

April 28, 2005

FOR IMMEDIATE RELEASE

Furusato Industries, Ltd.

Upward Revision to Full-Year Earnings and Year-End Dividend Forecasts for Fiscal 2004

FURUSATO Industries, Ltd. has announced today an upward revision to its earnings and dividend forecasts for the year ending March 31, 2005 (FY2004), which was announced on November 15, 2004, at the Board of Directors meeting held on April 28, 2005. The details of the upward revision are as follows:

1. Upward revision to its earnings forecasts for FY2004

(from April 1, 2004 to March 31, 2005)

(1) Consolidated (Millions of yen)

	Net Sales	Ordinary Income	Net Income
Previous forecasts (A)	72,743	3,844	1,713
Revised forecasts (B)	74,730	4,220	1,770
Change (B-A)	1,987	376	57
% Change	2.7%	9.8%	3.3%
(Reference) FY2003	62,032	2,003	778

(2) Non-consolidated (Millions of yen)

	Net Sales	Ordinary Income	Net Income
Previous forecasts (A)	20,318	1,941	638
Revised forecasts (B)	21,860	2,160	650
Change (B-A)	1,542	219	12
% Change	7.6%	11.3%	1.9%
(Reference) FY2003	17,238	955	415

(3) Reason for the upward revision

In consolidated and non-consolidated financial results, net sales and ordinary income surpassed the initial forecasts due to capital investment recovery in private sectors. Meanwhile, net income grew slightly due to tax expense increase.

2. Upward revision to its year-end dividend forecasts for FY2004

(1) Reason for the upward revision

In Furusato basic dividend policy, FURUSATO group aims to continue stable dividend returns to our shareholders according to our performance-based dividend policy with a target annual payout ratio of approximately 20% or minimum annual dividend of 10 yen.

Due to the expected full-year financial results for fiscal 2004 surpassing the previous forecasts, we are scheduled to propose the upward revision of the year-end dividend of 12 yen per share, 2 yen increase from the previous forecasts of 10 yen based on the basic dividend policy, at the Ordinary General Meeting of Shareholders scheduled on June, 2005.

(2) Dividend

	Interim dividend	Year-end dividend	Annual dividend
Previous forecasts (as of Nov.15, 2004)	10 yen	10yen	20 yen
Revised forecasts	10 yen	12 yen	22 yen
(Reference) FY2003	5 yen	5yen	10 yen

*The forecasts presented above are based on information currently available. The statements involve various factors that could cause actual results to be materially different.