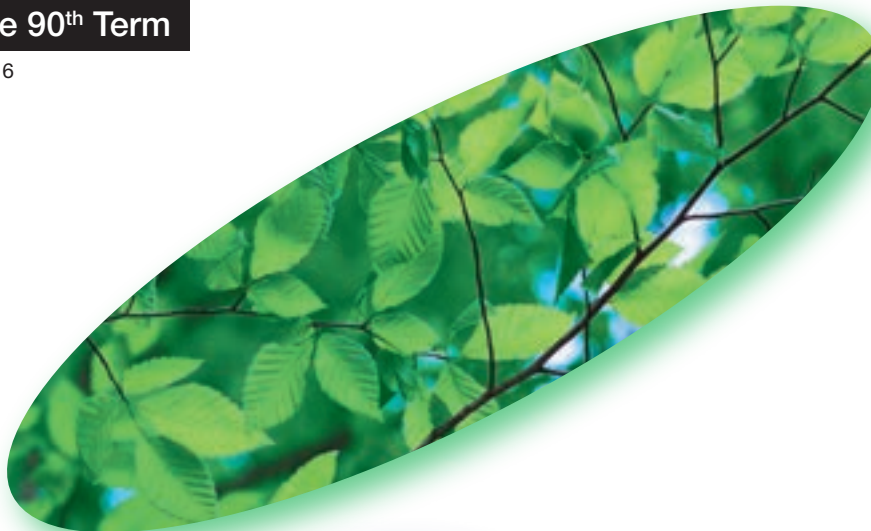


Annual Report for the 90th Term

January 1, 2016 – December 31, 2016



To the Shareholders of Fukuda Corporation



Fukuda Corporation

Stock code: 1899

To Our Shareholders



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 90th term ended on December 31, 2016.

By upholding the basic principle of “Creating an environment where people, nature and society can coexist” and adhering to the Fukuda Group Spirit of “Always sincere from now until the next century and beyond,” the Fukuda Group draws on its comprehensive strengths and sincerity to form strong bonds with those that we love and cherish, in order to protect their lives and livelihoods. 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 is working together as one, with our highest priority being the satisfaction of all of our stakeholders, including our customers, shareholders, business partners, local community and employees.

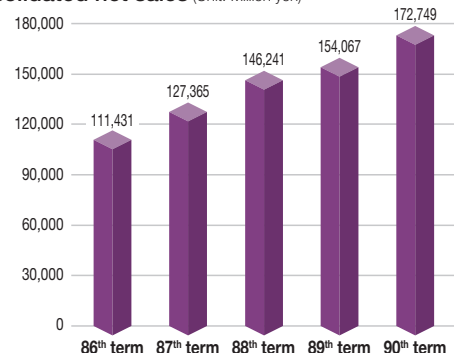
The Company’s business results for the fiscal year under review are shown below. While today’s increasingly global society is fraught with unexpected risks, we will aim to enhance our corporate value and maintain the Group’s management base as a united corporate group so that we may further continue to meet the expectations of our shareholders.

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

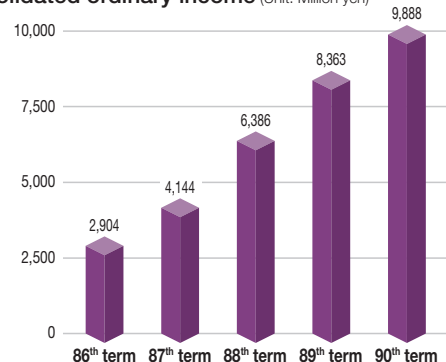
March 2017

Operating Results

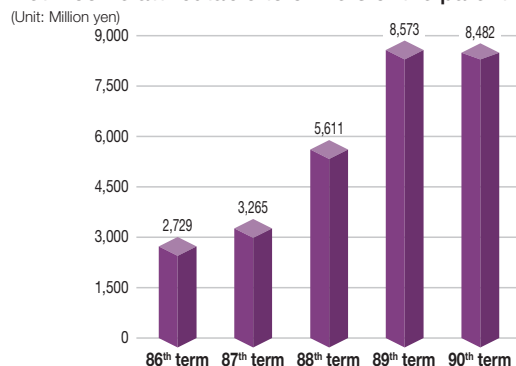
Consolidated net sales (Unit: Million yen)



Consolidated ordinary income (Unit: Million yen)



Net income attributable to owners of the parent



Business environment for the fiscal year under review

During the fiscal year under review, the Japanese economy continued to be in a moderate recovery trend, with the export industry as the driving force, which is supported by the weak yen and high stock prices. Meanwhile, personal consumption lacked strength due to a continuously depressed consumer sentiment, despite improvements in the employment and income environment against the backdrop of labor shortage.

In the construction industry, a boost in market conditions is anticipated for public investments in construction due to factors such as government-led economic measures and the supplementary budget. However, there is a concern over delays in progress due to a shortage of construction workers. Investment in construction by the private sector is estimated to remain strong due to Tokyo Olympics-related, inbound oriented and other investment projects, but since the manufacturing sector focuses on maintenance and renewal, stagnation in new capital expenditures seems apparent.

Consolidated business results for the fiscal year under review

Under these circumstances, the Fukuda Group aims to accomplish the Long-term Vision and the Medium-Term Business Plan announced February last year by steadily implementing the various measures contained, and work towards further reinforcement of collaboration among Group companies for efficient use of existing management resources, so as to maximize effectiveness. As a result, the consolidated business results for the fiscal year under review were as follows.

Net sales rose 12.1% over the previous fiscal year to more than ¥172.7 billion thanks to the balance carried forward from last year and the increase in orders received, as well as steady progress made in construction works for which orders have already been received. In terms of profit, gross profit increased by 14.8% year on year to more than ¥19.8 billion, attributable to the improvement of the order environment in the construction business, improvement in the profitability of projects, improved fixed cost efficiency due to increases in construction projects earnings and other influential factors. Although general and administrative expenses rose due to the increase in labor costs, operating income increased 18.7% year on year to more than ¥9.6 billion. On the other hand, net income attributable to owners of the parent decreased 1.1% year on year to more than ¥8.4 billion, due to the loss of the previous fiscal year's recording of gain on step acquisitions of affiliates and the recording of impairment losses, as well as a large increase in income taxes caused by the increase of taxable income and the new lower deduction limit for loss carried forward.

Outlook for the next fiscal year

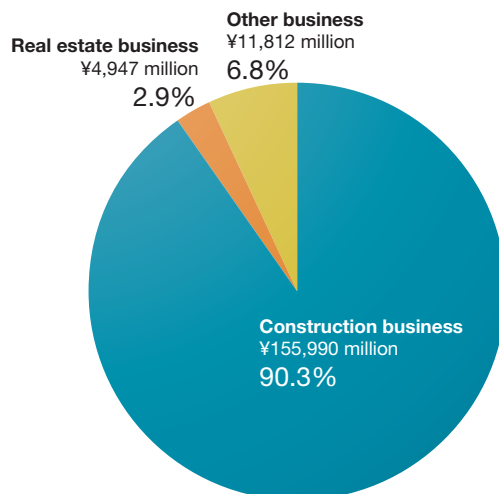
Going forward, the Japanese economy is expected to implement new measures for maintaining the positive growth trend now that government-led economic measures have run their course. However, corporate investment in construction is expected to remain suppressed for a while, mainly due to uncertainties caused by the policy direction of the new U.S. administration, which can lead to a weak U.S. dollar or other factors that will greatly influence the business results of Japanese export industry and manufacturing industry.

In the construction industry, driven by investment by non-manufacturing industries and public investments as economic measures in construction, the order environment is expected to remain steady. However, there is a concern over skyrocketing construction costs due to the concentrated demand of materials and labor in the Tokyo metropolitan area.

In view of these circumstances, we expect consolidated business results for the fiscal year ending December 2017 to yield net sales of ¥170.0 billion, operating income of ¥7.1 billion, ordinary income of ¥7.1 billion and net income attributable to owners of the parent of ¥4.5 billion.

In regard to the Company's non-consolidated business results for the next fiscal year, we anticipate orders of ¥115.0 billion, net sales of ¥110.0 billion, operating income of ¥5.0 billion, ordinary income of ¥5.3 billion and net income of ¥3.5 billion.

Ratio of net sales by consolidated business



Completed Work

Main projects completed in the fiscal year under review

Construction



Niigata Prefecture
Niigata Commercial High School School Building Construction Project
(Niigata Prefecture)



Fuyo General Lease Co. Ltd.
Tentative name: Nakamura-ku Kamejima 2-chome Project
(Aichi Prefecture)



AEON TOWN Co., Ltd.
Tentative name: AEON TOWN Yukarigaoka (West Block) and
Pedestrian Overpass Construction Project (Chiba Prefecture)



Sanyo Homes Corporation
Tentative name: Joto-ku Noe 1-chome Housing Complex
Construction Project (Osaka Prefecture)

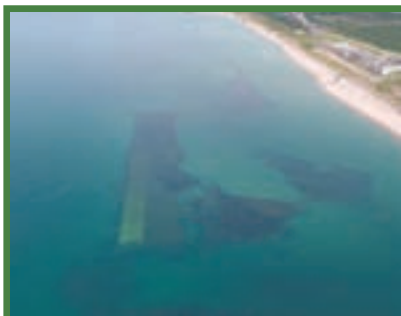


Kyoritsu Estate Co., Ltd.
Tentative name: Naruko Tenjin Hotel Renovation Project
(Miyagi Prefecture)



Anabuki Kosan Kyushu Inc.
Tentative name: Alpha Freshia Kurume Ekimae Construction Project
(Fukuoka Prefecture)

Civil Engineering



Niigata Prefecture
Senami Kaigan 2014 Coastal Disaster Reconstruction
(No.3 Embankment) Project (Niigata Prefecture)



Tokyo Metropolitan Government
2015 Toyosu 6-chome Riverbank Green Space
Maintenance Project (Block 8) Part 1 (Tokyo)



Ministry of Land, Information, Transport and Tourism, Chugoku Regional Development Bureau
Tottori West Road Ketaka Shikano Tunnel
Construction (Tottori Prefecture)



Niigata Prefecture
National Route 289 Tsubame-kita Bypass (Tentative name)
Asahi Bridge Superstructure Project (Niigata Prefecture)



Ministry of Land, Information, Transport and Tourism, Chubu Regional Bureau
2015 Ibigawa Hakkei Upstream Riverside Surge
Embankment Reinforcement Project (Mie Prefecture)



Ministry of Land, Information, Transport and Tourism, Kyushu Regional Development Bureau
Yamanoi (Downstream) Drainage Pumping Station Discharge Sluice
Pipe Emergency Response Construction (Fukuoka Prefecture)

Main orders and completed projects for the fiscal year under review

Orders

- DAIWA HOUSE INDUSTRY CO., LTD
Tentative Name: Hachioji Takao Shopping Centre Construction Project
- Tokyo Metropolitan Government
Ariake Arena (Tentative Name) (27) Construction Project
- Hitachi, Ltd.
Kisarazu Land Development Project
- Public Interest Incorporated Foundation Niigata Prefecture
Environmental Conservation Business Corporation
Disposal Building No.1 Eco Park Izumozaki Phase 3 Final Disposal Site Engineering Facilities Construction Project

Completed projects

- AEON TOWN Co., Ltd.
Tentative name: AEON TOWN Yukarigaoka (West Block) and Pedestrian Overpass Construction Project
- Tachikawa Medical Center
Tachikawa General Hospital Relocation Construction Project
- Kyoritsu Estate Co., Ltd.
Tentative name: Naruko Tenjin Hotel Renovation Project
- Ministry of Land, Information, Transport and Tourism,
Chugoku Regional Development Bureau
Tottori West Road Ketaka Shikano Tunnel Construction

Consolidated Financial Statements

Consolidated Balance Sheet

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

	90 th term (as of December 31, 2016)	89 th term (as of December 31, 2015)
● Assets		
Current assets	86,706	78,957
Non-current assets	32,881	31,693
Property, plant and equipment	24,370	22,677
Intangible assets	1,416	1,660
Investments and other assets	7,093	7,354
Total assets	119,588	110,651
● Liabilities		
Current liabilities	57,323	56,400
Non-current liabilities	7,416	7,260
Total liabilities	64,740	63,661
● Net assets		
Shareholders' equity	53,403	45,551
Capital stock	5,158	5,158
Capital surplus	6,132	6,048
Retained earnings	42,381	34,527
Treasury shares	△ 269	△ 183
Accumulated other comprehensive income	883	927
Valuation difference on available-for-sale securities	1,165	1,227
Revaluation reserve for land	22	△ 46
Remeasurements of defined benefit plans	△ 304	△ 253
Non-controlling interests	560	511
Total net assets	54,848	46,990
Total liabilities and net assets	119,588	110,651

Consolidated Statement of Income

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

	90 th term (January 1, 2016 - December 31, 2016)	89 th term (January 1, 2015 - December 31, 2015)
Net sales	172,749	154,067
Cost of sales	152,930	136,799
Gross profit	19,819	17,268
Selling, general and administrative expenses	10,124	9,101
Operating income	9,695	8,166
Non-operating income	375	441
Non-operating expenses	182	244
Ordinary income	9,888	8,363
Extraordinary income	120	813
Extraordinary losses	447	124
Income before income taxes and minority interests	9,560	9,053
Income taxes – current	1,255	792
Income taxes – deferred	△ 248	△ 353
Net income	8,553	8,614
Net income attributable to non-controlling interests	70	40
Net income attributable to owners of the parent	8,482	8,573

Consolidated Statement of Cash Flows

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

	90 th term (January 1, 2016 - December 31, 2016)	89 th term (January 1, 2015 - December 31, 2015)
Cash flows from operating activities	2,962	16,978
Cash flows from investing activities	△ 3,160	△ 1,723
Cash flows from financing activities	△ 6,339	△ 4,642
Net increase (decrease) in cash and cash equivalents	△ 6,536	10,613
Cash and cash equivalents at beginning of period	24,198	13,585
Increase (decrease) in cash and cash equivalents resulting from change of scope of consolidation	△ 123	—
Cash and cash equivalents at end of period	17,538	24,198

Consolidated Statement of Changes in Equity (January 1, 2016 – December 31, 2016)

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

	Shareholders' equity					Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Revaluation reserve for land	Remeasurements of defined benefit plans	Accumulated other comprehensive income		
Balance as of January 1, 2016	5,158	6,048	34,527	△ 183	45,551	1,227	△ 46	△ 253	927	511	46,990
Changes of items during the period											
Dividends of surplus			△ 536		△ 536						△ 536
Net income attributable to owners of the parent			8,482		8,482						8,482
Purchase of treasury shares				△ 142	△ 142						△ 142
Disposal of treasury shares		84		55	140						140
Change of scope of consolidation			△ 70		△ 70						△ 70
Reversal of revaluation reserve for land			△ 22		△ 22						△ 22
Net changes of items during the period other than shareholders' equity						△ 61	69	△ 50	△ 43	49	5
Total changes of items during the period	—	84	7,854	△ 86	7,852	△ 61	69	△ 50	△ 43	49	7,857
Balance as of December 31, 2016	5,158	6,132	42,381	△ 269	53,403	1,165	22	△ 304	883	560	54,848

Non-Consolidated Financial Statements

Balance Sheet

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

	90 th term (as of December 31, 2016)	89 th term (as of December 31, 2015)
● Assets		
Current assets	57,636	51,394
Non-current assets	16,680	16,745
Property, plant and equipment	8,140	7,803
Intangible assets	81	85
Investments and other assets	8,458	8,856
Total assets	74,317	68,140
● Liabilities		
Current liabilities	39,223	38,584
Non-current liabilities	2,259	2,711
Total liabilities	41,482	41,295
● Net assets		
Shareholders' equity	31,296	25,290
Capital stock	5,158	5,158
Capital surplus	6,132	6,048
Retained earnings	20,274	14,266
Treasury shares	△ 269	△ 183
Valuation and translation adjustments	1,538	1,554
Valuation difference on available-for-sale securities	845	896
Revaluation reserve for land	692	658
Total net assets	32,835	26,844
Total liabilities and net assets	74,317	68,140

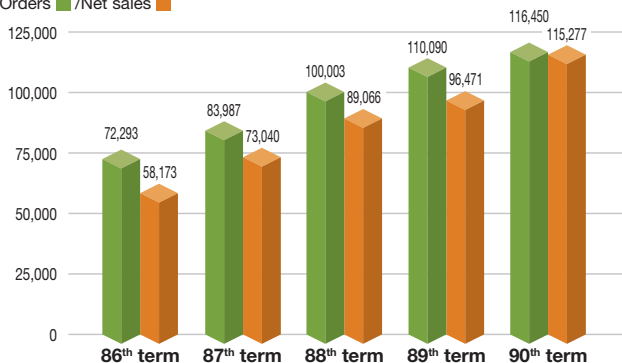
Statement of Income

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

	90 th term (January 1, 2016 - December 31, 2016)	89 th term (January 1, 2015 - December 31, 2015)
Net sales	115,277	96,471
Net sales of completed construction contracts	112,018	92,556
Net sales on real estate business	3,259	3,915
Cost of sales	104,068	86,982
Cost of sales on completed construction contracts	102,347	84,584
Cost of sales on real estate business	1,721	2,398
Gross profit	11,209	9,488
Gross profit on completed construction contracts	9,671	7,971
Gross profit on real estate business	1,538	1,517
Selling, general and administrative expenses	4,428	4,087
Operating income	6,780	5,401
Non-operating income	539	624
Non-operating expenses	87	162
Ordinary income	7,232	5,863
Extraordinary income	103	288
Extraordinary losses	560	156
Income before income taxes and minority interests	6,775	5,996
Income taxes – current	420	△ 112
Income taxes – deferred	△ 196	△ 337
Net income	6,551	6,446

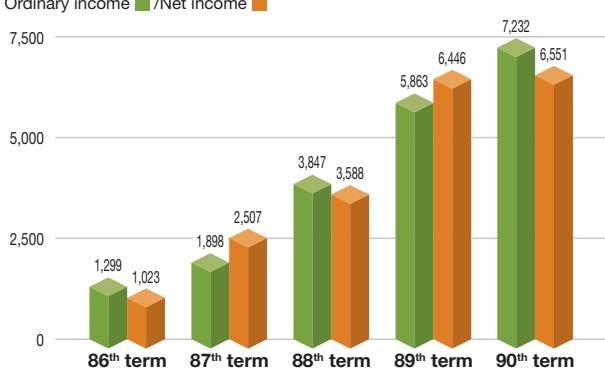
Orders/Net sales (Unit: Million yen)

Orders ■ /Net sales ■



Ordinary income/Net income (Unit: Million yen)

Ordinary income ■ /Net income ■



Medium-term Business Strategy

The Company set forth the “Long-term Vision 2025” last year as the Group’s vision for the future, and set up the “Medium-Term Business Plan 2018” based on the vision.

These are not intended for a rapid expansion of our business, but for a continuation of our stable growth while building up a solid management base that is capable of responding to environmental changes. To achieve the plan, it is important to continue responding to the needs of customers with the comprehensive strengths of the Group by focusing on maintenance and renewal, which is expected to further expand going forward. For this purpose, we will gain the customers’ trust by improving our field capabilities in existing business fields, revisit our roots of making high-quality products and put it into practice.

The Group will integrate the management resources for the future, and secure a new revenue base while at the same time realize its diversification. To achieve it, the Group will nurture talent, which is our most important management resources, evolve the whole Fukuda Group, to ultimately fulfill our mission.

On the other hand, the Group’s subsidiary, Fukuda Road Construction Co., Ltd., has received a cease and desist order from the Japan Fair Trade Commission for violating the Antimonopoly Act last year. We would like to express our sincerest apologies to those affected and concerned. From now on, we will work to further strengthen our compliance system and restore the trust.

In conclusion to the above matters, set forth below are the five pillars of basic policy for Fiscal Year 2017. We will further reinforce measures that have already been implemented, and work towards building a stronger revenue base, by conscientiously carrying out each one of them.

Five Pillars of Our Basic Policy for Fiscal Year 2017

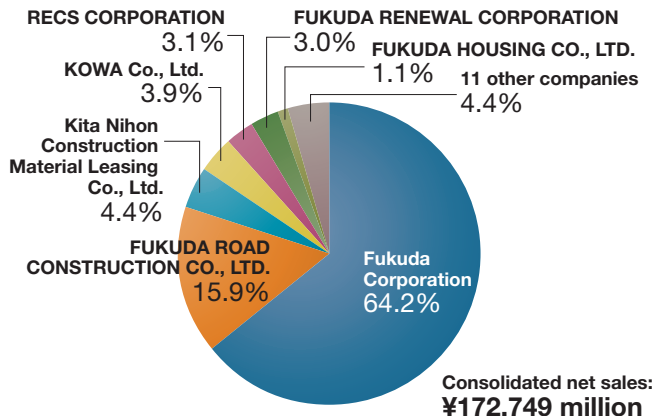
1. Strengthen the stable revenue base
2. Look ahead to the future and enhance our corporate value
3. Enhance the nurturing of talent
4. Strengthen the safety management system
5. Strengthen the development of trusting relationships



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

Corporate Group

The Fukuda Corporate Group consists of the Company, 29 subsidiaries and five affiliates, and its mainstay businesses are the construction business and the real estate business. Other business encompasses services other than construction.



Construction business

In addition to the construction orders and projects undertaken by the Company, FUKUDA ROAD CONSTRUCTION CO., LTD. and 22 other subsidiaries, and TAKAKEN CO., LTD. and four other affiliates are also engaged in construction orders and projects, as well as the rental and manufacturing/sales of construction-related materials and equipment, 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.

Kita Nihon Construction Material Leasing Co., Ltd.

<http://www.kkl.co.jp/>

- Head Office: 1572-9 Tarodai, Kita-ku, Niigata City, Niigata Prefecture
 - Business offices: Niigata City, Joetsu City, Nagano City, Tohoku Region, Fukushima City, Yamagata City, Morioka City, Tokyo and Kita-Kanto
 - Overseas Representative Office: Jakarta (Indonesia)
 - Rental and sales of temporary steel products for construction (Steel sheet piles, iron floor plates, steel earth-retaining materials, Ga-do Kun (temporary guardrail), H-steel bars, Ketaro (temporary bridge), Biotoilet, large scale submersible pumps, etc.)
- Design and execution of temporary construction projects (Steel sheet piles, H-steel blanking, pier installation and removal, etc.)

Kita Nihon Construction Material Leasing Co., Ltd., for more than 40 years since its founding, has built up trust and business results over the years. From the rental of steel products for heavy temporary construction such as steel sheet piles, iron floor plates and temporary piers, which are considered to be indispensable in construction projects, to the undertaking of temporary construction projects from design to execution, the Company is seen as the "Total Supporter for Customers in the Construction Field".

On the other hand, the Company-owned "Biotoilet" has met the standards set by the Ministry of Land, Information, Transport and Tourism and has been certified as a "Kaiteki toilet" (pleasant lavatory) by the Ministry. Biotoilet does not only respond to the needs at construction sites, but can also be seen in remote mountains where flushing water cannot be used. For reasons as such, it is highly recognized and valued for its excellence in terms of environmental hygiene.

Looking forward, the Company will continue to advance by leveraging the experiences and know-how we have gained, to greater heights as a supporter of the whole construction industry, while expanding the business to Southeast Asia, etc.



Biotoilet needs no tap water nor sewage facilities



The Company's original product Temporary pier Ketaro



Rental items owned by the Company (photo shows earth retaining materials)

Company with Excellent Record of Construction Projects Certification

Awarded "Excellent Record of Construction Projects Certification" from the Ministry of Land, Information, Transport and Tourism for the Fourth Consecutive Year



The Company received certification and an award as a Company with Excellent Record of Construction Projects for Fiscal 2015 from the Hokuriku Regional Development Bureau of the Ministry of Land, Information, Transport and Tourism. 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 has recognized the Company's high level of technical capabilities in regard to construction and quality control for the fourth consecutive year.

The Company also received the Excellence in Technology Award (fourth consecutive year) from the Director of the Hokuriku Regional Development Bureau of the Ministry of Land, Information, Transport and Tourism.

Encouraged by these certification and awards, the Company is committed to further contribute to the development of the social infrastructures of the region.



◀ The award recognizes excellent records of construction projects for fiscal 2015 and technical experts showing remarkable achievements partly as a result of the Company overcoming difficulties and making efforts in creative originality.
Photo on the left:
Kakikawa Drainage Road Sluice Gate Construction Project

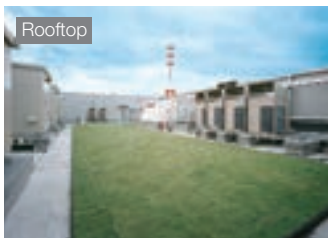
Completion of New Niigata Head Office Building

With the unchanging belief at heart, we make a fresh start in the lands of Ichibanbori

The new head office building has been incorporated with, as the Company motto goes, "sincerity" and "creativity," and aims to be a building that physically demonstrates "sincerity" with a substantial sturdiness unswayed by trend. In times of disaster, it is our mission as part of the construction industry to engage in activities that contribute to the local community as early as possible. The building is disaster resilient, environmentally-friendly and incorporated with leading edge technologies.

The building is designed with "safe as a shelter" functionality, such that in the event of disaster, locals will be able to use it as a disaster prevention center. With regards to the environment, the effective use of natural energy sources such as geothermal power and rainwater harvesting makes it an epitome of energy efficient buildings. It is the third building in Niigata City to achieve Rank S, the highest of the "CASBEE Niigata" five-rank system.

In accordance with the Fukuda Group Spirit of "Always sincere from now until the next century and beyond," we will take up challenges with a fresh state of mind in this land that has nurtured us, and contribute to society through construction.



1. Disaster resilient

- Base isolating structure
- Installation of cubicles and emergency generators on upper floors (measures against Tsunami floods)
- Installation of stockpile warehouses
- The multipurpose hall on the 5th floor functions as a disaster prevention center in times of disaster (Lavatory, shower room installed)
- The multipurpose hall on the 5th floor, the rooftop, and the conference room on the 4th floor are to be offered as evacuation sites in times of disaster



2. Environmentally friendly

- Achieved Rank S of the CASBEE Niigata system (highest rank)
- Green rooftop with the installation of a rainwater harvesting sprinkler system
- Installation of geothermal air-conditioning facilities and non-sprinkled snow-melting system
- Installation of Low-E multi-paned glasses
- Installation of LED lightings

3. Incorporation of technologies

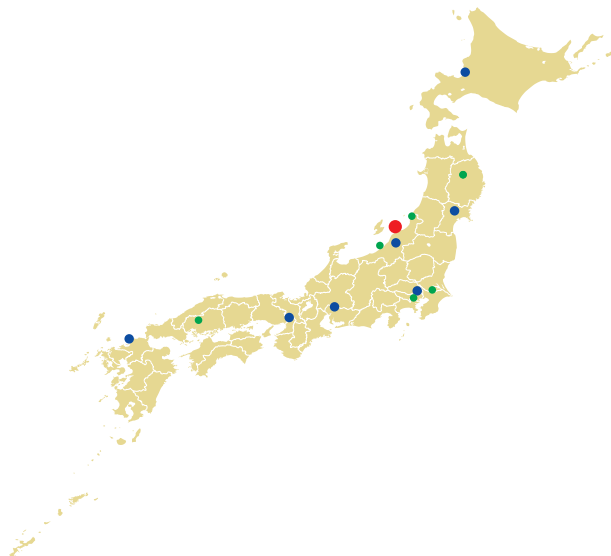
- Base isolating structure
- Use of PC (pre-stressed concrete) beams that realizes a long span
- Eaves of SRC and Aluminum honeycomb panel
- Installation of geothermal air-conditioning facilities and non-sprinkled snow-melting system

Corporate Data

Company Profile

(as of December 31, 2016)

Established: January 1902
Founded: December 1927
Capital: 5,158,408,496 yen
Employees: 851
Consolidated subsidiaries: 17 (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 (Chuo-ku,
 Sapporo)
 ● **Sales Offices**
 Morioka, Chiba, Yokohama, Murakami,
 Jouetsu, Hiroshima and six other locations
 (Note) Shibata Sales Office opened on April 1, 2016.



Directors and Executive Officers

(as of March 28, 2017)

Chairman & Representative Director Chairman of the Board	Katsuyuki Fukuda	Senior Executive Officer	Kuniyoshi Koike
President & Representative Director President of the Board	Toyohiko Ota	Senior Executive Officer	Shinichi Otsuka
Representative Director & Vice President of the Board	Kenichi Takasaka	Senior Executive Officer	Shoichi Takakuwa
Director & Senior Managing Executive Officer	Wataru Ishikawa	Executive Officer	Tsugio Yuasa
Director & Senior Executive Officer	Masanori Araaki	Executive Officer	Tsuyoshi Tamiya
Director & Executive Officer	Ryoichi Soma	Executive Officer	Kazunori Konno
Director & Executive Officer	Masahiro Masuko	Executive Officer	Katsuhiko Iwasaki
Director & Executive Officer	Takeshi Yamamoto	Full-Time Audit & Supervisory Board Member	Koichi Yakuwa
Director	Kenichi Yazawa	Audit & Supervisory Board Member	Tetsuya Sunada
Director	Yoshinao Nakata	Audit & Supervisory Board Member	Michiaki Miyajima
Senior Executive Officer	Chihiro Oiwa		

Notes:

- Messrs. Kenichi Yazawa and Yoshinao Nakata are Outside Directors pursuant to Article 2, Paragraph 15 of the Companies Act.
- Messrs. Tetsuya Sunada and Michiaki Miyajima are Outside Audit & Supervisory Board Members pursuant to Article 2, Paragraph 16 of the Companies Act

Stock Information

(as of December 31, 2016)

Total Number of Shares
 Authorized to be Issued: 100,000,000 shares
 Total Number of Shares Outstanding
 (excluding treasury shares): 44,630,862 shares
 Number of Shareholders: 5,564

Major Shareholders	Name of shareholder	Number of shares held (thousands)	Shareholding ratio (%)
	(Public Interest Incorporated Foundation) Fukuda Ikueikai	3,343	7.5
	THE DAISHI BANK, LTD.	2,198	4.9
	Naomi Fukuda	2,158	4.8
	Fuji Fukuda	1,633	3.7
	Kazuko Ozawa	1,607	3.6

Note: Shareholding ratio is calculated after deducting the number of treasury shares (309,695 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 introduced a Shareholder Benefit Program.

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



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



FUKUDA

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