

1st Quarter of Fiscal Year 2023 (Ending February 28, 2024)

Financial Results Briefing Materials

July 14, 2023

FURUNO ELECTRIC CO., LTD.

Cautions:

This document is a translation of the Japanese original, which is authoritative.

The information listed in these materials regarding the Company's forecasts are determined by management, based on the information available at the time of announcement, and potential risks and uncertainties. It should be noted that the actual results may differ substantially from these forecasts, due to these various elements.

The numerical values shown in these materials are the monetary amounts listed in the consolidated balance sheet, consolidated profit-and-loss statement, consolidated statement of changes in shareholders' equity, and notes to consolidated financial statements. Shown values of less than one unit are truncated, and ratios and other values are rounded off.

* "E" in this material represents that the figure is an estimation or a projection for operation.

** "FY" in this material indicates the fiscal year ending February 28 (29) of the succeeding year.

*** "1Q" in this material represents the three-month period beginning on March 1 and ending on May 31.

◆ Net Sales: Increase

- Increase in overseas sales for Marine Business helped by foreign exchange impact and improved components availability
- Continued strong demand since previous fiscal year

◆ Operating Profit: Increase

- Increase in profit due to sales increase in Marine Business

◆ Financial Results Forecast: Upward Revision

- Strong sales overseas, with less than expected impact of components price increase, also greater than expected impact of foreign exchange

* Foreign Exchange Sensitivity (actual results for FY 2022)
[USD] Net sales: 130M yen, Operating income: 50M yen
[EUR] Net sales: 180M yen, Operation income: 90M yen

Consolidated Income Statement

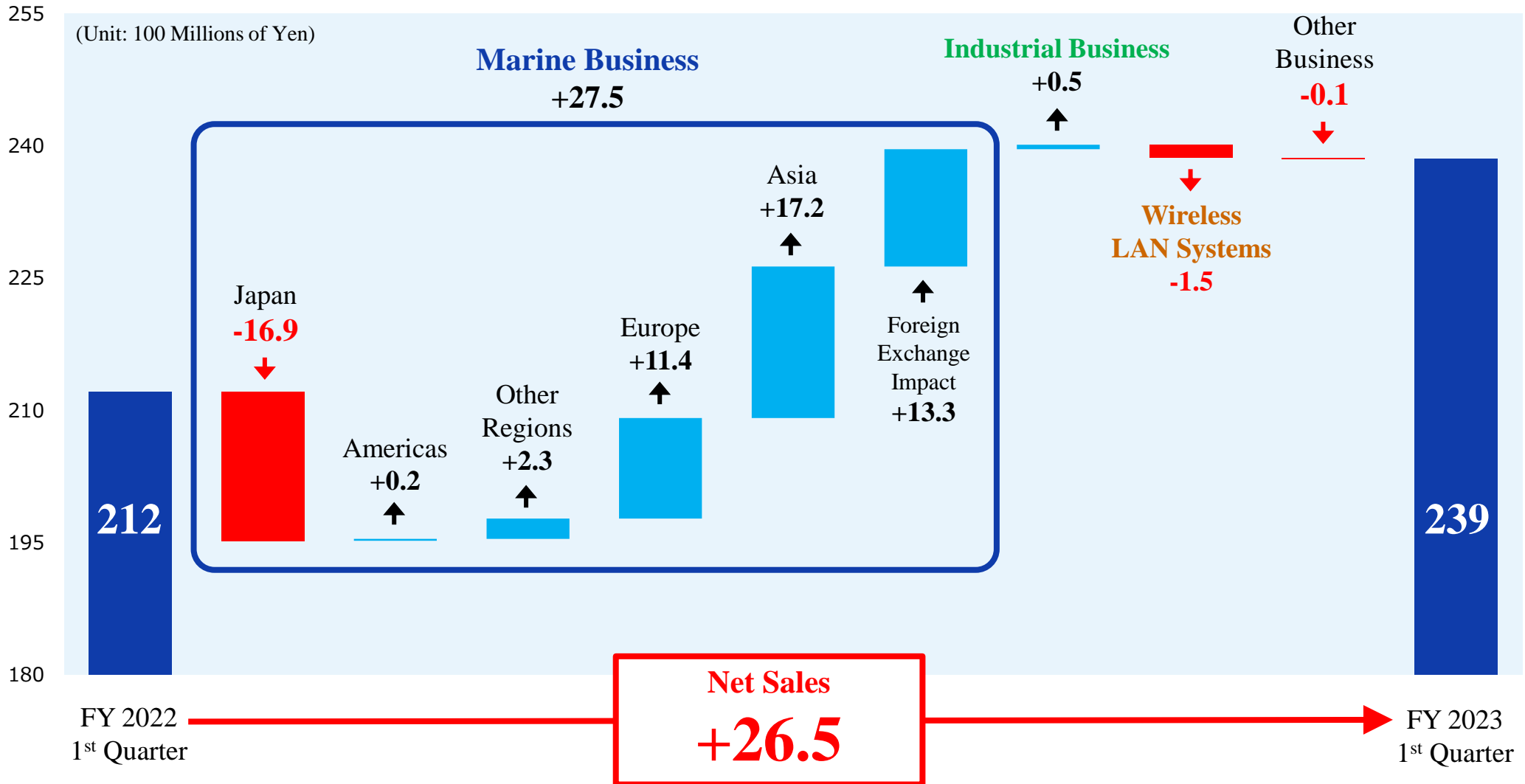
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Increased operating profit with increased gross profit due to increase in sales for Marine Business

(Unit: Millions of yen)	FY 2022 1 st Quarter	FY 2023 1 st Quarter	Year-over-Year (amount)	Year-over-Year (ratio)
Net Sales	21,205	23,852	+2,646	+12.5%
Gross Profit (Sales ratio)	8,140 (38.4%)	9,970 (41.8%)	+1,829	+22.5%
SG&A Expenses (Sales ratio)	7,926 (37.4%)	8,515 (35.7%)	+588	+7.4%
Operating Profit (Sales ratio)	214 (1.0%)	1,455 (6.1%)	+1,240	+578.6%
Ordinary Profit (Sales ratio)	615 (2.9%)	1,781 (7.5%)	+1,166	+189.6%
Profit Attributable to Owners of Parent (Sales ratio)	486 (2.3%)	1,141 (4.8%)	+655	+134.8%
R&D Expenses (Sales ratio)	1,271 (6.0%)	1,400 (5.9%)	+128	+10.1%
Capital Investment (Sales ratio)	866 (4.1%)	656 (2.8%)	-210	-24.2%
Depreciation Expenses (Sales ratio)	834 (3.9%)	717 (3.0%)	-117	-14.1%
(Unit: Yen, annual average exchange rate)				
1 USD	115	135	+20	+17.1%
1 EUR	131	143	+12	+9.2%

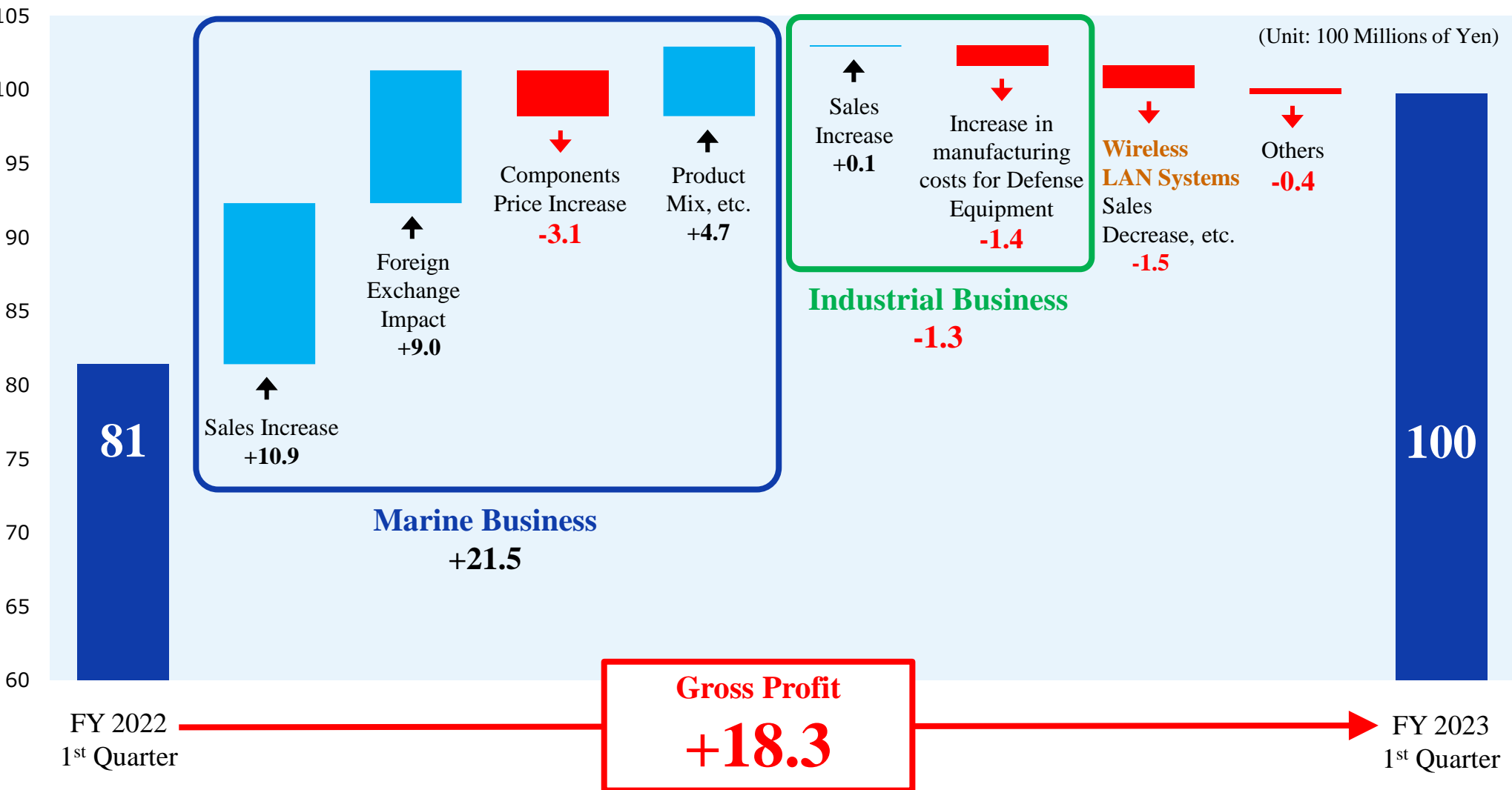
Analysis of Increase/Decrease in Net Sales

Decrease in local sales, but increase in overseas sales for Marine Business, helped by forex



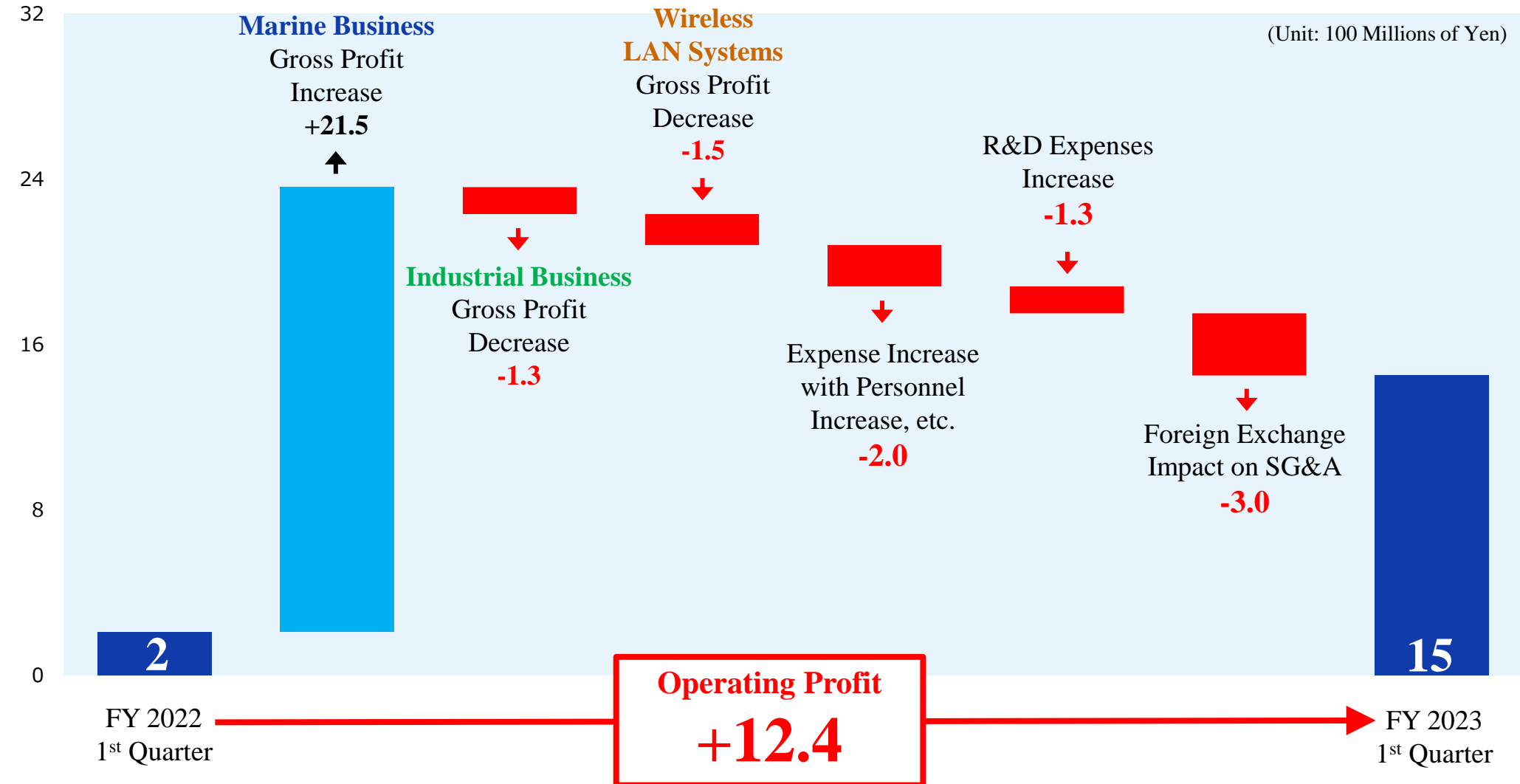
Analysis of Increase/Decrease in Gross Profit

Increase in overseas sales for Marine Business sales, with fewer components price increase



Analysis of Increase/Decrease in Operating Profit

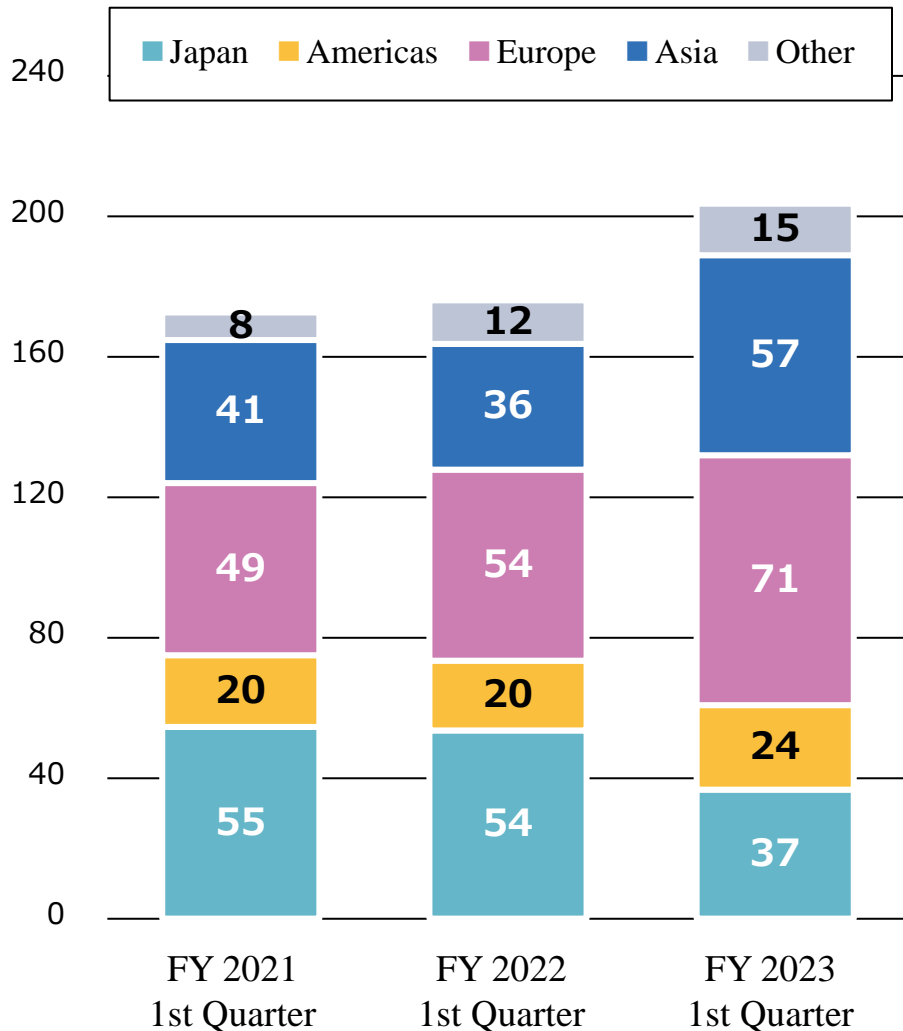
Gross profit increase for Marine business, strengthened sales and service, continuous R&D



“100M” stands for 100 Million

Marine Business Consolidated Sales (by Region)

(Unit: 100 Millions of Yen)



Marine Business

Net Sales **204** 100M yen (+**15.6%** year-over-year)

Segment Profit **18.7** 100M yen (+**13.2** 100M yen)

- Continued strong demand, especially overseas
- Forex impact and improved components availability

◆ **Japan:** Net sales **37** 100M yen (-**31.5%**)

- Steady sales for Merchant newbuild projects
- Backlash from large projects in Fishery market, but as expected

◆ **Americas:** Net sales **24** 100M yen (+**21.5%**)

- High level of sales maintained for pleasure boats

◆ **Europe:** Net sales **71** 100M yen (+**30.8%**)

- Increase in sales for service
- Expansion in sales for Merchant, Fishery and Pleasure boats

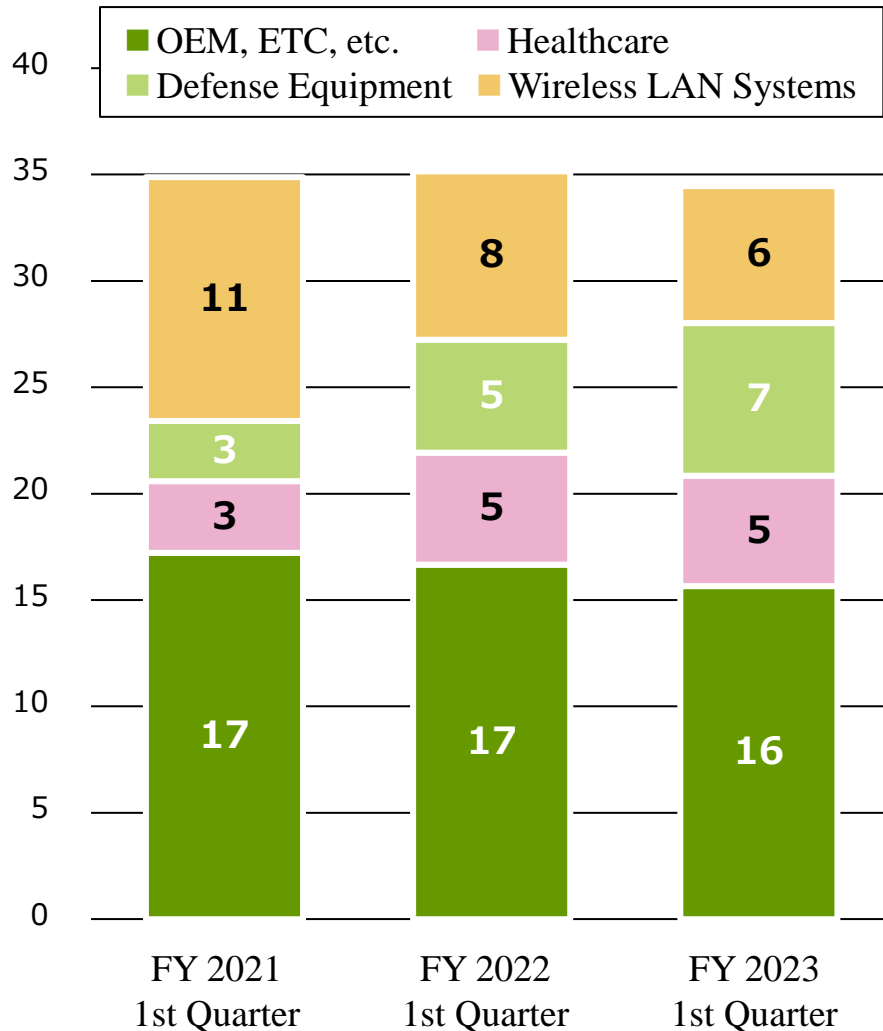
◆ **Asia:** Net sales **57** 100M yen (+**58.7%**)

- Steady sales for Merchant newbuild projects

“100M” stands for 100 Million

Industrial Business Consolidated Sales (by Product)

(Unit: 100 Millions of Yen)



Industrial Business

Net Sales **28** 100M yen (+**2.0%** year-over-year)

Segment Profit **-1.4** 100M yen (**-1.7** 100M yen)

- **Defense Equipment: Increase in manufacturing costs**
- **Healthcare: Increase in R&D expenses**

◆ **OEM, ETC, etc.:** Net sales **16** 100M yen (**-6.0%**)

- Decrease in sales for OEM and GNSS products
- Increase in sales for ETC on-board units

◆ **Healthcare:** Net sales **5** 100M yen (**-1.7%**)

- Weak sales for clinical chemistry analyzers due to lack of components

◆ **Defense Equipment:** Net sales **7** 100M yen (**+35.2%**)

Wireless LAN Systems

Net Sales **6** 100M yen (**-18.5%** year-over-year)

Segment Profit **-2.0** 100M yen (**-2.0** 100M yen)

- **Decrease in sales for wireless LAN access point in the education market**

Forecast for FY 2023: Upward Revision

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Strong sales overseas, with less than expected impact of components price increase, also greater than expected impact of foreign exchange

(Unit: Millions of yen)

	FY 2022 Results	FY 2023 Previous Forecast	FY 2023 Revised Forecast
Net Sales	91,325	97,000	100,000
Operating Profit (Sales ratio)	1,523 (1.7%)	2,000 (2.1%)	3,000 (3.0%)
Ordinary Profit (Sales ratio)	2,593 (2.8%)	2,500 (2.6%)	4,000 (4.0%)
Profit Attributable to Owners of Parent (Sales ratio)	1,348 (1.5%)	2,000 (2.1%)	2,500 (2.5%)

Revision of dividend with revision of financial results forecast

(Unit: Millions of yen)

	2nd Quarter	End of Term	Full Year	Payout Ratio
FY 2022	10	15	25	58.5%
FY 2023 Previous Forecast	10	10	20	31.6%
FY 2023 Revised Forecast	10	15	25	31.6%

Appendix: Consolidated Balance Sheet

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(Unit: Millions of yen)	Full Year FY 2022	1 st Quarter FY 2023
Current assets	82,280	82,065
(Cash and deposits)	(15,376)	(12,283)
(Inventories)	(40,694)	(43,521)
Fixed assets	24,116	23,939
(Tangible fixed assets)	(13,914)	(14,001)
(Intangible fixed assets)	(4,034)	(3,990)
(Investments and other assets)	(6,167)	(5,947)
Total assets	106,396	106,005
Current liabilities	37,525	37,233
Long-term liabilities	16,368	15,375
Total liabilities	53,893	52,608
Shareholders' equity	50,023	50,691
Others	2,089	2,365
Non-controlling interests	389	339
Total net assets	52,503	53,396
Total liabilities and net assets	106,396	106,005
Equity ratio	49.0%	50.1%

Topics

Publishment of FURUNO's Integrated Report 2023

Toward a sustainable society and further corporate value

This report focuses on our business vision "Achieve better safety, security and comfort to bring about a society and sea navigation that considers the needs of people and the environment," and introduces our vision and efforts to realize a sustainable society.

We will continue to promote constructive dialogue with our stakeholders and aim to further enhance our corporate value through better information disclosure in this Integrated Report and on our website.

For details, please refer to the "Integrated Report" page on our official website.

<https://www.furuno.co.jp/en/csr/report/>



FURUNO's Business Outline

Since commercializing the **world's first Fish Finder** in 1948, FURUNO has supplied many types of products for the marine electronics market. By using its exclusive knowledge of ultrasonic and electronics technologies, FURUNO has developed a wide array of products that have been world firsts and Japan firsts.

As of February 28, 2023



Nishinomiya Headquarter



R&D Building SOUTH WING

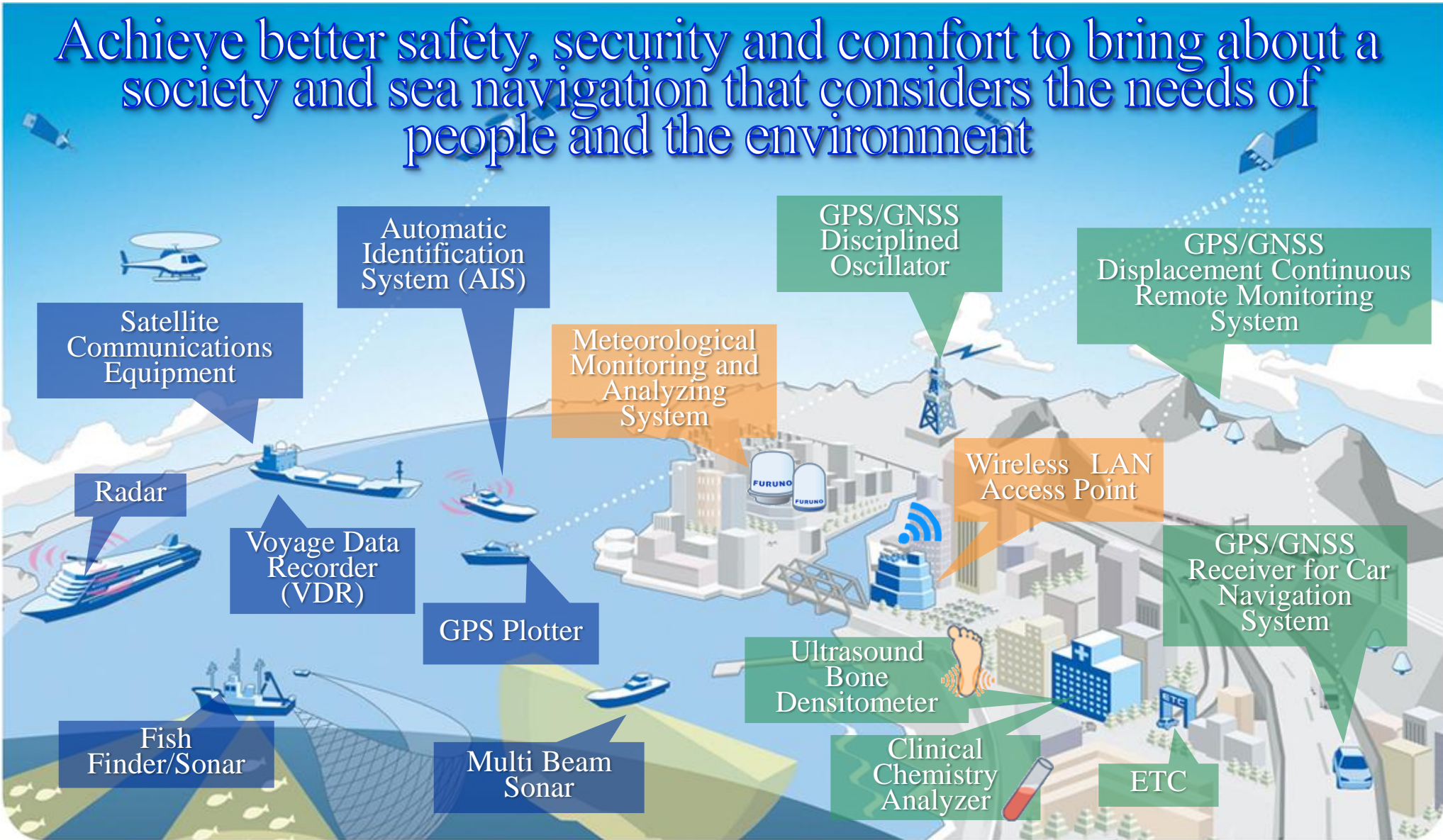
Company Name	FURUNO ELECTRIC CO., LTD.
Headquarters	Nishinomiya City, Hyogo, Japan
Incorporated	May 23, 1951
Business	Manufacturing and sale of maritime and industrial electronic products
Paid-in Capital	¥7,534 million
Number of Employees	3,310 (consolidated)
Consolidated Sales	¥91,325 million
President	Yukio Furuno
Stock Exchange Listing	Tokyo Stock Exchange, Prime Section

Investor Relations: <http://www.furuno.co.jp/en/ir/>

Products Site: <http://www.furuno.com/en/>

Corporate Movie: <http://www.furuno.com/special/en/corporatemovie/>

Achieve better safety, security and comfort to bring about a society and sea navigation that considers the needs of people and the environment



For Merchant Vessels



Radar



ECDIS
(Electronic Chart Display
and Information System)



Satellite Communications
Equipment

For Fishing Vessels



Sonar



Fish Finder



Current Indicator

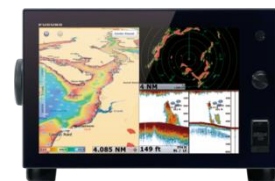


Radiotelephone

For Pleasure Boats



Radar



Multi-Function Display



GPS/WAAS
Chart Plotter



Autopilot

OEM, ETC, etc.



ETC2.0 / ETC *



ETC, Vehicle Management Solution*



GPS / GNSS Chips & Modules

Healthcare



Clinical Chemistry Analyzer & Reagent



Ultrasound Bone Densitometer

Wireless LAN Systems



Wireless LAN Access Point*



Wireless Handheld Terminal*

