

October 2008

To: Shareholders of Fujita Corporation

**Notice for Commencement of a Tender Offer
for the Shares of Fujita Corporation (“Notice”)**

Dear Shareholder,

Fujita Holdings Co., Ltd. (the “**Offeror**”) has decided to commence a tender offer (“**TOB**”) to purchase 100% of the issued and outstanding Common Stock and stock acquisition rights (“**shares, etc.**”) of Fujita Corporation (the “**Target**”). A translation of the Public Notice for the Commencement of the TOB posted on the Electronic Disclosure for Investors’ Network of Japan (EDINET) as of September 26, 2008 (the “**TOB Commencement Notice**”), the tender offer circular which describes the TOB, any amendments thereto and any additional material information relating to the TOB will be posted in English on the website of the Target (<http://www.fujita.com/finance.html>).

The Target was incorporated on October 1, 2002 in connection with a spin-off of the construction division of AC Real Estate Corporation (formerly Fujita Corporation) which was implemented by way of an incorporation-type demerger where the shares of the newly incorporated company were distributed to the shareholders demerging company (*bunkatsu-gata-bunkatsu*). The Target’s business consists of undertaking contracts for architectural, construction and other building operations for private companies, central ministries and agencies and local governments. It is responsible for executing construction and conducting other real estate development projects, such as urban-development and area development projects.

The Offeror subscribed for 24,444,445 shares of Common Stock (55% of the total issued and outstanding Common Stock of the Target) and 44,444,445 shares of Class C Preferred Stock (100% of the total issued and outstanding Class C Preferred Stock of the Target) in exchange for 41 billion yen in a third party allotment of shares on September 29, 2005 (the “**Third Party Allotment**”).

After the Third Party Allotment was completed, the Target has carried out to date wide-ranging management reforms with assistance from the Offeror. These management reforms have primarily consisted of establishing management policies that emphasize profitability rather than expansion of the scale of operations, and creating an advanced business management system, which implements these management policies. In July 2007, the Target established the “Fujita Step-up Plan” (FY 2007-2009) as a management plan to follow the “New Mid-Term Business Plan”. The Fujita Step-up Plan focuses mainly on strengthening further the construction business that had formed the base for the Target’s stable income through reinforcing the Target’s client and profit base and improving the Target’s organization. In addition, the Fujita Step-up Plan focuses on strengthening and expanding the urban redevelopment business, which had been the Target’s key strength and, therefore, its driving power for growth. Under the Fujita Step-up Plan, the Target aims to be a construction capability based urban redevelopment corporation which can offer services beyond those of a traditional general construction company.

Construction investment in FY 2007 decreased in Japan to less than 50 trillion yen, equivalent to 60% of the investment level achieved during the peak period of FY 1992. Further, the business environment has recently continued to decline exemplified by the drastic deterioration in the real estate investment climate caused by the subprime crisis in FY 2008. In order to enhance the Target’s corporate value in this business environment, it is necessary that the management team and employees work together towards completing the management reforms including further selection of, and

concentration on, selected business areas and flexible organizational reforms to adapt with the current business environment, and work towards the realization of the Fujita Step-up Plan.

The Target's share capital as of the date of this Notice is comprised of 30,463,619 shares of Common Stock and 8,888,889 shares of Class C Preferred Stock. The Class C Preferred Stock was issued upon the Third-Party Allotment in the course of the Target's corporate restructuring process, and was thus structured to be convertible to Common Stock at any time after its issuance. If all shares of the Class C Preferred Stock were converted to Common Stock the total number of issued and outstanding shares of Common Stock of the Target would be approximately 12 times higher than the present number of issued and outstanding shares of Common Stock. The capital structure of the Target can be characterized as unbalanced. The unbalanced capital structure may be a factor for the low liquidity of the Target's Common Stock in the stock market (N.B.: the daily average trading volume of the Target's issued and outstanding shares of Common Stock in the past one year ending on September 22, 2008 was approximately 0.10%). Furthermore, because of its capital structure, it has been difficult for the Target to raise financing in the capital markets.

The Target has, as methods of restructuring its capital structure, carefully considered and discussed (i) the retirement of the Class C Preferred Stock without delisting the Target's Common Stock; and (ii) the conversion of the Class C Preferred Stock to Common Stock without delisting. However, in light of the concern of the capital restructuring (without delisting) impairing its shareholders' profit, the Target has determined, upon consultation with the Offeror as its parent, that it would be most beneficial from the perspective of maximizing the Target's corporate value to become a wholly-owned subsidiary of the Offeror, which already holds the entire Class C Preferred Stock, and then restructure the Target's capital structure by cancellation or other methods of annulment of the total number of issued and outstanding Class C Preferred Stock to Common Stock.

Consequently, after consultation with the Target, the Offeror has decided to conduct the TOB because this will help to remedy the unbalanced capital structure and enable the management and employees to work together to improve the corporate value, which will in medium and long term maximize the corporate value.

The Board of Directors of the Target has resolved to support the TOB in its meeting held on September 25, 2008 based on its judgment that the TOB contributes to the growth in corporate value and that it is beneficial for all the stakeholders, including shareholders, employees and business partners.

We hope you find the rationale for the TOB acceptable and tender your shares, etc. into the TOB.

For further information on the TOB, please refer to the description in the following pages 3 to 7 of this Notice and the enclosed documents.

Yours Sincerely,

Fujita Holdings Co., Ltd.

Enclosures: Fujita Corporation's "Notice of Approval of Tender Offer for Shares and Stock Acquisition Rights of Fujita Corporation by Fujita Holdings Co., Ltd.", dated September 25, 2008.

[The Outline of the TOB]

1. Offeror: Fujita Holdings Co., Ltd.
2. Target: Fujita Corporation
(Listed on the Second Section of the TSE; Securities Code 1725)
3. Date of Public Notice for the Commencement of the TOB:

September 26, 2008 (Friday)

(Note) The Offeror has published in *The Nihon Keizai Shimbun* newspaper (the morning edition of September 26, 2008) an advertisement informing that the Offeror has given the TOB Commencement Notice by way of an electronic public notice. The address of the electronic public notice is as follows:

<https://info.edinet-fsa.go.jp/>

(Note) English translations of the TOB Commencement Notice, the tender offer circular and any amendments thereto and any additional material information relating to the TOB will be posted in English on the Target's website in the following address:

<http://www.fujita.com/finance.html>

You should consult this website before tendering your shares, etc. into the TOB.

4. TOB Period: From September 26, 2008 (Friday) through November 17, 2008 (Monday) (35 business days)
5. Commencement Date of Settlement:

November 26, 2008 (Wednesday)
6. Price of the TOB: 200 yen per share of Common Stock
58 yen per stock acquisition right
7. Number of Shares, etc. Planned to be Purchased:

18,098,461 shares of Common Stock

(Note) All of the tendered shares, etc. will be purchased.

8. Tender Offer Agent: Daiwa Securities SMBC Co., Ltd.
Daiwa Securities Co. Ltd. (sub-agent)

(Note) The tenders will be taken during the TOB period at the head office and all domestic branches of the tender offer agent or sub-agent (shareholder who already has an account with the tender offer agent or the sub-agent, the office where the shareholder has its account) (collectively, **Daiwa**). Shares, etc. tendered through securities companies other than the tender offer agent or sub-agent will not be accepted.

[Period for Acceptance of Tender]

From September 26, 2008 (Friday) until November 17, 2008 (Monday)

* Please note that tenders of shares, etc., will not be accepted after 16:00 on the last day of the TOB period.

Due to the nation-wide dematerialization of share certificates which is expected to take place in January 2009, it is expected that there will be long waiting lines at Japanese securities companies. Transfer of share certificates from other securities companies to Daiwa may also take longer than usual. **Therefore, if you choose to tender, please tender your shares, etc. into the TOB as early as possible.**

[Place of Tendering Shares, etc.]

Tenders of shares, etc., shall be accepted at the head and branch offices of Daiwa. Daiwa will accept tenders of shares, etc., largely in accordance with the following:

Daiwa Securities SMBC Co., Ltd.: Listed corporations, institutional investors and non-residents, among others, and;

Daiwa Securities Co., Ltd.: Individual shareholders and non-listed corporations, among others.

(Note) Any tender of shares, etc. by shareholders and option holders (“*shareholders, etc.*”), residing outside of Japan (including corporate shareholders, collectively, “*Non-Japanese Shareholders*”) should be made through the standing agent of such Non-Japanese Shareholder in Japan.

[Tendering Procedures]

A shareholder, etc. who has an account with Daiwa should contact the branch at which the shareholder, etc. has an account.

A shareholder, etc. who does not have an account with Daiwa **should open an account with Daiwa before tendering shares, etc.** For instructions on how to open an account or to tender shares, etc., please refer to the description below.

Before tendering your shares, etc. into the TOB, please read carefully the “Tender Offer Explanation Statement” distributed by Daiwa in order to make an informed decision on whether to tender your shares, etc. or not.

◇ **Procedures for Opening an Account at Daiwa**

Please visit a Daiwa branch with the following documents with you.

(1) Seal

Your seal will be registered with Daiwa.

(2) Identification documents

- In the case of an individual shareholder, etc., please bring a health insurance card, driver's license, passport or other document which identifies your (i) name, (ii) address; and (iii) date of birth.
- In the case of a corporate shareholder, etc., please bring a certified copy of the company register or any other identification issued by a public authority which identifies (i) the corporate name, and (ii) the location of the head office or the principal place of business of the shareholder, etc. In addition to the identification documents for the corporate shareholder, etc., its representative, agent or any other person responsible for the execution of agreements and other transaction procedures on behalf of the corporate shareholder, etc. must provide identification documents for itself.
- In the case of a Non-Japanese Shareholder, i.e., a shareholder, etc. who is a non-Japanese individual who is not resident in Japan or a corporation with its head office or principal place of business outside Japan, such shareholder must provide documents, which have been issued by a foreign government recognized by the Japanese government or by an international institution with authority to issue such documents, or other similar documents which are equivalent to the identification documents required from a Japanese a resident.

You may contact Daiwa for further information regarding identification documents.

(3) Means of confirmation of the subscriber's account number with a bank or other financial institution for payment of the tender offer price

Account book, cash card, etc.

(Note) Please be informed that an account with Daiwa Securities Co., Ltd. may only be opened at a branch office located in the prefecture specified in the identification documents as the address of the shareholder, etc., or the prefecture adjacent thereto.

(Note) A person opening an account at Daiwa may be required to pay an account management fee, depending on the contemplated transactions or the account balance. Please contact a Daiwa branch for further detail.

If you wish to submit your application by mail, please contact Daiwa as soon as possible.

◇ **Tendering Shares, etc.**

After completion of the procedures for opening an account with Daiwa, **each shareholder, etc., will be able to tender its shares, etc. upon confirmation by Daiwa that the certificates representing such shares, etc. have been deposited in the account of such tendering shareholder, etc.** Please tender your shares, etc. by completing and delivering a “Tender Offer Acceptance Form” available at Daiwa branch offices to Daiwa. Please note that **your registered seal** will be required for completing the tender. If you are uncertain what identification documents are required for tendering shares, etc., please contact Daiwa in advance.

The tendering shareholder, etc., may deposit its share certificates either by (i) transferring the share certificates deposited with any other securities company to Daiwa through Japan Securities Depository Center, Inc. (“*JASDEC*”); or (ii) bringing the share certificates to Daiwa. If the share certificates are deposited with a securities company other than Daiwa, deposit of the share certificates with Daiwa through JASDEC in accordance with the procedures set forth below is recommended as this will help to avoid loss of share certificates etc.

It will take several days to transfer the share certificates or to withdraw them from a securities company where they are deposited. Please note that if the share certificates representing the shares, etc. to be tendered have not been deposited in an account at Daiwa by the last day of the TOB period, a tender of such shares, etc. into the TOB will not be accepted. For these reasons please consult with the securities company where your share certificates are deposited as soon as possible.

Transfer through JASDEC

Share certificates deposited with a securities company other than Daiwa may be transferred to Daiwa through JASDEC. **Please follow the relevant procedures at the securities company where your share certificates are currently deposited in order to transfer your shares, etc. to Daiwa.** When taking such procedures, **please bring with you the account number of the account opened with Daiwa (or, if the transfer is between specific accounts, the account number of the specific account opened with Daiwa) as this will be necessary to complete the procedures.** Please note that these procedures for the transfer of the share certificates form only a part of the procedures for tendering shares, etc.

(Note) A commission may be payable when transferring shares from another securities company to Daiwa. The transfer is expected to take approximately a minimum of four (4) business days. Please note that the time required for the transfer may differ between different securities companies. Please consult the securities company where your share certificates are currently deposited for further detail.

◇ **Selection of taxation category**

In the case of an individual shareholder, etc., the difference between the TOB price, as the case may be, and the acquisition cost of the shares will be subject to taxation for capital gain or other income from transfer of shares or other financial instruments reported and calculated separately from general taxation on income. Please contact your tax adviser with any specific tax related questions.

The capital gain, or other income received from the transfer by a non-resident who has no permanent establishment in Japan will, in principle, be excluded from taxation. Please consult your tax adviser to determine whether it is necessary to file a tax return in Japan, the amount of tax payable in Japan, and other details, as these depend upon individual circumstances.

[Other matters to be noted]

◇ **Tender of odd lot shares**

Tenders of odd lot shares are also accepted in the TOB. In order to tender odd lot shares, the relevant shareholder is required to submit share certificates representing such odd lot shares (unless the relevant odd lot shares are already deposited with JASDEC through Daiwa).

Although a shareholder who holds odd lot shares may request the Target to purchase its odd lot shares pursuant to the Japanese Companies Act, it should be noted that the price to be paid by the Target upon the shareholder's request will not always be equal to the price paid at the TOB.

(Note) If you have any questions on your right to request the Target to purchase your odd lot shares, please contact the head or branch offices of the Chuo Mitsui Trust and Banking Company, Limited, the stock transfer agent of the Target, or another securities company with which you have a business relationship.

◇ **Share certificates held under the name of a different person**

It is possible to tender shares, etc. held under the name of someone other than the tendering shareholder, etc. prior to completion of the procedures for the transfer of such shares, etc. to the tendering shareholder, etc. If it is subsequently found out that a tendered share certificate is a lost or stolen share certificate, the acceptance of tendering will be cancelled, even if the tender was initially accepted.

◇ **Others matters**

The Offeror plans to engage the tender offer agent (Daiwa Securities SMBC Co., Ltd.) and the sub-agent (Daiwa Securities Co., Ltd) to inform the shareholders, etc. (and the registered pledges) of the details of the TOB and to deliver contact information of the shareholders, etc. of the Target, which it has lawfully acquired from the Target in accordance with the applicable laws and applicable market practice, to the tender offer agent and the sub-agent.