Initiatives for Society

The Furukawa Electric Group values communication with all stakeholders throughout its corporate operations.





Relations with our Customers

Furukawa Electric responds to the diverse needs of its customers by maintaining and improving the quality of its services and operations through technological innovation and effective quality control.

Furukawa Electric Quality Control



Furukawa Electric established the Quality Control Committee in 1949 and commenced educational activities to raise employees' awareness of statistical methods and other aspects of quality control at all of its works. This enabled the Company to significantly increase quality levels, as well as enhancing operational stability and efficiency. These quality control initiatives were recognized in 1952 as Furukawa Electric was awarded the Deming Application Prize for achieving distinctive performance improvement through the application of total quality management (TQM).

To maintain and improve quality levels, we have obtained ISO 9001 certification at each of our manufacturing divisions, and standardized operations. We continue to make efforts to improve efficiency and other core aspects of our operations and promote activities designed to improve levels of quality and customer satisfaction.

Quality Control Policy

At every stage of our operations, from research and development to manufacturing, sales, customer service and management, in all sections and all hierarchies, we always strive to adhere to a PDCA management cycle based on actual facts, maintain and improve our products, customer services and the quality of our operations and put our management policies into practice.

To guarantee quality at every level throughout the Company, Furukawa Electric has established the Central Control Committee with direct links to the president to oversee the Companywide promotion of quality control activities. We have also set up Divisional Quality Control Committees with direct links to the heads of each division and make every effort to maintain and improve the quality of our products, services and operations so as to offer continual quality assurance.

Quality control organizational structure

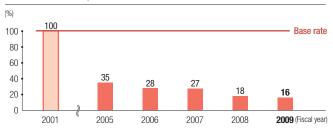


Quality Improvement in Fiscal 2009



We have managed to significantly reduce customer complaints and successfully reduced complaints to 16% of levels in fiscal 2001 (as of fiscal 2009). Demand from customers for more diverse and sophisticated decryption has led us to mobilize a wide range of technology and know-how.

Customer complaints



Quality Improvement Activities



In accordance with our basic policy of putting quality first and implementing uniform Companywide quality control, we formulate a Companywide quality control policy each year. This then forms the basis for quality control policies in each division.

For fiscal 2010, we have set out a Companywide quality policy, placing the utmost emphasis on quality while endeavoring to manufacture excellent products from the customer's perspective. To achieve this policy, we are promoting quality improvement activities in each division, focusing on efforts that help visualize design as well as manufacturing quality and prevent customer complaints.

We are also implementing a range of support initiatives, including FR proposal and QC Circle activities. Taking their name from the "F" of Furukawa Electric and the "R" of renewal, reform and rationalization, FR proposals involves employees submitting ideas on how to improve operations. Proposals are then implemented in an effort to fundamentally strengthen the Company's business. Such activities continue to yield substantial result each year.

QC Circle activities are small group-based activities that involve employees and harness QC techniques in an effort to make ongoing improvements in the workplace.

Debriefing sessions are held not only at individual works, but also on a Companywide basis to report back on the results of activities. With the participation of overseas affiliated companies these sessions continue to grow substantially.



Relations with our Shareholders

Furukawa Electric engages in IR (investor relations) activities based on two-way communication with our shareholders and investors in an effort to contribute to society and enhance our value as a company.

Information Disclosure Policy and IR Framework

The Furukawa Electric Group Action Guidelines state that we will maintain and improve upon solid, friendly relationships with all of our stakeholders. Our own Regulations on the Timely Disclosure of Corporate Information meanwhile set out a framework for the disclosure of appropriate information at the appropriate time.

All IR activities are overseen by the Chief Financial Officer (CFO) and are managed by the Investor & Public Relations Unit of the Corporate Strategy Planning Department.

Relations with Institutional Investors and Securities Analysts

In addition to holding management briefings (covering interim and year-end results and medium-term plans) for institutional investors and securities analysts, we actively encourage communication all year round. Through results briefings, overseas road shows and other activities, we engaged in communication with a total of 1,005 institutional investors and securities analysts over the course of fiscal 2009. As of the end of March 2010, the percentage of the Company's shares held by overseas investors stood at approximately 22%.



End of year briefing session for institutional investors

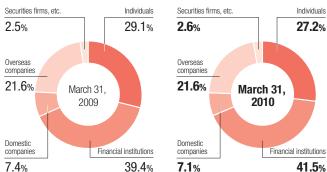
Main IR activities in 2008

Janua Februa Mar	ary	Third quarter earnings announced
M	oril lay ine	Tours of overseas plants Annual earnings announced; visits to overseas investors General Shareholders' Meeting; Shareholders' Report issued
Jı Aug Septemb		Tours of domestic plants First quarter earnings announced
Octob Novemb Decemb	oer	Plant tours for individual investors Interim earnings announced Visits to overseas investors

Relations with Individual Investors

In fiscal 2009, we held our second plant tour for individual investors. A total of 119 investors chosen by lot from 1,632 applicants experienced Furukawa Electric by observing the manufacturing of optical fibers and electric cables and experiments on superconductivity. Many of the investors commented on the benefits of gaining a true understanding of the Company's technological capabilities and business activities. As of the end of March 2010, we had a total of 64,770 individual shareholders (a reduction of 3,466- on the previous year), accounting for 27% of company shares.

Trends in shareholder distribution





Superconductivity experiment during plant tour

Returning Profits to Shareholders

Despite a harsh business environment, Furukawa Electric maintained its basic policy to pay stable dividends. In fiscal 2009, we paid an interim dividend of 2.5 yen per share and a year-end dividend of 2.5 yen per share, which added up to an annual dividend of 5.0 yen per share and represented a yearon-year decrease of 1.0 yen per share.



Relations with our Suppliers

Furukawa Electric strives to maintain cooperative relationships based on mutual trust with suppliers through enhanced communication.

Striving to Ensure Optimum Purchasing on a Steady, Ongoing Basis

Furukawa Electric's purchasing policy is to establish strategic relationships with suppliers to ensure optimum purchasing on a steady, ongoing basis. We believe that cooperative relationships with our suppliers will become even more important for achieving sustainable growth. Furukawa Electric has always sought to forge cooperative relationships based on trust with each supplier by communicating our status and policies through Supplier Meetings and a Supplier Evaluation Scheme. In addition to these efforts we are working on the following initiatives.

Study Group on Subcontracting Transactions

We believe today's severe economic conditions make it even more important to forge sound relationships with our suppliers through fair transactions that comply with rules and regulations. As part of this effort, we have held Study Groups on Subcontracting Transactions for the Furukawa Electric Group aimed at legal compliance as a training focus for the entire Group. In fiscal 2009, 60 employees from 18 affiliated companies participated in lectures held on subcontracting transactions.

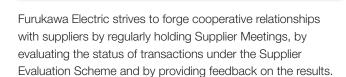
Formulation of BCP in Procurement Activities

We have started developing a BCP (business continuation plan) for our procurement operations that is based on the assumption of a major disaster. We are setting up a systematic framework for compiling data from all suppliers on their situations, which we currently obtain from them separately, to quickly discern the overall picture in the event of a disaster and to update our risk management system and minimize obstacles in maintaining procurement operations under the worst-case scenario.

Furukawa Electric Purchasing Policy (Outline)

- We will establish strategic relationships with suppliers to ensure optimum purchasing
- We will guarantee the reliability and safety of materials and supplies and their steady procurement
- We will employ purchasing methods closely linked to production methods
- We will implement global procurement
- We will engage in green procurement and enforce compliance

Supplier Meetings and Supplier **Evaluation Scheme**



At the Supplier Meetings, we provide an overview of the Company, outline our purchasing policy and explain the management strategy of each company to enable suppliers to gain a deeper understanding of our operations. In the Supplier Evaluation Scheme, we evaluate suppliers on the basis of quality, technology, price, delivery system, degree of social contribution and financial condition, and then hold meetings to provide feedback on our findings. We explain and discuss results during these meetings to more closely align our awareness of procurement activities.

In fiscal 2009, we held a Supplier Meeting in September, which was attended by 91 of our major suppliers. We also evaluated approximately 350 companies under the Supplier Evaluation Scheme and conducted feedback meetings.



We intend to further strengthen our relationships in the future.

This year's Supplier Meeting

Promoting CSR Activities in Relation to Procurement

Furukawa Electric has been promoting compliance initiatives as part of the procurement of materials and supplies in accordance with the Furukawa Electric Group Action Guidelines. Work is currently underway to organize past initiatives and policies toward developing CSR Procurement Guidelines. Looking ahead, we plan to expand internal CSR procurement operations into activities that regard the entire supply chain. Furthermore, we will respond to customer requests to avoid using resources produced by mines that disregard human rights and the environment, or "dirty mining," by continuing efforts such as requiring refiners to demonstrate ethical judgment in selecting mines. Dirty mining is not, however, an issue that the Company can resolve in its own right. Furukawa Electric plans to further highlight dirty mining as an issue for the industry as a whole.



Relations with our Employees

The Furukawa Electric Group strives to create a varied personnel system and pursues health and safety activities to remain a corporate group that motivates its employees and fills them with pride.

Personnel Management Policy



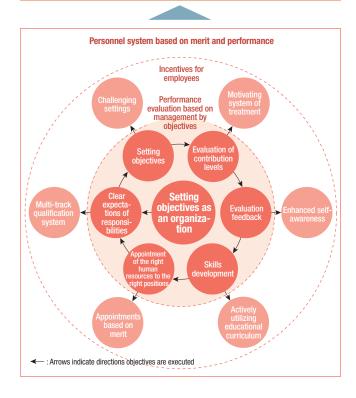
Our basic personnel management policy focuses on creating human resources who are capable of putting the Furukawa Electric Group Credo's five principles into practice.

We believe that to get the most out of our staff's abilities, it is imperative that individual employees adhere to compliance requirements and that we develop a workplace environment that respects human rights. Based on these foundations, we are devising a personnel system that will harness employees' abilities and personalities through such initiatives as performance-based remuneration schemes and programs that help achieve work-life balance. In this manner, we are endeavoring to become a company that motivates its employees and fills them with pride.

In our medium-term management plan "New Frontier 2012," we have identified efforts to foster a powerful workforce and to build collaborative ties with affiliated companies in Japan and overseas as key measures. We are taking up the challenge of revamping existing initiatives while introducing new measures.

Overview of the personnel system





Status of Employment

Recruitment

Furukawa Electric has newly adopted "the driving force" as a concept slogan in fiscal 2010. Furukawa Electric is placing emphasis on the individual human resource qualities including promise and potential. We are working to secure those capable personnel who will drive the Company forward. At the same time, we are actively recruiting foreign nationals with the ability to excel on the world stage.

Furthermore, we are conducting the Furukawa Group Forum, a collaborative presentation by Group companies targeting university and graduate students.

Recruitment figures

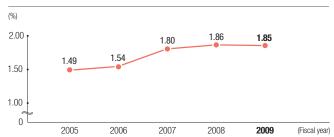
		Fiscal 2008	Fiscal 2008	Fiscal 2008	Fiscal 2009	Fiscal 2010
Specialized staff	Male	55	81	84	79	51
	Female	8	16	17	13	8
	Total	63	97	101	92	59
	Foreign nationals	2	1	1	4	2
Professional staff	Male	73	49	86	44	15
	Female	0	1	1	0	0
	Total	73	50	87	44	15

^{*} Total figures for fiscal 2009 do not include mid-career recruitment

Employment for People with Disabilities

Furukawa Electric established Furukawa New Leaf Co., Ltd. as a special subsidiary in 2004 to actively employ people with learning disabilities. The company handles cleaning operations within the compounds of our works and currently employs a total of 23 people with disabilities, 10 at Hiratsuka Works and 13 at Chiba Works. The company also provides detailed guidance to assist people with disabilities in becoming independent members of society. Although our employment ratio of people with disabilities was 1.85% in the previous fiscal year, exceeding the statutory target, we intend to work on further expanding this group of employees, primarily through our special subsidiary.

Ratio of employees with disabilities



Employment of the Elderly

We operate a reemployment scheme for any employees aged 60 or over who are in good health and wish to remain in work. The duration of reemployment is being increased in phases, with employees entitled to be reemployed up to the age of 65. In fiscal 2009, 56 people (42% of employees who had reached the retirement age of 60) applied for this program, and a cumulative total of 104 had been reemployed as of the end of fiscal 2009.

Fair Evaluation, Human Resource **Development and Treatment**



Employee Assignment Evaluation and Treatment

We provide opportunities based on individual motivation and abilities under the concept of equality and operate consultation schemes for employees to reflect on their career goals. In fiscal 2009, we created an employee capability, job experience and specialist expertise database to ensure uniform management. In this manner, we assign each employee to his or her most appropriate position commensurate with business development. We have introduced a remuneration scheme that ensures fair evaluation and treatment. We are also training managers in performance evaluation while improving the way in which the system is run.

Development, Education and Training

We offer individuals the chance to grow and encourage employees to develop their skills by providing training and support to help obtain qualifications.

For example, we have implemented the Global Business Leader training program and are fostering personnel at the Company and affiliated companies. In fiscal 2010, we will commence training in Japan for overseas affiliated company leaders to promote interaction with Company employees. We have augmented training aimed at bolstering communication since fiscal 2008. Moreover, we implemented a 360-degree evaluation and follow-up training for middle-management, which will conclude during fiscal 2010. At that time, we will launch a new OJT curriculum.

We established the Conference for Worksite Innovation, reinforced initiatives for creating human resource development programs and training curricula, identified and resolved manufacturing problems and commenced training for midlevel operators from fiscal 2008. We will implement programs for those responsible for training and imparting traditional skills as well as level-specific courses for manufacturing supervisors, managers and technical staff.

Diverse Work Patterns and Work-Life Balance Support Initiatives

As well as striving to enhance our employees' working lives, Furukawa Electric cooperates with labor unions to actively support their personal lifestyles and help them stay in good health through educational and other initiatives.

In fiscal 2007, Furukawa Electric was accredited as a company that actively supports the development of the next generation. In line with our second phase action plan (fiscal 2007-09), we significantly relaxed requirements to make it easier for employees to take maternity/paternity leave. We also established a system for the provision of financial support whereby employees can use carried-over leaves in place of maternity/paternity leave or for the purpose of looking after their children. Moving forward, we will upgrade and expand systems and implement new initiatives in line with our third phase action plan (fiscal 2010-12) in an effort to build a comfortable workplace environment.

In addition, during fiscal 2008 we established a new program for a mandatory two-day annual leave assigned by the Company (simultaneous leave) to reinforce our efforts to reduce total work hours. At the same time, we are advancing a variety of initiatives. We became, for example, a member of the nonprofit organization J-Win and continue to actively participate in external networks concerned with promoting diverse work patterns as well as worklife balance.

Diverse work pattern and work-life balance support schemes

Scheme/ educational initiative	Purpose and details				
Flexible working hours	We provide lifestyle support to strike a work-life balance.				
Consecutive leave	We allow all employees to take three days consecutive leave every year providing that it does not exceed their annual paid leave entitlement. Employees can obtain an additional two days every five years (up to a maximum of five consecutive days).				
Carried-over leave	Up to ten days of annual paid leave can be carried over, for up to five years, and can be used if an employee is ill, providing nursing care, on maternity/paternity leave or looking after their children.				
Maternity/ paternity leave (and reduced working hours)	We provide support over and above legal requirements to enable employees to strike a work-life balance, including partial pay during maternity/paternity leave and the option for employees to work reduced hours thereafter until their child reaches elementary school age. The program was applied to two male and 20 female employees in fiscal 2009.				
Nursing care leave (and reduced working hours)	We provide support over and above legal requirements to enable employees to strike a work-life balance, including enabling employees to take nursing care leave (or the option of working reduced hours) for up to a year at partial pay. No applications were received in fiscal 2009.				
Retirement seminars	We, labor and management, jointly organize seminars every year to provide support to help middle-aged and older union members (those aged 50 or older as a rule) to make the most of their time in work and plan for their life after retirement.				
Middle-age seminars	We, labor and management, jointly organize seminars every year to provide individual support to help middle-aged employees (those aged 40 or older as a rule) to stay fit and healthy, including measures to prevent illness.				



Relations with our Employees

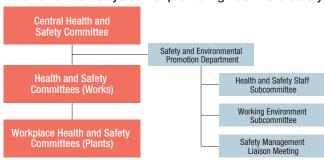
Occupational Health and Safety

Furukawa Electric System for Health and Safety

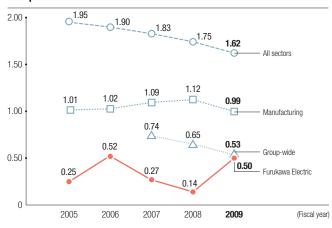
The Furukawa Electric Group pursues health and safety activities, recognizing our social responsibility to make the utmost effort in these areas and to develop a comfortable working environment. The Central Health and Safety Committee chaired by the Company's Chief Social Responsibility Officer, the officer in charge of safety, formulated the Companywide Health and Safety Management Guidelines and promotes health and safety activities on a Companywide basis. Individual Health and Safety Committees chaired by the heads of the respective works are also in place at each works to implement programs based on the Guidelines as well as independent works' activities. We strive to raise the level of safety standards at each works by establishing and following up on standardized Companywide priority safety targets under the Guidelines.

In addition, we established the Safety Management Liaison Meeting in 2007 to oversee safety issues at Furukawa Electric Group manufacturing companies to secure safety across the Group.

Furukawa Electric system for promoting health and safety



Frequency of accidents resulting in the suspension of operations



Furukawa Electric Safety Activities

Companywide Health and Safety Group Activities **Presentation Meeting**

Every year, the manufacturing division undertakes health and safety improvement activities at each workplace. The 38th Companywide Health and Safety Group Activities Presentation Meeting was held at Chiba Works in July. Thirteen groups representing each works presented the results of their activities. The Group's Copper Tube Division was selected for its outstanding results in safe forklift truck driving operations.



Companywide Health and Safety Group Activities Presentation Meeting

Forklift Truck Safety Skills Competition

With the aim of promoting and improving safe forklift truck driving skills, the 5th competition was held in October. A total of 21 drivers from individual works and affiliated companies participated in the competition. This is seen as an excellent opportunity to raise the level of awareness with respect to driving safety and to highlight the gap between driving on a daily basis and ideal safety standards.



The forklift truck safety competition

Safety Management Liaison Meeting

The Safety Management Liaison Meeting is a forum for sharing the details of and countermeasures for accidents that occur within the Group. This information is used to prevent similar incidents from reoccurring. Furthermore, efforts are being made to ensure that safety measures are implemented laterally through such measures as plant safety inspections conducted by Furukawa Electric, presentations of safety activities by each company at meetings and plant tours advanced by the Copper Tube Division.

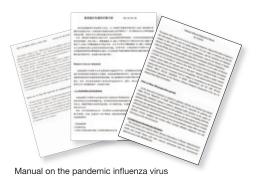
Furukawa Electric Initiatives on Health

Mental Health Education

Our Companywide mental health measures have been promoted since 2002 and are based on the Guidelines for Promoting Mental Healthcare in the Workplace issued by the Ministry of Health, Labor and Welfare. We held lectures by industrial physicians and nursing staff as well as outside experts for management staff and general employees. Moreover, we conducted stress control seminars as stress prevention support in fiscal 2007 and 2009 for employees between the ages of 30 and 35. In fiscal 2010, we are implementing education and training with a view to improving workplace environments. Our goal is to enhance mental health by invigorating both the organization and individuals who place the utmost emphasis on workplace engagement.

Responding to the Pandemic Influenza Virus

With the CSR Division and Health Management Center taking leading roles, Furukawa Electric formulated the Basic Policy on Pandemic Influenza Preparedness and put out a related manual in 2008. At the same time, steps were taken to conduct preventive education and to stockpile hygienic and medical supplies. With the identification of a new influenza virus strain in Japan and overseas, we adopted strict measures to prevent the Group-wide spread of infection during 2009 by requiring offices and works to submit any and all reports of fever. Taking into consideration conditions of the day and the less virulent virus strain, the Company revised both its policy and manual. To ensure that the Group remains fully prepared both for less and highly virulent strains from fiscal 2010 and beyond, we are ramping up efforts to stock hygienic and medical supplies and continuing education support incorporating overseas bases.



Healthcare for Employees Working Long Hours In line with the Labor Standards Bureau's guidelines, Measures

to be Taken by Employers to Prevent Health Impairment Due to Overwork, we are focusing on efforts to ensure that any of our employees working long hours stay in good health, through measures such as (1) enforcing strict work restrictions



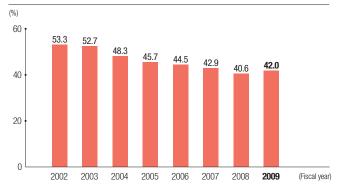
Medical questionnaire

based on the results of medical examinations and (2) operating a consultation system whereby employees working long hours are seen by an industrial physician.

Promoting Separate Smoking Areas

In accordance with a 2003 notification, Concerning the Guidelines for Measures on Smoking in the Workplace, issued by the Director-General of the Labor Standards Bureau, the percentage of smokers among male employees on a Companywide basis fell from 53.3% in fiscal 2002 to 42% by fiscal 2009. As an initiative running parallel to measures aimed at preventing passive smoking announced by the Department of Health of Japan's Ministry of Health, Labour and Welfare in February 2010, Furukawa Electric is conducting a series of events to enhance Companywide awareness toward smoking abstinence and the prevention of passive smoking.

Group-wide smoking rates among males



Responding to Asbestos-Related Health Issues

During the period from fiscal 2005 to 2006, we once again investigated workplaces that previously handled asbestos products and we organized medical examinations focused on asbestos for all relevant employees. We also sent out notices urging retired employees who worked at the relevant sites to undergo medical examinations. So far, symptoms have been detected in one current employee and nine retired employees. Also, a retired employee who had worked laying underground cables died from mesothelioma, and in 2006 this was confirmed to be an industrial accident. We have notified retired employees who worked at the relevant site regarding changes to the requirements for issuing health cards in the wake of revisions to Occupational Health and Safety Regulations in October 2007 and will continue to monitor the situation.



Relations with Communities

Under our Group Basic Policy on Social Contribution Activities, we are nurturing future generations, promoting sport and culture and living side by side with local communities.

Furukawa Electric Group Basic Policy on Social Contribution Activities

The Furukawa Electric Group will uphold and strengthen the bonds built up with local communities over more than a century and consistently and tirelessly undertake social contribution activities, focusing on nurturing future generations, promoting sport and culture and living side by side with local communities as well as contributing to society through its core operations, to help create a better world for future generations.

A System of CSR Awards Established

Furukawa Electric recognizes outstanding contributions by affiliated companies to the Group's overall performance through a system of awards each year in June. From the current fiscal year, the Company has newly established a system of CSR awards to reward affiliated companies for their endeavors outside mainstream business activities focusing largely on contributions to society and the environment.

A total of eight companies, including both domestic and overseas, were recommended for consideration. Two overseas companies, one from Brazil and the other from Thailand, were recognized with social contribution awards, and one Group company in Japan was presented with a social contribution encouragement award. Based on the Furukawa Electric Group Basic Policy on Social Contribution Activities, award winners are selected after taking into consideration a variety of factors including the number of people involved in each activity both within and outside the Group, originality and ingenuity, the level of development potential and the extent to which the activity has an ongoing affect.

Each recipient of the CSR award is presented with a certificate of merit and a cash prize by the president. The awards ceremony was attended by the representatives of each company as well as local staff, who gave a presentation of specific activity details.



Scope of Activities

Exceptional activities aimed at nurturing future generations, promoting sport and culture, living side by side with local communities, protecting the environment and contributing to society

The 1st CSR Awards

Social Contribution Award

- Project to Nurture the Children of **Neighboring Communities** Furukawa Industrial S.A. Produtos Eletricos (FISA, Brazil)
- Social Contributions Celebrating the Company's Founding Thai Furukawa Unicomm Engineering Co., Ltd. (TFU, Thailand)

Social Contribution Encouragement Award

 Welfare Activities Asahi Electric Works Co., Ltd. (Japan)



Masao Yoshida, President Furukawa Electric Co., Ltd., and the representatives of award recipients

Introducing Awards Winners

The Social Contribution Award

Project to Nurture the Children of **Neighboring Communities**

Furukawa Industrial S.A. Produtos Eletricos (FISA, Brazil)

FISA is promoting a project that aims to help children consider and prepare for their first employment. This project targets children between the ages of 10 and 15 at local elementary and junior high schools. The project strives not only to instill in each student a greater sense of awareness toward working for a living through handicraft workshops, in addition to actual production methods and knowledge, while being designed to provide students with an insight into developing human relationships, but also delivers lectures on such topics as values and morals with considerable effort placed on motivating students toward selfdevelopment. Furthermore, the company provides scholarships to students aged 15 and above seeking to attend industrial high schools. Funding for scholarships is drawn from various sources including proceeds from the recycling of wastepaper and plastics (cups and packaging materials) produced by FISA. In this manner, a complementary framework has been developed to promote employee participation, with efforts to generate increased motivation among staff toward volunteer activities.



FISA project team members together with students

Social Contribution Award

Social Contributions Celebrating the Company's Founding

Thai Furukawa Unicomm Engineering Co., Ltd. (TFU, Thailand)

TFU has for many years engaged in donation activities. In addition to monetary support, the company also gifted equipment to children's facilities and public schools in fiscal 2008. In fiscal 2009, a large number of employees directly participated in activities focusing on mountainside treeplanting endeavors. This particular activity was conducted in conjunction with local schools. As well as donating stationery and other items to students who took part in the event, employees enjoyed a meal and sporting activities in a spirit of communal interchange. TFU took steps to expand its social contribution activities by involving local communities.



Key members in TFU's activities

Social Contribution Encouragement Award

Welfare Activities

Asahi Electric Works Co., Ltd. (Japan)

Several facilities for the disabled are located in close proximity to the Nagai Plant operated by Asahi Electric Works Co., Ltd. The Plant has conducted disaster prevention drills in collaboration with these facilities for around three decades. One such facility called on the Plant to assist in providing practical workplace training, helping the disabled to return smoothly to employment. As a result, the plant consistently accepts around five individuals, who are provided with training in the Plant's sorting operations. In pursuing this activity, many hurdles had to be overcome including participant safety and the difficulties of communication. Nevertheless, with the cooperation of all concerned, the Plant has successfully implemented this community and welfare contribution activity through to the present day. In recognition of these efforts, the Plant received an award from Japan's Minister of Health, Labour and Welfare in 2007.



2007 certificate of commendation from the Minister of Health, Labour and Welfare



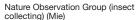
Relations with Society and Local Communities

Activities at Each Region

Nurturing Future Generations

- Plant tours for NEETs and individuals engaged in related support activities in the Nikko and Kanuma districts; NEET employment support (Copper Foil Division)
- Plant tours for local elementary school students; plant tours and study meetings for junior high school students (Nikko)







School support corporate advisor (Copper Foil Division)

Promotion of Sports and Culture

- Donations to the community-organized Star Festival and fireworks competition (Hiratsuka)
- Held an event at the Yawata Athletic Park featuring booths as well as horticultural, mimicking and character shows in collaboration with the 42 companies located along the Yawata coastal region and members of the Yawata Merchants' Association as well as the town council (Chiba)
- Provided use of the Copper Tube Division's grounds for the Amagasaki Business Friendly Softball Competition (Copper Tube Division)
- One team participated in the Kameyama City Relay Road Race Competition (Mie)



The soccer competition organized by the Furukawa Flectric Football Club (Furukawa Battery)

Others

- Received a certificate of appreciation in recognition of donations to the Chiba Prefecture Environment Foundation (Chiba)
- Received a certificate of appreciation from the National Land Afforestation Promotion Organization in recognition of activities aimed at supporting the Green Fund (Nikko)
- Participated in local community revitalization activities organized by the Town Development Committee (Nikko)



Moji Seaside Park clean-up activities (Furukawa Logistics Corp., Kyushu



Kamevama Eco Forest development

Living Side by Side with Local Communities

- Each month employees cleanup rubbish and remove weeds along the roadways surrounding the Hiratsuka Works as a part of the community beautification campaign organized by the Kawara Group of the local industry association working largely out of the Higashiyawata area
- Provide assistance to a Nikko Area NPO by requesting material cleanup and other support; engage in donation and volunteer activities as well as the supply of bazaar items (Copper Foil Division)



The clean mission illegal dumping prevention campaign (Mie)



The Amagasaki water sprinkling mission (Copper Tube Division)



Participation in the Sagami River field survey, cleanup and grass planting



Cooperating with blood donation activities (Miharu Communications Inc.)



Study session with an NPO (Copper Foil

Support and Cooperation

 Placing requests to companies that help the disabled to gain greater independence for cleanup and weed removal assistance within the company's grounds five times a year (Nikko)



Interaction with facilities for the disabled Interaction with schools (Copper Foil (Copper Foil Division)



Awards from Outside Sources

Government Collaboration Honor Program

Receiving a Prime Minister Award for "Development of Erbium-Doped Optical Fiber Amplifier (EDFA) and Its Sophistication" at the 7th Industry-Academia-

Haruki Ogoshi, Manager, FITEL Products Department, Telecommunications Company, The Furukawa Electric Co., Ltd. received the Prime Minister Award with supreme distinction at the 7th Industry-Academia-Government Collaboration Honor Program. Mr. Ogoshi won the award for "Development of Erbium-Doped Optical Fiber Amplifier (EDFA) and Its Sophistication" jointly with Masataka Nakazawa, Professor, Research Institute for Electrical Communication, Tohoku University and Kazuo Hagimoto, Director, Network Innovation Laboratory of Nippon Telegraph and Telephone Corporation.

The award presentation ceremony was performed together with contents exhibition at the site of the 8th Conference for the Promotion of Collaboration Among Business, Academia and Government held on June 20 and 21, 2009, at the Kyoto

> International Conference Center.



Desktop-type erbium-doped optical fiber amplifier (EDFA)

Purpose of the Award

An erbium-doped optical fiber amplifier (EDFA) can directly amplify attenuated optical signals within an optical fiber, without the need to first convert it to an electrical signal as has been conventionally done. For this reason, the EDFA is a fundamental technology that is used to implement long-haul, high-capacity, high-speed optical communication systems easily and inexpensively.

As is known, the development and sophistication of EDFAs and the EDFA-based optical communication systems has created a new technology for optical communication networks, which has been broadly adopted worldwide to serve as the driving force for widespread use of the Internet, leading to the expansion of the optical industry. These achievements have been highly evaluated, resulting in the award at this time.

Furukawa Electric has long been involved in the practical use and productization of EDFAs, under the guidance of Professor Nakazawa and NTT Corporation. In particular, we succeeded in developing a high-power semiconductor pumping laser at 1.48 µm, thereby promoting practical application of high-power EDFAs that use the developed laser. The product has grown up to become a mainstay product in our optical components business, and a number of products are manufactured in the production bases in Thailand and China, to be delivered to markets in Japan and worldwide. Hereafter we intend to enrich our EDFA-related products to expand our business further.

Column

"Small Acts of Volunteer Work" Launched by Furukawa Electric' Secretaries' Office

"Can anything be done about the large volumes of leftover calendars at the end of the year?" This topic of discussion during workplace meetings led Furukawa Electric to the work of the Nippon Volunteer Network Active in Disaster (NVNAD). NVNAD is engaged in disaster prevention and relief activities and organizes the Calendar Market, a leftover day planner and calendar charity bazaar. In January 2008, and by word-ofmouth among the secretaries of affiliated companies, a total of 968 items comprising 910 calendars and 58 day planners were collected and sent. Formal requests were placed among the Company's head office, branches and works as well affiliated companies, which led to the collection of 124 day planners and 1,610 calendars for a total of 1,734 items, up 179% year

on year, in fiscal 2008. Around the same number was collected and sent in fiscal 2009.

In addition, the Secretaries' Office has located a volunteer organization that collects old stamps. Calling these activities



Cardboard boxes filled with day planners and calendars

"small acts of volunteer work," a collection box has been placed at the secretaries' counter. Efforts are being taken to expand volunteer activities within the Group.