

September 30, 2011

For immediate release

Company name: Furukawa Electric Co.,Ltd.
Representative : Masao Yoshida
Code:5801(First Section of TSE and OSE)

Plea Agreement Concerning Automotive Wire Harness Cartel
with the United States Department of Justice

1. Summary of Facts

Furukawa Electric, on September 29, 2011(U.S. Eastern time), concluded a plea agreement with the United States Department of Justice under which the company acknowledges the allegations in the criminal proceeding relating to cartel activities with certain competitors for the automotive wire harness and related products and pays a fine of 200,000,000. US dollars.

2. Reason for the Decision

Furukawa Group Companies have been fully cooperating with the US Justice Department's investigation into the manufacturers of the automotive wire harness and related products. After analyzing the applicable laws and facts as a whole, Furukawa Electric has decided to enter into a plea agreement with the US Department of Justice.

3. Impact of the Company's Business

In accordance with this decision, Furukawa Electric will account for the special loss of ¥15,296 million in the second quarter of fiscal year 2012. Furukawa Electric has revised its projected operation result for the second quarter of 2012 as we announced in the "Notice for the Accounting of a Special Loss and Revision of Projected Operation Result."

4. Returning of Directors' compensation

Furukawa Electric has decided that the directors would return a part of their compensation as follows in light of the impact to the Company and the society and to reflect management's remorse.

Representative Director, Chairman	Hiroshi Ishihara	50% for 3 months
Representative Director, President	Masao Yoshida	50% for 3 months
Director, Member of the Board and Corporate Senior Vice President	Masahiro Yanagimoto	30% for 3 months
Corporate Vice President	Suguru Shinozaki	25% for 3 months

5. Prevention of Recurrence

Furukawa Group had announced a report by the “Third-Party Investigative Committee Regarding the Violations of Anti-Monopoly Act” in December 2009 and has been carrying out the measures to prevent recurrence of such conduct based on the Committee’s proposals. Additionally, the Group Companies has conducted thorough investigations by outside legal counsel along with the Committee’s investigation to confirm that the problematic conduct is not recurring and had stopped all suspicious conduct.

Furukawa remains committed to compliance with all laws around the world to regain the public’s confidence in the entire Group Companies globally.