

March 22, 2006

Corporate name: Future System Consulting Corp.
Code: 4722, Tokyo Stock Exchange Section 1
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Announcement of Underwriting the Capital Increase through Third-Party Allocation of New Shares by e-Manufacturing Co., Ltd. and Making e-Manufacturing into a Subsidiary

Future Investment Corporation, a subsidiary of Future System Consulting Corp., decided at its Board of Directors meeting convened on March 22, 2006 to underwrite new shares issued by e-Manufacturing Co., Ltd. through third party allocation for capital increase. Following this, e-Manufacturing will become a subsidiary of Future System Consulting Corp.

1. Reason for underwriting capital increase through third-party allocation of new shares

e-Manufacturing Co., Ltd. has so far supported many customers in the manufacturing industry to establish production management systems using proprietary “*e*Manufacturing” (e-MFG[®]), a Web-based production control application.

As part of its efforts to improve its financial position, e-Manufacturing will reduce its capital of 311 million yen by 279 million yen, while dipping into the 176 million yen held in capital reserves to compensate for cumulative losses. In addition, Future Investment Corporation will underwrite the capital increase of 100 million yen through third-party allocation of new shares by e-Manufacturing. With these measures, e-Manufacturing will be able to increase its capital and further develop its business. Meanwhile, Future System Consulting expects to secure new clients, increase marketing potential, and effectively utilize project resources, by combining e-Manufacturing's technologies and consulting know-how and related technologies of the Strategic Business Solution Division of Future System Consulting. Thus, synergy effects are predicted at both companies.

2. Outline of the new subsidiary

- (1) Trade name: e-Manufacturing Co., Ltd.
- (2) Representative: Naomasa Okumura, President
- (3) Location: 2-16-1 Nishi-Shinbashi, Minato-ku, Tokyo
- (4) Established: April 2, 1999
- (5) Main business operations: Development and sales of production management packages as well as related consulting services
- (6) Book closing date: March 31
- (7) Number of employees: 12
- (8) Capital: 311 million yen (See note)
- (9) Number of outstanding shares: 4,581 shares
- (10) Major shareholders and ownership percentage (5% or more):

Machiko Matsushima:	300 shares (6.5%)
Keiichi Umino:	280 shares (6.1%)
Nakagawa Special Steel Co., Inc.:	270 shares (5.8%)

(11) Recent earnings trends

(Unit: Million yen)

	FY2003	FY2004
Net sales	217	178
Gross profit	155	148
Operating income	7	(54)
Ordinary income	7	(55)
Net income	6	(60)
Total assets	100	107
Shareholders' equity	54	59
Dividend per share (yen)	-	-

Note: e-Manufacturing resolved to reduce its capital at the Extraordinary General Meeting of Shareholders on February 27, 2006. Hence, the amount of capital will be 31 million yen after this capital reduction. However, since capital reduction has not yet become effective, as of the date of this announcement, the same amount as before is shown here.

3. Capital increase through third-party allocation of new shares

(1) Details of underwriting the capital increase

- a. Underwriting price: 10,000 yen per share
- b. Number of shares to be underwritten: 10,000 shares of common stock
- c. Total value: 100,000,000 yen

(2) Number of shares to be acquired

- a. Shares held before stock transfer: 0 shares (ownership percentage: 0%)
- b. Number of shares to be acquired: 10,000 shares (acquisition value: 100 million yen)
- c. Shares to be held after stock transfer: 10,000 shares (ownership percentage: 68.5%)

(3) Schedule of underwriting the capital increase

March 22, 2006: Resolution by the Board of Directors

March 30, 2006: Due date of payment

4. Outlook

With the transformation of e-Manufacturing into a subsidiary through underwriting of the capital increase, consolidated net sales are expected to increase by about 200 million yen for the year ending December 2006. We would like to announce our earnings projection for FY2006 as soon as our business outlook becomes evident.