

We at the Furukawa Electric Group offer our deepest sympathies to the victims of the Great East Japan Earthquake and their families.

East Japan suffered enormous damage from the earthquake that struck at 2:46 p.m. on March 11 and from the record-breaking tsunamis generated by it. This was followed by the breakdown of TEPCO's Fukushima No. 1 Nuclear Reactor, which resulted in the spread of radioactive material in the vicinity, power shortages, and other unforeseen difficulties in what developed into a state of affairs unprecedented in Japanese history. The effects of the disaster did not stop at Japan's shores, but came to affect the entire world economy due to supply chain difficulties.

Although some Furukawa Electric Group sites suffered damage to buildings, manufacturing equipment, and site utilities during this incident, fortunately none of our employees was injured.

The power shortages and other after-effects of the disaster are expected to continue. In the section that follows we will look back on the period from the occurrence of the earthquake through the present, and report on items such as our



Emergency Response Headquarters Committee

Group's restoration efforts, the BCM (business continuity management) efforts we have made as a company with a social responsibility to supply infrastructure products for power, telecommunications, and construction, and our efforts to aid the stricken regions.

The Group's Response (first two weeks post-quake)

March 11	<p>2:46 p.m.: The earthquake occurs</p> <ul style="list-style-type: none"> • Begin confirmation of safety of employees and damage situation <i>Casualties:</i> No casualties, with the exception of minor injuries (emergency communications systems, safety confirmation system) • Confirm situation at each location, begin recovery <i>Building and facility damage:</i> Engineering and maintenance crews engage in full-scale efforts for prompt recovery at the Chiba Works, Nikko Works, and Copper Foil Works. Support teams also dispatched to Chiba Works, where damage was heavy, from Hiratsuka and Mie.
14	<ul style="list-style-type: none"> • Establish Emergency Response Headquarters • Kansai Branch functions as center for sending food, beverages, and other emergency supplies to the Tohoku Branch, which is within the stricken area
15	<p>10:30 a.m.: Conference held at Emergency Response Headquarters</p> <ul style="list-style-type: none"> • To share information throughout the Company, the recovery status of each base is posted on the Intranet by the Secretariat, and updated daily. • Damage status/Operational status is disclosed to the public.
16	<ul style="list-style-type: none"> • Operations restarted at some damaged Works.
25	<ul style="list-style-type: none"> • All Works at near normal operations. • Emergency Response Headquarters disbanded

Emergency Report

Response to the Great East Japan Earthquake

Supplying Power Cables to Stricken Areas

We worked intensely to supply power cables to restore electrical and transportation infrastructure, as well as residential areas and factories, in the stricken areas.



Immediate Post-Quake Response and BCP

Thanks to emergency communication networks and safety confirmation systems in place at each site, we were able to perform all-important safety confirmations for everyone involved with our Group after the earthquake, including employees, their families and our customers.

In addition to our employees, 60 students were visiting in conjunction with hiring activities. We had them join in our activities so as to ensure their safety, and we helped one of the students, who had come from far away, return home.

Of the Works that suffered damage, the Nikko and Chiba Works were the hardest hit, and after confirming that all employees at both Works were safe, we initiated inspections and repairs of utilities the day after the event. At the beginning of the following week, on the 14th, we began full-scale rehabilitation work on the manufacturing equipment, and about two weeks later, by the 25th, nearly all of the Works had been successfully restored.

Our BCP, as well as the preliminary training based on the BCP, functioned effectively during the disaster. We have since then surveyed the people at the damaged sites so as to find ways to improve our BCM activities, using the



Fallen crane at the Nikko Works



Broken central effluent pipe at the Chiba Works

valuable suggestions offered in the survey as we begin to review our BCM systems, including our company-wide regulations.

Efforts to Ensure Stable Product Supplies

The Tohoku Earthquake exceeded our assumed disaster criteria, presenting new dangers such as power outages caused by record-breaking tsunamis and the nuclear power plant accident, radiation contamination, etc.

While it is difficult to assume all possible risks beforehand, by making a comprehensive judgment of the assumed risks, shifting to production bases where risk is lower, and furthermore, by taking measures such as installing emergency generators at production bases for metal and similar products where the risk entailed by power outages is great, we can work toward ensuring a stable supply of products.

The Furukawa Electric Group's Restoration and Support Activities

Our Group has long been a supplier of products and services in areas that comprise the foundation of social infrastructure, such as electrical power, telecommunications, broadcasting, and construction. We also have been engaged in restoring and providing support for rebuilding infrastructure by supplying parts and materials as well as work support, both on our own initiative and in response to requests from various quarters.

In addition, we seek to provide support for the stricken areas by sending emergency relief supplies and donating relief funds.

We try to make our customers feel secure by providing stable product supplies

We are fortunate that none of our employees or visitors was injured during the March 11 Great East Japan Earthquake, and direct damage to our buildings was comparatively minor. Nonetheless, we experienced some foundational sinking due to liquefaction throughout the entire Chiba Works site, which remains an issue that we must address.

Looking back on the quake and the subsequent recovery efforts, the correct, appropriate responses that were achieved serve as unexpected proof that the establishment of a BCP and the BCP education and training that were required for BS25999 certification were beneficial.

Nonetheless, one further issue is that we are confronted with the reality of power supply problems. Our Works is a major consumer of electricity in our region, so in response to the demands of the community we set a goal of "15% Less Power Consumption." To achieve this we asked each section to work in rotation,

and began operating on a four-group system.

Henceforth our Works expects a variety of critical issues and environmental changes to arise, and we will respond to them as necessary. We will also continue to meet the demands of society by fulfilling our mission to provide a stable supply of products.



Yoshimasa Oyama
General Manager,
Chiba Works



Liquefaction



Road surface protrusion

Emergency Report

Response to the Great East Japan Earthquake

Working with TEPCO to Repair Telecommunications Lines

On March 17 we received a request from TEPCO to repair telecommunications lines to be used for teleconferencing between the Japanese government, TEPCO Headquarters, and the Fukushima No. 1 Reactor Site Response Headquarters (repairs took place within a nine-kilometer radius of the reactor).

The Furukawa Electric employees who were dispatched to do the work were examined afterward at the National Institute of Radiological Sciences, and no health abnormalities were found. In recognition of their success and contribution, the six employees who handled the work received the President's Award.



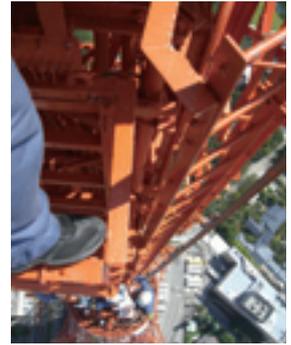
Receiving the President's Award

Assisting in the Emergency Inspection of the Tokyo Tower Antenna

The Furukawa Electric Group has been conducting regular inspections of the Tokyo Tower antenna (a Furukawa Electric product) since we first installed it in 1955 (the work has been conducted by Furukawa Electric C&B since the establishment of that company in 2007).

Our inspectors arrived at Tokyo Tower in the evening on the day of the quake to conduct an emergency

inspection of the broadcasting antenna, which functions as an important source of information during a disaster.



Emergency inspection of Tokyo Tower antenna

Donations

Relief funds

- ¥250 million from the Furukawa Electric Group overall (of this, ¥100 million from Furukawa Electric)
- Approximately ¥6.4 million from individual employees

Relief supplies

- Donation of our "High-foaming polyethylene mattress core material" for use as flooring insulation/cushions in the disaster response centers in the stricken areas

Electricity Saving Measures

All Works in areas served by TEPCO must cut electricity during the peak usage period of 10 a.m. through 9 p.m., so we instituted weekend operations during the July through September period, and set a new, longer period for the August summer break.

We also implemented measures at our offices such as thorough controls on air conditioning temperature settings, reducing lighting, setting PCs on low-power, and reducing equipment that consumes electricity, including vending machines.

In addition, because 40% of electrical power is consumed at residences, we requested via our in-house publications and through other channels that our employees also try to use less electricity.

Support for Recovery After the Great East Earthquake

I found myself wondering if I couldn't somehow lend a hand in assisting the recovery after the Great East Japan Earthquake struck, so I spent the period April 23 through May 4 providing restoration support in a stricken area.

Thousands of disaster victims were staying in a single evacuation site, and while I recall the difficulty of distributing emergency supplies to so many people, I also encountered human kindness and warmth that is impossible to express in words. Also, assisting in the recovery in the disaster area was a very valuable experience in that I was able once more

to take a good look at myself. Henceforth I will use my regular leave time to participate in the disaster relief efforts.



Furukawa Electric established a Volunteer Leave System in July 2011 so that employees would be able to participate in volunteer activities related to the Great East Japan Earthquake.

Providing relief supplies in the disaster area