

March 23, 2004

Future System Consulting Corp.
Security code: 4722(1st section of TSE)
Representative: Yasufumi Kanemaru, CEO
Contact: Naoto Konishi, Managing Director

**Future System Consulting Corp. Opts for Transfer of Affiliate's Equity and
Revises Non-consolidated Business Performance Figures**

Future System Consulting Corp. (FUTURE) has decided on an equity transfer involving part of its stake in Sakura Information Systems Co., Ltd. (SAKURA), a FUTURE affiliate subject to equity method accounting. The details are as follows:

1. Reasons for equity transfer

On March 25, 2002, FUTURE acquired 34% of SAKURA shares as part of its bid to establish a strategic alliance for system solutions in the financial sector. FUTURE will continue the strategic business alliance with SAKURA and Sumitomo Mitsui Banking Corporation to mutually supplement their know-how and resources for IT consulting, systems design, development and operation still further. To leverage resources more effectively, FUTURE has decided to transfer 29% of its stake in SAKURA equity. After the transfer is completed, FUTURE will hold only a 5% stake in SAKURA and equity method accounting will no longer be applied.

2. Outline affiliate subject to equity transfer

- (1) Company name: Sakura Information Systems Co., Ltd.
- (2) Representative: Ryoji Miura, CEO
- (3) Location of head office: 4-1-4 Kami-Osaki, Shinagawa-ku, Tokyo
- (4) Major business: Providing of systems design, development and maintenance services in the financial industry
- (5) Capital: JPY 0.6 billion

3. Transferee (recipient of transferred shares)

- (1) Company name: SMBC Mortgage Co., Ltd.
- (2) Representative: Mitsuhiro Masumi, CEO
- (3) Location of head office: 1-8-5 Shinjuku, Shinjuku-ku, Tokyo

- (4) Major business: Loan / credit
- (5) Relationship with FUTURE: none

4. Quantity of shares transfer and equity holding status before/ after the transfer

- (1) Number of shares before transfer: 263,500 (equity holdings 34%)
- (2) Number of shares to be transferred: 224,750
- (3) Number of shares after transfer: 38,750 (equity holdings 5%)

5. Date of transfer

March 31, 2004

6. Future Prospects

Impact on FUTURE's 16th Fiscal Year business performance is expected to be insignificant (both consolidated and non-consolidated sales and recurring profit as well as consolidated net profit).

Non-consolidated net profit for FUTURE's 16th Fiscal Year announced on February 16, 2004 will be revised as follows.

(Unit: JPY million)

	Net profit	
	Interim term	Full year
Previous estimate (A)	300	960
Revision (B)	413	1,073
Increase/decrease (B-A)	113	113
Rate of increase	37.6%	11.8%