

Summary

(Translation)

Fields Corporation Summary of Financial Information and Business Results (Consolidated) for the Third Quarter of the Year Ending March 31, 2012 (Japan GAAP)

February 2, 2012
Listed on: OSE [JASDAQ]

Company Name: Fields Corporation
(URL: <http://www.fields.biz/>)
Stock code: 2767
Representative Director: Takashi Oya
President and COO
Inquiries: Hideaki Hatanaka
Executive Officer and General Manager, Corporate Communications Office
Tel: +81-3-5784-2111
Planned Date for Submittal of the Quarterly Report: February 10, 2012
Planned Date for Start of Dividend Payment: —
Quarterly earnings supplementary explanatory materials: Yes
Quarterly earnings presentation: Yes (For institutional investors and security analysts)

(Rounded down to the nearest million)

1. Business results for the third quarter of the year ending March 31, 2012 (April 1, 2011 to December 31, 2011)

(1) Operating results (cumulative total) (Percentage figures denote year-over-year changes.)

	Net sales		Operating income		Ordinary income		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Third quarter, year ending March 31, 2012	43,061	(39.7)	22	(99.8)	106	(99.1)	1,132	(82.5)
Third quarter, year ended March 31, 2011	71,433	191.3	10,699	682.1	11,483	952.7	6,471	—

(Note) Comprehensive income Third quarter, year ending March 31, 2012: ¥1,015 million (-84.4%)
Third quarter, year ended March 31, 2011: ¥6,532 million (—%)

	Net income per share	Diluted net income per share
	Yen	Yen
Third quarter, year ending March 31, 2012	3,410.62	—
Third quarter, year ended March 31, 2011	19,484.24	—

(2) Financial position

	Total assets	Net assets	Shareholders' equity ratio
	Million yen	Million yen	%
Third quarter, year ending March 31, 2012	61,872	46,408	74.3
Year ended March 31, 2011	78,971	47,021	59.2

(Reference) Shareholders' equity Third quarter, year ending March 31, 2012: ¥45,989 million
Year ended March 31, 2011: ¥46,779 million

2. Dividends

(Record date)	Annual dividends				
	First quarter-end	Second quarter-end	Third quarter-end	Year-end	Annual
	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2011	—	2,500.00	—	2,500.00	5,000.00
Year ending March 31, 2012	—	2,500.00	—		
Year ending March 31, 2012 (Forecast)				2,500.00	5,000.00

(Note) Revision of the most recently released dividend forecasts: No

3. Forecast earnings for the year ending March 31, 2012 (April 1, 2011 to March 31, 2012)

(Percentage figures denote year-over-year changes.)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	100,000	(3.5)	14,000	6.6	14,000	2.3	8,000	6.4	24,088.04

(Note) Revision of the most recently released performance forecasts: No

4. Other Information

(1) Transfer of important subsidiaries during the year under review (Transfer of specific subsidiaries that results in a change in the scope of consolidation): No

(2) Application of the accounting method specific to quarterly consolidated financial statements: Yes

(3) Changes in accounting principles and accounting estimates, and revisions/restatements

1) Changes due to the revision to the accounting standards, etc.: No

2) Changes due to any reason other than those in 1) above: No

3) Changes in accounting estimates: No

4) Revisions/restatements: No

(4) Number of shares issued (common stock)

1) Number of shares issued at end of year (including treasury stock)

Third quarter, year ending March 31, 2012	347,000 shares
Year ended March 31, 2011	347,000 shares

2) Number of shares of treasury stock at end of year

Third quarter, year ending March 31, 2012	15,162 shares
Year ended March 31, 2011	14,885 shares

3) Average number of shares outstanding (quarterly consolidated cumulative period)

Third quarter, year ending March 31, 2012	332,080 shares
Third quarter, year ended March 31, 2011	332,115 shares

* Indication of status of quarterly review procedure

This quarterly earnings report is not subject to quarterly review procedures based upon the Financial Instruments and Exchange Act. Thus, at the time of disclosure of the financial results, the quarterly financial statement review procedures based upon the Financial Instruments and Exchange Act have not been completed.

* Explanation of the appropriate usage of forecast earnings and other specific matters

The above forecast relies on judgments and assumptions based on information available as of the date of announcement of this material, and is subject to changes in risks, uncertainties, and economy, and other factors that could cause actual results to be materially different from expectations. When using the performance forecasts, in this document, please refer to "Qualitative information on projections for the consolidated business results" on page 5 of the Appendix to this document for a description of the assumptions underlying the performance projections and points to note.

The Company is planning to hold a results briefing for analysts and institutional investors on Friday, February 3, 2012. Materials distributed at that briefing will be posted on the Company's website after the briefing.

○ Table of Contents of Attached Document

1. Qualitative information on quarterly financial results	2
(1) Qualitative information on consolidated operating results	2
(2) Qualitative information on the consolidated financial position	4
(3) Qualitative information on projections for the consolidated business results	5
2. Summary information (other)	5
(1) Transfer of important subsidiaries during the year under review	5
(2) Application of the accounting method specific to quarterly consolidated financial statements	5
(3) Changes in accounting principles and accounting estimates, and revisions/restatements	5
3. Quarterly consolidated financial statements	6
(1) Quarterly consolidated balance sheets	6
(2) Quarterly consolidated statements of income and consolidated statements of comprehensive income	8
Quarterly consolidated statement of income	8
Quarterly consolidated statement of comprehensive income	9
(3) Quarterly consolidated statement of cash flows	10
(4) Note regarding the operation of the company as a going concern	12
(5) Segment information	12
(6) Note regarding occurrence of significant change in amount of shareholders' equity	13

1. Qualitative information on quarterly financial results

(1) Qualitative information on consolidated operating results

1) Overview of operations for the nine months ended December 31, 2011 (April – December 2011)

The Company posted net sales of ¥43,061 million (down 39.7% year-over-year), operating income of ¥22 million (down 99.8% year-over-year), and ordinary income of ¥106 million (down 99.1% year-over-year). The Company's net income for the period totaled ¥1,132 million (down 82.5% year-over-year), due to a reduction in current income taxes as a result of recording deferred tax assets in the previous quarter following the dissolution and liquidation of its subsidiary.

The main reasons for the above results are as follows.

For the year ending March 31, 2012, the Company had planned a sales schedule focused more on the second half of the business year with regard to both pachinko and pachislot (PS) machines. This plan was formulated in the face of the effects of the Great East Japan Earthquake. However, following an earlier-than-expected recovery in the supply chain (parts supply network), which had previously been an area of concern, a series of major titles was launched by pachinko/pachislot machine manufactures during the third quarter under review (October – December 2011). Under such circumstances and from the viewpoint of distribution, the Company examined the timing of the provision of new machine models that would contribute to pachinko halls' ability to continuously attract customers, and decided to launch its multiple major titles in a concentrated manner during the fourth quarter (January – March 2012). As a result, in the nine months ended December 31, 2011, the Company's launches consisted of 1 pachinko machine and 4 pachislot machines.

The status of each segment is as follows.

2) Analysis of operations for the nine months under review by business segment

[Pachinko/Pachislot (PS) Field segment]

The pachinko/pachislot market environment in the nine months ended December 31, 2011 (April – December 2011) proved to be temporarily challenging, with pachinko halls continuing to make power-saving efforts through voluntarily-shortened opening hours and rotational hall closings until the summer of the year. These measures were taken in response to the power supply shortages caused by the Great East Japan Earthquake. Meanwhile, the occurrence of the major earthquake resulted in a positive re-evaluation of the pachinko hall's role in the local community. With the pachislot market showing a solid recovery, the overall pachinko/pachislot market remained more or less insulated from the effects of the Great East Japan Earthquake.

Pachinko/pachislot machine manufactures respectively made changes to their sales schedules in favor of a plan focused on the second half of the year ending March 31, 2012. This was in response to reports that electronic parts manufactures including semiconductor manufacturers, affected by the disaster, would return to normal operations only after the summer of 2011. Due to such sales schedule changes, pachinko/pachislot machine sales during the six months ended September 30, 2011 consisted mostly of models for which parts had been purchased prior to the Great East Japan Earthquake, leading to sluggish overall machine sales in comparison to ordinary years. Yet, with the supply chain returning to normal earlier than expected, pachinko/pachislot machine manufactures launched during the third quarter under review a series of major titles, which proved to be big hits. These developments in turn brought about a revival of machine replacements by pachinko halls. While the industry was partially affected by the machine parts shortages caused by the flooding in Thailand, the overall pachinko/pachislot market continued to remain free from any major impediment stemming from the disaster.

Under such circumstances and from the viewpoint of distribution, the Company examined the timing of the provision of new machine models that would contribute to pachinko halls' ability to continuously attract customers, and decided to launch its major titles in a concentrated manner during the fourth quarter (January – March 2012).

CR Evangelion 7, the pachinko *Evangelion* series' latest title, was already launched at the beginning of 2012. The first of the major titles being released in the fourth quarter of the year ending March 31, 2012, it has been highly acclaimed in the market place. Its superior utilization rate has been well recognized by pachinko hall operators, with additional orders being placed with the Company.

In response to the continued strong expansion of the pachislot market, the Company plans to launch the new pachislot title *Evangelion—the Heartbeat of Life* as the second major title to be released in the fourth quarter of the year ending March 31, 2012. Moreover, the Company is scheduled to launch a pachislot machine based on a major IP as the third title to be released in the fourth quarter in progress.

As a result of the above, during the third quarter under review, the Pachinko/Pachislot (PS) Field posted net sales of ¥38,023 million (down 41.0% year-over-year) and an operating income of ¥229 million (down 97.8% year-over-year).

<Pachinko/Pachislot machine titles sold during the consolidated nine months under review>

Pachinko machine sales titles	Month released	
<i>CR The story of ayumi hamasaki—introduction</i>	July 2011	(Bisty Co., Ltd.)
<i>(CR The story of ayumi hamasaki—Light/Sweet Version)</i>	November 2011	(Bisty Co., Ltd.)
Total number of pachinko machines sold (machines)	125,465	

Pachislot machine sales titles	Month released	
[Ongoing sale title from the previous fiscal year] <i>MOBASLO Evangelion—for your own wish</i>	March 2011	(Bisty Co., Ltd.)
<i>SAMURAI 7</i>	May 2011	(Bisty Co., Ltd.)
<i>Kaze no Youjinbou—Memory of Butterflies</i>	August 2011	(Rodeo Co., Ltd.)
<i>Rahxephon</i>	October 2011	(Rodeo Co., Ltd.)
<i>Street Fighter IV</i>	November 2011	(Enterise Co., Ltd.)
Total number of pachislot machines sold (machines)	73,489	

(Note) The total number of pachinko/pachislot machines sold includes the number of machines other than the above titles sold via agency sales.

[Mobile Field segment]

Internet access in Japan for both mobile devices and personal computers has continued to develop against faster communication speeds and the improvement of communication access networks. In the area of mobile devices, in particular, smartphones and tablet computers continued to become popular, and the demand for entertainment content, such as games and electronic books, has been increasing.

In this market environment and with the aim of increasing the number of paying members, the Company is striving to expand its on-line services, including those for mobile devices, by leveraging pachinko/pachislot-related content (an area of particular strength for the Company) as well as enhancing new services in other fields with its own content.

In online service fields, FutureScope Corporation and IP Bros. Incorporated have been modifying the provision of their existing services based on pachinko/pachislot-related content. At the same time, both companies have continued to enhance the provision of smartphone services and new content while making investment aimed at improving their service quality.

The two companies will seek to raise their online service profitability through a focused allocation of their business resources with the aim of accelerating the provision of services based on social media, smartphone and online media, areas enjoying fast-paced growth.

As a result of the above, for the consolidated third quarter under review, the Mobile Field posted net sales of ¥1,564 million (up 1.1% year-over-year) and operating income of ¥41 million (down 85.6% year-over-year).

[Sports Entertainment Field segment]

During the third quarter under review, the Company continued to implement improvements in its management of sports-related business.

The Company implemented a drastic reorganization of Japan Sports Marketing Inc. (JSM), which handles the sports business of the Company, as stated in our news release dated August 23, 2011, “Notice regarding a Simplified Absorption-type Divestiture between Fields Corporation and its Subsidiary and a Special Liquidation of the Subsidiary.” During the third quarter under review, the Company continued to advance a range of procedures towards JSM’s special liquidation (scheduled for March 2012).

As a result of the above, the Sports Entertainment Field posted for the consolidated third quarter under review net sales of ¥1,478 million (down 10.1% year-over-year) and operating loss of ¥35 million (versus an operating loss of ¥219 million for the same period of the previous fiscal year).

[Other Field segment]

Tsuburaya Production Co., Ltd., which handles video business, continues to implement various steps for achieving increased profitability through developing new IP (Intellectual Property), in addition to revitalizing its own existing IP such as the *Ultraman* Series, and for improving its brand value. The new *Ultraman* Series movie *Ultraman Saga*, scheduled to be premiered nationwide from March 24, 2012, is planned and produced with a new approach, with the aim of revitalizing Tsuburaya Production’s IP, based on the use of highly-celebrated actors and actresses and powerful 3D video quality.

Digital Frontier Inc. expanded its video production business in various areas through producing computer graphics (CG) for movies/games and pachinko/pachislot machines. Faced with the issue of expanding its production line to meet increased orders for producing full-length CG, movies and games, the company has committed to strengthen its system by setting up a

subsidiary in Taiwan. It has also committed to making a Malaysia-based CG production company its subsidiary, in an effort to secure lines of production not only in Japan but also in overseas locations.

Lucent Pictures Entertainment, Inc., promoted the projects for tie-up with various media sources in connection with “BERSERK I THE HIGH KING’S EGG” (scheduled to be premiered nationwide from February 4, 2012), an animated movie that the company has planned and produced as a major project since its establishment.

As for content development-related business, the publisher HERO’S Inc., which was jointly established with Shogakukan Creative Inc., launched comic magazine “HERO’S Monthly” on November 1, 2011. With its second and third issues doing well thereafter, this magazine launch marked a good start for the company in creating highly-quality IP. In the future, in addition to enriching the magazine's content, the company will aggressively promote cross-media development in a variety of fields, including the pachinko/pachislot related field, while striving to strengthen the platform required for developing and creating superior IP.

As a result of the above, the Other Field posted net sales of ¥2,957 million (down 29.4% year-over-year) and operating loss of ¥183 million (versus an operating income of ¥177 million for the same period of the previous fiscal year) for the consolidated third quarter under review.

(Note) Net sales reported by the individual segments are gross of inter-group net sales or transfers.

(2) Qualitative information on the consolidated financial position

(Assets)

Current assets amounted to ¥30,955 million, down ¥20,095 million since the end of the previous fiscal year. The principal factor behind this was a decrease in notes and accounts receivable—trade.

Tangible fixed assets amounted to ¥10,806 million, up ¥716 million since the end of the previous fiscal year.

Intangible fixed assets amounted to ¥4,743 million, down ¥326 million since the end of the previous fiscal year.

Investments and other assets amounted to ¥15,367 million, up ¥2,606 million since the end of the previous fiscal year. This primarily reflected an increase in deferred tax assets.

As a result of the above, total assets amounted to ¥61,872 million, down ¥17,098 million since the end of the previous fiscal year.

(Liabilities)

Current liabilities amounted to ¥11,315 million, down ¥16,271 million since the end of the previous fiscal year. The principal factors behind this were a decrease in notes and accounts payable—trade and a decrease in accrued income taxes.

Fixed liabilities amounted to ¥4,148 million, down ¥214 million since the end of the previous fiscal year. This was mainly attributable to a decrease in redemption of corporate bonds.

As a result of the above, total liabilities amounted to ¥15,464 million, down ¥16,485 million since the end of the previous fiscal year.

(Net assets)

Net assets amounted to ¥46,408 million, down ¥613 million since the end of the previous fiscal year. This was primarily reflected a decrease in retained earnings.

(Analysis of cash flows)

Cash and cash equivalents (hereinafter referred to as “cash”) decreased by ¥1,821 million since the end of the previous fiscal year and amounted to ¥13,810 million at the end of the third quarter of the year ending March 31, 2012.

(Cash flows from operating activities)

Net cash provided by operating activities amounted to ¥3,690 million (¥9,666 million of income in the previous year). This was mainly attributable to a decrease of ¥27,694 million in notes and accounts receivable—trade, a decrease of ¥16,229 million in notes and accounts payable—trade, and current income taxes paid of ¥7,112 million, etc.

(Cash flows from investing activities)

Net cash used in investing activities amounted to ¥3,111 million (¥3,339 million of expenditure in the previous year). This was mainly attributable to expenditure for purchases of tangible fixed assets totaling ¥955 million, expenditure for purchases of intangible fixed assets totaling ¥789 million, and expenditure for purchases of marketable securities totaling ¥503 million, etc.

(Cash flows from financing activities)

Net cash used in financing activities amounted to ¥2,395 million (¥3,702 million of expenditure in the previous year). This was mainly attributable to dividends paid totaling ¥1,652 million, and redemption of corporate bonds totaling ¥670 million, etc.

(3) Qualitative information on projections for the consolidated business results

(Unit: Million yen)

	Forecast for the year ending March 31, 2012	Results for the year ended March 31, 2011	Year-over-year change
Net sales	100,000	103,593	(3.5%)
Operating income	14,000	13,136	6.6%
Ordinary income	14,000	13,684	2.3%
Net income	8,000	7,520	6.4%

As stated above, the Company plans to launch major pachinko/pachislot machine titles during the fourth quarter of the year ending March 31, 2012.

The consolidated forecast earnings for the year ending March 31, 2012 remain unchanged from those stated in “Summary of Financial Information and Business Results (Consolidated) for the Year Ended March 31, 2011 (Japan GAAP),” released on May 12, 2011.

2. Summary information (other)**(1) Transfer of important subsidiaries during the year under review**

None

(2) Application of the accounting method specific to quarterly consolidated financial statements

Assessment of tax expenses

The Company applies the method that reasonably estimates an effective tax rate to be assessed on income before income taxes for the year ending March 31, 2012 after accounting for the tax effects of temporary differences and multiplies income before income taxes during the nine months ended December 31, 2011 by such estimated effective tax rate.

(3) Changes in accounting principles and accounting estimates, and revisions/restatements

None

3. Quarterly consolidated financial statements

(1) Quarterly consolidated balance sheets

(Unit: Million yen)

	Fiscal year ended March 31, 2011 (March 31, 2011)	Nine months ended December 31, 2011 (December 31, 2011)
Assets		
Current assets		
Cash and cash equivalents	15,873	14,020
Notes and accounts receivable—trade	27,948	3,085
Marketable securities	—	500
Merchandise and products	300	455
Work in process	826	3,810
Raw materials and supplies	231	248
Other current assets	6,071	8,895
Allowance for doubtful accounts	(200)	(61)
Total current assets	51,051	30,955
Fixed assets		
Tangible fixed assets		
Land	6,324	6,642
Other tangible fixed assets	3,765	4,163
Total tangible fixed assets	10,089	10,806
Intangible fixed assets		
Goodwill	2,801	2,586
Other intangible fixed assets	2,268	2,157
Total intangible fixed assets	5,070	4,743
Investments and other assets		
Investment securities	8,466	8,699
Other assets	4,769	7,151
Allowance for doubtful accounts	(475)	(483)
Total investments and other assets	12,760	15,367
Total fixed assets	27,920	30,917
Total assets	78,971	61,872
Liabilities		
Current liabilities		
Notes and accounts payable—trade	17,939	2,005
Corporate bonds redeemable within 1 year	740	670
Short-term borrowings	85	615
Current portion of long-term borrowings	44	29
Accrued income taxes	4,217	88
Accrued bonuses	312	46
Accrued bonuses to directors and auditors	220	180
Reserve for returned goods unsold	—	2
Other current liabilities	4,028	7,678
Total current liabilities	27,587	11,315
Fixed liabilities		
Corporate bonds	900	326
Long-term borrowings	65	182
Retirement benefit provisions	339	432
Other fixed liabilities	3,058	3,207
Total fixed liabilities	4,362	4,148
Total Liabilities	31,949	15,464

(Unit: Million yen)

	Fiscal year ended March 31, 2011 (March 31, 2011)	Nine months ended December 31, 2011 (December 31, 2011)
Net assets		
Shareholders' equity		
Common stock	7,948	7,948
Capital surplus	7,994	7,994
Retained earnings	33,443	32,915
Treasury stock	(1,785)	(1,821)
Total shareholders' equity	47,601	47,037
Accumulated other comprehensive income		
Unrealized holding gain on available-for-sale securities	(822)	(1,046)
Foreign currency translation adjustment	0	(1)
Total accumulated other comprehensive income	(821)	(1,047)
Minority interest	242	419
Total net assets	47,021	46,408
Total liabilities and net assets	78,971	61,872

(2) Quarterly consolidated statements of income and consolidated statements of comprehensive income

Quarterly consolidated statement of income

[Third quarter of the year ending March 31, 2012]

(Unit: Million yen)

	Nine months ended December 31, 2010 (April 1, 2010– December 31, 2010)	Nine months ended December 31, 2011 (April 1, 2011– December 31, 2011)
Net sales	71,433	43,061
Cost of sales	45,149	26,735
Gross profit	26,283	16,326
Selling, general and administrative expenses	15,584	16,304
Operating income	10,699	22
Non-operating income		
Interest income	10	4
Dividend income	166	169
Equity method investment gain	516	—
Gain on management of investment securities	5	94
Others	272	197
Total non-operating income	971	466
Non-operating expenses		
Interest expense	16	12
Foreign exchange loss	20	16
Equity method investment loss	—	71
Loss on management of investment securities	88	21
Amortization of equity investment	30	144
Disaster relief expenses	—	84
Others	31	29
Total non-operating expenses	187	381
Ordinary income	11,483	106
Extraordinary income		
Gain on sale of shares in affiliates	—	7
Reversal of allowance for doubtful accounts	112	—
Reversal of accrued bonuses	37	—
Others	13	0
Total extraordinary income	163	7
Extraordinary losses		
Loss on sale of fixed assets	10	54
Impairment loss	3	23
Loss on adjustment for changes of accounting standards for asset retirement obligations	142	—
Litigation-related loss	24	30
Others	58	35
Total extraordinary losses	239	143
Income before income taxes and minority interests (loss)	11,406	(29)
Current income taxes	4,887	(1,271)
Income before minority interests	6,519	1,242
Minority interests	48	109
Net income	6,471	1,132

Quarterly consolidated statement of comprehensive income
 [Third quarter of the year ending March 31, 2012]

(Unit: Million yen)

	Nine months ended December 31, 2010 (April 1, 2010– December 31, 2010)	Nine months ended December 31, 2011 (April 1, 2011– December 31, 2011)
Income before minority interests	6,519	1,242
Other comprehensive income		
Unrealized holding gain on available-for-sale securities	13	(224)
Foreign currency translation adjustment	0	(1)
Share of other comprehensive income of associates accounted for using equity method	(0)	—
Total other comprehensive income	13	(226)
Comprehensive income	6,532	1,015
(Breakdown)		
Comprehensive income attributable to owners of the parent	6,484	906
Comprehensive income attributable to minority interests	48	109

(3) Quarterly consolidated statement of cash flows

(Unit: Million yen)

	Nine months ended December 31, 2010 (April 1, 2010– December 31, 2010)	Nine months ended December 31, 2011 (April 1, 2011– December 31, 2011)
Cash flows from operating activities		
Income before income taxes and minority interests (loss)	11,406	(29)
Depreciation and amortization	1,299	1,406
Impairment loss	3	23
Amortization of goodwill	267	236
Increase (decrease) in allowance for doubtful accounts	(134)	(127)
Increase (decrease) in accrued bonuses	(252)	(299)
Increase (decrease) in accrued bonuses to directors and auditors	45	(40)
Increase (decrease) in retirement benefit provisions	47	55
Interest and dividend income	(177)	(174)
Discounts on purchases	(115)	(33)
Equity method investment loss (gain)	(516)	71
Interest expense	16	12
Loss on disposal of fixed assets	10	54
Loss on adjustment for changes of accounting standards for asset retirement obligations	142	—
Decrease (increase) in notes and accounts receivable—trade	11,611	27,694
Decrease (increase) in inventories	279	(1,951)
Decrease (increase) in merchandising rights advances	(17)	284
Increase (decrease) in notes and accounts payable—trade	(9,633)	(16,229)
Increase (decrease) in accrued consumption taxes	108	(911)
Increase (decrease) in deposits received	(34)	232
Others	356	332
Sub total	14,750	10,607
Interest and dividends received	183	210
Interest paid	(23)	(15)
Income taxes paid	(5,244)	(7,112)
Net cash provided by (used in) operating activities	9,666	3,690
Cash flows from investing activities		
Purchases of tangible fixed assets	(406)	(955)
Proceeds from sale of tangible fixed assets	4	4
Purchases of intangible fixed assets	(686)	(789)
Purchases of marketable securities	—	(503)
Purchases of investment securities	(366)	(400)
Expenditure for equity investment	(155)	(404)
Expenditure for loans	(243)	(53)
Expenditure for acquiring shares in subsidiaries which involved change in the scope of consolidation	(1,649)	(162)
Expenditure for acquiring shares in affiliates	(315)	(22)
Proceeds from sale of shares in affiliates	200	7
Others	279	168
Net cash provided by (used in) investing activities	(3,339)	(3,111)

(Unit: Million yen)

	Nine months ended December 31, 2010 (April 1, 2010– December 31, 2010)	Nine months ended December 31, 2011 (April 1, 2011– December 31, 2011)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(1,209)	11
Repayment of long-term borrowings	(45)	(42)
Redemption of corporate bonds	(757)	(670)
Proceeds from payments by minority shareholders	22	2
Dividends paid	(1,646)	(1,652)
Others	(67)	(45)
Net cash provided by (used in) financing activities	(3,702)	(2,395)
Effect of exchange rate changes on cash and cash equivalents	(8)	(4)
Increase (decrease) in cash and cash equivalents	2,615	(1,821)
Cash and cash equivalents at beginning of period	15,906	15,632
Cash and cash equivalents at end of period	18,521	13,810

(4) Note regarding the operation of the company as a going concern

Nine months ended December 31, 2011 (April 1, 2011 to December 31, 2011)

No relevant items

(5) Segment information

I. Nine months ended December 31, 2010 (April 1, 2010 to December 31, 2010)

1. Information on net sales and income (loss) by reportable segment

(Unit: Million yen)

	Pachinko/ Pachislot (PS) Field	Mobile Field	Sports Entertainment Field	Other Field	Total	Adjustment (Note 1)	Amount in the quarterly consolidated statement of income (Note 2)
Net sales							
Net sales to third parties	64,222	1,543	1,619	4,048	71,433	—	71,433
Inter-group net sales or transfers	187	4	25	143	360	(360)	—
Total	64,409	1,547	1,644	4,192	71,794	(360)	71,433
Segment income (loss)	10,507	287	(219)	177	10,753	(53)	10,699

(Notes) 1. Adjustment of segment income (-¥53 million) has been derived from the elimination of inter-group transactions.

2. Segment income (loss) is adjusted on operating income on the quarterly consolidated statement of income.

2. Information on impairment loss on fixed assets, goodwill, etc. by reportable segment

(Significant impairment loss on fixed assets)

No relevant items

(Significant changes in the amount of goodwill)

In the Other Field segment, the Company acquired shares of Tsuburaya Productions Co., Ltd. and Digital Frontier Inc. as the Company's consolidated subsidiaries.

As a result of this event, goodwill increased by ¥2,732 million during the nine months ended December 31, 2011.

(Significant income related to negative goodwill)

No relevant items

II. Nine months ended December 31, 2011 (April 1, 2011 to December 31, 2011)

1. Information on net sales and income (loss) by reportable segment

(Unit: Million yen)

	Pachinko/ Pachislot (PS) Field	Mobile Field	Sports Entertainment Field	Other Field	Total	Adjustment (Note 1)	Amount in the quarterly consolidated statement of income (Note 2)
Net sales							
Net sales to third parties	37,877	1,379	1,471	2,333	43,061	—	43,061
Inter-group net sales or transfers	146	185	6	624	962	(962)	—
Total	38,023	1,564	1,478	2,957	44,024	(962)	43,061
Segment income (loss)	229	41	(35)	(183)	52	(30)	22

(Notes) 1. Adjustment of segment income (-¥30 million) has been derived from the elimination of inter-group transactions.

2. Segment income (loss) is adjusted on operating income on the quarterly consolidated statement of income.

2. Information on impairment loss on fixed assets, goodwill, etc. by reportable segment

No relevant items

(6) Note regarding occurrence of significant change in amount of shareholders' equity

No relevant items