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February 10, 2025

Consolidated Financial Results for the Nine Months Ended December 31, 2024 (Under Japanese GAAP)

Company name: Furukawa Co., Ltd.
 Listing: Tokyo Stock Exchange
 Securities code: 5715
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 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on financial results: None
 Holding of financial results briefing: None

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

1. Consolidated financial results for the nine months ended December 31, 2024 (from April 1, 2024 to December 31, 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	%
Nine months ended								
December 31, 2024	146,199	2.9	6,435	(3.5)	6,377	(22.3)	13,653	(7.5)
December 31, 2023	142,034	(9.5)	6,668	10.2	8,205	19.1	14,763	228.4

Note: Comprehensive income For the nine months ended December 31, 2024: ¥ 4,265 million [(78.0)%]
 For the nine months ended December 31, 2023: ¥ 19,378 million [170.3%]

	Basic earnings per share	Diluted earnings per share
Nine months ended	Yen	Yen
December 31, 2024	372.30	–
December 31, 2023	392.63	–

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
December 31, 2024	258,788	132,081	50.0
March 31, 2024	259,878	133,272	50.0

Reference: Equity

As of December 31, 2024: ¥ 129,376 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)				40.00	70.00

Note: Revisions to the forecast of cash dividends most recently announced: Yes

The year-end dividend for the fiscal year ending March 31, 2025 (forecast) includes a commemorative dividend of ¥10.00 per share.

For details, refer to the “Notice Regarding (Upward) Revision of Dividend Forecast for the Fiscal Year Ending March 31, 2025” released today (on February 10, 2025).

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	198,900	5.7	8,700	2.1	7,900	(23.9)	18,000	11.8	496.47

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 quarterly 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 December 31, 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 December 31, 2024	4,189,698 shares
As of March 31, 2024	3,255,730 shares

(iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Nine months ended December 31, 2024	36,673,174 shares
Nine months ended December 31, 2023	37,601,601 shares

* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: None.

* Proper use of earnings forecasts, and other special matters

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.

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1. Quarterly Consolidated Financial Statements and Significant Notes Thereto

(1) Quarterly consolidated balance sheet

(Millions of yen)

	As of March 31, 2024	As of December 31, 2024
Assets		
Current assets		
Cash and deposits	18,513	17,644
Notes and accounts receivable - trade, and contract assets	30,408	32,778
Merchandise and finished goods	20,044	20,779
Work in process	13,670	13,190
Raw materials and supplies	13,699	24,597
Other	3,350	7,200
Allowance for doubtful accounts	(50)	(46)
Total current assets	99,636	116,144
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	23,365	24,790
Land	51,765	51,541
Other, net	16,914	14,917
Total property, plant and equipment	92,045	91,249
Intangible assets	342	313
Investments and other assets		
Investment securities	47,383	30,460
Other	22,897	22,378
Allowance for doubtful accounts	(2,426)	(1,758)
Total investments and other assets	67,853	51,081
Total non-current assets	160,241	142,643
Total assets	259,878	258,788

(Millions of yen)

	As of March 31, 2024	As of December 31, 2024
Liabilities		
Current liabilities		
Notes and accounts payable - trade	14,267	13,804
Electronically recorded obligations - operating	11,135	9,490
Short-term borrowings	6,558	9,253
Income taxes payable	3,169	3,340
Provisions	356	166
Other	16,183	20,957
Total current liabilities	51,669	57,012
Non-current liabilities		
Bonds payable	5,000	5,000
Long-term borrowings	46,831	47,082
Provisions	20	23
Retirement benefit liability	956	995
Asset retirement obligations	234	238
Other	21,893	16,354
Total non-current liabilities	74,935	69,694
Total liabilities	126,605	126,707
Net assets		
Shareholders' equity		
Share capital	28,208	28,208
Capital surplus	2	10
Retained earnings	73,046	83,580
Treasury shares	(4,707)	(6,188)
Total shareholders' equity	96,549	105,611
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	23,342	14,014
Deferred gains or losses on hedges	36	(238)
Revaluation reserve for land	2,575	2,561
Foreign currency translation adjustment	2,232	2,553
Remeasurements of defined benefit plans	5,172	4,873
Total accumulated other comprehensive income	33,358	23,765
Non-controlling interests	3,365	2,704
Total net assets	133,272	132,081
Total liabilities and net assets	259,878	258,788

(2) Quarterly consolidated statement of income and consolidated statement of comprehensive income
Quarterly consolidated statement of income (cumulative)

(Millions of yen)

	Nine months ended December 31, 2023	Nine months ended December 31, 2024
Net sales	142,034	146,199
Cost of sales	120,398	125,060
Gross profit	21,636	21,139
Selling, general and administrative expenses	14,967	14,703
Operating profit	6,668	6,435
Non-operating income		
Dividend income	898	861
Foreign exchange gains	818	-
Other	1,144	592
Total non-operating income	2,861	1,454
Non-operating expenses		
Interest expenses	376	405
Administrative expenses of inactive mountain	608	703
Other	341	403
Total non-operating expenses	1,325	1,512
Ordinary profit	8,205	6,377
Extraordinary income		
Gain on sale of investment securities	677	12,307
Other	13,427	192
Total extraordinary income	14,105	12,499
Extraordinary losses		
Loss on sale and retirement of non-current assets	150	76
Impairment losses	11	81
Demolition expenses of a rental building	458	-
Loss on liquidation of subsidiaries	205	-
Other	5	9
Total extraordinary losses	831	167
Profit before income taxes	21,479	18,709
Income taxes - current	3,882	5,262
Income taxes - deferred	2,649	(352)
Total income taxes	6,531	4,909
Profit	14,947	13,799
Profit attributable to non-controlling interests	184	145
Profit attributable to owners of parent	14,763	13,653

Quarterly consolidated statement of comprehensive income (cumulative)

(Millions of yen)

	Nine months ended December 31, 2023	Nine months ended December 31, 2024
Profit	14,947	13,799
Other comprehensive income		
Valuation difference on available-for-sale securities	2,559	(9,328)
Deferred gains or losses on hedges	364	(274)
Foreign currency translation adjustment	1,330	367
Remeasurements of defined benefit plans, net of tax	(144)	(298)
Share of other comprehensive income of entities accounted for using equity method	320	–
Total other comprehensive income	4,430	(9,533)
Comprehensive income	19,378	4,265
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	19,123	4,074
Comprehensive income attributable to non-controlling interests	255	190

Supplementary Material on Financial Results for the Nine Months Ended December 31, 2024

February 10, 2025

Furukawa Co., Ltd.

Net sales

(Yen amounts are rounded down to millions.)

	Nine months ended December 31,2023	Nine months ended December 31,2024	Year-on-year change	Fiscal year ending March 31, 2025		
				Previously announced forecast	Forecast	Year-on-year change
Machinery business	60,995	62,891	1,896	83,500	85,400	3,314
Industrial Machinery segment	10,015	14,882	4,867	21,600	21,600	6,051
Rock Drill Machinery segment	29,995	26,129	(3,865)	32,900	34,800	(3,882)
UNIC Machinery segment	20,985	21,879	894	29,000	29,000	1,146
Materials business	76,618	78,659	2,040	98,000	107,300	6,911
Metals segment	64,501	66,501	2,000	81,700	91,400	6,687
Electronics segment	5,259	4,785	(473)	6,800	6,400	(366)
Chemicals segment	6,858	7,372	513	9,500	9,500	591
Real Estate segment	1,376	1,540	163	2,100	2,100	226
Others segment	3,043	3,108	64	4,100	4,100	191
Total	142,034	146,199	4,164	187,700	198,900	10,644

Operating profit

	Nine months ended December 31,2023	Nine months ended December 31,2024	Year-on-year change	Fiscal year ending March 31, 2025		
				Previously announced forecast	Forecast	Year-on-year change
Machinery business	3,934	3,670	(264)	5,700	5,600	(96)
Industrial Machinery segment	(286)	568	855	1,900	1,900	1,510
Rock Drill Machinery segment	3,258	2,218	(1,039)	2,300	2,700	(1,448)
UNIC Machinery segment	962	882	(79)	1,500	1,000	(158)
Materials business	2,615	2,238	(377)	1,900	2,500	(265)
Metals segment	1,845	1,716	(129)	1,000	1,700	(245)
Electronics segment	264	41	(223)	300	200	(12)
Chemicals segment	505	480	(24)	600	600	(8)
Real Estate segment	355	546	191	700	700	229
Others segment	(177)	30	208	0	0	293
(Subtotal)	6,728	6,485	(242)	8,300	8,800	161
Eliminations/corporate	(59)	(50)	9	(100)	(100)	14
Total	6,668	6,435	(233)	8,200	8,700	175

Exchange rate/Copper price

		Nine months ended December 31,2023	Nine months ended December 31,2024	Year-on-year change	Fiscal year ending March 31, 2025		
					Previously announced forecast	Forecast	Year-on-year change
Exchange rate	Yen/\$	143.3	152.6	9.3	148.8	153.2	8.5
Copper price	\$/mt	8,334	9,378	1,044	9,489	9,283	921

* 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 third quarter is as follows.

	As of December 31,2023	As of December 31,2024	Year-on-year change
Order backlog	¥16.7 billion	¥12.0 billion	¥(4.6) billion

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

	Nine months ended December 31,2023	Nine months ended December 31,2024	Year-on-year change
Operating profit	¥1.84 billion	¥1.71 billion	¥(0.12) billion
Of which was due to price fluctuations	¥1.16 billion	¥1.38 billion	¥0.21 billion
Copper	[¥0.25 billion]	[¥0.40 billion]	[¥0.14 billion]
Gold	[¥0.82 billion]	[¥0.89 billion]	[¥0.06 billion]