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November 9, 2023

To whom it may concern:

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Notice Concerning Differences Between Financial Results Forecasts and Actual Results for the First Half and Revisions to Full-Year Financial Results Forecasts

Furukawa Co., Ltd. (the “Company”) hereby announces that, in light of the most recent operating trends, there were differences between the financial results forecasts for the six months ended September 30, 2023 (April 1, 2023 through September 30, 2023) announced on May 29, 2023 and the actual results announced today, as described below.

In addition, the Company would also like to announce that it has revised the financial results forecasts for the fiscal year ending March 31, 2024 (April 1, 2023 through March 31, 2024), as described below.

1. Differences between consolidated financial results forecasts and actual results for the six months ended September 30, 2023 (April 1, 2023 through September 30, 2023)

(Millions of yen)

	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent	Basic earnings per share (Yen)
Previously announced forecasts (A) (Announced on May 29, 2023)	92,000	3,700	3,700	11,600	304.33
Actual results (B)	94,793	4,599	6,074	12,911	341.52
Difference (B-A)	2,793	899	2,374	1,311	
Difference (%)	3.0	24.3	64.2	11.3	
(Reference) Actual results for the same period of the previous fiscal year (Six months ended September 30, 2022)	104,576	3,372	5,219	3,448	89.37

2. Revisions to consolidated financial results forecasts for the fiscal year ending March 31, 2024 (April 1, 2023 through March 31, 2024)

(Millions of yen)

	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent	Basic earnings per share (Yen)
Previously announced forecasts (A) (Announced on May 29, 2023)	184,500	9,200	9,200	15,300	401.41
Revised forecasts (B)	190,000	9,700	10,500	16,500	443.67
Change (B-A)	5,500	500	1,300	1,200	
Change (%)	3.0	5.4	14.1	7.8	
(Reference) Actual results for the previous fiscal year (Fiscal year ended March 31, 2023)	214,190	9,031	9,348	6,211	161.97

3. Reasons for the differences and revisions (consolidated)

In the six months ended September 30, 2023, consolidated net sales and operating profit exceeded the financial results forecasts due to the effect of the weak yen in the Rock Drill Machinery segment where a large portion of sales are overseas and an increase in revenue and profit for the Metals segment from metal price fluctuations and the price margin due to the weak yen, despite a decrease in construction for large-scale projects and additional costs incurred in plant construction in the Industrial Machinery segment and a decrease in revenue and profit for the UNIC Machinery segment as shipments of UNIC cranes were lower than the forecast due to delays in receiving trucks. In addition to this, ordinary profit and profit attributable to owners of parent also exceeded the financial results forecasts mainly due to the recording of foreign exchange gains under non-operating income.

For the full year, the Industrial Machinery segment is forecasting a decrease in revenue and profit, mainly due to the actual results for the six months ended September 30, 2023, and the UNIC Machinery segment is forecasting widening decreases in revenue and profit due to lower-than-expected shipments of UNIC cranes and a sharp rise in costs for procurement of parts and materials, among others. Nevertheless, the overall consolidated financial results forecasts were revised upward because the Company expects an increase in revenue and profit for the Rock Drill Machinery segment and the Metals segment.

4. Differences between non-consolidated financial results forecasts and actual results for the six months ended September 30, 2023 (April 1, 2023 through September 30, 2023)

(Millions of yen)

	Net sales	Operating profit	Ordinary profit	Profit	Basic earnings per share (Yen)
Previously announced forecasts (A) (Announced on May 29, 2023)	4,800	2,300	2,400	11,500	301.71
Actual results (B)	5,137	2,709	3,277	12,377	327.38
Difference (B-A)	337	409	877	877	
Difference (%)	7.0	17.8	36.5	7.6	
(Reference) Actual results for the same period of the previous fiscal year (Six months ended September 30, 2022)	5,336	2,974	3,062	2,858	74.09

5. Revisions to non-consolidated financial results forecasts for the fiscal year ending March 31, 2024 (April 1, 2023 through March 31, 2024)

(Millions of yen)

	Net sales	Operating profit	Ordinary profit	Profit	Basic earnings per share (Yen)
Previously announced forecasts (A) (Announced on May 29, 2023)	7,200	2,300	2,200	11,300	296.46
Revised forecasts (B)	7,500	2,500	3,000	12,500	336.11
Change (B-A)	300	200	800	1,200	
Change (%)	4.2	8.7	36.4	10.6	
(Reference) Actual results for the previous fiscal year (Fiscal year ended March 31, 2023)	7,834	3,254	3,195	3,073	80.14

6. Reasons for the differences and revisions (non-consolidated)

In the six months ended September 30, 2023, net sales and operating profit exceeded the financial results forecasts mainly due to an increase in dividend income from subsidiaries. In addition to this, ordinary profit and profit also exceeded the financial results forecasts mainly due to the recording of foreign exchange gains under non-operating income.

The full-year financial results forecasts have been revised upward mainly due to the actual results for the six months ended September 30, 2023.

Note: Forward-looking statements provided in this document, including financial forecasts, are based on the information currently available to the Company and certain assumptions considered reasonable. Such statements are included without any guarantee as to their future achievement. Actual results, etc. may differ materially from the forecasts depending on various factors.