November 17, 2025

Company name: FUKUDA CORPORATION
Name of representative: Masanori Araaki President and Representative Director
(Securities code: 1899; TSE Prime Market)
Inquiries: Yusuke Fukuda Executive Officer and Head of Corporate Planning
Telephone: +81-25-266-9111

Notice Regarding Absorption-Type Merger of Consolidated Subsidiary (Simplified Merger/Short-Form Merger)

FUKUDA CORPORATION (the "Company") hereby announces that at the Board of Directors meeting held today, it resolved to absorb the consolidated subsidiary, Nihon Giken Co., Ltd. ("Nihon Giken"), through an absorption-type merger (hereinafter "the Merger"), effective December 26, 2025.

１．Purpose of the Merger

Nihon Giken is a wholly owned consolidated subsidiary of our company and has been engaged in the real estate leasing business. Through this merger, we aim to consolidate the real estate operations within our group and enhance the efficiency of group management.

２．Summary of the Merger

(1) Schedule of the Merger

Date of resolution at the Board of Directors meeting	November 17, 2025
Date of execution for the Merger agreement	November 17, 2025
Effective date of the Merger	December 26, 2025 (scheduled)

※ As this Merger is a simplified merger for the Company as provided for in Article 796, Paragraph 2 of the Companies Act, and a short-form merger for Nihon Giken as provided for in Article 784, Paragraph 1 of the Companies Act, neither merger agreement will require approval at a general meeting of shareholders.

(2) Method of the Merger

This will be an absorption-type merger with the Company to be surviving company, and Nihon Giken as the company to be absorbed.

(3) Details of allocations related to The Merger

As the Merger involves a wholly owned subsidiary, no new shares will be issued, nor will any cash or other consideration be allocated as a result of the merger.

(4) Handling of stock acquisition rights and bonds with stock acquisition rights of the absorbed company

Not applicable.

３．Overview of the Parties to the Merger

	Surviving Company	Absorbed Company
(1) Company name	FUKUDA CORPORATION	Nihon Giken Co., Ltd.
(2) Location	3-10, Ichibanboridoricho, Niigata, Chuo-ku, Niigata	3-10, Ichibanboridoricho, Niigata, Chuo-ku, Niigata
(3) Representative	Masanori Araaki, President and Representative Director	Keizo Komagata, Representative Director
(4) Business description	Construction Business and Real Estate Business	Real Estate Business
(5) Capital	5,158 million yen	10 million yen
(6) Date of establishment	December 29, 1927	June 1, 1982
(7) Number of issued stock	8,988,111 shares	10,000 shares
(8) End of fiscal year	December 31	March 31
(9) Major shareholders and shareholding ratio	The Master Trust Bank of Japan, Ltd.(Trust account) 8.5% Fukuda Scholarship Foundation 8.2% Naomi Fukuda 5.2% Daishi Hokuetsu Bank, Ltd. 4.5% Kazuko Ozawa 3.8%	FUKUDA CORPORATION 100%
(10) Operating results and financial status for the most recent fiscal year		
Fiscal year	Consolidated results for fiscal year ended December, 2024	Non-consolidated results for the fiscal year ended March, 2025
Total assets	142,814 million yen	603 million yen
Net assets	85,407 million yen	601 million yen
Net assets per share	10,228.06 yen	60,100.00 yen
Net sales	166,589 million yen	35 million yen
Operating profit	7,665 million yen	3 million yen
Ordinary profit	7,957 million yen	3 million yen
Net income attributable to owners of the parent	5,309 million yen	2 million yen
Net income per share	641.55 yen	200.00 yen

４．Status after the Merger

There will be no changes to the Company's name, business contents, head office address, name of representative, capital, or fiscal year end of the Company due to the Merger.

５．Future outlook

As this merger is with a wholly owned consolidated subsidiary of the Company, its impact on the consolidated financial results is expected to be minimal.