

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 Dissolution of Subsidiary

The Furukawa Electric Co., Ltd. announces that a meeting of directors held on November 10 resolved to dissolve Furukawa Electric North America, Inc., a consolidated subsidiary (specific subsidiary). Details are as follows.

1. Profile of Subsidiary

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| (1) Corporate name: | Furukawa Electric North America, Inc. |
| (2) Address: | Norcross, Georgia, U.S.A. |
| (3) Representative: | Akihiro Fukunaga |
| (4) Business: | Holding company in North America |
| (5) Establishment: | August 2001 |
| (6) Paid-in Capital: | 2,214 million US dollars |
| (7) Shareholder: | The Furukawa Electric Co., Ltd. 100% |

2. Reason for the Dissolution

As a result of a review of the future development of businesses in North America, the Company decided that it would move forward with its internal company system and have each company directly control its subsidiaries, to respond to customers' needs promptly and expand businesses efficiently amid violent changes in the North American market following the financial crisis. With this decision, Furukawa Electric North America no longer has a compelling mission, and we have decided to resolve it.

3. Schedule for Dissolution

The liquidation is scheduled for completion in December 2008.

4. Impact on Financial Results

The Company posted a loss on the valuation of shares in the subsidiary and an allowance for bad debts owed by the subsidiary in non-consolidated results for previous years. With the resolution of the dissolution of the subsidiary, the Company recognized a liquidation loss and posted deferred tax assets and an adjustment for corporate income taxes of 21,157 million yen in the financial results (non-consolidated and consolidated) for the first half of the fiscal year ending March 2009. As a result, net income for the period increased by the same amount.