

2nd Quarter of Fiscal Year 2026 (Ending February 28, 2027)

Financial Result Briefing Materials

October 9, 2026

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.

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

◆Net Sales: Increase

- In Marine business, sales continue to grow, primarily driven by the Chinese market
- In Industrial business, sales of ITS, GNSS, and Defense equipment are growing
- In Wireless LAN systems business, sales increase with rise in projects for education

◆Operating Profit: Increase

- Significant increase in gross profit with sales growth across all business segments
- Operating profit increased significantly as higher gross profit more than offset increased SG&A expenses from R&D and human capital investments

◆FY26 Forecast: Upward Revision

- Sales growth expected, led by Marine business amid solid market conditions
- Higher sales expected to offset rising component costs, driving record-high revenue and operating profit

* Foreign Exchange Sensitivity (actual results for FY 2025)
[USD] Net sales: 140M yen, Operating profit: 90M yen
[EUR] Net sales: 270M yen, Operating profit: 130M yen

Consolidated Income Statement

FURUNO

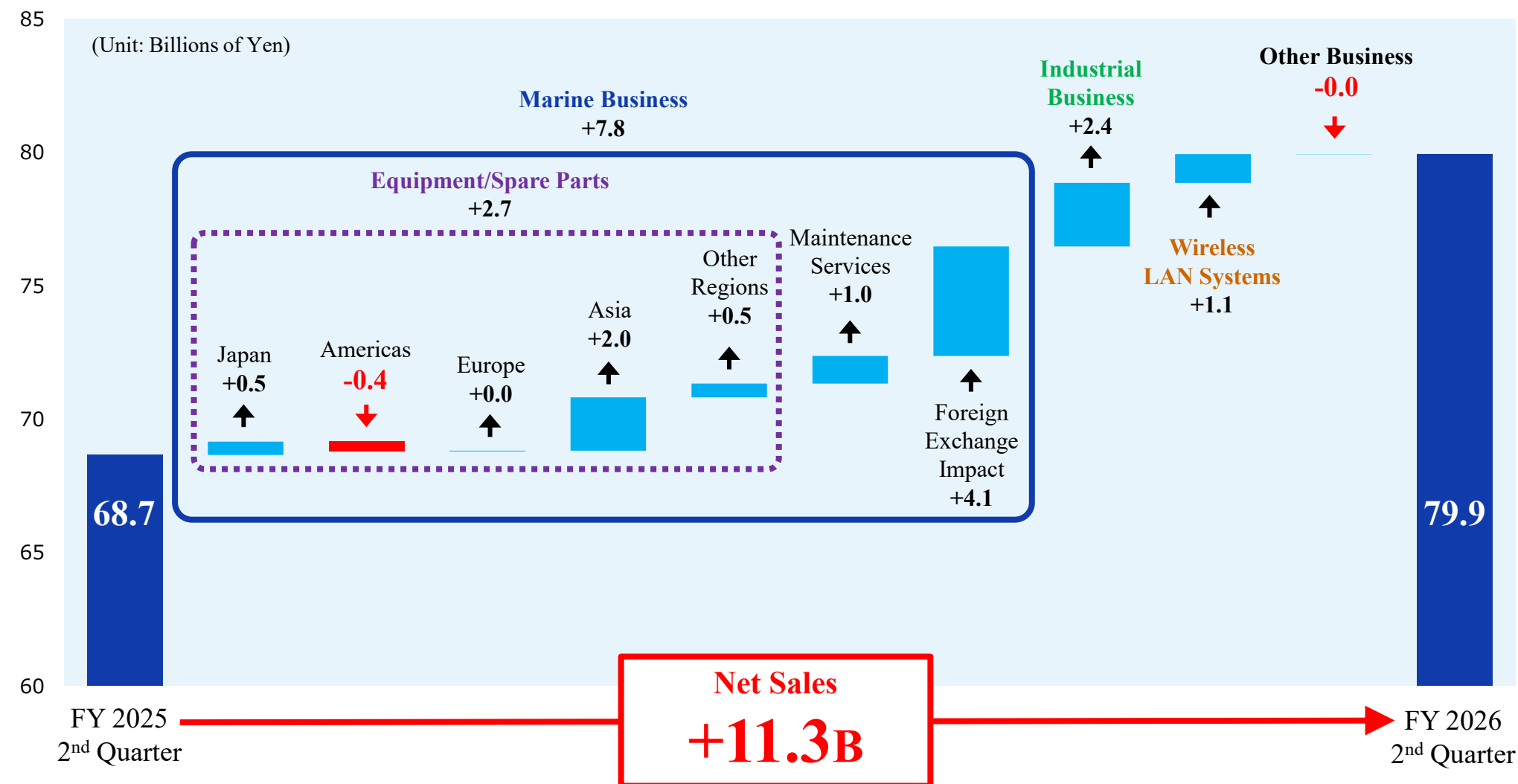
**Strong demand in Marine business, sales increase in Industrial business and Wireless LAN.
Higher gross profit drove operating profit growth despite increased R&D and HR investments.**

(Unit: Millions of yen)	FY2025 2 nd Quarter	FY2026 2 nd Quarter	Year-over-Year (amount)	Year-over-Year (percentage)
Net Sales	68,653	79,917	+11,264	+16.4%
Gross Profit (Sales ratio)	29,534 (43.0%)	35,942 (45.0%)	+6,408	+21.7%
SG&A Expenses (Sales ratio)	20,230 (29.5%)	23,075 (28.9%)	+2,844	+14.1%
Operating Profit (Sales ratio)	9,303 (13.6%)	12,866 (16.1%)	+3,563	+38.3%
Ordinary Profit (Sales ratio)	10,169 (14.8%)	13,781 (17.2%)	+3,612	+35.5%
Profit Attributable to Owners of Parent (Sales ratio)	10,190 (14.8%)	9,948 (12.4%)	-242	-2.4%
R&D Expenses (Sales ratio)	3,007 (4.4%)	3,387 (4.2%)	+379	+12.6%
Capital Investments (Sales ratio)	2,205 (3.2%)	2,105 (2.6%)	-99	-4.5%
Depreciation Expenses (Sales ratio)	1,836 (2.7%)	2,037 (2.6%)	+201	+11.0%
(Unit: Yen, annual average exchange rate)				
1 USD	150	157	+8	+5.1%
1 EUR	163	185	+22	+13.6%

Variation Analysis of Net Sales

FURUNO

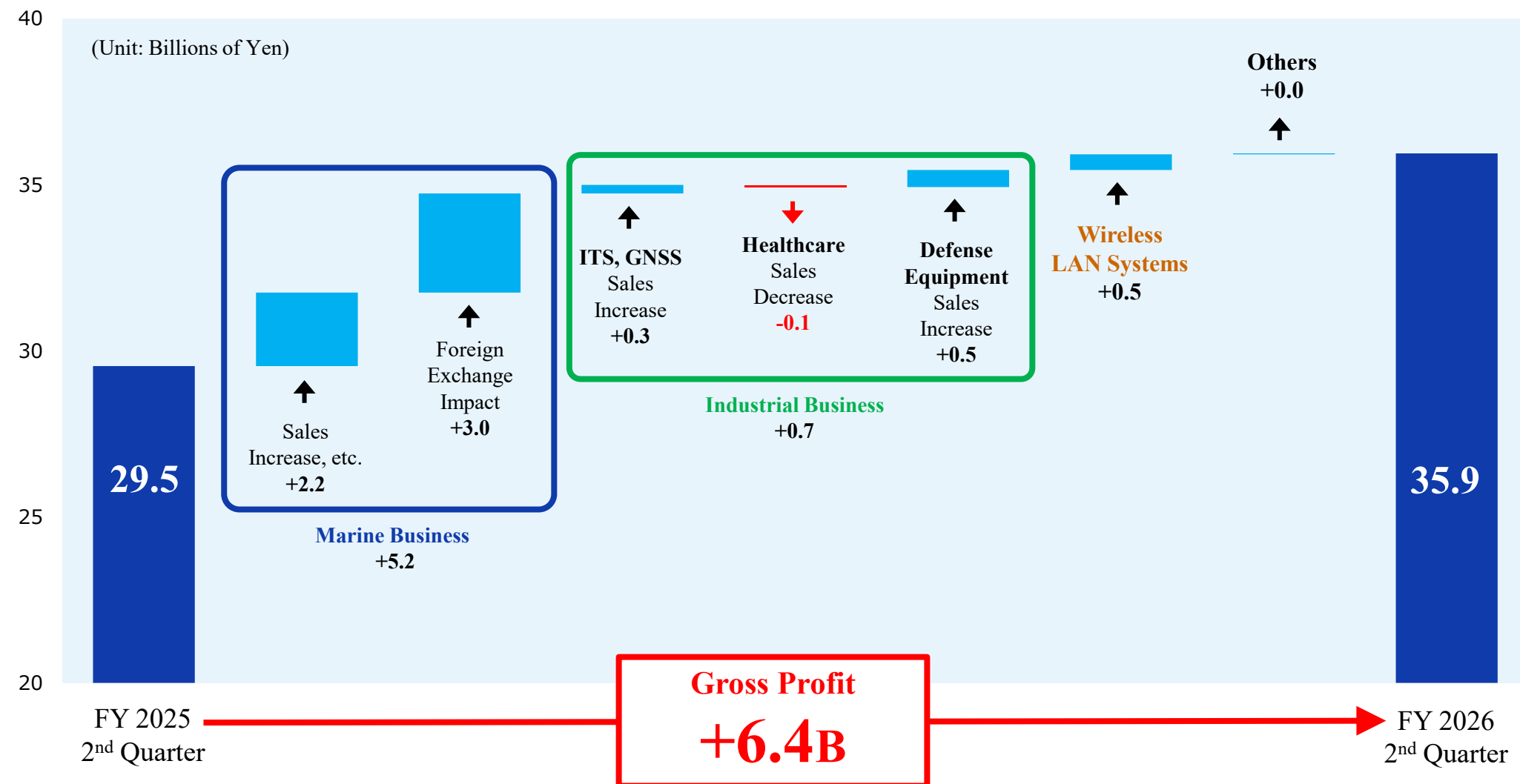
Marine business revenue increased on forex and higher equipment sales, particularly in China.
Industrial business revenue increased on higher sales of ITS, GNSS, and Defense equipment.



Variation Analysis of Gross Profit

FURUNO

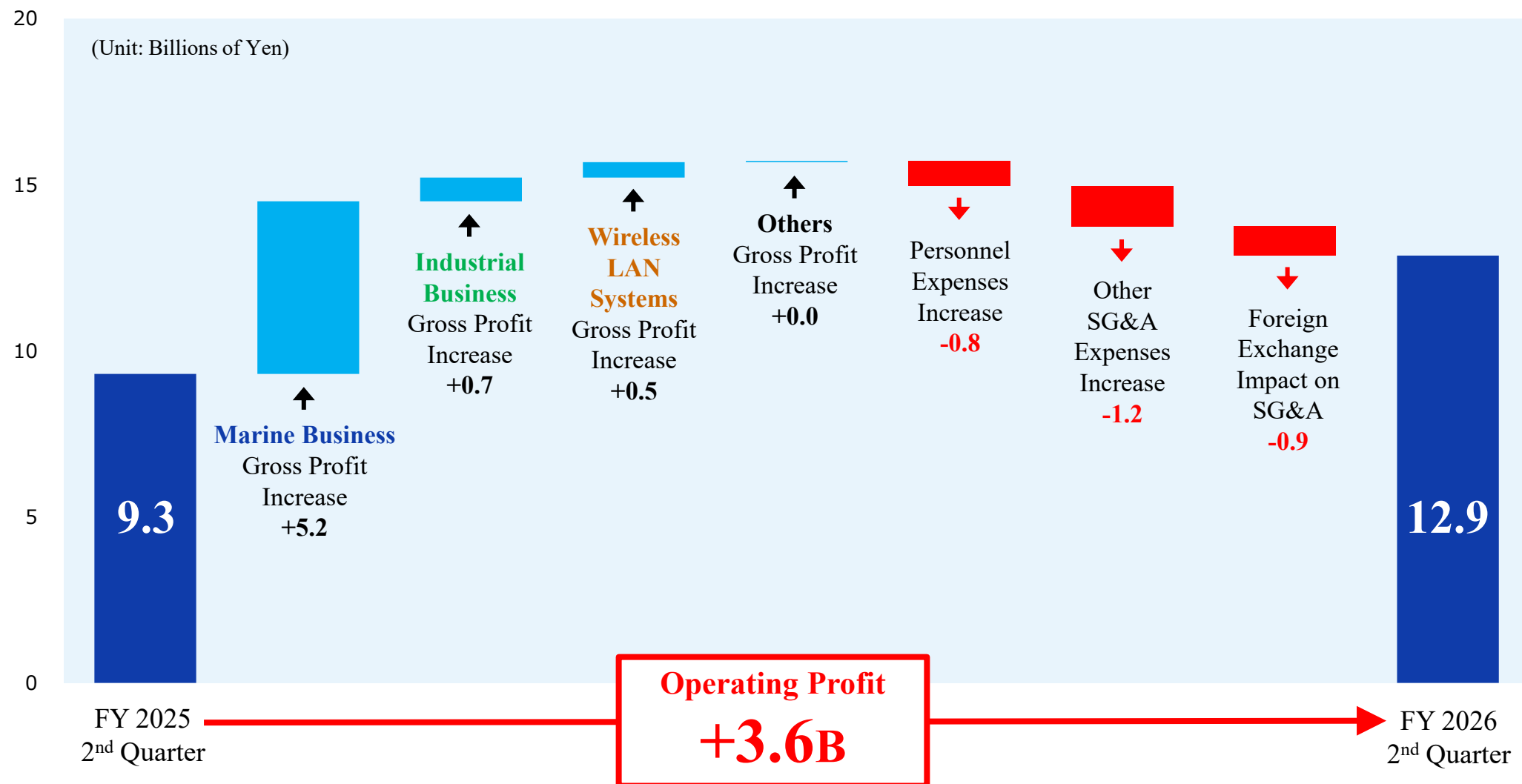
Marine business profit increased on sales growth and favorable foreign exchange.
Industrial business profit increased on higher sales of ITS, GNSS, and defense equipment.



Variation Analysis of Operating Profit

FURUNO

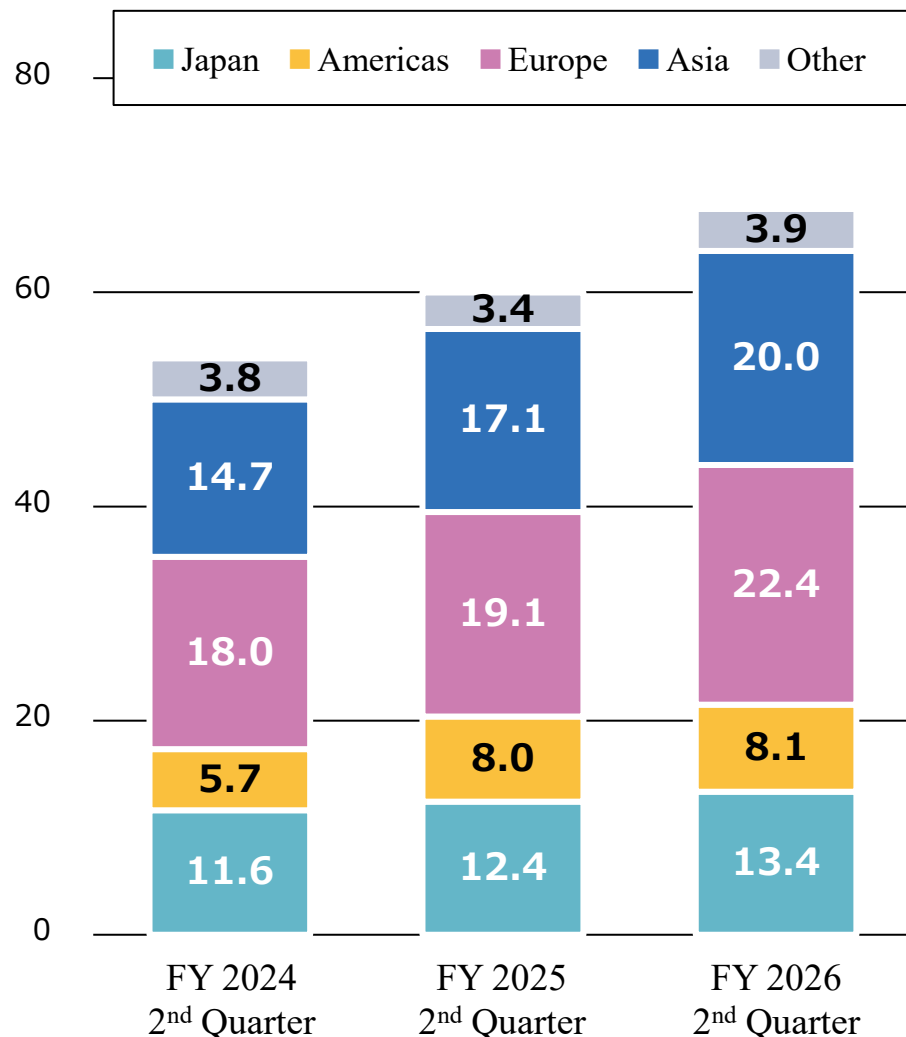
Operating profit increased significantly as revenue growth across all businesses outweighed higher SG&A expenses from growth investments



“B” stands for Billion

Marine Business Consolidated Sales (by Region)

(Unit: Billions of Yen)



Marine Business

Net Sales **67.8B** yen (+13.0% year-over-year)

Segment Profit **12.2B** yen (+2.7B yen)

- Strong demand for merchant newbuilt vessels in Japan, China, and South Korea
- Strong demand in the Chinese merchant vessel market
- Maintenance services sales higher globally
- Weak yen contributing to earnings, mainly in Europe

◆ **Japan:** Net sales **13.4B** yen (+7.6%)

- High level of sales for merchant vessels
- Sales increase for maintenance services

◆ **Americas:** Net sales **8.1B** yen (+2.0%)

- Pleasure Boat sales remained strong, supported by sales of strategic products

◆ **Europe:** Net sales **22.4B** yen (+17.2%)

- High level of sales for existing merchant vessels
- Strong sales for maintenance services

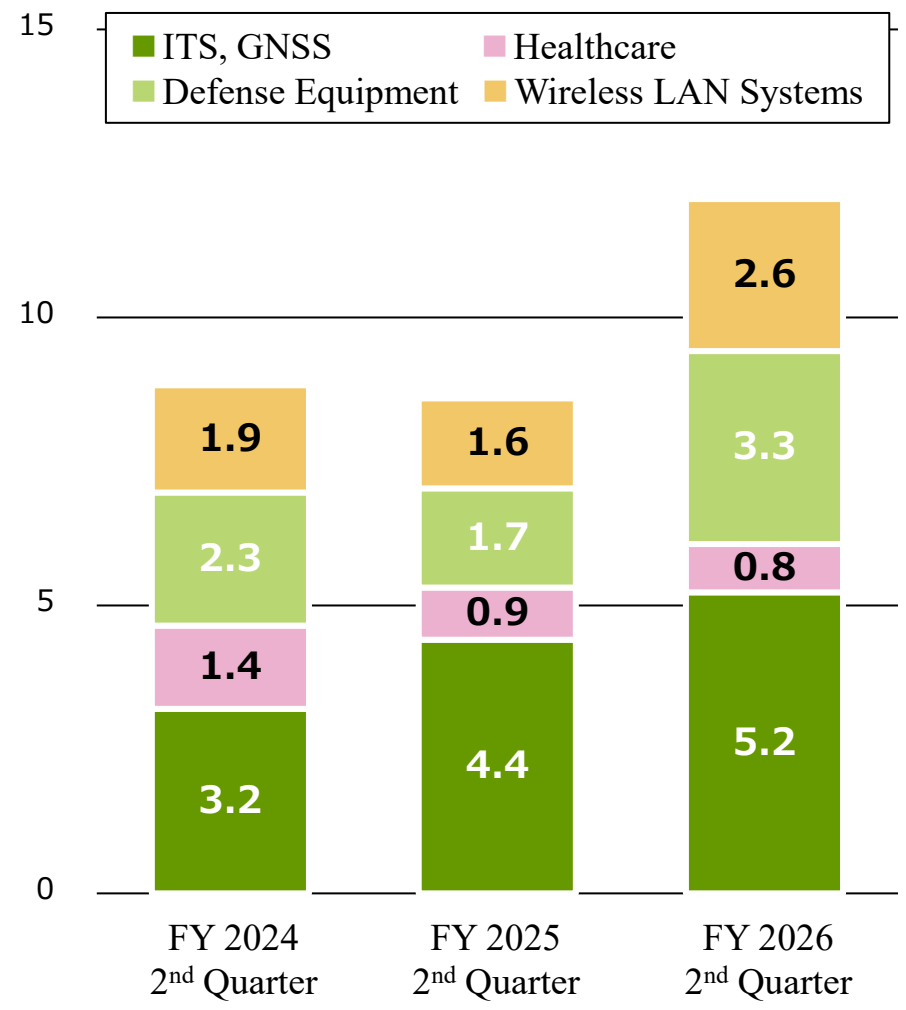
◆ **Asia:** Net sales **20.0B** yen (+16.8%)

- Sales increase for Merchant newbuilds, mainly China
- Steady sales for maintenance services

“B” stands for Billion

Industrial Business Consolidated Sales (by Product)

(Unit: Billions of Yen)



Industrial Business

Net Sales **9.3B** yen (+**34.3%** year-over-year)

Segment Profit **0.8B** yen (+**0.6B** yen)

- **Strong sales for ITS, GNSS, and Defense Equipment**
- **Improved profitability mainly in Defense Equipment**

◆ **ITS, GNSS:** Net sales **5.2B** yen (+**18.7%**)

- Steady sales overseas for GNSS products
- Strong sales also for ETC products, etc.

◆ **Healthcare:** Net sales **0.8B** yen (-**7.7%**)

- Sales decrease with price competition in China

◆ **Defense Equipment:** Net sales **3.3B** yen (+**94.4%**)

- Increase in production volume with strong demand

Wireless LAN Systems

Net Sales **2.6B** yen (+**69.2%** year-over-year)

Segment Profit **0.4B** yen (+**0.4B** yen)

- **Sales increase for wireless LAN access points on higher demand from the education market**

Appendix: Consolidated Balance Sheet

FURUNO

(Unit: Millions of yen)	FY2025	2 nd Quarter FY2026
Current assets	102,496	109,945
(Cash and deposits)	(24,283)	(26,458)
(Inventories)	(45,056)	(48,212)
Fixed assets	38,868	39,608
(Tangible fixed assets)	(17,957)	(18,400)
(Intangible fixed assets)	(6,644)	(6,453)
(Investments and other assets)	(14,266)	(14,754)
Total assets	141,364	149,553
Current liabilities	34,320	34,577
Long-term liabilities	17,272	16,428
Total liabilities	51,592	51,006
Shareholders' equity	76,310	83,593
Others	13,035	14,508
Non-controlling interests	426	444
Total net assets	89,772	98,546
Total liabilities and net assets	141,364	149,553
Equity ratio	63.2%	65.6%

Forecast for FY 2026: Upward Revision

FURUNO

**Strong market conditions expected to drive sales growth, led by Marine business.
Higher sales expected to offset rising component costs, driving record-high revenue and profit.**

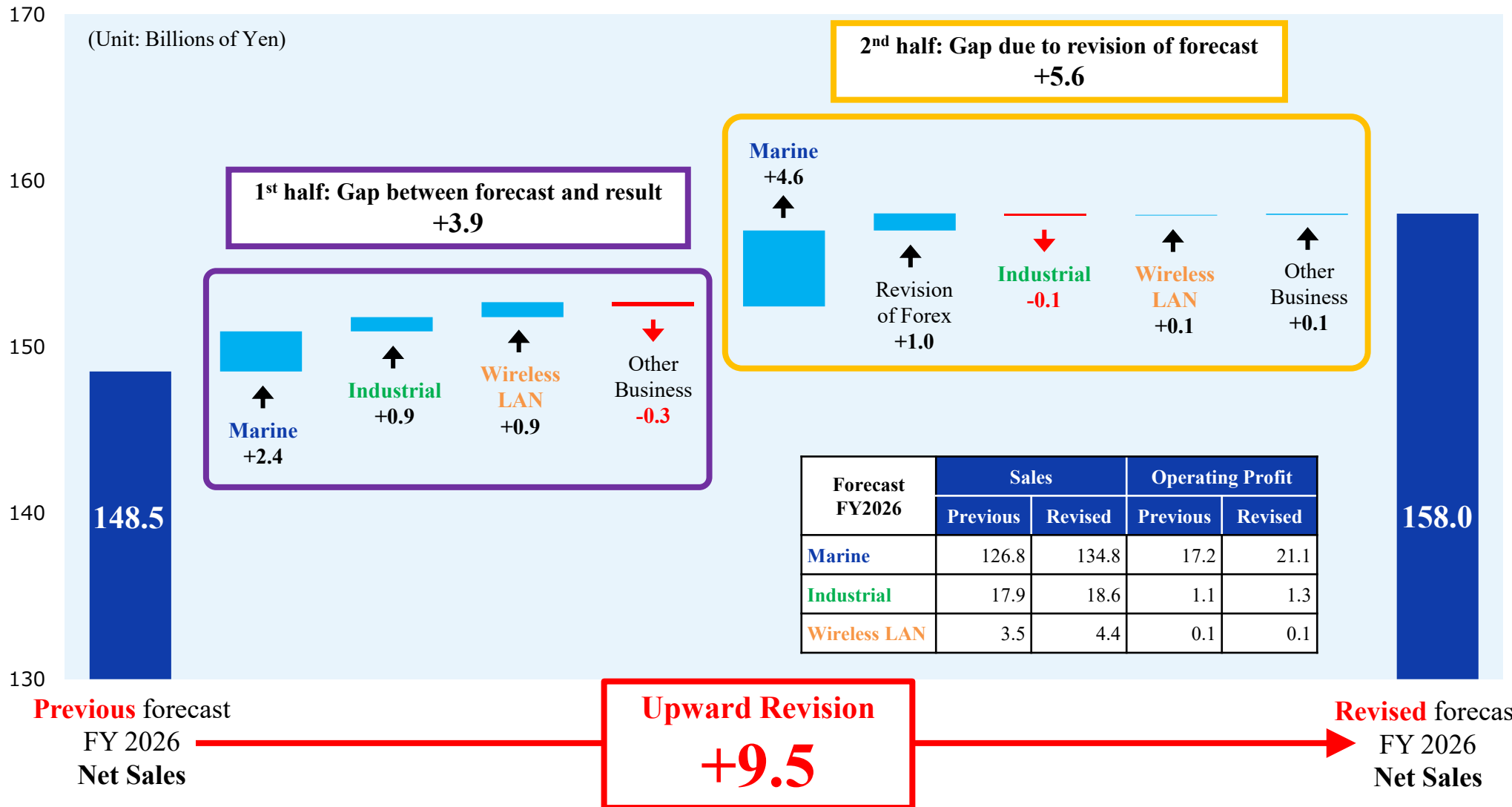
(Unit: Millions of yen)	FY 2025 Result	FY 2026 Previous Forecast	FY 2026 Revised Forecast	Revision
Net Sales	140,616	148,500	158,000	+9,500
Operating Profit (Sales ratio)	16,246 (11.6%)	17,000 (11.4%)	21,000 (13.3%)	+4,000
Ordinary Profit (Sales ratio)	18,291 (13.0%)	17,000 (11.4%)	22,000 (13.9%)	+5,000
Profit Attributable to Owners of Parent (Sales ratio)	16,735 (11.9%)	13,000 (8.8%)	17,000 (10.8%)	+4,000
1 USD	150	153	159	+5
1 EUR	169	183	184	+1

Increase in dividend in line with policy of total shareholder return ratio of about 40%

(Unit: Millions of yen)	2nd Quarter	End of Term	Full Year	Payout Ratio
FY 2025	75	85	160	30.2%
FY 2026 Previous Forecast	80	80	160	38.9%
FY 2026 Revised Forecast	115	95	210	39.0%

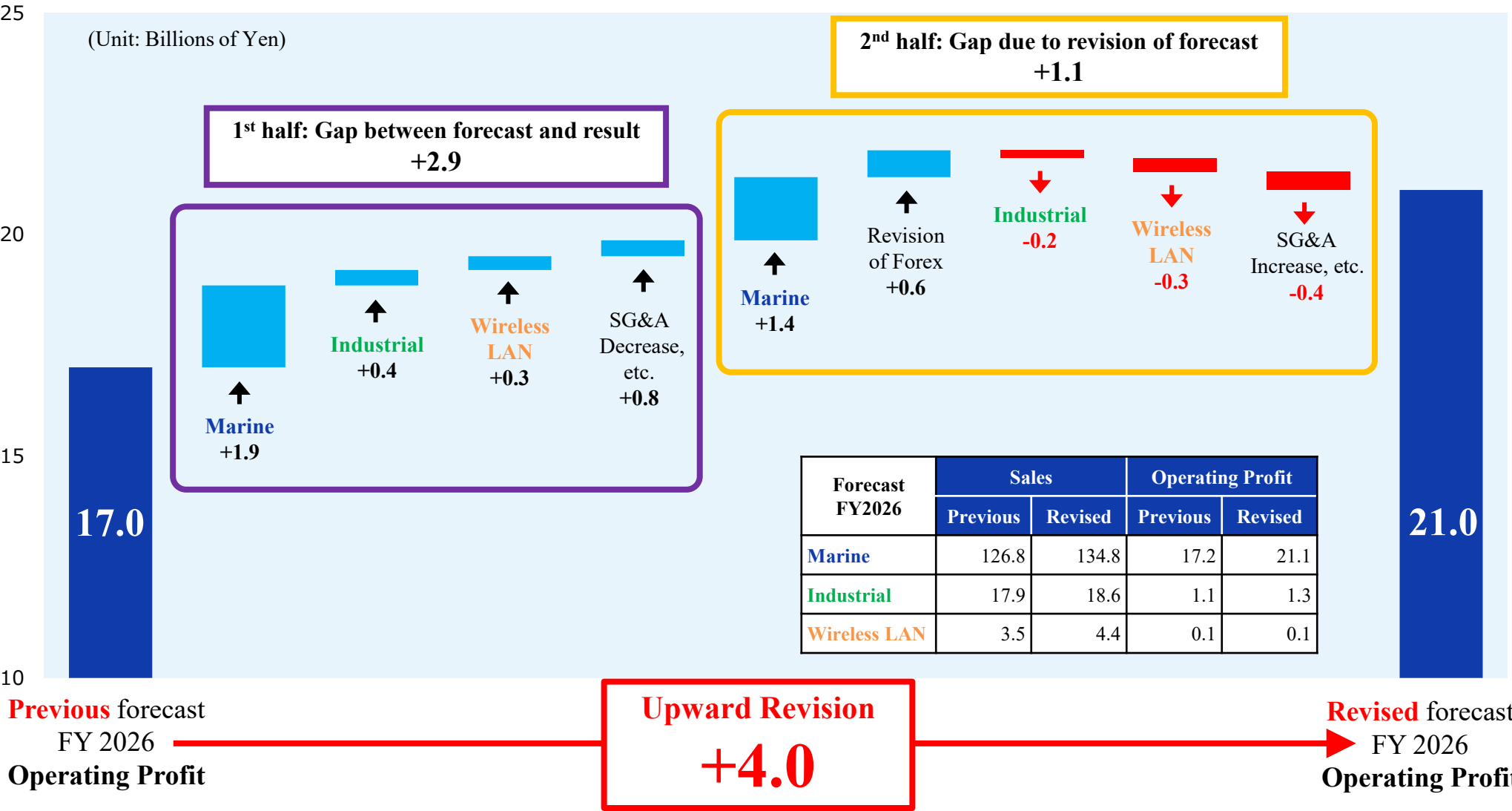
Forecast Revision of Net Sales

Marine business revenue expected to increase significantly on solid demand and revised FX assumptions. Full-year forecasts for Industrial and Wireless LAN businesses raised on first-half outperformance, while second-half performance expected to remain in line with initial forecasts.



Forecast Revision of Operating Profit

Operating profit expected to reach JPY 21 billion, as sales growth, led by Marine business.
Favorable FX effects more than offset higher component costs and SG&A expenses.

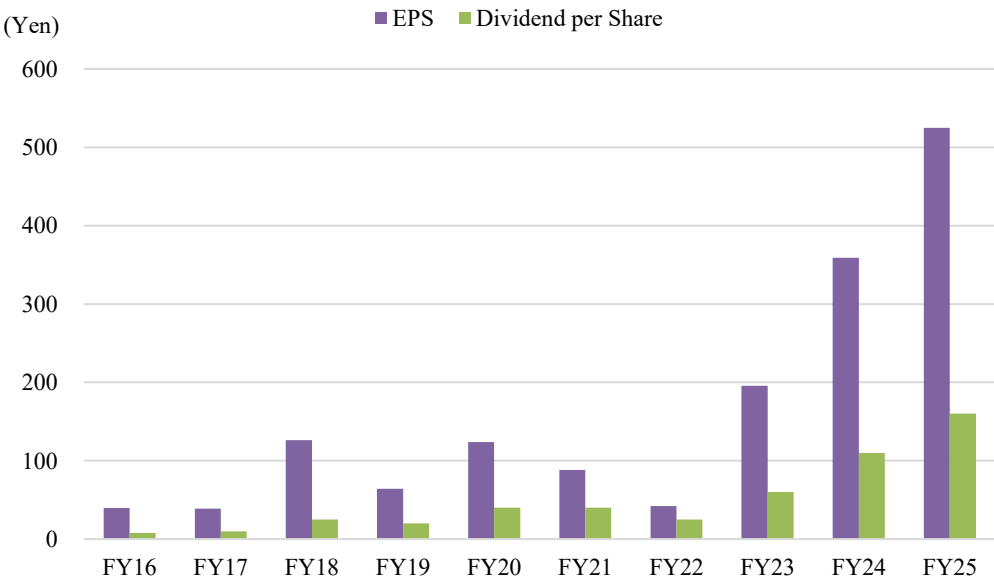
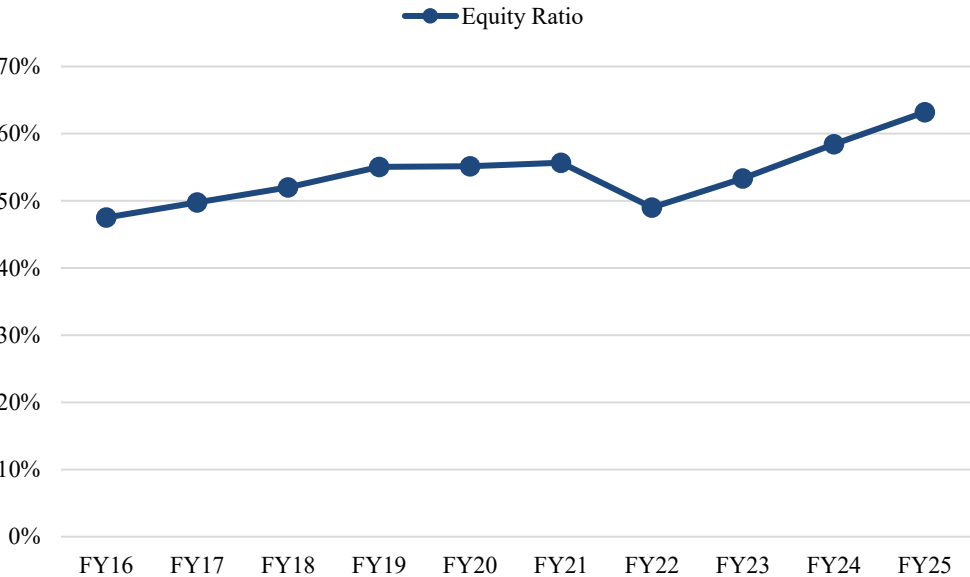
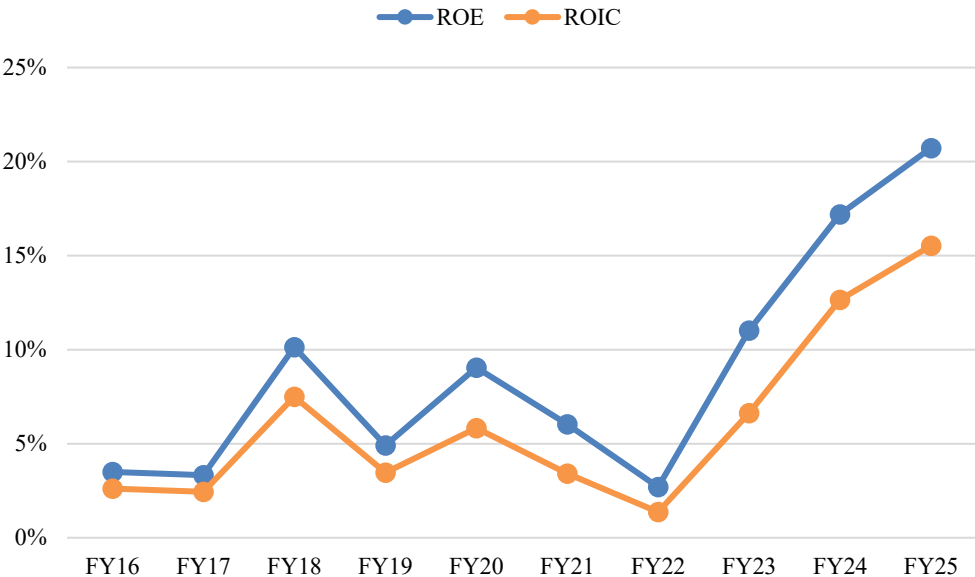
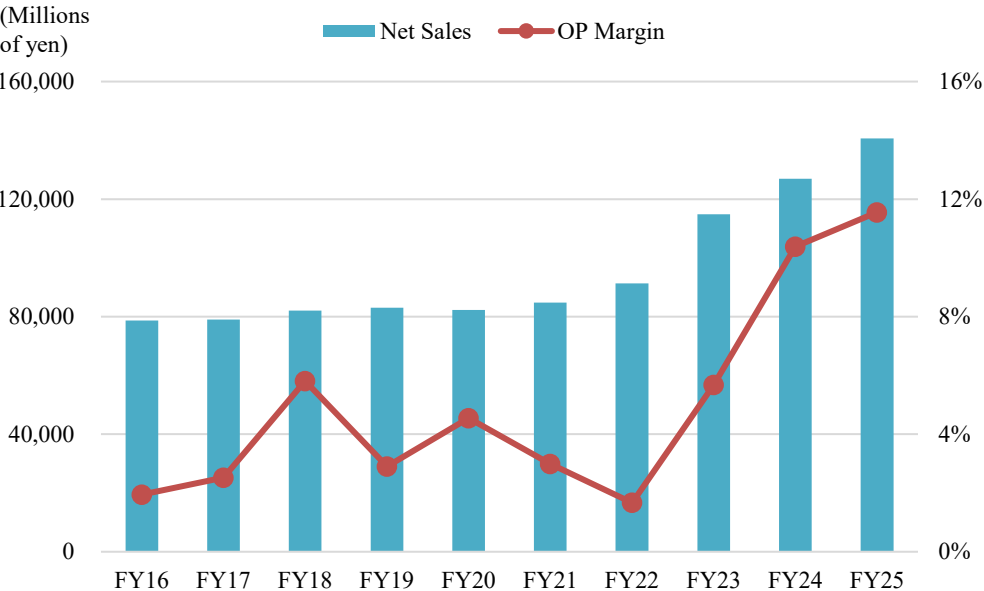


Appendix: Trends in Financial Condition



(Millions of yen) (*: yen)	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025
Net Sales	78,674	79,050	82,108	83,066	82,255	84,783	91,325	114,850	126,953	140,616
Operating Profit	1,534	1,992	4,771	2,411	3,740	2,532	1,523	6,521	13,181	16,246
OP Margin	1.9%	2.5%	5.8%	2.9%	4.5%	3.0%	1.7%	5.7%	10.4%	11.6%
Net Profit	1,262	1,236	4,026	2,041	3,946	2,814	1,348	6,238	11,457	16,735
PBR	0.6	0.6	0.8	0.7	0.8	0.7	0.6	1.2	1.2	2.4
ROE	3.5%	3.3%	10.1%	4.9%	9.0%	6.0%	2.7%	11.0%	17.2%	20.7%
ROIC	2.6%	2.4%	7.5%	3.5%	5.8%	3.4%	1.4%	6.6%	12.7%	15.5%
EPS*	39.6	38.8	126.2	64.0	123.7	88.2	42.3	195.6	359.2	524.7
Equity Ratio	47.5%	49.8%	52.0%	55.1%	55.1%	55.7%	49.0%	53.4%	58.4%	63.2%
Dividend per Share*	8	10	25	20	40	40	25	60	110	160

Appendix: Trends in Financial Condition



Topics

Certified as a KENKO Investment for Health stock and for 8 consecutive years as a “Health and Productivity Management Organization (White 500)”

Under its management philosophy, FURUNO promotes initiatives to enhance employee health awareness and foster a workplace environment where every employee can work with physical and mental well-being, maintaining a bright and vibrant spirit. These efforts toward health management have been recognized, leading to this certification. Moving forward, FURUNO will strategically implement health management to ensure its employees lead healthy and fulfilling lives. This approach aims to further invigorate our organization, enhance productivity, and realize well-being.

In recognition of these health management efforts, **FURUNO has been recognized as a “Health and Productivity Management Organization (White 500)” for eight consecutive years since the fiscal year 2019** in the large corporation category. It has also been **recognized as a “KENKO Investment for Health” stock**.



MoU signed with Icom to launch Radio and Radar collaboration

FURUNO and Icom Incorporated signed a Memorandum of Understanding (MoU) on May 13, 2026, regarding the commencement of **collaboration in the fields of radio communication equipment and radar**. The purpose of this MoU is to facilitate discussions regarding potential collaboration on product development and business activities in the radio communication equipment and radar sectors, **leveraging the technologies and expertise that both companies have cultivated**.

Key aspects of the collaboration

Under this collaboration, both companies will focus their discussions on the following initiatives:

- Collaboration on product development in the radio communication equipment and radar sectors
- Cost-reduction measures, including joint procurement of related parts and components
- Ongoing discussions on future collaboration opportunities leveraging both companies' expertise



Signing ceremony

Left: Yukio Furuno, President and CEO, FURUNO

Right: Hiroshi Nakaoka, President and CEO, Icom Corporation

Details: https://www.furuno.co.jp/en/news/general/general_category.html?itemid=1820&dispmid=961

Asahi Tanker Co., Ltd. and the Yamaguchi Prefecture Fisheries Cooperative Association have begun collaborating to promote “Blue Carbon Creation”

Promoting the visualization of the marine environment through the use of ultrasound technology

FURUNO has recently launched a partnership with Asahi Tanker Co., Ltd. and the Yamaguchi Prefecture Fisheries Cooperative Association to promote the creation of sustainable coastal marine environments. This partnership features an unprecedented environmental conservation model in which a shipping company provides fish finders to fishermen, enabling marine environmental monitoring that is compatible with fishing activities.

Overview

Under this partnership, Asahi Tanker will purchase fish finders from our company for the purpose of seaweed bed conservation and provide them to fishermen for monitoring purposes. The Yamaguchi Prefecture Fisheries Cooperative (Yoshisa Central Branch) will conduct monitoring activities that are compatible with regular fishing operations by navigating through waters where seaweed beds are distributed, in addition to its routine fishing activities. By leveraging the data and insights gained by fishermen through their daily interactions with the sea, FURUNO will conduct continuous observations in a sustainable manner.



(From left) Michihiko Nakano, Managing Director, Asahi Tanker Co., Ltd.

Akie Tokutomi, General Manager of the Yoshisa Branch, Yamaguchi Prefecture Fisheries Cooperative

Kazuma Waimatsu, Director, Senior Managing Executive Officer, and CMO, FURUNO

Four demonstration vessels obtain Japanese government certification as autonomous ships in MEGURI2040 Stage 2

FURUNO announced that, in Stage 2 of the Fully Autonomous Ship Project “MEGURI2040”, promoted by The Nippon Foundation, **all four demonstration vessels passed ship inspections conducted by Japan’s Ministry of Land, Infrastructure, Transport and Tourism (MLIT), obtained certification as autonomous ships**, and commenced commercial operations as such.

MEGURI2040 is a project launched in 2020 with the aim of realizing fully autonomous vessels and ensuring the stable transportation of people and goods. The project addresses pressing challenges facing the maritime industry, including crew shortages caused by demographic changes and maritime accidents attributable to human error. A total of 53 Japanese companies sharing the project’s vision and social significance have formed the DFFAS+ (Designing the Future of Fully Autonomous Ships Plus) Consortium, through which technological development and social implementation have been promoted by leveraging the strengths of each participant.



Newly built coastal container vessel
“GENBU”



Passenger ferry
“Olympia Dream Seto”



RORO vessel
“HOKUREN MARU No.2”



Coastal container vessel
“MIKAGE”

Details: https://www.furuno.co.jp/en/news/general/general_category.html?itemid=1812&dispmid=961

Research findings on “Llamarine,” an open-source large language model specialized for the maritime industry, were presented at the “Japan Society of Naval Architecture and Ocean Engineering Autumn Conference” [DX]

New AI Platform Supporting Digital Transformation in the Maritime Industry Unveiled

At the “2025 Japan Society of Naval Architecture and Ocean Engineering Autumn Conference” held in Hyogo Prefecture last November, FURUNO presented research findings on “Llamarine,” a **large-scale open-source language model specialized for the maritime industry**, which was jointly developed with Aitomatic, Inc.

Research Overview

In this research, FURUNO focused on developing a “large-scale language model specialized for the maritime industry” as our core objective and set the following goals:

- Building a high-quality dataset utilizing maritime-specific books, academic papers, and regulatory documents
- Developing and openly releasing a maritime-specialized language model
- Establishing benchmarks to evaluate maritime-specific reasoning capabilities



RCB-100 GNSS Receiver for Industry-Standard Time Synchronization to Be Launched

Making Base-Station-Grade GNSS Time Synchronization More Accessible

FURUNO plans to launch the RCB-100 in November 2026. The RCB-100 is a **new GNSS receiver** for time synchronization that adopts an industry-standard RCB form factor.

Background

Social infrastructure applications **require highly accurate and interference-resistant time synchronization**, while **the development and design work involved in integrating GNSS receivers has remained a challenge**.

Furuno developed the RCB-100 to enable equipment manufacturers to implement highly accurate time synchronization more easily.

Key Features

- **Base-Station-Grade GNSS Time Synchronization**

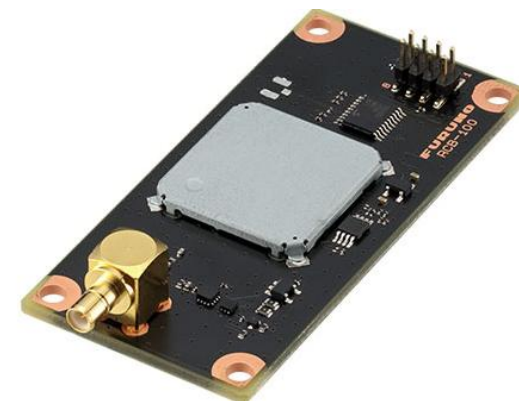
Building on GNSS technologies developed for base stations and telecommunications infrastructure markets, the RCB-100 provides **highly accurate** time synchronization **and strong resistance to jamming and spoofing**.

- **Easy Integration with the RCB Form Factor**

The RCB-100 adopts an **industry-standard** RCB form factor, enabling equipment manufacturers to easily implement highly accurate and reliable time synchronization.

- **Support for a Wide Range of Applications**

The RCB-100 is designed for applications requiring highly accurate time synchronization. Through a product lineup **tailored to customers' operating/deployment environments**, Furuno will help further enhance the reliability of the time synchronization infrastructure that supports social infrastructure.



Japan's First*¹ Reception of Live LEO PNT Signals from Xona's Pulsar Satellite

Pulsar Signal Reception Confirmed Even in a GNSS Spoofing Test Environment

In June 2026, FURUNO successfully received signals in Nishinomiya, Japan, transmitted from a satellite of **Pulsar, a next-generation low Earth orbit (LEO)-based positioning, navigation and timing (PNT) service** developed by Xona Space Systems, Inc. ("Xona"), a U.S.-based space technology startup.

This marks **the first confirmed reception in Japan** of live signals transmitted from a Pulsar satellite.*¹

*¹ Japan's first: Based on FURUNO's independent research using publicly available information.

Significance of This Achievement

Even when GNSS is exposed to **interference, disruptions or spoofing**, LEO PNT can be used as **an alternative or complementary means of positioning and time synchronization**, significantly contributing to the operational continuity of critical infrastructure.

As a first step toward achieving this goal, this reception test confirmed that live signals from a Pulsar satellite could be received in Japan under both normal conditions and in a GNSS spoofing test environment.

FURUNO will promote the use of LEO PNT as a promising technology for reducing modern society's overreliance on GNSS. Through the **provision of highly resilient and secure positioning and time synchronization solutions**, FURUNO will contribute to the further development of social infrastructure.



“Sea to the Future” Project

海に育てられた企業として

海を未来につなげていく。



FURUNO promotes ocean awareness and conservation through educational activities and technology under its “Sea to the Future” Project.

▶ Ocean City Yokohama Umi Expo 2026



“Captain Sakana”, a.k.a. the Fish Bro, as well as a special talk session on marine environmental conservation and blue carbon.

As part of the “Sea to the Future” Project, FURUNO participated as an exhibitor in Ocean City Yokohama Umi Expo 2026, held on August 8, 2026. The event featured a fish quiz show presented by its official Furuno ambassador,

▶ Osakana School: Summer 2026



From July 22 to September 6, 2026, participants created one-of-a-kind fish quiz books under the theme of deepening interests together, making friends and developing communication skills. The program also featured a special talk session in collaboration with Kobe Suma Sea World and concluded with an on-site presentation event held together with the Osakana Koshien.

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, 2026



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	3,411 (consolidated)
Consolidated Sales	¥140,616 million
President	Yukio Furuno
Stock Exchange Listing	Tokyo Stock Exchange, Prime Section

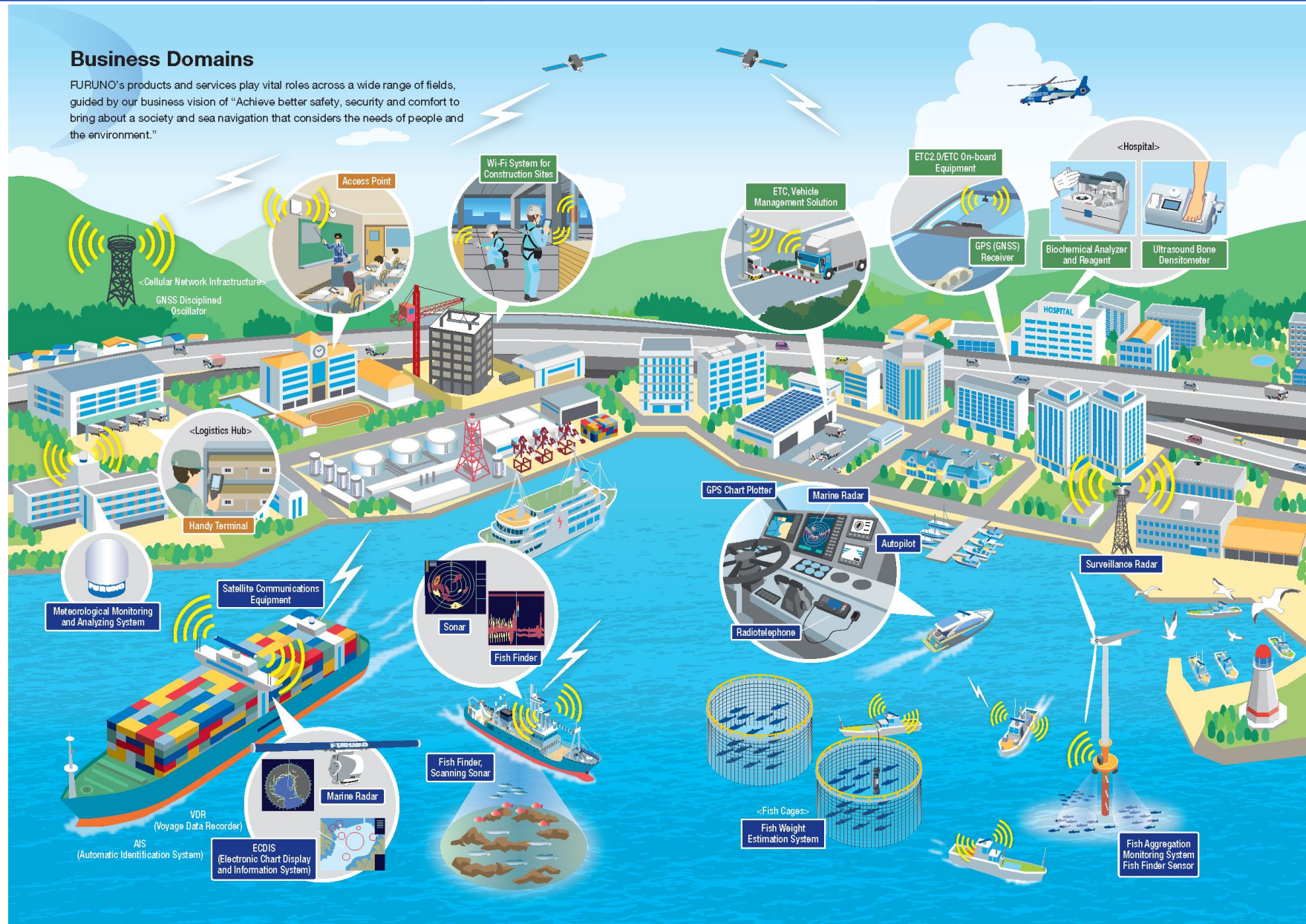
Investor Relations: <http://www.furuno.co.jp/en/ir/>

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

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

Business Domains

FURUNO's products and services play vital roles across a wide range of fields, guided by our business vision of "Achieve better safety, security and comfort to bring about a society and sea navigation that considers the needs of people and the environment."



Appendix: FURUNO's Marine Business



For Merchant Vessels



Radar



ECDIS
(Electronic Chart Display and Information System)

Satellite Communications Equipment

For Fishing Vessels



Sonar



Fish Finder



Current Indicator

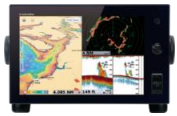


Radiotelephone

For Pleasure Boats



Radar



Multi-Function Display



GPS/WAAS Chart Plotter

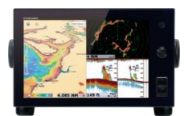


Autopilot

For Work Boats



Radar



Multi-Function Display



GPS/WAAS Chart Plotter



Autopilot

ITS・GNSS



ETC2.0 / ETC *



ETC, Vehicle Management Solution*



GPS / GNSS Chips & Modules

Healthcare



Clinical Chemistry Analyzer & Reagent



Ultrasound Bone Densitometer

Defense Equipment



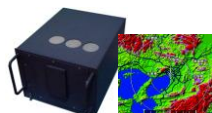
Photo: Atsugi Air Base website
https://www.mod.go.jp/msdf/atsugi/gallery/index_r2.html



Multi-beam Sonar Fathometer



GPS Navigation System



Map Generator Unit

Wireless LAN Systems



Wireless LAN Access Point*



Wireless Handheld Terminal*