

October 13, 2006

Company name: The Furukawa Electric Co., Ltd.
Company Representative: Hiroshi Ishihara, President
(Code No.: 5801, First Section of the Tokyo, Osaka and Nagoya Stock Exchanges)
Inquiries: Hideo Sakura, Director and CFO
(TEL: 81-3-3286-3050)

Notice of dissolution of a subsidiary

This is to notify that we resolved to dissolve and liquidate FURUKAWA FINANCE NETHERLANDS B.V., our consolidated subsidiary, at a directors meeting held on October 13, 2006 as follows.

1. Outline of the subsidiary

- (1) Corporate name: FURUKAWA FINANCE NETHERLANDS B.V.
- (2) Headquarters address: Strawinskylaan 3105, 1077 ZX Amsterdam, The Netherlands
- (3) Representative: Hisashi Hasegawa
- (4) Business: Intra-group finance and fund-raising
- (5) Paid-in Capital: 1,815,121 EUR
- (6) Shareholders: Furukawa Electric Co., Ltd. 91%, Asahi Mutual Life Insurance Co. 9%
- (7) Establishment: June 1989

2. Reason for the dissolution

The subsidiary completed its business mission and we do not plan to use it any further.

3. Schedule of the dissolution

Resolution of the dissolution: Scheduled for the middle of October 2006

Completion of the liquidation: Scheduled for the end of September 2007

4. Impact on our financial results

The impact of the dissolution on our consolidated and non-consolidated financial results of this fiscal year is expected to be minimal.