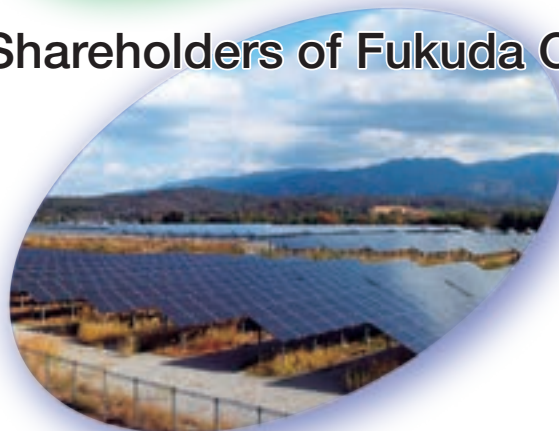


# Annual Report for the 88<sup>th</sup> Term

January 1, 2014 – December 31, 2014



## To the Shareholders of Fukuda Corporation



**Fukuda Corporation**

Stock code: 1899



**Katsuyuki Fukuda**

Chairman & Representative Director



**Toyohiko Ota**

President & Representative Director

We would like to extend our greetings to all of our shareholders, and take this opportunity to express our sincere gratitude for your continuing support.

We hereby present our business results for the 88th term ended on December 31, 2014.

The Fukuda Group's mission is to embrace and fully respond to each and every one of our customers' dreams and hopes in line with our basic principle of "Creating an environment where people, nature and society can coexist," and adhering to the Fukuda Group Spirit, "Always sincere, from now until the next century and beyond." The Company's management philosophy is: "To value people and the environment, and aim to create inspirational value based on a corporate structure designed to face challenges." To this end, the entire company will work together as one, with our highest priority being the satisfaction of our stakeholders, including our customers, shareholders, business partners and employees.

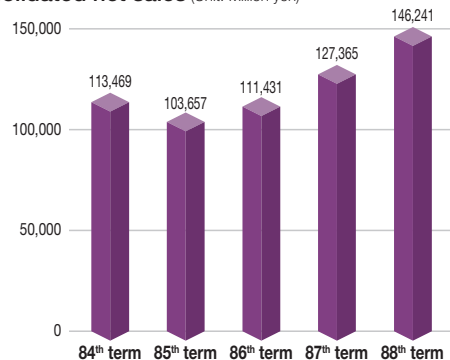
The Company's business results for the fiscal year under review are shown below. We intend to further enhance our corporate value as a united corporate group without resting on our laurels, so that we may continue to meet the expectations of our shareholders.

We sincerely hope you will grant us your continued support and guidance going forward.

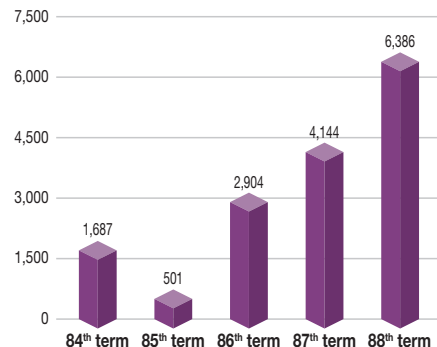
March 2015

## Operating Results

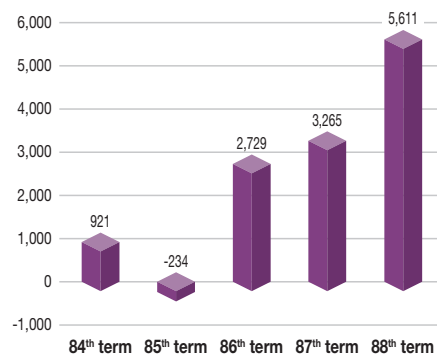
**Consolidated net sales** (Unit: Million yen)



**Consolidated ordinary income** (Unit: Million yen)



**Consolidated profit** (Unit: Million yen)



## Business environment for the fiscal year under review

During the fiscal year under review, the Japanese economy was in an moderate recovery trend overall, underpinned by monetary easing initiatives by the Bank of Japan aimed at overcoming deflation and fiscal policies designed to stimulate the economy, also known as “Abenomics.” However, the economy also showed some signs of slowing due to the emergence of factors resulting in reduced earnings, including an upsurge in import prices of raw materials and other products due to the weak yen, and an increase in corporate personnel expenses as a result of labor shortages.

In the construction industry, investment in public works construction showed signs of improvement partly due to the national resilience plan, but this did not lead to substantial recovery in regional urban areas. Furthermore, investment in construction by the private sector showed signs of a moderate recovery trend as a result of investment related to the Tokyo Olympics and Paralympics and clean energy projects, but corporate sentiment in construction investment did not improve due to the unstable economic outlook.

## Consolidated business results for the fiscal year under review

Under these circumstances, the Fukuda Group has focused on the establishment and rigorous progress management of a detailed management plan designed to effectively utilize and maximize the use of limited management resources. The Group has also strived to further deepen collaboration among group companies by promoting information exchange and business collaboration. As a result, the consolidated business results for the fiscal year under review are as follows.

Net sales rose 14.8% over the previous fiscal year to more than ¥146,200 million, as a result of the balance carried forward from last year, and the increase in construction projects earnings. In terms of profit, gross profit increased 17.9% year on year to more than ¥13,200 million, attributable to an increase in net sales and further improvement in the profitability of projects. Although general and administrative expenses rose due to the expanded scale of business, ordinary income increased 54.1% year on year to more than ¥6,300 million, due to the continuing reduction in financial expenses and the recording of over ¥600 million for the reversal of allowance for doubtful accounts, resulting from the collection of receivables for prior periods. In terms of final profit and loss figures, net income rose 71.8% year on year to more than ¥5,600 million, partly due to effects of the consolidated taxation system (applied for the first time this fiscal year), despite an impairment loss of over ¥800 million recorded in the real estate business, which saw a reduction in idle assets and rental income.

## Outlook for the next fiscal year

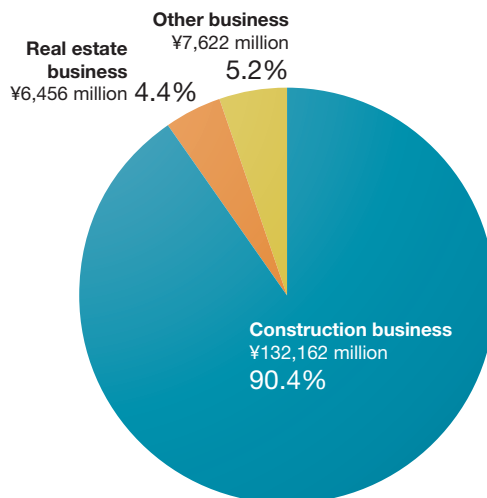
Going forward, the Japanese economy is expected to gradually head toward a recovery trend against the background of improvements in corporate profitability and the recovery of personal consumption. Nonetheless, concerns over the accelerated divergence between urban and regional areas cannot be dispelled in view of anticipated continued restraint in capital investment due to the declining population in regional areas and the uncertain economic outlook.

In the construction industry, the order environment is expected to improve overall in anticipation of the moderate recovery of investment in construction by the private sector and investment in public works construction in the Tokyo metropolitan area prior to the Tokyo Olympics in 2020. In terms of revenue, however, the outlook still lacks optimism due to the continued presence of potential factors that may put a downward pressure on profits, including the upsurge in prices of imported raw materials due to the weak yen and the upsurge in labor costs caused by a shortage of construction workers.

In view of these circumstances, we expect consolidated business results for the fiscal year ending December 2015 to yield net sales of ¥138,000 million, operating income of ¥4,500 million, ordinary income of ¥4,300 million, and net income of ¥3,400 million.

In regard to the Company's non-consolidated business results for the next fiscal year, due to a limited number of technical personnel, orders have to be accepted in a carefully planned manner. As a result, we anticipate orders of ¥80,000 million, net sales of ¥82,000 million, operating income of ¥2,600 million, ordinary income of ¥2,700 million, and net income of ¥2,500 million.

## Ratio of net sales by consolidated business



# Completed Work

## Main projects completed in the fiscal year under review

### Construction



FUKUOKA JISHO CO., LTD.

Tentative name: Kusagae 2-chome Condominium Construction Project  
(Fukuoka Prefecture)



Yuukikai Social Welfare Service Corporation

Tentative name: Special Nursing Home for the Elderly: Shirone Soyokaze no  
Mori Construction Project (Niigata Prefecture)



AEON TOWN Co., Ltd.

Tentative name: AEON TOWN Kamaishi Construction Project  
(Iwate Prefecture)



YAKO Co., Ltd.

Tentative name: YAKO Shin Delica Seisen Center Construction Project  
(Saitama Prefecture)



Agano City

Tentative name: School Building Construction Project No. 15, Suibara Junior  
High School Construction Project (Niigata Prefecture)



Niigata City

Tentative name: Niigata City Ice Arena Maintenance and Management  
Business-Related Construction Project (Niigata City)



## Civil Engineering



Ministry of Land, Information, Transport and Tourism  
Shinanogawa Karyu Sekiyaokawamae Yasuragi Riverbank  
Seismic Retrofitting Project (Niigata Prefecture)



Hiroshima Prefectural Government  
Hiroshima City Futaba no Sato District, Outside East Project  
Site Maintenance (Part 2) Project (Hiroshima Prefecture)



Joetsu City  
Agricultural Land Improvement Measure No. 25-1, Mizukami  
Reservoir Construction Project (Niigata Prefecture)



Sendai City  
Sendai City High-Speed Railway, Tozai Line Ichibancho  
Project Site Civil Engineering Project (Miyagi Prefecture)



Ministry of Land, Information, Transport and Tourism  
Sendai Bay Nanbu Kaigan Nakahama Project Site North  
Sakamoto District No. 7 Restoration Project (Miyagi Prefecture)



Ministry of Land, Information, Transport and Tourism  
Hamadogawa Motomura Sluice Reconstruction  
Project (Kumamoto Prefecture)

## Main orders and completed projects for the fiscal year under review

### Orders

- Healthcoop Shirone  
Shirone Kensei Hospital Relocation & Construction Project
- Tachikawa Medical Center  
Tachikawa General Hospital Relocation Plan Construction Project
- Miyagi Prefectural Government  
Okawa River External Disaster Reconstruction Project (Part 2)
- Ministry of Land, Information, Transport and Tourism Chugoku Regional Development Bureau  
Tottori Nishi Roads Fukui Mikuma Tunnel Project

### Completed projects

- AEON TOWN Co., Ltd.  
AEON TOWN Kamaishi Construction Project
- Niigata City  
Niigata City Ice Arena Maintenance and Management Business-Related Construction Project
- Nihon Kaisui Kako Co., Ltd.  
Joetsu City Shimoaraha District, Site Maintenance Greenery Plan Project
- Bureau of Sewage, Tokyo Metropolitan Government  
Sunamachi Water Recycling Center Sand-System Pump Building,  
Rainwater Discharge Conduit Construction Project Part 3

# Consolidated Financial Statements

## Consolidated Balance Sheet

(Unit: Million yen, rounded down to the nearest million yen)

	88 <sup>th</sup> term (as of December 31, 2014)	87 <sup>th</sup> term (as of December 31, 2013)
● <b>Assets</b>		
<b>Current assets</b>	<b>72,096</b>	<b>68,436</b>
<b>Non-current assets</b>	<b>28,400</b>	<b>31,760</b>
Property, plant and equipment	21,103	21,636
Intangible assets	779	742
Investments and other assets	6,516	9,382
<b>Total assets</b>	<b>100,496</b>	<b>100,197</b>
● <b>Liabilities</b>		
<b>Current liabilities</b>	<b>55,001</b>	<b>58,241</b>
<b>Non-current liabilities</b>	<b>7,489</b>	<b>9,168</b>
<b>Total liabilities</b>	<b>62,490</b>	<b>67,409</b>
● <b>Net assets</b>		
<b>Shareholders' equity</b>	<b>37,313</b>	<b>31,859</b>
Capital stock	5,158	5,158
Capital surplus	5,996	5,996
Retained earnings	26,281	20,823
Treasury shares	△ 123	△ 118
<b>Accumulated other comprehensive income</b>	<b>385</b>	<b>644</b>
Valuation difference on available-for-sale securities	818	712
Revaluation reserve for land	△ 144	△ 67
Remeasurements of defined benefit plans	△ 288	—
<b>Minority interests</b>	<b>307</b>	<b>283</b>
<b>Total net assets</b>	<b>38,006</b>	<b>32,787</b>
<b>Total liabilities and net assets</b>	<b>100,496</b>	<b>100,197</b>

## Consolidated Statement of Income

(Unit: Million yen, rounded down to the nearest million yen)

	88 <sup>th</sup> term (January 1, 2014 - December 31, 2014)	87 <sup>th</sup> term (January 1, 2013 - December 31, 2013)
<b>Net sales</b>	<b>146,241</b>	<b>127,365</b>
<b>Cost of sales</b>	<b>132,969</b>	<b>116,104</b>
<b>Gross profit</b>	<b>13,272</b>	<b>11,261</b>
Selling, general and administrative expenses	7,604	7,108
<b>Operating income</b>	<b>5,667</b>	<b>4,153</b>
Non-operating income	1,074	573
Non-operating expenses	355	582
<b>Ordinary income</b>	<b>6,386</b>	<b>4,144</b>
Extraordinary income	318	330
Extraordinary losses	1,041	758
<b>Income before income taxes and minority interests</b>	<b>5,663</b>	<b>3,717</b>
Income taxes – current	595	502
Income taxes – deferred	△ 579	△ 94
<b>Income before minority interests</b>	<b>5,647</b>	<b>3,308</b>
Minority interests in income	36	43
<b>Net income</b>	<b>5,611</b>	<b>3,265</b>

## Consolidated Statement of Cash Flows

(Unit: Million yen, rounded down to the nearest million yen)

	88 <sup>th</sup> term (January 1, 2014 - December 31, 2014)	87 <sup>th</sup> term (January 1, 2013 - December 31, 2013)
<b>Cash flows from operating activities</b>	<b>513</b>	<b>2,460</b>
<b>Cash flows from investing activities</b>	<b>3,031</b>	<b>1,498</b>
<b>Cash flows from financing activities</b>	<b>△ 6,204</b>	<b>△ 4,277</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>△ 2,659</b>	<b>△ 318</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>16,255</b>	<b>16,533</b>
Increase in cash and cash equivalents resulting from merger with unconsolidated subsidiaries	—	40
<b>Increase (decrease) in cash and cash equivalents resulting from change of scope of consolidation</b>	<b>△ 10</b>	<b>—</b>
<b>Cash and cash equivalents at end of period</b>	<b>13,585</b>	<b>16,255</b>

## Consolidated Statement of Changes in Equity (January 1, 2014 – December 31, 2014)

(Unit: Million yen, rounded down to the nearest million yen)

	Shareholders' equity					Accumulated other comprehensive income	Minority interests	Total net assets
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity			
<b>Balance as of January 1, 2014</b>	<b>5,158</b>	<b>5,996</b>	<b>20,823</b>	<b>△ 118</b>	<b>31,859</b>	<b>644</b>	<b>283</b>	<b>32,787</b>
<b>Dividends of surplus</b>			△ 223		△ 223			△ 223
<b>Net income</b>			<b>5,611</b>		<b>5,611</b>			<b>5,611</b>
<b>Purchase of treasury shares</b>				△ 4	△ 4			△ 4
<b>Change of scope of equity method</b>								—
<b>Change of scope of consolidation</b>			△ 6		△ 6			△ 6
<b>Reversal of revaluation reserve for land</b>			<b>76</b>		<b>76</b>			<b>76</b>
<b>Net changes of items during the period other than shareholders' equity</b>						△ 259	23	△ 235
<b>Total changes of items during the period</b>	<b>—</b>	<b>—</b>	<b>5,457</b>	<b>△ 4</b>	<b>5,453</b>	<b>△ 259</b>	<b>23</b>	<b>5,218</b>
<b>Balance as of December 31, 2014</b>	<b>5,158</b>	<b>5,996</b>	<b>26,281</b>	<b>△ 123</b>	<b>37,313</b>	<b>385</b>	<b>307</b>	<b>38,006</b>

# Non-Consolidated Financial Statements

## Balance Sheet

(Unit: Million yen, rounded down to the nearest million yen)

	88 <sup>th</sup> term (as of December 31, 2014)	87 <sup>th</sup> term (as of December 31, 2013)
● Assets		
Current assets	45,062	43,409
Non-current assets	15,795	19,767
Property, plant and equipment	8,123	9,312
Intangible assets	94	28
Investments and other assets	7,577	10,426
<b>Total assets</b>	<b>60,858</b>	<b>63,176</b>
● Liabilities		
Current liabilities	36,989	41,342
Non-current liabilities	3,514	4,922
<b>Total liabilities</b>	<b>40,503</b>	<b>46,264</b>
● Net assets		
Shareholders' equity	19,162	15,725
Capital stock	5,158	5,158
Capital surplus	5,996	5,996
Retained earnings	8,131	4,689
Treasury shares	△ 123	△ 118
Valuation and translation adjustments	1,192	1,185
Valuation difference on available-for-sale securities	590	508
Revaluation reserve for land	601	677
<b>Total net assets</b>	<b>20,355</b>	<b>16,911</b>
<b>Total liabilities and net assets</b>	<b>60,858</b>	<b>63,176</b>

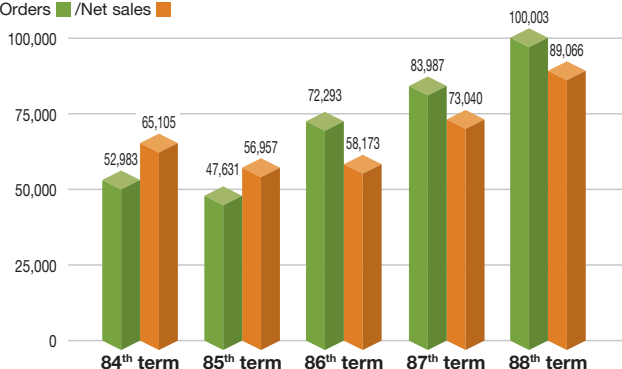
## Statement of Income

(Unit: Million yen, rounded down to the nearest million yen)

	88 <sup>th</sup> term (January 1, 2014 - December 31, 2014)	87 <sup>th</sup> term (January 1, 2013 - December 31, 2013)
<b>Net sales</b>	<b>89,066</b>	<b>73,040</b>
Net sales of completed construction contracts	83,980	71,793
Net sales on real estate business	5,086	1,246
<b>Cost of sales</b>	<b>82,685</b>	<b>68,271</b>
Cost of sales on completed construction contracts	78,158	67,225
Cost of sales on real estate business	4,526	1,046
<b>Gross profit</b>	<b>6,381</b>	<b>4,768</b>
Gross profit on completed construction contracts	5,821	4,568
Gross profit on real estate business	559	200
Selling, general and administrative expenses	3,350	2,876
<b>Operating income</b>	<b>3,031</b>	<b>1,892</b>
Non-operating income	1,146	467
Non-operating expenses	329	461
<b>Ordinary income</b>	<b>3,847</b>	<b>1,898</b>
Extraordinary income	97	477
Extraordinary losses	1,081	228
Income before income taxes and minority interests	2,863	2,146
Income taxes – current	△ 203	70
Income taxes – deferred	△ 521	△ 431
<b>Net income</b>	<b>3,588</b>	<b>2,507</b>

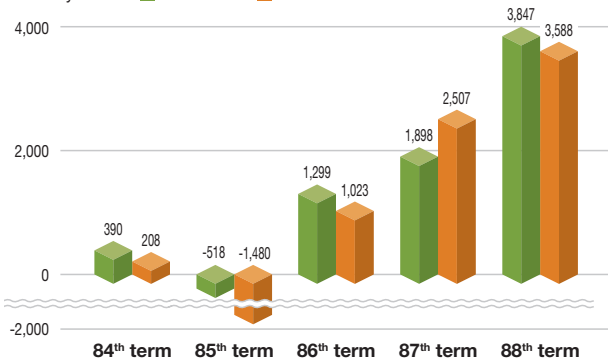
## Orders/Net sales (Unit: Million yen)

Orders ■ /Net sales ■



## Ordinary income/Net income (Unit: Million yen)

Ordinary income ■ /Net income ■



## Medium-Term Business Strategy

The fiscal year ending December 31, 2015 marks the second year of the Three-Year Medium-Term Business Plan launched in the fiscal year ended December 31, 2014, in which we set forth the “2018 Vision” and aim to become “the most coveted company to work for,” as the core company in the Fukuda Group. Going forward, we will continue to steadily implement the measures contained in the Medium-Term Business Plan that focus on strengthening our sales capabilities and increasing profit levels in order to achieve more stable and gradual growth.

In addition to steadfastly implementing the specific measures set forth below, we will strive to enhance our corporate value by further reinforcing collaboration among group companies and straightforwardly carrying out various measures such as strengthening our financial standings, training employees and providing comprehensive safety guidance, as well as continue to make efforts to ensure we are regarded as an attractive company by all of our stakeholders.

### **Main measures in the Medium-term Business Plan**

- Strengthen our ability to respond to changes in the ordering system for public works
- Engage in market development with a focus on technology
- Broaden our base of regular customers by acquiring potential customers and new customers
- Avoid low-profit orders and improve earnings capabilities by reinforcing organizational strengths

We sincerely hope all our shareholders will continue to give us their support and encouragement going forward.

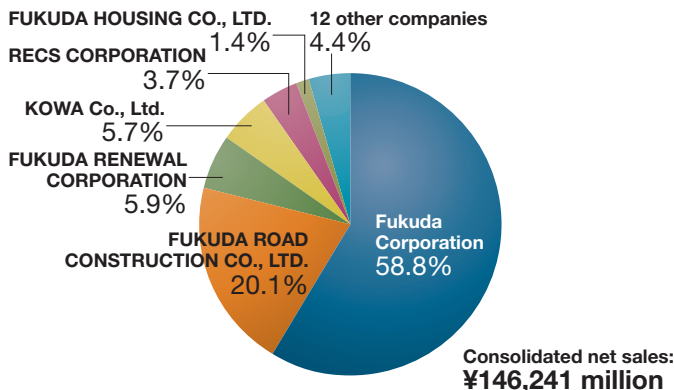




## Group Information

### Corporate Group

The Fukuda Corporate Group consists of the Company, 29 subsidiaries and 6 affiliates, and its mainstay businesses are the construction business and the real estate business. Other business encompasses services related to each of those businesses, including the lease, manufacture and sale of construction-related equipment and materials.



### Construction business

In addition to the construction orders and projects undertaken by the Company, FUKUDA ROAD CONSTRUCTION CO., LTD. and 22 other subsidiaries, and Kita Nihon Construction Material Leasing Co., Ltd. and five other affiliates are also engaged in construction orders and projects, some of which are ordered by the Company.

### Real estate business

In addition to the business undertaken by the Company in real estate sales, leasing and development, FUKUDA ASSET & SERVICE CO., LTD. and five other subsidiaries, and an affiliate, TAKAKEN CO., LTD., are also engaged in the real estate business.

### Other business

FUKUDA ROAD CONSTRUCTION CO., LTD. and five other subsidiaries are engaged in the lease, manufacture and sale of products other than those related to construction projects, and the Company purchases and leases products from those companies. Another subsidiary, Design Workshop Co., Ltd., is engaged in the management of welfare facilities.

## Niigata Pavement Products Co., Ltd.

- Head Office: 2553-1 Yamada, Nishi-ku, Niigata City Tel: 025-231-5161
- Teraji Plant: 1055 Teraji, Nishi-ku, Niigata City Tel: 025-231-3649
- Shimami Plant: 4628-16 Shimamicho, Kita-ku, Niigata City Tel: 025-259-4526
- Business activities: Sale of paving materials such as hot mix asphalt  
Sale of recycled roadbed materials  
Intermediate treatment of asphalt waste materials  
Asphalt paving works

Niigata Pavement Products Co., Ltd. was established on June 1, 1964 with investment by Fukuda Corporation, HONMA Corporation and Maruun Kensetsu Co., Ltd. based on the concept of local production for local consumption to meet the growing demand for asphalt paving materials. The company established plants in Niigata City's Nishi Ward and Kita Ward, and supplies various types of hot mix asphalt to worksites throughout Niigata City and surrounding areas, as well as collecting asphalt waste materials brought from worksites. The company is also engaged in the mix design, manufacture and sale of specialty asphalt color composite materials, including landscape paving materials, and the intermediate treatment of asphalt and manufacture and sale of recycled roadbed materials as a means of regarding construction waste materials in response to customer needs.

The company celebrated its 50th anniversary in June 2014 and at the end of that year relocated to the address stated above upon completion of the head office building (on a site adjacent to the former head office and the Teraji Plant).

All employees will work together as one in accordance with the management philosophy "to supply safe, high-quality products at a low price and aim to become a company that is needed by the region."



Landscape paving using a natural-color paving mix



Ballasting at power generation facilities using recycled roadbed materials

## Autumn Medal Awards, 2014

## Murakami Branch of the Niigata Fukuju Association Was Awarded the Medal with Green Ribbon

The Murakami Branch of the Niigata Fukuju Association was formed forty years ago in 1975. The Fukuju Association, created from an affiliate of Fukuda Corporation, is an organization whose purpose is to strengthen the corporate structure. Its main function is the prevention of workplace accidents but it has undertaken cleaning activities around Iwafune Port for the past 38 years as a way of expressing gratitude for being allowed to operate in the region. These consistent beautification activities allow the locals and visitors to the area to safely enjoy swimming in the ocean and playing on the beaches, while the resultant improvements to the environment along the seashore from the cleaning activities are expected to make a synergistic contribution to the revitalization of the region.



November 2, 2014 (Sunday), *Niigata Nippo* p. 22

The Medal with Green Ribbon is an award presented to individuals and organizations that for many years have engaged in activities that serve society and have made a significant contribution accordingly. The Medal with Green Ribbon was presented to only five organizations throughout Japan in fiscal 2014. Encouraged by this award, we wish the Murakami Branch of the Niigata Fukuju Association continued development and success.

## Company with Excellent Record of Construction Projects Certification

## Received Award from Two Ministry of Land, Information, Transport and Tourism Regional Development Bureaus



The Company received certification and commendation as a Company with Excellent Record of Construction Projects for Fiscal 2014 by the Director of the Hokuriku Regional Development Bureau for the second consecutive year. The Company also received a certificate of commendation as a Company with Excellent Record of Construction Projects for Fiscal 2014 from the Director of the Kyushu Regional Development Bureau for the first time.

This certification system selects and certifies companies with an excellent rating in construction project completions for civil engineering projects completed within the past two years, and recognizes the Company's high level of technical capabilities in regard to construction and quality control.

The Company also received the Excellence in Construction Award and the Excellence in Technology Award from the Director of the Hokuriku Regional Development Bureau.

These commendations recognize excellent records of construction projects for fiscal 2013 and are awarded for construction projects that showed remarkable achievements partly as a result of the Company overcoming difficulties and making efforts in creative originality.

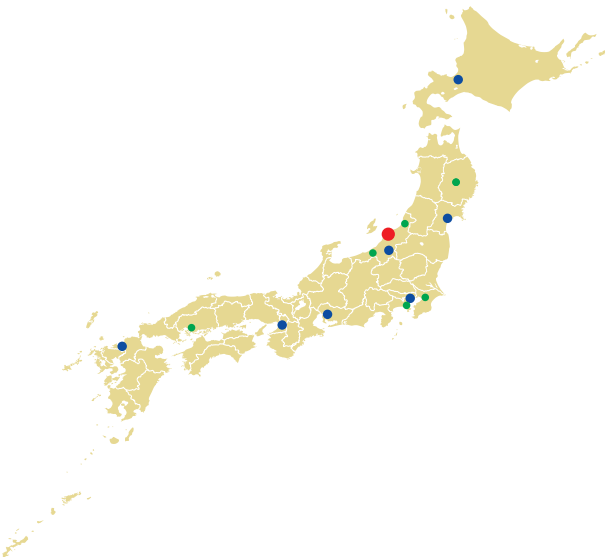


# Corporate Data

## Company Profile

(as of December 31, 2014)

**Established:** January 1902  
**Founded:** December 1927  
**Capital:** 5,158,408,496 yen  
**Employees:** 759  
**Consolidated subsidiaries:** 18 (including FUKUDA ROAD CONSTRUCTION CO., LTD.)  
**Main offices:** ● **Head office**  
 3-10 Ichibanboridoricho, Chuo-ku, Niigata  
 Tel: 025-266-9111 (Main line)  
 ● **Main Branch & Branches**  
 Niigata Main Branch (Chuo-ku, Niigata),  
 Tokyo Main Branch (Chiyoda-ku, Tokyo),  
 Tohoku Branch (Aoba-ku, Sendai), Nagoya  
 Branch (Naka-ku, Nagoya), Osaka Branch  
 (Kita-ku, Osaka), Kyushu Branch (Hakata-ku,  
 Fukuoka), Chuetsu Branch (Nagaoka, Niigata  
 Prefecture), Hokkaido Branch (Sapporo,  
 Hokkaido)  
 ● **Sales Offices**  
 Morioka, Chiba, Yokohama, Murakami,  
 Jouetsu, Hiroshima and five other locations



## Directors and Executive Officers

(as of March 26, 2015)

Chairman & Representative Director Chairman of the Board	Katsuyuki Fukuda	Executive Officer	Hiroshi Miya
President & Representative Director President of the Board	Toyohiko Ota	Executive Officer	Shinji Shinada
Representative Director & Vice President of the Board	Kenichi Takasaka	Executive Officer	Shinichi Otsuka
Director & Senior Executive Officer	Wataru Ishikawa	Executive Officer	Takeshi Yamamoto
Director & Executive Officer	Koichi Yakuwa	Executive Officer	Masahiro Mashiko
Director & Executive Officer	Ryoichi Soma	Executive Officer	Satoshi Iwakawa
Director & Executive Officer	Fumio Uchiyama	Executive Officer	Shoichi Takakuwa
Senior Executive Officer	Chihiro Oiwa	Full-Time Audit & Supervisory Board Member	Shunsaku Ogawa
Senior Executive Officer	Masaki Araake	Audit & Supervisory Board Member	Tetsuya Sunada
Executive Officer	Tsugio Yuasa	Audit & Supervisory Board Member	Hajime Fukuda

Note: Messrs. Tetsuya Sunada and Hajime Fukuda are Outside Audit & Supervisory Board Members.

## Stock Information

(as of December 31, 2014)

Total Number of Shares  
 Authorized to be Issued: ..... 100,000,000 shares  
 Total Number of Shares Outstanding  
 (excluding treasury shares): ..... 44,640,159 shares  
 Number of Shareholders: ..... 4,984

Major Shareholders	Name of shareholder	Number of shares held (thousands)	Shareholding ratio (%)
	(Public Interest Incorporated Foundation) Fukuda Ieikai	3,343	7.4
	THE DAISHI BANK, LTD.	2,198	4.9
	Naomi Fukuda	2,158	4.8
	Fuji Fukuda	1,633	3.6
	Kazuko Ozawa	1,607	3.6

Note: Shareholding ratio is calculated after deducting the number of treasury shares (300,398 shares).

## Information for Shareholders

### ● Fiscal Year:

From January 1 to December 31

### ● Ordinary General Meeting of Shareholders:

March

### ● Record Date

Ordinary General Meeting of Shareholders: December 31

Year-End Dividend: December 31

Interim Dividend: June 30

### ● Stock Transfer Agent / Account Management Institution for Special Accounts:

Mitsubishi UFJ Trust and Banking Corporation

Contact Information / Addressee:

Mitsubishi UFJ Trust and Banking Corporation

Stock Transfer Agency Department

7-10-11 Higashi Suna, Koto-ku, Tokyo 137-8081

Tel: 0120-232-711 (Toll-free)

### ● Number of Shares Per Unit:

1,000

### ● Listed on:

First Section of Tokyo Stock Exchange

### ● Method of Public Notice:

Public notices will be made electronically. However, when electronic public notices cannot be made due to circumstances beyond our control, we will post a notice in the *Nihon Keizai Shimbun*.

URL for Public Notices: <http://www.fkd.co.jp/>

### Note:

In regard to procedures for matters such as change of address of shareholders and requests for purchase of shares, please contact the securities company or other institution that established the account. These procedures are not handled by the Stock Transfer Agent (Mitsubishi UFJ Trust and Banking Corporation). Unclaimed dividends shall be paid at the main branch of Mitsubishi UFJ Trust and Banking Corporation.

## Shareholder Benefit Program

To express our gratitude for the constant support of our shareholders and with the aim of encouraging shareholders to maintain their shareholding over a long period, the Company has decided to introduce a Shareholder Benefit Program. The details are as follows.

1. Start date: Shareholders listed in the Shareholders' Register as of December 31, 2014
2. Method of presentation: Once a year to shareholders holding 1,000 shares or more as of December 31
3. Benefits: A ¥5,000 QUO card for all shareholders  
\*Eligible shareholders will all receive the same standard benefit.
4. Presentation period: Scheduled to be sent in late March each year



URL <http://www.fkd.co.jp/>



Head office:  
3-10 Ichibanboridochi, Chuo-ku, Niigata  
Tel: 025-266-9111 (Main line)