

June 26, 2007

The Furukawa Electric Co., Ltd.

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**Furukawa Strengthens System for Planning and Execution of Group Strategies
Announces Establishment of CSO and Elimination of CAO Positions**

The Furukawa Electric Co., Ltd. ("Furukawa") hereby announces that it will eliminate the position of Chief Administrative Officer (CAO) and establish the post of Chief Strategy Officer (CSO) on June 26, 2007. This change reflects the fact that functions such as internal control and compliance, which were previously part of the responsibilities of CAO, have been integrated into the responsibilities of the Chief Social Responsibility Officer (CSRO), which was established in February 2007. It also recognizes the growing importance of corporate strategies. The CSO will facilitate the planning and execution of the strategies of the Group, including Furukawa, by supervising the Legal Department, the Personnel and General Affairs Department, and the Corporate Real Estate Management Team, which will necessarily be more strategic in nature than previously, in addition to the Corporate Strategy Planning Department, which was under the administration of CFO.

Also on June 26, 2007, Furukawa will abolish the Group Business Administration Department and integrate its functions into the Corporate Strategy Planning Department and the Finance & Accounting Department and discontinue the Credit Department, consolidating its functions into the Finance & Accounting Department.

(Organization Chart)

Current

CAO

Legal Department

Personnel and General Affairs Department

Group Business Administration Department

Corporate Real Estate Management Team

CFO

Corporate Strategy Planning Department

Finance & Accounting Department

Credit Department

Revised

CSO

Legal Department

Personnel and General Affairs Department

Corporate Strategy Planning Department

Corporate Real Estate Management Team

CFO

Finance & Accounting Department

(Change of Personnel)

Hiroshi Wada, who is currently Director, Corporate Senior Executive Vice President, Member of the Board and CAO, will become Director, Corporate Senior Executive Vice President, Member of the Board and CSO on June 26, 2007.