

May 19, 2006

FOR IMMEDIATE RELEASE

Furusato Industries, Ltd.

Notice Concerning Determination of Number of Disposal of Treasury Stock Through Third party Allotment

In conjunction with the disposal of treasury stock of Furusato Industries, Ltd. ("Company") through third party allotment, which was approved together with the secondary offering of shares by the disposal of treasury stock and secondary offering of shares by exercise of over-allotment option, and of which the disposal price was determined at the Board of Directors meeting held on April 10, 2006 and April 19, 2006, respectively, the Company has received notification that the third party will make a part of subscription for the shares planned to be disposed. The details are as follows:

1. Number of shares to be disposed (final) : 12,800 shares
(100,000 shares as scheduled)
2. Aggregated disposal price (final): 28,925,440 yen
(2,259.80 yen per share)

Reference

1. This disposal of treasury stock through third party allotment was approved together with the secondary offering of shares by the disposal of treasury stock and the secondary offering of shares by exercise of over-allotment option at the Board of Directors meeting held on April 10, 2006. As for the details of this disposal of treasury stock through third party allotment, please refer to the announcements of the Company, "Notice of Disposal of Treasury Stock and Secondary Offering of Shares" dated April 10, 2006 and "Notice of Determination of Conditions on Secondary Offering of Shares and Disposal of Treasury Stock" dated April 19, 2006.

2. Change in number of treasury stock

Current number of treasury stock (as of April 30, 2006):	1,144,320 shares
Number of shares to be disposed:	12,800 shares
Number of treasury stock after this disposal:	1,131,520 shares

3. Use of proceeds

The Company intends to use the net proceeds from this disposal of treasury stock through third party allotment, which are expected to be approximately 25,925,440 yen, entirely for the capital investment. As for the details of the capital investment plans, please refer to the "Notice of Disposal of Treasury Stock and Secondary Offering of Shares" dated April 10, 2006.