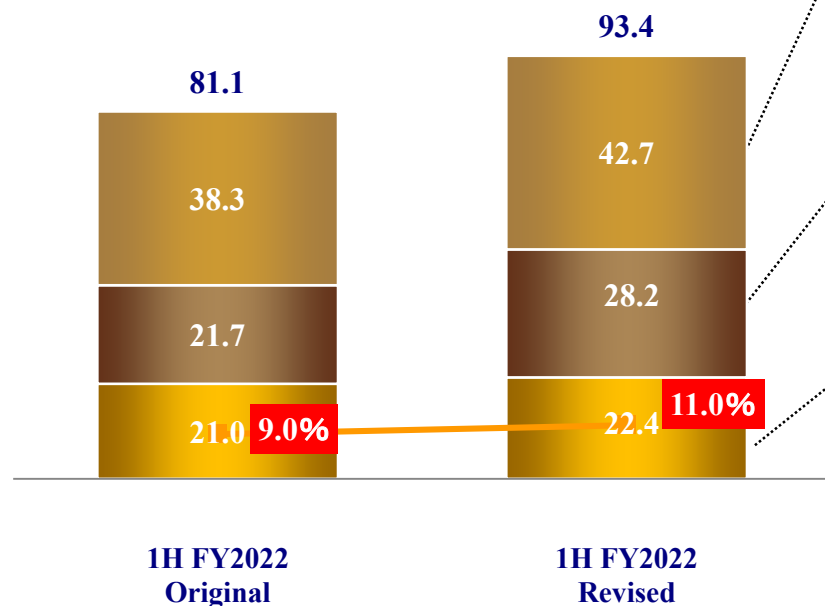
Electronics Business

- 1H forecast is for higher sales and profit due to a better product mix in addition to 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

- 1H forecast is for an increased revenue, partly due to the impact of foreign exchange rate fluctuations.

Connector

- 1H forecast is for an increase in sales due to the impact of foreign exchange rates, an increase in demand for smartphones, and better product mix.

Electronic Components

- 1H forecast is for increased sales due to the impact of foreign exchange rates and continued demand from the data center and industrial machinery industry.

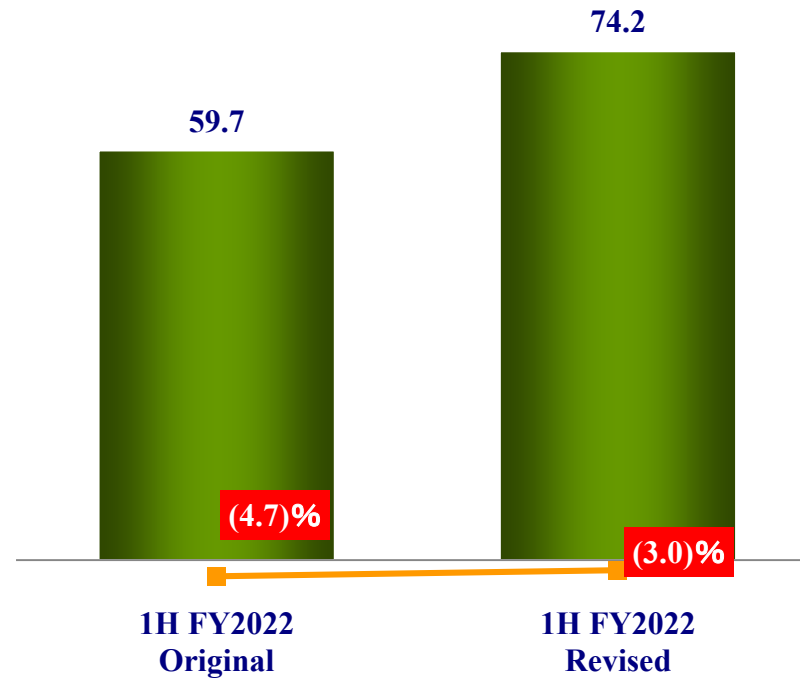
Automotive Products Business

- 1H forecast is for a decrease in losses due to higher sales resulting from strong demand from customers.

(Unit: Yen in billion)

Net sales and Ratio of Operating Income to Net Sales

— Ratio of Operating Income to Net sales



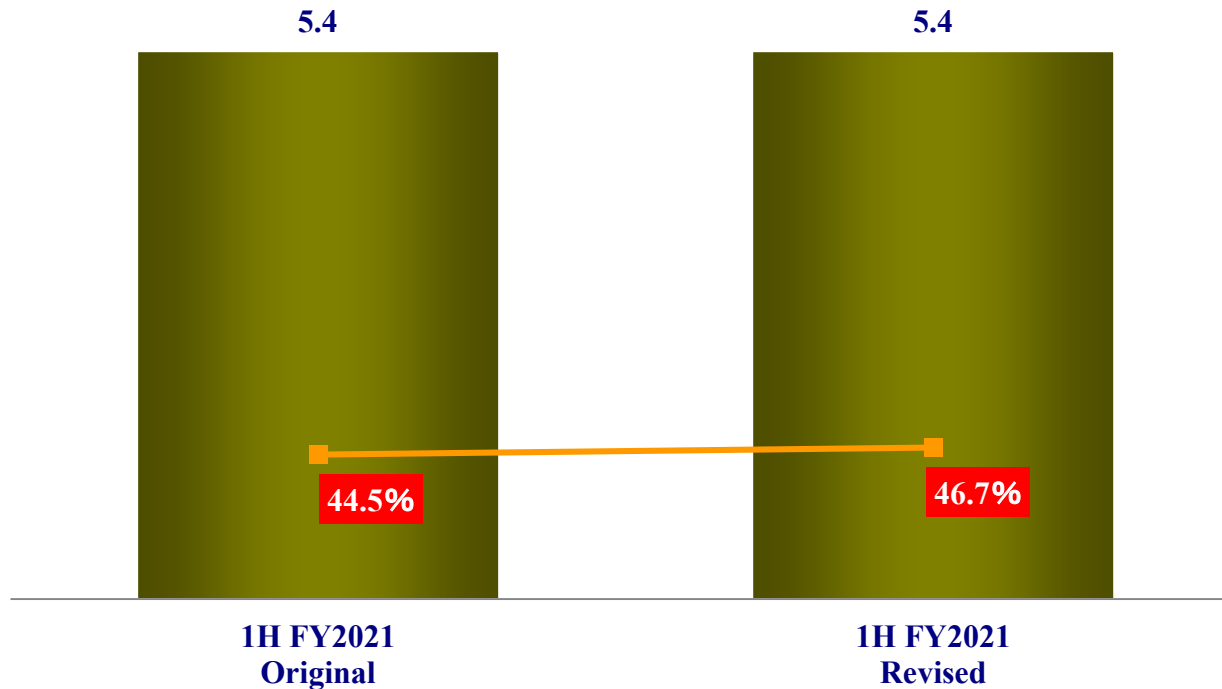
Real Estate Business

■ Revenues from leasing real estate properties continue to contribute to consolidated operating income.

(Unit: Yen in billion)

Net sales and Ratio of Operating Income to Net Sales

— Ratio of Operating Income to Net Sales



Appendix

Net Sales by Segment

Net Sales Records and Forecast by Segment

Unit: Yen in Billion

	FY2021							FY2022	FY2022 Forecast (8.5)	
	1Q	2Q	3Q	4Q	1H	2H	Full Year		1Q	1H
Power Systems	42.1	43.3	45.2	48.5	85.5	93.7	179.2	47.1	92.6	187.7
Telecommunication Systems	40.9	42.8	44.2	46.6	83.7	90.7	174.5	53.8	110.6	206.9
Power & Telecommunication Systems	83.1	86.1	89.4	95.1	169.2	184.4	353.6	100.9	203.2	394.6
FPC	23.5	23.7	21.8	21.3	47.2	43.1	90.3	16.5	42.7	81.3
Connector	11.1	16.0	13.0	12.9	27.1	25.9	53.0	12.0	28.2	55.1
Other	8.6	8.9	9.5	8.2	17.5	17.7	35.2	10.6	22.4	44.8
Electronics	43.3	48.6	44.3	42.3	91.8	86.7	178.5	39.0	93.4	181.2
Automotive Products	32.3	26.5	29.9	32.6	58.8	62.5	121.3	36.1	74.2	145.2
Electronics Automotive Connector	75.6	75.1	74.2	74.9	150.6	149.2	299.8	75.2	167.6	326.5
Real Estate Business	2.7	2.7	2.7	2.7	5.5	5.4	10.9	2.7	5.4	10.7
Other	1.3	1.5	1.4	1.8	2.8	3.2	6.0	2.1	3.8	8.2
Total	162.7	165.4	167.7	174.5	328.1	342.3	670.3	180.9	380.0	740.0

Operating Income by Segment

Operating Income Records and Forecast by Segment

Unit: Yen in Billion

	FY2021							FY2022	FY2022 Forecast (8.5)	
	1Q	2Q	3Q	4Q	1H	2H	Full Year		1Q	1H
Power & Telecommunication Systems	6.4	4.6	6.5	7.6	11.0	14.2	25.2	7.0	12.2	25.5
Electronics	2.1	4.8	4.2	2.8	6.8	6.9	13.8	4.1	10.3	20.6
Automotive Products	(0.2)	(1.8)	(2.2)	(1.4)	(1.9)	(3.6)	(5.6)	(1.3)	(2.2)	(0.8)
Electronics Automotive Connector	1.9	3.0	1.9	1.4	4.9	3.3	8.2	2.8	8.0	19.7
Real Estate Business	1.4	1.3	1.1	1.3	2.7	2.4	5.1	1.4	2.5	4.6
Other	(0.1)	0.0	(0.2)	0.0	(0.1)	(0.2)	(0.2)	0.1	0.1	0.2
Total	9.7	8.9	9.4	10.3	18.6	19.7	38.3	11.3	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.