

April 13, 2018
Furukawa Electric Co., Ltd.

Executive Appointments at UACJ Corporation

Today, UACJ Corporation, one of Furukawa Electric's affiliated companies accounted for using the equity method, announced the partial revision of its executive appointments first reported on February 27 of this year, which will be effective as of June 21 of this year (the originally announced appointments are hereafter referred to as "original appointments"; the appointments after revision according to today's announcement are hereafter referred to as "revised appointments").

There were certain points regarding the original appointments which Furukawa Electric was unable to agree to, leading us to request UACJ Corporation to reconsider them. Following the announcement of the original appointments, the revised appointments presented today were decided upon in today's meeting of UACJ Corporation's Board of Directors after discussions between the top-level personnel of both companies over several occasions. Furukawa Electric has no objections to the appointment of the candidates indicated in the revised appointments as Directors and Audit & Supervisory Board Members, and now expresses its complete support of those matters.

With the resignations of Representative Director and Chairman Shigenori Yamauchi and Representative Director and President Mitsuru Okada from their positions as Directors, the revised appointments specify two personnel members with plentiful business management experience as candidates for new appointment as Outside Directors. With these appointments, the number of Outside Directors will become 1/3 of the total number of Directors, which we believe will be effective in contributing to improved objectivity and transparency in decision-making. In particular, the specification of candidates who have held successive positions as voluntary members and Vice-Chairpersons of committees related to executive appointments and executive compensation, for new appointment as Outside Directors to serve as non-executive Directors at a company with an established reputation for outstanding corporate governance, is expected to be instrumental in the enhancement of substantial corporate governance at UACJ.

The candidates for appointment to the positions of Outside Audit & Supervisory Board Members were also reconsidered, and we believe that the decision to add a lawyer with experience in business management, and a certified public accountant with many years

of experience in auditing at a major auditing corporation, to the candidates for the positions of newly-appointed Outside Audit & Supervisory Board Members, will be valuable in enriching and enhancing audit procedures from specialized perspectives related to legal, financial, and accounting matters.

Furukawa Electric hopes that under a system of appropriate corporate governance, the executives led by new President Miyuki Ishihara will be able to improve the business performance and financial structure of UACJ and strengthen its corporate value, by listening to and respecting the opinions of outside executives on occasions such as Meetings of the Board of Directors, and by carrying out management through discussions. From here on, we would like to watch over and observe this company's progress from a shareholder's standpoint.