

July 29, 2010

Corporate name: Future Architect, Inc.

Code: 4722, Tokyo Stock Exchange, Section 1

Representative: Shin Yasunobe, President and COO

Contact: Yoshihiko Nakajima, Executive Officer

(Tel: +81-3-5740-5724)

Announcement of Consolidated Operating Results for the Second Quarter of Fiscal Year 2010

1. Consolidated operating results for the second quarter of FY 2010

The Group's net sales for the second quarter of fiscal 2010 (from January 1, 2010 to June 30, 2010) were ¥10,938 million (15.8% down from the corresponding quarter of the previous fiscal year), while operating income decreased by 34.2% to ¥1,080 million, ordinary income decreased by 32.8% to ¥1,147 million and net income decreased by 44.3% to ¥527 million.

Both net sales and profit decreased compared with the previous corresponding period as described above. This was due to factors such as our major customers scheduling increased investment plans in the second half of the fiscal year under review. The Company achieved earnings almost in line with the projections, with net sales decreasing by 2.8% year-on-year, operating income increasing by 0.5% year-on-year, ordinary income rising 4.8% year-on-year and net income dropping 11.8% year-on-year. In view of the aforementioned factors, the Company expects both net sales and profit to increase in the second half of the fiscal year under review.

Specific details of the operations in each business segment for the relevant period are outlined below.

In the IT Consulting Business, while our order acceptance was on a recovery trend on the strength of our successful acquisition of new customers and other positive factors, we initially forecast that the full-fledged rebound in corporate investments would come after the third quarter. In accordance with this view, net sales in the second quarter decreased to ¥6,865 million (down 18.9% from the corresponding quarter of the previous fiscal year.) Gross profit margin was 43.7% for the same period and operating income declined 28.6% year-on-year to ¥1,143 million.

In the Package & Service Business, while the custom software development business of Ascendia Inc. remained relatively strong, although well-established small and medium-sized companies' appetite for investment continued to be weak. Given these circumstances, net sales decreased to ¥1,894 million (down 19.8% from the corresponding quarter of the previous fiscal year.) On the profit front, although corporate

earnings started to rebound in the second quarter, the recovery was not large enough to offset the fall in profit in the first quarter. As a result, the Company recorded an operating loss of ¥65 million (operating income of ¥97 million in the corresponding quarter of the previous fiscal year) in the second quarter of the fiscal year under review.

In the Corporate Revitalization/New Operations Development Business, supermarket sales (Uoei Shoten Corporation), which constitute a major part of the business, increased from the corresponding quarter of the previous fiscal year for existing shops. However, there was a decrease in supermarket sales due to the closing of unprofitable shops, as a result of which sales in the overall corporate revitalization/new operations development business fell slightly by 0.8% from the previous corresponding period to ¥2,299 million. In the meantime, our profitability has been steadily improving due to the effects of streamlining the sales strategy in ways such as introducing information technologies, and our operating loss in the second quarter of the fiscal year under review decreased to ¥10 million (operating loss of ¥36 million in the previous corresponding period.)

2. Earnings outlook

While we see signs of recovery in the economic environment, we expect the outlook for IT investments to remain uncertain. Under such circumstances, both net sales and profit of the Company in the second quarter decreased from the corresponding quarter of the previous fiscal year, which was almost exactly as we had projected. In the second half of the year, we expect demand from major customers will pick up and projects for new customers in the IT Consulting Business will get off the ground on a full-scale basis. Given the situation, there is no revision to the earnings forecast for the full-year fiscal 2010 ending December 2010, which the Company announced on April 27, 2010.

We believe we need to address the following issues in the coming years. In the IT Consulting Business, we need to ensure appropriate operation and delivery of projects, while strengthening relations with customers and to exert control over subcontract expenses in response to increasing orders received. In the Package & Service Business, we will deploy all of our resources to develop potential customers and expand the market by releasing new products and services at an early date. In the Corporate Revitalization/New Operations Development Business, given that small-scale stores that were renovated last year are steadily being maintained, the management know-how of these stores will also be incorporated into other stores so that we will continue to enhance the competitiveness of existing stores. Further, in the context of implementing a more effective sales strategy, we will further improve operating efficiency and customer analysis capabilities through the use of information technologies.

- Any questions relating to the above press release should be directed to:

Investor Relations,

Corporate Management Division,

Future Architect, Inc.

Direct line (IR Section): +81-3-5740-5724

E-mail: ir@future.co.jp

