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For Immediate Release

Company Name: The Furukawa Electric Co., Ltd.  
Code: 5801 (First Section of TSE and OSE)  
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### **Agreement for Transfer of Shares in Subsidiary Concluded**

The Furukawa Electric Co., Ltd. announces that it has concluded an agreement regarding shares in its consolidated subsidiary Sun Sunny Industry Co., Ltd., in which Furukawa Electric shall transfer all shares it is holding to MAX Co., Ltd. Details are as follows.

1. Reason for share transfer

The Company's consolidated subsidiary, Sun Sunny, specializes in the manufacture, sales and construction of floor heating systems featuring strong design and technology skills. Its products for business use have always been extremely well-received by its customers. However, to continue to develop Sun Sunny and improve its corporate value, Furukawa Electric decided to transfer management of Sun Sunny to a corporate group possessing a broad sales network and greater product marketability in areas where strong demand growth for floor heating systems is likely.

The Company therefore began discussions with MAX, which like Sun Sunny specializes in floor heating systems with housing environment equipment as its core business. The discussions were successful, and the two companies today concluded an agreement for the transfer of shares of Sun Sunny.

2. Number of shares to be transferred and status of shares held by Furukawa Electric before and after share transfer

- 1) Number of shares held by Furukawa Electric before share transfer: 150,000 (Ratio of ownership of Sun Sunny share: 100%) (Number of voting rights: 150,000)
- 2) Number of shares to be transferred: 150,000
- 3) Number of shares to be held by Furukawa Electric after share transfer: 0 (Ratio of ownership of Sun Sunny share: 0%) (Number of voting rights: 0)

3. Profile of Sun Sunny Industry Co., Ltd. (as of March 2009)

- 1) Trade name: Sun Sunny Industry Co., Ltd.
- 2) Representative: Tetsuo Okuyama, President and Representative Director
- 3) Head office: 54-12, Inutsukadaiyama, Oyama-shi, Tochigi
- 4) Established: November 11, 1976
- 5) Paid-in capital: 75 million yen
- 6) Number of outstanding shares: 150,000
- 7) Major business: Manufacture, sales and construction of floor heating systems
- 8) Fiscal year end: March 31
- 9) Number of employees: 42
- 10) Sales: 1 billion yen (for period ended March 2009)

4. Profile of MAX Co., Ltd. (as of March 2009)

- 1) Trade name: MAX Co., Ltd.
- 2) Representative: Takashi Miida, President and Chief Executive Officer
- 3) Head office: 6-6, Nihonbashi Hakozaki-cho, Chuo-ku, Tokyo
- 4) Established: November 26, 1942
- 5) Paid-in capital: 12.367 billion yen
- 6) Major business: Manufacture and sales of office and industrial equipment
- 7) Relationship with Furukawa Electric: None

5. Schedule for transfer of shares

- 1) Conclusion of share transfer agreement: July 24, 2009
- 2) Share transfer date: August 1, 2009 (tentative)

6. Future outlook

As a result of the share transfer, Sun Sunny will no longer be a consolidated subsidiary of Furukawa Electric. The impact of the share transfer on the consolidated business results for March 2009 will be minor.