



August 7, 2025

Company name:	Furuya Metal Co., Ltd.
Representative	Takahito Furuya, President
Stock code:	7826
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## Notice Regarding the Outline of the Medium-Term Management Plan

At the Board of Directors meeting held on August 7, 2025, we formulated the medium-term management plan "KFK Vision 2030" for the period from the fiscal year ending June 2026 to the fiscal year ending June 2030 as follows.

The previous medium-term management plan was in a rolling format, but we changed it to a fixed format and extended the plan period to five years.

With the slogan of overcoming uncertain times and pioneering the future by creating high added value with our independently cultivated technological capabilities, we will strengthen our earning power and promote the creation of new pillars to build a sustainable growth foundation.

### 1. Positioning of KFK Vision 2030

We have traditionally formulated a three-year medium-term management plan in a rolling format. However, due to the increasing uncertainty in the business environment surrounding our company and the growing number of research and development themes that require long-term consideration, we have changed the medium-term management plan to a fixed format, clearly indicating our vision and setting the target period to five years. We have established a basic strategy to ensure the realization of research and development. In addition to further evolving our core technologies, we will pursue collaboration and synergy with various research institutions, actively enter new growth areas, and challenge ourselves to achieve leaps forward.

Profit and Quantitative Targets	Financial Indicators
Target for the fiscal year ending June 2030 <ul style="list-style-type: none"><li>Sales: 150 billion yen</li><li>Ordinary profit: 20 billion yen</li></ul>	Target for the fiscal year ending June 2030 <ul style="list-style-type: none"><li>ROE: 10% or more</li><li>ROIC: 8% or more</li><li>Dividend payout ratio: 25% or more</li></ul>

The dividend payout ratio will be reviewed if there is no profit for the current term, etc., with a basic policy of maintaining a payout ratio of 25% or more.

### **3. Basic Strategies**

#### **(1) Strengthening Earning Power**

1. Strengthening the foundation to reliably generate basic earnings even in uncertain environments
2. Establishing a foundation of high-speed rotation of "creating, making, and selling"

#### **(2) Creating New Pillars**

1. Strengthening the five pillars
2. Pursuing further growth areas and building new pillars

#### **(3) Building a Sustainable Growth Foundation**

1. Creating an organization with sustainability and high adaptability
2. Addressing Materiality

For details, please refer to the attached documents.

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**KFK** FURUYA METAL

# ***KFK Vision2030***

August 7, 2025

Furuya Metal Co., Ltd.  
(prime 7826)



## **1. Review of the Mid-term Business Plan 2027**

## **2. *KFK Vision2030***

### **2-1. Formulation Policy**

### **2-2. Basic strategy**

### **2-3. Corporate Vision**

### **2-4. Materiality**

# **1. Review of the Mid-term Business Plan 2027**

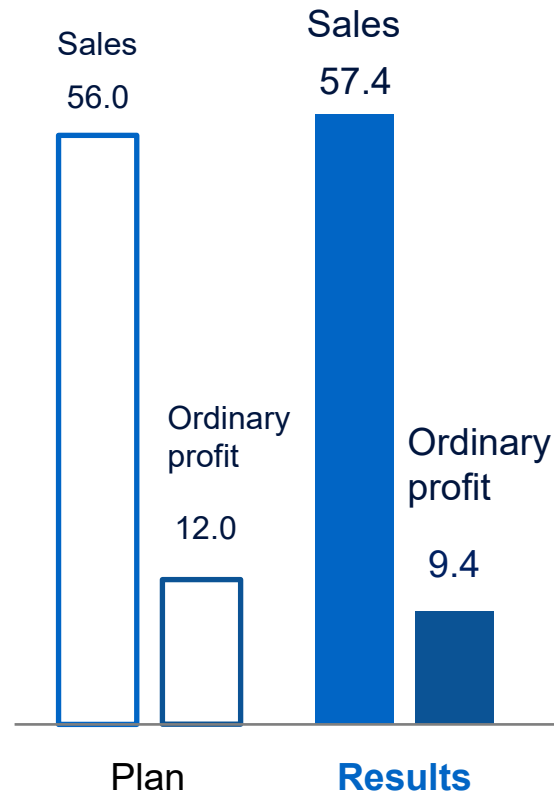
# Review of the Mid-term Business Plan 2027 : Performance

Attempts to increase revenue are being hindered by delays in the complete recovery of the semiconductor market and the monetization of new products

## Sales and Ordinary profit

\*consolidated

(Billion Yen)



FY2025

Assumptions	Iridium (US\$ / toz)	Ruthenium (US\$ / toz)	Exchange rate (¥ / US\$)
Plan	4,500	400	145
Results	4,190*	490*	150

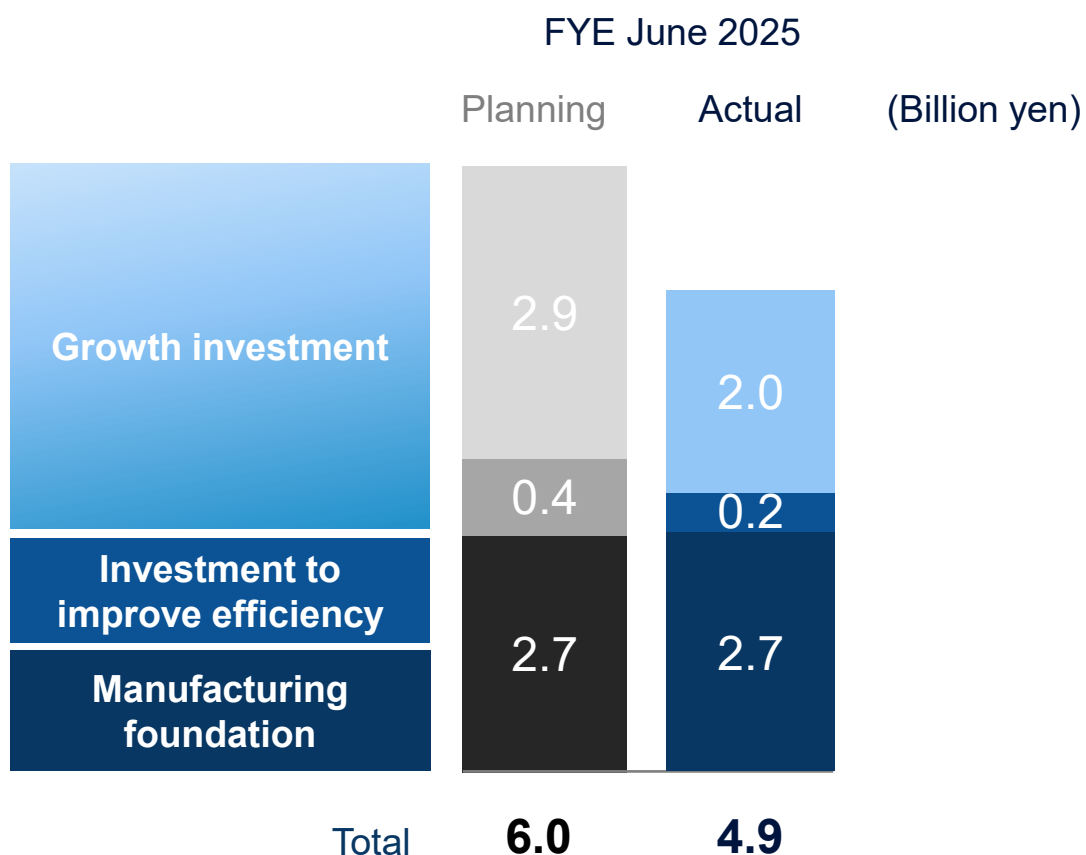
\*Refer to NYD Mean annual average for iridium and ruthenium prices

Business Segment	Plan (Billion Yen)	Results (Billion Yen)	Difference (Billion Yen)	Factors for sales increase / decrease
Electronics	8.8	5.9	▲2.9	<ul style="list-style-type: none"> <li>Increased demand for optical isolator driven by expanded investments on data centers</li> <li>Competition is intensifying in SAW device industry</li> </ul>
Thin Film	10.2	11.3	+1.1	<ul style="list-style-type: none"> <li>Recovery of the data center HDD market owing to the widespread adoption of generative AI</li> <li>Launch of AIScTG</li> </ul>
Thermal	6.7	4.9	▲1.8	<ul style="list-style-type: none"> <li>Expansion of new sales channels</li> <li>Delay in full recovery of the semiconductor market and monetization of newly developed product</li> </ul>
Fine Chemical & Recycling	27.4	26.3	▲1.1	<ul style="list-style-type: none"> <li>Steady demand for electrodes application</li> <li>Globally delayed launch of the hydrogen market</li> </ul>
Supply Chain Support, etc.	2.9	9.0	+6.1	<ul style="list-style-type: none"> <li>Capturing steady demand centered in Asia</li> </ul>

# Review of the Mid-term Business Plan 2027 : Capital allocation

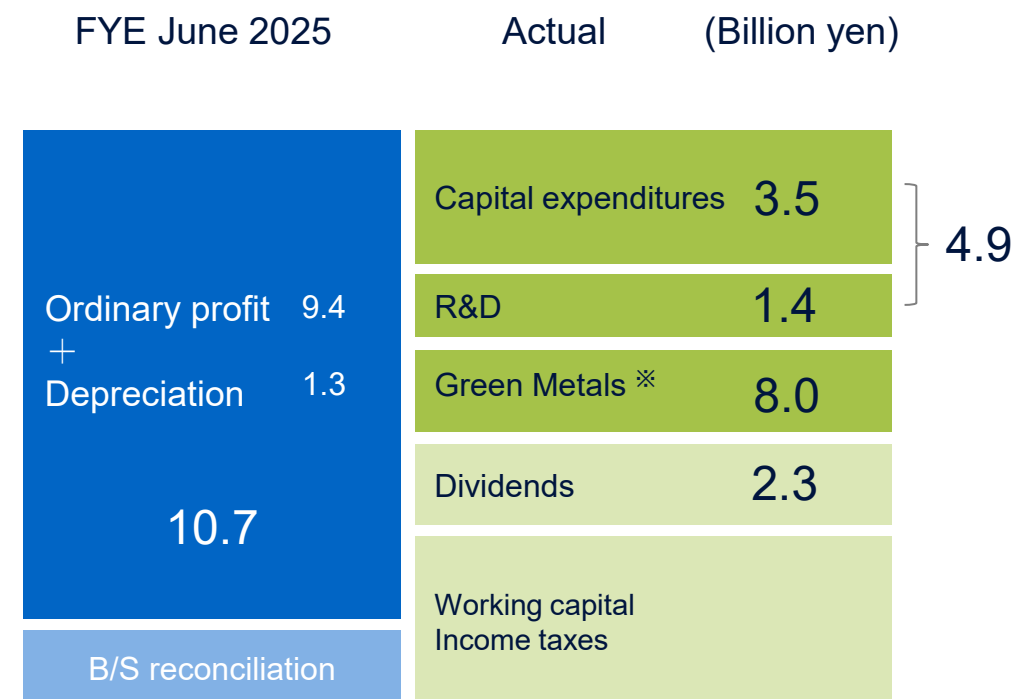
## Capital investment and R & D

Capital investment proceeded as planned



## Strategic allocation of profits

Allocating profits strategically to capital investment in growing businesses, R&D of next-generation products, and return to the shareholders



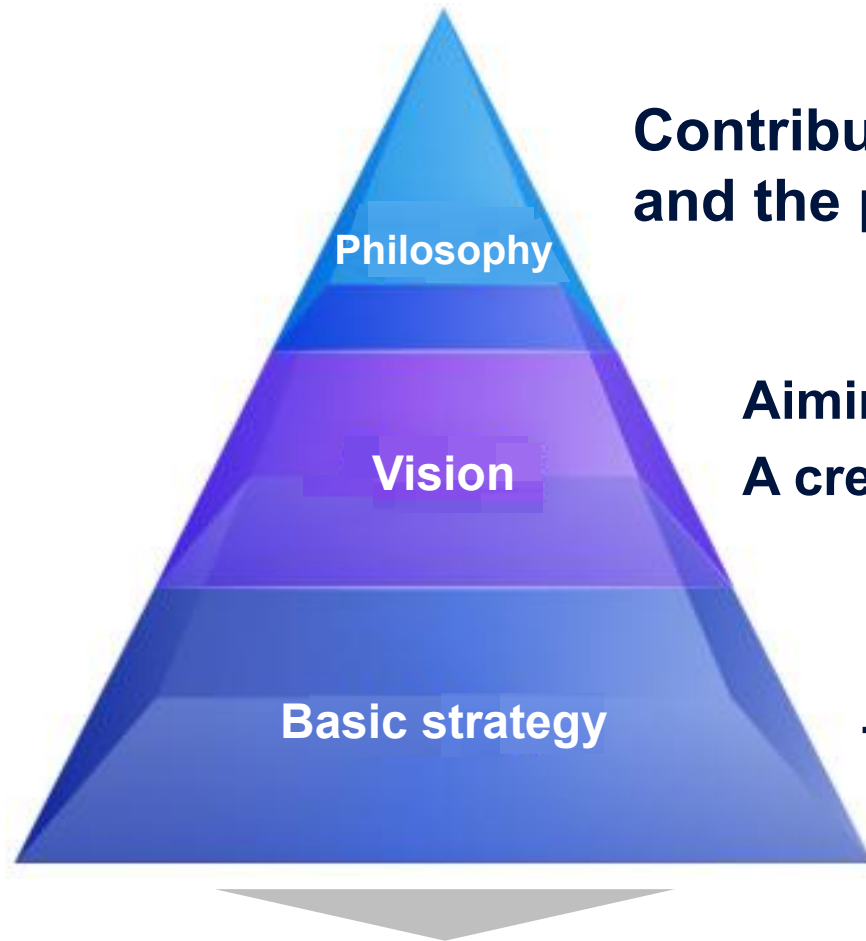
※Raw materials for precious metals for Digital and Green projects

## ***2. KFK Vision2030***



# Furuya Metal Philosophy

## 【 Structure of the corporate philosophy 】



**Contributing to the development of scientific technology  
and the prosperity of society**

**Aiming to be the leader of the world in iridium and ruthenium  
A creative company that continues to challenge**

**Embrace infinite possibilities using  
foresight and creativity**



***KFK Vision 2030***

**"Create high added-value with unique technology"  
"Transcend the era of uncertainty and pave the way for the future"**

# Business environment and formulation of "KFK Vision2030"

## Changes in the business environment surrounding our company

### Geopolitical risk

- Hegemonic rivalry between the major powers
- Frequent occurrence of military conflicts and their impacts on the global economy



### Opposition to environmental conservation

- The rollback of environmental policies due to policy changes
- Global delay in investments on hydrogen energy and its development



### Supply chain

- National security risks in the resource supply chain



### Market

- Rapid spread of generative AI
- Highly volatile precious metal prices (especially iridium)



**Given the significant increase in uncertainty, we will replace the currently-implemented "Medium-term Business Plan" (three years' term on a rolling basis) with a new approach that reaffirms the "KFK Vision 2030" and the fundamental strategies leading toward it**

# KFK Vision 2030 and basic strategies

**"Create high added-value with unique technology"**  
**"Transcend the era of uncertainty and pave the way for the future"**

## Strategic contribution areas



## Basic strategies

### Strengthen earning power

- Secure basic earning even in uncertain environment
- Drive the cycle of “develop, manufacture, and market” at high speed

### Create new pillars

- Strengthen 5 pillars (electronics, thin film, thermal, chemical, and recycling)
- Pursue growth areas and build new pillars

### Build a foundation for sustainable growth

- Creating a sustainable organization with high adaptability
- Address materiality

# KFK Vision 2030

## KFK Vision2030

FY2026

Sales 55 billion yen  
Ordinary profit 7 billion yen  
ROE 7%  
ROIC 5%

MTP2027 (billion yen)

	FY2026	FY2027
Sales	71	82
Ordinary profit	13	16.5

## KFK Vision 2030

Sales 150 billion yen  
Ordinary profit 20 billion yen  
ROE 10% or more  
ROIC 8% or more  
Dividend payout ratio 25%<sup>\*1</sup> or more

**Evolve core technologies**  
**Innovate new technologies**  
**Address in growth areas, new business opportunities and leaps**

***Towards KFK Vision 2030***  
***Strengthen the foundation and***  
***Achieve inorganic leaps***

Assumptions: Iridium 3,925USD/toz, Ruthenium 490USD/toz, Exchange Rate: ¥146/USD  
The above figures may vary subject to the movement of precious metal prices

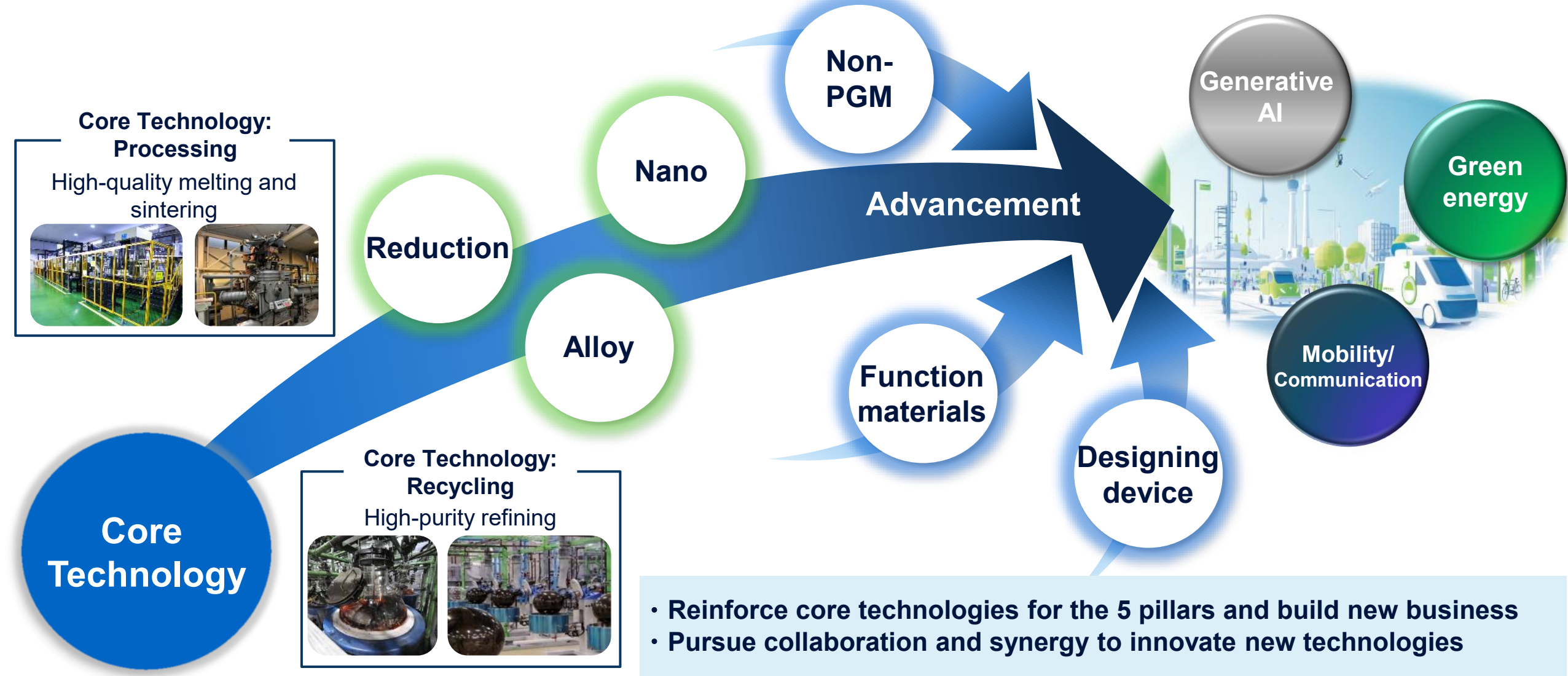
<sup>\*1</sup> The dividend payout ratio will be reviewed subject to actual profit level with a basic policy of maintaining a payout ratio of 25% or more.





# Reinforce core technologies, Innovate new technologies

Explore new markets and build high-value-added businesses



# 2030 New business opportunities in growth areas and leap

- Utilize core and new technologies and actively enter new growth areas without limiting to the existing frameworks
- Collaboration and synergy for new business opportunities and realization of inorganic leaps

*KFK Vision 2030*  
Sales in growth areas  
**Approx. 60 billion yen**

FY2026  
Sales in growth areas  
Approx. 7 billion yen

## Advance the 5 Pillars

– New business opportunities

Photonics-  
Electronics  
convergence

AI chip

Chiplet

Mobility

6G

Green  
ammonia

Green  
hydrogen

Space  
communication

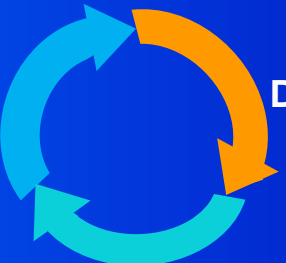
Artificial  
photosyn-  
thesis

## Strengthen the 5 Pillars

– Drive the cycle of “Develop, Manufacture, and Market” at high speed

Market

Develop

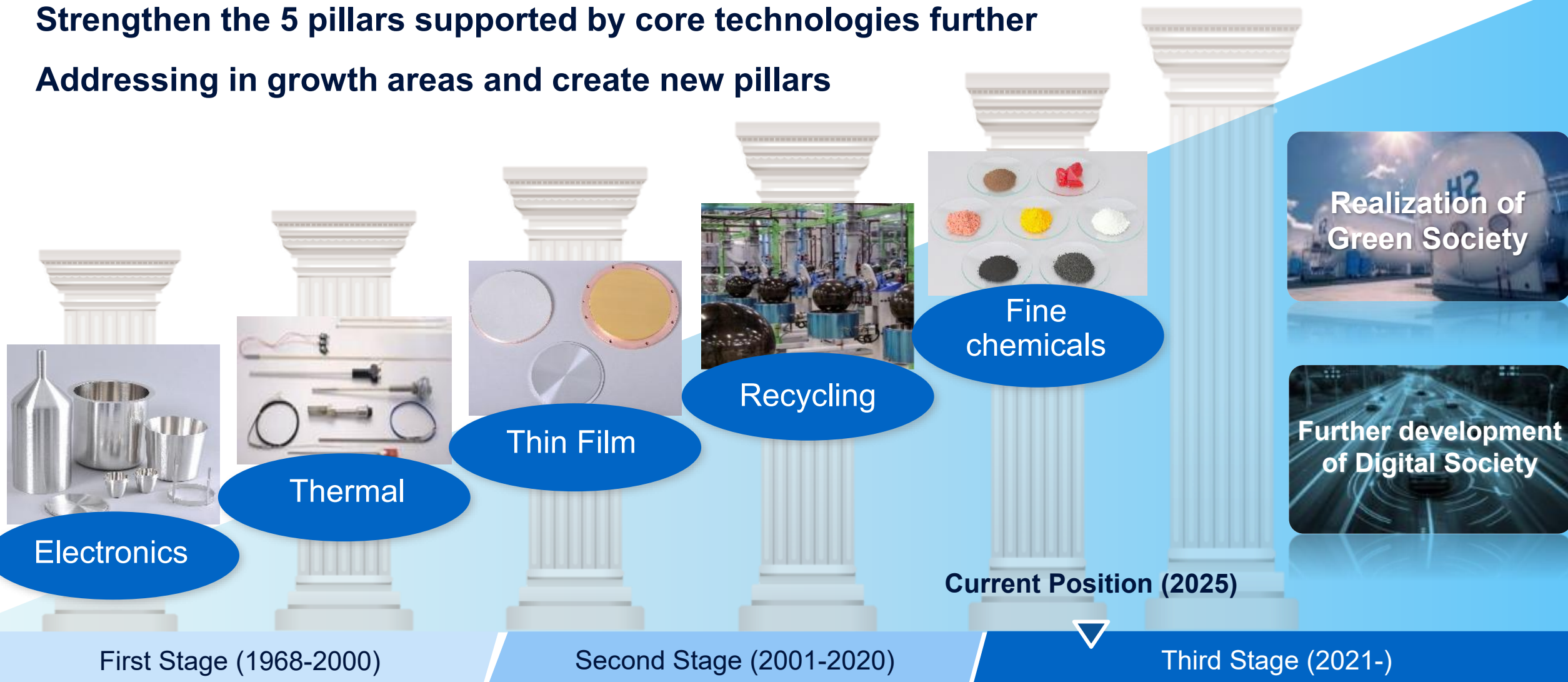


Manufacture

# Making the 5 Pillars stronger and thicker

Strengthen the 5 pillars supported by core technologies further

Addressing in growth areas and create new pillars





# Making the 5 Pillars stronger and thicker : Electronics

Create high value-added products in the semiconductor field based on the processing technology of iridium and platinum products

Maintain top market share of Iridium crucibles for single crystal growth in a competitive market

## Power semiconductor



Single crystal of Gallium oxide  
Source : Novel Crystal Technologies, Inc.

- Development of products that support substrate crystal growth for next-generation power semiconductors (gallium nitride, gallium oxide) is progressing. Expect future contribution for earnings

## Optical communication



- Increased demand for platinum products for crystal growth of optical isolators for data centers is expected due to the rapid development of generative AI

## SAW filter



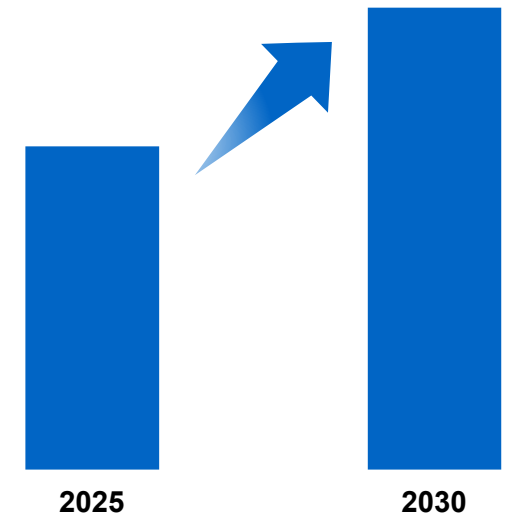
SAW: Surface Acoustic Wave

- In the market of Iridium crucible for growing single crystal used in SAW filter, we will maintain top market share through differentiation in quality (processing technology), production efficiency, and raw material procurement capabilities



## Power Semiconductor Market Size

Approx. 5 trillion-yen



Estimated by our company based on materials prepared by the Ministry of Economy, Trade and Industry



# Making the 5 Pillars stronger and thicker : Thin Film

**Develop new products in the MEMS and semiconductor fields based on the core technologies (sintering, melting, and high purification) built up in HDD targets**

## MEMS



BAW: Bulk Acoustic Wave

- Launch of aluminum scandium (AlSc) targets for BAW devices on a commercial scale  
In addition to smartphones, pursue potentialities in future applications in automotive communication and base station fields.
- Regarding the supply chain of natural resources, establish a stable supply chain system through a strategic procurement of scandium

## Semiconductor

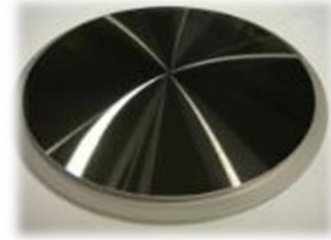


- Higher integration and lower resistance of semiconductors are essential with the evolution of generative AI
- Supplying ruthenium targets for advanced semiconductor wiring and EUV mask blanks to the semiconductor manufacturers and semiconductor manufacturing equipment makers.

## HDD

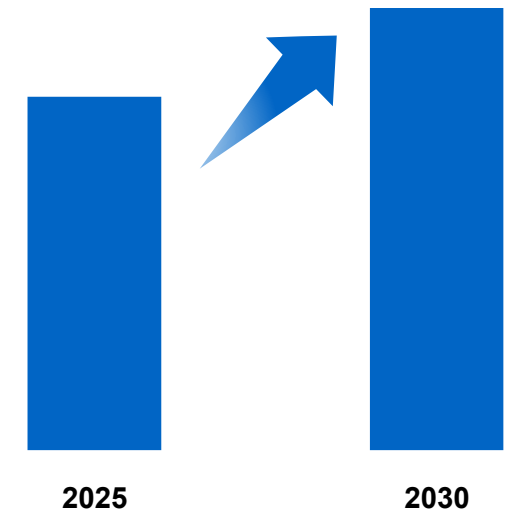


- As demand for data storage is expanding along with the rapid proliferation of generative AI, steady demand for ruthenium targets for data center HDDs is expected until around 2030
- Supply iridium targets for magnetic heads in the next-generation HDD (HAMR)



## Smartphone Shipments

Approx. 1.6 billion units



Estimated by our company based on materials prepared by the Ministry of Internal Affairs and Communications

# Making the 5 Pillars stronger and thicker : Thermal

**Address further development of the semiconductor market by expanding production capacity of main products and strengthen development of new products**

## Semiconductor



- AI, smart devices, autonomous driving, etc., are driving future growth in the semiconductor market. We will address the medium to long-term market growth by expanding production capacity of main thermocouple products
- Construction of the New Chitose Plant is progressing on schedule - In partnership with major manufacturers of semiconductor manufacturing equipment, strengthen development of new products

## Power semiconductor



- Intensify efforts for the implementation of iridium-rhodium thermocouples in high-temperature processing of power semiconductor manufacturing

## The New Chitose Plant

Construction work is progressing towards planned completion by the end of July 2026

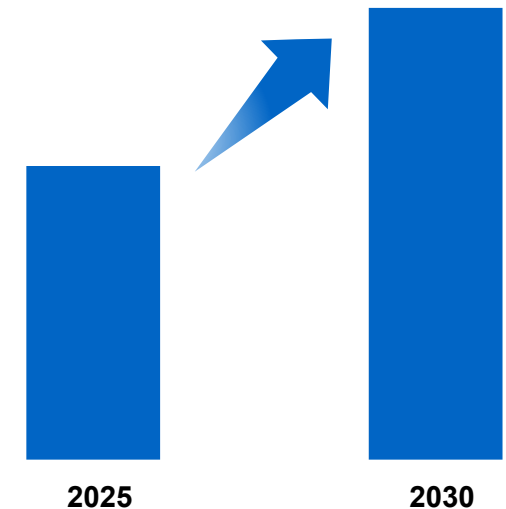
Simultaneously recruiting staff and conducting engineer training

the New Chitose Plant (Image)



## Semiconductor Market Size

Approx.150-trillion yen



Estimated by our company based on materials prepared by the Ministry of Economy, Trade and Industry

# Making the 5 Pillars stronger and thicker : Fine Chemicals & Recycling

**Steady demand for compound materials for electrodes and organic EL is expected to continue**  
**Advance the establishment of nano-alloy technology and aim to launch new products for the green market**

## Hydrogen



- Delays in hydrogen-related investments and development projects due to changes in decarbonization policies in various countries
- Development of multi-element nano-alloy catalysts for hydrogen production is steadily progressing to deal with the full-scale launch of the market in the future

## Mobility



- Develop new markets by utilizing nano-alloy technology

## OLED



- The shift from LCD to organic EL displays is gradually progressing. Expect further market growth with the spread of foldable smartphones, VR/AR devices

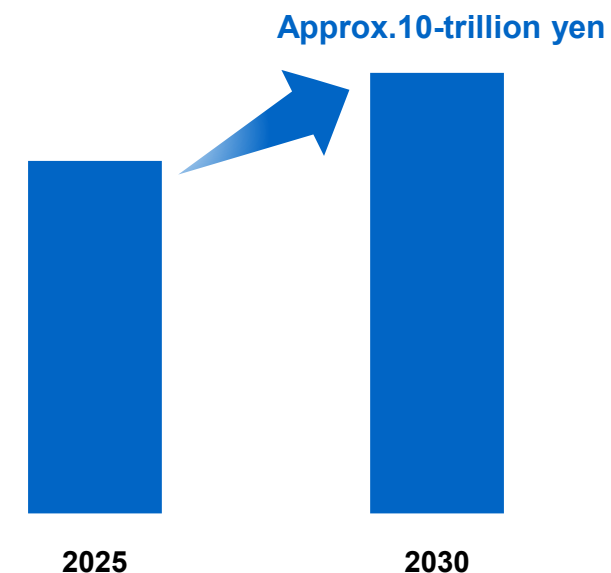
## Electrodes for Soda



- Steady demand is expected in the electrode market for soda electrolysis, backed by growth of global population



## Organic EL Display Market Size



Estimated by our company

# Materiality Identification Process

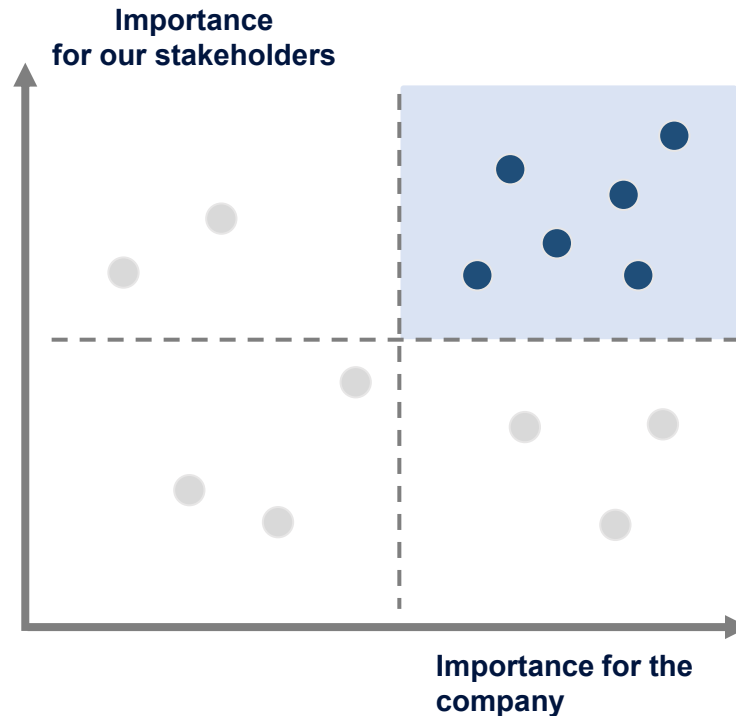
Identify “materiality” that will gain empathy and support by stakeholders and set its goals, performance indicators by dialogue with internal and external experts

Continuous dialogue with internal and external experts

## Process for identifying materiality

1. Investigation of issues
2. Analysis of impact to us
3. Extraction of candidate issues
4. Evaluation and prioritization
5. Decision-making

Extract important issues for both the company and the stakeholders



Customers, Suppliers, Partners

Trust  
Empathy  
Support

**“Materiality”**  
that we should address

Pride  
Meaningful  
Enthusiasm

Employees

ESG Perspective

Governance

Sustainability





Three Values

Economic  
value

Social  
value

Environmental  
value

# Identification of materiality and setting objectives

Value combination	Materiality	Goals and indicators (as of 2030)
 Economic value ×  Social Value	<b>【1. Creation of new businesses】</b> Create high value-added businesses through “further evolution” of Furuya’s unique technologies cultivated with iridium and ruthenium	Sales proportion of new products or technology : <b>25%</b> or more (20%)
	<b>【2. Improvement of the workplace environment】</b> Build a safe and secure workplace environment where diverse human resources feel motivated and valued	(1) Number of fatal and lost-time accidents: <b>0</b> (0) (2) Conduct engagement and stress check surveys ( <b>once</b> a year) and <b>continue</b> improvement activities based on survey results (once a year) (3) Percentage of female managers: <b>20%</b> or more (2.3%) (4) Paternity leave acquisition rate: <b>100%</b> (80%)
	<b>【3. Strengthen human resource development】</b> Develop human resources that keep challenging to global issues	(1) Establish a system to identify and promote the acquisition of key skills and qualifications, with <b>50%</b> of employees obtaining at least one of the target skills/qualifications (2) Introduce key external training programs (open recruitment) for selected employees and dispatch at least one talent for each established program
 Economic value ×  Environmental value	<b>【4. Promotion of environmental conservation】</b> 4-1 Energy-saving and clean manufacturing 4-2 New products contributing to carbon neutrality	(1) CO <sub>2</sub> emission reduction rate (SCOPE1, 2): <b>80%</b> compared to FY2023 (2) <b>Calculate</b> CO <sub>2</sub> emissions in SCOPE3 and <b>set</b> reduction targets (3) <b>Quantify</b> the contribution of our products to decarbonization
	<b>【5. Enhance operational efficiency】</b> Pursue operational efficiency thoroughly by promoting DX	(1)DX maturity level as defined by the Ministry of Economy, Trade and Industry: <b>Level 3</b> (Level 1) (2) Paperless operations: <b>100%</b> (10%) (3) Robotization rate in manufacturing processes: <b>1,000 units</b> /10,000 people (2024: 523units/10,000 people)



# Materiality No.1 Creation of new businesses

Create high value-added businesses through "further evolution" of Furuya's unique technologies cultivated with iridium and ruthenium

Raise sales proportion with new products or technology

**25% or more**

Result of FYE2024 20%

**20%**

**25%**

<Key Technologies >  
"Alloy · Nano · Recycle"

2024

2030

\*Definition of new technologies / products: Technologies and products within 5 years of market launch



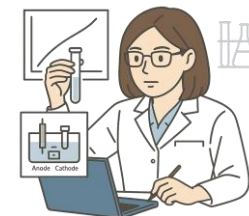
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Drive the cycle of "Develop, Manufacture, and Market" at high speed

Market



Develop



Drive the cycle  
at high speed

Manufacture



# Materiality No.2 Improvement of workplace environment

Build a safe and secure work environment where diverse human resources feel motivated and valued

Maintain zero fatal and lost-time accidents



0 day

Result of FYE2024 0 day

Increase in the percentage of female managers



More than 20%

Result of FYE2024 2.3%

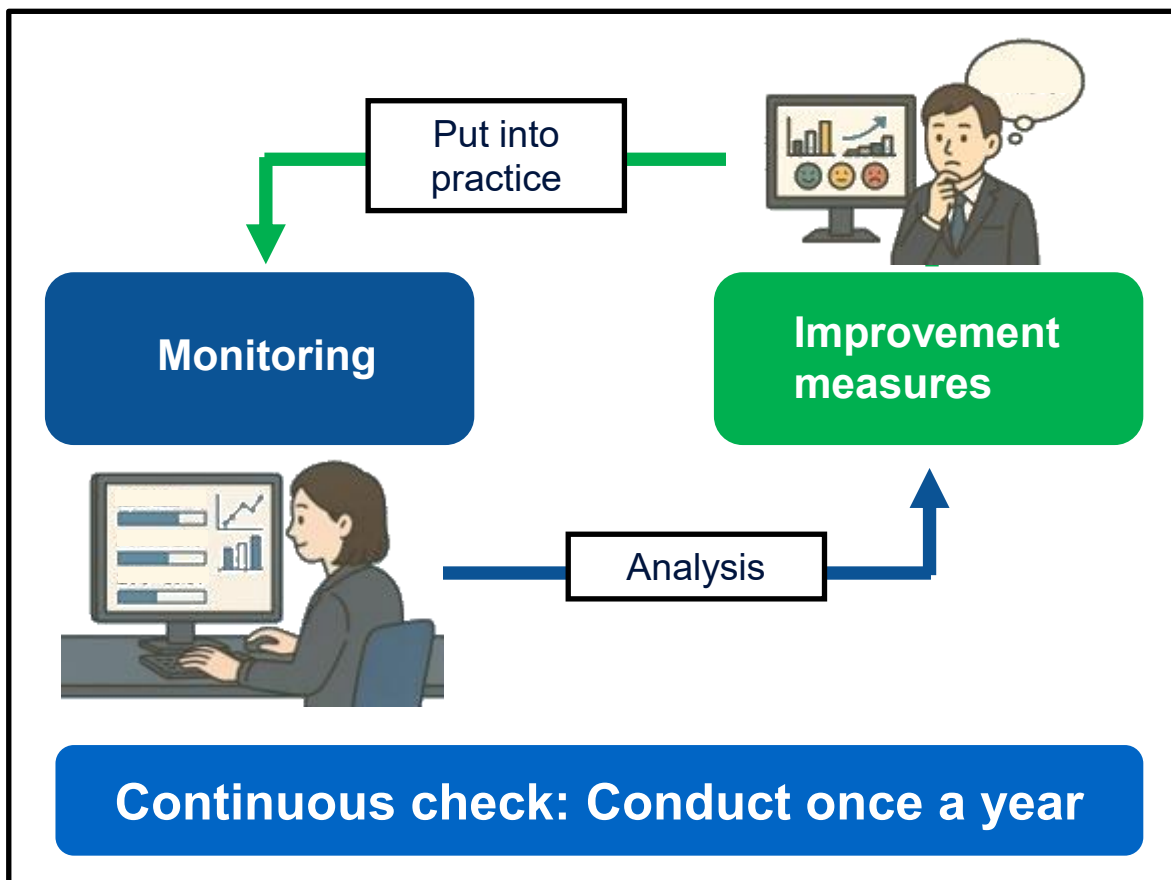
Increase in the rate of paternity leave taken



100%

Result of FYE2024 80%

Improve engagement through a monitoring and improvement cycle



# Materiality No.3 Strengthen human resource development

## Develop human resources that keep challenging to global issues

Image of desired human resources

*Respond to infinite possibilities using foresight and creativity*



**Support the improvement of skills recommended by the company or desired by employees**

**Enhance human resources by new educational programs**

### **(1) Establish and implement foundational education programs for all employees**

- (1)-1 Establish a system to identify and promote the acquisition of key skills and qualifications
- (1)-2 50% of employees to obtain at least one of the target skills/qualifications

<Target qualifications (examples)>

Technology (Professional Engineer, Chief Electrical Engineer, Energy Manager, Hazardous Materials Engineer, Mechanical Design Engineer), IT (MOS, IT Passport, Basic/Applied Information Technology Engineer Examination, Programming), Languages (EIKEN, TOEIC, various language proficiency tests), Accounting (Bookkeeping)

### **(2) Establish and implement key educational programs for selected employees**

- (2)-1 Establish special external training programs (work at ministries, universities, etc.)
- (2)-2 Send out at least one talent for each established program

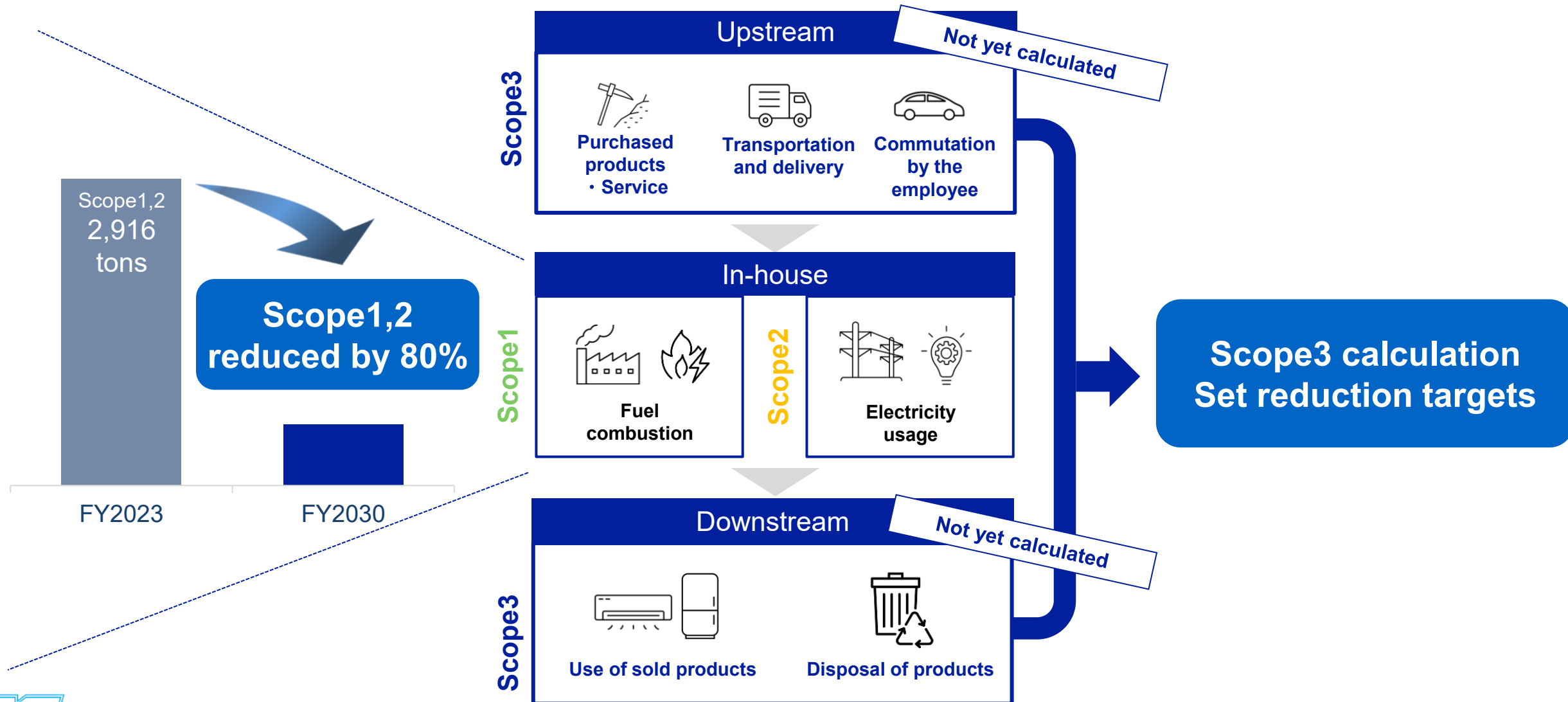
<Target programs (examples)>

Business schools (MBA, MOT), secondment to ministries, universities, research institutions, companies, etc.



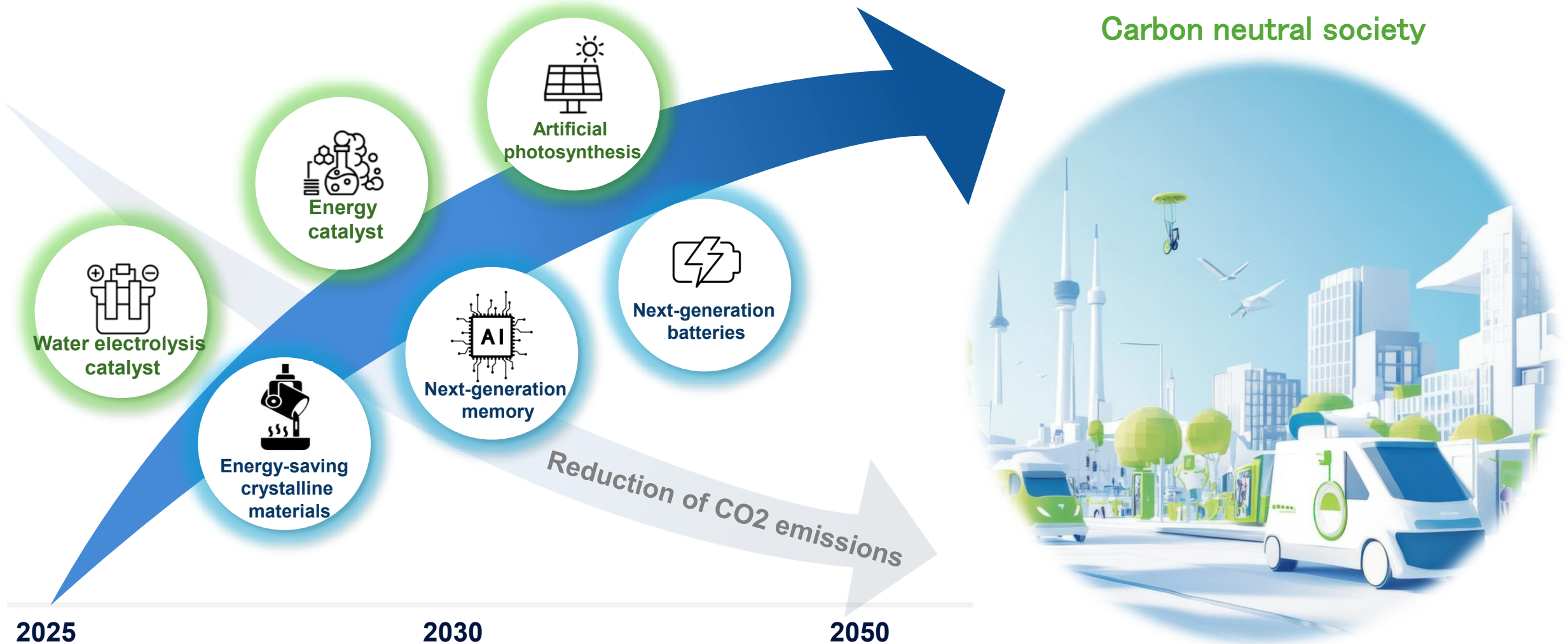
# Materiality 4-1 Promotion of environmental conservation: Energy-saving and clean manufacturing

## Contribute to Carbon Neutrality through energy saving and clean manufacturing



## Materiality 4-2. Promote environmental preservation : New products contributing to carbon neutrality

Commercialize next-generation technologies and products that contribute to carbon neutrality



# Materiality No.5 Ensuring operating efficiency

## Pursue thorough efficiency in operation by promoting DX

Promote DX through acquisition of accreditation by the government

Level	Status
5	Market-leading digital company
4	Sustainable implementation based on company-wide strategy
3	Cross-departmental promotion based on company-wide strategy
2	Strategic implementation in some areas
1	Sporadic implementation in some areas
0	Not yet started

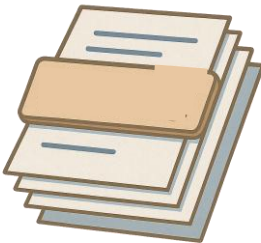
Level 3

2030



2024

Promotion of paperless operations by thorough utilization of IT technology



100%

Result of FYE2024 10%

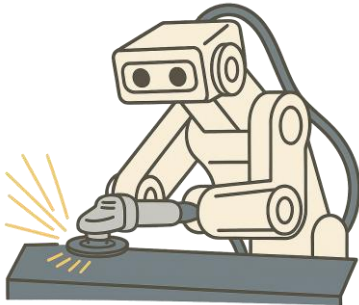


Promotion of robotization to address the decline in the labor force



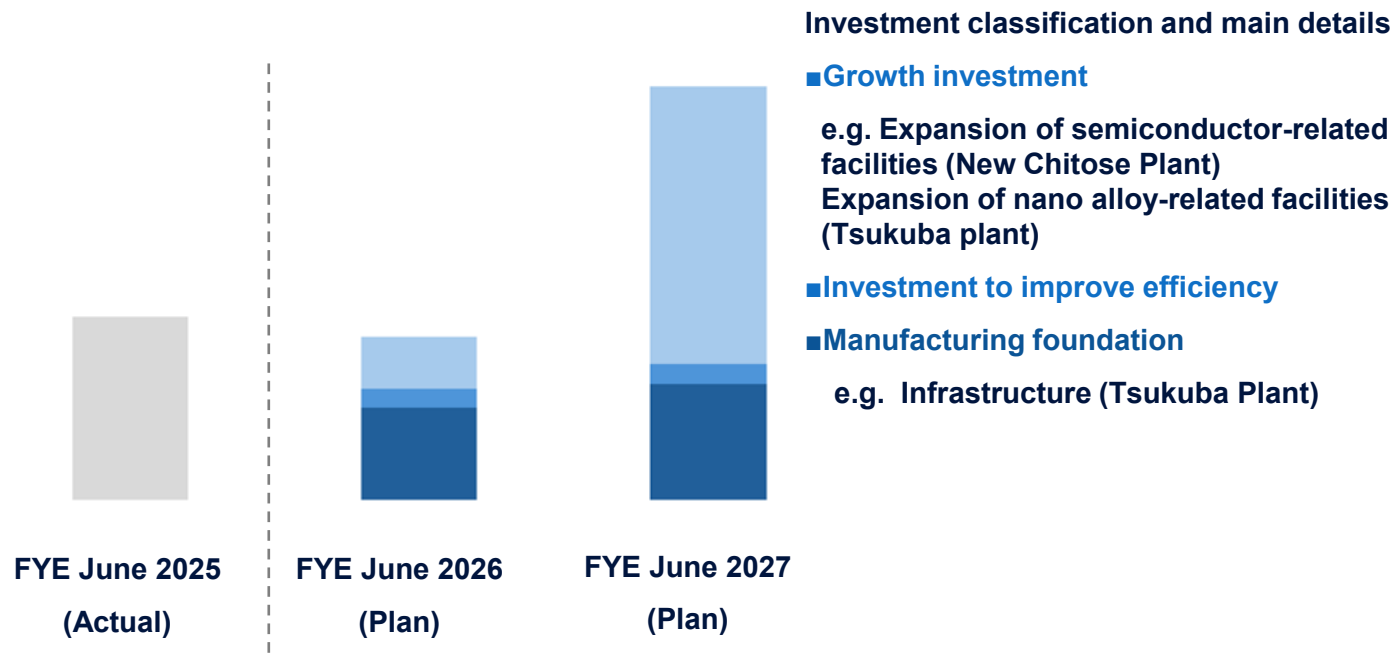
1,000 units /10k people

Result of FYE2024  
523 units



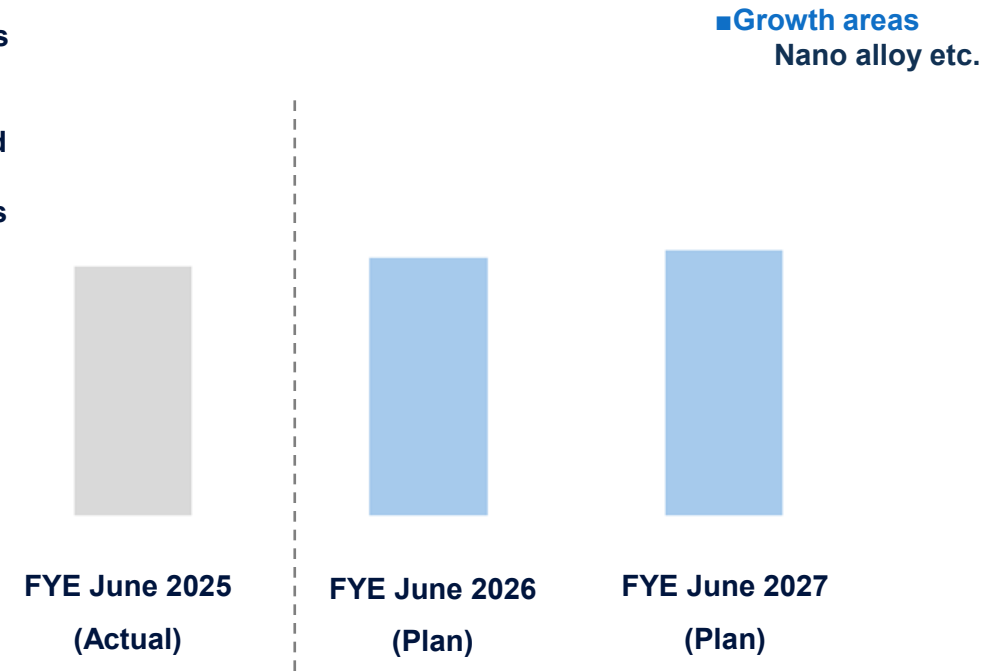
# Investment for growth in manufacturing

## Capital Expenditures (Billion yen)



Capital investment of approx. 10 billion yen over the next two years

## ※ R&D (Billion Yen)



R&D expenditures of approx. 3 billion yen over the next two years

※ Include depreciation costs

# KFK Vision2030 Management Goals (Financial indicators)

Ordinary  
income

**20**  
Billion yen

ROE

**10**  
% or over

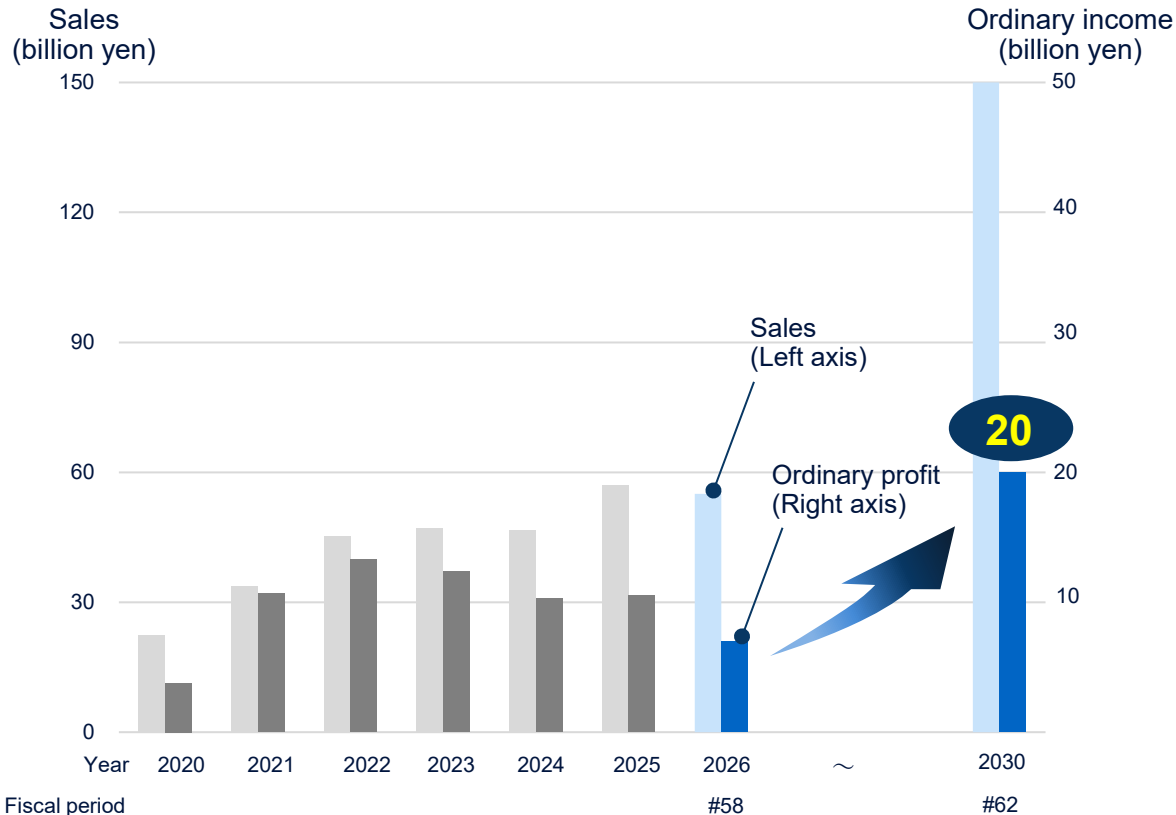
ROIC

**8**  
% or over

Dividend  
payout ratio

**25**  
% or over\*1

## Aiming for 20 billion yen in operating income by 2030

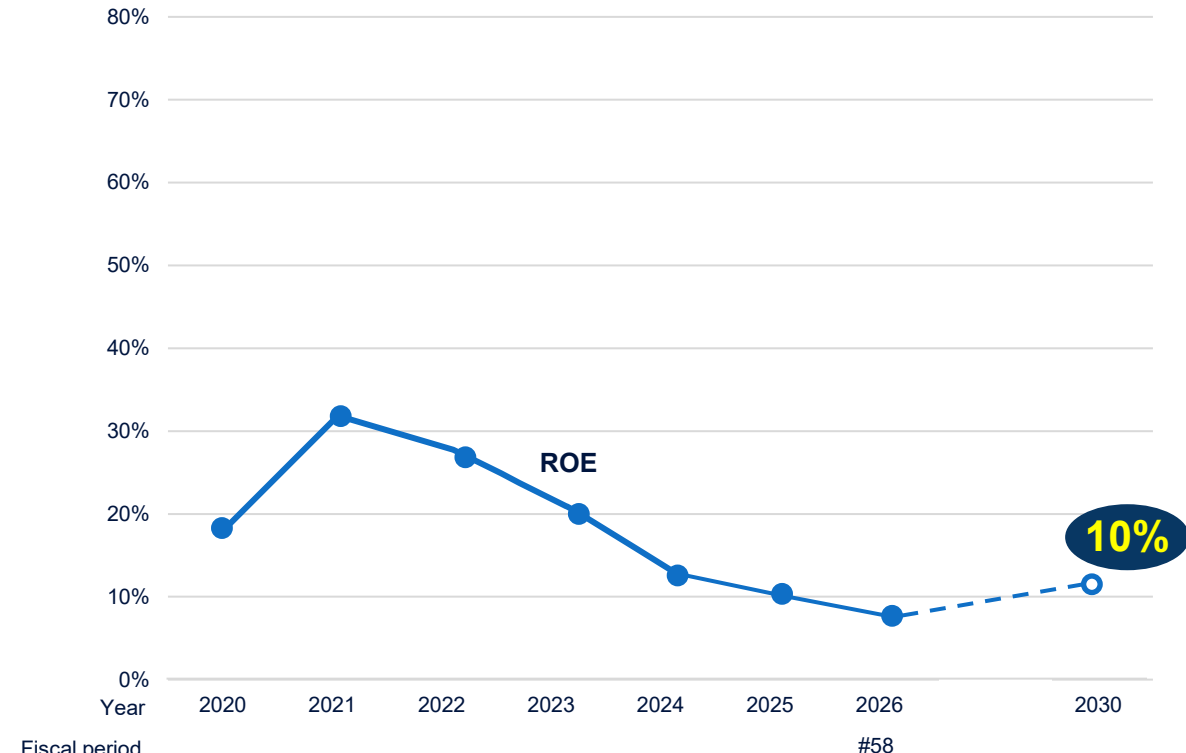


Assumptions: Iridium 3,925USD/toz, Ruthenium 490USD/toz, Exchange Rate: ¥146/USD  
The above figures may vary subject to the movement of precious metal prices



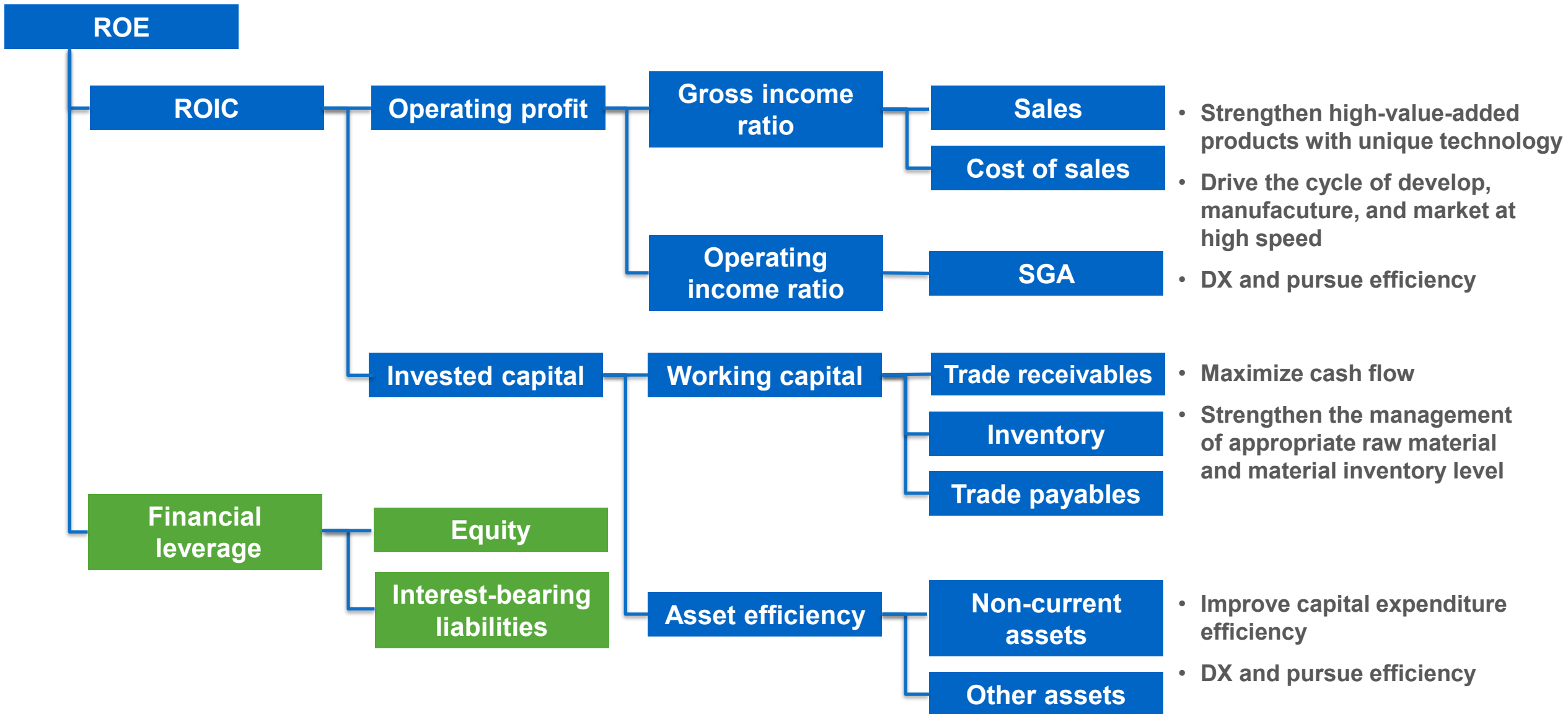
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## Aiming to pay stable dividends out of created value



\*1 The dividend payout ratio will be reviewed subject to actual profit level with a basic policy of maintaining a payout ratio of 25% or more.

# Financial Metrics - ROIC Improvement Measures





# Remarks



## Remarks

The forward-looking statements, including earnings forecasts, estimates and strategy, contained in these materials are based on information currently available to the Company and on certain assumptions deemed to be reasonable. Consequently, any statements herein do not constitute assurances regarding actual results by the Company. Actual business and other results may differ substantially due to various factors including risks and uncertain factors.

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