

June 12, 2008

For Immediate Release

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Code: 5801 (First Section of TSE, OSE and NSE)  
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**Notice of Extraordinary Gains, and Revisions to Consolidated and  
Non-Consolidated Results Forecasts**

The Furukawa Electric Co., Ltd. (“the Company”) announces that a new consolidated extraordinary gain of approximately ¥11.1 billion and a non-consolidated extraordinary gain of ¥3.9 billion are expected to arise in the fiscal year ending March 31, 2009.

Since the Company has already incorporated approximately ¥8.0 billion in net income (expected to be ¥21 billion yen as of May 12, 2008) in its consolidated results forecast for the fiscal year ending March 31, 2009, the impact on consolidated extraordinary gains will be approximately ¥3.1 billion.

**I. New Extraordinary Gain to Be Incurred in the Fiscal Year Ending March 31, 2009**

**(1) Generation of consolidated extraordinary gain: Approximately ¥11.1 billion**

<Recording of gain on reversal of foreign currency translation adjustments associated with the completion of the liquidation of FEJ HOLDING INC. (“FEJH”), a holding subsidiary in Canada, and the deconsolidation of FEJH as an extraordinary gain>

1) Background

Although the Company dissolved FEJH on May 27, 2003, it had not yet completed the liquidation since FEJH continued the procedures for the refund of corporate taxes which FEJH paid in prior years with the Canadian tax authorities. In June 2008, the liquidation of FEJH is expected to be completed following the distribution by FEJH of the remaining assets to the Company in association with the final reception of the refunded taxes, etc.

2) Overview of FEJH

- a) Lines of business: Management of shares owned
- b) Capital stock: 1 Canadian dollar
- c) Shareholder: The Furukawa Electric Co., Ltd. (100%)
- d) Founded: June 28, 1999

3) Impact on business results

Associated with the deconsolidation of FEJH, the Company will record a gain on the reversal of foreign currency translation adjustments as an extraordinary gain. Although the final amount of extraordinary gains will be fixed when FEJH is actually deconsolidated (due at the end of June 2008), the amount of extraordinary gains we calculated at the end of the fiscal year ended March 31, 2008 was approximately ¥11.1 billion.

(2) Generation of non-consolidated extraordinary gain: ¥3.9 billion

<Recording of non-consolidated extraordinary gain associated with the distribution of the remaining assets by FEJ HOLDING INC., a holding subsidiary in Canada>

- 1) The Company received dividends of ¥3.9 billion (38 million Canadian dollars) as the distribution of remaining assets of FEJ HOLDING INC. (“FEJH”), a wholly owned subsidiary in Canada, that was comprised primarily of the refunded corporate taxes FEJH received from the Canadian tax authorities.

The Company will record it as a non-consolidated extraordinary gain (special dividends from affiliates) for the fiscal year ending March 31, 2009.

2) Impact on business results

The Company will record ¥3.9 billion under consolidated extraordinary gains in June 2008.

II. Revisions to Consolidated Results Forecast

We will revise our consolidated full-year results forecast which we announced on May 12, 2008 as follows.

Revisions to consolidate results forecast for the fiscal year ending March 31, 2009

(Unit: Million yen, %)

	Net sales	Operating income	Recurring profit	Net income
Previous forecast (A) (announced on May 12, 2008)	1,210,000	46,000	34,500	21,000
Revision (B)	1,210,000	46,000	34,500	24,100
Change (B-A)	-	-	-	3,100
Rate of change (%)	-	-	-	14.8
Actual results in the previous fiscal year (ended March 31, 2008)	1,174,247	48,447	40,831	15,291

Revisions to cumulative, consolidated results forecast for the second quarter of the fiscal year ending March 31, 2009

(Unit: Million yen, %)

	Net sales	Operating income	Recurring profit	Net income
Previous forecast (A) (announced on May 12, 2008)	595,000	21,000	12,000	10,500
Revision (B)	595,000	21,000	12,000	13,600
Change (B-A)	-	-	-	3,100
Rate of change (%)	-	-	-	29.5
Actual results in the previous year (cumulative results in the second quarter of the fiscal year ended March 31, 2008)	577,542	20,950	22,564	14,621

### III. Revisions to Non-Consolidated Results Forecast

We will revise the non-consolidated, full-year results forecast which we announced June 12, 2008 and the non-consolidated, cumulative results forecast for the second half which we announced May 12, 2008 as follows.

Revisions to non-consolidated full-year results forecast for the fiscal year ending March 31, 2009

(Unit: Million yen, %)

	Net sales	Operating income	Recurring profit	Net income
Previous forecast (A) (announced on May 12, 2008)	546,500	9,700	13,400	21,900
Revision (B)	546,500	9,700	13,400	25,800
Change (B-A)	-	-	-	3,900
Rate of change (%)	-	-	-	17.8
Actual results in the previous fiscal year (ended March 31, 2008)	532,665	9,319	12,991	10,446

Revisions to non-consolidated, cumulative results forecast for the  
second half of the fiscal year ending March 31, 2009

(Unit: Million yen, %)

	Net sales	Operating income	Recurring profit	Net income
Previous forecast (A) (announced on May 12, 2008)	267,000	3,500	5,500	4,500
Revision (B)	267,000	3,500	5,500	8,400
Change (B-A)	-	-	-	3,900
Rate of change (%)	-	-	-	86.7
Actual results in the previous year (cumulative results in the second quarter of the fiscal year ended March 31, 2008)	259,468	4,528	7,272	7,814