

Furusato Announces Revision to Earnings Forecasts for the Year Ending March 31, 2012

Furusato Industries, Ltd. (Furusato) has announced today a revision to its earnings forecasts for the year ending March 31, 2012 (FY2011), which were announced on October 27, 2011. The dividend forecast has not changed from the one previously announced.

The details are as follows:

● Revision to the earnings forecasts

Consolidated full-year earnings forecast (from April 1, 2011 to March 31, 2012)

	Net Sales	Operating Income	Ordinary Income	Net Income	Net Income Per Share
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Yen
Previous forecasts (A)	68,400	1,480	1,750	840	56.43
Revised forecasts (B)	71,230	1,810	2,085	855	57.49
Change (B-A)	2,830	330	335	15	
% Change	4.1	22.3	19.1	1.8	
(Reference) FY2010	64,454	767	1,074	569	37.55

Non-consolidated full-year earnings forecast (from April 1, 2011 to March 31, 2012)

	Net Sales	Operating Income	Ordinary Income	Net Income	Net Income Per Share
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Yen
Previous forecasts (A)	20,170	490	660	320	21.50
Revised forecasts (B)	20,810	635	805	230	15.46
Change (B-A)	640	145	145	(90)	
% Change	3.2	29.6	22.0	(28.1)	
(Reference) FY2010	19,741	130	332	64	4.25

➤ Reason for the revision to the earnings forecasts

[Consolidated]

Furusato expects operating income and ordinary income to increase from the previous forecast due to a higher-than-expected growth in net sales in line with the improvement in profitability by Furusato. Meanwhile, net income is expected to result in a slight increase from the previous forecast due to recording an impairment loss under an extraordinary loss and the possibility that a loss on valuation of investment securities would be recorded under the extraordinary loss depending on the future trend in stock market.

[Non-consolidated]

Furusato expects operating income and ordinary income to increase from the previous

forecast, driven by the improved profitability in line with a higher-than-expected growth in net sales. Meanwhile, the net income is expected to decrease from the previous forecast due to recording an impairment loss under an extraordinary loss and the possibility that a loss on valuation of investment securities would be recorded under the extraordinary loss depending on the future trend in stock market, although gain on liquidation of a subsidiary was recorded under an extraordinary income.

With regard to the gain on liquidation of a subsidiary, it has no impact on the consolidated financial results due to the liquidation of a consolidated subsidiary.

*The forecasts presented above are based on information currently available. The statements involve various factors that could cause actual results to be materially different.