

## Summary

(Translation)

### Fields Corporation Summary of Financial Information and Business Results (Consolidated) for the First Quarter of the Year Ending March 31, 2013 (Japan GAAP)

August 2, 2012

Listed on: OSE [JASDAQ]

Company Name: Fields Corporation  
(URL: <http://www.fields.biz/>)

Stock code: 2767

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Planned date for submission of the quarterly report: August 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 first quarter of the year ending March 31, 2013 (April 1, 2012 to June 30, 2012)

(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	%
First quarter, year ending March 31, 2013	21,145	19.9	283	—	574	—	342	—
First quarter, year ended March 31, 2012	17,635	(17.4)	(225)	—	(266)	—	(284)	—

(Note) Comprehensive income First quarter of the year ending March 31, 2013: ¥144 million (—%)  
First quarter of the year ended March 31, 2012: ¥(309) million (—%)

	Net income per share		Diluted net income per share	
	Yen		Yen	
First quarter, year ending March 31, 2013	1,030.74		—	
First quarter, year ended March 31, 2012	(856.82)		—	

#### (2) Financial position

	Total assets		Net assets		Shareholders' equity ratio	
	Million yen		Million yen		%	
First quarter, year ending March 31, 2013	67,539		50,868		74.7	
Year ended March 31, 2012	93,601		51,555		54.6	

(Reference) Shareholders' equity First quarter of the year ending March 31, 2013: ¥50,418 million  
Year ended March 31, 2012: ¥51,071 million

#### 2. Dividends

(Record date)	Annual dividends				
	First quarter-end	Second quarter-end	Third quarter-end	Year-end	Annual
Year ended March 31, 2012	—	2,500.00	—	2,500.00	5,000.00
Year ending March 31, 2013	—	—	—	—	—
Year ending March 31, 2013 (Forecast)	—	2,500.00	—	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, 2013 (April 1, 2012 to March 31, 2013)

(Percentages 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	115,000	24.7	14,000	64.2	14,500	67.4	7,300	21.8	21,998.69

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

(Note) Fields Corporation discloses a full-year business forecast, as it manages its business performance on an annual basis.

#### \*Notes

(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.: Yes

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

3) Changes in accounting estimates: Yes

4) Revisions/restatements: No

(Note) The Company changed its depreciation method in the first quarter of the fiscal year under review, which corresponds to “changes in accounting principles that are difficult to distinguish from changes in accounting estimates.” Please refer to “(3) Changes in accounting principles and accounting estimates, and revisions/restatements” under “2. Summary information (notes)” on page 4 of the attached documents for details.

(4) Number of shares issued (common stock)

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

First quarter of the year ending March 31, 2013	347,000 shares
Year ended March 31, 2012	34,700 shares

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

First quarter of the year ending March 31, 2013	15,162 shares
Year ended March 31, 2012	15,162 shares

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

First quarter of the year ending March 31, 2013	331,838 shares
First quarter of the year ended March 31, 2012	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. Please refer to “(3) Qualitative information on projections for the consolidated business results” under “1. Qualitative information on quarterly financial results ” on page 2 of the attached documents for the assumptions on which the forecast relies.

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

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## 1. Qualitative information on quarterly financial results

### (1) Qualitative information on consolidated operating results

[Overview of operations for the 3 months ended June 30, 2012 (April to June 2012)]

The Company posted net sales of ¥21,145 million (19.9% up year-over-year), operating income of ¥283 million (versus an operating loss of ¥225 million for the same period of the previous fiscal year), ordinary income of ¥574 million (versus an ordinary loss of ¥266 million for the same period of the previous fiscal year), and a net income for the period totalling ¥342 million (versus a net loss of ¥284 million for the same period of the previous fiscal year).

The main reasons for the above results are as follows.

Sales of pachinko/pachislot machines were generally in line with the initial plans for the first quarter. In addition to the release of a new pachinko machine and pachislot machine, a portion of the sales of “*Pachislot Monster Hunter*” launched in the fourth quarter of the previous fiscal year, was posted in the first quarter of the current fiscal year.

Based on the “Developing Business Model” a framework released in May 2012 that maps out seamless cyclical business development for comics, animation, movies/TV and merchandising, the Group pursues business activities with an emphasis on maximizing the value of its Intellectual Property (IP).

With the aim of establishing a medium- to long-term character business, the Group is focusing on building a framework for the acquisition, creation and fostering of IP such as characters on an ongoing basis in the current fiscal period.

For example, the Group is working on planning and development as well as new projects for the comic magazine “HERO’S monthly”, issued jointly with Shogakukan Creative INC. to generate new IP. The Company is also taking measures that will facilitate new movie development and multi-media development in areas other than video in its new animation projects such as the “BERSERK” series.

In the growth area of social media, the Company developed content for a wide range of platforms, which is already beginning to contribute to revenue. In conjunction with this, the Company conducted research and development on highly adaptable content in the same field. The Company currently runs content shops for consumer products, and focused its planning and development on creating content shops that contribute to the acquisition and cultivation of new IP, as well as producing differentiated products.

The supply of new pachinko/pachislot machines recovered significantly in the first quarter of the fiscal period under review compared to the same period in the previous fiscal year, which was affected by the Great East Japan Earthquake. In particular, sales of pachislot machines continue to expand from the previous year, driving the overall market. The company launched the pachinko machine “*EVA Light III*”, a light version of “*CR Evangelion 7*”, in January 2012. In addition to the launch of the pachislot machine “*GTO Limit Break*”, sales of “*Pachislot Monster Hunter*”, which was brought onto the market in the fourth quarter of the previous fiscal year, were posted in the first quarter of the current fiscal year. As a result, the number of pachinko machines sold during the first quarter amounted to 20,928 (up 13,821 year-over-year) and pachislot machines sold totaled 43,862 (up 7,612 year-over-year).

<Pachinko/Pachislot machine titles sold during the 3 months under review>

Pachinko machine sales titles	Month released	Manufacturer
<i>EVA Light III</i>	May 2012	Bisty Co., Ltd.
Total number of pachinko machines sold (machines)	20,928	

Pachislot machine sales titles	Month released	Manufacturer
[Still on sale from the previous period] <i>Pachislot Monster Hunter</i>	March 2012	Rodeo Co., Ltd.
<i>GTO Limit Break</i>	June 2012	Bisty Co., Ltd.
Total number of pachislot machines sold (machines)	43,862	

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

(Note 1) The company names and product names included in this report are the trademarks or registered trademarks of the respective companies.

(Note 2) Please refer to “(5) Segment information” on page 10 for information on segment changes.

**(2) Qualitative information on the consolidated financial position****(Assets)**

Current assets amounted to ¥35,900 million, down ¥26,911 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 ¥10,947 million, down ¥32 million since the end of the previous fiscal year.

Intangible fixed assets amounted to ¥4,245 million, down ¥126 million since the end of the previous fiscal year.

Investments and other assets amounted to ¥16,446 million, up ¥1,008 million since the end of the previous fiscal year. This was mainly attributable to an increase in deposits and guarantees.

As a result of the above, total assets amounted to ¥67,539 million, down ¥26,062 million since the end of the previous fiscal year.

**(Liabilities)**

Current liabilities amounted to ¥12,628 million, down ¥25,296 million since the end of the previous fiscal year. The principal factors behind this were a decrease in notes and accounts payable—trade.

Fixed liabilities amounted to ¥4,042 million, down ¥78 million since the end of the previous fiscal year. This was mainly attributable to redemption of corporate bonds.

As a result of the above, total liabilities amounted to ¥16,671 million, down ¥25,375 million since the end of the previous fiscal year.

**(Net assets)**

Net assets amounted to ¥50,868 million, down ¥686 million since the end of the previous fiscal year. This primarily reflected a decrease in retained earnings.

**(Analysis of cash flows)**

Cash and cash equivalents (hereinafter referred to as “cash”) decreased by ¥10,224 million since the end of the previous fiscal year and amounted to ¥8,060 million at the end of the first quarter of the year ending March 31, 2013.

**(Cash flows from operating activities)**

Net cash used in operating activities amounted to ¥7,719 million (¥8,173 million of income in the previous year). This was mainly attributable to a decrease of ¥24,012 million in notes and accounts payable—trade, a decrease of ¥17,908 million in notes and accounts receivable—trade, and an increase of ¥1,249 million in merchandising rights advances, etc.

**(Cash flows from investing activities)**

Net cash used in investing activities amounted to ¥1,438 million (¥931 million of expenditure in the previous year). This was mainly expenditure for loans totaling ¥395 million, expenditure for purchases of tangible fixed assets totaling ¥371 million, expenditure for purchases of intangible fixed assets totaling ¥352 million, etc.

**(Cash flows from financing activities)**

Net cash used in financing activities amounted to ¥1,065 million (¥1,080 million of expenditure in the previous year). This was mainly attributable to dividends paid totaling ¥773 million, and redemption of corporate bonds totaling ¥300 million, etc.

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

(Unit: Million yen)

	Forecast for the year ending March 31, 2013	Results for the year ended March 31, 2012	Year-over-year
Net sales	115,000	92,195	24.7%
Operating income	14,000	8,527	64.2%
Ordinary income	14,500	8,661	67.4%
Net income	7,300	5,991	21.8%

The projections for the consolidated business results remain unchanged from those stated in the Summary of Financial Information and Business Results (Consolidated) for the Year Ended March 31, 2012, released on May 9, 2012.

**2. Summary information (notes)**

**(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, 2013 after accounting for the tax effects of temporary differences and multiplies income before income taxes during the first quarter of the year ending March 31, 2013 by such estimated effective tax rate.

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

Changes in accounting principles that are difficult to distinguish from changes in accounting estimates

The Company and its subsidiaries in Japan posted depreciation by applying the depreciation method based on the revised Corporation Tax Act to tangible fixed assets newly acquired on or after April 1, 2012 beginning with the first quarter of the current fiscal year, following the revision of the Corporation Tax Act.

This has a minimal impact on profits/losses.

**3. Quarterly consolidated financial statements****(1) Quarterly consolidated balance sheets**

(Unit: Million yen)

	Fiscal year ended March 31, 2012 (March 31, 2012)	Three months ended June 30, 2012 (June 30, 2012)
<b>Assets</b>		
Current assets		
Cash and cash equivalents	18,344	8,014
Notes and accounts receivable—trade	34,402	16,304
Marketable securities	—	61
Merchandise and products	386	493
Work in process	2,493	3,174
Raw materials and supplies	255	33
Other current assets	7,030	7,869
Allowance for doubtful accounts	(101)	(50)
Total current assets	62,811	35,900
Fixed assets		
Tangible fixed assets		
Land	6,642	6,640
Other tangible fixed assets	4,337	4,306
Total tangible fixed assets	10,980	10,947
Intangible fixed assets		
Goodwill	2,498	2,417
Other intangible fixed assets	1,874	1,827
Total intangible fixed assets	4,372	4,245
Investments and other assets		
Investment securities	10,241	10,139
Other assets	5,728	6,840
Allowance for doubtful accounts	(531)	(533)
Total investments and other assets	15,437	16,446
Total fixed assets	30,790	31,639
Total assets	93,601	67,539
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable—trade	29,100	4,480
Corporate bonds redeemable within 1 year	618	618
Short-term borrowings	450	477
Current portion of long-term borrowings	153	180
Accrued income taxes	184	11
Accrued bonuses	315	78
Accrued bonuses to directors and auditors	240	60
Reserve for returned goods unsold	10	8
Other current liabilities	6,852	6,714
Total current liabilities	37,925	12,628
Fixed liabilities		
Corporate bonds	300	—
Long-term borrowings	139	99
Retirement benefit provisions	455	475
Other fixed liabilities	3,226	3,467
Total fixed liabilities	4,121	4,042
Total Liabilities	42,046	16,671

(Unit: Million yen)

	Fiscal year ended March 31, 2012 (March 31, 2012)	Three months ended June 30, 2012 (June 30, 2012)
Net assets		
Shareholders' equity		
Common stock	7,948	7,948
Capital surplus	7,994	7,994
Retained earnings	37,774	37,286
Treasury stock	(1,821)	(1,821)
Total shareholders' equity	51,895	51,408
Accumulated other comprehensive income		
Unrealized holding gain on available-for-sale securities	(824)	(988)
Foreign currency translation adjustment	(0)	(1)
Total accumulated other comprehensive income	(824)	(989)
Minority interest	483	449
Total net assets	51,555	50,868
Total liabilities and net assets	93,601	67,539

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

Quarterly consolidated statements of income

[First quarter of the year ending March 31, 2013]

(Unit: Million yen)

	Three months ended June 30, 2011 (April 1, 2011–June 30, 2011)	Three months ended June 30, 2012 (April 1, 2012–June 30, 2012)
Net sales	17,635	21,145
Cost of sales	12,558	15,578
Gross profit	5,076	5,566
Selling, general and administrative expenses	5,302	5,282
Operating income (loss)	(225)	283
Non-operating income		
Interest income	1	1
Dividend income	85	85
Discounts on purchase	0	132
Equity method investment gain	—	151
Others	60	76
Total non-operating income	147	448
Non-operating expenses		
Interest expense	3	4
Equity method investment loss	42	—
Loss on management of investment securities	12	8
Amortization of equity investment	38	128
Disaster relief expenses	82	—
Others	10	15
Total non-operating expenses	189	157
Ordinary income (loss)	(266)	574
Extraordinary income		
Gain on sale of fixed assets	0	0
Total extraordinary income	0	0
Extraordinary losses		
Loss on disposal of fixed assets	9	23
Impairment loss	22	—
Provision of allowance for loss on relocation of offices	41	—
Others	13	11
Total extraordinary losses	87	35
Income (loss) before income taxes and minority interest	(353)	539
Current income taxes	(68)	229
Income (loss) before minority interests	(285)	310
Minority interests (loss)	(0)	(31)
Net income (loss)	(284)	342

Quarterly consolidated statements of comprehensive income  
 [First quarter of the year ending March 31, 2012]

(Unit: Million yen)

	Three months ended June 30, 2011 (April 1, 2011–June 30, 2011)	Three months ended June 30, 2012 (April 1, 2012–June 30, 2012)
Income (loss) before minority interests	(285)	310
Other comprehensive income		
Unrealized holding gain on available-for-sale securities	(23)	(164)
Foreign currency translation adjustment	—	(0)
Total other comprehensive income	(23)	(165)
Comprehensive income	(309)	144
(Breakdown)		
Comprehensive income attributable to owners of the parent	(308)	176
Comprehensive income attributable to minority interests	(0)	(31)

**(3) Quarterly consolidated statement of cash flows**

(Unit: Million yen)

	Three months ended June 30, 2011 (April 1, 2011–June 30, 2011)	Three months ended June 30, 2012 (April 1, 2012–June 30, 2012)
<b>Cash flows from operating activities</b>		
Income before income taxes and minority interest	(353)	539
Depreciation and amortization	428	528
Impairment loss	22	—
Amortization of goodwill	78	80
Increase (decrease) in allowance for doubtful accounts	(68)	(49)
Increase (decrease) in accrued bonuses	(267)	(236)
Increase (decrease) in accrued bonuses to directors and auditors	(160)	(180)
Increase (decrease) in retirement benefit provisions	18	20
Increase (decrease) in allowance for losses on relocation of offices	41	—
Interest and dividend income	(86)	(86)
Equity method investment loss (gain)	42	(151)
Interest expense	3	4
Decrease (increase) in notes and accounts receivable—trade	16,744	17,908
Decrease (increase) in inventories	(639)	(566)
Decrease (increase) in merchandising rights advances	409	(1,249)
Increase (decrease) in notes and accounts payable—trade	(4,257)	(24,012)
Others	259	(161)
<b>Sub total</b>	<b>12,214</b>	<b>(7,613)</b>
Interest and dividends received	122	109
Interest paid	(6)	(6)
Income taxes paid	(4,156)	(209)
<b>Net cash provided by (used in) operating activities</b>	<b>8,173</b>	<b>(7,719)</b>
<b>Cash flows from investing activities</b>		
Purchases of tangible fixed assets	(136)	(371)
Proceeds from sale of tangible fixed assets	2	1
Purchases of intangible fixed assets	(213)	(352)
Purchases of investment securities	(400)	—
Expenditure for equity investment	(3)	—
Expenditure for loans	(1)	(395)
Expenditure for acquiring shares in affiliates	—	(10)
Others	(179)	(310)
<b>Net cash provided by (used in) investing activities</b>	<b>(931)</b>	<b>(1,438)</b>
<b>Cash flows from financing activities</b>		
Net increase (decrease) in short-term borrowings	—	26
Repayment of long-term borrowings	(18)	(14)
Redemption of corporate bonds	(300)	(300)
Dividends paid	(755)	(773)
Others	(5)	(3)
<b>Net cash provided by (used in) financing activities</b>	<b>(1,080)</b>	<b>(1,065)</b>
<b>Effect of exchange rate changes on cash and cash equivalents</b>	<b>(1)</b>	<b>(0)</b>
<b>Increase (decrease) in cash and cash equivalents</b>	<b>6,159</b>	<b>(10,224)</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>15,632</b>	<b>18,284</b>
<b>Cash and cash equivalents at end of period</b>	<b>21,791</b>	<b>8,060</b>

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

Three months ended June 30, 2012 (April 1, 2012 to June 30, 2012)

No relevant items

**(5) Segment information**

I. Three months ended June 30, 2011 (April 1, 2011 to June 30, 2011)

Segment information is provided in “Changes in reportable segments” in “II. Three months ended June 30, 2012 (April 1, 2012 to June 30, 2012).”

II. Three months ended June 30, 2012 (April 1, 2012 to June 30, 2012)

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

This information is omitted as the Group consists of one segment.

2. Changes in reportable segments

In the previous consolidated fiscal year, the Company reported segment information for the Pachinko/Pachislot (PS) Field, Mobile Field, Sports Entertainment Field and Other Field, but these 4 segments were consolidated in the current fiscal year to form a single segment with a focus on Intellectual Property (IP).

The Group plans to make a strategic shift from a business model focused on the pachinko/pachislot field that it has maintained since it was first listed on the Osaka Securities Exchange to a business model emphasizing IP in order to achieve medium- to long-term growth and development. Accordingly, the Group has refined and developed its “Developing Business Model” strategy and anticipates further growth and development as a result.

Based on the “Developing Business Model”, the Group will carry out business activities that focus on maximizing IP value. The “Developing Business Model” is centered on comics, animation, movies/TV and merchandising and aims to optimize IP value via cyclical business development achieved through their interaction. The Group now forms a single business since, as a result of this strategy, the Group will devise management strategy, make decisions on the allocation of business resources and assess results with a focus on IP.

Since the Group will form a single segment as a result of this change, segment information for the 3 months ended June 30, 2011 and the 3 months ended June 30, 2012 is omitted.

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

No relevant items