

April 30, 2009

For Immediate Release

Company Name: The Furukawa Electric Co., Ltd.
Code: 5801 (First Section of TSE and OSE)
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Agreement Concluded for Stock Transfer of Nuclear Fuel Industries, Ltd.

The Furukawa Electric Co., Ltd. (“Furukawa”) announces that it has concluded an agreement regarding the transfer of a total of 52% of the outstanding shares of Nuclear Fuel Industries, Ltd. (“Nuclear Fuel”), which is a company owned on a fifty-fifty basis by Furukawa and Sumitomo Electric Industries, Ltd. (“Sumitomo Electric”), to Westinghouse Electric U.K. Ltd., a Toshiba Group company. Furukawa and Sumitomo Electric will each transfer 26% of the outstanding shares.

1. Purpose of concluding agreement for stock transfer

Nuclear Fuel has provided a steady supply of high-quality nuclear fuel as Japan’s only comprehensive nuclear fuel processor and manufacturer capable of manufacturing light-water reactor fuels for both pressurized water reactors (PWR) and boiling water reactors (BWR). The company has made a significant contribution to the development of the nuclear industry in Japan with its high-standard technological capabilities. However, for Nuclear Fuel to continue stable development despite stagnating domestic market growth, further consolidation of its business foundation is necessary.

In light of this situation, Furukawa has decided that to achieve the further expansion and development of the Nuclear Fuel businesses while maintaining stable supplies of PWR and BWR fuels, which is the company’s social mission, it would be best to leave its business administration to a corporate group, enabling the high-level technological capabilities related to nuclear fuel development and manufacture that the company has cultivated to be utilized in the global strategies. We have therefore consulted with the relevant parties regarding the transfer of Nuclear Fuel stocks. As a result, the parties have reached an agreement on the conditions of transfer, and concluded the transfer agreement today.

The stock transfer will be carried out as soon as the procedures are complete, planned for mid-May.

2. Outline of Nuclear Fuel Industries, Ltd.

- (1) Trade name: Nuclear Fuel Industries, Ltd.
- (2) Representative: Zensuke Iwata, President and Representative Director
- (3) Head office: Meiji Yasuda Seimei Building, 3-14-10 Mita, Minato-ku, Tokyo
- (4) Established on: July 8, 1972
- (5) Paid-in capital: 1 billion yen
- (6) Number of outstanding shares: 2,000,000
- (7) Scope of major businesses
 - Development, design and manufacture of PWR and BWR nuclear fuels
 - Reactor core management services for light-water PWR and BWR
 - Development, design and manufacture of fuels for high temperature gas-cooled reactors (HTR) and other research reactors
 - Technological development related to nuclear fuel cycle
 - Design and manufacture of nuclear fuel-related inspection apparatus
 - Electron beam irradiation services (sterilization, material reform, etc.)
- (8) Fiscal year end: March 31
- (9) Number of employees: 771 (as of the end of March 2008)
- (10) Sales: 20.9 billion yen (term ended March 2008)

3. Future prospects

The special profit amounting to around 1.6 billion yen (consolidated) and around 5.4 billion yen (non-consolidated) will be booked for the first quarter of the term ending March 2010.