

1Q FY2023 Financial Results



August 10, 2023

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Correction of the Financial Results for FY2022

The financial results announced on May 12th for the fiscal year ended March 31, 2023 have been corrected as follows based on the investigation report into the inappropriate incident involving a former director of Fujikura.

We sincerely apologize to our shareholders, investors, and all other related parties for any concern and inconvenience this may cause.

(Unit: Yen in billion)

	FY2022 Before Correction 2023.5.12	FY2022 After Correction 2023.7.31	Difference
Operating Income	69.4	70.2	0.8
Ratio of Operating Income to Net Sales(%)	8.6	8.7	0.1
Ordinary Income	67.1	67.9	0.8
Net Income Attributable to Owners of Parent	40.3	40.9	0.6
Net Income per Share (JPY)	146.17	148.27	2.10
ROE(%)	16.4	16.7	0.3

2. Summary of 1Q FY2023 Financial Results

Summary of 1Q FY2023 Financial Results

- The depreciation of JPY against the same period of the previous year contributed to push up the Company's performance.
- In Telecommunication Systems, despite concerns about a slowdown in the current market environment, demand remained steady at the same level as the previous year and the impact of depreciation of JPY resulted in higher sales and profit.
- In Electronics, sales were on a par with the previous fiscal year, but operating income declined due to a deterioration in the sales composition ratio of products.
- In Automotive, sales increased due to the launch of new models, but remained in the deficit due to higher labor costs caused by appreciation local currency.
- In Power Systems, deficit in the previous year due to copper valuation loss, but profit increase in the current period due to strong demand and improved selling prices.

1Q FY2023 Financial Results

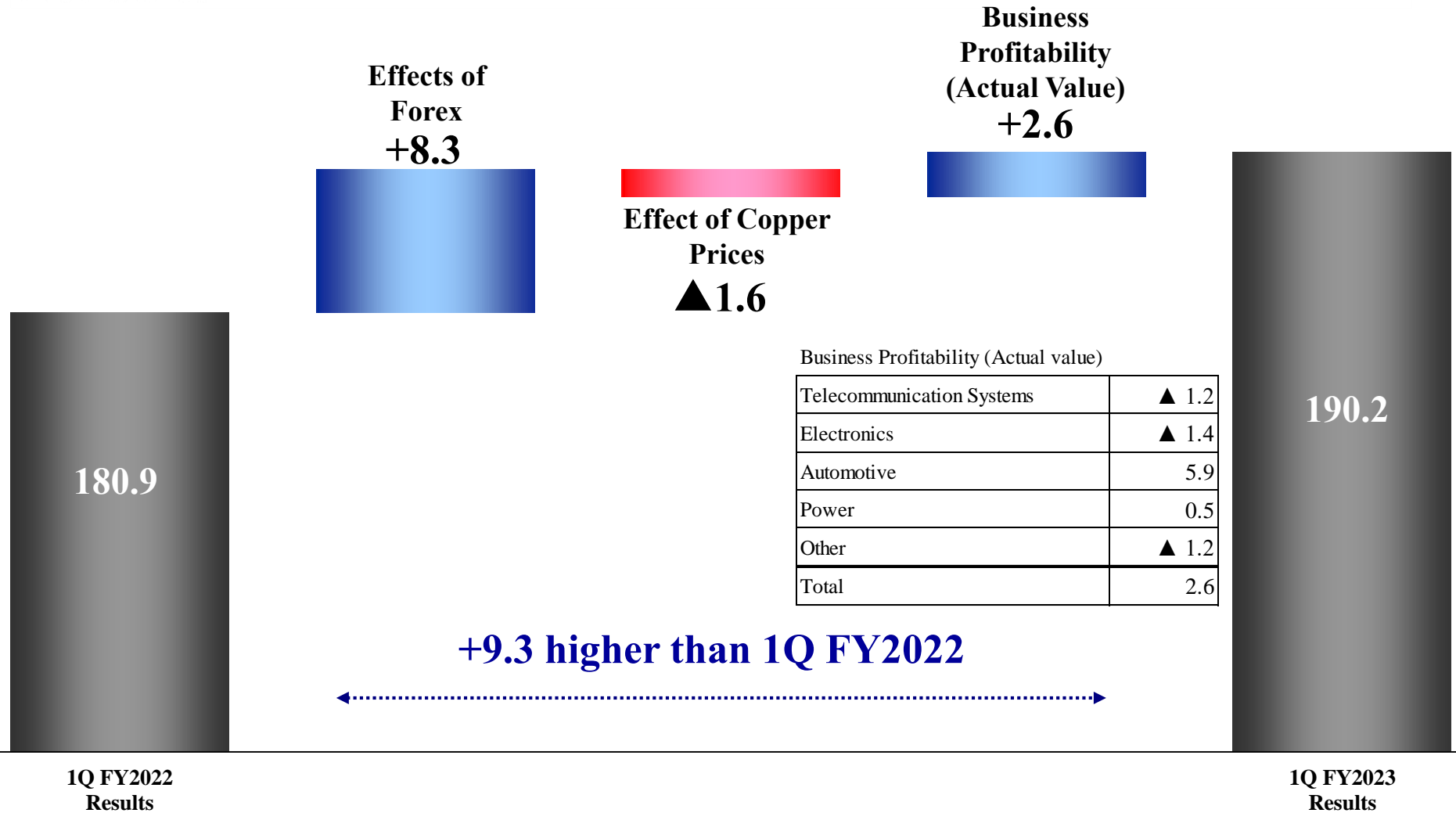
(Unit: Yen in billion)

	1Q Results Comparison			
	FY22-1Q	FY23-1Q	Change	Change(%)
Net sales	180.9	190.2	9.3	105%
Operating Income	11.3	12.6	1.3	111%
Ratio of Operating Income to Net Sales(%)	6.2	6.6	0.4	106%
Equity gains of affiliated companies	1.1	0.4	▲ 0.7	42%
Ordinary Income	12.5	15.6	3.1	125%
Net Income Attributable to Owners of Parent	8.3	11.1	2.8	135%
Net Income per Share (JPY)	29.96	40.29	10.33	—
Exchange Rate (USD/JPY)	129.73	137.50	7.77	—
CU Base ('000JPY/ton)	1,286	1,219	(67)	—

1Q FY2023 Contributing Factors to Net Sales Change (year-on-year basis)

(Unit : Yen in billion)

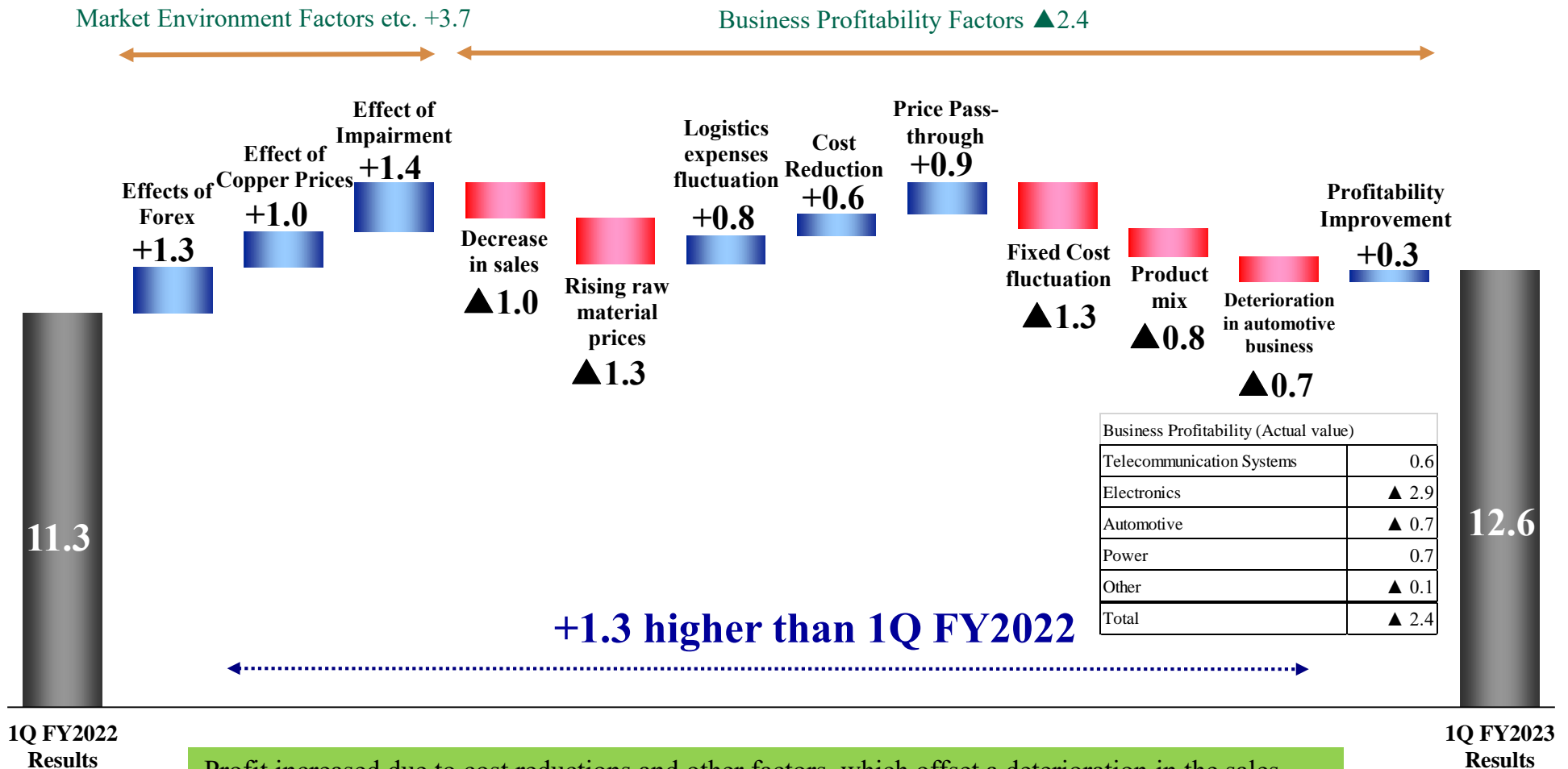
Net Sales



1Q FY2023 Contributing Factors to Operating Income Change (year-on-year basis)

(Unit : Yen in billion)

Operating Income



Profit increased due to cost reductions and other factors, which offset a deterioration in the sales composition ratio of products in Electronics Business and higher expenses in Automotive Products Business, as well as positive effects of Forex and the effect of impairment in FY2022.

1Q FY2023 Extraordinary Profit and Loss

(Unit: Yen in billion)

	FY22-1Q	FY23-1Q
Operating Income	11.3	12.6
Equity gains of affiliated companies	1.1	0.4
Ordinary Income	12.5	15.6
Extraordinary Income	0.2	0.0
Extraordinary Loss	0.3	0.0
Income before Income Taxes and Minority Interests	12.4	15.6
Total Income Taxes	3.8	4.1
Net Income non-controlling interests	0.3	0.4
Net Income attributable to owners of parent	8.3	11.1

Foreign exchange gains :

- 22-1Q 0.9
 ↓+2.9
- 23-1Q 3.8

There were no extraordinary gains or losses in either the previous or current period.

Consolidated B/S (1)

(Unit: Yen in billion)

	As of March 31, 2023	As of June 30, 2023	Change
〈Assets〉	656.8	682.8	26.0
Current Assets	418.4	437.8	19.4
Cash and Deposits	107.2	115.7	8.5
Notes and accounts Receivable and Contract assets	155.4	157.3	2.0
Inventories	131.0	142.4	11.4
Fixed Assets	238.4	244.9	6.6
Tangible Fixed Assets	163.2	167.3	4.1
Intangible Fixed Assets	15.1	16.7	1.6
Sub Total	178.2	183.9	5.7
Total Investments and Other Assets	60.1	61.0	0.9

Increase in Telecommunication
Systems Business, etc.

CAPEX +3.6
Depreciation ▲5.9
Retirement and sales etc. ▲0.4
Foreign currency translation +8.3

Consolidated B/S (2)

(Unit: Yen in billion)

	As of March 31, 2023	As of June 30, 2023	Change
Total	656.8	682.8	26.0
(Treasury Stock)	(▲ 10.5)	(▲ 10.5)	0.0
〈Liability〉	362.4	366.5	4.1
Notes and Account Payable	74.7	74.3	▲ 0.4
Interest-bearing Debt	192.9	203.5	10.6
Other Liability	94.8	88.6	▲ 6.2
〈Net Equity〉	294.4	316.3	21.9
Shareholder's Equity	230.8	237.2	6.4
(Treasury Stock)	(▲ 10.5)	(▲ 10.5)	0.0
Accumulated Other Comprehensive Income	39.7	55.7	16.1
Non-controlling Interests	23.8	23.4	▲ 0.5
Equity-to-assets-ratio	41.2	42.9	1.7

Net D/E Ratio
(24:76→23:77)
Net Debt :
85.7⇒87.9 +2.2

Foreign currency impact
+15.1

1Q FY2023 Financial Results by Segment

(Unit: Yen in billion)

Segment	Net Sales				Operating Income(Loss) and Ratio of Operating Income to Net Sales			
	FY22-1Q Actual	FY23-1Q Actual	Change	Change (%)	FY22-1Q Actual	FY23-1Q Actual	Change	Change (%)
Telecommunication Systems	66.8	69.7	2.8	104%	8.2 12.3%	9.9 14.1%	1.6 1.9%	120%
Electronics Business	39.0	39.4	0.4	101%	4.1 10.4%	2.1 5.4%	▲ 1.9 ▲ 5.0%	52%
Automotive Products	36.1	44.4	8.3	123%	▲ 1.3 ▲ 3.5%	▲ 1.3 ▲ 2.9%	▲ 0.0 0.6%	—
Power Systems	33.1	32.1	▲ 1.0	97%	▲ 0.6 ▲ 1.8%	1.2 3.6%	1.7 5.4%	—
Real Estate Business	2.7	2.6	▲ 0.1	96%	1.4 50.5%	1.2 47.0%	▲ 0.1 ▲ 3.4%	90%
Other	3.0	2.0	▲ 1.1	65%	▲ 0.5	▲ 0.5	0.0	—
Total	180.9	190.2	9.3	105%	11.3 6.2%	12.6 6.6%	1.3 0.4%	111%

*Some segment changes have been implemented since FY2023, and the figures for FY2022 have been reclassified in the same manner.

Financial Results by Segment-Sales and Ratio of Operating Income

(Unit: Yen in billion)

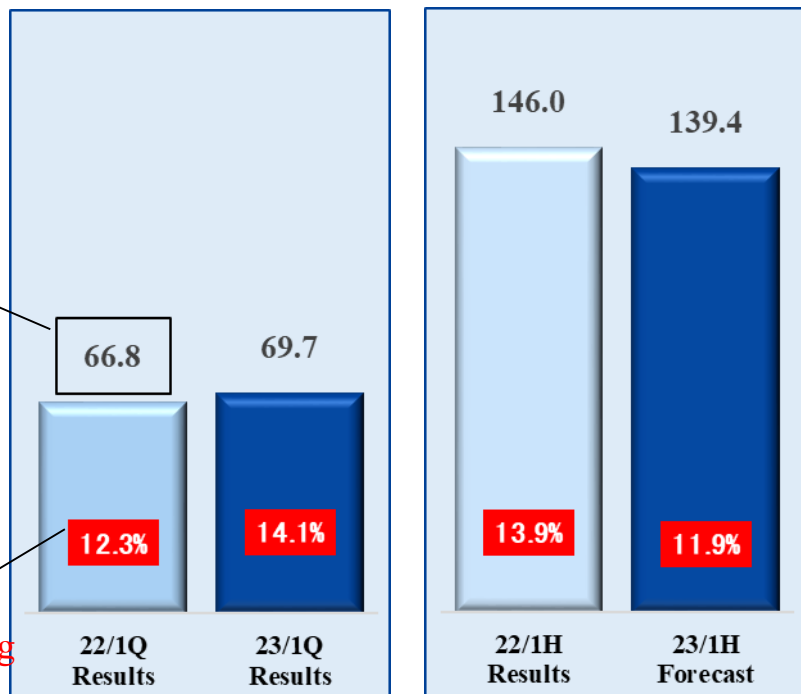
Telecommunication Systems

22/1Q vs. 23/1Q

22/1H vs. 23/1H

Sales

Ratio of
Operating
Income

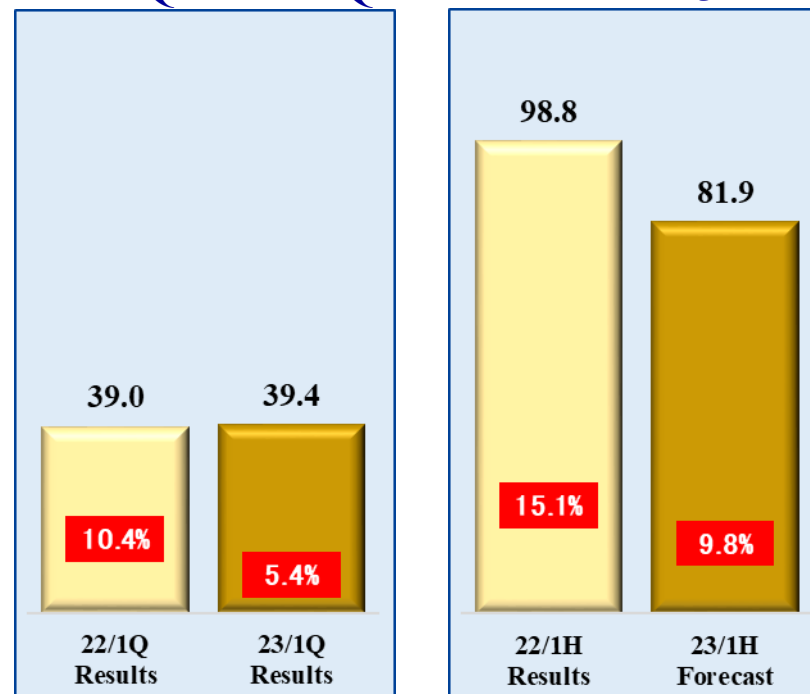


- Foreign exchange were a factor in the upward swing in 23/1Q, but 23/1H is expected to be slightly down compared to 22/1H, when growth was supported by a brisk market environment.

Electronics Business

22/1Q vs. 23/1Q

22/1H vs. 23/1H



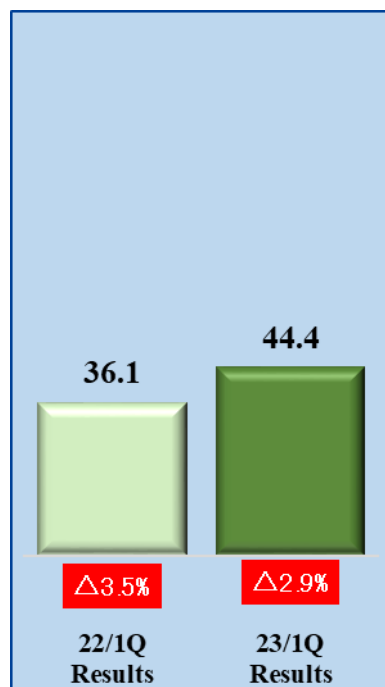
- Operating income declined in 23/1Q due to deterioration in the sales composition ratio of products. In 23/1H, sales are expected to remain at the same level as the previous year, except for the growth in orders received from major customers in the previous year due to factors related to orders received ahead of schedule.

Financial Results by Segment-Sales and Ratio of Operating Income

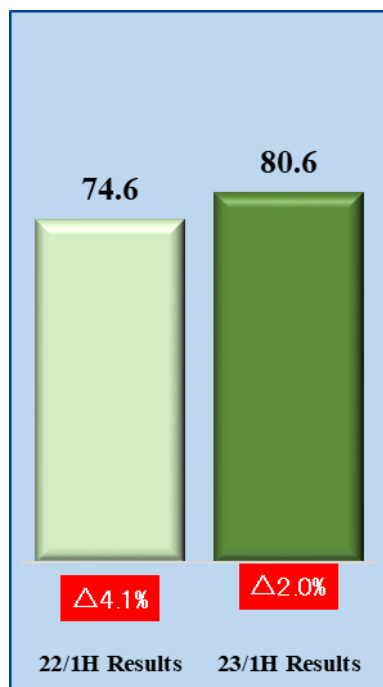
(Unit: Yen in billion)

Automotive Products

22/1Q vs. 23/1Q

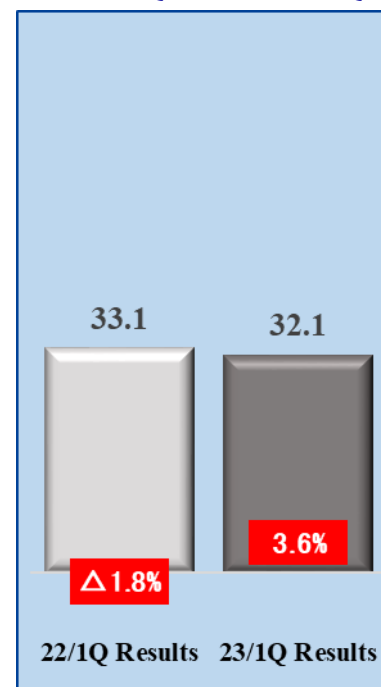


22/1H vs. 23/1H

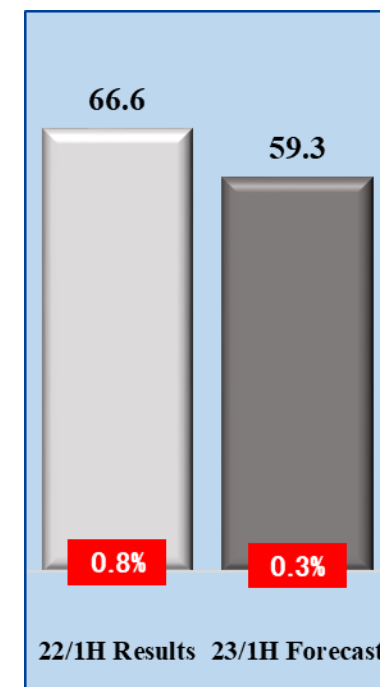


Power Systems

22/1Q vs. 23/1Q



22/1H vs. 23/1H



- Sales increased due to the launch of new models, but remained in the deficit due to higher labor costs caused by appreciation local currency. Profitability is expected to improve as a result of efficiency improvements, and the company aims to return to profitability from 23/2H onward.

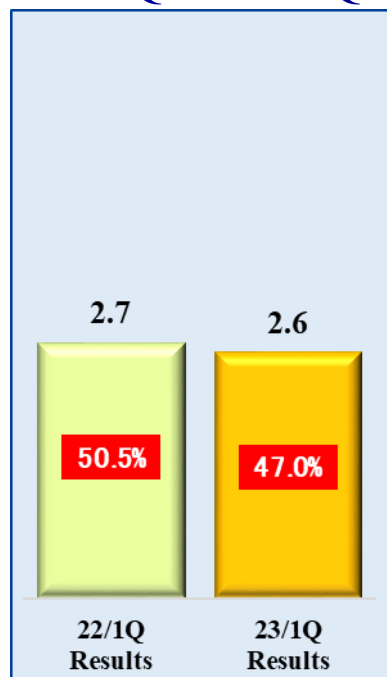
- 22/1Q was an operating loss due to copper valuation loss, but the construction and electrical sales market remained strong in the current period.

Financial Results by Segment-Sales and Ratio of Operating Income

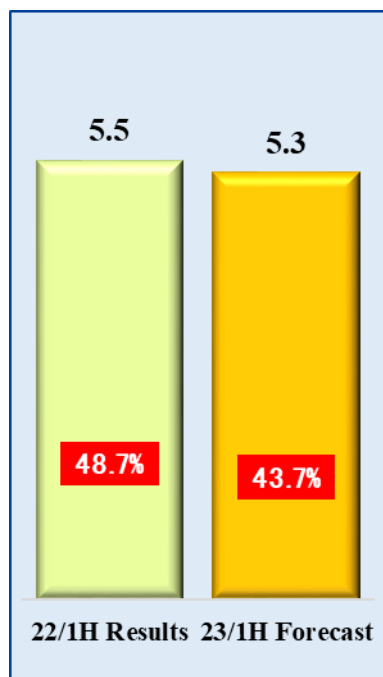
(Unit: Yen in billion)

Real Estate Business

22/1Q vs. 23/1Q



22/1H vs. 23/1H



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

3. Summary of FY2023 Business Forecast

【1H Forecast】

- **In 23/1Q, JPY depreciated against the previous year, which was a factor in the upward swing in earnings. However, the initial 23/1H forecast remains unchanged due to the conservative outlook for exchange rates in 23/2Q and the current uncertainties in the business environment.**

【2H and Full year Forecast】

- **The Full year forecast remains unchanged.
We monitor the timing of recovery in the market environment and continue business activities to achieve the plan.**

Summary of FY2023 - Forecast

(Unit : Yen in billion)

	FY2022 Results		FY2023 Forecast		Change			
	1H	Full Year	1H	Full Year	1H	Change (%)	Full Year	Change (%)
Net sales	399.1	806.5	370.0	770.0	▲ 29.0	93%	▲ 36.4	95%
Operating Income	35.3	70.2	24.0	60.0	▲ 11.3	68%	▲ 10.2	85%
Ratio of Operating Income to Net Sales(%)	8.8	8.7	6.5	7.8	▲ 2.3	—	▲ 0.9	—
Equity gains of affiliated companies	1.7	2.1	1.1	2.3	▲ 0.7	62%	0.3	114%
Ordinary Income	38.5	67.9	20.0	55.0	▲ 18.5	52%	▲ 12.9	81%
Net Income Attributable to Owners of Parent	31.8	40.9	10.0	41.0	▲ 21.8	32%	0.2	100%
Net Income per Share (JPY)	115.28	148.27	36.26	148.66	▲ 79.02	—	0.39	—
Dividend per Share (JPY)	13.0	30.0	22.5	45.0	9.5	—	15.0	—
ROE (%)	—	16.7	—	14.4	—	—	▲ 2.3	—
Exchange Rate (USD/JPY)	134.05	135.51	130.00	130.00	▲ 4.05	—	▲ 5.51	—
CU Base ('000JPY/ton)	1,205	1,209	1,100	1,100	▲ 105	—	▲ 109	—

Appendix

Net Sales by Segment

Unit: Yen in Billion

	FY2022							FY2023	FY2023 Forecast	
	1Q	2Q	3Q	4Q	1H	2H	Full Year	1Q	1H	Full Year
Telecommunication Systems	66.8	79.1	75.8	69.6	146.0	145.4	291.4	69.7	139.4	288.5
FPC	16.5	27.9	30.8	21.2	44.4	52.0	96.5	20.4	40.1	87.4
Connector	12.0	20.4	14.6	10.1	32.4	24.8	57.1	10.4	23.4	48.3
Components	10.5	11.4	12.1	9.7	22.0	21.8	43.7	8.7	18.4	38.6
Electronics	39.0	59.7	57.5	41.0	98.8	98.5	197.3	39.4	81.9	174.4
Automotive Products	36.1	38.5	39.1	42.1	74.6	81.2	155.9	44.4	80.6	167.0
Power Systems	33.1	33.5	36.0	35.6	66.6	71.6	138.2	32.1	59.3	120.7
Real Estate Business	2.7	2.8	2.7	2.6	5.5	5.3	10.8	2.6	5.3	10.8
Other	3.0	4.6	2.6	2.8	7.6	5.3	12.9	2.0	3.5	8.6
Total	180.9	218.2	213.7	193.7	399.1	407.4	806.5	190.2	370.0	770.0

The figures for FY2022 have been reclassified to reflect the business segments for FY2023, but the figures for 2Q FY2022 and beyond are currently under final confirmation and may be subject to change.

Operationg Income by Segment

Unit: Yen in Billion

	FY2022							FY2023	FY2023 Forecast	
	1Q	2Q	3Q	4Q	1H	2H	Full Year	1Q	1H	Full Year
Telecommunication Systems	8.2	12.0	10.6	9.8	20.2	20.4	40.7	9.9	16.6	37.5
Electronics	4.1	10.9	9.9	2.8	14.9	12.7	27.6	2.1	8.0	18.5
Automotive Products	△ 1.3	△ 1.8	△ 2.0	△ 1.5	△ 3.0	△ 3.6	△ 6.6	△ 1.3	△ 1.6	△ 0.5
Power Systems	△ 0.6	1.1	1.9	2.1	0.5	4.0	4.5	1.2	0.2	2.1
Real Estate Business	1.4	1.3	1.2	1.2	2.7	2.3	5.0	1.2	2.3	4.3
Other	△ 0.5	0.4	△ 0.3	△ 0.6	△ 0.1	△ 0.9	△ 1.0	△ 0.5	△ 1.5	△ 2.0
Total	11.3	24.0	21.3	13.7	35.3	34.9	70.2	12.6	24.0	60.0

The figures for FY2022 have been reclassified to reflect the business segments for FY2023, but the figures for 2Q FY2022 and beyond are currently under final confirmation and may be subject to change.



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 form those currently expected because of a number of risks and uncertainties.