

February 8, 2011

Press Release

Company name: Future Architect, Inc.
Code: 4722, Tokyo Stock Exchange, Section 1
Representative: Shin Yasunobe, President & COO
Contact: Yoshihiko Nakajima, Executive Officer
(Tel.: +81-3-5740-5724)

Notice of Consolidated Earnings Results for FY2010

1. Consolidated earnings results for fiscal 2010

Consolidated net sales of the Future Architect, Inc. Group for fiscal 2010 (from January 1, 2010 to December 31, 2010) were ¥22,639 million, down 4.3% from the previous fiscal year. Meanwhile, profits hit the highest levels since the Group's foundation. Operating income increased 19.9% to ¥3,141 million, ordinary income rose 21.3% to ¥3,281 million and net income advanced 32.1% to ¥1,591 million.

Net sales decreased from a year earlier primarily due to a slowdown in orders received and delay in concluding contracts, mainly affected by the unstable business trends in the first fiscal half. On the other hand, the profit structure improved remarkably even in such a situation, thanks to our efforts to increase the accuracy of project management and further improve cost management.

In addition, both orders received and our order backlog, including those received from new customers, have been steadily increasing since the beginning of the second fiscal half. We believe that net sales will also increase in the next fiscal year.

Points to note about each business segment for the fiscal year under review are as follows.

In the IT Consulting Business, net sales recovered in the second half due to an increase in projects including new ones. This, however, failed to offset poor sales in the first half. As a result, net sales for the fiscal year under review were ¥13,981 million, down 8.0% from a year earlier.

Meanwhile, profits improved significantly from the previous fiscal year, thanks to the success in appropriately controlling delivery periods, quality of services and person-hours through enhanced project management as well as thorough cost management. Operating income advanced 7.3% year-on-year to ¥2,995 million, and the operating margin rose to 21.4% from 18.4% for the previous fiscal year.

As for the Package & Service Business, businesses on consignment of Ascendia Inc. continued to be strong due to a recovery in orders received through the year and sales from its maintenance services in cooperation with Future Architect, Inc. increased steadily. Earnings of ELM Corporation remained poor in the first half, but picked up in the second half because it made every effort to drastically reinforce its marketing abilities and the economy bottomed out. As a result, net sales of this business segment were

¥4,415 million, up 4.8% from a year ago, and operating income was ¥170 million, compared with the year-before loss of ¥16 million.

In the Corporate Revitalization/New Business Cultivation Business, the grocery supermarket (Uoei Shoten Corporation), which constitutes a major part of the business, continuously benefited from enhanced competitiveness achieved by renovating old outlets, a streamlined sales strategy achieved by introducing IT, and reduced costs achieved by restructuring. However, net sales of this business segment remained almost at the same level as the previous fiscal year at ¥4,558 million. The segment posted an operating loss of ¥40 million, an improvement from a loss of ¥103 million a year ago.

2. Earnings outlook for fiscal 2011

Though corporations are expected to remain cautious about IT investment as a whole, orders received by the Group have been increasing, centering on customers in the logistics and service industries where IT investment is very important. The Group expects these orders received to result in increased sales in the next fiscal year.

In the IT Consulting Business, the Group plans to launch large projects successively in the new fiscal year, and this is expected to boost the operating ratio of employees and increase outsourcing costs. The Group believes that one of its major challenges is to post a steady profit through proper management of limited resources, while maintaining an optimum management system by making the most of its efforts in the past several years.

With the Package & Service Business, the Group will reorganize the package business for small and midsize companies within the Group and integrate human resources and products that are dispersed within the Group. The aim is to enhance the sales system and bring out next-generation products that conform to new technological innovation. In the belief that technologies such as cloud computing and next-generation mobile terminals will encourage new IT investment in the market of small and midsize companies as well, the Group will also fully push forward with unearthing this market.

In the Corporate Revitalization/New Business Cultivation Business (where Uoei Shoten Corporation is the major player), the Group will continue to make efforts toward this end. The Group will also strive to push forward with thorough improvement of operational efficiency and reinforcement of customer analysis capability and increase customer satisfaction and expand sales by reflecting the results of customer analysis in sales strategies.

On the basis of the above, we expect that consolidated net sales for the fiscal year ending December 2011 will be ¥24,500 million, up 8.2% from a year earlier, operating income will be ¥3,400 million, up 8.2%, and ordinary income will be ¥3,450 million, up 5.1%. Net income is projected to increase 22.5% year-on-year to ¥1,950 million.

We plan to pay a ¥1,500 per-share dividend for the fiscal year ending December 2011. To increase the frequency of dividend payments to shareholders, we will change the conventional dividend payment method

to one in which we also pay an interim dividend. Consequently, we will pay an interim dividend of ¥750 per share and year-end dividend of ¥750 per share for fiscal 2011.

	Forecast for FY2011	Y-on-Y comparison	Results for FY2010
Consolidated net sales	¥24,500 million	108.2%	¥22,639 million
Consolidated operating income	¥3,400 million	108.2%	¥3,141 million
Consolidated ordinary income	¥3,450 million	105.1%	¥3,281 million
Consolidated net income	¥1,950 million	122.5%	¥1,591 million

- 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

