

Fiscal Year 2024 (Ended February 28, 2025)

## Financial Result Briefing Materials

April 9, 2025

### 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.

## ◆ Result

- **Record-high Sales and Profit**, exceeding Management Vision (NAVI NEXT 2030) targets
- **Significant increase** in Profit from the previous year
  - High level of Sales since last fiscal year and further increase in Sales in Merchant vessels in Asia
  - Significant expansion of Maintenance Services Sales
  - Industrial business growth driven by GNSS products and Defense Equipment

## ◆ Forecast for Fiscal Year 2025

- Despite stronger yen, **increase in Sales** with firm demand in Marine business and expansion in Industrial business
- **Continue to invest** in Maintenance Services, DX, and human capital to strengthen competitiveness
- Decrease in Profit with higher SG&A expenses, but **Operating Profit margin kept at nearly 10%**
- **Dividend maintained at 110 yen**, same as Fiscal Year 2024

\* Foreign Exchange Sensitivity (actual results for FY 2023)  
[USD] Net sales: 120M yen, Operating income: 40M yen  
[EUR] Net sales: 180M yen, Operation income: 60M yen

# Consolidated Income Statement

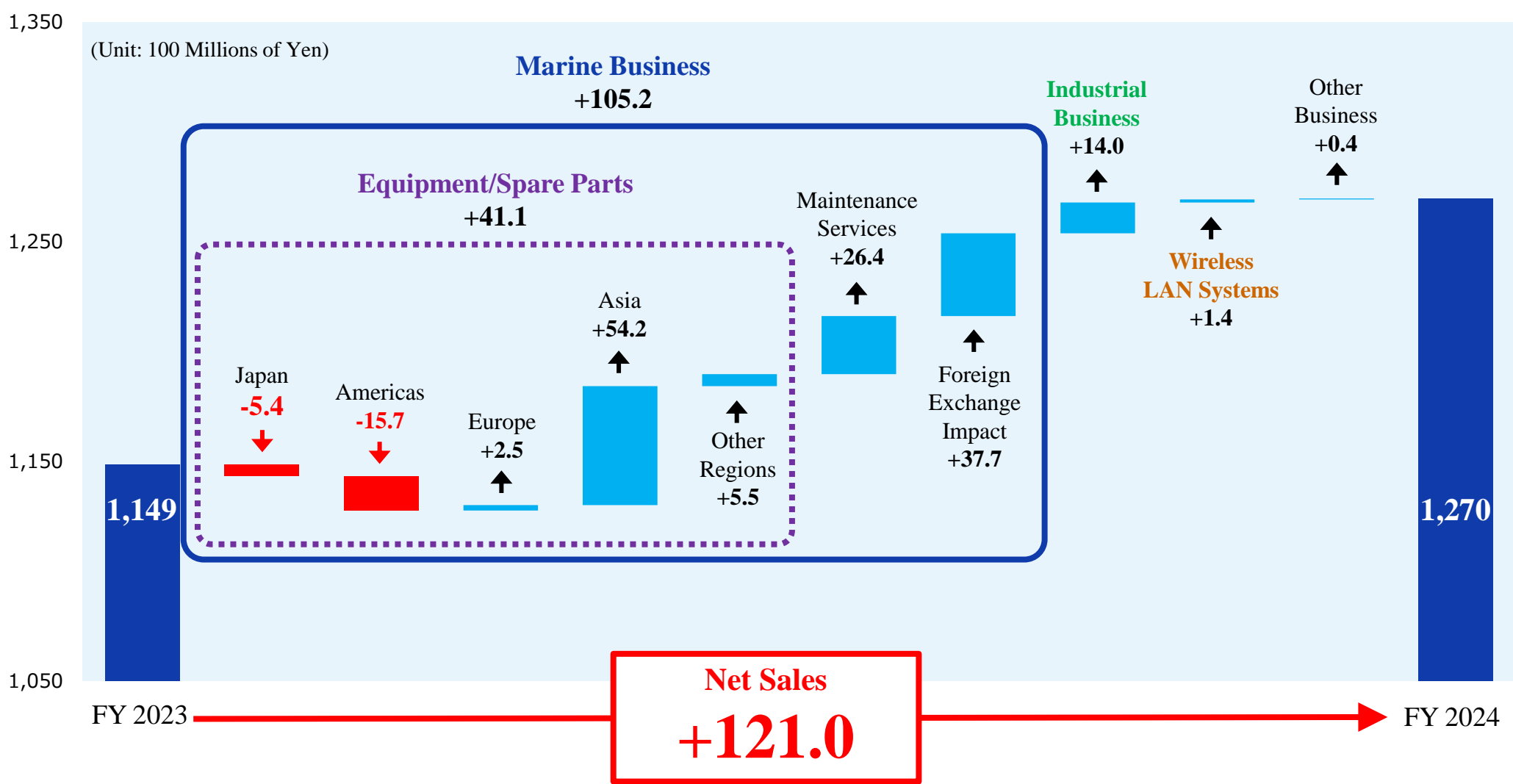
**FURUNO**

**Record-high Sales and Profits for the second consecutive year. Substantial growth in Profit.  
Capital investments implemented, such as product life cycle management system, etc.**

(Unit: Millions of yen)	Fiscal Year 2023	Fiscal Year 2024	Year-over-Year (amount)	Year-over-Year (percentage)
<b>Net Sales</b>	114,850	<b>126,953</b>	+12,102	+10.5%
<b>Gross Profit</b> (Sales ratio)	42,954 (37.1%)	<b>52,969</b> (41.7%)	+10,374	+24.4%
<b>SG&amp;A Expenses</b> (Sales ratio)	36,075 (31.4%)	<b>39,787</b> (31.3%)	+3,712	+10.3%
<b>Operating Profit</b> (Sales ratio)	6,519 (5.7%)	<b>13,181</b> (10.4%)	+6,662	+102.2%
<b>Ordinary Profit</b> (Sales ratio)	8,169 (7.1%)	<b>14,158</b> (11.2%)	+5,989	+73.3%
<b>Profit Attributable to Owners of Parent</b> (Sales ratio)	6,238 (5.4%)	<b>11,457</b> (9.0%)	+5,218	+83.6%
<b>R&amp;D Expenses</b> (Sales ratio)	5,987 (5.2%)	<b>6,303</b> (5.0%)	+315	+5.3%
<b>Capital Investments</b> (Sales ratio)	3,811 (3.3%)	<b>4,921</b> (3.9%)	+1,109	+29.1%
<b>Depreciation Expenses</b> (Sales ratio)	3,413 (3.0%)	<b>3,592</b> (2.8%)	+179	+5.3%
(Unit: Yen, annual average exchange rate)				
<b>1 USD</b>	140	<b>151</b>	+10	+7.3%
<b>1 EUR</b>	152	<b>164</b>	+12	+7.6%

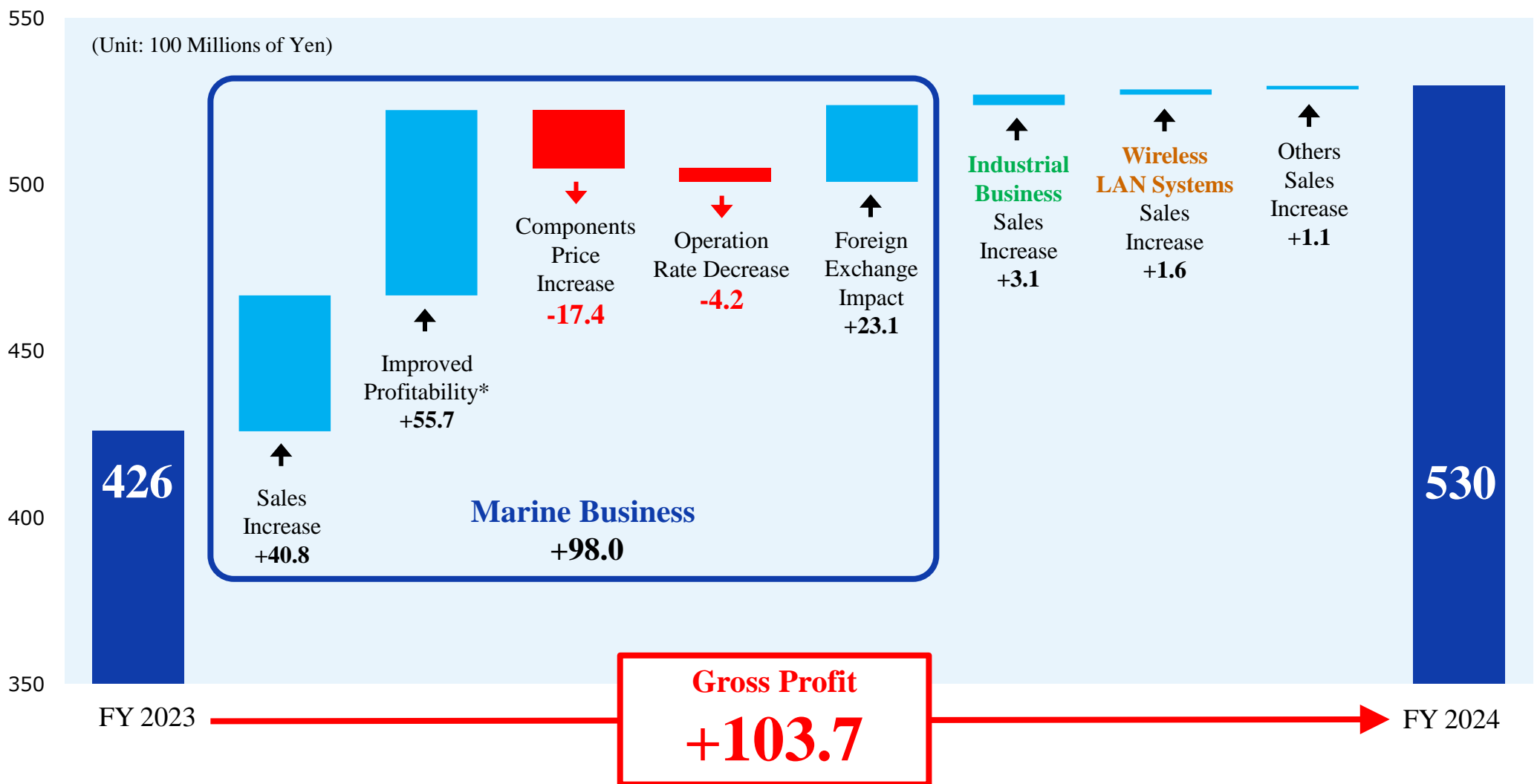
# Variation Analysis of Net Sales

**Marine Business:** strong equipment sales for Merchant Vessels and Maintenance Services.  
**Industrial Business:** increase in sales for GNSS products and Defense Equipment Business.



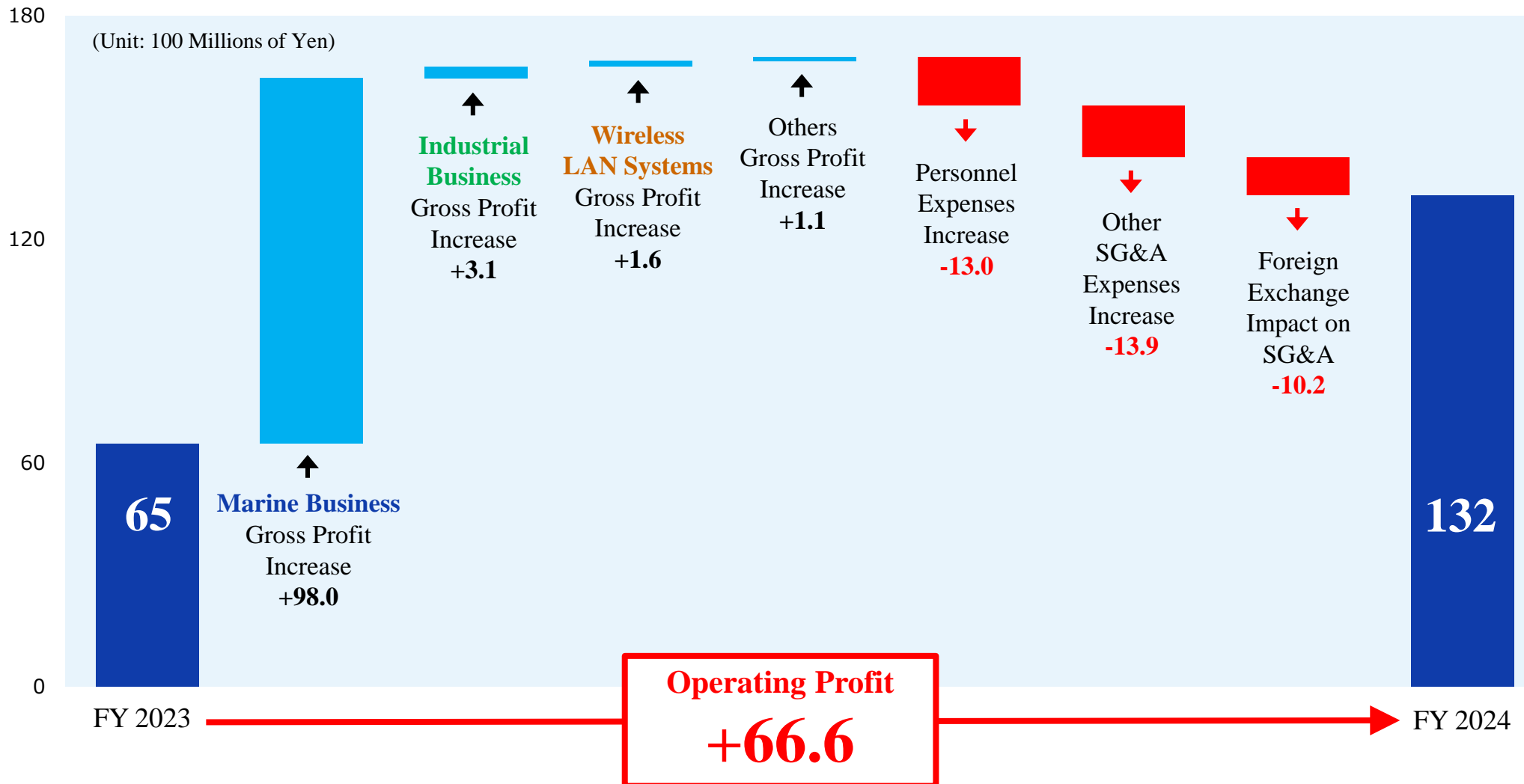
# Variation Analysis of Gross Profit

**Profit increase with sales increase in Marine business and improved profitability in Maintenance Services, etc., offsetting higher components price**



# Variation Analysis of Operating Profit

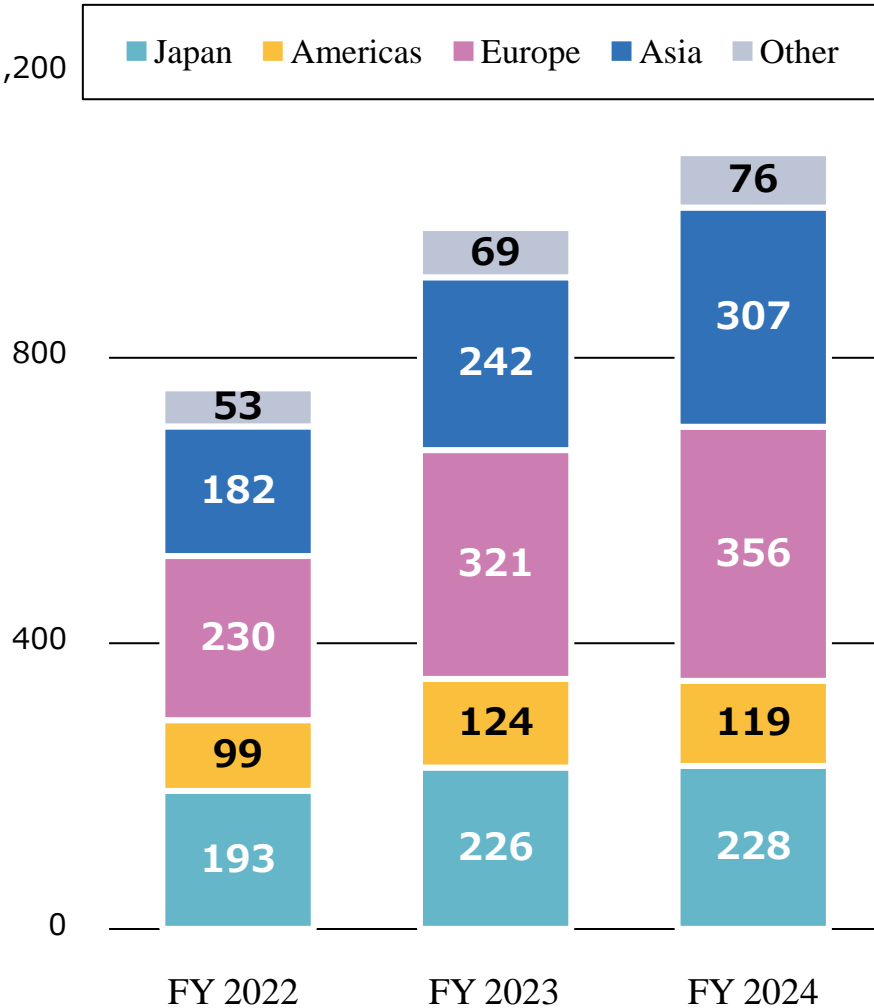
**Increase in Profit due to higher Gross Profit mainly in Marine Business, despite higher SG&A expenses such as personnel costs associated with salary revisions**



“100M” stands for 100 Million

## Marine Business Consolidated Sales (by Region)

(Unit: 100 Millions of Yen)



## Marine Business

Net Sales **1,087** 100M yen (+**10.7%** year-over-year)

Segment Profit **133.3** 100M yen (+**62.3** 100M yen)

- Continued strong demand mainly in merchant vessels
- Maintenance service sales higher in Japan and overseas
- Decrease in sales of small and medium-size Pleasure boats, but continued strong demand in big-sized boats

◆ **Japan:** Net sales **228** 100M yen (+**1.1%**)

- Decrease in sales for Fishery market
- Increase in sales for Merchant newbuild projects and maintenance service

◆ **Americas:** Net sales **119** 100M yen (**-4.4%**)

- Increase in sales for big-sized Pleasure boats
- Decrease in sales for Fishery market

◆ **Europe:** Net sales **356** 100M yen (+**11.0%**)

- High level of sales for Merchant vessels
- Strong sales for maintenance services

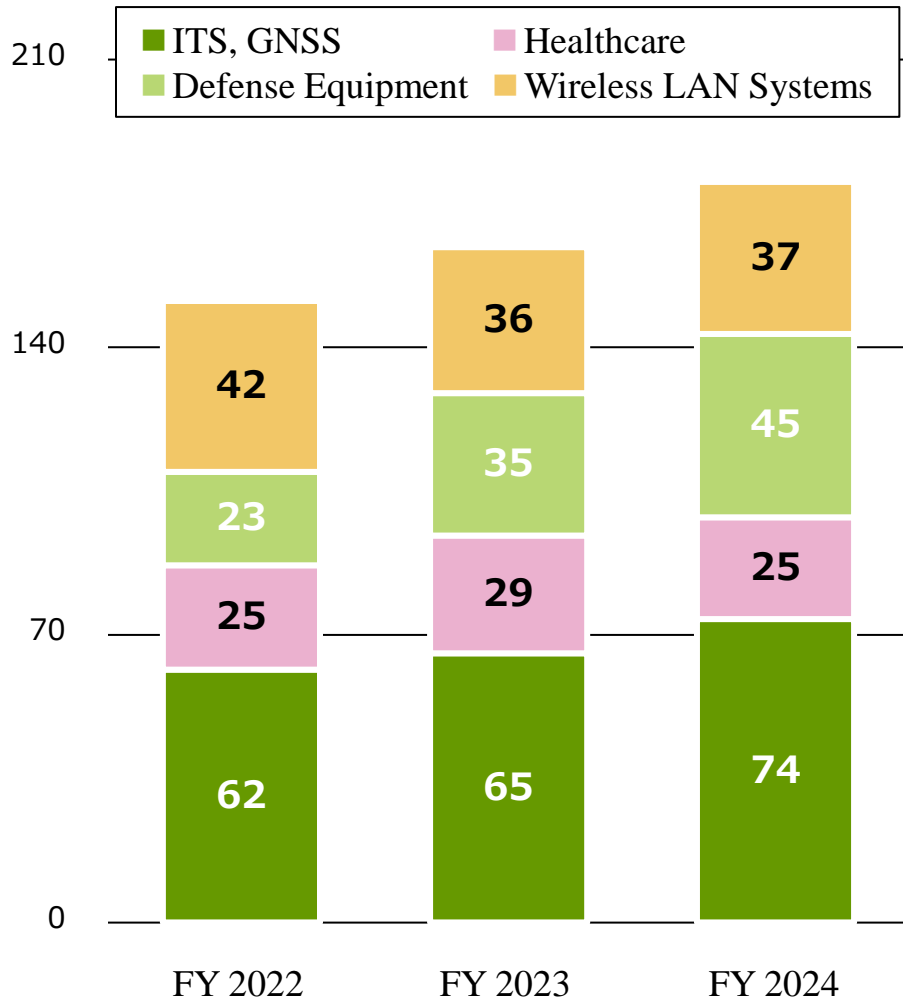
◆ **Asia:** Net sales **307** 100M yen (+**27.0%**)

- Increase in 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 **142** 100M yen (+**11.0%** year-over-year)

Segment Profit **5.0** 100M yen (+**2.5** 100M yen)

- Sales increase in GNSS products and Defense Equipment
- Strong sales for GNSS products, mainly overseas for cell phone base stations

◆ **ITS, GNSS:** Net sales **74** 100M yen (+**12.8%**)

- Increase in sales for GNSS and OEM products

◆ **Healthcare:** Net sales **25** 100M yen (-**13.9%**)

- Increase in sales for clinical chemistry analyzers

◆ **Defense Equipment:** Net sales **45** 100M yen (+**29.0%**)

- Higher sales with increase in national defense budget

## Wireless LAN Systems

Net Sales **37** 100M yen (+**3.9%** year-over-year)

Segment Profit **2.0** 100M yen (+**0.6** 100M yen)

- Continuous weak demand environment, but increase in sales for wireless LAN access point



# Appendix: Consolidated Balance Sheet

**FURUNO**

(Unit: Millions of yen)	Fiscal Year 2023	Fiscal Year 2024
Current assets	86,285	91,605
(Cash and deposits)	(11,786)	(16,113)
(Inventories)	(46,088)	(43,573)
Fixed assets	28,085	31,913
(Tangible fixed assets)	(14,751)	(16,611)
(Intangible fixed assets)	(4,902)	(6,087)
(Investments and other assets)	(8,432)	(9,125)
<b>Total assets</b>	<b>114,370</b>	<b>123,519</b>
Current liabilities	39,385	35,690
Long-term liabilities	13,550	15,209
<b>Total liabilities</b>	<b>52,935</b>	<b>50,899</b>
Shareholders' equity	55,184	64,259
Others	5,856	7,927
Non-controlling interests	393	433
<b>Total net assets</b>	<b>61,434</b>	<b>72,619</b>
<b>Total liabilities and net assets</b>	<b>114,370</b>	<b>123,519</b>
Equity ratio	53.4%	58.4%

# Appendix: Consolidated Cash Flow Statement

**FURUNO**

(Unit: Millions of yen)	Fiscal Year 2023	Fiscal Year 2024
Cash Flow from Operating Activities	2,173	<b>10,820</b>
Cash Flow from Investing Activities	-3,589	<b>-4,588</b>
Free Cash Flow	-1,415	<b>6,231</b>
Cash Flow from Financing Activities	-3,557	<b>-2,696</b>
Cash and cash equivalents (end of year)	11,158	<b>15,413</b>

# Forecast for Fiscal Year 2025

## Notice

**The impact of the U.S. reciprocal tariffs announced on April 3, 2025 on FURUNO is unclear at this time.**

**FURUNO will closely monitor future developments and update information as necessary.**

# Forecast for Fiscal Year 2025

**FURUNO**

Further increase in Sales expected, even with the impact of a stronger yen.

Decrease in Profit expected with higher SG&A, but Profit margin kept close to 10%.

(Unit: Millions of yen)

	Fiscal Year 2024	Fiscal Year 2025	Year-over-Year (amount)	Year-over-Year (percentage)
<b>Net sales</b>	126,953	<b>127,500</b>	+546	+0.4%
<b>Operating profit</b> (Sales ratio)	13,181 (10.4%)	<b>11,500</b> (9.0%)	-1,681	-12.8%
<b>Ordinary profit</b> (Sales ratio)	14,158 (11.2%)	<b>12,500</b> (9.8%)	-1,658	-11.7%
<b>Profit attributable to owners of parent</b> (Sales ratio)	11,457 (9.0%)	<b>9,000</b> (7.1%)	-2,457	-21.4%

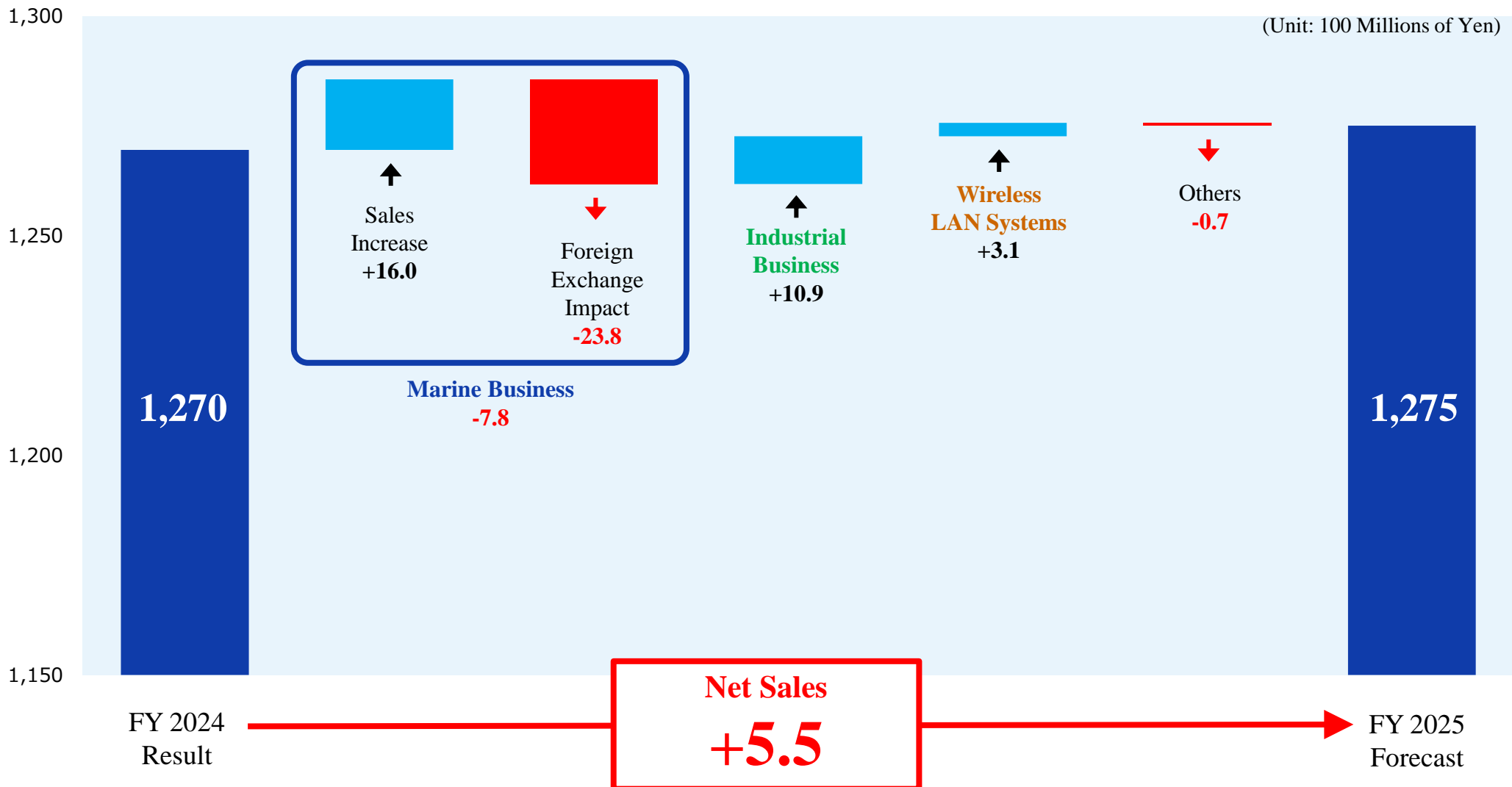
<b>R&amp;D expenses</b> (Sales ratio)	6,303 (5.0%)	<b>6,500</b> (5.1%)	+196	+3.1%
<b>Capital investment</b> (Sales ratio)	4,921 (3.9%)	<b>5,000</b> (3.9%)	+78	+1.6%
<b>Depreciation expenses</b> (Sales ratio)	3,592 (2.8%)	<b>4,000</b> (3.1%)	+407	+11.3%

(Unit: Yen, annual average exchange rate)

<b>1 USD</b>	151	<b>145</b>	-6	-3.7%
<b>1 EUR</b>	164	<b>157</b>	-7	-4.2%

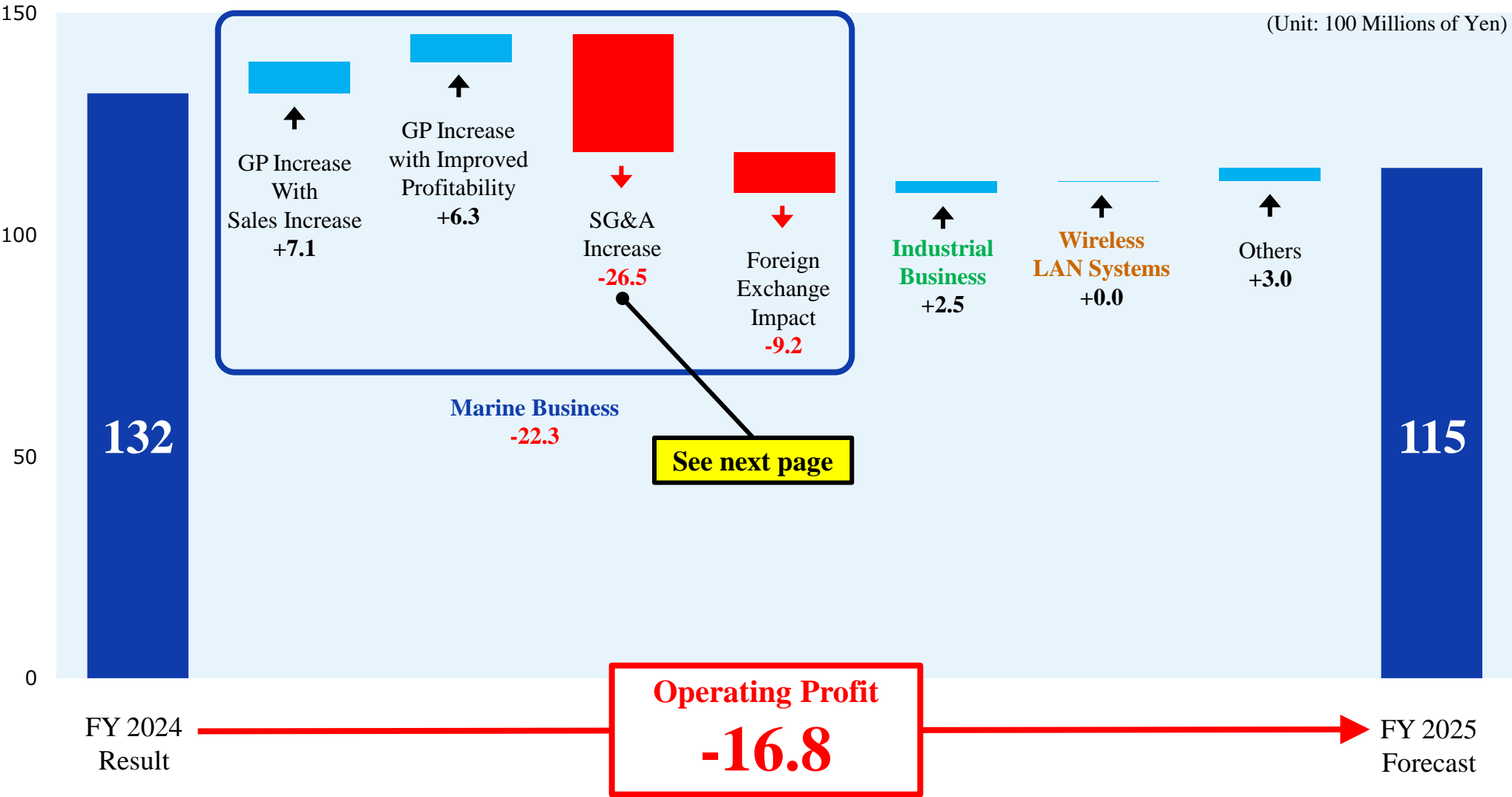
# Forecast FY2025: Variation Analysis of Net Sales

**Marine business: keep high level of sales with continuous strong demand for Merchant Vessels**  
**Industrial business: increase of sales for GNSS products and Defense Equipment**



# Forecast FY2025: Variation Analysis of Profit

**Marine business: higher margin with Sales increase and expansion of Maintenance Services, but lower Profit with increase in SG&A and stronger yen. Industrial business: increase in Profit**



(Unit: 100 Millions of Yen)

<b>Marine Business SG&amp;A</b>  <b>+26.5</b>	<b>Domestic*</b>  <b>+14.3</b>	<b>Personnel Expenses</b> <b>+4.7</b>	<ul style="list-style-type: none"> <li>● Investment in human capital to strengthen competitiveness</li> </ul>
		<b>Other Expenses</b> <b>+9.6</b>	<ul style="list-style-type: none"> <li>● Investment in growth areas (DX, etc.)</li> <li>● Cyber security enhancements for products</li> </ul>
	<b>Overseas</b>  <b>+12.2</b>	<b>Personnel Expenses</b> <b>+7.4</b>	<ul style="list-style-type: none"> <li>● Investment in human capital to strengthen competitiveness</li> <li>● Strengthening of service, etc.</li> </ul>
		<b>Other Expenses</b> <b>+4.8</b>	<ul style="list-style-type: none"> <li>● Strengthening of sales promotion in the pleasure market, etc.</li> <li>● Investment in infrastructure (IT, etc.)</li> </ul>

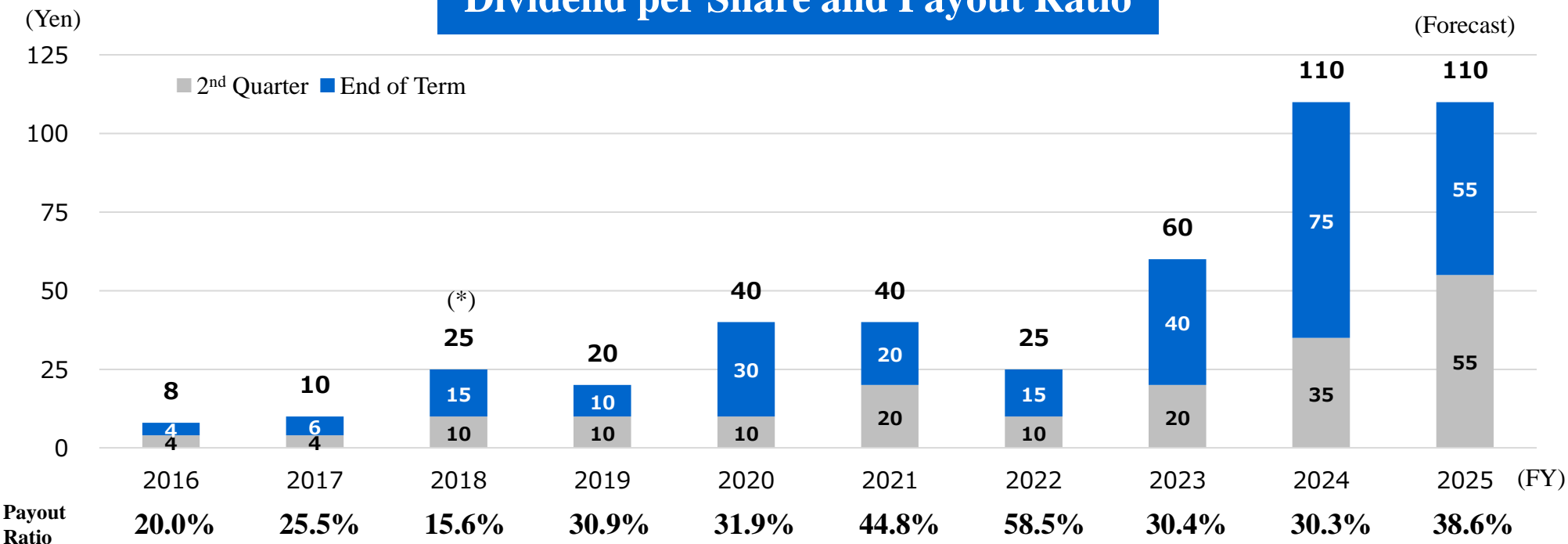
# Dividend of Retained Earnings: Forecast for FY 2025

**Payout Ratio over 30% and Dividend maintained at 110 yen despite decrease in Profit**

(Unit: Yen)

	2 <sup>nd</sup> Quarter	End of Term	Full Year	Payout Ratio
<b>FY 2023</b>	<b>20</b>	<b>40</b>	<b>60</b>	<b>30.4%</b>
<b>FY 2024</b>	<b>35</b>	<b>75</b>	<b>110</b>	<b>30.3%</b>
<b>FY 2025 Forecast</b>	<b>55</b>	<b>55</b>	<b>110</b>	<b>38.6%</b>

## Dividend per Share and Payout Ratio

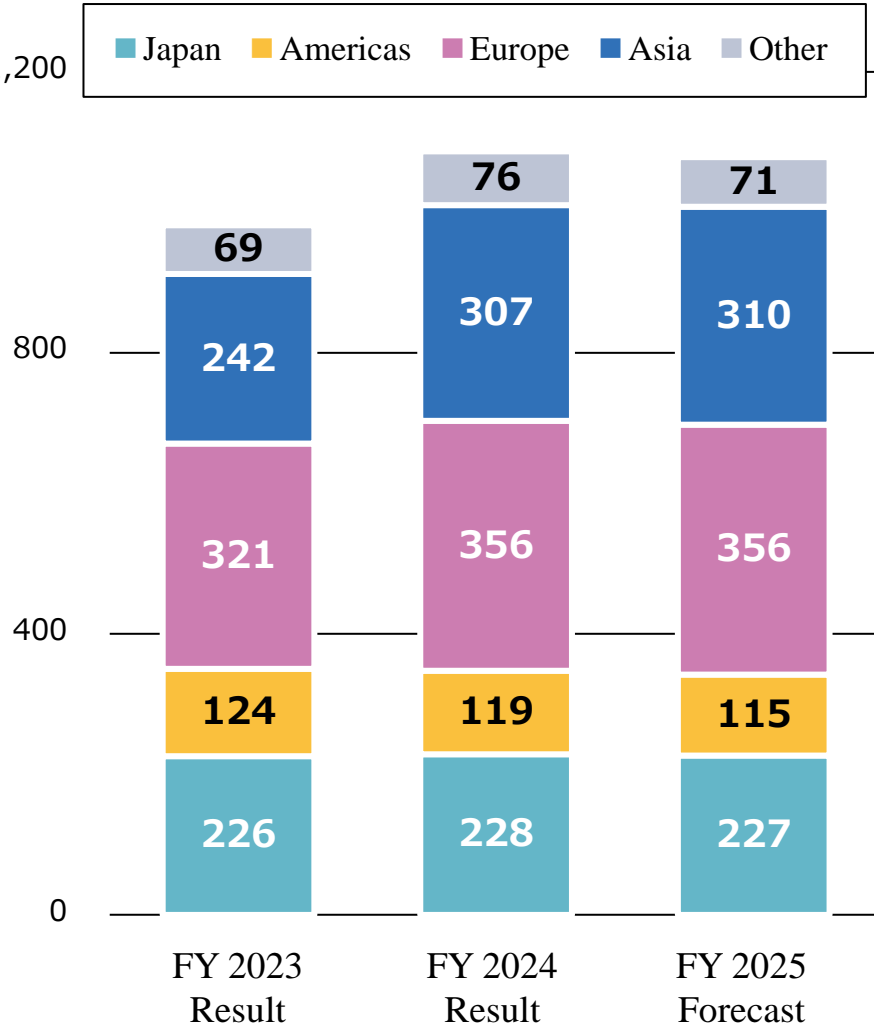




“100M” stands for 100 Million

## Marine Business Consolidated Sales (by Region)

(Unit: 100 Millions of Yen)



## Marine Business

Net Sales **1,079** 100M yen

Segment Profit **111.0** 100M yen

- Foreign exchange impact (stronger yen)
- Continuous strong demand for Merchant vessels
- Expansion of Maintenance service in Japan and overseas

◆ **Japan:** Net sales **227** 100M yen

- Steady sales for Merchant newbuild projects

◆ **Americas:** Net sales **115** 100M yen

- Steady sales for big-sized Pleasure boats
- Launch of strategic product

◆ **Europe:** Net sales **356** 100M yen

- Steady sales for Merchant vessels
- Increase in sales for maintenance services

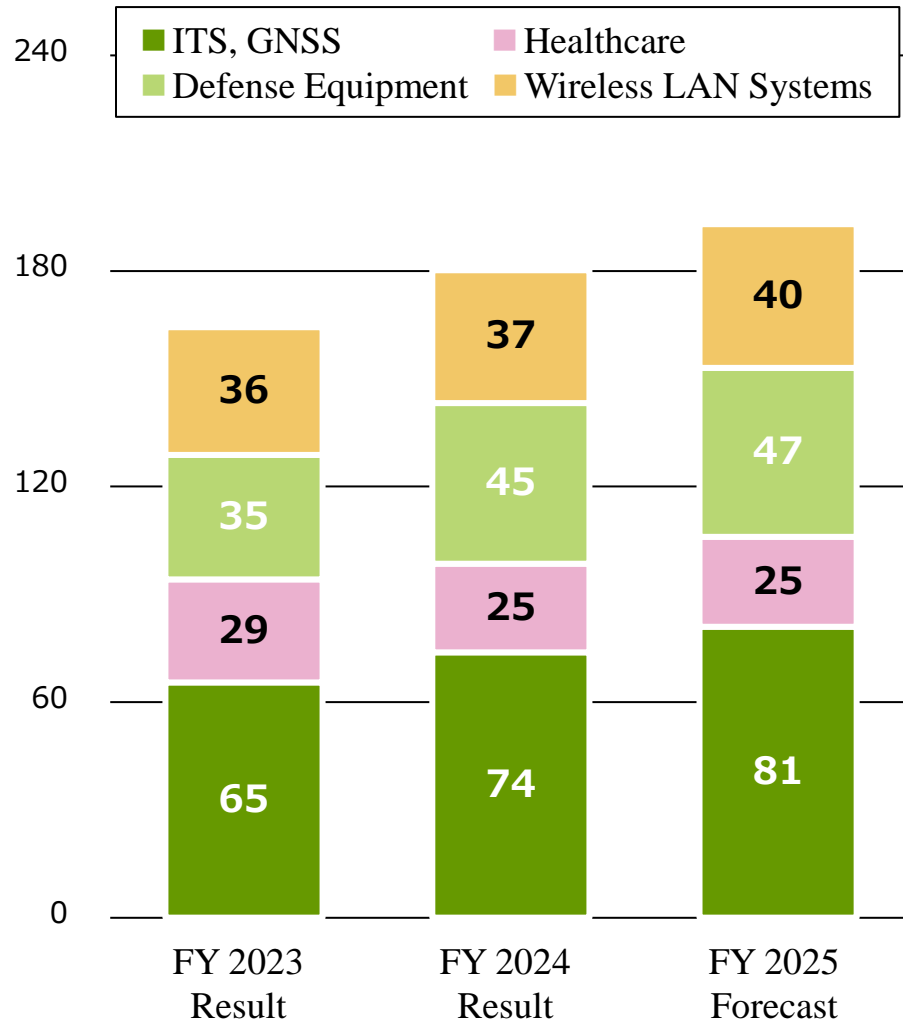
◆ **Asia:** Net sales **310** 100M yen

- 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 **153** 100M yen

Segment Profit **7.5** 100M yen

- Sales increase for GNSS products and Defense Equipment

◆ **ITS, GNSS:** Net sales **81** 100M yen

- Increase in sales for GNSS products

◆ **Healthcare:** Net sales **25** 100M yen

- Same level of sales for clinical chemistry analyzers

◆ **Defense Equipment:** Net sales **47** 100M yen

- Higher sales with increase in national defense budget

## Wireless LAN Systems

Net Sales **40** 100M yen

Segment Profit **2.0** 100M yen

- Increase in of sales for wireless LAN access point in the education market

# **Progress of Mid-term Management Plan – Phase 2**

We will progressively and promptly work toward realizing the FURUNO GLOBAL VISION “NAVI NEXT 2030” through the following three phases.



## Targets for Fiscal Year 2025

ROE (based on ordinary income)  
**10% or higher**

Payout Ratio  
**30% or higher**

## Main Measures

- (1) Improvement in profitability**
- (2) Expansion of sales**
- (3) Implementation of sustainable management**

## **(1) Improvement in profitability**

Complete the measures of the Phase 1 for the Mid-Term Management Plan, focusing on improving profitability by increasing the quality level, optimizing inventories, and optimizing the product development function and the comprehensive manufacturing function.

## **(2) Expansion of sales**

Provide high-quality services through remote management, promote DX for Marine field focusing on digitalization, and invest resources in businesses with growth potential in order to further generate resources for investment in growth.

## **(3) Implementation of sustainable management**

Aim to realize a sustainable management by expressing a long-term policy that will guide our future business, strengthening business creation through strategic investments, promptly commercializing new and expanding businesses, investing in human resources, and promoting diversity.

## (1) Improvement in profitability

Complete the measures of the Phase 1 for the Mid-Term Management Plan, focusing on improving profitability by increasing the quality level, optimizing inventories, and optimizing the product development function and the comprehensive manufacturing function.

### Main results

<b>Production</b>	<b>Improvement of factory production efficiency</b> through smarter production (deployment of rationalization measures to shorten production lead times, etc.)
<b>Sales</b>	<b>Adjustment of sales prices</b> , selection of projects based on profitability
<b>Loss Cost</b>	Enhancement of failure prevention through reliability evaluation development, <b>improvement of quality stability and stabilization of loss cost ratio.</b>
<b>Safety</b>	<b>Strengthening systems</b> for cybersecurity response and product safety
<b>Inventory</b>	Occurrence of inventory-related costs due to securing long-delivery parts and materials. <b>Determining appropriate inventory levels</b> to curb these expenses.

## (2) Expansion of sales

Provide high-quality services through remote management, promote DX for Marine field focusing on digitalization, and invest resources in businesses with growth potential in order to further generate resources for investment in growth.

### Main results

#### Marine Business

- **Expansion of sales for services and equipment**, initiatives to contribute to future sales growth (utilization of global network, aggressive services including remote services, etc.)
- **Launch strategic product** in pleasure boats market and promotion of sales expansion mainly in the US
- Continuous development of **autonomous navigation** support systems and cloud services that utilize fishery data, and practical implementation

#### Industrial Business

- Promote sales expansion of **GNSS time synchronization products to overseas customers**
- **Strengthen production systems to meet growing demand in the Defense Equipment Business**

## (3) Implementation of sustainable management

Aim to realize a sustainable management by expressing a long-term policy that will guide our future business, strengthening business creation through strategic investments, promptly commercializing new and expanding businesses, investing in human resources, and promoting diversity.

### Main results

<b>Materiality</b>	Identification of materiality to be addressed by FURUNO Group to <b>contribute to a sustainable society through its business and enhance corporate value</b>
<b>Climate Change Response</b>	Promote efforts to <b>set GHG emission reduction targets and disclose environmental information in compliance with TCFD recommendations</b>
<b>Human Resource Strategy</b>	<b>New HR Vision and implementation of measures to respond to changes in social conditions:</b> maximize employee capabilities and optimize the allocation of human resources according to ability and suitability, promote a review of work patterns and benefits for front-line sales service personnel, etc.
<b>Governance Structure</b>	<b>Establishment of the Sustainability Committee</b> to govern the above initiatives



# Topics

## “DX Certified Business Operator” certification from the METI\*

### About the DX Certification

This program is based on the “Law Concerning the Promotion of Information Processing” and **recognizes companies that are ready to take DX initiatives in line with the “Digital Governance Code”** established by the METI\* and have taken steps toward transformation. The program evaluates and certifies companies' efforts to reform their management foundations and business processes **through the use of digital technology, and their attitude toward strengthening competitiveness and achieving sustainable growth.**

### About FURUNO's Initiatives

With the acquisition of DX Certification, FURUNO will further promote “promotion of DX for creation of new businesses including marine vessels” and “optimization of integrated manufacturing and development of DX human resources” and begin **to build a data platform as a foundation and reform its corporate culture.** Furthermore, as of March 1, 2025, FURUNO has newly **established the “DX Promotion Department” within the Marine Equipment Division** to strengthen the planning and development functions of cloud application services for customers' business DX. The department will accelerate the development of data sets necessary to create value by utilizing collected data and examining the value that can be provided to different markets and customers.



# Digital Transformation Certification

# “OSAKA Zero Waste Project” Future Creation Project Collaboration Agreement

FURUNO, Osaka University Graduate School of Engineering, and the Osaka Prefecture Department of Environment, Agriculture, Forestry and Fisheries signed a business collaboration agreement to promote measures against marine plastic litter, including **surveys of the actual amount of plastic litter entering Osaka Bay, information dissemination to residents and others, and awareness raising, in order to create a future that is “OSAKA Zero Waste Project.”**

## Policy

By leveraging the strengths of each of the three parties, we will **contribute to the realization of the “Osaka Blue Ocean Vision” shared at the G20 Osaka Summit**, based on the following policies.



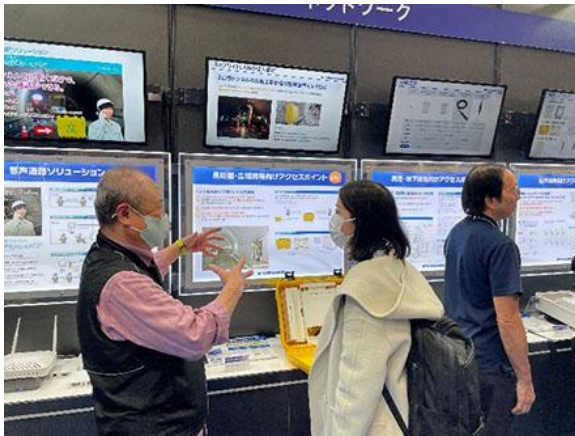
Project Conclusion Ceremony

Osaka Pref. Environment, Agriculture, Forestry and Fisheries Dept.	Osaka University Graduate School of Engineering	FURUNO
Support for research, including theme selection, evaluation and experimental site selection, dissemination of information to prefectural residents, and collaboration with municipalities in the prefecture	Survey and analysis of plastic litter volume on the water surface, clarification of marine and land plastic litter dynamics in the Osaka Bay watershed area, and advancement of estimation methods	Survey and analysis of the amount of plastic litter in the water, development of observation technology and networking

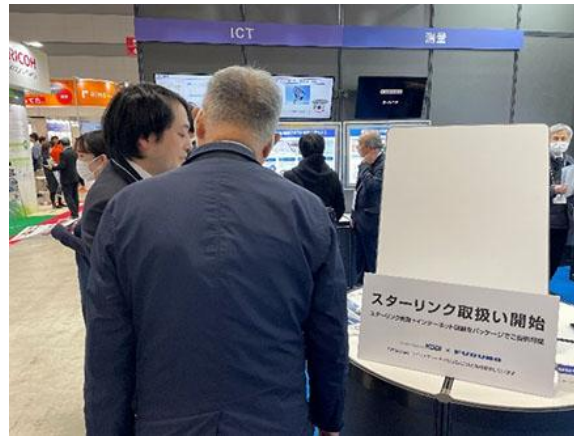
## Exhibit at the 9<sup>th</sup> JAPAN BUILD TOKYO

This exhibition is one of the **largest trade shows in Japan specializing in the latest products that solve problems in the building, construction, and real estate industries**. This year, 600 companies exhibited and a total of 34,059 people visited the exhibition over the three days.

At the exhibition booth, under the theme of “Wireless Tech Supporting Construction DX,” network solutions were exhibited, including the *Zengenba* LAN series, which can build Wi-Fi environments tailored to various construction sites, Starlink, a LEO (low earth orbit) satellite communication service, and a dynamic exhibit of high-speed roaming functions. The exhibition also featured network solutions. In addition, as ICT solutions, a remote monitoring system for construction sites and a solar-powered remote cloud site monitoring camera were exhibited, and as surveying solutions, underwater surveying technology using ultrasonic and GNSS technology was introduced.



*Zengenba* LAN Series  
(Access point for the field)



Starlink equipment rental  
and line contract services



Dynamic display of high-speed  
roaming capabilities

## Certified for 7 consecutive years as a “Health and Productivity Management Organization (White 500)”

The "Excellent Corporation for Health Management System" is a system to recognize large corporations, small and medium-sized companies, and other corporations that practice particularly excellent health management based on initiatives that address local health issues and promote health as promoted by the Japan Health Council. Among the corporations certified as "Excellent Corporations for Health Management (Large Corporation Category), only the top 500 corporations in the results of the health management survey are recognized as "White 500".

Based on our management philosophy, we have been promoting efforts to raise employees' health awareness and create a workplace environment where they can continue to work with peace of mind, so that each one of our employees can work with a cheerful and active mind and body. In recognition of these health management efforts, **FURUNO has been recognized as a “Health and Productivity Management Organization (White 500)” for seven consecutive years since the fiscal year 2019** in the large corporation category.



2025  
健康経営優良法人  
KENKO Investment for Health  
大規模法人部門  
ホワイト500

# **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, 2025



Nishinomiya Headquarter



R&D Building SOUTH WING

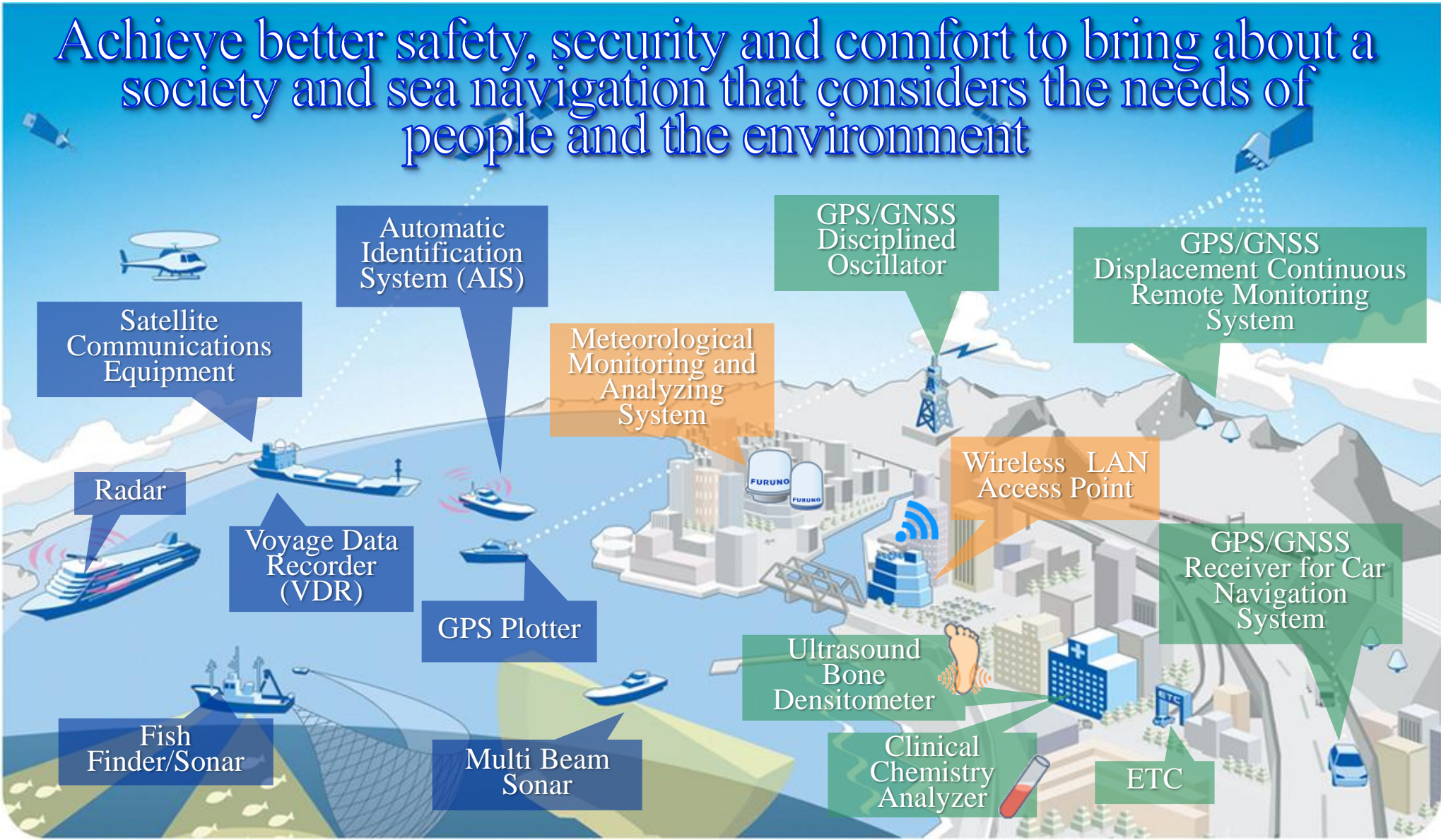
<b>Company Name</b>	FURUNO ELECTRIC CO., LTD.
<b>Headquarters</b>	Nishinomiya City, Hyogo, Japan
<b>Incorporated</b>	May 23, 1951
<b>Business</b>	Manufacturing and sale of maritime and industrial electronic products
<b>Paid-in Capital</b>	¥7,534 million
<b>Number of Employees</b>	3,368 (consolidated)
<b>Consolidated Sales</b>	¥126,953 million
<b>President</b>	Yukio Furuno
<b>Stock Exchange Listing</b>	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





# 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

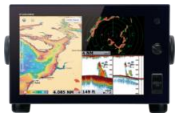


Radiotelephone

## For Pleasure Boats



Radar



Multi-Function Display



GPS/WAAS Chart Plotter

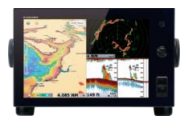


Autopilot

## 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

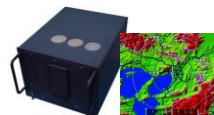
## Defense Equipment



Multi-beam Sonar Fathometer



GPS Navigation System



Map Generator Unit

## Wireless LAN Systems



Wireless LAN Access Point\*



Wireless Handheld Terminal\*