



September 22, 2010

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Notice for Termination of Distribution Agreement for Intravascular Ultrasound Imaging Devices

Fukuda Denshi hereby announces that it has reached an agreement to terminate the distribution agreement it had with Volcano Corporation of the U.S. and Volcano Japan Co., Ltd. for intravascular ultrasound imaging devices (IVUS imaging devices) as of today.

1. Background

Fukuda Denshi launched a proprietarily developed PTCA catheter product on the market in FY2009 as a part of our total management of ischemic heart disease, and we continued to work on further development of the intervention business. Meanwhile, we received notice from Volcano Corp. and Volcano Japan in regards to IVUS imaging devices and related products that the companies would not be supplying new products. Many rounds of discussions were held on the matter, but in the end the decision was made to end the agreement.

2. Agreement Termination Date

November 30, 2010 (Tue.)

3. Distributor after Termination

Company: Volcano Japan Co., Ltd.
President: Junichi Osawa
Address: 6th fl. Hamamatsu-cho Square, 1-30-5 Hamamatsu-cho, Minato-ku, Tokyo
Telephone: +81-3-6430-9400 (reception)

4. Handling Going Forward

Handling of IVUS imaging devices and related products currently in use will be transferred to Volcano Japan as of December 1, 2010. Both companies will cooperate in ensuring that the transfer proceeds quickly and smoothly, and make every effort to keep providing a high level of service going forward.

Fukuda Denshi has been focusing efforts on the field of cardiovascular therapy, in addition to electrocardiographs and other types of testing equipment, and has bolstered its lineup of products for cardiac catheter examinations. Having already launched catheters for coronary angiography, a distinctive product developed proprietarily by Fukuda Denshi, we commenced production last year of PTCA catheters ("Cyclone") for the treatment of coronary arteriopathy. We also successfully launched high-voltage PTCA catheters on the market this year.

As a manufacturer and distributor of medical equipment, Fukuda Denshi is committed to contributing to the field of medicine through supply of medical instruments and devices, starting with high-quality Fukuda Denshi products manufactured in Japan.

Terminating this distribution agreement for IVUS imaging devices will have negligible impact on our financial performance in FY2010.