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November 11, 2024

## Consolidated Financial Results for the Six Months Ended September 30, 2024 (Under Japanese GAAP)

Company name: Furukawa Co., Ltd.  
 Listing: Tokyo Stock Exchange  
 Securities code: 5715  
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Scheduled date to file semi-annual securities report: November 13, 2024  
 Scheduled date to commence dividend payments: December 9, 2024  
 Preparation of supplementary material on financial results: Yes  
 Holding of financial results briefing: Yes

(Yen amounts are rounded down to millions, unless otherwise noted.)

### 1. Consolidated financial results for the six months ended September 30, 2024 (from April 1, 2024 to September 30, 2024)

#### (1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ended								
September 30, 2024	93,522	(1.3)	3,489	(24.1)	3,428	(43.6)	8,725	(32.4)
September 30, 2023	94,793	(9.4)	4,599	36.4	6,074	16.4	12,911	274.4

Note: Comprehensive income For the six months ended September 30, 2024: ¥ 311 million [(98.3)%]  
 For the six months ended September 30, 2023: ¥ 18,699 million [274.6%]

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
September 30, 2024	236.59	—
September 30, 2023	341.52	—

## (2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
September 30, 2024	257,395	130,042	49.2
March 31, 2024	259,878	133,272	50.0

Reference: Equity

As of September 30, 2024: ¥ 126,530 million

As of March 31, 2024: ¥ 129,907 million

## 2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2024	–	0.00	–	55.00	55.00
Fiscal year ending March 31, 2025	–	30.00			
Fiscal year ending March 31, 2025 (Forecast)			–	30.00	60.00

Note: Revisions to the forecast of cash dividends most recently announced: None

## 3. Forecast of consolidated financial results for the fiscal year ending March 31, 2025 (from April 1, 2024 to March 31, 2025)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal year ending March 31, 2025	187,700	(0.3)	8,200	(3.8)	7,400	(28.7)	16,000	(0.6)	441.31

Note: Revisions to the forecast of financial results most recently announced: Yes

\* Notes

- (1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in the change in scope of consolidation): None
- (2) Adoption of accounting treatment specific to the preparation of semi-annual consolidated financial statements: None
- (3) Changes in accounting policies, changes in accounting estimates, and restatement
- (i) Changes in accounting policies due to revisions to accounting standards and other regulations: Yes
  - (ii) Changes in accounting policies due to other reasons: None
  - (iii) Changes in accounting estimates: None
  - (iv) Restatement: None
- (4) Number of issued shares (common shares)

- (i) Total number of issued shares at the end of the period (including treasury shares)

As of September 30, 2024	40,445,568 shares
As of March 31, 2024	40,445,568 shares

- (ii) Number of treasury shares at the end of the period

As of September 30, 2024	4,189,660 shares
As of March 31, 2024	3,255,730 shares

- (iii) Average number of shares outstanding during the period

Six months ended September 30, 2024	36,881,818 shares
Six months ended September 30, 2023	37,807,375 shares

\* Semi-annual financial results reports are exempt from review conducted by certified public accountants or an audit corporation.

\* Proper use of earnings forecasts, and other special matters

- (1) Caution concerning forward-looking statements

The forward-looking statements, including earnings outlook, contained in these materials are based on information currently available to the Company and on certain assumptions deemed to be reasonable by the Company. The Company makes no warranty as to the achievability of the projections. Actual business and other results may differ substantially from the statements herein due to a number of factors.

Please refer to “1. Performance Overview, (3) Information regarding consolidated performance forecasts and other forward-looking statements” on page 6 of the attached material for the suppositions that form the assumptions for earnings forecasts and cautions concerning the use thereof.

- (2) Financial results briefing (for securities analysts and institutional investors)

The Company will hold a financial results briefing through livestreaming. Furthermore, the Company plans to post financial results briefing materials and a video of the results briefing on its website.

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## 1. Performance Overview

Matters concerning forward-looking statements in the text are according to the judgment as of September 30, 2024.

### (1) Operating results

(Millions of yen)

	Six months ended September 30, 2023	Six months ended September 30, 2024	Year-on-year change
Net sales	94,793	93,522	(1,270)
Operating profit	4,599	3,489	(1,110)
Ordinary profit	6,074	3,428	(2,645)
Profit attributable to owners of parent	12,911	8,725	(4,185)

In the first two quarters under review (April 1–September 30, 2024), the Japanese economy experienced a gradual recovery led by domestic demand and supported by improving employment and income conditions, despite some stagnation in certain areas. Corporate earnings also showed overall improvement. On the other hand, a slowdown in overseas economies posed a risk of downward pressure on the domestic economy. This was reflected in sustained high interest rates in the United States and Europe, continued stagnation in China's real estate market, geopolitical tensions in Ukraine and the Middle East, and other factors.

In this economic environment, the Furukawa Company Group posted consolidated net sales of ¥93,522 million, a decrease of ¥1,270 million year on year, and operating profit of ¥3,489 million, a decrease of ¥1,110 million. The Industrial Machinery segment reported higher sales and operating profit, the Rock Drill Machinery segment posted lower sales and operating profit, and the UNIC Machinery segment reported higher sales and lower operating profit. Overall, the Machinery business reported higher sales and lower operating profit. In the Materials business, the Metals and Electronics segments recorded lower sales and operating profit, while the Chemicals segment posted higher sales and lower operating profit. As a result, the Materials business as a whole posted lower sales and operating profit. The Real Estate business reported increases in both sales and operating profit. Within non-operating income, we posted ¥585 million in dividend income, and within non-operating expenses, we posted ¥562 million foreign exchange losses. As a result, ordinary profit totaled ¥3,428 million, down ¥2,645 million. Within extraordinary income, we reported an ¥8,248 million gain on sale of investment securities, mainly due to the partial sales of strategic shareholdings. As a result, profit attributable to owners of parent was ¥8,725 million, down ¥4,185 million.

Below is a summary of sales and operating profit (loss) by reportable segment.

#### *Industrial Machinery*

(Millions of yen)

	Six months ended September 30, 2023	Six months ended September 30, 2024	Year-on-year change
Sales	6,054	8,778	2,723
Operating profit	(283)	11	294

The Industrial Machinery segment posted sales of ¥8,778 million, up ¥2,723 million year on year, and operating profit of ¥11 million, compared with an operating loss of ¥283 million in the previous corresponding period. Sales of material machinery increased due to greater shipments of main units and an increase in the sales volume of crushed stone plants. In the contractor business, we reported sales corresponding to progress of bridge-related projects, including the Iinuma River Viaduct, Takasu No. 1 Bridge, and two other bridges, resulting in an increase in sales.

**Rock Drill Machinery**

(Millions of yen)

	Six months ended September 30, 2023	Six months ended September 30, 2024	Year-on-year change
Sales	19,961	18,425	(1,535)
Operating profit	2,146	1,539	(607)

Sales in the Rock Drill Machinery segment totaled ¥18,425 million, down ¥1,535 million year on year, and operating profit was ¥1,539 million, down ¥607 million. In Japan, sales decreased due to lower shipments of hydraulic crawler drills and tunnel drill jumbos. Overseas, we reported lower sales due to a lull in demand for hydraulic breakers in North America. This was despite the positive effect of the yen's depreciation.

**UNIC Machinery**

(Millions of yen)

	Six months ended September 30, 2023	Six months ended September 30, 2024	Year-on-year change
Sales	14,286	14,564	277
Operating profit	717	636	(81)

Sales in the UNIC Machinery segment amounted to ¥14,564 million, up ¥277 million year on year, and operating profit was ¥636 million, down ¥81 million. In Japan, the supply of trucks remained unstable, but shipments of UNIC cranes were on a par with the previous corresponding period. Overseas, shipments of mini-crawler cranes to North America decreased, but shipments of UNIC cranes to Asia and the Middle East increased, resulting in higher overall overseas sales.

**[Machinery Business Total]**

(Millions of yen)

	Six months ended September 30, 2023	Six months ended September 30, 2024	Year-on-year change
Sales	40,302	41,768	1,465
Operating profit	2,581	2,187	(393)

Total sales of the Machinery business—consisting of the Industrial Machinery, Rock Drill Machinery, and UNIC Machinery segments—amounted to ¥41,768 million, an increase of ¥1,465 million year on year, while operating profit was ¥2,187 million, a decrease of ¥393 million.

**Metals**

(Millions of yen)

	Six months ended September 30, 2023	Six months ended September 30, 2024	Year-on-year change
Sales	43,359	40,589	(2,769)
Operating profit	1,254	579	(674)

Sales in the Metals segment amounted to ¥40,589 million, down ¥2,769 million year on year, and operating profit was ¥579 million, down ¥674 million. The overseas market price for electrolytic copper started the period at US\$8,920/ton and hit a two-year high of US\$10,857/ton on May 20, 2024, due to continued speculative buying. The price subsequently weakened to US\$9,767/ton at the end of the period, mainly due to profit-taking by speculators and renewed concerns about the Chinese economic outlook. Electrolytic copper production was 23,300 tons, down 1,660 tons from the previous corresponding period. Despite a decrease in sales volume, sales in value terms increased due to higher overseas market prices and a weaker yen. On the other hand, sales of electrolytic gold decreased due to a decline in sales volume.

**Electronics**

(Millions of yen)

	Six months ended September 30, 2023	Six months ended September 30, 2024	Year-on-year change
Sales	3,540	3,154	(386)
Operating profit	274	(2)	(276)

The Electronics segment posted sales of ¥3,154 million, down ¥386 million year on year, and an operating loss of ¥2 million, compared with operating profit of ¥274 million in the previous corresponding period. Sales of aluminum nitride ceramics increased due to signs of recovery in demand for parts for semiconductor manufacturing equipment. However, sales of high-purity metallic arsenic were affected by a decrease in exports, sales of crystal products were impacted by protracted inventory adjustments by users, and sales of coils were affected by the suspension of shipments by some automakers, resulting in a year-on-year decline in segment sales.

**Chemicals**

(Millions of yen)

	Six months ended September 30, 2023	Six months ended September 30, 2024	Year-on-year change
Sales	4,603	4,915	312
Operating profit	383	374	(8)

Sales in the Chemicals segment amounted to ¥4,915 million, up ¥312 million year on year, and operating profit was ¥374 million, down ¥8 million. Sales of cupric oxide increased due to higher unit sales prices resulting from rising copper prices and a change in our sales mix. This was despite a decline in demand related to package substrates for servers, as well as PCs and smartphones. Meanwhile, sales of cuprous oxide increased on the back of strong demand for ship-bottom paints, a major application for that product, as well as higher unit sales prices resulting from rising copper prices and price revisions.

**[Materials Business Total]**

(Millions of yen)

	Six months ended September 30, 2023	Six months ended September 30, 2024	Year-on-year change
Sales	51,503	48,659	(2,843)
Operating profit	1,912	952	(960)

Total sales of the Materials business—consisting of the Metals, Electronics, and Chemicals segments—amounted to ¥48,659 million, a decrease of ¥2,843 million year on year, and operating profit was ¥952 million, a decrease of ¥960 million.

**Real Estate**

(Millions of yen)

	Six months ended September 30, 2023	Six months ended September 30, 2024	Year-on-year change
Sales	903	1,027	124
Operating profit	226	360	134

Sales in the Real Estate business amounted to ¥1,027 million, up ¥124 million year on year, and operating profit was ¥360 million, up ¥134 million. As for the Muromachi Furukawa Mitsui Building (commercial name: COREDO Muromachi 2), our main facility, commercial rent

revenues, which are variable and based on sales at each commercial facility, recovered to the pre-COVID-19 level, while office revenues increased on the back of improved vacancy rates.

### Others

(Millions of yen)

	Six months ended September 30, 2023	Six months ended September 30, 2024	Year-on-year change
Sales	2,083	2,066	(16)
Operating profit	(86)	26	112

This segment covers metal powder, casting, transportation, and other businesses. In the period under review, the segment recorded sales of ¥2,066 million, down ¥16 million year on year, and operating profit of ¥26 million, compared with an operating loss of ¥86 million in the previous corresponding period.

## (2) Financial position

### (i) Assets, liabilities, and net assets

(Millions of yen)

	As of March 31, 2024	As of September 30, 2024	Change from end of previous fiscal year
Total assets	259,878	257,395	(2,482)
Liabilities	126,605	127,353	747
(Interest-bearing debt)	58,389	64,743	6,354
Net assets	133,272	130,042	(3,230)
Equity-to-asset ratio (%)	50.0	49.2	(0.8)

At the end of the period (September 30, 2024), total assets amounted to ¥257,395 million, a decrease of ¥2,482 million from March 31, 2024. Main factors included a decrease in cash and deposits and a decrease in investment securities stemming from a decline in the share prices of listed stocks and the partial sale of strategic shareholdings. By contrast, merchandise and finished goods, as well as raw materials and supplies, increased. Interest-bearing debt totaled ¥64,743 million, up ¥6,354 million. Net assets amounted to ¥130,042 million, down ¥3,230 million.

### (ii) Cash flows

(Millions of yen)

	Six months ended September 30, 2023	Six months ended September 30, 2024	Year-on-year change
Cash flows from operating activities	8,443	(15,421)	(23,864)
Cash flows from investing activities	1,946	7,125	5,178
Cash flows from financing activities	(4,312)	2,629	6,942
Cash and cash equivalents	20,364	12,951	(7,412)

Regarding cash flows from operating activities in the period under review, there was a net outflow of ¥15,421 million. This was mainly due to ¥5,715 million in adjusted revenue of non-cash expenses (calculated by adjusting profit before income taxes for non-cash expenses), ¥18,259 million in outflows from changes in assets and liabilities related to operating activities, and ¥3,241 million in income taxes paid. Net cash provided by investing activities totaled ¥7,125 million, mainly reflecting ¥10,155 million in proceeds from sale of investment securities. This was despite ¥3,045 million in purchase of property, plant and equipment. Net cash provided by financing activities was ¥2,629 million, mainly reflecting ¥23,598 million in proceeds from borrowings, which contrasted with ¥17,269 million in repayments of borrowings and ¥2,042 million in cash



dividends paid. As a result, cash and cash equivalents at end of period amounted to ¥12,951 million, a decrease of ¥5,242 million from March 31, 2024.

**(3) Information regarding consolidated performance forecasts and other forward-looking statements**

Compared with our previous forecasts announced on May 13, 2024, we have revised downward our forecasts for consolidated operating profit and ordinary profit and revised upward our forecast for profit attributable to owners of parent.

Compared with our previous forecasts, we expect to post increases in sales and operating profit in the Industrial Machinery segment (due to higher orders for material machinery) and the Metals segment (due to higher unit sales of electrolytic gold). By contrast, we expect to report decreases in sales and operating profit in the Rock Drill Machinery segment (due to a lull in demand for hydraulic breakers in North America) and the UNIC Machinery segment (due to sluggish shipments of UNIC cranes both in Japan and overseas). As a result, we forecast overall decreases in operating profit and ordinary profit compared with our previous forecasts.

Following a review of our total income taxes associated with our plan to reduce strategic shareholdings, we have revised upward our forecast for profit attributable to owners of parent.

## 2. Semi-annual Consolidated Financial Statements and Significant Notes Thereto

### (1) Semi-annual consolidated balance sheet

(Millions of yen)

	As of March 31, 2024	As of September 30, 2024
<b>Assets</b>		
Current assets		
Cash and deposits	18,513	13,370
Notes and accounts receivable - trade, and contract assets	30,408	29,445
Merchandise and finished goods	20,044	23,367
Work in process	13,670	13,755
Raw materials and supplies	13,699	28,413
Other	3,350	5,258
Allowance for doubtful accounts	(50)	(45)
Total current assets	99,636	113,566
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	23,365	24,868
Land	51,765	51,619
Other, net	16,914	14,923
Total property, plant and equipment	92,045	91,411
Intangible assets	342	320
Investments and other assets		
Investment securities	47,383	31,520
Other	22,897	22,281
Allowance for doubtful accounts	(2,426)	(1,703)
Total investments and other assets	67,853	52,097
Total non-current assets	160,241	143,829
Total assets	259,878	257,395

(Millions of yen)

	As of March 31, 2024	As of September 30, 2024
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	14,267	15,168
Electronically recorded obligations - operating	11,135	6,731
Short-term borrowings	6,558	12,160
Income taxes payable	3,169	3,023
Provisions	356	389
Other	16,183	19,410
<b>Total current liabilities</b>	<b>51,669</b>	<b>56,883</b>
Non-current liabilities		
Bonds payable	5,000	5,000
Long-term borrowings	46,831	47,583
Provisions	20	25
Retirement benefit liability	956	991
Asset retirement obligations	234	236
Other	21,893	16,631
<b>Total non-current liabilities</b>	<b>74,935</b>	<b>70,469</b>
<b>Total liabilities</b>	<b>126,605</b>	<b>127,353</b>
<b>Net assets</b>		
Shareholders' equity		
Share capital	28,208	28,208
Capital surplus	2	10
Retained earnings	73,046	79,740
Treasury shares	(4,707)	(6,188)
<b>Total shareholders' equity</b>	<b>96,549</b>	<b>101,771</b>
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	23,342	13,025
Deferred gains or losses on hedges	36	271
Revaluation reserve for land	2,575	2,561
Foreign currency translation adjustment	2,232	3,971
Remeasurements of defined benefit plans	5,172	4,928
<b>Total accumulated other comprehensive income</b>	<b>33,358</b>	<b>24,758</b>
Non-controlling interests	3,365	3,512
<b>Total net assets</b>	<b>133,272</b>	<b>130,042</b>
<b>Total liabilities and net assets</b>	<b>259,878</b>	<b>257,395</b>

**(2) Semi-annual consolidated statement of income and consolidated statement of comprehensive income**  
**Semi-annual consolidated statement of income (cumulative)**

(Millions of yen)

	Six months ended September 30, 2023	Six months ended September 30, 2024
Net sales	94,793	93,522
Cost of sales	80,184	80,166
Gross profit	14,608	13,356
Selling, general and administrative expenses	10,008	9,866
Operating profit	4,599	3,489
Non-operating income		
Dividend income	580	585
Share of profit of entities accounted for using equity method	81	456
Foreign exchange gains	1,080	–
Other	600	327
Total non-operating income	2,343	1,368
Non-operating expenses		
Administrative expenses of inactive mountain	400	479
Foreign exchange losses	–	562
Other	469	387
Total non-operating expenses	869	1,429
Ordinary profit	6,074	3,428
Extraordinary income		
Gain on sale of investment securities	67	8,248
Other	13,423	29
Total extraordinary income	13,490	8,278
Extraordinary losses		
Loss on sale and retirement of non-current assets	25	52
Impairment losses	11	81
Demolition expenses of a rental building	458	–
Loss on liquidation of subsidiaries	200	–
Other	5	9
Total extraordinary losses	701	142
Profit before income taxes	18,863	11,564
Income taxes - current	3,300	3,027
Income taxes - deferred	2,515	(278)
Total income taxes	5,816	2,749
Profit	13,046	8,815
Profit attributable to non-controlling interests	134	89
Profit attributable to owners of parent	12,911	8,725

**Semi-annual consolidated statement of comprehensive income (cumulative)**

(Millions of yen)

	Six months ended September 30, 2023	Six months ended September 30, 2024
Profit	13,046	8,815
Other comprehensive income		
Valuation difference on available-for-sale securities	4,309	(10,317)
Deferred gains or losses on hedges	(5)	235
Foreign currency translation adjustment	1,161	1,822
Remeasurements of defined benefit plans, net of tax	(100)	(243)
Share of other comprehensive income of entities accounted for using equity method	288	-
Total other comprehensive income	5,653	(8,503)
Comprehensive income	18,699	311
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	18,509	140
Comprehensive income attributable to non-controlling interests	190	171

**(3) Semi-annual consolidated statement of cash flows**

(Millions of yen)

	Six months ended September 30, 2023	Six months ended September 30, 2024
<b>Cash flows from operating activities</b>		
Profit before income taxes	18,863	11,564
Depreciation	2,161	2,387
Loss (gain) on sale of investment securities	(67)	(8,248)
Share of loss (profit) of entities accounted for using equity method	(81)	(456)
Increase (decrease) in allowance for doubtful accounts	(8)	(735)
Increase (decrease) in retirement benefit liability	(317)	(603)
Interest and dividend income	(778)	(617)
Interest expenses	245	264
Foreign exchange losses (gains)	(436)	210
Decrease (increase) in trade receivables	6,795	1,417
Decrease (increase) in inventories	(975)	(17,063)
Increase (decrease) in trade payables	1,372	(3,834)
Other, net	(17,052)	3,171
Subtotal	9,721	(12,543)
Interest and dividends received	784	628
Interest paid	(243)	(264)
Income taxes paid	(2,632)	(3,347)
Other, net	813	105
Net cash provided by (used in) operating activities	8,443	(15,421)
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(3,695)	(3,045)
Proceeds from sale of investment securities	65	10,155
Other, net	5,576	15
Net cash provided by (used in) investing activities	1,946	7,125
<b>Cash flows from financing activities</b>		
Proceeds from short-term borrowings	7,748	20,098
Repayments of short-term borrowings	(8,247)	(12,000)
Proceeds from long-term borrowings	6,500	3,500
Repayments of long-term borrowings	(6,653)	(5,269)
Purchase of treasury shares	(1,621)	(1,509)
Dividends paid	(1,902)	(2,042)
Other, net	(136)	(147)
Net cash provided by (used in) financing activities	(4,312)	2,629
Effect of exchange rate change on cash and cash equivalents	680	424
Net increase (decrease) in cash and cash equivalents	6,757	(5,242)
Cash and cash equivalents at beginning of period	13,606	18,193
Cash and cash equivalents at end of period	20,364	12,951

#### **(4) Notes to semi-annual consolidated financial statements**

##### **Notes on going concern assumptions**

Not applicable.

##### **Changes in accounting policies**

Application of Accounting Standard for Current Income Taxes, Etc.

The Company has applied the “Accounting Standard for Current Income Taxes” (Accounting Standards Board of Japan (ASBJ) Statement No. 27, October 28, 2022; the “Revised Accounting Standard of 2022”) and other relevant ASBJ regulations from the beginning of the six months ended September 30, 2024.

Revisions to categories for recording current income taxes (taxation on other comprehensive income) conform to the transitional treatment in the proviso of paragraph 20-3 of the Revised Accounting Standard of 2022 and to the transitional treatment in the proviso of paragraph 65-2(2) of the “Guidance on Accounting Standard for Tax Effect Accounting” (ASBJ Guidance No. 28, October 28, 2022; the “Revised Guidance on Accounting Standard of 2022”). This change in accounting policies has no impact on the semi-annual consolidated financial statements.

In addition, regarding the revisions related to revised treatment in the consolidated financial statements of the deferral for tax purposes of gains or losses arising from the sale of shares of subsidiaries and other securities between consolidated companies, the Company has applied the Revised Guidance on Accounting Standard of 2022 from the beginning of the six months ended September 30, 2024. The change in the accounting policy has been applied retrospectively. Therefore, the new accounting policy was reflected in the semi-annual consolidated financial statements for the same period of the previous fiscal year and in the consolidated financial statements for the previous fiscal year. However, there is no impact on the semi-annual consolidated financial statements for the same period of the previous fiscal year and on the consolidated financial statements for the previous fiscal year as a result of this change in accounting policy.

Application of “Practical Solution on the Accounting for and Disclosure of Current Taxes Related to the Global Minimum Tax Rules”

The Company has applied the Practical Solution on the Accounting for and Disclosure of Current Taxes Related to the Global Minimum Tax Rules (ASBJ Practical Solution No. 46, March 22, 2024; hereinafter “ASBJ PITF No. 46”), from the beginning of the six months ended September 30, 2024.

As the Company has applied paragraph 7 of ASBJ PITF No. 46, for the six months ended September 30, 2024, the Company does not record current taxes related to the global minimum tax rules. As a result, there is no impact on the semi-annual consolidated financial statements.

##### **Notes on significant changes in the amount of shareholders' equity**

Not applicable.

**Notes to segment information**

[Segment information]

## 1. Six months ended September 30, 2023

## (1) Information relating to the amounts of net sales and profit or loss by reportable segment

(Millions of yen)

	Reportable segment					
	Industrial Machinery	Rock Drill Machinery	UNIC Machinery	Metals	Electronics	Chemicals
Net sales						
Net sales to external customers	6,054	19,961	14,286	43,359	3,540	4,603
Intersegment net sales or transfers	1,478	2	184	113	–	28
Total	7,533	19,964	14,471	43,472	3,540	4,631
Segment profit (loss)	(283)	2,146	717	1,254	274	383

	Reportable segment		Others (Note 1)	Total	Eliminations/ corporate (Note 2)	Amount recorded in the semi-annual consolidated statement of income (Note 3)
	Real Estate	Total				
Net sales						
Net sales to external customers	903	92,709	2,083	94,793	–	94,793
Intersegment net sales or transfers	4	1,812	924	2,737	(2,737)	–
Total	908	94,522	3,008	97,530	(2,737)	94,793
Segment profit (loss)	226	4,720	(86)	4,634	(34)	4,599

- Notes: 1. The “Others” category refers to business segments not included in the reportable segments, and includes the metal powder business, casting business, transportation business, and other businesses.
2. Segment profit (loss) adjustment of ¥(34) million includes eliminations of intersegment transactions of ¥22 million and company-wide expenses not allocated to each reportable segment of ¥(56) million. Company-wide expenses are mainly expenses related to deserted metal mine assets and deserted coal mine assets that do not belong to the reportable segments.
3. Segment profit (loss) is adjusted to operating profit in the semi-annual consolidated statement of income.



## 2. Six months ended September 30, 2024

## (1) Information relating to the amounts of net sales and profit or loss by reportable segment

(Millions of yen)

	Reportable segment					
	Industrial Machinery	Rock Drill Machinery	UNIC Machinery	Metals	Electronics	Chemicals
Net sales						
Net sales to external customers	8,778	18,425	14,564	40,589	3,154	4,915
Intersegment net sales or transfers	1,585	10	142	116	–	27
Total	10,363	18,435	14,707	40,706	3,154	4,943
Segment profit (loss)	11	1,539	636	579	(2)	374

	Reportable segment		Others (Note 1)	Total	Eliminations/ corporate (Note 2)	Amount recorded in the semi-annual consolidated statement of income (Note 3)
	Real Estate	Total				
Net sales						
Net sales to external customers	1,027	91,455	2,066	93,522	–	93,522
Intersegment net sales or transfers	4	1,887	1,025	2,912	(2,912)	–
Total	1,031	93,343	3,091	96,435	(2,912)	93,522
Segment profit (loss)	360	3,501	26	3,527	(38)	3,489

- Notes: 1. The “Others” category refers to business segments not included in the reportable segments, and includes the metal powder business, casting business, transportation business, and other businesses.
2. Segment profit (loss) adjustment of ¥(38) million includes eliminations of intersegment transactions of ¥20 million and company-wide expenses not allocated to each reportable segment of ¥(58) million. Company-wide expenses are mainly expenses related to deserted metal mine assets and deserted coal mine assets that do not belong to the reportable segments.
3. Segment profit (loss) is adjusted to operating profit in the semi-annual consolidated statement of income.

## (2) Information relating to impairment losses on non-current assets, goodwill, etc., by reportable segment

## Significant impairment losses on non-current assets

(Millions of yen)

	Industrial Machinery	Rock Drill Machinery	UNIC Machinery	Metals	Electronics	Chemicals	Real Estate
Impairment losses	–	63	–	–	–	–	7

	Others	Corporate/ eliminations	Total
Impairment losses	–	10	81

## Supplementary Material on Financial Results for the Six Months Ended September 30, 2024

November 11, 2024

Furukawa Co., Ltd.

## Net sales

(Yen amounts are rounded down to millions.)

	Six months ended September 30,2023	Six months ended September 30,2024	Year-on-year change	Fiscal year ending March 31, 2025		
				Previously announced forecast	Forecast	Year-on-year change
Machinery business	40,302	41,768	1,465	84,300	83,500	1,414
Industrial Machinery segment	6,054	8,778	2,723	19,100	21,600	6,051
Rock Drill Machinery segment	19,961	18,425	(1,535)	33,400	32,900	(5,782)
UNIC Machinery segment	14,286	14,564	277	31,800	29,000	1,146
Materials business	51,503	48,659	(2,843)	97,000	98,000	(2,388)
Metals segment	43,359	40,589	(2,769)	80,100	81,700	(3,012)
Electronics segment	3,540	3,154	(386)	7,400	6,800	33
Chemicals segment	4,603	4,915	312	9,500	9,500	591
Real Estate segment	903	1,027	124	2,100	2,100	226
Others segment	2,083	2,066	(16)	4,300	4,100	191
<b>Total</b>	<b>94,793</b>	<b>93,522</b>	<b>(1,270)</b>	<b>187,700</b>	<b>187,700</b>	<b>(555)</b>

## Operating profit

	Six months ended September 30,2023	Six months ended September 30,2024	Year-on-year change	Fiscal year ending March 31, 2025		
				Previously announced forecast	Forecast	Year-on-year change
Machinery business	2,581	2,187	(393)	6,800	5,700	3
Industrial Machinery segment	(283)	11	294	1,500	1,900	1,510
Rock Drill Machinery segment	2,146	1,539	(607)	2,900	2,300	(1,848)
UNIC Machinery segment	717	636	(81)	2,400	1,500	341
Materials business	1,912	952	(960)	1,500	1,900	(865)
Metals segment	1,254	579	(674)	500	1,000	(945)
Electronics segment	274	(2)	(276)	400	300	87
Chemicals segment	383	374	(8)	600	600	(8)
Real Estate segment	226	360	134	600	700	229
Others segment	(86)	26	112	(100)	0	293
(Subtotal)	4,634	3,527	(1,106)	8,800	8,300	(338)
Eliminations/corporate	(34)	(38)	(3)	(100)	(100)	14
<b>Total</b>	<b>4,599</b>	<b>3,489</b>	<b>(1,110)</b>	<b>8,700</b>	<b>8,200</b>	<b>(324)</b>

## Exchange rate/Copper price

		Six months ended September 30,2023	Six months ended September 30,2024	Year-on-year change	Fiscal year ending March 31, 2025		
					Previously announced forecast	Forecast	Year-on-year change
Exchange rate	Yen/\$	141.0	152.6	11.6	151.5	148.8	4.2
Copper price	\$/mt	8,417	9,477	1,060	9,188	9,489	1,127

\* Reference Information (the below values are reference values)

1. Industrial Machinery segment order balance

The Industrial Machinery segment mainly provides built-to-order manufacturing, and the order balance as of the end of the six months ended September 30, 2024 is as follows.

	As of September 30,2023	As of September 30,2024	Year-on-year change
Order backlog	¥16.0 billion	¥14.2 billion	¥(1.7) billion

2. Profit or loss from metal price fluctuations in the Metals segment

	Six months ended September 30,2023	Six months ended September 30,2024	Year-on-year change
Operating profit	¥1.25 billion	¥0.57 billion	¥(0.67) billion
Of which was due to price fluctuations	¥0.87 billion	¥0.31 billion	¥(0.56) billion
Copper	[¥0.12 billion]	[¥(0.01) billion]	[¥(0.13) billion]
Gold	[¥0.68 billion]	[¥0.26 billion]	[¥(0.42) billion]