



Consolidated Summary Report of Operating Results for the Third 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
 Website: <http://www.future.co.jp/hd>
 Chairman and CEO: Yasufumi Kanemaru, President and COO
 Contact: Yoshihiko Nakajima, Executive Officer
 Tel.: +81-3-5740-5724
 Scheduled submit date of quarterly report: November 14, 2016
 Scheduled date for distribution of dividend payments: –
 Creation of supplemental material on quarterly financial results: No
 Holding of quarterly results briefing: No

(Amount rounded off to million yen)

1. Consolidated Results for the Third Quarter of Fiscal 2016 (January 1, 2016 to September 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	%
3Q, Fiscal 2016	25,645	(0.6)	2,626	(17.6)	2,539	(18.1)	1,555	(10.8)
3Q, Fiscal 2015	25,788	1.4	3,188	(1.1)	3,100	(5.5)	1,743	(3.0)

(Note) Comprehensive income 3Q, Fiscal 2016: 1,681 million yen (-8.9%) 3Q, Fiscal 2015: 1,846 million yen (5.2%)

	Profit per share	Profit per share (fully diluted)
	Yen	Yen
3Q, Fiscal 2016	34.80	–
3Q, Fiscal 2015	39.02	39.01

(2) Consolidated financial position

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
3Q, Fiscal 2016	21,969	16,757	75.8	372.57
Fiscal 2015	22,828	16,301	70.6	360.67

(Reference) Shareholders' equity 3Q, Fiscal 2016: 16,655 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 third 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: 1 company (company names) Uoei Corporation

(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 third 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)

3Q, Fiscal 2016:	47,664,000 shares	Fiscal 2015:	47,664,000 shares
3Q, Fiscal 2016:	2,958,872 shares	Fiscal 2015:	2,958,800 shares
3Q, Fiscal 2016:	44,705,153 shares	3Q, Fiscal 2015:	44,683,856 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.

○ Contents

1. Qualitative information about consolidated operating results for the third quarter of the fiscal year under review	2
(1) Explanation on operating results.....	2
(2) Explanation on financial condition	3
(3) Explanation on qualitative information about consolidated earnings forecast	3
2. Matters related to summary information (notes).....	3
(1) Changes in significant subsidiaries in the consolidated first nine months under review.....	3
(2) Application of special accounting for the preparation of quarterly consolidated financial statements	3
(3) Change in accounting policies or estimates and retrospective restatements	3
3. Quarterly Period Consolidated Financial Statements.....	5
(1) Quarterly Period Consolidated Balance Sheets.....	5
(2) Quarterly Period Consolidated Statements of Income and Comprehensive Income	7
(First nine months period).....	7
(3) Quarterly Period Consolidated Statements of Cash Flows	9
(4) Notes to quarterly consolidated financial statements	11
(Notes regarding the premise of surviving company)	11
(Notes regarding significant change in shareholders' equity)	11
(Segment information).....	12
4. Supplemental information.....	13
(1) Orders received.....	13

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

(1) Explanation on operating results

The Group posted net sales of ¥25,645 million for the first nine months of the consolidated fiscal year under review, down 0.6% from the previous year, operating income of ¥2,626 million, down 17.6%, and ordinary income of ¥2,539 million, down 18.1%. Profit attributable to owners of parent was ¥1,555 million, down 10.8%.

(i) IT Consulting Business

Net sales in Japan for the third quarter cumulative period of FY2016 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 other sectors; and 2) multiple regional banks introducing financial cloud computing services (SKYBANK). Segment sales increased slightly year-on-year due to cutbacks in operations of subsidiaries in Southeast Asia.

Operating income for the third quarter cumulative period increased year-on-year as gross profit increased 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, although personnel, training, and other expenses rose due to the hiring of more new graduates.

Consequently, net sales of this segment for the third quarter cumulative period stood at 15,681 million yen, up 0.1% year-on-year, and its operating income amounted to 2,993 million yen, up 0.2% year-on-year.

(ii) Package & Service Business

Despite the recovery of operating income for the quarter under review, FutureOne Inc. ("FutureOne") posted a year-on-year decrease in both net sales and operating income for the first nine months of FY2016 as new order intake was delayed during the first half of the year due to quality issues in some projects and the Company continued initiatives to reorganize unprofitable business units.

Micro CAD Co., Ltd. ("Micro CAD") posted a year-on-year decrease in both net sales and operating income for the first nine months of FY2016 due to delays in project starts, in spite of more orders received for its comprehensive intellectual property management system during the quarter under review.

Consequently, net sales of this segment for the third quarter cumulative period stood at 2,511 million yen, down 19.4% year-on-year, and its operating loss, which reflected the amortization of goodwill, amounted to 198 million yen against operating income of 166 million yen a year earlier.

(iii) New Media & Web Service Business

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

During the third quarter cumulative period, Tokyo Calendar Inc. increased revenue from advertising, including web-linked magazine advertising, thanks to its record-high 25 million monthly page views in September. Consequently, the company recorded a year-on-year increase in net sales and reduced its operating loss.

Business launched by CodeCamp Inc. ("CodeCamp"), including an online programming education service, posted higher upfront investment costs related to new service provision.

As a result, net sales of this segment for the third quarter cumulative period stood at 4,177 million yen, up 12.3% year-on-year, and operating loss after reflecting the amortization of goodwill amounted to 252 million yen against an operating loss of 80 million yen a year earlier.

(iv) Corporate Revitalization Business

Uoei Corporation ("Uoei"), a company operating grocery supermarkets, posted a slight year-on-year decrease in net sales for the third quarter cumulative period, but recorded a significant year-on-year increase in operating income, which was attributable to improved gross profit margin achieved by appropriate purchasing activities using IT systems to analyze sales, purchasing value, and inventories of all merchandise.

Consequently, net sales of this segment stood at 3,395 million yen, down 0.2% year-on-year, and operating income amounted to 33 million yen, up 97.7% year-on-year.

The Group excluded Uoei (and its subsidiaries) from the scope of consolidation because it transferred all the shares of Uoei effective September 7, 2016.

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 third quarter cumulative period 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 third quarter under review decreased by ¥859 million from the end of the previous consolidated fiscal year to ¥21,969 million. This was mainly attributable to a decrease in notes and accounts receivable - trade (a decrease of ¥1,026 million from the end of the previous fiscal year) and goodwill (a decrease of ¥257 million), in spite of an increase in cash and deposits (an increase of ¥618 million from the end of the previous fiscal year).

Liabilities stood at ¥5,212 million, a decrease of ¥1,315 million from the end of the previous fiscal year, which was mainly attributable to a decrease in accounts payable - other (a decrease of ¥213 million from the end of the previous fiscal year) and income taxes payable (a decrease of ¥646 million).

Net assets increased by ¥455 million from the end of the previous consolidated fiscal year to ¥16,757 million. The main factors included an increase in retained earnings (an increase of ¥392 million from the end of the previous consolidated fiscal year).

(Analysis of cash flows)

Net cash provided by operating activities represented an inflow of ¥1,979 million (compared to an inflow of ¥1,465 million in the previous fiscal year), because the Company posted ¥2,590 million in profit before income taxes and ¥978 million in decrease in notes and accounts receivable - trade, while recording ¥1,745 million in income taxes paid.

Net cash used in investing activities represented an outflow of ¥155 million (compared to an outflow of ¥764 million in the previous fiscal year), chiefly due to an outflow of ¥230 million for the payment of lease and guarantee deposits, despite an inflow of ¥196 million from sales of investments in subsidiaries and investment securities.

Net cash used in financing activities accounted for an outflow of ¥1,226 million (compared to an outflow of ¥925 million in the previous fiscal year), mainly due to dividends paid of ¥1,146 million.

As a result of these operating, investment, and financial activities, the balance of cash and cash equivalents at the end of the third quarter under review was ¥10,323 million, up ¥566 million from the end of the previous consolidated fiscal year.

(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 July 29, 2016.

2. Matters related to summary information (notes)

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

The Company established Future Architect, Inc. through a company split in the second quarter under review and sold all the shares of Uoei Corporation in the third quarter under review.

(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 third 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 third quarter cumulative period 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 Divestitures Accounting Standard No. 57, Paragraph 4 (4).

The aforementioned application did not affect the consolidated financial statements for the third quarter cumulative period.

(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 third quarter cumulative period .

3. Quarterly Period Consolidated Financial Statements

(1) Quarterly Period Consolidated Balance Sheets

(in thousands of yen)

	Previous consolidated fiscal year (December 31, 2015)	Consolidated third quarter under review (September 30, 2016)
Assets		
Current assets		
Cash and deposits	9,650,136	10,269,131
Notes and accounts receivable - trade	5,020,960	3,994,587
Securities	108,689	56,180
Merchandise and finished goods	688,591	765,506
Work in process	34,892	76,354
Deferred tax assets	216,495	244,390
Accounts receivable - other	1,415,805	1,385,813
Other	566,157	799,815
Allowance for doubtful accounts	(5,113)	(4,915)
Total current assets	17,696,614	17,586,864
Non-current assets		
Property, plant and equipment		
Buildings and structures	3,346,284	858,472
Accumulated depreciation	(3,023,246)	(647,339)
Buildings and structures, net	323,037	211,132
Land	80,894	5,430
Other	2,189,531	1,819,026
Accumulated depreciation	(1,869,459)	(1,601,274)
Other, net	320,071	217,751
Total property, plant and equipment	724,003	434,314
Intangible assets		
Goodwill	969,257	711,707
Software	472,454	341,984
Other	23,175	19,149
Total intangible assets	1,464,887	1,072,841
Investments and other assets		
Investment securities	1,729,798	1,521,108
Lease and guarantee deposits	1,032,610	1,170,175
Deferred tax assets	132,819	130,308
Other	93,653	89,926
Allowance for doubtful accounts	(45,430)	(36,035)
Total investments and other assets	2,943,452	2,875,483
Total non-current assets	5,132,344	4,382,639
Total assets	22,828,959	21,969,503

(in thousands of yen)

	Previous consolidated fiscal year (December 31, 2015)	Consolidated third quarter under review (September 30, 2016)
Liabilities		
Current liabilities		
Accounts payable - trade	1,303,659	813,391
Current portion of long-term loans payable	4,800	-
Accounts payable - other	742,063	528,981
Income taxes payable	1,243,548	597,474
Provision for bonuses	236,859	627,374
Provision for quality assurance	88,160	98,047
Provision for point card certificates	25,198	966
Other	1,437,814	1,238,551
Total current liabilities	5,082,101	3,904,786
Non-current liabilities		
Long-term loans payable	1,013,200	1,000,000
Asset retirement obligations	408,249	294,978
Other	23,921	12,556
Total non-current liabilities	1,445,370	1,307,535
Total liabilities	6,527,472	5,212,322
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	14,149,007
Treasury shares	(1,499,428)	(1,499,494)
Total shareholders' equity	16,186,962	16,579,091
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	45,431	39,708
Deferred gains or losses on hedges	-	(511)
Foreign currency translation adjustment	(108,510)	37,639
Total accumulated other comprehensive income	(63,078)	76,836
Non-controlling interests	177,602	101,252
Total net assets	16,301,486	16,757,181
Total liabilities and net assets	22,828,959	21,969,503

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

(in thousands of yen)

	First nine months of the previous consolidated fiscal year (from January 1, 2015 to September 30, 2015)	First nine months of the consolidated fiscal year under review (from January 1, 2016 to September 30, 2016)
Net sales	25,788,678	25,645,531
Cost of sales	16,089,704	15,716,794
Gross profit	9,698,973	9,928,736
Selling, general and administrative expenses		
Directors' compensations	269,230	285,782
Salaries and bonuses	2,686,951	3,116,758
Training expenses	188,350	230,989
Research and development expenses	119,870	248,821
Depreciation	74,910	60,816
Recruiting expenses	209,634	200,603
Other	2,961,099	3,158,167
Total selling, general and administrative expenses	6,510,048	7,301,939
Operating income	3,188,924	2,626,797
Non-operating income		
Interest income	2,748	1,655
Dividend income	30,958	32,115
Share of profit of entities accounted for using equity method	4,922	43,593
Other	11,773	12,642
Total non-operating income	50,403	90,006
Non-operating expenses		
Interest expenses	7,596	5,768
Foreign exchange losses	101,663	171,881
Contributions	30,000	
Total non-operating expenses	139,259	177,650
Ordinary income	3,100,069	2,539,153

(in thousands of yen)

	First nine months of the previous consolidated fiscal year (from January 1, 2015 to September 30, 2015)	First nine months of the consolidated fiscal year under review (from January 1, 2016 to September 30, 2016)
Extraordinary income		
Gain on sales of investment securities	35,063	399
Gain on sales of shares of subsidiaries and associates	-	196,651
Total extraordinary income	35,063	197,051
Extraordinary loss		
Loss on change in equity	9,343	1,270
Loss on valuation of investment securities	-	143,881
Loss on sales of shares of subsidiaries and associates	-	808
Total extraordinary losses	9,343	145,959
Profit before income taxes	3,125,789	2,590,245
Income taxes	1,320,371	1,042,459
Profit	1,805,417	1,547,786
(Profit attributable to)		
Profit attributable to owners of parent	1,743,609	1,555,904
Profit (loss) attributable to non-controlling interests	61,808	(8,117)
Other comprehensive income		
Valuation difference on available-for-sale securities	5,957	(5,422)
Deferred gains or losses on hedges	-	(511)
Foreign currency translation adjustment	38,303	140,195
Share of other comprehensive income of entities accounted for using equity method	(3,658)	(300)
Total other comprehensive income	40,602	133,961
Comprehensive income	1,846,020	1,681,747
(Comprehensive income attributable to)		
Comprehensive income attributable to owners of parent	1,810,377	1,696,175
Comprehensive income (loss) attributable to non-controlling interests	35,642	(14,427)

(3) Quarterly Period Consolidated Statements of Cash Flows

(in thousands of yen)

	First nine months of the previous consolidated fiscal year (from January 1, 2015 to September 30, 2015)	First nine months of the consolidated fiscal year under review (from January 1, 2016 to September 30, 2016)
Net cash provided by (used in) operating activities		
Profit before income taxes	3,125,789	2,590,245
Depreciation	299,934	302,456
Increase (decrease) in allowance for doubtful accounts	15,184	14,557
Increase (decrease) in provision for bonuses	1,725	393,949
Increase (decrease) in provision for quality assurance	(105,632)	9,887
Increase (decrease) in provision for loss on projects	(30,496)	-
Interest and dividend income	(33,706)	(33,770)
Interest expenses	7,596	5,768
Share of (profit) loss of entities accounted for using equity method	(4,922)	(43,593)
Loss (gain) on change in equity	9,343	1,270
Loss (gain) on sale of investment securities	(35,063)	(399)
Loss (gain) on valuation of investment securities	-	143,881
Loss (gain) on sales of shares of subsidiaries and associates	-	(195,843)
Decrease (increase) in notes and accounts receivable trade	743,704	978,111
Decrease (increase) in inventories	89,489	(231,907)
Increase (decrease) in notes and accounts payable - trade	(239,530)	(153,476)
Other	(325,932)	(83,659)
Subtotal	3,517,482	3,697,476
Interest and dividend income received	33,815	33,771
Interest expenses paid	(7,596)	(5,635)
Income taxed paid	(2,047,840)	(1,745,680)
Contributions paid	(30,000)	-
Net cash provided by (used in) operating activities	1,465,862	1,979,932

(in thousands of yen)

	First nine months of the previous consolidated fiscal year (from January 1, 2015 to September 30, 2015)	First nine months of the consolidated fiscal year under review (from January 1, 2016 to September 30, 2016)
Net cash provided by (used in) investing activities		
Proceeds from withdrawal of time deposits	40,325	-
Purchase of property, plant and equipment	(116,362)	(121,145)
Purchase of intangible assets	(81,913)	(30,670)
Payments for asset retirement obligations	(5,426)	(3,891)
Purchase of investment securities	(348,373)	-
Proceeds from sales of investment securities	49,610	100,399
Purchase of shares of subsidiaries and associates	(10,255)	-
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(248,571)	-
Proceeds from sales of shares of subsidiaries resulting in change in scope of consolidation	-	96,504
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	(16,899)	(230,702)
Proceeds from collection of lease and guarantee deposits	13,129	40,584
Other	(20,457)	(2,447)
Net cash provided by (used in) investing activities	(764,194)	(155,138)
Net cash provided by (used in) financing activities		
Repayments of long-term loans payable	-	(18,000)
Purchase of treasury shares	-	(66)
Proceeds from sales of treasury shares	53,546	-
Cash dividends paid	(900,625)	(1,146,537)
Dividends paid to non-controlling interests	(78,411)	(61,922)
Net cash provided by (used in) financing activities	(925,490)	(1,226,526)
Effect of exchange rate changes on cash and cash equivalents	(63,232)	(31,782)
Net increase (decrease) in cash and cash equivalents	(287,054)	566,484
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	8,327,565	10,323,511

(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. Third quarter of the previous consolidated fiscal year (from January 1, 2015 to September 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	15,565,061	3,108,398	3,718,785	3,396,431	25,788,678	-	25,788,678	-	25,788,678
(2)Inter-segm ent sales or transfer	108,301	9,926	576	4,485	123,289	-	123,289	(123,289)	-
Total	15,673,363	3,118,325	3,719,362	3,400,916	25,911,967	-	25,911,967	(123,289)	25,788,678
Segment income or loss	2,987,167	166,754	(80,419)	16,757	3,090,259	1,749	3,092,008	96,916	3,188,924

(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.

2. Information about losses from impairment of non-current assets by reportable segment, goodwill, etc.

(Material changes in the amount of goodwill)

For the New Media & Web Service Business segment, the Company has acquired shares of CodeCamp Inc. and transformed this company into its subsidiary. As a result of this transaction, the amount of goodwill has increased to 367,581,000 yen in the third quarter under review.

II. Third quarter of consolidated fiscal year under review (from January 1, 2016 to September 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	15,568,348	2,510,373	4,177,048	3,389,760	25,645,531	-	25,645,531	-	25,645,531
(2)Inter-segm ent sales or transfer	113,331	1,512	157	6,030	121,032	-	121,032	(121,032)	-
Total	15,681,680	2,511,886	4,177,205	3,395,791	25,766,563	-	25,766,563	(121,032)	25,645,531
Segment income or loss	2,993,276	(198,700)	(252,186)	33,135	2,575,525	(15,849)	2,559,676	67,121	2,626,797

(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 third quarter cumulative period, segment income was higher for the IT Consulting Business by ¥17,192,000 and for the Adjustment by ¥45,233,000, and was lower for the Package & Service Business by ¥40,607,000 and for the New Media & Web Service Business by ¥21,819,000, than if the previous segment accounting treatment had been applied.

Segment information shown above for the previous fiscal year's third quarter cumulative period is adjusted for the revised reporting segment categorization and measurement methods.

3. Information about assets by reportable segment

The amount of assets by reportable segment has changed in the third quarter under review in comparison with the amount at the end of the previous fiscal year. The outline is described below.

In the third quarter under review, the Company sold shares of Uoei Corporation that were formerly categorized into the Corporate Revitalization Business, and excluded this company from the scope of consolidation.

As a result, the amount of assets of the Corporate Revitalization Business segment was zero.

4. Supplemental information

(1) Orders received

(in thousands of yen)

Segment	First nine months of the previous consolidated fiscal year (from January 1, 2015 to September 30, 2015)		First nine months of the consolidated fiscal year under review (from January 1, 2016 to September 30, 2016)	
	Orders received	Order backlog	Orders received	Order backlog
	IT Consulting Business	17,664,891	8,264,498	14,747,565
Package & Service Business	3,110,554	1,150,254	2,878,208	1,310,500
New Media & Web Service Business	218,210	74,175	545,701	195,549
Total	20,993,656	9,488,928	18,171,475	7,819,937

(Note)

Orders received include adjustments for exchange rate fluctuations.