



Consolidated Summary Report of Operating Results for the Second Quarter of Fiscal 2016 (Year ending December 2016) [Japan GAAP]

Company name: Future Corporation

Shares listed on: First Section of Tokyo Stock Exchange

Security code number 4722

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Scheduled date for distribution of dividend payments: September 21, 2016

Creation of supplemental material on quarterly financial results: Yes

Holding of quarterly results briefing: Yes (for institutional investors and securities analysts)

(Amount rounded off to million yen)

1. Consolidated Results for the Second Quarter of Fiscal 2016 (January 1, 2016 to June 30, 2016)

(1) Consolidated operating results (accumulated total)

(Percentages are year-on-year changes)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
2Q, Fiscal 2016	17,225	1.1	1,937	(7.5)	1,900	(9.6)	1,129	(5.7)
2Q, Fiscal 2015	17,033	4.0	2,093	11.6	2,102	11.7	1,197	16.1

(Note) Comprehensive income 2Q, Fiscal 2016: 1,220 million yen (-4.3%)

2Q, Fiscal 2015: 1,275 million yen (25.9%)

	Profit per share	Profit per share (fully diluted)
	Yen	Yen
2Q, Fiscal 2016	25.26	—
2Q, Fiscal 2015	26.81	26.80

(2) Consolidated financial position

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
2Q, Fiscal 2016	22,600	16,855	74.1	374.63
Fiscal 2015	22,828	16,301	70.6	360.67

(Reference) Shareholders' equity

2Q, Fiscal 2016: 16,747 million yen

Fiscal 2015: 16,123 million yen

[Translation]

2. Dividends

	Dividends per share (yen)				
	End of the first quarter dividend	End of the second quarter dividend	End of the third quarter dividend	Year-end dividend	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal 2015	–	9.50	–	13.50	23.00
Fiscal 2016	–	12.50			
Fiscal 2016 (Forecast)			–	12.50	25.00

(Note) Modification of the projected dividends announced most recently: No

3. Projected Consolidated Results for Fiscal 2016 (January 1, 2016 to December 31, 2016)

(Percentages are year-on-year changes)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		Profit per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	37,000	4.8	5,200	6.8	5,220	7.9	2,880	8.3	64.62

(Note) Modification of the projected consolidated results announced most recently: No

[Translation]

* Notes

(1) Changes in significant subsidiaries in the consolidated second quarter under review (Changes in specified subsidiaries that involved changes in the scope of consolidation): Yes

New: 1 company (company name) Future Architect, Inc. Exclusion: - companies(company names)

(2) Application of special accounting for the preparation of quarterly consolidated financial statements: Yes

Income taxes and payables are calculated by appropriately estimating the legal effective tax rate after the adoption of tax effect accounting which is to be assessed upon profit before income taxes of the consolidated fiscal year including the consolidated second quarter under review and multiplying such estimated legal effective tax rate to the quarterly profit before income taxes.

(3) Change in accounting policies or estimates and retrospective restatements

- 1) Change in accounting policies in accordance with revision of accounting standards : Yes
- 2) Change in accounting policies other than item 1) above : No
- 3) Change in accounting estimates : No
- 4) Retrospective restatements : No

(4) Number of outstanding shares (common stock)

- 1) Total outstanding shares as of the end of the period (including treasury shares)
- 2) Total treasury shares as of the end of the period
- 3) Average number of outstanding stocks during the quarter under review (accumulated period for quarter)

2Q, Fiscal 2016:	47,664,000 shares	Fiscal 2015:	47,664,000 shares
2Q, Fiscal 2016:	2,958,872 shares	Fiscal 2015:	2,958,800 shares
2Q, Fiscal 2016:	44,705,166 shares	2Q, Fiscal 2015:	44,673,008 shares

* Indication of quarterly review procedure implementation status

This quarterly earnings report is exempt from the quarterly review procedures based upon the Financial Instruments and Exchange Act. At the time of this document's release, review procedures for the quarterly financial statements under the Financial Instruments and Exchange Act had not been completed.

* Points to note about the proper use of projections, and other noteworthy events

The earnings forecast and statements concerning the future contained in these materials are based on information currently obtained by the Company and on certain premises the Company judges to be rational. The Company does not intend to guarantee their realization. Actual results may differ from forecasts due to various uncertain factors.

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1. Qualitative information about consolidated operating results for the second quarter of the fiscal year under review

(1) Explanation on operating results

The Group posted net sales of ¥17,225 million for the first six months of the consolidated fiscal year under review, up 1.1% from the previous year, operating income of ¥1,937 million, down 7.5%, and ordinary income of ¥1,900 million, down 9.6%. Profit attributable to owners of parent was ¥1,129 million, down 5.7%.

(i) IT Consulting Business

Net sales for the second quarter of the fiscal year ending December 31, 2016 increased year-on-year, which was due to: 1) growing revenue mainly from large projects related to upgrading and integrating IT systems at major customers in the distribution, services, and manufacturing sectors; 2) multiple regional banks introducing financial cloud computing services (SKYBANK); and, 3) strong performance of projects targeting online securities companies and foreign exchange margin trading service companies.

Operating income for the quarter under review increased year-on-year by improving quality and streamlining the operation of projects, in other words, upgrading and adding tools to the Group's unique project monitoring and management methods (Future NASA and Future fraqta), and rigorously providing relevant training to employees. Consequently, net sales of this segment were ¥10,767 million, up 3.8% from a year earlier, and operating income grew 13.5% year-on-year to ¥2,200 million.

(ii) Package & Service Business

During the quarter under review, FutureOne Inc. ("FutureOne"), posted a year-on-year decrease in both net sales and operating income as new order intake was delayed due to quality issues in some projects, and the Company continued initiatives to reorganize unprofitable business units.

During the quarter under review, Micro CAD Co., Ltd. ("Micro CAD") posted a year-on-year decrease in both net sales and operating income due to the lagging pace of acquisitions of official orders and project starts, in spite of many inquiries received for its comprehensive intellectual property management system.

Consequently, net sales of this segment for the quarter stood at ¥1,640 million, down 21.7% year-on-year, and its operating loss, which reflected the amortization of the goodwill of Micro CAD, amounted to ¥179 million against operating income of ¥151 million a year earlier.

(iii) New Media & Web Service Business

During the quarter under review, eSPORTS Co., Ltd. posted a year-on-year increase in net sales because online sales of outdoor and private brand products performed strongly, although the company ceased to distribute fitness-related goods, which recorded significant sales in the previous fiscal year.

During the quarter under review, Tokyo Calendar Inc., recorded a year-on-year increase in net sales and a decrease in operating loss, because revenue from web-based advertising grew with monthly page views exceeding approximately 20 million for May 2016.

New businesses launched by CodeCamp Inc. ("CodeCamp") including an online programming education service posted higher upfront investment costs, although the company made progress in the form of significantly higher net sales.

As a result, net sales of this segment were ¥2,601 million, up 8.7% from a year ago, and operating loss, which reflects amortization of the goodwill of eSPORTS, was ¥146 million, against a loss of ¥59 million a year earlier.

(iv) Corporate Revitalization Business

Uoei Corporation ("Uoei"), a company operating grocery supermarkets, posted a year-on-year increase in net sales for the quarter under review as it attempted to increase customer traffic by selling freshly baked pizzas, among other initiatives. Uoei also recorded a significant year-on-year increase in operating income, which was attributable to: 1) improved gross profit margin achieved using IT systems to analyze sales, purchasing value, and inventories of all merchandise and an appropriate product mix; 2) reduced selling, general and administrative expenses through energy-saving activities for room lighting, among other initiatives. Consequently, net sales of this segment were ¥2,272 million, up 1.3% from a year earlier, and operating income surged 88.4% year-on-year to ¥23 million.

Note: Segment business results stated in the paragraphs above are before adjusting for internal sales and transfers among segments. Effective April 1, 2016, the Company shifted to a holding company structure to realign its organizational platform. Accordingly, starting from the second quarter under review, we migrated to a method of: 1) recording, as costs under segment

income adjustment, Group operation costs which were previously included in the costs of the IT Consulting Business; and, 2) recording business outsourcing service fees and group growth subsidies received from individual Future Group companies as income under segment income adjustments. Year-on-year changes were calculated for comparison upon adjusting the values for the previous fiscal year's second quarter for the post-segment change categorization and measurement methods.

(2) Explanation on financial condition

(Assets, liabilities and net assets)

Total assets at the end of the second quarter under review decreased by ¥228 million from the end of the previous consolidated fiscal year to ¥22,600 million. This was mainly attributable to a decrease in notes and accounts receivable - trade (a decrease of ¥1,153 million from the end of the previous fiscal year), goodwill (a decrease of ¥171 million) and software (a decrease of ¥82 million), in spite of an increase in cash and deposits (an increase of ¥1,133 million from the end of the previous fiscal year) and merchandise and finished goods (an increase of ¥158 million).

Liabilities stood at ¥5,745 million, a decrease of ¥782 million from the end of the previous fiscal year, which was mainly attributable to a decrease in accounts payable - trade (a decrease of ¥113 million from the end of the previous fiscal year) and income taxes payable (a decrease of ¥465 million).

Net assets increased by ¥553 million from the end of the previous consolidated fiscal year to ¥16,855 million. The main factors included an increase in retained earnings (an increase of ¥524 million from the end of the previous consolidated fiscal year).

(Analysis of cash flows)

Cash and cash equivalents at the end of the second quarter under review stood at ¥10,810 million, an increase of ¥1,053 million from the end of the previous fiscal year.

Net cash provided by operating activities represented an inflow of ¥1,776 million, an increase of ¥737 million compared to a year ago, because the Company posted ¥1,879 million in profit before income taxes and ¥1,130 million in decrease in notes and accounts receivable - trade, while recording ¥1,238 million in income taxes paid.

Net cash used in investing activities represented an outflow of ¥34 million (compared to an outflow of ¥462 million a year ago), due to an outflow of ¥103 million for the purchase of property, plant and equipment and to an inflow of ¥100 million from sales of investment securities.

Net cash used in financing activities accounted for an outflow of ¥683 million (compared to an outflow of ¥438 million a year ago), mainly due to dividends paid of ¥603 million.

(3) Explanation on qualitative information about consolidated earnings forecast

We have not changed our previous earnings forecast for the full term of the fiscal year ending December 2016, which was announced on April 27, 2016.

2. Matters related to summary information (notes)

(1) Changes in significant subsidiaries in the consolidated first half under review

The scope of the Company's consolidated financial statements for the second quarter under review includes Future Architect, Inc., which was established with a company split.

(2) Application of special accounting for the preparation of quarterly consolidated financial statements

Income taxes and payables are calculated by appropriately estimating the legal effective tax rate after the adoption of tax effect accounting which is to be assessed upon profit before income taxes of the consolidated fiscal year including the consolidated second quarter under review and multiplying such estimated legal effective tax rate to the quarterly profit before income taxes.

(3) Change in accounting policies or estimates and retrospective restatements

(Application of accounting standards for business combinations)

"Accounting Standard for Business Combinations" (ASBJ Statement No. 21, September 13, 2013; hereinafter "Business Combinations Accounting Standard"), "Accounting Standard for Consolidated Financial Statements (ASBJ Statement No. 22, September 13, 2013, hereinafter "Consolidation Accounting Standard"), "Accounting Standard for Business Divestitures" (ASBJ Statement No. 7, September 13, 2013, hereinafter "Business Divestitures Accounting Standard") and other standards became

applicable from the first quarter of the fiscal year ending December 31, 2016. Accordingly, the Group changed the accounting method to record the difference attributable to changes in the Company's ownership interest in its controlling subsidiaries as a capital surplus and acquisition-related expenses as costs for the consolidated fiscal year in which such expenses are incurred.

Regarding business combinations taking place after the beginning of the first quarter of the fiscal year ending December 31, 2016, the Company will adopt a method to reflect revised allocated acquisition costs determined by the provisional accounting treatment in the consolidated financial statements of the quarter in which the business combination takes place. In addition, the Company changed the presentation of quarterly profit and replaced the presentation of minority interests with that of non-controlling interests. The consolidated financial statements for the second quarter of the previous fiscal year and those for the previous fiscal year were replaced by those reflecting the aforementioned changes.

The Company began to apply the Accounting Standard for Business Combinations and the like from the beginning of the first quarter of the fiscal year ending December 31, 2016 in conformity with the transitional treatment stipulated in the Accounting Standard for Business Combinations No. 58, Paragraph 2 (4), Accounting Standard for Consolidated Financial Statements No. 44, Paragraph 5 (4) and Business Divestures Accounting Standard No. 57, Paragraph 4(4).

The aforementioned application did not affect the consolidated financial statements for the second quarter under review.

(Change of depreciation method)

For the second quarter under review, the Company applied "Practical Solution on Depreciation Method Change Relating to Fiscal 2016 Tax Regime Revision" (ASBJ Practical Solution Report No. 32, June 17, 2016) in response to a revision made to the Corporation Tax Act, and the Company's depreciation method for buildings and structures acquired on or after April 1, 2016 was changed from the declining-balance method to the straight-line method.

This change had only a negligible effect on the consolidated statements of income for the second quarter under review.

3. Quarterly Period Consolidated Financial Statements

(1) Quarterly Period Consolidated Balance Sheets

(in thousands of yen)

	Previous consolidated fiscal year (December 31, 2015)	Consolidated second quarter under review (June 30, 2016)
Assets		
Current assets		
Cash and deposits	9,650,136	10,784,065
Notes and accounts receivable - trade	5,020,960	3,867,839
Securities	108,689	27,943
Merchandise and finished goods	688,591	847,392
Work in process	34,892	34,369
Deferred tax assets	216,495	217,739
Accounts receivable - other	1,415,805	1,361,760
Other	566,157	676,682
Allowance for doubtful accounts	(5,113)	(4,931)
Total current assets	17,696,614	17,812,861
Non-current assets		
Property, plant and equipment		
Buildings and structures	3,346,284	3,351,522
Accumulated depreciation	(3,023,246)	(3,050,705)
Buildings and structures, net	323,037	300,817
Land	80,894	149,431
Other	2,189,531	2,178,487
Accumulated depreciation	(1,869,459)	(1,914,432)
Other, net	320,071	264,055
Total property, plant and equipment	724,003	714,304
Intangible assets		
Goodwill	969,257	797,794
Software	472,454	390,196
Other	23,175	22,588
Total intangible assets	1,464,887	1,210,579
Investments and other assets		
Investment securities	1,729,798	1,644,272
Lease and guarantee deposits	1,032,610	1,035,495
Deferred tax assets	132,819	135,147
Other	93,653	90,810
Allowance for doubtful accounts	(45,430)	(43,052)
Total investments and other assets	2,943,452	2,862,673
Total non-current assets	5,132,344	4,787,557
Total assets	22,828,959	22,600,418

(in thousands of yen)

	Previous consolidated fiscal year (December 31, 2015)	Consolidated second quarter under review (June 30, 2016)
Liabilities		
Current liabilities		
Accounts payable - trade	1,303,659	1,190,615
Current portion of long-term loans payable	4,800	-
Accounts payable - other	742,063	715,661
Income taxes payable	1,243,548	777,898
Provision for bonuses	236,859	196,621
Provision for quality assurance	88,160	95,265
Provision for point card certificates	25,198	23,244
Other	1,437,814	1,317,687
Total current liabilities	5,082,101	4,316,994
Non-current liabilities		
Long-term loans payable	1,013,200	1,000,000
Asset retirement obligations	408,249	408,184
Other	23,921	20,094
Total non-current liabilities	1,445,370	1,428,278
Total liabilities	6,527,472	5,745,272
Net assets		
Shareholders' equity		
Capital stock	1,421,815	1,421,815
Capital surplus	2,507,763	2,507,763
Retained earnings	13,756,812	14,281,160
Treasury shares	(1,499,428)	(1,499,494)
Total shareholders' equity	16,186,962	16,711,244
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	45,431	29,579
Deferred gains or losses on hedges	-	(1,753)
Foreign currency translation adjustment	(108,510)	8,727
Total accumulated other comprehensive income	(63,078)	36,552
Non-controlling interests	177,602	107,347
Total net assets	16,301,486	16,855,145
Total liabilities and net assets	22,828,959	22,600,418

(2) Quarterly Period Consolidated Statements of Income and Comprehensive Income
(First half period)

(in thousands of yen)

	First half of the previous consolidated fiscal year (from January 1, 2015 to June 30, 2015)	First half of the consolidated fiscal year under review (from January 1, 2016 to June 30, 2016)
Net sales	17,033,220	17,225,656
Cost of sales	10,650,735	10,501,832
Gross profit	6,382,484	6,723,824
Selling, general and administrative expenses		
Directors' compensations	175,407	192,385
Salaries and bonuses	1,773,378	2,043,355
Training expenses	131,628	162,462
Research and development expenses	64,910	120,675
Depreciation	48,620	37,112
Recruiting expenses	148,334	145,723
Other	1,946,704	2,084,688
Total selling, general and administrative expenses	4,288,985	4,786,402
Operating income	2,093,499	1,937,421
Non-operating income		
Interest income	1,580	1,355
Dividend income	28,406	31,873
Share of profit of entities accounted for using equity method	7,440	57,224
Other	9,664	11,984
Total non-operating income	47,091	102,438
Non-operating expenses		
Interest expenses	3,703	3,709
Foreign exchange losses	4,745	136,020
Contributions	30,000	-
Total non-operating expenses	38,448	139,729
Ordinary income	2,102,142	1,900,130

(in thousands of yen)

	First half of the previous consolidated fiscal year (from January 1, 2015 to June 30, 2015)	First half of the consolidated fiscal year under review (from January 1, 2016 to June 30, 2016)
Extraordinary income		
Gain on sales of investment securities	12,463	-
Total extraordinary income	12,463	-
Extraordinary loss		
Loss on change in equity	9,343	1,270
Loss on valuation of investment securities	-	18,885
Loss on sales of shares of subsidiaries and associates	-	808
Total extraordinary losses	9,343	20,963
Profit before income taxes	2,105,262	1,879,166
Income taxes	848,219	754,852
Profit	1,257,043	1,124,314
(Profit attributable to)		
Profit attributable to owners of parent	1,197,487	1,129,243
Profit (loss) attributable to non-controlling interests	59,555	(4,928)
Other comprehensive income		
Valuation difference on available-for-sale securities	37,078	(15,456)
Deferred gains or losses on hedges	-	(1,753)
Foreign currency translation adjustment	(14,824)	114,116
Share of other comprehensive income of entities accounted for using equity method	(3,410)	(395)
Total other comprehensive income	18,843	96,510
Comprehensive income	1,275,886	1,220,825
(Comprehensive income attributable to)		
Comprehensive income attributable to owners of parent	1,223,800	1,229,157
Comprehensive income (loss) attributable to non-controlling interests	52,086	(8,332)

(3) Quarterly Period Consolidated Statements of Cash Flows

(in thousands of yen)

	First half of the previous consolidated fiscal year (from January 1, 2015 to June 30, 2015)	First half of the consolidated fiscal year under review (from January 1, 2016 to June 30, 2016)
Net cash provided by (used in) operating activities		
Profit before income taxes	2,105,262	1,879,166
Depreciation	196,002	201,301
Increase (decrease) in allowance for doubtful accounts	662	643
Increase (decrease) in provision for bonuses	(3,523)	(38,423)
Increase (decrease) in provision for quality assurance	(88,436)	7,105
Increase (decrease) in provision for loss on projects	(6,660)	-
Interest and dividend income	(29,986)	(33,228)
Interest expenses	3,703	3,709
Share of (profit) loss of entities accounted for using equity method	(7,440)	(57,224)
Loss (gain) on change in equity	9,343	1,270
Loss (gain) on sale of investment securities	(12,463)	-
Loss (gain) on valuation of investment securities	-	18,885
Loss (gain) on sales of shares of subsidiaries and associates	-	808
Decrease (increase) in notes and accounts receivable trade	618,524	1,130,070
Decrease (increase) in inventories	128,729	(158,279)
Increase (decrease) in notes and accounts payable - trade	(162,006)	(103,602)
Other	(349,264)	132,654
Subtotal	2,402,447	2,984,857
Interest and dividend income received	30,097	33,230
Interest expenses paid	(3,683)	(3,709)
Income taxed paid	(1,359,957)	(1,238,116)
Contributions paid	(30,000)	-
Net cash provided by (used in) operating activities	1,038,904	1,776,262

(in thousands of yen)

	First half of the previous consolidated fiscal year (from January 1, 2015 to June 30, 2015)	First half of the consolidated fiscal year under review (from January 1, 2016 to June 30, 2016)
Net cash provided by (used in) investing activities		
Proceeds from withdrawal of time deposits	20,145	-
Purchase of property, plant and equipment	(96,604)	(103,508)
Purchase of intangible assets	(56,149)	(19,657)
Payments for asset retirement obligations	(5,269)	(3,891)
Purchase of investment securities	(298,375)	-
Proceeds from sales of investment securities	22,403	100,000
Purchase of shares of subsidiaries and associates	(10,255)	-
Payments for sales of shares of subsidiaries resulting in change in scope of consolidation	-	(3,770)
Payments for investments in capital of subsidiaries and associates	(19,000)	-
Payments for lease and guarantee deposits	(11,580)	(6,703)
Proceeds from collection of lease and guarantee deposits	13,215	376
Other	(21,157)	2,400
Net cash provided by (used in) investing activities	(462,628)	(34,755)
Net cash provided by (used in) financing activities		
Repayments of long-term loans payable	-	(18,000)
Purchase of treasury stock shares	-	(66)
Proceeds from sales of treasury shares	53,546	-
Cash dividends paid	(491,616)	(603,050)
Dividends paid to non-controlling interests	-	(61,922)
Net cash provided by (used in) financing activities	(438,070)	(683,039)
Effect of exchange rate changes on cash and cash equivalents	(68,942)	(5,285)
Net increase (decrease) in cash and cash equivalents	69,263	1,053,182
Cash and cash equivalents at beginning of the period	8,614,620	9,757,026
Cash and cash equivalents at end of the quarterly period	8,683,883	10,810,208

(4) Notes to quarterly consolidated financial statements
(Notes regarding the premise of surviving company)

Not applicable.

(Notes regarding significant change in shareholders' equity)

Not applicable.

(Segment information)

I. Second quarter of the previous consolidated fiscal year (from January 1, 2015 to June 30, 2015)

1. Amounts of net sales and income or loss by business segment reported

(in thousands of yen)

	Reportable segments					Others (Note 1)	Total	Adjustment (Note 2)	Amount on Quarterly Period Consolidated Statements of Income (Note 3)
	IT Consulting Business	Package & Service Business	New Media & Web Service Business	Corporate Revitalizat ion Business	Total				
Net sales									
(1)Net sales to outside clients	10,314,480	2,085,617	2,393,407	2,239,715	17,033,220	–	17,033,220	–	17,033,220
(2)Inter-segm ent sales or transfer	55,700	9,992	684	3,521	69,899	–	69,899	(69,899)	–
Total	10,370,181	2,095,609	2,394,091	2,243,237	17,103,120	–	17,103,120	(69,899)	17,033,220
Segment income or loss	1,938,038	151,464	(59,906)	12,589	2,042,185	629	2,042,815	50,683	2,093,499

(Notes)1. "Others," a segment not included in the reportable segments, include securities investment, holding, and management activities.

2. Adjustment to segment income and loss represents the amount of inter-segment transactions eliminated and income and expenses of the holding company.
3. Segment income or loss is adjusted with operating income in the Quarterly Period Consolidated Statements of Income.

II. Second quarter of consolidated fiscal year under review (from January 1, 2016 to June 30, 2016)

1. Amounts of net sales and income or loss by business segment reported

(in thousands of yen)

	Reportable segments					Others (Note 1)	Total	Adjustment (Note 2)	Amount on Quarterly Period Consolidated Statements of Income (Note 3)
	IT Consulting Business	Package & Service Business	New Media & Web Service Business	Corporate Revitalizat ion Business	Total				
Net sales									
(1)Net sales to outside clients	10,716,055	1,639,203	2,601,582	2,268,814	17,225,656	–	17,225,656	–	17,225,656
(2)Inter-segm ent sales or transfer	51,175	1,512	157	3,634	56,479	–	56,479	(56,479)	–
Total	10,767,231	1,640,716	2,601,739	2,272,449	17,282,136	–	17,282,136	(56,479)	17,225,656
Segment income or loss	2,200,422	(179,790)	(146,085)	23,722	1,898,268	(11,446)	1,886,822	50,599	1,937,421

(Notes)1. "Others," a segment not included in the reportable segments, include securities investment, holding, and management activities.

2. Adjustment of segment income and loss represents the amount of inter-segment transactions eliminated and income and expenses of the holding company.
3. Segment income or loss is adjusted with operating income in the Quarterly Period Consolidated Statements of Income.

2. Matters related to changes in reportable segments

(Changes in reportable segments)

Effective April 1, 2016, the Company shifted to a holding company structure to realign its organizational platform. Accordingly, starting from the second quarter under review, we migrated to a method of: 1) recording, as costs under segment income adjustment, Group operation costs previously included in the costs of the IT Consulting Business; 2) recording business outsourcing service fees and group growth subsidies received from individual Future Group companies as income under segment income adjustment.

As a result, for the second quarter under review, segment income was lower for the IT Consulting Business by ¥3,160,000, for the Package & Service Business by ¥20,562,000 and for the New Media & Web Service Business by ¥10,871,000, and “Adjustment” was higher by ¥34,594,000, than if the previous segment accounting treatment had been applied.

Segment information shown above for the previous fiscal year’s second quarter is adjusted for the revised reporting segment categorization and measurement methods.

4. Supplemental information

(1) Orders received

(in thousands of yen)

Segment	First half of the previous consolidated fiscal year (from January 1, 2015 to June 30, 2015)		First half of the consolidated fiscal year under review (from January 1, 2016 to June 30, 2016)	
	Orders received	Order backlog	Orders received	Order backlog
	IT Consulting Business	10,618,116	6,468,304	10,075,914
Package & Service Business	2,094,525	1,157,006	1,739,315	1,042,777
New Media & Web Service Business	134,725	19,410	321,216	133,652
Total	12,847,366	7,644,721	12,136,445	7,670,958

(Note)

Orders received include adjustments for exchange rate fluctuations.