

October 31st, 2013

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Notification Regarding Dividend of Surplus and Revision of Dividend Forecast for Year Ending March 2014

At the meeting of Board of Directors held on October 31st, 2013, Fukuda Denshi Co., Ltd. has resolved the dividend of surplus with the record date as September 30th, 2013 and the revision of dividend forecast for year ending March 2014 as follows.

1. Details of the dividend of surplus

	Decided amount	Previous forecast (made public on July 31 st , 2013)	Previous fiscal year result (year ended March 2013)
Record date	September 30 th , 2013	September 30 th , 2013	September 30 th , 2012
Dividends per share	45.00 yen	40.00 yen	40.00 yen
Total dividends	625 million yen	-	615 million yen
Effective date	December 9 th , 2013	-	December 10 th , 2012
Source for dividends	Retained earnings	-	Retained earnings

* The breakdown of the decided amount of the dividends per share of 45.00 yen is ordinary dividends of 40.00 yen and extra dividends of 5.00 yen.

* As a consequence of the introduction of a stock benefit trust (J-ESOP), we have carried out an accounting procedure which records the 50,000 Fukuda Denshi shares owned by Trust & Custody Services Bank, Ltd. (Trust Account E) for the treasury stock of Fukuda Denshi. So for the interim dividends we have subtracted two million yen from the calculation of the total dividends from ordinary shares.

2. Reasons

Fukuda Denshi has traditionally regarded returning profits to shareholders as a top management priority and it has established a basic policy of stably and continually allocating benefits to shareholders while securing required internal reserves.

The specific policy for returning profits to shareholders is calculated from the consolidated net income for the full year based on a consolidated dividend payout ratio of 30%.

Based on the above dividend policy, we have taken into consideration the results until the second quarter cumulative period to revise the interim dividends up 5 yen to 45 yen, and revise the forecast for the annual dividends to 130 yen.

3. Details of the revision of dividend forecast

	Dividends per share		
	End of the second quarter	End of the term	Total
Previous forecast	40.00 yen	85.00 yen	125.00 yen
Current revised forecast		85.00 yen	130.00 yen
Current fiscal year result	45.00 yen		
Previous fiscal year result (year ended March 2013)	40.00 yen	85.00 yen	125.00 yen

* The breakdown of the actual dividends of 45.00 yen per share at the end of the second quarter of the current term is ordinary dividends of 40.00 yen and extra dividends of 5.00 yen. The breakdown of the actual dividends of 40.00 yen per share at the end of the second quarter of the previous term is ordinary dividends of 40.00 yen, and the breakdown of the end-of-term dividends of 85.00 yen is ordinary dividends of 40.00 yen and extra dividends of 45.00 yen.

*This English translation is for reference purposes only. The original Japanese version will prevail as the official authoritative version.