

FY2009 Management Plan Third Quarter Review

February 2010
Furukawa Electric

Net income in Q3 improved

FURUKAWA ELECTRIC

(yen in billions)

	a	b	b-a
	Apr-Dec.08	Apr-Dec.09	Change
Net Sales	844.5	581.3	-263.2
Operating Income	25.1	9.7	-15.4
Equity Method	0.9	2.7	+1.8
Foreign Exchange	-14.5	+0.4	+14.9
Ordinary Profit	7.4	9.6	+2.3
Net Income	3.1	10.5	+7.4

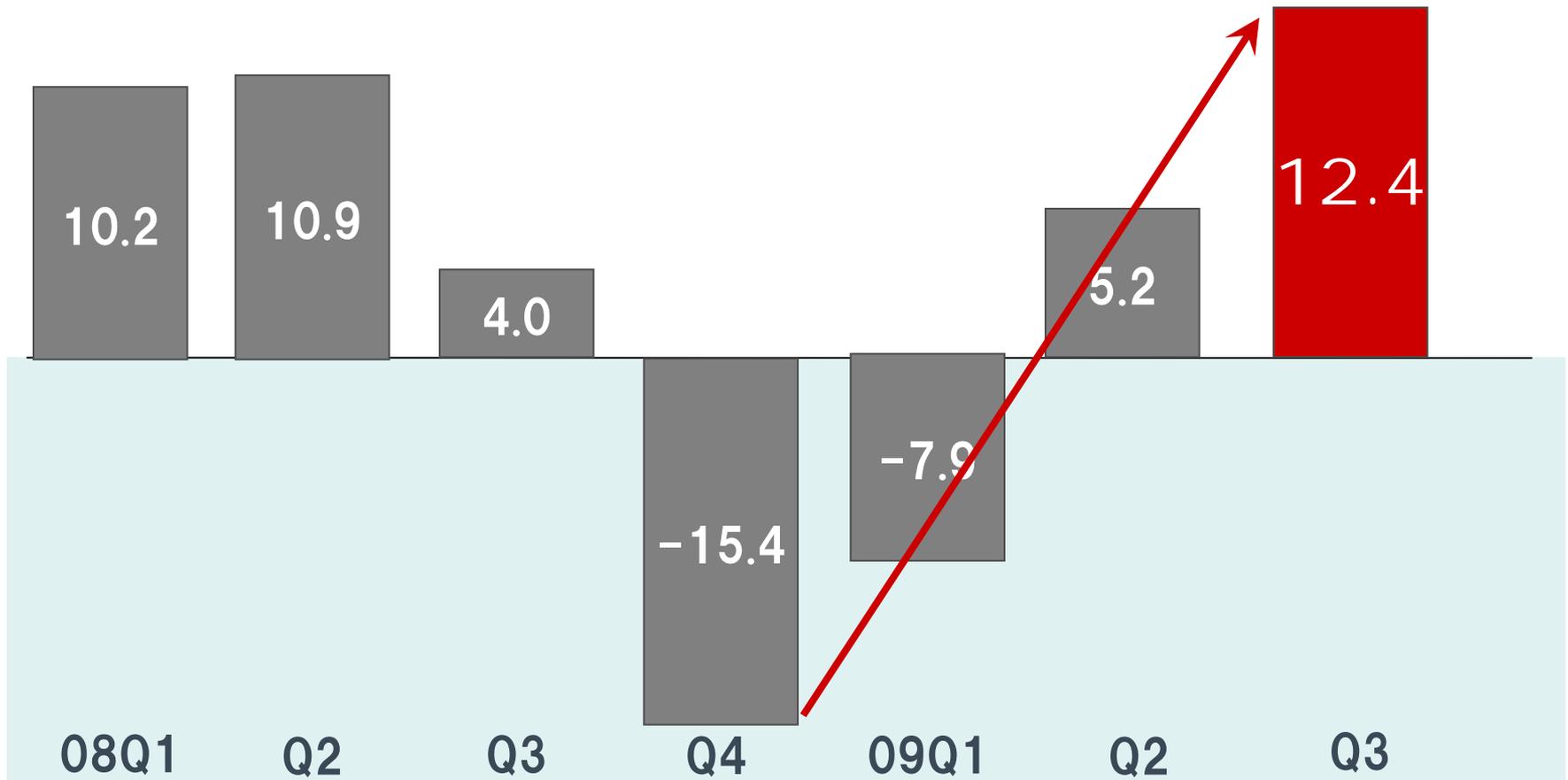
- Influence by base metal price and FX change to Net Sales was -97.7
- Income from Equity method and FX in non-operating income improved by +16.7



OI in Q3 improved

FURUKAWA ELECTRIC

● Demand for material businesses for electronics automotive recovered (over in billions)

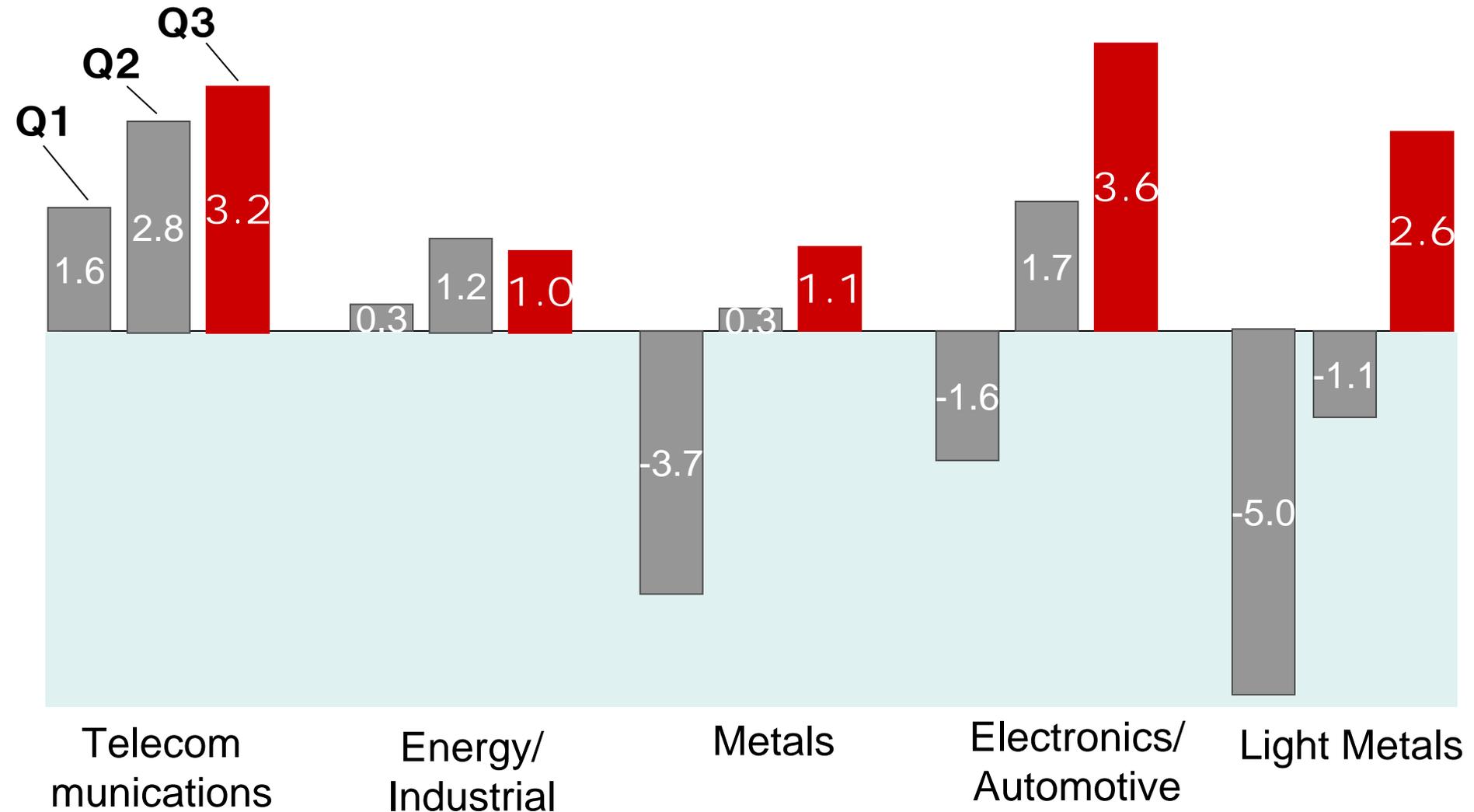


09Q1-Q3 OI by segment

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(yen in billions)

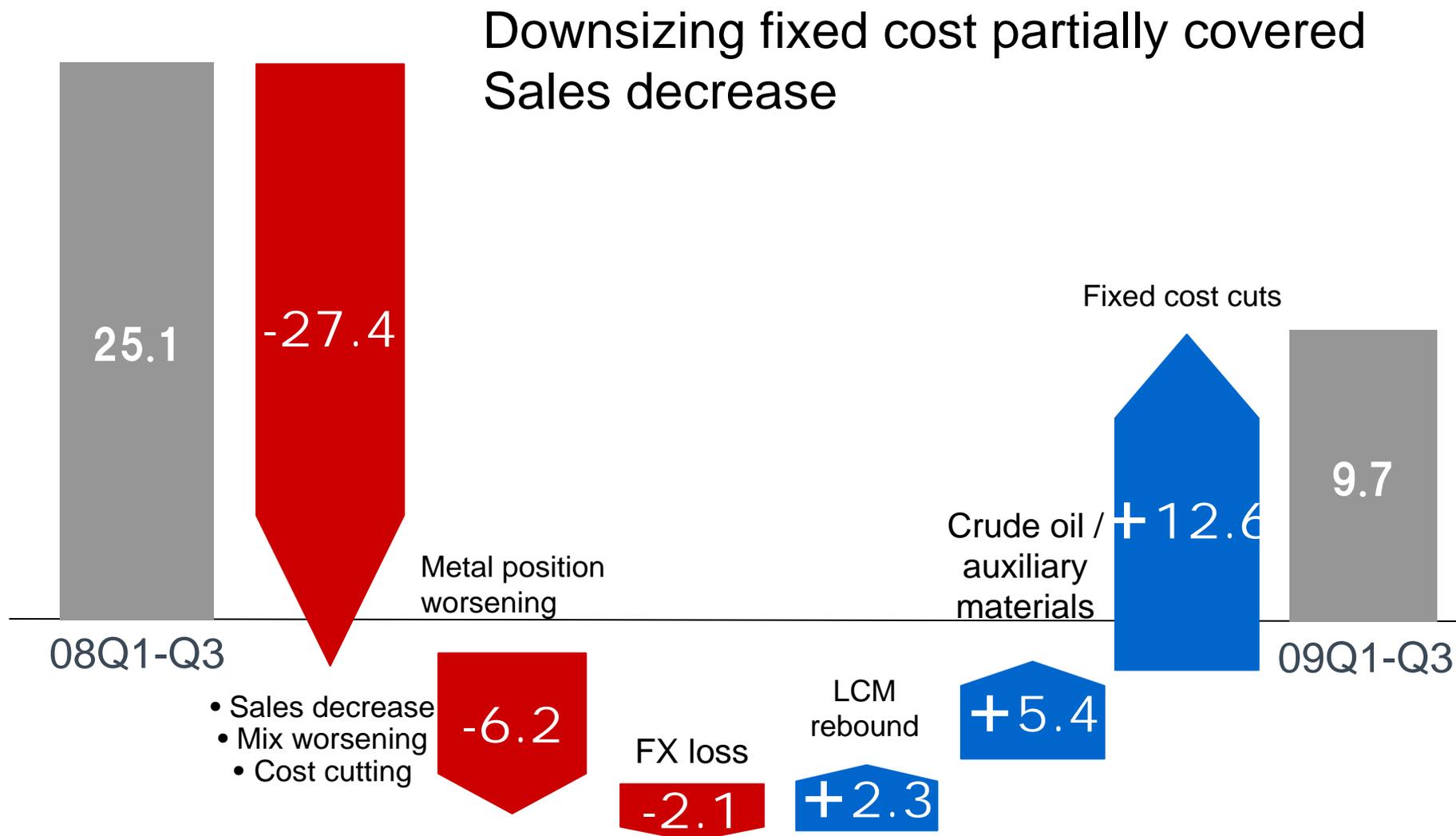
The whole segment turned to black



08Q1-Q3 → 09Q1-Q3 Operating Income Analysis

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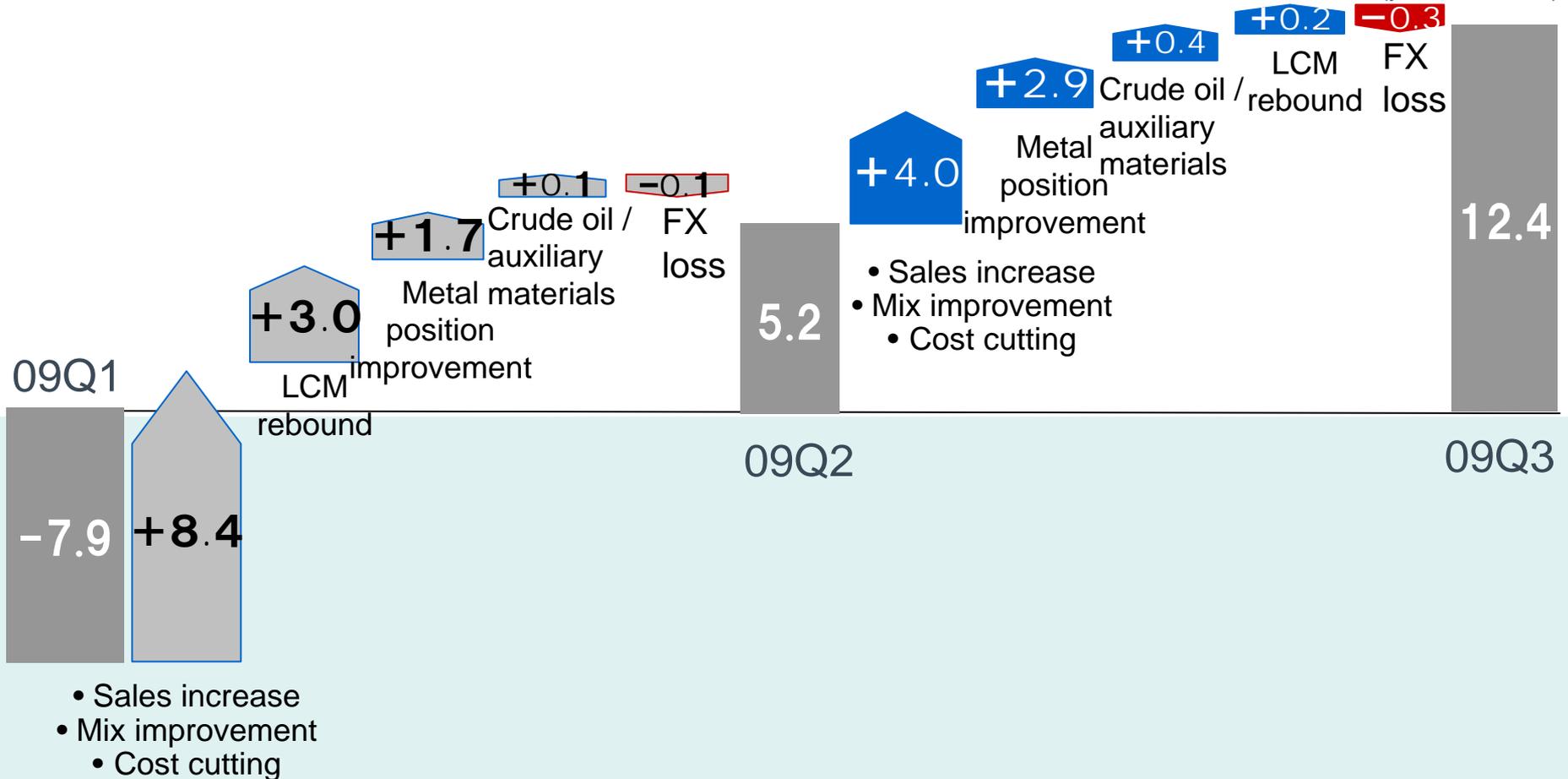
(yen in billions)



09Q1 → 09Q2 → 09Q3 Operating Income Analysis

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(yen in billions)

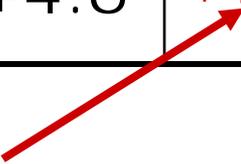


Downsized Fixed Costs by 12.6bn Yen in 9 months

FURUKAWA ELECTRIC

(yen in billions)

Category	Details	Q1	Q2	Q3	9 mo
Equipment	Impairment Capex cuts Unification of copper wire, foamed plastics equipment	+0.8	+0.9	+1.2	+2.9
Labor costs	Labor cost cut Directors' remuneration cut Employees' salaries cut Other	+3.3	+3.0	+3.4	+9.7
Total		+4.1	+3.9	+4.6	+12.6



Progress of 79% toward annual target of 16 billion yen

FY2009 New Forecast

OI improved by 50%

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(yen in billions)

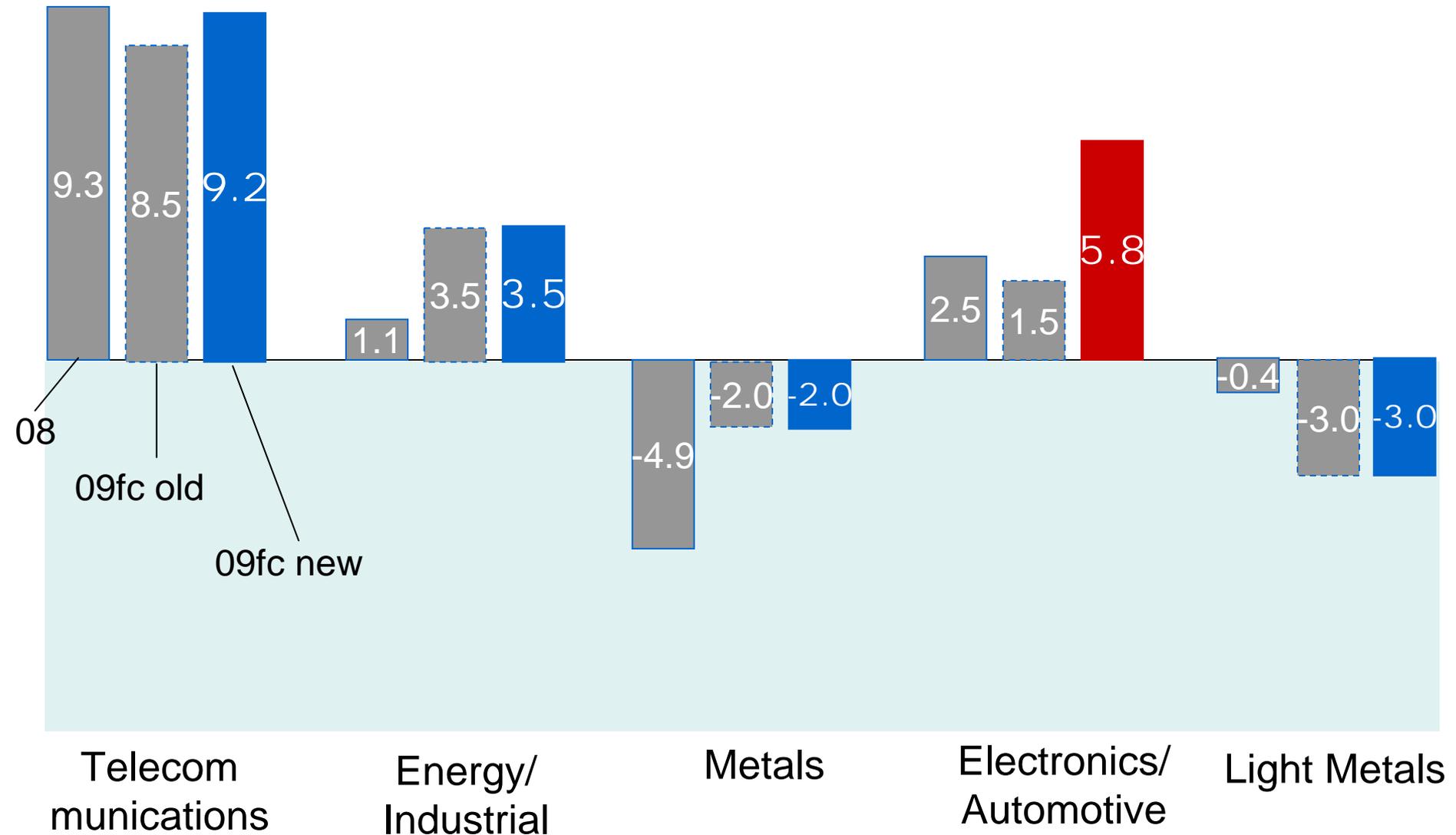
		a	b	b-a
	2008	09forecast old (6 th Nov.09)	09forecast New (8 th Feb.10)	Change
Net Sales	1,032.8	807.0	807.0	±0
Operating Income	9.8	10.0	15.0	+5.0
Ordinary Profit	▲14.8	7.0	12.0	+5.0
Net Income	▲37.4	2.5	4.0	+1.5

- Demand for electronics automotive business rebounds
- Cost cuts etc. contribute to the improvement

08 → 09fc old → 09fc new Operating Income Analysis

FURUKAWA ELECTRIC

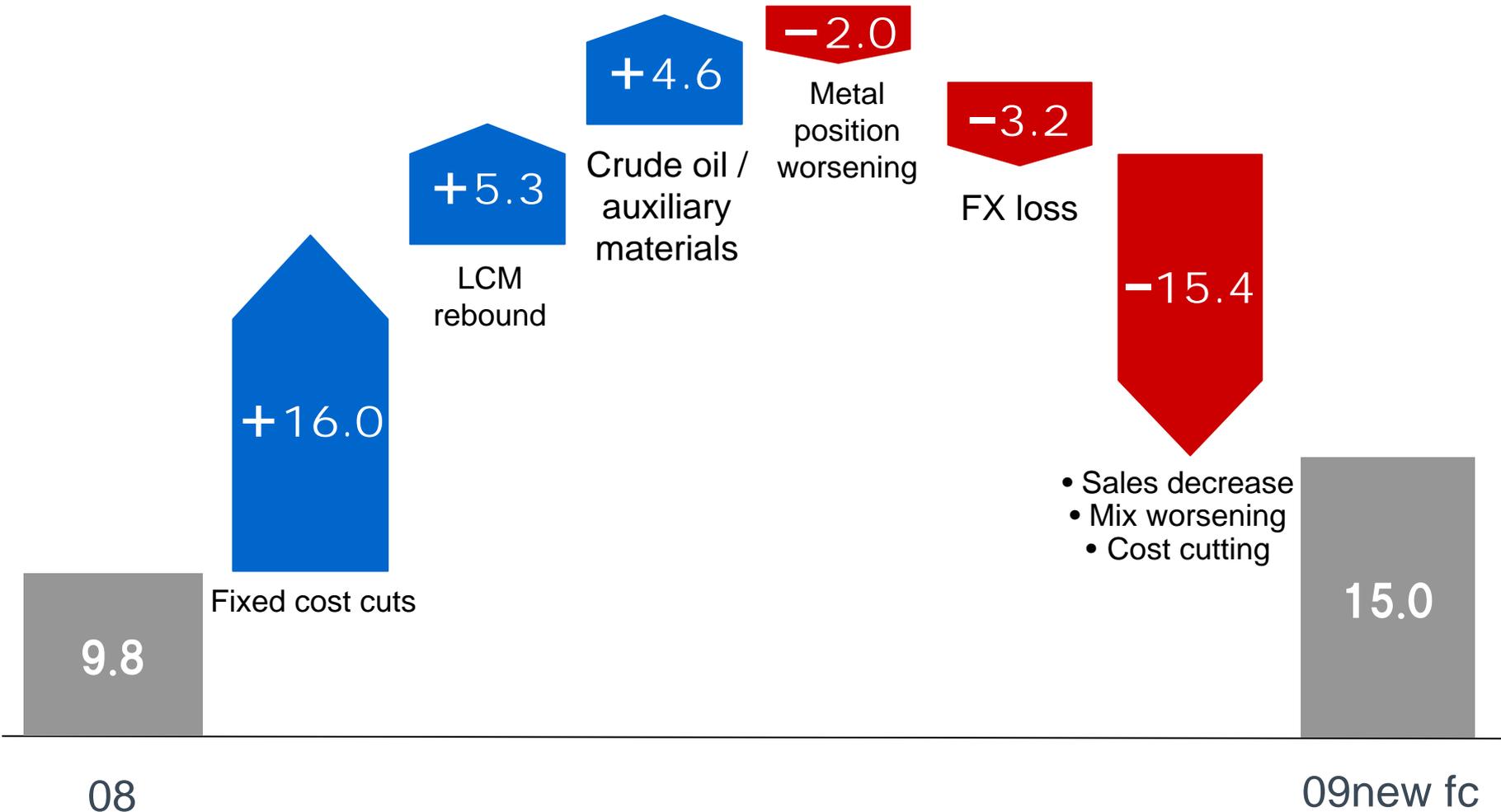
(yen in billions)



08result → 09new forecast Operating Income Analysis

FURUKAWA ELECTRIC

(yen in billions)



Thank you for your attention.
We will now take **questions.**



Forward-Looking Statements

Projections of future sales and earnings in these materials constitute forward-looking statements. Management offers these projections in good faith and on the basis of information presently available. Information in these statements reflects assumptions about such variables as economic trends and currency exchange rates.

Forward-looking statements are subject to known and unknown risks as well as other uncertainties that include, but are not limited to, the following.

- Economic trends in the U.S., Europe, Japan and elsewhere in Asia, particularly with regard to consumer spending and corporate capital expenditures.
- Changes in exchange rates for the U.S. dollar, euro, and Asian currencies.
- The Furukawa Electric Group's ability to respond to rapid advances in technology.
- Changes in assumptions involving financial and managerial matters and the operating environment.
- Current and future trade restrictions and related matters at foreign countries.
- Changes in the market value of securities held by the Furukawa Electric Group.

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