



May 11, 2015

News Release

Name of company: Furukawa Electric Co., Ltd.
Name of representative: Mitsuyoshi Shibata, Representative Director and President
(Stock code: 5801, First Section, Tokyo Stock Exchange)
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Notice on the Establishment of a Nomination and Compensation Committee

Although Furukawa Electric (“the Company”) established and operated the Compensation Committee since May 28, 2010, based on the resolution made at the meeting of Board of Directors held on May 11, 2015, that committee has been abolished and a new Nomination and Compensation Committee has been established. The details are as follows.

Details

1. Purpose of the establishment of the Nomination and Compensation Committee
The Nomination and Compensation Committee that has Outside Directors constituting the majority of its membership aims to ensure objectivity and transparency concerning personnel and compensation of the Board of Directors, etc. in order to strengthen corporate governance.
2. Roles of the Nomination and Compensation Committee
 - (1) Deliberate and report on the following matters in response to inquiries from the Board of Directors
 - Details of proposals concerning the appointment and dismissal of Directors and Corporate Auditors to be submitted to the General Meeting of Shareholders
 - Selection and discharge of the Representative Director, the Chairman of the Board of Directors, and the President of the Board of Directors
 - Appointment and dismissal of Executive Officers
 - Selection and discharge of Directors with Specific Titles (Corporate Vice President, Corporate Executive Vice President, Corporate Senior Vice President)
 - (2) Deliberate and report on the following matters in response to mandates from the Board of Directors.
 - Policies and systems concerning the compensation, etc. of Directors and Executive Officers
 - Details of individual compensation, etc. of Directors and Executive Officers
 - Details of proposals concerning the compensation, etc. of Directors and Corporate Auditors to be submitted to the General Meeting of Shareholders
 - Guidelines concerning the compensation, etc. of representative of affiliates
3. Composition of the committee
The Nomination and Compensation Committee shall be composed of at least five members selected from among the Directors by a resolution of the Board of Directors (note that Outside Directors shall constitute the majority of membership).
Note that the following five employees have been selected as committee members as of the Board of Directors held on May 11, 2015.
 - Sumitaka Fujita (Outside Director, Advisory Member of Itochu Corporation)
 - Nobuyoshi Soma (Outside Director, Representative Director and Chairman of Furukawa

Co., Ltd.)

Osamu Tsukamoto (Outside Director, President of Japan Coal Energy Center)

Masao Yoshida (Representative Director and Chairman)

Mitsuyoshi Shibata (Representative Director and President)