

November 10, 2008

For Immediate Release

Company name: The Furukawa Electric Co., Ltd.
Code: 5801 (First Section of TSE, OSE and NSE)
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Notice of Recording of Extraordinary Loss

The Furukawa Electric Co., Ltd. (“Furukawa”) announces that a meeting of directors held November 11, 2008 resolved to adopt a slag treatment and to record a provision for the estimated expense. As a result, Furukawa will post an extraordinary loss in its results for the first half of the fiscal year ending March 31, 2009. Details are as follows.

1. Reason for Adoption of the Slag Treatment and Background

As part of its CSR and compliance activities, the Company has been checking each of its assets for problems.

Furukawa will adopt the treatment of slag (residues after refining magnesium) that remains on land (173,407 m²) that Furukawa owns at Joto 4-chome, Oyama-city, Tochigi Prefecture, to enable effective use of the land in the future. On the site, the former Furukawa Magnesium Co., Ltd., a subsidiary of Furukawa, manufactured a range of magnesium metals and products from 1955 to 1988.

2. Details of the Slag Treatment

Furukawa will remove the slag from the land after conducting an examination in accordance with the Waste Management and Public Cleaning Law. We estimate that the expense for the slag treatment will be approximately 11.7 billion yen.

3. Schedule for the Slag Treatment

We will conduct the examination in the days ahead and embark on the removal around the fall next year. We expect that it will take a few years to complete all necessary treatments.

4. Future Outlook

We will record an extraordinary loss of 11.7 billion yen as an estimated expense for the slag treatment in the results for the first half of the fiscal year ending March 31, 2009.