Summary

(Translation)

Fields Corporation
Summary of Financial Information and Business Results
for the Year Ended March 31, 2009

May 12, 2009

Company Name:	Fields Corporation (URL: http://www.fields.biz/)
Listed on:	JASDAQ (Stock code: 2767)
Representative Director:	Takashi Oya President and COO
Inquiries:	Hideaki Hatanaka Executive Officer; General Manager, Corporate Communications Office
Tel:	+81-3-5784-2111

Planned Date for Ordinary General Meeting of Shareholders: June 25, 2009
Planned Date for Start of Dividend Payment: June 26, 2009
Planned Date for Submittal of the Financial Statements Report: June 25, 2009

(Rounded down to the nearest million yen)

1. Consolidated business results for the year ended March 31, 2009 (April 1, 2008, to March 31, 2009)

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

	Net sales		Operating income		Ordinary income	
	Million yen	%	Million yen	%	Million yen	%
Year ended March 31, 2009	73,035	(28.3)	1,960	(85.1)	991	(91.5)
Year ended March 31, 2008	101,818	19.3	13,158	47.1	11,705	27.2

	Net income		Net income per share	Diluted net income per share
	Million yen	%	Yen	Yen
Year ended March 31, 2009	(1,481)	—	(4,271.78)	—
Year ended March 31, 2008	5,296	42.8	15,263.76	—

	Return on equity	Ordinary income to total assets	Operating margin
	%	%	%
Year ended March 31, 2009	(3.5)	1.6	2.7
Year ended March 31, 2008	12.4	17.3	12.9

(Reference) Equity in earnings of affiliates
Year ended March 31, 2009: (¥428) million
Year ended March 31, 2008: (¥557) million

(2) Financial position

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
Year ended March 31, 2009	52,064	39,496	75.8	117,326.58
Year ended March 31, 2008	69,168	46,331	64.3	128,201.49

(Reference) Shareholders' equity
Year ended March 31, 2009: ¥39,463 million
Year ended March 31, 2008: ¥44,485 million

(3) Cash flows

	Cash flow from operating activities	Cash flow from investing activities	Cash flow from financing activities	Cash and cash equivalents at end of year
	Million yen	Million yen	Million yen	Million yen
Year ended March 31, 2009	4,147	(6,182)	602	11,181
Year ended March 31, 2008	11,127	(14,604)	(1,384)	12,693

2. Dividends

	Dividend per share				
(Record date)	First quarter-end	Second quarter-end	Third quarter-end	Year-end	Annual
	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2008	—	2,000.00	—	2,500.00	4,500.00
Year ended March 31, 2009	—	2,000.00	—	2,500.00	4,500.00
Year ending March 31, 2010 (Forecast)	—	2,000.00	—	2,500.00	4,500.00

	Total dividend (annually)	Payout ratio (consolidated)	Dividend on equity ratio (consolidated)
	Million yen	%	%
Year ended March 31, 2008	1,561	29.5	3.6
Year ended March 31, 2009	1,534	—	3.7
Year ending March 31, 2010 (Forecast)		33.6	

3. Forecast earnings for the year ending March 31, 2010 (April 1, 2009, to March 31, 2010)

(Percentages denote year-over-year changes versus the corresponding year-earlier period.)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
First half	22,000	(47.1)	4,500	38.4	4,500	48.9	1,900	124.9	5,648.76
Full year	70,000	(4.2)	10,000	410.2	10,000	909.1	4,500	—	13,378.64

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): Yes

New consolidation — firms

Deconsolidation 1 firm (Company Name: D3, Inc.)

(Note) For details, see "Outline of the Fields group" on page 10.

(2) Changes in accounting principles, accounting procedures, presentation method and others in association with the preparation of consolidated financial statements (Those which are stated in the "Basis of presentation of the consolidated financial statements")

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

(Note) For details, see "Change in the basis of presentation of the consolidated financial statements" on page 30.

(3) Number of shares issued (common stock)

1) Number of shares issued (including treasury stock)

Year ended March 31, 2009 347,000 shares

Year ended March 31, 2008 347,000 shares

2) Number of treasury stock at end of year

Year ended March 31, 2009 10,643 shares

Year ended March 31, 2008 0 shares

(Note) For the number of shares as the calculation basis for net income per share (consolidated), see the "Per-share data" on page 67

(Reference) Summary of business results (Non-consolidated)

1. Business results for the year ended March 31, 2009 (April 1, 2008, to March 31, 2009)

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

	Net sales		Operating income		Ordinary income	
	Million yen	%	Million yen	%	Million yen	%
Year ended March 31, 2009	53,143	(35.8)	3,818	(69.8)	5,842	(53.1)
Year ended March 31, 2008	82,758	16.0	12,634	40.4	12,463	32.7

	Net income		Net income per share	Diluted net income per share
	Million yen	%	Yen	Yen
Year ended March 31, 2009	1,145	(72.4)	3,304.50	—
Year ended March 31, 2008	4,153	(13.0)	11,970.60	—

(2) Financial position

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
Year ended March 31, 2009	51,787	41,853	80.8	124,430.66
Year ended March 31, 2008	58,622	44,367	75.7	127,861.20

(Reference) Shareholders' equity
Year ended March 31, 2009: ¥41,853 million
Year ended March 31, 2008: ¥44,367 million

2. Forecast earnings for the year ending March 31, 2010 (April 1, 2009, to March 31, 2010)

(Percentages denote year-over-year changes versus the corresponding year-earlier period.)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
First half	20,000	(41.8)	5,000	(11.2)	5,000	(9.0)	2,500	(22.6)	7,432.58
Full year	63,000	18.5	10,000	161.9	10,000	71.2	5,000	336.7	14,865.16

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

(Caution regarding forward-looking statements)

The forward-looking statements made in this report such as performance perspective are based on currently available information and certain premises that are judged reasonable by management. There are many uncertain factors inherent in forecasting, and there might be cases in which actual results of future business operations and/or events differ from our forecasts depending on changes in diverse conditions. Please see "(1) Analysis of operating results" under "1. Operating results" on page 4 with regard to the cautions in using assumptions as the premise for forecast earnings and in using the forecast earnings.

1. Operating results

(1) Analysis of operating results

[1] Overview of operations for the year ended March 31, 2009

In pursuit of its corporate philosophy of "The Greatest Leisure for All People," the Company has grown by identifying business possibilities through anticipating changes occurring among the public with regard to their lifestyles, environments, and more in response to their ever-increasing amount of leisure time. In particular, the Company recognizes the importance of digital content as it forms the foundation on which the Company establishes its competitive edge. Acting on this, in recent years the Company has invested and expanded in diverse fields of entertainment, ranging from games to sports, movies, animation, publishing, mobile phone content, etc. The idea is to acquire, create and develop copyrights (merchandising rights) that offer superior entertainment features applicable in the field of pachinko/pachislot machines, which forms the mainstay of the Company's business, and content that open up new customer segments.

The market for leisure services today is experiencing a definite shift in its demand structure as consumers' interests and tastes diversify, and is transitioning into one where consumers are particular about where to spend their leisure budget. The market is entering a time where consumers prioritize entertainment options that attract them most and focus their investment disproportionately.

Meanwhile, the pachinko industry faces the expectation that it will mature and become sound as it grows into a purveyor of entertainment that need not rely on the element of gambling in order to be chosen and supported by consumers selective in how and where to invest their leisure time. Within this perspective, exponential advances in the hardware development aspects of pachinko/pachislot machines, including graphics chips and LCD screens, have heightened the importance of what content to show on them. In the course of competition among the manufacturers of pachinko/pachislot machines, trends have become increasingly pronounced in favor of investing time into planning and development to supply exquisitely created machines. This has led to a climate where the acquisition of high-potential content and the enhancement of planning and development capabilities decide who wins and who loses.

In this business environment, for the year ended March 31, 2009 and on a consolidated basis, the Company posted net sales of ¥73,035 million and operating income of ¥1,960 million. Ordinary income was ¥991 million, which was impacted by foreign exchange fluctuations and an equity method investment loss, etc. as the global financial uncertainty hit the Game Field segment. For the year ended March 31, 2009, the Company also recognized extraordinary losses amounting to ¥3,840 million. These included a loss due to discontinued production incurred by a subsidiary, loss on liquidation of an affiliate resulting from the liquidation of a subsidiary, valuation loss on investment securities, and loss on sale of marketable securities, etc. As a result, net losses for the year ended March 31, 2009 amounted to ¥1,481 million.

[2] Analysis of operations for the year ended March 31, 2009 by business segment

1) Pachinko/Pachislot (PS) Field segment

The pachinko machine titles released during the year ended March 31, 2009 are as follows:

Pachinko machine titles	Month released	
CRA Neon Genesis Evangelion Premium Model	May 2008	Bisty Co., Ltd.
CRA Morning Musume	July 2008	Bisty Co., Ltd.
CR Seven Samurai	August 2008	Bisty Co., Ltd.
CR Virtua Fighter	October 2008	Sammy Corporation
CR King Kong	November 2008	Bisty Co., Ltd.
CR Mystic Blue	December 2008	Bisty Co., Ltd.
Total number of pachinko machines sold	202,525	

Pachislot machine titles	Month released	
Sonic Live	May 2008	Rodeo Co., Ltd.
Neon Genesis Evangelion—That time has come, now they're waiting for us	September 2008	Bisty Co., Ltd.
Tenchi wo Kurau	October 2008	Rodeo Co., Ltd.
Kaiji Act 2	December 2008	Rodeo Co., Ltd.
King Kong	January 2009	Bisty Co., Ltd.
Total number of pachislot machines sold	128,680	

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

At pachinko halls nationwide, as the emphasis of operation shifted towards pachinko machines, hall operators have continued their effort to grow further as a leisure service provider for consumers who are becoming increasingly selective in how and where to invest their leisure time. In order to seek out new fan segments, hall operators have implemented a variety of business efforts including the adoption of pachinko machines rich in entertainment elements, a market approach of reducing the lease fee for pachinko balls, a fuller array of premiums they offer, and the improvement of play environment for users, etc. Meanwhile, manufactures have been promoting measures to enhance the soundness of the pachinko market, by making voluntary efforts to control the gambling nature of pachinko machines as the gambling element was previously on the rise.

During the year ended March 31, 2009, the industry voluntarily refrained from replacing machines out of consideration for the country's hosting of the G8 Summit at Lake Toya in July 2008. Despite this, the Company aggressively supplied the marketplace with machines with superior entertainment and gaming features to meet diverse needs in the market. While the pachinko machine sales business introduced a total of six new models, including *CRA Neon Genesis Evangelion Premium Model*, designed less for gambling than for playing for fun, and *CR Seven Samurai*, a new video entertainment experience, the pachislot machine sales business released five new models. In particular, *Neon Genesis Evangelion—That time has come, now they're waiting for us*, a new pachislot machine released in September 2008, was highly acclaimed in the marketplace and recorded blockbuster sales totaling 90,000 machines.

Although the major pachinko machine title, *CR Neon Genesis Evangelion—The Beginning and the End*, was initially planned to be released during the fourth quarter ended March 31, 2009, after consulting with alliance partners on sales strategy, the Company decided to delay the release and launch the product in April 2009, with a belief that the value of the merchandise would be further enhanced if supplied when purchasing appetite of pachinko halls is stronger.

As a result of the above, during the year ended March 31, 2009, with unit sales of pachinko machines amounting to 202,525 and unit sales of pachislot machines coming to 128,680, the Pachinko/Pachislot (PS) Field segment posted net sales of ¥55,724 million and operating income of ¥4,031 million.

2) Game Field segment

During the year ended March 31, 2009, D3 Inc., which was one of the Company's major subsidiaries, was impacted by a decline in sales of game software both in the domestic and overseas markets due to drastic recessions along with global financial uncertainty, etc. Although sales of the high-end game software of a collaboration title between D3 Inc. and the Company as well as overseas sales of the *Ben10* series and the *NARUTO* series remained strong, this fell short of making up for the negative earnings impact and other issues resulting from the cost allocation by the Company for implementing a price protection program following slower growth in sales of *darkSector*, a title introduced late in the previous year by the D3 Inc. As a result of the above, the segment's results turned out to be sluggish.

thinkArts Co., Ltd., included in this segment, has been dissolved with its liquidation completed in March 2009, as described in the "Notification of Dissolution and Liquidation of Subsidiary Company" announced as of December 9, 2008. The Company tendered all shares held by the Company in D3 Inc. in acceptance of a tender offer commenced by NAMCO BANDAI Games Inc. as described in the "Notification of Deconsolidation of Subsidiary" as announced as of March 17, 2009. Upon the conclusion and completion of the tender offer, D3 Inc. was deconsolidated as a subsidiary of the Company as of March 24, 2009.

As a result of the above, the Game Field segment posted net sales of ¥12,593 million and operating loss of ¥1,289 million.

3) Sports Field segment

During the year ended March 31, 2009, the athlete management business reported continued strong results benefiting particularly from outstanding showings by athletes under contract. The Total Workout operation, a provider of sports solutions, inaugurated a branch in Fukuoka in April 2008, and sought to acquire new members. Meanwhile, the branch at Ebisubashi in Osaka was closed at the end of September 2008 under a program to review the current branch structure in order to make this business more profitable. Furthermore, drastic reviews were undertaken across the sports business, and reforms implemented particularly to scale down the rights business and to optimize personnel deployment, in accordance with a business restructuring plan.

As a result of the above, the Sports Field segment posted net sales of ¥3,589 million and operating loss of ¥537 million.

4) Movies Field segment

During the year ended March 31, 2009, two movies in whose production the Company has invested hit the screen. One film suffered a quite lackluster performance at the box office, and accordingly the Company has written off the equity investment in the first quarter (April–June). After the second quarter throughout the year ended March 31, 2009, no new investment project was initiated in the movies business.

Fields Pictures Corporation, included in this segment, has been absorbed and merged into the Company effective as of January 2009, as described in the "Announcement of Merger of Consolidated Subsidiary (Simplified/Short Form Merger)" announced as of November 6, 2008.

As a result of the above, the Movies Field segment posted net sales of ¥73 million and operating loss of ¥503 million.

5) Web Service Field segment

During the year ended March 31, 2009, a mobile content platform operated by FutureScope Corporation began offering two new services and focused efforts on putting the new service operation solidly on track. The company's mainstay mobile content platform, Fields Mobile, continued to fare well, especially with its paying membership increasing constantly, benefiting from synergies with merchandise the Company has launched, and reaching approximately 430,000 (as of March 31, 2009) about two years after the start of service.

This segment information, which was included in the "Other Field segment" until the third quarter of the year ended March 31, 2009, has been separately presented as the "Web Service Field segment" because it was deemed to come under the requirements for significant information for disclosure at the end of the year ended March 31, 2009.

As a result of the above, the Web Service Field segment posted net sales of ¥1,609 million and operating income of ¥455 million.

6) Other Field segment

During the year ended March 31, 2009, Lucent Pictures Entertainment, Inc., a subsidiary for planning and production of animation, has implemented steady measures for the release of the next movies. Such measures included the participation at the Tokyo International Anime Fair, an establishment of a joint animation studio with STUDIO4°C Co., Ltd., development of a production environment and infrastructure to produce high-quality animation videos, etc.

White Trash Charms Japan Co., Ltd., included in this segment, has been absorbed and merged into the Company effective as of January 2009, as described in the "Announcement of Merger of Consolidated Subsidiary (Simplified/Short Form Merger)" announced as of November 6, 2008.

As a result of the above, the Other Field segment posted net sales of ¥56 million and operating loss of ¥176 million.
(Note) Net sales reported by the individual segments include gross of inter-group net sales or transfers.

[3] Forecast earnings for the year ending March 31, 2010 (April 1, 2009 to March 31, 2010)

The full-year forecast for the year ending March 31, 2010 is as follows:

(Unit: Million yen)

	Forecast for the year ending March 2010	Results for the year ended March 2009	Year-over-year change
Net sales	70,000	73,035	-4.2%
Operating income	10,000	1,960	+410.2%
Ordinary income	10,000	991	+909.1%
Net income	4,500	(1,481)	—

In April 2009, the Company implemented organizational changes in order to reorganize the functioning of the pachinko/pachislot field, the Company's core business, and to foster an appropriate response to market conditions as well as prompt decision making and business execution. In particular, the planning and development functions have been further reinforced to provide the marketplace with merchandise with a competitive edge and superior entertainment elements by utilizing high-quality contents.

In the year ending March 31, 2010, as we expect operations of pachinko halls will continue to be focused on pachinko machines, we will limit the variety and invest time into planning and development to supply exquisitely created machines in the pachinko machine sales business. Indeed, the new pachinko machine from Bisty Co., Ltd., "*CR Neon Genesis Evangelion—The Beginning and the End*," which was scheduled for release during the first quarter ending June 30, 2009, has already been introduced and received high acclaim in the marketplace. This title is expected to record the highest sales in the *Evangelion* series. The Company also plans to introduce the second additional innovative titles designed to create a new video entertainment experience during the next fiscal year. In the pachislot machine sales business, the Company will focus on the continued provision of merchandise centered on the popular titles while the environment for the pachislot market as a whole remains challenging.
On the group business strategy front, the Company has been restructuring its business portfolios. After reviewing each business

segment, the Company has concentrated many management resources in the Pachinko/Pachislot (PS) Field segment, the Company's core business, and decided to temporarily put a curb on and reorganize the operations that require time before synergies with the Pachinko/Pachislot (PS) Field segment may be achieved as well as the investment in operations other than those that are in strategic areas that need to be developed until the Company is in a class of its own. In the next fiscal year, we are not anticipating income from the Game Field segment as a result of for example the sale of shares in D3 Inc. In fields such as sports, animation and mobile, we will establish a foundation for future growth in order to make advances as a pioneer in the leisure-type services for consumers who are becoming increasingly selective in how and where to invest their leisure time, while improving earnings quickly as we continue to create primary content and promote aggressive business development.

(2) Analysis of financial financial position

[1] Assets, liabilities and net assets

(Unit: Million yen)

	Current fiscal year end (At March 31, 2009)	Previous fiscal year end (At March 31, 2008)	Year-over-year change
Total assets	52,064	69,168	(17,103)
Total liabilities	12,568	22,836	(10,268)
Total net assets	39,496	46,331	(6,835)

(Assets)

Current assets amounted to ¥25,135 million, down ¥14,423 million since the end of the previous fiscal year. This was mainly attributable to decreases in notes and accounts receivable—trade and inventories.

Tangible fixed assets amounted to ¥10,898 million, up ¥2,805 million since the end of the previous fiscal year. This primarily reflected the purchase of land scheduled for the construction of branch office premises to enforce sales capabilities in the Pachinko/Pachislot (PS) Field segment.

Intangible fixed assets amounted to ¥2,761 million, down ¥1,175 million since the end of the previous fiscal year. This was mainly attributable to a decrease in goodwill.

Investments and other assets amounted to ¥13,268 million, down ¥4,310 million since the end of the previous fiscal year. This primarily reflected a decrease in net unrealized holding gain on investment securities.

As a result of the above, total assets amounted to ¥52,064 million, down ¥17,103 million since the end of the previous fiscal year.

(Liabilities)

Current liabilities amounted to ¥7,547 million, down ¥11,775 million since the end of the previous fiscal year. This primarily reflected increases in notes and accounts payable—trade. This was attributable to decreases in notes and accounts payable—trade, a decrease in short-term borrowings and a decrease in accrued income taxes as profit decreased.

Fixed liabilities amounted to ¥5,021 million, up ¥1,506 million since the end of the previous fiscal year. This primarily reflected an increase in corporate bonds payable and a decrease in long-term borrowings.

As a result of the above, total liabilities amounted to ¥12,568 million, down ¥10,268 million since the end of the previous fiscal year.

(Net assets)

Net assets amounted to ¥39,496 million, down ¥6,835 million since the end of the previous fiscal year. This primarily reflected a decrease in retained earnings.

[2] Cash flows

During the year ended March 31, 2009, cash and cash equivalents (hereinafter referred to as "cash") decreased ¥1,512 million since the end of the previous fiscal year and amounted to ¥11,181 million at the end of the year ended March 31, 2009.

Cash flows for the year ended March 31, 2009 were as follows:

(Unit: Million yen)

	Current fiscal year (Year ended March 31, 2009)	Previous fiscal year (Year ended March 31, 2008)	Year-over-year change
Cash flows from operating activities	4,147	11,127	(6,980)
Cash flows from investing activities	(6,182)	(14,604)	8,421
Cash flows from financing activities	602	(1,384)	1,986

Cash flows for the year ended March 31, 2009 and their conditions were as follows:

(Cash flows from operating activities)
Net cash provided by operating activities amounted to ¥4,147 million (¥11,127 million of income in the previous year). The principal factors in this were a decrease of ¥4,423 million in notes and accounts receivable—trade, a decrease of ¥1,343 million in inventories, a decrease of ¥2,329 million in merchandising rights advances, ¥2,328 million in interest and dividends paid and ¥6,863 million in income taxes paid.

(Cash flows from investing activities)
Net cash used in investing activities amounted to ¥6,182 million (¥14,604 million of expenditure in the previous year). The principal factors in this were purchases of tangible fixed assets totaling ¥4,710 million and ¥793 million of expenditures for sale of shares in subsidiaries which involved a change in the scope of consolidation.

(Cash flows from financing activities)
Net cash provided by financing activities amounted to ¥602 million (¥1,384 million of expenditure in the previous year). The principal factors in this were a net decrease of ¥2,898 million in short-term borrowings, ¥6,200 million of proceeds from long-term borrowings, the repayment of ¥2,287 million in long-term borrowings and ¥2,948 million of proceeds from issuance of corporate bonds.

(Reference) Trends of cash flow indicators

	Year ended March 31, 2005	Year ended March 31, 2006	Year ended March 31, 2007	Year ended March 31, 2008	Year ended March 31, 2009
Shareholders' equity ratio (%)	46.0	45.0	62.2	64.3	75.8
Shareholders' equity ratio at market value (%)	250.0	145.8	99.8	68.7	90.8
Interest-bearing debt/cash flow ratio (years)	0.7	0.3	0.9	0.4	0.7
Interest coverage ratio (times)	210.3	256.6	83.7	145.7	36.0

・Shareholders' equity ratio: Shareholders' equity/Total assets
・Shareholders' equity ratio at market value: Aggregate market value (based on the closing stock price at the end of the year)/ Total assets
・Interest-bearing debt/cash flow ratio: Interest-bearing debt/Operating cash flow
・Interest coverage ratio: Operating cash flow/Interest expense

(Notes) 1. All of the above indicators are calculated for their respective values on a consolidated basis.
2. Aggregate market value is calculated based on the number of shares issued excluding treasury stock.
3. Interest-bearing debt indicates all the liabilities for which interest is paid posted in the consolidated balance sheets.

[3] Fundamental corporate policy for distributing profits and dividends for the current and next fiscal years

The Company regards the enhancement of corporate value as a principal management task, and its fundamental policy is to pay dividends at an appropriate level that corresponds with profits. Specifically, dividends are determined on the basis of such factors as operating revenue and cash flow conditions, and we aim to achieve a consolidated payout ratio of 20% or more.

The Company makes every effort to effectively use retained earnings for investments to enhance its financial condition, strengthen the management foundation, expand businesses continually and secure a competitive edge.

Given these factors for the year ended March 31, 2009, to realize the Company's basic management policy of "Shareholders First" despite the net losses incurred for the year ended March 31, 2009, the Company paid an interim dividend of ¥2,000 per share to shareholders and intends to distribute a year-end dividend of ¥2,500 per share.

With regard to the year ending March 2010, we intend to distribute an annual dividend per share of ¥4,500 (an interim dividend of ¥2,000 and a year-end dividend of ¥2,500).

2. Outline of the Fields group

The Fields group (parent company and associated companies) comprises Fields Corporation ("the Company"), 10 subsidiaries, 6 affiliated companies, and 1 other related company.

The Group's principal business activities are the sale of pachinko and pachislot machines and the planning and development of digital content based on the copyrights created by the Group itself or acquired for secondary use in other media.

The business areas of each company in the Fields group are summarized below.

Business segment	Description of principal business	Company name
Pachinko/Pachislot (PS) Field	Planning, development, sales and maintenance of pachinko/pachislot machines, as well as purchasing of pachinko/pachislot machines	Fields Corporation Fields Jr. Corporation Shin-Nichi Technology Co., Ltd. Rodeo Co., Ltd. Sankyo Co., Ltd.
	Planning and development of pachinko/pachislot machine software	Ildel Corporation
Game Field	Planning, development and sales of home-use game software, etc.	thinkArts Co., Ltd. [2, 4] D3 Inc. [3, 4] D3 Publisher Inc. [3, 4] Entertainment Software Publishing Inc. [3,4] D3Publisher of America, Inc [3, 4] D3Publisher of Europe Ltd. [3, 4] Vicious Cycle Software, Inc. [3, 4] D3DB S.r.l. [3, 4]
Sports Field	Sports management and related activities	EXPRESS Inc. Japan Sports Marketing Inc. JSM HAWAII, LLC
Movies Field	Movie production, digital content creation and copyright acquisition	Fields Pictures Corporation [1, 4] Haruki Fields Cinema Fund
Web Service Field	Mobile content business	FutureScope Corporation
Other Field	Planning, production, etc. of animation	Lucent Pictures Entertainment, Inc. White Trash Charms Japan Co., Ltd. [1, 4] SPO Inc. Bbmf Magazine, Inc. Kadokawa Haruki Corporation APE Inc. G&E Corporation YMO Inc.

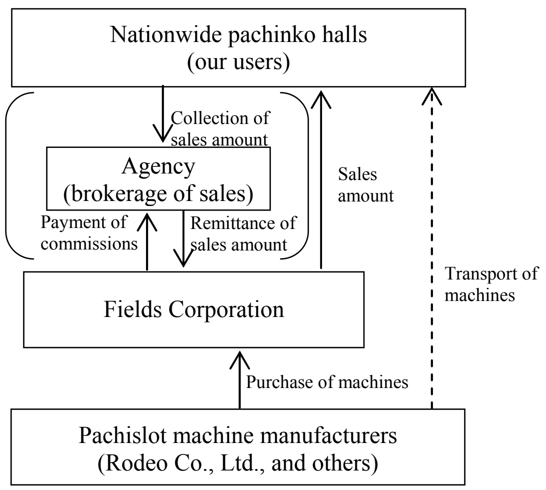
Notes

1. White Trash Charms Japan Co., Ltd. and Fields Pictures Corporation have been absorbed and merged into the Company effective as of January 1, 2009.
2. thinkArts Co., Ltd. has been dissolved with its liquidation completed in March 2009, and has been deconsolidated as a subsidiary of the Company.
3. D3 Inc. and its subsidiaries (D3 Publisher Inc.; Entertainment Software Publishing Inc.; D3Publisher of America, Inc.; D3Publisher of Europe Ltd.; Vicious Cycle Software, Inc.; and D3DB S.r.l.) have been deconsolidated as subsidiaries of the Company, as a result of the sale of all shares held by the Company in D3 Inc. in March 2009.
4. Although excluded from the scope of consolidation, the statements of income, statement of change in net assets, and statements of cash flows for this fiscal year are on a consolidated basis.

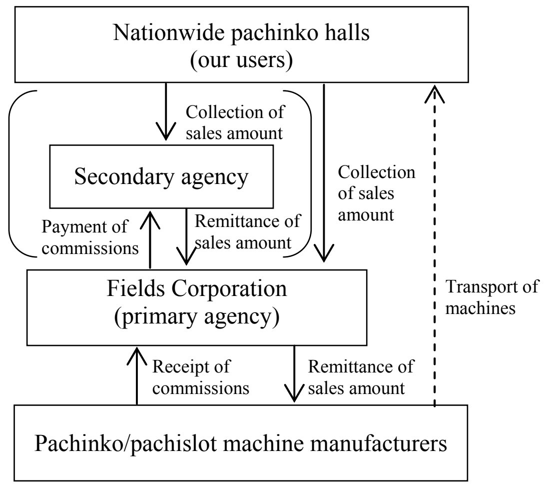
[Business organization chart]

We have two sales channels for pachinko and pachislot machines: direct sales to pachinko halls through sales activities by our branches (distribution model) and sales by an intermediary of an agency service (agency model).

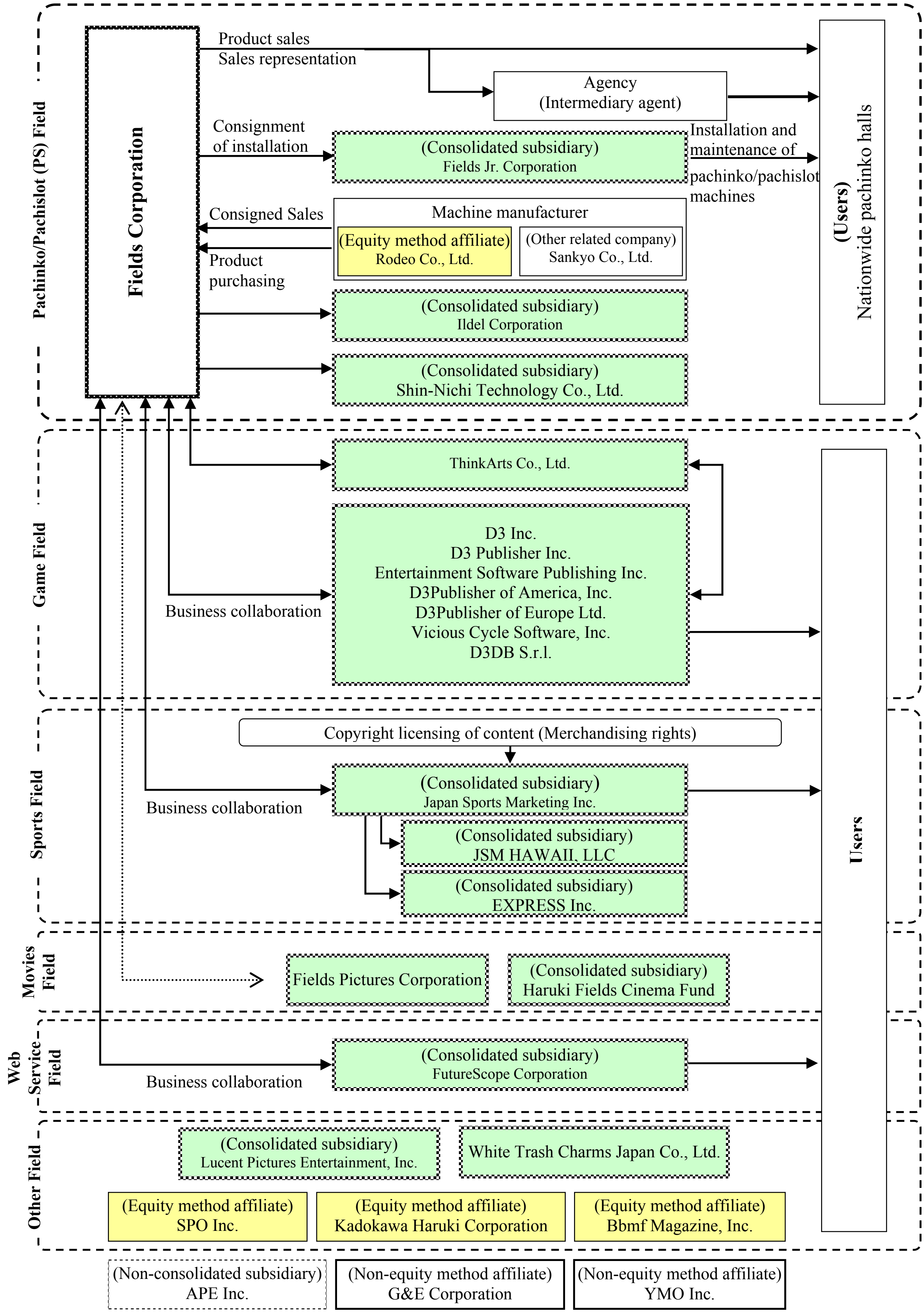
Distribution model



Agency model



[Overview of group business]



3. Operating policies

(1) Fundamental corporate management policy
(2) Issues to address and management strategies for the medium to long term
(3) Targeted management indicators
The relevant descriptions on each of the preceding items are omitted as there have been no changes from the contents disclosed in the Summary of Financial Information and Business Results for the Year Ended March 31, 2008 (disclosed as of May 14, 2008).

The Summary of Financial Information and Business Results for the Year Ended March 31, 2008 may be obtained by accessing the following web sites.
(The Company's web site)
http://www.fields.biz/
(Jasdaq Securities Exchange's web site ("JDS" search page))
http://jds.jasdaq.co.jp/tekiji/

(4) Other important matters affecting corporate management
No relevant items

4. Consolidated financial statements

(1) Consolidated balance sheets

(Unit: Million yen)

	Fiscal year ended March 31, 2008 (March 31, 2008)	Fiscal year ended March 31, 2009 (March 31, 2009)
Assets		
Current assets		
Cash and cash equivalents	*1 12,841	11,181
Notes and accounts receivable—trade	12,354	4,324
Inventories	4,013	—
Merchandise and products	—	150
Work in process	—	640
Raw materials and supplies	—	173
Deferred tax assets	2,271	545
Other accounts receivable	—	3,223
Merchandising rights advances	4,397	3,591
Other current assets	3,774	1,383
Allowance for doubtful accounts	(92)	(77)
Total current assets	39,559	25,135
Fixed assets		
Tangible fixed assets		
Buildings and structures	3,957	4,733
Accumulated depreciation	(1,052)	(1,131)
Net amount of buildings and structures	2,904	3,601
Vehicles	26	23
Accumulated depreciation	(14)	(15)
Net amount of vehicles	11	7
Tools, furniture and fixtures	2,599	2,402
Accumulated depreciation	(1,393)	(1,680)
Net amount of tools, furniture and fixtures	1,206	721
Land	3,701	6,514
Construction in progress	269	53
Total tangible fixed assets	8,093	10,898
Intangible fixed assets		
Goodwill	1,057	326
Software	2,473	2,355
Other intangible fixed assets	406	80
Total intangible fixed assets	3,937	2,761
Investments and other assets		
Investment securities	*2 13,212	*2 7,989
Long-term loans	102	101
Deferred tax assets	790	1,862
Deposits and guarantees	2,893	2,707
Other assets	934	863
Allowance for doubtful accounts	(355)	(256)
Total investments and other assets	17,578	13,268
Total fixed assets	29,609	26,929
Total assets	69,168	52,064

(Unit: Million yen)

	Fiscal year ended March 31, 2008 (March 31, 2008)	Fiscal year ended March 31, 2009 (March 31, 2009)
Liabilities		
Current liabilities		
Notes and accounts payable—trade	5,954	1,981
Short-term borrowings	3,398	—
Current portion of long-term borrowings	804	61
Corporate bonds redeemable within 1 year	120	720
Accrued income taxes	3,743	263
Accrued bonuses	174	211
Accrued bonuses to directors and auditors	128	245
Allowance for losses on order receiving	49	—
Allowance for losses on relocation of offices	32	9
Other current liabilities	4,915	4,056
Total current liabilities	19,322	7,547
Fixed liabilities		
Corporate bonds	250	2,230
Long-term borrowings	434	—
Retirement benefit provisions	211	221
Long-term guarantee deposits received	2,459	2,569
Other fixed liabilities	158	0
Total fixed liabilities	3,514	5,021
Total liabilities	22,836	12,568
Net assets		
Shareholders' equity		
Common stock	7,948	7,948
Capital surplus	7,994	7,994
Retained earnings	28,852	25,808
Treasury stock	—	(1,330)
Total shareholders' equity	44,795	40,420
Valuation and translation differences		
Unrealized holding gain on available-for-sale securities	(249)	(956)
Foreign currency translation adjustment	(59)	(0)
Total valuation and translation differences	(309)	(957)
Stock acquisition rights	43	—
Minority interest	1,802	32
Total net assets	46,331	39,496
Total liabilities and net assets	69,168	52,064

(2) Consolidated statements of income

(Unit: Million yen)

	Fiscal year ended March 31, 2008 (April 1, 2007–March 31, 2008)	Fiscal year ended March 31, 2009 (April 1, 2008–March 31, 2009)
Net sales	101,818	73,035
Cost of sales	67,274	49,010
Gross profit	34,544	24,024
Selling, general and administrative expenses		
Advertising expenditures	4,307	4,862
Salaries	5,175	5,106
Provision for accrued bonuses	145	202
Provision for accrued bonuses to directors and auditors	128	245
Outsourcing expenses	1,878	1,532
Travel and transport expenses	662	596
Depreciation and amortization	977	1,534
Rents	1,460	1,608
Provision to allowance for doubtful accounts	150	29
Retirement benefit expenses	71	70
Amortization of goodwill	335	332
Others	*1 6,092	5,942
Total selling, general and administrative expenses	21,385	22,063
Operating income	13,158	1,960
Non-operating income		
Interest income	62	29
Dividend income	28	188
Discounts on purchases	103	54
Lease income	—	89
Others	118	165
Total non-operating income	313	528
Non-operating expenses		
Interest expense	86	127
Equity method investment loss	557	428
Amortization of equity investment	243	92
Loss on management of investment securities	217	323
Foreign exchange loss	597	357
Others	63	168
Total non-operating expenses	1,766	1,497
Ordinary income	11,705	991

(Unit: Million yen)

	Fiscal year ended March 31, 2008 (April 1, 2007–March 31, 2008)	Fiscal year ended March 31, 2009 (April 1, 2008–March 31, 2009)
Extraordinary income		
Gain on sale of fixed assets	*2 2	*2 0
Gain on sale of share in affiliates	—	2
Gain on investment in anonymous association	90	83
Insurance proceeds received	—	110
Gain on reversal of stock acquisition rights	—	71
Others	3	1
Total extraordinary income	97	269
Extraordinary losses		
Loss on sale of fixed assets	—	*3 0
Loss on disposal of fixed assets	*4 266	*4 102
Impairment loss	*5 876	*5 152
Valuation loss on investment securities	112	1,605
Provision to allowance for loss on relocation of offices	32	9
Loss on liquidation of affiliates	—	537
Loss due to discontinued production	—	702
Others	3	730
Total extraordinary losses	1,292	3,840
Income (loss) before income taxes and minority interests	10,509	(2,579)
Current income taxes	6,022	388
Deferred income taxes	(921)	(514)
Total income taxes	5,101	(126)
Minority interests (loss)	111	(971)
Net income (loss)	5,296	(1,481)

(3) Consolidated statement of change in net assets

(Unit: Million yen)

	Fiscal year ended March 31, 2008 (April 1, 2007–March 31, 2008)	Fiscal year ended March 31, 2009 (April 1, 2008–March 31, 2009)
Shareholders' equity		
Common stock		
Balance at end of previous year	7,948	7,948
Amount of changes during the year		
Total amount of changes during the year	—	—
Balance at end of year	7,948	7,948
Capital surplus		
Balance at end of previous year	7,994	7,994
Amount of changes during the year		
Total amount of changes during the year	—	—
Balance at end of year	7,994	7,994
Retained earnings		
Balance at end of previous year	24,943	28,852
Amount of changes during the year		
Dividends from surplus	(1,388)	(1,561)
Net income	5,296	(1,481)
Change in the scope of consolidation	(0)	—
Change resulted from a merger of companies accounted for by the equity method	—	(1)
Total amount of changes during the year	3,908	(3,044)
Balance at end of year	28,852	25,808
Treasury stock		
Balance at end of previous year	—	—
Amount of changes during the year		
Purchase of treasury stock	—	(1,330)
Total amount of changes during the year	—	(1,330)
Balance at end of year	—	(1,330)
Total shareholders' equity		
Balance at end of previous year	40,886	44,795
Amount of changes during the year		
Dividends from surplus	(1,388)	(1,561)
Net income	5,296	(1,481)
Change in the scope of consolidation	(0)	—
Change resulted from a merger of companies accounted for by the equity method	—	(1)
Purchase of treasury stock	—	(1,330)
Total amount of changes during the year	3,908	(4,374)
Balance at end of year	44,795	40,420

(Unit: Million yen)

	Fiscal year ended March 31, 2008 (April 1, 2007–March 31, 2008)	Fiscal year ended March 31, 2009 (April 1, 2008–March 31, 2009)
Valuation and translation differences		
Unrealized holding gain on available for-sale securities		
Balance at end of previous year	214	(249)
Amount of changes during the year		
Net amount of changes in items not included in shareholders' equity during the year	(464)	(707)
Total amount of changes during the year	(464)	(707)
Balance at end of year	(249)	(956)
Foreign currency translation adjustment		
Balance at end of previous year	13	(59)
Amount of changes during the year		
Net amount of changes in items not included in shareholders' equity during the year	(73)	59
Total amount of changes during the year	(73)	59
Balance at end of year	(59)	(0)
Total valuation and translation differences		
Balance at end of previous year	228	(309)
Amount of changes during the year		
Net amount of changes in items not included in shareholders' equity during the year	(537)	(647)
Total amount of changes during the year	(537)	(647)
Balance at end of year	(309)	(957)
Stock acquisition rights		
Balance at end of previous year	15	43
Amount of changes during the year		
Net amount of changes in items not included in shareholders' equity during the year	27	(43)
Total amount of changes during the year	27	(43)
Balance at end of year	43	—
Minority interest		
Balance at end of previous year	1,705	1,802
Amount of changes during the year		
Net amount of changes in items not included in shareholders' equity during the year	96	(1,769)
Total amount of changes during the year	96	(1,769)
Balance at end of year	1,802	32

(Unit: Million yen)

	Fiscal year ended March 31, 2008 (April 1, 2007–March 31, 2008)	Fiscal year ended March 31, 2009 (April 1, 2008–March 31, 2009)
Total net assets		
Balance at end of previous year	42,836	46,331
Amount of changes during the year		
Dividends from surplus	(1,388)	(1,561)
Net income	5,296	(1,481)
Change in the scope of consolidation	(0)	—
Change resulted from a merger of companies accounted for by the equity method	—	(1)
Purchase of treasury stock	—	(1,330)
Net amount of changes in items not included in shareholders' equity during the year	(413)	(2,460)
Total amount of changes during the year	3,494	(6,835)
Balance at end of year	46,331	39,496

(4) Consolidated statements of cash flows

(Unit: Million yen)

	Fiscal year ended March 31, 2008 (April 1, 2007–March 31, 2008)	Fiscal year ended March 31, 2009 (April 1, 2008–March 31, 2009)
Cash flows from operating activities		
Income (loss) before income taxes and minority interest	10,509	(2,579)
Depreciation and amortization	1,097	1,775
Impairment loss	876	152
Amortization of goodwill	335	332
Increase (decrease) in allowance for doubtful accounts	112	(90)
Increase (decrease) in accrued bonuses	120	36
Increase (decrease) in accrued bonuses to directors and auditors	30	117
Increase (decrease) in retirement benefit provisions	12	40
Increase (decrease) in allowance for losses on order receiving	17	(49)
Increase (decrease) in allowance for losses on relocation of offices	32	(0)
Interest and dividend income	(90)	(218)
Discounts on purchases	(103)	(54)
Equity method investment loss (gain)	557	428
Interest expense	86	127
Loss (gain) on sale of shares in affiliates	—	342
Loss (gain) on investment in anonymous association	(90)	(83)
Loss on disposal of fixed assets	266	102
Loss on management of investment securities	217	323
Valuation loss (gain) on investment securities	112	1,605
Amortization of equity investment	243	92
Foreign exchange loss (gain)	620	364
Decrease (increase) in notes and accounts receivable—trade	6,052	4,423
Decrease (increase) in inventories	(504)	1,343
Decrease (increase) in merchandising right advances	(1,918)	805
Decrease (increase) in prepaid expenses	(422)	68
Decrease (increase) in advance payments	(245)	346
Decrease (increase) in other accounts receivable	—	220
Increase (decrease) in notes and accounts payable—trade	(3,250)	(2,329)
Increase (decrease) in other accounts payable	850	27
Increase (decrease) in accrued consumption taxes	162	(535)
Increase (decrease) in deposits received	(363)	917
Others	46	698
Subtotal	15,372	8,752
Interest and dividends received	131	2,328
Interest paid	(76)	(115)
Insurance proceeds received	—	110
Income taxes paid	(4,299)	(6,863)
Others	—	(64)
Net cash provided by (used in) operating activities	11,127	4,147

(Unit: Million yen)

	Fiscal year ended March 31, 2008 (April 1, 2007–March 31, 2008)	Fiscal year ended March 31, 2009 (April 1, 2008–March 31, 2009)
Cash flows from investing activities		
Purchases of tangible fixed assets	(3,450)	(4,710)
Proceeds from sale of tangible fixed assets	—	176
Purchases of intangible fixed assets	(761)	(401)
Proceeds from sale of intangible fixed assets	—	6
Purchases of investment securities	(7,585)	(566)
Proceeds from sale of investment securities	495	187
Expenditure for acquiring shares in affiliates	(1,169)	—
Expenditure for acquiring shares in subsidiaries which involved change in the scope of consolidation	*2 (902)	—
Expenditure for sale of shares in subsidiaries which involved change in the scope of consolidation	—	*2 (793)
Expenditure for equity investment	(220)	—
Expenditure for loans	(1,036)	(252)
Collection on loans	234	255
Payments for deposits and guarantees	(296)	(15)
Proceeds from cancellation of deposits and guarantees	124	57
Payments for long-term prepaid expenses	(57)	(54)
Others	21	(70)
Net cash provided by (used in) investing activities	(14,604)	(6,182)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	1,167	(2,898)
Proceeds from long-term borrowings	—	6,200
Repayment of long-term borrowings	(987)	(2,287)
Proceeds from issuance of corporate bonds	—	2,948
Redemption of corporate bonds	(120)	(420)
Provision of collateral goods	(89)	(17)
Proceeds from payments by minority shareholders	42	—
Dividends paid	(1,391)	(1,563)
Expenditure for purchase of treasury stock	—	(1,334)
Dividends paid to minority shareholders	(5)	(25)
Net cash provided by (used in) financing activities	(1,384)	602
Effect of exchange rate changes on cash and cash equivalents	(275)	(79)
Increase (decrease) in cash and cash equivalents	(5,136)	(1,512)
Cash and cash equivalents at beginning of year	17,819	12,693
Increase in cash and cash equivalents due to change in scope of consolidation	10	—
Cash and cash equivalents at end of year	*1 12,693	*1 11,181

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

Fiscal year ended March 31, 2008 (April 1, 2007–March 31, 2008)
No relevant items

Fiscal year ended March 31, 2009 (April 1, 2008–March 31, 2009)
No relevant items

(6) Basis of presentation of the consolidated financial statements

Item	Fiscal year ended March 31, 2008 (April 1, 2007–March 31, 2008)	Fiscal year ended March 31, 2009 (April 1, 2008–March 31, 2009)
1. Scope of consolidation	(1) Number of consolidated subsidiaries: 19 Names of consolidated subsidiaries: Fields Jr. Corporation White Trash Charms Japan Co., Ltd. Lucent Pictures Entertainment, Inc. thinkArts Co., Ltd. Fields Pictures Corporation Shin-Nichi Technology Co., Ltd. Haruki Fields Cinema Fund FutureScope Corporation EXPRESS Inc. Japan Sports Marketing Inc. JSM HAWAII, LLC Ildel Corporation D3 Inc. D3 Publisher Inc. Entertainment Software Publishing Inc. D3Publisher of America, Inc. D3Publisher of Europe Ltd. Vicious Cycle Software, Inc. D3DB S.r.l. Digital Lord Corporation changed its trade name to Lucent Pictures Entertainment, Inc. as of October 1, 2007. Shin-Nichi Technology Co., Ltd. and EXPRESS Inc. were included within the scope of consolidation as a result of the acquisition of their shares by the Company in the year ended March 31, 2008. Given its significance, Ildel Corporation, which was a non-consolidated subsidiary until the previous fiscal year, was included within the scope of consolidation in the year ended March 31, 2008. Vicious Cycle Software, Inc. was included within the scope of consolidation as a result of the acquisition of its shares by D3Publisher of America, Inc. in the year ended March 31, 2008. Haruki Fields Cinema Fund was established during the fiscal year under review and was therefore included in the scope of consolidation.	(1) Number of consolidated subsidiaries: 9 Names of consolidated subsidiaries: Fields Jr. Corporation Lucent Pictures Entertainment, Inc. Shin-Nichi Technology Co., Ltd. Haruki Fields Cinema Fund FutureScope Corporation EXPRESS Inc. Japan Sports Marketing Inc. JSM HAWAII, LLC Ildel Corporation White Trash Charms Japan Co., Ltd. and Fields Pictures Corporation, which were consolidated subsidiaries, were excluded from the scope of consolidation in the year ended March 31, 2009 as they were absorbed and merged into the Company (a surviving company) effective as of January 1, 2009. thinkArts Co., Ltd., which was a consolidated subsidiary, was excluded from the scope of consolidation in the year ended March 31, 2009 as a result of the liquidation completed in March 2009. D3 Inc. and its consolidated subsidiaries (D3 Publisher Inc., Entertainment Software Publishing Inc., D3Publisher of America, Inc., D3Publisher of Europe Ltd., Vicious Cycle Software, Inc., and D3DB S.r.l.) were excluded from the scope of consolidation in the year ended March 31, 2009 as a result of the sale of all shares held by the Company in D3 Inc. in March 2009.

	Fiscal year ended March 31, 2008 (April 1, 2007–March 31, 2008)	Fiscal year ended March 31, 2009 (April 1, 2008–March 31, 2009)
1. Scope of consolidation	(2) Names of significant non-consolidated subsidiaries, etc.: APE Inc. Reason for exclusion from the scope of consolidation: Non-consolidated subsidiaries have been excluded from consolidation owing to their small size and the fact that in no case do their aggregate total assets, net sales, net income (proportionate to equity stakes held) and retained earnings (proportionate to equity stakes held), etc., have a material impact on the consolidated financial statements.	(2) Names of significant non-consolidated subsidiaries, etc.: APE Inc. Reason for exclusion from the scope of consolidation: Same as at left
2. Application of equity method	(1) Number of equity-method affiliates: 4 Rodeo Co., Ltd. SPO Inc. Bbmf Magazine, Inc. Kadokawa Haruki Corporation SPO Inc. has been newly accounted for by the equity method as a result of the acquisition of its shares by the Company in the year ended March 31, 2008. Bbmf Magazine, Inc. has been newly accounted for by the equity method as a result of the acquisition of its shares by Fields Pictures Corporation in the year ended March 31, 2008. (2) Names of significant non-consolidated subsidiaries and affiliated companies not accounted for by the equity method: APE Inc. G&E Corporation YMO Inc. Reason for non-application of the equity method: These companies have a negligible impact on net income (proportionate to equity stakes held) and retained earnings (proportionate to equity stakes held) and have no significance as a whole, so they have been excluded from the application of the equity method. (3) Matters requiring clarification concerning procedures for application of the equity method: With regard to companies accounted for by the equity method whose year-end settlement dates differ from that for consolidated accounts, the financial statements relating to those companies' fiscal years are utilized.	(1) Number of equity-method affiliates: 4 Rodeo Co., Ltd. SPO Inc. Bbmf Magazine, Inc. Kadokawa Haruki Corporation (2) Names of significant non-consolidated subsidiaries and affiliated companies not accounted for by the equity method: APE Inc. G&E Corporation YMO Inc. Reason for non-application of the equity method: Same as at left (3) Matters requiring clarification concerning procedures for application of the equity method: Same as at left
3. Accounts settlement dates of consolidated subsidiaries	Of the consolidated subsidiaries, the year-end balance sheet date of JSM HAWAII, LLC is December 31. In preparing the consolidated financial statements, its financial statements as of March 31 through the temporary settlement of accounts are used.	Same as at left

Item	Fiscal year ended March 31, 2008 (April 1, 2007–March 31, 2008)	Fiscal year ended March 31, 2009 (April 1, 2008–March 31, 2009)
4. Accounting standards (1) Valuation standards and methods for important assets	(1) Marketable securities Held-to-maturity bonds: Carried at amortized cost (straight-line method) Other marketable securities Securities with market prices: Stated at market value based on market price as of the consolidated balance sheet date (unrealized gains or losses are charged or credited directly to net assets, with the cost of securities sold determined by the moving average method). Securities without market prices: Stated at cost determined by the moving average method. (2) Derivatives: Stated at market value (3) Inventories [1] Merchandise Fields Corporation: Used pachinko/pachislot machines At cost determined by the specific identification method Others Stated at cost determined by the moving average method Consolidated subsidiaries: At cost determined by the periodic average method [2] Products Consolidated subsidiaries: At cost determined by the first-in first-out method [3] Work in process, content Consolidated subsidiaries: At cost determined by the specific identification method [4] Raw materials Consolidated subsidiaries: Stated at cost determined by the moving average method. [5] Supplies At cost determined by the last purchase price method	(1) Marketable securities Held-to-maturity bonds: Same as at left Other marketable securities Securities with market prices: Same as at left Securities without market prices: Same as at left (2) Derivatives: Same as at left (3) Inventories Valuation policy for inventories held for purposes of ordinary sales is based on a cost basis (which reduces the book value of assets whose profitability is diminished). [1] Merchandise Fields Corporation: Used pachinko/pachislot machines Specific identification method Others Moving average method Consolidated subsidiaries: Periodic average method [2] ―――――― [3] Work in process Consolidated subsidiaries: Specific identification method [4] Raw materials Consolidated subsidiaries: Moving average method [5] Supplies At cost determined by the last purchase price method

Item	Fiscal year ended March 31, 2008 (April 1, 2007–March 31, 2008)	Fiscal year ended March 31, 2009 (April 1, 2008–March 31, 2009)
(2) Depreciation methods for important depreciable assets	(1) Tangible fixed assets Declining-balance method for the Company and domestic consolidated subsidiaries However, the straight-line method is applied to buildings (excluding building fixtures) acquired on and after April 1, 1998. Straight-line method for overseas consolidated subsidiaries The estimated useful lives of depreciable assets are as follows. Buildings: 8–50 years Structures: 10–50 years Vehicles: 2–6 years Tools, furniture and fixtures: 2–20 years (2) Intangible fixed assets Straight-line method The straight-line method is applied to software for company use, based on its useful life within the Company (five years). (3) Long-term prepaid expenses Straight-line method	(1) Tangible fixed assets Declining-balance method for the Company and domestic consolidated subsidiaries However, the straight-line method is applied to buildings (excluding building fixtures) acquired on and after April 1, 1998. The estimated useful lives of depreciable assets are as follows. Buildings: 8–50 years Structures: 10–50 years Vehicles: 2–6 years Tools, furniture and fixtures: 2–20 years (2) Intangible fixed assets Same as at left (3) Long-term prepaid expenses Same as at left
(3) Treatment of important deferred charges	――――――	Corporate bond issuance expense The expense is charged in full at the time it is incurred.
(4) Accounting standards for important reserves	(1) Allowance for doubtful accounts To provide against losses from doubtful accounts, allowances for ordinary receivables are provided using a rate determined by past collection experience, and allowances for specific debts considered doubtful are accounted for by calculating the estimated amounts deemed uncollectible after individually reviewing collectability of the debts. (2) Accrued bonuses To provide for employee bonuses, the Company and some of its consolidated subsidiaries recognize the amounts out of the projected bonus payments to be allocated to the year ended March 31, 2008. (3) Accrued bonuses to directors and auditors To provide for bonuses to directors and auditors, the Company recognizes the amounts corresponding to the year ended March 31, 2008 based on the projected bonus payments. (4) Allowance for losses on order receiving To provide against losses from receiving orders, allowances for losses on order receiving are provided at some consolidated subsidiaries with regard to order receiving operations bearing a high possibility of incurring losses that at the same time can be estimated rationally.	(1) Allowance for doubtful accounts Same as at left (2) Accrued bonuses Same as at left (3) Accrued bonuses to directors and auditors Same as at left (4) ――――――

Item	Fiscal year ended March 31, 2008 (April 1, 2007–March 31, 2008)	Fiscal year ended March 31, 2009 (April 1, 2008–March 31, 2009)
(4) Accounting standards for important reserves	(5) Allowance for losses on relocation of offices The Company provides estimated costs that might result from office relocations including a loss on disposal of fixed assets and expenses for recovering the present status, etc. (6) Retirement benefit provisions To provide for employees' retirement benefits, the Company and some consolidated subsidiaries recognize, on the basis of projected benefit obligations as of the end of the fiscal year, benefit obligations accrued as of the end of the fiscal year. Actuarial differences are amortized proportionately by the straight-line method over a fixed number of years (five years) within the average remaining period of service of employees as of the time such differences arise. Amortization amounts are expensed beginning with the fiscal year following that in which the differences arise.	(5) Allowance for losses on relocation of offices The Company provides estimated costs that might result from office relocations including a loss on disposal of fixed assets and expenses for recovering the present status, etc. (6) Retirement benefit provisions Same as at left
(5) Translation of important foreign-currency-denominated assets and liabilities into yen	Foreign currency receivables and payables are translated into yen using the spot currency exchange rate on the consolidated balance sheet date, and translation differences are recorded as gains or losses. The assets and liabilities of overseas subsidiaries are translated into yen using the spot currency exchange rate on the consolidated balance sheet date, and income and expenses are translated into yen using the average exchange rate during the period, translation differences being stated as part of the foreign currency translation adjustment in the net assets section of the balance sheet.	――――
(6) Treatment of important lease transactions	Finance lease transactions, other than those where the ownership of the leased assets is deemed to be transferred to the lessee, are accounted for as ordinary operating lease transactions.	――――
(7) Important hedge accounting methods	(1) Important hedge accounting methods At certain consolidated subsidiaries, special treatment is used in the case of interest rate swaps that satisfy the criteria for hedge accounting. (2) Method and scope of hedging Hedging method Interest rate swap transactions Scope of hedging Interest on borrowings (3) Hedging policy At certain consolidated subsidiaries a hedging policy is implemented to avoid any impact of fluctuations in market interest rates on fund-raising costs (interest expense). (4) Method for assessing hedging effectiveness Interest rate swap transactions are deemed to qualify for special accounting treatment, and therefore it is on this basis that judgments as to effectiveness are made.	(1) ―――― (2) ―――― (3) ―――― (4) ――――

Item	Fiscal year ended March 31, 2008 (April 1, 2007–March 31, 2008)	Fiscal year ended March 31, 2009 (April 1, 2008–March 31, 2009)
(7) Important hedge accounting methods	(5) Other risk management The management division has responsibility for the conclusion of contracts relating to hedge accounting at certain consolidated subsidiaries. No particular stipulations relating to such transactions have been laid down, but they are administered in accordance with regulations governing the scope of authority.	(5) ――――――
(8) Other significant standards for the preparation of consolidated financial statements	Accounting for consumption taxes Consumption tax is accounted for by the tax-excluded method.	Accounting for consumption taxes Same as at left
5. Valuation of assets and liabilities of consolidated subsidiaries	Assets and liabilities of consolidated subsidiaries are stated at fair value.	Same as at left
6. Amortization of goodwill and negative goodwill	Goodwill is amortized equally for a reasonable number of years within 10 years, estimating the period when its effect is generated.	Same as at left
7. Scope of funds in consolidated statements of cash flows	Funds include cash on hand, demand deposits and short-term investments maturing or redeemable within three months after acquisition that are highly liquid, easily convertible into cash and exposed to low price fluctuation risk.	Same as at left

(7) Change in the basis of presentation of the consolidated financial statements
Changes in accounting treatment

Fiscal year ended March 31, 2008 (April 1, 2007–March 31, 2008)	Fiscal year ended March 31, 2009 (April 1, 2008–March 31, 2009)
(Change in the method of depreciation of tangible fixed assets) At the Company and its domestic consolidated subsidiaries, pursuant to the revisions to the Corporate Tax Law (the Partial Revision to the Corporate Tax Law, the 6th Law enacted on March 30, 2007, and the Ordinance for Partial Revision to the Cabinet Order Related to the Corporate Tax Law, the 83rd Ordinance on March 30, 2007), the Company changed the method of depreciation of tangible fixed assets and uses a method based on the revised Corporate Tax Law with regard to those assets acquired on and after April 1, 2007. Due to this change, operating income, ordinary income and income before income taxes and minority interest each decreased ¥41 million. The impact on the Segment Information is indicated in the Segment Information section.	————
	(Accounting standards pertaining to valuation of inventories) Effective with the year ended March 31, 2009, the Company adopts the Accounting Standard for Valuation of Inventories (the Accounting Standards Board of Japan (hereinafter referred to as “ASBJ”) Statement No. 9 announced on July 5, 2006) and changes its valuation policy from the cost method to a cost basis (which reduces the book value of assets whose profitability is diminished). This change has no effect on income. (Accounting standards pertaining to lease transactions) Effective with the year ended March 31, 2009, the Company adopts the Accounting Standard for Lease Transactions (ASBJ Statement No. 13 (effective as of June 17, 1993 (the 1st Committee of the Business Accounting Council) and revised as of March 30, 2007)) and the Implementation Guidance for Accounting Standard for Lease Transactions (ASBJ Guidance No. 16, effective as of January 18, 1994 (the Accounting System Committee of the Japanese Institute of Certified Public Accountants (hereinafter referred to as the “JICPA”)) and revised as of March 30, 2007) and applies the accounting methods that apply to ordinary buying and selling transactions. With regard to finance lease transactions for which a contract was entered into prior to March 31, 2008, the Company applies the accounting method that it uses to account for ordinary lease transactions. This has no effect on income. (Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries for Consolidated Financial Statements) Effective with the year ended March 31, 2009, the Company adopts the Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries for Consolidated Financial Statements (the Practical Issues Task Force (hereinafter referred to as “PITF”) No. 18 effective as of May 17, 2006) and performs required reconciliations in the consolidation accounting process. This application has no effect on income.

Changes in method of presentation

Fiscal year ended March 31, 2008 (April 1, 2007–March 31, 2008)	Fiscal year ended March 31, 2009 (April 1, 2008–March 31, 2009)
(Consolidated balance sheets) As "Merchandising rights advances," which had been included in "Other current assets" under current assets until the end of the previous fiscal year, accounted for more than 5/100 of total assets, it has been separately presented. The "Merchandising rights advances" as of March 31, 2007, was ¥2,572 million. ―――――――	(Consolidated balance sheets) 1. With the application of the Cabinet Office Ordinance Partially Revising Regulation, etc. for Terminology, Forms and Preparation of Financial Statements (Cabinet Office Ordinance No. 50 effective as of August 7, 2008), what was included in "Inventories" until the previous fiscal year has been separately presented as "Merchandise and products," "Work in process," "Raw materials and supplies" and "Content" effective with the year ended March 31, 2009. However, the balance of "Content" as of March 31, 2009, was ¥0. In the previous fiscal year, ¥475 million of "Merchandise and products," ¥2,513 million of "Work in process," ¥133 million of "Raw materials and supplies" and ¥890 million of "Content" were included in "Inventories." 2. As "Other accounts receivable," which had been included in "Other current assets" under current assets until the end of the previous fiscal year, accounted for more than 5/100 of total assets, it has been separately presented. The "Other accounts receivable" as of March 31, 2008, was ¥355 million. (Consolidated statements of income) As "Lease income," which had been included in "Others" under non-operating income until the end of the previous fiscal year, accounted for more than 10/100 of total non-operating income, it has been separately presented. The "Lease income" as of March 31, 2008, was ¥3 million.
(Consolidated statements of cash flows) 1. "Loss on sale of fixed assets," which was separately presented in the cash flows from operating activities until the previous fiscal year, is included in "Others" of the cash flows from operating activities because the amount became insignificant. The "Loss on sale of fixed assets" as of March 31, 2008, was ¥2 million. 2. "Loss from change in equity of affiliates," which was separately presented in the cash flows from operating activities until the previous fiscal year, has been included in "Others" of the cash flows from operating activities because the amount became insignificant. The "Loss from change in equity of affiliates" as of March 31, 2008, was ¥0 million. 3. "Amortization of equity investment," which was included in "Others" of the cash flows from operating activities until the previous fiscal year, has been separately presented because the amount became significant. The "Amortization of equity investment" as of March 31, 2007, was ¥7 million. 4. "Foreign exchange gain," which was included in "Others" of the cash flows from operating activities until the previous fiscal year, has been separately presented because the amount became significant. The "Foreign exchange loss" as of March 31, 2007, was ¥25 million.	(Consolidated statements of cash flows) 1. "Proceeds from sale of tangible fixed assets," which had been included in "Others" under cash flows from investing activities until the previous fiscal year, has been separately presented because the amount became significant. The "Proceeds from sale of tangible fixed assets" as of March 31, 2008, was ¥10 million.

Fiscal year ended March 31, 2008 (April 1, 2007–March 31, 2008)	Fiscal year ended March 31, 2009 (April 1, 2008–March 31, 2009)
(Consolidated statements of cash flows) 5. "Decrease (increase) in notes held," which was separately presented under the cash flows from operating activities until the previous fiscal year, has been included in "Others" of the cash flows from operating activities because the amount became insignificant. The "Increase in notes held" as of March 31, 2008, was ¥80 million. 6. "Decrease (increase) in non-operating notes receivable," which was separately presented in the cash flows from operating activities until the previous fiscal year, has been included in "Others" of the cash flows from operating activities because the amount became insignificant. The "Decrease in non-operating notes receivable" as of March 31, 2008, was ¥156 million. 7. "Decrease (increase) in deposits as security for dealing," separately presented in the cash flows from operating activities until the previous fiscal year, has been included in "Others" of the cash flows from operating activities because the amount became insignificant. The "Increase in deposits as security for dealing" as of March 31, 2008, was ¥100 million. 8. "Increase (decrease) in other accounts payable," which was included in "Other" of the cash flows from operating activities until the previous fiscal year, has been separately presented because the amount became significant. The "Decrease in other accounts payable" as of March 31, 2007, was ¥563 million. 9. "Increase (decrease) in guarantee deposits held," which was separately presented under the cash flows from operating activities until the previous fiscal year, has been included in "Others" of the cash flows from operating activities because the amount became insignificant. The "Decrease in guarantee deposits held" as of March 31, 2008, was ¥119 million. 10. "Proceeds from sale of tangible fixed assets," which was separately presented under the cash flows from investing activities until the previous fiscal year, has been included in "Others" of the cash flows from investing activities because the amount became insignificant. The "Proceeds from sale of tangible fixed assets" as of March 31, 2008, was ¥10 million. 11. "Payments for insurance reserve," which was separately presented under the cash flows from investing activities until the previous fiscal year, has been included in "Others" of the cash flows from investing activities because the amount became insignificant. The "Payments for insurance reserve" as of March 31, 2008, was ¥1 million. 12. "Dividends paid to minority shareholders," which had been included in "Dividends paid" under cash flows from financing activities until the previous fiscal year, has been separately presented because the amount became significant. The "Dividends paid to minority shareholders" as of March 31, 2007, was ¥3 million.	―――――

Additional information

Fiscal year ended March 31, 2008 (April 1, 2007–March 31, 2008)	Fiscal year ended March 31, 2009 (April 1, 2008–March 31, 2009)
(Method of depreciation and amortization of tangible fixed assets) Beginning with the consolidated fiscal year ended March 31, 2008, at Fields Corporation and its domestic subsidiaries, tangible fixed assets acquired by March 31, 2007, are equally depreciated over five years from a year following the year when depreciation was completed up to the limit of the depreciation. The impact that this change has on the consolidated statement of income is immaterial.	――――

(8) Notes to the consolidated financial statements

(Consolidated balance sheets)

<table>
<tr><th>Fiscal year ended March 31, 2008
(As of March 31, 2008)</th><th>Fiscal year ended March 31, 2009
(As of March 31, 2009)</th></tr>
<tr><td>*1. Assets held as collateral
Time deposits ¥147 million
They are held as collateral to guarantee the transactions with banks.</td><td>――――――</td></tr>
<tr><td>*2. Related to non-consolidated subsidiaries and affiliates
Investment securities (shares) ¥4,447 million</td><td>*2. Related to non-consolidated subsidiaries and affiliates
Investment securities (shares) ¥2,644 million</td></tr>
<tr><td>3. Contingent liabilities
The Company provides payment guarantees for sales of pachinko/pachislot machines to pachinko halls from gaming machine manufacturers when acting as a representative in such sales.
Y.K. Daiko ¥54 million
Niimi Co., Ltd. ¥51 million
K.K. The City ¥48 million
K.K. Taisei Kanko ¥46 million
Iwamoto Development Co., Ltd. ¥33 million
Y.K. Fuji Leisure Service ¥31 million
K’s corporation ¥25 million
Meiplanet K.K. ¥23 million
Asahi Shoji K.K. ¥13 million
R&K Co., Ltd. ¥13 million
Others (126) ¥264 million
Total ¥605 million</td><td>3. Contingent liabilities
The Company provides payment guarantees for sales of pachinko/pachislot machines to pachinko halls from gaming machine manufacturers when acting as a representative in such sales.
K.K. Taisei Kanko ¥80 million
Niimi Co., Ltd. ¥54 million
Y.K. Daiko ¥49 million
Y.K. Big Shot ¥37 million
Y.K. Takarazuka Pachinko Hall
Sankei Shoji Co., Ltd. ¥34 million
Meiplanet K.K. ¥33 million
K.K. Corona ¥32 million
K.K. Veam Stadium ¥32 million
K’s corporation ¥30 million
Others (279) ¥839 million
Total ¥1,261 million</td></tr>
<tr><td>*4. Financial covenant
Of the short-term borrowings, the following financial restrictions are included in the borrowing of ¥1,000 million borne by D3 Inc., our consolidated subsidiary.
(1) The amount of net assets in the consolidated and non-consolidated balance sheets as of each balance sheet date after the conclusion of the contract including first half-ends must be maintained at 75% or more of the amount for the previous term.
(2) Operating income/loss in the consolidated and non-consolidated statements of income after conclusion of the contract including first half-ends must not be losses for the second consecutive terms.</td><td>――――――</td></tr>
<tr><td>5. Overdraft agreements
To raise working capital efficiently, the Fields group has concluded an overdraft agreement with four banks. Unutilized balances under these agreements as of March 31, 2008, were as follows:
Overdraft limit ¥3,568 million
Borrowings outstanding ¥568 million
Difference ¥3,000 million</td><td>5 Overdraft agreements
To raise working capital efficiently, the Fields group has concluded an overdraft agreement with four banks. Unutilized balances under these agreements as of March 31, 2009, were as follows:
Overdraft limit ¥19,000 million
Borrowings outstanding — million
Difference ¥19,000 million</td></tr>
</table>

(Consolidated statements of income)

Fiscal year ended March 31, 2008 (April 1, 2007–March 31, 2008)

*1. Research and development expenses included in general and administrative expenses

¥34 million

*2. Details of gain on sale of fixed assets are as follows:

Vehicles	¥2 million
Tools, furniture and fixtures	¥0 million
Total	¥2 million

―――――

*4. Details of loss on disposal of fixed assets are as follows:

Buildings and structures	¥84 million
Vehicles	¥0 million
Tools, furniture and fixtures	¥19 million
Software	¥162 million
Total	¥266 million

*5. Impairment loss

The Fields group has stated an impairment loss for the asset set out below.

Usage	Miscellaneous business-related assets	—	Idle assets
Type	Buildings and structures Tools, furniture and fixtures	Goodwill	Buildings and structures
Location	Osaka-shi, Osaka	—	Nagoya-shi, Aichi
Amount	¥42 million	¥717 million	¥116 million

When grouping its assets, with regard to business-use assets, the Fields group adopts the method of grouping primarily by business category in accordance with management accounting practice. With regard to idle assets, the method of individual grouping is adopted.

Of the Miscellaneous business-related assets, with regard to the properties in Osaka, the Group has recognized losses, which consist of ¥35 million on the building and ¥6 million on the tools, furniture and fixture because there is no prospect of a recovery in operating income from these properties. On the other hand, with regard to the goodwill, the Group has recognized a loss because the initially anticipated income has become impossible to achieve in the business plan which had been studied when the relevant shares were acquired. It consists of ¥717 million in goodwill.

The recoverable value of these properties has been calculated on the basis of value in use, with such recoverable value appraised zero, because future cash flows are negative.

With regard to idle assets, the transfer of such assets was determined at the Board of Directors' meeting held on March 7, 2008. The book value was amortized up to the recoverable value, and the decreased amount was recorded as an impairment loss under an extraordinary loss. It consists of ¥116 million in buildings and structures.

The recoverable value is based on the scheduled price for the transfer of aforementioned idle assets.

Fiscal year ended March 31, 2009 (April 1, 2008–March 31, 2009)

―――――

*2. Gain on sale of fixed assets was due to sale of tools, furniture and fixtures.

*3. Details of loss on sale of fixed assets are as follows:

Vehicles	¥0 million
Tools, furniture and fixtures	¥0 million
Total	¥0 million

*4. Details of loss on disposal of fixed assets are as follows:

Buildings and structures	¥36 million
Vehicles	¥0 million
Tools, furniture and fixtures	¥26 million
Software	¥14 million
Others intangible fixed assets	¥25 million
Total	¥102 million

*5. Impairment loss

The Fields group has stated an impairment loss for the asset set out below.

Usage	Miscellaneous business-related assets	—	Assets scheduled to be sold
Type	Buildings and structures Tools, furniture and fixtures	Goodwill	Land
Location	Osaka-shi, Osaka	—	Nagoya-shi, Aichi
Amount	¥6 million	¥130 million	¥15 million

When grouping its assets, with regard to business-use assets, the Fields group adopts the method of grouping primarily by business category in accordance with management accounting practice. With regard to idle assets, the method of individual grouping is adopted.

Of the Miscellaneous business-related assets, with regard to the properties in Osaka, the Group has recognized losses, which consist of ¥6 million on the buildings and structures as well as the tools, furniture and fixture because there is no prospect of a recovery in operating income from these properties. On the other hand, with regard to the goodwill, the Group has recognized a loss because the initially anticipated income has become impossible to achieve in the business plan which had been studied when the relevant shares were acquired. It consists of ¥130 million in goodwill.

The recoverable value of these properties has been calculated on the basis of value in use, with such recoverable value appraised zero, because future cash flows are negative.

As the sale of aforementioned assets scheduled to be sold has already been decided, the book value of such assets was amortized up to the recoverable value, and the decreased amount was recorded as an impairment loss under an extraordinary loss. It consists of ¥15 million in land.

The recoverable value is calculated on the basis of the full sale price. With regard to the aforementioned assets scheduled to be sold, the recoverable value has been calculated based on the confirmed price for the sale.

(Consolidated statements of changes in net assets)

Fiscal year ended March 31, 2008 (April 1, 2007–March 31, 2008)

1. Shares issued

Type	As of March 31, 2007	Increase	Decrease	As of March 31, 2008
Common stock (shares)	347,000	—	—	347,000

2. Treasury shares

No relevant items

3. Stock acquisition rights

Company name	Description	Nature of shares to be issued	Number of shares to be issued				Balance at March 31, 2008 (Million yen)
			As of March 31, 2007	Increase	Decrease	As of March 31, 2008	
The Company	The first stock acquisition rights	Common stock	5,640	—	680	4,960	—
	The second stock acquisition rights	Common stock	1,360	—	610	750	—
Consolidated subsidiaries:	—	—	—	—	—	—	43
Total			7,000	—	1,290	5,710	43

(Notes) 1. The number of shares to be issued is the number of shares to which acquisition rights can be exercised.

2. The reason for the changes in the number of shares to be issued is as follows.
The decrease during the fiscal year ended March 31, 2008 reflects invalidation of some of the rights.

3. Some stock acquisition rights held by the Company’s consolidated subsidiaries have not yet become effective as of March 31, 2008.

4. Dividends

(1) Dividends paid

Resolution	Type	Total dividends paid (Million yen)	Amount of dividends per share (Yen)	Cut-off date	Effective date
Ordinary general meeting of shareholders on June 27, 2007	Common stock	694	2,000	March 31, 2007	June 28, 2007
Meeting of the board of directors on November 6, 2007	Common stock	694	2,000	September 30, 2007	December 7, 2007

(2) Dividends for which the cut-off date came during the fiscal year ended on March 31, 2008, but the effective date will come during the fiscal year ended on March 31, 2009 or thereafter

Resolution	Type	Total dividends paid (Million yen)	Source for payment of dividends	Amount of dividends per share (Yen)	Cut-off date	Effective date
Ordinary general meeting of shareholders on June 26, 2008	Common stock	867	Retained earnings	2,500	March 31, 2008	June 27, 2008

Fiscal year ended March 31, 2009 (April 1, 2008–March 31, 2009)

1. Shares issued

Type	As of March 31, 2008	Increase	Decrease	As of March 31, 2009
Common stock (shares)	347,000	—	—	347,000

2. Treasury shares

Type	As of March 31, 2008	Increase	Decrease	As of March 31, 2009
Common stock (shares)	—	10,643	—	10,643

(The reason for the changes)

Description of the increase is as follows.

Increase by acquisition: 10,643 shares

3. Stock acquisition rights

Company name	Description	Nature of shares to be issued	Number of shares to be issued				Balance at March 31, 2009 (Million yen)
			As of March 31, 2008	Increase	Decrease	As of March 31, 2009	
The Company	The first stock acquisition rights	Common stock	4,960	—	4,960	—	—
	The second stock acquisition rights	Common stock	750	—	750	—	—
Total			5,710	—	5,710	—	—

(Notes) 1. The number of shares to be issued is the number of shares to which acquisition rights can be exercised.

2. The reason for the changes in the number of shares to be issued is as follows.

The decrease during the fiscal year ended March 31, 2009 reflects invalidation of some of the rights.

4. Dividends

(1) Dividends paid

Resolution	Type	Total dividends paid (Million yen)	Amount of dividends per share (Yen)	Cut-off date	Effective date
Ordinary general meeting of shareholders on June 26, 2008	Common stock	867	2,500	March 31, 2008	June 27, 2008
Meeting of the board of directors on November 6, 2008	Common stock	694	2,000	September 30, 2008	December 5, 2008

(2) Dividends for which the cut-off date came during the fiscal year ended on March 31, 2009, but the effective date will come during the fiscal year ending on March 31, 2010 or thereafter

Resolution	Type	Total dividends paid (Million yen)	Source for payment of dividends	Amount of dividends per share (Yen)	Cut-off date	Effective date
Ordinary general meeting of shareholders on June 25, 2009	Common stock	840	Retained earnings	2,500	March 31, 2009	June 26, 2009

(Consolidated statements of cash flows)

<table>
<tr><th>Fiscal year ended March 31, 2008
(April 1, 2007–March 31, 2008)</th><th>Fiscal year ended March 31, 2009
(April 1, 2008–March 31, 2009)</th></tr>
<tr><td>*1. Relationship between cash and cash equivalents as of the end of the fiscal year and cash amounts stated on the consolidated balance sheets
(As of March 31, 2008)
Cash and deposit accounts ¥12,841 million
Deposits supplied as collateral ¥(147) million
Cash and cash equivalents ¥12,693 million</td><td>*1. Relationship between cash and cash equivalents as of the end of the fiscal year and cash amounts stated on the consolidated balance sheets
(As of March 31, 2009)
Cash and deposit accounts ¥11,181 million
Cash and cash equivalents ¥11,181 million</td></tr>
<tr><td>*2. Details of assets and liabilities of companies that have been newly consolidated through the acquisition of shares
Assets and liabilities and the relationship between the acquisition cost of shares and net expenses for the acquisition of shares at the beginning of consolidation were as follows:
EXPRESS Inc.
Current assets ¥326 million
Fixed assets ¥353 million
Goodwill ¥353 million
Current liabilities ¥(151) million
Fixed liabilities ¥(530) million
Acquisition cost ¥351 million
Cash and cash equivalents ¥(304) million
Subtract: Net expenses for acquisition of shares ¥47 million

Shin-Nichi Technology Co., Ltd.
Current assets ¥1,293 million
Fixed assets ¥51 million
Goodwill ¥26 million
Current liabilities ¥(766) million
Fixed liabilities ¥(3) million
Acquisition cost ¥600 million
Cash and cash equivalents ¥(13) million
Subtract: Net expenses for acquisition of shares ¥586 million

Vicious Cycle Software, Inc.
Current assets ¥126 million
Fixed assets ¥167 million
Goodwill ¥367 million
Current liabilities ¥(72) million
Acquisition cost ¥589 million
Cash and cash equivalents ¥(96) million
Other accounts payable concerning acquisition of shares ¥(223) million
Subtract: Net expenses for acquisition of shares ¥268 million</td><td>*2. Details of assets and liabilities of companies that have been newly deconsolidated through the sale of shares
Assets and liabilities of D3 Inc. at the time when it was deconsolidated through the sale of shares by the Company, as well as the sale price of shares in D3 Inc. and proceeds from the sale were as follows:
D3 Inc.
Current assets ¥7,892 million
Fixed assets ¥848 million
Current liabilities ¥(1,954) million
Fixed liabilities ¥(5,144) million
Minority interest ¥(816) million
Foreign currency translation adjustment ¥263 million
Loss on sale of shares ¥(344) million
Sale price of shares in D3 Inc. ¥744 million
Cash and cash equivalents held by D3 Inc. ¥(1,537) million
Proceeds from sale of shares: (Subtract) ¥(793) million</td></tr>
</table>

(Segment information)

1. Segment information by business category

Fiscal year ended March 31, 2008 (April 1, 2007–March 31, 2008)

(Million yen)

	Pachinko /Pachislot (PS) Field	Game Field	Other Field	Total	Elimination or incorporation	Consolidated
I. Net sales and operating income or loss						
Net sales						
(1) Net sales to third parties	82,449	14,261	5,107	101,818	—	101,818
(2) Inter-group net sales or transfers	313	267	812	1,393	(1,393)	—
Total	82,763	14,528	5,919	103,212	(1,393)	101,818
Operating expenses	70,016	13,576	6,436	90,029	(1,369)	88,660
Operating income (loss)	12,747	952	(516)	13,182	(24)	13,158
II. Assets, depreciation and amortization, impairment loss and capital expenditure						
Assets	55,239	14,148	5,350	74,737	(5,569)	69,168
Depreciation and amortization	854	93	149	1,097	(9)	1,087
Impairment loss	116	—	760	876	—	876
Capital expenditure	3,479	130	127	3,738	(18)	3,720

(Notes) 1. Based on the proximity of merchandises and services or others provided, the Fields Corporation's businesses are segmented into Pachinko/Pachislot (PS) Field, Game Field and Other Field.

2. The major products or services in each segment are as follows:
   (1) Pachinko/Pachislot (PS) Field: Purchasing, sales, planning and development of pachinko/pachislot machines and related services
   (2) Game Field: Planning, development and sales of packaged software, such as game software
   (3) Other Field: Sports management and others

3. All operating expenses are allocated to individual segments, and thus none remain unallocated.

4. All assets are allocated to individual segments, and thus there are no assets that are regarded as being corporate assets.

5. As indicated in the "Basis of Presentation of the Consolidated Financial Statements (Change in the method of depreciation of tangible fixed assets)," at Field Corporation and its domestic consolidated subsidiaries, pursuant to the revisions to the Corporate Tax Law (the Partial Revision to the Corporate Tax Law, the 6th Law enacted on March 30, 2007, and the Ordinance for Partial Revision to the Cabinet Order Related to the Corporate Tax Law, the 83rd Ordinance on March 30, 2007), changed the method of depreciation of tangible fixed assets and now uses a method based on the revised Corporate Tax Law with regard to those assets acquired on and after April 1, 2007. Due to this change, operating expenses in the Pachinko/Pachislot (PS) Field segment, the Game Field segment and the Other Field segment increased ¥38 million, ¥1 million and ¥1 million, respectively, and operating income decreased by the corresponding amounts, compared with the previous accounting method.

6. Although Lucent Pictures Entertainment, Inc. (formerly Digital Lord Corporation) had been included in the Pachinko/Pachislot (PS) Field segment, since the second half of the fiscal year ended March 31, 2008, the company has been included in the Other Field segment because its principle business purposes shifted from the planning and development of graphic content software in the Pachinko/Pachislot (PS) Field segment to the planning and production of animation since the second half of the fiscal year ended March 31, 2008. The impact of this change on the segment information is immaterial.

Fiscal year ended March 31, 2009 (April 1, 2008–March 31, 2009)

(Million yen)

	Pachinko /Pachislot (PS) Field	Game Field	Sports Field	Movies Field	Web Service Field	Other Field	Total	Elimination or incorporation	Consolidated
I. Net sales and operating income or loss									
Net sales									
(1) Net sales to third parties	55,257	12,504	3,551	73	1,608	38	73,035	—	73,035
(2) Inter-group net sales or transfers	467	88	37	—	0	17	612	(612)	—
Total	55,724	12,593	3,589	73	1,609	56	73,647	(612)	73,035
Operating expenses	51,693	13,883	4,126	577	1,153	232	71,667	(593)	71,074
Operating income (loss)	4,031	(1,289)	(537)	(503)	455	(176)	1,980	(19)	1,960
II. Assets, depreciation and amortization, impairment loss and capital expenditure									
Assets	50,927	—	1,988	107	1,033	353	54,411	(2,346)	52,064
Depreciation and amortization	1,418	108	161	—	81	4	1,774	(14)	1,760
Impairment loss	15	130	6	—	—	—	152	—	152
Capital expenditure	4,442	62	124	—	128	18	4,776	(9)	4,767

(Notes) 1. Based on the proximity of merchandises or services, etc. provided, the Company's businesses are segmented into Pachinko/Pachislot (PS) Field, Game Field, Sports Field, Movies Field and Other Field.

2. The major products or services in each segment are as follows:

(1) Pachinko/Pachislot (PS) Field: Purchasing, sales, planning and development of pachinko/pachislot machines and related services

(2) Game Field: Planning, development, sales, etc. of packaged software, such as game software

(3) Sports Field: Sports management and related activities

(4) Movies Field: Movie production, digital content creation and copyright acquisition

(5) Web Service Field: Mobile contents etc.

(6) Other Field: Planning, production, etc. of animation

3. Resegmentation of operations

In previous years, the sports management business and the movie business have been included in the Other Field segment. Because these businesses are now significant in value, the Company resegmented its operations to separate and disclose these businesses in segments called the Sports Field segment, Movies Field segment and Web Service Field segment, effective with the year ended March 31, 2009.

This has no impact on segment information.

2. Segment information by region

Fiscal year ended March 31, 2008 (April 1, 2007–March 31, 2008)

Since Japan accounts for more than 90% of total net sales and of total assets in all segments, the Company does not disclose segment information by region.

Fiscal year ended March 31, 2009 (April 1, 2008–March 31, 2009)

(Million yen)

	Japan	North America	Other Region	Total	Elimination or incorporation	Consolidated
I. Net sales and operating income or loss						
Net sales						
(1) Net sales to third parties	64,938	5,502	2,594	73,035	—	73,035
(2) Inter-group net sales or transfers	2,081	549	—	2,630	(2,630)	—
Total	67,019	6,052	2,594	75,665	(2,630)	73,035
Operating expenses	63,933	7,127	2,551	73,612	(2,538)	71,074
Operating income (loss)	3,086	(1,075)	42	2,053	(92)	1,960
II. Assets	48,705	2,670	1,540	52,916	(852)	52,064

(Notes) 1. Country and regional segments are based on geographic proximity.
2. Main countries or regions included in the Other Region segment: Europe, etc.
3. In previous years, the disclosure of segment information by region has been omitted because Japan accounted for more than 90% of total net sales in all segments. As Japan now accounts for less than 90% of total net sales, the Company has segmented the sales by region to separate and disclose the information in the segments called the Japan segment, the North America segment, and Other Region segment, respectively, effective with the year ended March 31, 2009.

3. Overseas sales

Fiscal year ended March 31, 2008 (April 1, 2007–March 31, 2008)

Because overseas sales accounted for less than 10% of the consolidated net sales, the disclosure of overseas sales has been omitted.

Fiscal year ended March 31, 2009 (April 1, 2008–March 31, 2009)

	Other region	Total
I. Overseas net sales (Million yen)	7,893	7,893
II. Consolidated net sales (Million yen)	—	73,035
III. Overseas net sales as a percentage of consolidated net sales (%)	10.8	10.8

(Notes) 1. Country and regional segments are based on geographic proximity.
2. Because the net sales in countries or regions other than Japan are insignificant, the amounts of net sales are stated collectively in the Other Region segment.
3. Main countries or regions included in the Other Region segment: North America, Europe, etc.
4. Overseas net sales are the net sales of the Company and its consolidated subsidiaries in countries or regions other than Japan.
5. In previous years, the disclosure of overseas net sales has been omitted because overseas net sales accounted for less than 10% of the consolidated net sales. As overseas sales now account for more than 10% of the consolidated net sales, the Company has segmented overseas sales to separate and disclose the information in the Other Region segment, effective with the year ended March 31, 2009.

(Leases)

Fiscal year ended March 31, 2008 (April 1, 2007–March 31, 2008)

1. Finance lease transactions other than those in which the ownership of the leased assets is deemed to be transferred to the lessee

(The lessee)

(1) Acquisition cost, accumulated depreciation, and net book value of leased assets at the end of the fiscal year

(Million yen)

	Acquisition cost	Accumulated depreciation	Net book value
Vehicles	15	5	10
Tools, furniture and fixtures	15	8	6
Software	38	23	14
Total	70	38	31

Acquisition cost has been calculated by the interest-inclusive method, since the balance of future minimum lease payments accounts for a minimal portion of tangible and intangible fixed assets at the end of the fiscal year.

(2) Future minimum lease payments

Due within 1 year	¥15 million
Due after 1 year	¥15 million
Total	¥31 million

Future minimum lease payments at the end of the fiscal year have been calculated by the interest-inclusive method, since the balance of future minimum lease payments accounts for a minimal portion of tangible and intangible fixed assets at the end of the fiscal year.

(3) Lease payments and depreciation

Lease payments	¥20 million
Depreciation	¥20 million

(4) Calculation method for depreciation and amortization

Depreciation is calculated by the straight-line method over the lease term of the leased assets with no residual value.

2. Operating lease transactions

Due within 1 year	¥3 million
Due after 1 year	¥8 million
Total	¥12 million

Fiscal year ended March 31, 2009 (April 1, 2008–March 31, 2009)

Non-ownership-transferred finance lease transactions whose effective date precedes the commencement of the initial fiscal year that the Accounting Standard for Lease Transactions is adopted

(The lessee)

[1] Acquisition cost, accumulated depreciation, and net book value of leased assets at the end of the fiscal year

(Million yen)

	Acquisition cost	Accumulated depreciation	Net book value
Vehicles	12	9	3
Tools, furniture and fixtures	17	8	8
Software	38	31	7
Total	68	49	19

Acquisition cost has been calculated by the interest-inclusive method, since the balance of future minimum lease payments accounts for a minimal portion of tangible and intangible fixed assets at the end of the fiscal year.

[2] Future minimum lease payments

Due within 1 year	¥14 million
Due after 1 year	¥5 million
Total	¥19 million

Future minimum lease payments at the end of the fiscal year have been calculated by the interest-inclusive method, since the balance of future minimum lease payments accounts for a minimal portion of tangible and intangible fixed assets at the end of the fiscal year.

[3] Lease payments and depreciation

Lease payments	¥16 million
Depreciation	¥16 million

[4] Calculation method for depreciation and amortization

Depreciation is calculated by the straight-line method over the lease term of the leased assets with no residual value.

Operating lease transactions

Due within 1 year	¥2 million
Due after 1 year	¥5 million
Total	¥8 million

1. Operating lease transactions

(The lessee)

Future minimum lease payments pertaining to irrevocable operating lease transactions

Due within 1 year	¥532 million
Due after 1 year	¥304 million
Total	¥837 million

(Transaction with related parties)
Fiscal year ended March 31, 2008 (April 1, 2007–March 31, 2008)
1. Subsidiaries, etc.

Attribute	Name of company, etc.	Location	Capital stock or equity investment (Million yen)	Business or occupation	Holding ratio of voting rights, etc. (%)	Relationship		Description of transactions	Transaction amount (Million yen)	Account item	Balance at end of year (Million yen)
						Officer's post concurrently held	Business relationship				
Subsidiary	EXPRESS Inc.	Hakata-ku, Fukuoka-shi, Fukuoka	300	Management of sports gyms	Direct holding 80.0	2	Fund aid	Loaning fund (Note 2) Collection of funds	717 187	— (Note 4)	—
Affiliate	Rodeo Co., Ltd.	Toshima-ku, Tokyo	100	Development and manufacture of pachinko /pachislot machines	Direct holding 35.0	—	Purchasing of pachinko/ pachislot machines	Purchasing of machines (Note 1, 3) Discounts on purchases	20,865 103	Accounts payable-trade	3,000

Transaction conditions and the policies for determining those conditions

(Notes) 1. The above transaction amounts are net of consumption tax, but the balance at year-end is inclusive of consumption tax.
2. The conditions for providing loans are determined rationally, taking into account market interest rates.
3. For the purchasing of pachinko/pachislot machines, transaction conditions are determined in the same manner as general terms and conditions.
4. Because EXPRESS Inc. determined that its acquisition date would be March 31, 2008, only its Balance Sheets are on a consolidated basis. The transaction amounts in the above table are those until March 31, 2008. The balance at year-end has no indication because this item is offset and cleared on a consolidated basis.

2. Sister companies, etc.

Attribute	Name of company, etc.	Location	Common stock or equity investment (Million yen)	Business or occupation	Holding ratio of voting rights, etc. (%)	Relationship		Description of transactions	Transaction amount (Million yen)	Account item	Balance at end of year (Million yen)
						Officer's post concurrently held	Business relationship				
Company in which its major corporate shareholder holds more than half the total voting rights (including the case that such company is a subsidiary of the shareholder)	Bisty Co., Ltd. (Note 3)	Shibuya-ku, Tokyo	500	Development and manufacture of pachinko /pachislot machines	—	—	Purchasing and sales of pachinko /pachislot machines Sale of merchandising rights	Commission revenue from agency sale of pachinko/pachislot machines (Note 1, 2) Proceeds from sale of merchandising rights (Note 1, 2)	5,393 521	Accounts receivable-trade Advances received	2,172 470

Transaction conditions and the policies for determining those conditions

(Notes) 1. The above transaction amounts are net of consumption tax, but the balance at year-end is inclusive of consumption tax.
2. For commission revenue from the agency sale of pachinko/pachislot machines and proceeds from sale of merchandising rights, transaction conditions are determined in the same manner as general terms and conditions.
3. Sankyo Co., Ltd., which is the Company's major shareholder, directly holds all the voting rights of Bisty Co., Ltd.

Fiscal year ended March 31, 2009 (April 1, 2008–March 31, 2009)
(Additional information)

Effective with the year ended March 31, 2009, the Company has adopted the Accounting Standard for Disclosure of Related Parties (the ASBJ Statement No. 11 effective as of October 17, 2006) and the Guidance on Accounting Standard for Disclosure of Related Parties (ASBJ Guidance No. 13, effective as of October 17, 2006).

1. Transactions with related parties
(1) Transactions between the Company and related parties
(a) Parent company and major shareholders (limited to companies), etc. of the Company
No relevant items

(b) Subsidiaries and affiliates, etc. of the Company

Type	Name of company, etc. or name of individual	Location	Common stock or equity investment (Million yen)	Business or occupation	Holding ratio of voting rights, etc. (%)	Relationship with related party	Description of transactions	Transaction amount (Million yen)	Account item	Balance at end of year (Million yen)
Affiliate	Rodeo Co., Ltd.	Toshima-ku, Tokyo	100	Development and manufacture of pachinko/ pachislot machines	Direct holding 35.0	Purchasing of pachinko/pachislot machines	Purchasing of machines (Note 1, 2)	6,742	Accounts payable -trade	88

Transaction conditions and the policies for determining those conditions
(Notes)
1. The above transaction amounts are net of consumption tax, but the balance at year-end is inclusive of consumption tax.
2. For the purchasing of pachinko/pachislot machines, transaction conditions are determined in the same manner as general terms and conditions.

(c) Companies, etc. which have the same parent company as the Company and subsidiaries, etc. of the Company's other related company

Type	Name of company, etc. or name of individual	Location	Common stock or equity investment (Million yen)	Business or occupation	Holding ratio of voting rights, etc. (%)	Relationship with related party	Description of transactions	Transaction amount (Million yen)	Account item	Balance at end of year (Million yen)
Subsidiary of other related company	Bisty Co., Ltd.	Shibuya-ku, Tokyo	500	Development and manufacture of pachinko /pachislot machines	—	Purchasing and sales of pachinko/pachislot machines Purchasing and sale of merchandising rights	Purchasing of machines (Note 1, 3)	20,909	Accounts payable -trade	187
							Commission revenue from agency sale of pachinko /pachislot machines (Note 1, 2)	8,297	Advances received	226
							Proceeds from sale of merchandising rights (Note 1, 2)	1,330	Accounts receivable -trade	55
							Purchasing of merchandising rights (Note 1, 3)	54		

Transaction conditions and the policies for determining those conditions
(Notes)
1. The above transaction amounts are net of consumption tax, but the balance at year-end is inclusive of consumption tax.
2. For the purchasing of pachinko/pachislot machines and purchasing of merchandising right, transaction conditions are determined in the same manner as general terms and conditions.
3. For commission revenue from the agency sale of pachinko/pachislot machines and proceeds from sale of merchandising rights, transaction conditions are determined in the same manner as general terms and conditions.
4. Sankyo Co., Ltd., which is the Company's major shareholder, directly holds all the voting rights of Bisty Co., Ltd.

(d) Officers and individual major shareholders (limited to individuals), etc. of the Company
No relevant items

(2) Transactions between the Company’s consolidated subsidiaries and related parties

(a) Parent company and major shareholders (limited to companies), etc. of the Company

No relevant items

(b) Subsidiaries and affiliates, etc. of the Company

No relevant items

(c) Companies, etc. which have the same parent company as the Company and subsidiaries, etc. of the Company’s other related company

No relevant items

(d) Officers and individual major shareholders (limited to individuals), etc. of the Company

No relevant items

2. Notes on parent company and important affiliates

No relevant items

(Tax-effect accounting)

Fiscal year ended March 31, 2008 (As of March 31, 2008)	Fiscal year ended March 31, 2009 (As of March 31, 2009)
1. Main components of deferred tax assets are summarized as follows:	1. Main components of deferred tax assets are summarized as follows:

Fiscal year ended March 31, 2008 (As of March 31, 2008)

1. Main components of deferred tax assets are summarized as follows:

(Deferred tax assets)	
Unrecognized accrued enterprise taxes	¥273 million
Excess reserve for retirement benefit	¥86 million
Excess allowance for doubtful accounts	¥109 million
Excess reserve for accrued bonuses	¥71 million
Operating loss carry forwards for subsidiaries	¥1,696 million
Excess amortization of royalty	¥185 million
Unrecognized excess depreciation of content	¥1,331 million
Unrecognized valuation loss on merchandise	¥183 million
Unrecognized impairment loss	¥148 million
Addition of net sales and accounts receivable—trade	¥167 million
Unrecognized valuation loss on merchandising rights	¥261 million
Unrealized holding gain on available-for-sale securities	¥126 million
Others	¥512 million
Subtotal deferred tax assets	¥5,154 million
Valuation allowance	¥(2,092) million
Total deferred tax assets	¥3,062 million

2. Breakdown of main items causing differences between the statutory tax rate and the effective rate for income taxes after applying deferred tax accounting

Statutory tax rate	40.7%
(Adjustments)	
Per capita levy of local resident income tax	0.4%
Entertainment expenses not deductible for tax purposes	1.4%
Non-taxable dividend income	(0.2%)
Equity method investment gain/loss	2.2%
Amortization of goodwill	1.3%
Impairment loss on goodwill	2.8%
Others	(0.1%)
Effective income tax rate after application of deferred tax accounting	48.5%

Fiscal year ended March 31, 2009 (As of March 31, 2009)

1. Main components of deferred tax assets are summarized as follows:

(Deferred tax assets)	
Excess reserve for retirement benefit	¥88 million
Excess allowance for doubtful accounts	¥118 million
Excess reserve for accrued bonuses	¥85 million
Unrecognized valuation loss on investment securities	¥638 million
Unrecognized valuation loss on merchandising rights advances	¥407 million
Unrealized holding gain on available-for-sale securities	¥654 million
Operating loss carry forwards	¥1,443 million
Excess reserve for depreciation	¥119 million
Others	¥209 million
Subtotal deferred tax assets	¥3,765 million
Valuation allowance	¥(1,357) million
Total deferred tax assets	¥2,408 million

2. Breakdown of main items causing differences between the statutory tax rate and the effective rate for income taxes after applying deferred tax accounting

Since the Company has recognized loss before income taxes and minority interests, the breakdown of main items causing differences between the statutory tax rate and the effective rate for income taxes after applying deferred tax accounting is not stated.

(Marketable securities)

1. Held-to-maturity bonds with market prices:

(Million yen)

Category	Fiscal year ended March 31, 2008 (As of March 31, 2008)		
	Carrying value on consolidated balance sheets	Fair value	Difference
Bonds with a fair value that exceeds the carrying value on the consolidated balance sheets	—	—	—
Bonds with a fair value that does not exceed the carrying value on the consolidated balance sheets	400	305	(94)
Total	400	305	(94)

2. Other securities with market prices:

(Million yen)

Category	Fiscal year ended March 31, 2008 (As of March 31, 2008)		
	Acquisition cost	Carrying value on consolidated balance sheets	Difference
Securities whose carrying value exceeds their acquisition cost			
[1] Shares	11	91	79
[2] Bonds	—	—	—
[3] Other	—	—	—
Sub total	11	91	79
Securities whose carrying value does not exceed their acquisition cost			
[1] Shares	6,693	6,269	(423)
[2] Bonds	457	246	(211)
[3] Others	—	—	—
Sub total	7,151	6,515	(635)
Total	7,163	6,607	(555)

3. Other securities sold during the fiscal year

(Million yen)

Proceeds from sales	Gains on sales	Losses on sales
0	—	0

4. Principal holdings of marketable securities not valued at fair value

Category	Fiscal year ended March 31, 2008 (As of March 31, 2008)
	Carrying value on consolidated balance sheets (Million yen)
(1) Shares of subsidiaries and affiliates	
Shares of subsidiaries	10
Shares of affiliates	4,437
(2) Other marketable securities	
Unlisted securities (excluding shares traded over the counter)	445
Unlisted corporate bonds	500
Others	811

5. Redemption schedule of other securities with maturities and bonds classified as held-to-maturity

(Million yen)

Category	1 year or less	1 to 5 years	5 to 10 years	Over 10 years
[1] Bonds				
Japanese government and local government bonds, etc.	—	—	—	—
Japanese corporate bonds	—	—	—	—
Others	—	86	—	560
[2] Others	—	—	—	—
Total	—	86	—	560

1. Held-to-maturity bonds with market prices:

(Million yen)

Category	Fiscal year ended March 31, 2009 (As of March 31, 2009)		
	Carrying value on consolidated balance sheets	Fair value	Difference
Bonds with a fair value that exceeds the carrying value on the consolidated balance sheets	—	—	—
Bonds with a fair value that does not exceed the carrying value on the consolidated balance sheets	400	330	(69)
Total	400	330	(69)

2. Other securities with market prices:

(Million yen)

Category	Fiscal year ended March 31, 2009 (As of March 31, 2009)		
	Acquisition cost	Carrying value on consolidated balance sheets	Difference
Securities whose carrying value exceeds their acquisition cost			
[1] Shares	11	83	71
[2] Bonds	62	70	8
[3] Others	—	—	—
Sub total	74	153	79
Securities whose carrying value does not exceed their acquisition cost			
[1] Shares	6,233	4,554	(1,679)
[2] Bonds	184	102	(82)
[3] Others	—	—	—
Subtotal	6,417	4,656	(1,761)
Total	6,492	4,810	(1,682)

3. Other securities sold during the fiscal year

(Million yen)

Proceeds from sales	Gains on sales	Losses on sales
—	—	—

4. Principal holdings of securities not valued at fair value

Category	Fiscal year ended March 31, 2009 (As of March 31, 2009)
	Carrying value on consolidated balance sheets (Million yen)
(1) Shares of subsidiaries and affiliates	
Shares of subsidiaries	10
Shares of affiliates	1,894
(2) Other marketable securities	
Unlisted securities (excluding shares traded over the counter)	33
Unlisted corporate bonds	—
Others	841

5. Redemption schedule of other securities with maturities and bonds classified as held-to-maturity

(Million yen)

Category	1 year or less	1 to 5 years	5 to 10 years	Over 10 years
[1] Bonds				
Japanese government and local government bonds, etc.	—	—	—	—
Japanese corporate bonds	—	—	—	—
Others	—	15	—	557
[2] Others	—	—	—	—
Total	—	15	—	557

(Derivatives)

1. Matters relating to transaction status

Fiscal year ended March 31, 2008 (April 1, 2007–March 31, 2008)	Fiscal year ended March 31, 2009 (April 1, 2008–March 31, 2009)
(1) Description of transactions The Company utilizes financial instruments with embedded derivative instruments. Some of the consolidated subsidiaries enter into interest rate swap contracts.	(1) Description of transactions The Company utilizes financial instruments with embedded derivative instruments.
(2) Policy for transactions Transactions of financial instruments with embedded derivative instruments are limited to those which are considered secure with low risk underlying. It is our policy that such derivative transactions are not for speculative purposes with high risk underlying. Interest rate swap transactions are aimed at reducing the risks from interest rate fluctuations, and it is our policy that they are not for speculative purposes.	(2) Policy for transactions Transactions of financial instruments with embedded derivative instruments are limited to those which are considered secure with low risk underlying. It is our policy that such derivative transactions are not for speculative purposes with high risk underlying.
(3) Purposes of transactions Financial instruments with embedded derivative instruments are utilized for effective use of surplus fund. Interest rate swap transactions are aimed at reducing their exposure to interest rate fluctuations on borrowings. Hedge accounting is carried out using derivative transactions. Method for hedge accounting: Special accounting methods are adopted for interest rate swaps that satisfy the requirements for hedge accounting. Method and scope of hedging: Hedging method: Interest rate swap transactions Scope of hedging: Interest on borrowings Method for assessing hedging effectiveness: As the interest rate swap transactions are deemed to come under the requirements for special accounting methods, those requirements become the criteria for assessing the hedging as effective.	(3) Purposes of transactions Financial instruments with embedded derivative instruments are utilized for effective use of surplus fund.
(4) Details of risk relating to transactions Transactions of financial instruments with embedded derivative instruments have risks from fluctuations in stock prices and foreign exchange rates. As the counterparties of derivative transactions are limited to financial institutions with high credit ratings, it is believed that credit risk exposure is significantly reduced. Interest rate swap transactions have risks from fluctuations in the market interest rates. As the counterparties of interest rate swap transactions are limited to financial institutions with high credit ratings, it is believed that credit risk exposure is significantly reduced.	(4) Details of risk relating to transactions Transactions of financial instruments with embedded derivative instruments have risks from fluctuations in stock prices and foreign exchange rates. As the counterparties of derivative transactions are limited to financial institutions with high credit ratings, it is believed that credit risk exposure is significantly reduced.
(5) Risk management system relating to transactions At the Company, derivative transactions are entered into and managed by the Finance and Budget Department which obtains relevant endorsement and approval from designated officers in advance pursuant to the company rules. The management division bears the responsibility for concluding contracts at some of the consolidated subsidiaries. There are no particular stipulations relating to such transactions, but these are controlled in accordance with the office regulations concerning authority.	(5) Risk management system relating to transactions At the Company, the Finance and Budget Department executes and manages derivative transactions after obtaining relevant endorsement and approval by designated officers in advance pursuant to the company rules.
(6) Supplementary explanation on matters relating to market value of transactions All interest rate swap transactions are subject to hedge accounting, thus a supplementary explanation has been omitted.	(6) ―――――

2. Matters concerning fair value of transactions

Fiscal year ended March 31, 2008 (April 1, 2007–March 31, 2008)	Fiscal year ended March 31, 2009 (April 1, 2008–March 31, 2009)
(Million yen)	(Million yen)

Fiscal year ended March 31, 2008 (April 1, 2007–March 31, 2008)

(Million yen)

Type	Contract amount	Contract more than 1 year	Fair value	Valuation gain and loss
Transactions other than market transactions (Non-listed) Complex financial products (Bonds)	457	457	246	(211)
Total	457	457	246	(211)

(Notes) 1. Fair values were presented by financial institutions with which we do transactions.
2. Because fair values for embedded derivatives cannot rationally be categorized and measured, the complex financial instruments themselves are evaluated at fair value, with the valuation difference recorded as a gain or a loss.
3. Book values of the complex financial instruments at the beginning of the year are indicated as contract amounts.

Fiscal year ended March 31, 2009 (April 1, 2008–March 31, 2009)

(Million yen)

Type	Contract amount	Contract more than 1 year	Fair value	Valuation gain and loss
Transactions other than market transactions (Non-listed) Complex financial products (Bonds)	246	246	172	(73)
Total	246	246	172	(73)

(Notes) 1. Fair values were presented by financial institutions with which we do transactions.
2. Because fair values for embedded derivatives cannot rationally be categorized and measured, the complex financial instruments themselves are evaluated at fair value, with the valuation difference recorded as a gain or a loss.
3. Book values of the complex financial instruments at the beginning of the year are indicated as contract amounts.

(Retirement benefits)

Fiscal year ended March 31, 2008 (April 1, 2007–March 31, 2008)

1. Outline of retirement benefit system adopted
The Company and certain domestic consolidated subsidiaries have adopted a defined benefit plan consisting of a lump-sum retirement payment.
Certain overseas consolidated subsidiaries have adopted defined contribution plans.

2. Details of retirement benefit obligations

Projected benefit obligations	¥(247) million
Unrecognized net actuarial loss	¥36 million
Retirement benefit provisions	¥(211) million

(Note) Certain domestic consolidated subsidiaries use the simplified method for the computation of retirement benefit obligations.

3. Details of retirement benefit expenses
Retirement benefit expenses

Service cost	¥59 million
Interest cost	¥4 million
Amortization of net actuarial loss	¥6 million
	¥71 million

(Note) 1. The retirement benefits expenses of consolidated subsidiaries using the simplified method are stated in "Service cost."

4. Basis for calculation of retirement benefit obligation

Discount rate	2.0%
Periodic allocation method for projected benefits	Straight-line standard
Years over which actuarial gains or losses are amortized	Five years from the fiscal year after the year of occurrence

Fiscal year ended March 31, 2009 (April 1, 2008–March 31, 2009)

1. Outline of retirement benefit system adopted
Same as at left

2. Details of retirement benefit obligations

Projected benefit obligations	¥(301) million
Unrecognized net actuarial loss	¥79 million
Retirement benefit provisions	¥(221) million

(Note) Certain domestic consolidated subsidiaries use the simplified method for the computation of retirement benefit obligations.

3. Details of retirement benefit expenses
Retirement benefit expenses

Service cost	¥61 million
Interest cost	¥4 million
Amortization of net actuarial loss	¥8 million
	¥74 million

(Note) 1. The retirement benefits expenses of consolidated subsidiaries using the simplified method are stated in "Service cost."

4. Basis for calculation of retirement benefit obligation

Discount rate	2.0%
Periodic allocation method for projected benefits	Straight-line standard
Years over which actuarial gains or losses are amortized	Five years from the fiscal year after the year of occurrence

(Stock options)

Fiscal year ended March 31, 2008 (April 1, 2007–March 31, 2008)

1. Outline, scale and variation of stock options

(1) Outline of stock options

Company name	The Company	The Company
	2003 stock options	2005 stock options
Date of resolution	June 27, 2003	June 29, 2005
Scope and number of grantees	Directors and auditors of the Company: 7 Employees of the Company: 100	Directors of the Company: 1 Employees of the Company: 44
Type and number of stock options	Common stock: 6,810 shares	Common stock: 1,610 shares
Granting date	April 14, 2004	June 29, 2005
Right-ascertaining conditions	The grantee shall be a director, employee or auditor of the Company or its subsidiaries at the time he/she exercises the option, provided that the right can be exercised within one year after the date of such retirement or leaving in case there is a reason such as retirement due to expiration of the term of office or transfer to another company ordered by the Company or its subsidiaries that can be identified as reasonable by the Company.	Same as at left
Service period required for qualification	No provision that specifies the service period required for qualification	Same as at left
Exercise period of the options	From July 1, 2005 to June 30, 2008	From August 1, 2005 to June 30, 2008

Company name	D3 Inc.	D3 Inc.	D3 Inc.
	First 2000 stock options	Second 2000 stock options	2001 stock options
Date of resolution	September 5, 2000	September 5, 2000	January 30, 2001
Scope and number of grantees	Directors of the Company: 3 Employees of the Company: 8	Outside cooperators: 12	Employees of the Company: 3
Type and number of stock options	Common stock: 102 shares	Common stock: 76 shares	Common stock: 28 shares
Granting date	September 22, 2000	September 22, 2000	January 31, 2001
Right-ascertaining conditions	No provision that specifies the right-ascertaining conditions	Same as at left	To continue to be in service until the time when he/she exercises the option
Service period required for qualification	No provision that specifies the service period required for qualification	Same as at left	Same as at left
Exercise period of the options	From November 1, 2002 to September 28, 2007	From November 1, 2001 to September 28, 2007	From April 1, 2003 to September 28, 2007

Company name	D3 Inc.	D3 Inc.	D3 Inc.
	2003 stock options	2005 stock options	First 2006 stock options
Date of resolution	January 30, 2003	January 28, 2005	January 27, 2006
Scope and number of grantees	Directors and auditors of the Company: 7 Directors of the Company's subsidiaries: 1 Employees of the Company: 18 Employees of the Company's subsidiaries: 4 Outside cooperators: 16	Directors and auditors of the Company: 8 Directors of the Company's subsidiaries: 1 Employees of the Company: 6 Employees of the Company's subsidiaries: 4	Directors of the Company: 6 Directors of the Company's subsidiaries: 1 Employees of the Company: 11 Employees of the Company's subsidiaries: 9
Type and number of stock options	Common stock: 594 shares	Common stock: 350 shares	Common stock: 500 shares
Granting date	March 3, 2003	September 14, 2005	March 15, 2006
Right-ascertaining conditions	The grantee shall continue to work as a director, employee or auditor of the Company or its subsidiaries until such time as he/she exercises the option. As for the outside cooperators, the grantee shall lose option rights if the corporation he/she serves at becomes a subsidiary or an affiliated company of another company that is competing with the Company	To continue to be in service until the time when he/she exercises the option	Same as at left
Service period required for qualification	No provision that specifies the service period required for qualification	Same as at left	Same as at left
Exercise period of the options	From February 1, 2005 to January 29, 2010	From February 1, 2007 to January 31, 2012	From February 1, 2008 to January 31, 2013

Company name	D3 Inc.	D3 Inc.	D3 Inc.
	Second 2006 stock options	Third 2006 stock options	First 2008 stock options
Date of resolution	June 22, 2006	June 22, 2006	December18, 2007
Scope and number of grantees	Directors of the Company: 5	Directors of the Company's subsidiaries: 3 Employees of the Company: 3 Employees of the Company's subsidiaries: 17	Directors of the Company: 5
Type and number of stock options	Common stock: 110 shares	Common stock: 280 shares	Common stock: 120 shares
Granting date	October 17, 2006	October 17, 2006	January 7, 2008
Right-ascertaining conditions	To continue to be in service until the time when he/she exercises the option	Same as at left	Same as at left
Service period required for qualification	No provision that specifies the service period required for qualification	Same as at left	Same as at left
Exercise period of the options	From October18, 2008 to October17, 2013	From June 23, 2008 to May31, 2013	From January 9, 2010 to January 8, 2015

Company name	D3 Inc.	D3Publisher of America, Inc
	Second 2008 stock options	2005 stock options
Date of resolution	December 18, 2007	October 31, 2005
Scope and number of grantees	Directors of the Company's subsidiaries: 3 Employees of the Company: 5 Employees of the Company's subsidiaries: 12	Directors of the Company: 3 Directors of the Company's subsidiaries: 1 Employees of the Company: 2 Employees of the Company's subsidiaries: 9
Type and number of stock options	Common stock: 225 shares	Common stock: 1,527,900 shares
Granting date	January 7, 2008	November 1, 2005
Right-ascertaining conditions	To continue to be in service until the time when he/she exercises the option	Same as at left
Service period required for qualification	No provision that specifies the service period required for qualification	Same as at left
Exercise period of the options	From June 22, 2009 to May 31, 2014	From November 1, 2007 to October 31, 2013

(Notes) 1. The number of stock options is stated in terms of the number of the subjected shares.
2. The Company conducted a two-for-one stock split as of September 3, 2004. The number of shares relating to the 2003 stock option is listed for the number of shares after adjusting the number of shares due to the stock split.
3. D3 Inc. conducted a two-for-one stock split as of October 18, 2002. The number of shares relating to the 2000 stock options and the 2001 stock option is respectively listed for the number of shares after adjusting the number of shares due to the stock split.

(2) Scale and variation of stock options

The number of stock options existing for the year ended March 31, 2008, is stated in terms of the number of subjected shares.

[1] Number of stock options

Company name	The Company	The Company
	2003 stock options	2005 stock options
Date of resolution	June 27, 2003	June 29, 2005
Before ascertaining rights		
At beginning of year (shares)	—	—
Granting (shares)	—	—
Invalidation (shares)	—	—
Rights ascertained (shares)	—	—
Rights unascertained (shares)	—	—
After ascertaining rights		
At beginning of year (shares)	5,640	1,360
Rights ascertained (shares)	—	—
Exercise of the options (shares)	—	—
Invalidation (shares)	680	610
Rights unexercised (shares)	4,960	750

Company name	D3 Inc.	D3 Inc.	D3 Inc.	D3 Inc.	D3 Inc.
	First 2000 stock options	Second 2000 stock options	2001 stock options	2003 stock options	2005 stock options
Date of resolution	September 5, 2000	September 5, 2000	January 30, 2001	January 30, 2003	January 28, 2005
Before ascertaining rights					
At beginning of year (shares)	—	—	—	—	—
Granting (shares)	—	—	—	—	—
Invalidation (shares)	—	—	—	—	—
Rights ascertained (shares)	—	—	—	—	—
Rights unascertained (shares)	—	—	—	—	—
After ascertaining rights					
At beginning of year (shares)	22	68	18	461	335
Rights ascertained (shares)	—	—	—	—	—
Exercise of the options (shares)	13	—	18	—	—
Invalidation (shares)	9	68	—	—	44
Rights unexercised (shares)	—	—	—	461	291

Company name	D3 Inc.	D3 Inc.	D3 Inc.	D3 Inc.	D3 Inc.
	First 2006 stock options	Second 2006 stock options	Third 2006 stock options	First 2008 stock options	Second 2008 stock options
Date of resolution	January 27, 2006	June 22, 2006	June 22, 2006	December 18, 2007	December 18, 2007
Before ascertaining rights					
At beginning of year (shares)	468	110	280	—	—
Granting (shares)	—	—	—	120	225
Invalidation (shares)	70	—	49	—	—
Rights ascertained (shares)	398	—	—	—	—
Rights unascertained (shares)	—	110	231	120	225
After ascertaining rights					
At beginning of year (shares)	—	—	—	—	—
Rights ascertained (shares)	398	—	—	—	—
Exercise of the options (shares)	—	—	—	—	—
Invalidation (shares)	—	—	—	—	—
Rights unexercised (shares)	398	—	—	—	—

Company name	D3Publisher of America, Inc.
	2005 stock options
Date of resolution	October 31, 2005
Before ascertaining rights	
At beginning of year (shares)	1,521,900
Granting (shares)	—
Invalidation (shares)	309,900
Rights ascertained (shares)	1,212,000
Rights unascertained (shares)	—
After ascertaining rights	
At beginning of year (shares)	—
Rights ascertained (shares)	1,212,000
Exercise of the options (shares)	—
Invalidation (shares)	—
Rights unexercised (shares)	1,212,000

[2] Information on the unit price

Company name	The Company	The Company
	2003 stock options	2005 stock options
Date of resolution	June 27, 2003	June 29, 2005
Option exercise price (Yen)	760,000	760,000
Average stock price at the time of the exercise of the options (Yen)	—	—
Fair unit price evaluated on the granting date (Yen)	—	—

Company name	D3 Inc.	D3 Inc.	D3 Inc.	D3 Inc.	D3 Inc.
	First 2000 stock options	Second 2000 stock options	2001 stock options	2003 stock options	2005 stock options
Date of resolution	September 5, 2000	September 5, 2000	January 30, 2001	January 30, 2003	January 28, 2005
Option exercise price (Yen)	250,000	250,000	250,000	168,210	335,000
Average stock price at the time of the exercise of the options (Yen)	306,000	—	291,000	—	—
Fair unit price evaluated on the granting date (Yen)	—	—	—	—	—

Company name	D3 Inc.	D3 Inc.	D3 Inc.	D3 Inc.	D3 Inc.
	First 2006 stock options	Second 2006 stock options	Third 2006 stock options	First 2008 stock options	Second 2008 stock option
Date of resolution	January 27, 2006	June 22, 2006	June 22, 2006	December 18, 2007	December 18, 2007
Option exercise price (Yen)	379,005	320,650	320,650	268,635	268,635
Average stock price at the time of the exercise of the options (Yen)	—	—	—	—	—
Fair unit price evaluated on the granting date (Yen)	—	123,564	119,064	111,073	97,704

Company name	D3Publisher of America, Inc.
	2005 stock options
Date of resolution	October 31, 2005
Option exercise price (U.S.$)	0.10
Average stock price at the time of the exercise of the options (U.S.$)	—
Fair unit price evaluated on the granting date (U.S.$)	0.06

2. Method to estimate the fair unit price evaluated for stock options
The estimation method of the fair unit price of the stock options granted during the fiscal year ended March 31, 2008 is as follows.

(1) First 2008 stock options

[1] Evaluation method used: the Black-Scholes model

[2] Major basic values and method of estimate

Stock price volatility (Note 1)	56.56%
Estimated remaining period (Note 2)	4.51 years
Dividends estimated (Note 3)	¥600/share
No-risk interest rate (Note 4)	0.92%

(Notes) 1. The stock price volatility was computed based on actual stock prices from July 6, 2003, to January 7, 2008.
2. Given the difficulty in making a reasonable estimate without the sufficient accumulation of data, the estimate was made based on the assumption that the stock options are exercised around the halfway point of the exercise period of the options.
3. The computation is based on actual dividends paid from January 1, 2007, to December 31, 2007.
4. The yield rate of government bonds during the estimated remaining period.

(2) Second 2008 stock options

[1] Evaluation method used: the Black-Scholes model

[2] Major basic values and method of estimate

Stock price volatility (Note 1)	52.97%
Estimated remaining period (Note 2)	3.93 years
Dividends estimated (Note 3)	¥600/share
No-risk interest rate (Note 4)	0.862%

(Notes) 1. The stock price volatility was computed based on actual stock prices from February 3, 2004, to January 7, 2008.
2. Given the difficulty in making a reasonable estimate without the sufficient accumulation of data, the estimate was made based on the assumption that the stock options are exercised around the halfway point of the exercise period of the options.
3. The computation is based on actual dividends paid from January 1, 2007, to December 31, 2007.
4. The yield rate of government bonds during the estimated remaining period.

3. Method to estimate the number of rights for stock options ascertained
Because it is difficult to rationally estimate the number of rights that will become invalid in the future, we adopt a method to reflect only the number of rights actually invalidated.

4. Effects on consolidated financial statements
Stock compensation expense included in selling, general and administrative expenses: ¥30 million
Gain on reversal of stock acquisition rights: ¥2 million

Fiscal year ended March 31, 2009 (April 1, 2008–March 31, 2009)

1. Outline, scale and variation of stock options

(1) Outline of stock options

Company name	The Company	The Company
	2003 stock options	2005 stock options
Date of resolution	June 27, 2003	June 29, 2005
Scope and number of grantees	Directors and auditors of the Company: 7 Employees of the Company: 100	Directors of the Company: 1 Employees of the Company: 44
Type and number of stock options	Common stock: 6,810 shares	Common stock: 1,610 shares
Granting date	April 14, 2004	June 29, 2005
Right-ascertaining conditions	The grantee shall continue to work as an director, employee or auditor of the Company or its subsidiaries until such time as he/she exercises the option, provided that the right can be exercised within one year after the date of such retirement or leaving in case there is a reason such as retirement due to expiration of the term of office or transfer to another company ordered by the Company or its subsidiaries that can be identified as reasonable by the Company.	Same as at left
Service period required for qualification	No provision that specifies the service period required for qualification	Same as at left
Exercise period of the options	From July 1, 2005 to June 30, 2008	From August 1, 2005 to June 30, 2008

Company name	D3 Inc.	D3 Inc.	D3 Inc.
	2003 stock options	2005 stock options	First 2006 stock options
Date of resolution	January 30, 2003	January 28, 2005	January 27, 2006
Scope and number of grantees	Directors and auditors of the Company: 7 Directors of the Company's subsidiaries: 1 Employees of the Company: 18 Employees of the Company's subsidiaries: 4 Outside cooperators: 16	Directors and auditors of the Company: 8 Directors of the Company's subsidiaries: 1 Employees of the Company: 6 Employees of the Company's subsidiaries: 4	Directors of the Company: 6 Directors of the Company's subsidiaries: 1 Employees of the Company: 11 Employees of the Company's subsidiaries: 9
Type and number of stock options	Common stock: 594 shares	Common stock: 350 shares	Common stock: 500 shares
Granting date	March 3, 2003	September 14, 2005	March 15, 2006
Right-ascertaining conditions	The grantee shall continue to work as a director, employee or auditor of the Company or its subsidiaries until such time as he/she exercises the option. As for the outside cooperators, the grantee shall lose option rights if the corporation he/she serves at becomes a subsidiary or an affiliated company of another company that is competing with the Company.	To continue to be in service until the time when he/she exercises the option	Same as at left
Service period required for qualification	No provision that specifies the service period required for qualification	Same as at left	Same as at left
Exercise period of the options	From February 1, 2005 to January 29, 2010	From February 1, 2007 to January 31, 2012	From February 1, 2008 to January 31, 2013

Company name	D3 Inc.	D3 Inc.	D3 Inc.
	Second 2006 stock options	Third 2006 stock options	First 2008 stock options
Date of resolution	June 22, 2006	June 22, 2006	December 18, 2007
Scope and number of grantees	Directors of the Company: 5	Directors of the Company's subsidiaries: 3 Employees of the Company: 3 Employees of the Company's subsidiaries: 17	Directors of the Company: 5
Type and number of stock options	Common stock: 110 shares	Common stock: 280 shares	Common stock: 120 shares
Granting date	October 17, 2006	October 17, 2006	January 7, 2008
Right-ascertaining conditions	To continue to be in service until the time when he/she exercises the option	Same as at left	Same as at left
Service period required for qualification	No provision that specifies the service period required for qualification	Same as at left	Same as at left
Exercise period of the options	From October 18, 2008 to October 17, 2013	From June 23, 2008 to May 31, 2013	From January 9, 2010 to January 8, 2015

Company name	D3 Inc.	D3 Inc.	D3 Inc.
	Second 2008 stock options	Third 2008 stock options	Fourth 2008 stock options
Date of resolution	December 18, 2007	September 17, 2008	September 17, 2008
Scope and number of grantees	Directors of the Company's subsidiaries: 3 Employees of the Company: 5 Employees of the Company's subsidiaries: 12	Directors of the Company: 5	Directors of the Company's subsidiaries: 2 Employees of the Company: 4 Employees of the Company's subsidiaries: 13
Type and number of stock options	Common stock: 225 shares	Common stock: 115 shares	Common stock: 235 shares
Granting date	January 7, 2008	October 2, 2008	October 2, 2008
Right-ascertaining conditions	To continue to be in service until the time when he/she exercises the option.	Same as at left	Same as at left
Service period required for qualification	No provision that specifies the service period required for qualification	Same as at left	Same as at left
Exercise period of the options	From June 22, 2009 to May 31, 2014	From October 3, 2010 to October 2, 2015	From October 3, 2010 to October 2, 2015

Company name	D3Publisher of America, Inc
	2005 stock options
Date of resolution	October 31, 2005
Scope and number of grantees	Directors of the Company: 3 Directors of the Company's subsidiaries: 1 Employees of the Company: 2 Employees of the Company's subsidiaries: 9
Type and number of stock options	Common stock: 1,527,900 shares
Granting date	November 1, 2005
Right-ascertaining conditions	Same as at left
Service period required for qualification	Same as at left
Exercise period of the options	From November 1, 2007 to October 31, 2013

(Notes) 1. The number of stock options is stated in terms of the number of the subjected shares.
2. The Company conducted a two-for-one stock split as of September 3, 2004. The number of shares relating to the 2003 stock option is listed for the number of shares after adjusting the number of shares due to the stock split.

(2) Scale and variation of stock options

The number of stock options existing for the year ended March 31, 2009, is stated in terms of the number of subjected shares.

[1] Number of stock options

Company name	The Company	The Company
	2003 stock options	2005 stock options
Date of resolution	June 27, 2003	June 29, 2005
Before ascertaining rights		
At beginning of year (shares)	—	—
Granting (shares)	—	—
Invalidation (shares)	—	—
Rights ascertained (shares)	—	—
Rights unascertained (shares)	—	—
After ascertaining rights		
At beginning of year (shares)	4,960	750
Rights ascertained (shares)	—	—
Exercise of the options (shares)	—	—
Invalidation (shares)	4,960	750
Rights unexercised (shares)	—	—

Company name	D3 Inc.	D3 Inc.	D3 Inc.	D3 Inc.	D3 Inc.
	2003 stock options	2005 stock options	First 2006 stock options	Second 2006 stock options	Third 2006 stock options
Date of resolution	January 30, 2003	January 28, 2005	January 27, 2006	June 22, 2006	June 22, 2006
Before ascertaining rights					
At beginning of year (shares)	—	—	—	110	231
Granting (shares)	—	—	—	—	—
Invalidation (shares)	—	—	—	110	231
Rights ascertained (shares)	—	—	—	—	—
Rights unascertained (shares)	—	—	—	—	—
After ascertaining rights					
At beginning of year (shares)	461	291	398	—	—
Rights ascertained (shares)	—	—	—	—	—
Exercise of the options (shares)	—	—	—	—	—
Invalidation (shares)	461	291	398	—	—
Rights unexercised (shares)	—	—	—	—	—

Company name	D3 Inc.	D3 Inc.	D3 Inc.	D3 Inc.	D3Publisher of America, Inc.
	First 2008 stock options	Second 2008 stock options	Third 2008 stock options	Fourth 2008 stock options	2005 stock options
Date of resolution	December 18, 2007	December 18, 2007	September 17, 2008	September 17, 2008	October 31, 2005
Before ascertaining rights					
At beginning of year (shares)	120	225	—	—	—
Granting (shares)	—	—	115	235	—
Invalidation (shares)	120	225	115	235	—
Rights ascertained (shares)	—	—	—	—	—
Rights unascertained (shares)	—	—	—	—	—
After ascertaining rights					
At beginning of year (shares)	—	—	—	—	1,212,000
Rights ascertained (shares)	—	—	—	—	—
Exercise of the options (shares)	—	—	—	—	—
Invalidation (shares)	—	—	—	—	1,212,000
Rights unexercised (shares)	—	—	—	—	—

[2] Information on the unit price

Company name	The Company	The Company
	2003 stock options	2005 stock options
Date of resolution	June 27, 2003	June 29, 2005
Option exercise price (Yen)	760,000	760,000
Average stock price at the time of the exercise of the options (Yen)	—	—
Fair unit price evaluated on the granting date (Yen)	—	—

Company name	D3 Inc.	D3 Inc.	D3 Inc.	D3 Inc.	D3 Inc.
	2003 stock options	2005 stock options	First 2006 stock options	Second 2006 stock options	Third 2006 stock options
Date of resolution	January 30, 2003	January 28, 2005	January 27, 2006	June 22, 2006	June 22, 2006
Option exercise price (Yen)	168,210	335,000	379,005	320,650	320,650
Average stock price at the time of the exercise of the options (Yen)	—	—	—	—	—
Fair unit price evaluated on the granting date (Yen)	—	—	—	123,564	119,064

Company name	D3 Inc.	D3 Inc.	D3 Inc.	D3 Inc.
	First 2008 stock options	Second 2008 stock options	Third 2008 stock options	Fourth 2008 stock options
Date of resolution	December 18, 2007	December 18, 2007	September 17, 2008	September 17, 2008
Option exercise price (Yen)	268,635	268,635	113,197	113,197
Average stock price at the time of the exercise of the options (Yen)	—	—	—	—
Fair unit price evaluated on the granting date (Yen)	111,073	97,704	30,160	30,160

Company name	D3Publisher of America, Inc.
	2005 stock options
Date of resolution	October 31, 2005
Option exercise price (U.S.$)	0.10
Average stock price at the time of the exercise of the options (U.S.$)	—
Fair unit price evaluated on the granting date (U.S.$)	0.06

2. Method to estimate the fair unit price evaluated for stock options

The estimation method of the fair unit price of the stock options granted during the fiscal year ended March 31, 2009 is as follows.

Third and fourth 2008 stock options

[1] Evaluation method used: the Black-Scholes model

[2] Major basic values and method of estimate

Stock price volatility (Note 1)	54.38%
Estimated remaining period (Note 2)	4.5 years
Dividends estimated (Note 3)	¥2,800/share
No-risk interest rate (Note 4)	1.04%

(Notes)
1. The stock price volatility was computed based on actual stock prices from April 2, 2004, to October 2, 2008.
2. Given the difficulty in making a reasonable estimate without the sufficient accumulation of data, the estimate was made based on the assumption that the stock options are exercised around the halfway point of the exercise period of the options.
3. The computation is based on actual dividends paid most recently.
4. The yield rate of government bonds during the estimated remaining period.

3. Method to estimate the number of rights for stock options ascertained

Because it is difficult to rationally estimate the number of rights that will become invalid in the future, we adopt a method to reflect only the number of rights actually invalidated.

4. Effects on consolidated financial statements

Stock compensation expense included in selling, general and administrative expenses: ¥28 million

Gain on reversal of stock acquisition rights: ¥71 million

(Business combinations)
Fiscal year ended March 31, 2008 (April 1, 2007–March 31, 2008)
No relevant items

Fiscal year ended March 31, 2009 (April 1, 2008–March 31, 2009)
(Transactions under common control, etc.)

1. Name and content of business of combined company, legal form of the business combination, name of the company after combination, and summary of transactions including objective of transactions

(1) Name and content of business of combined company

Name	Content of business
Fields Pictures Corporation	Copyright acquisition, digital content creation, etc.
White Trash Charms Japan Co., Ltd.	Sales of accessories

(2) Legal form of the business combination
Fields Pictures Corporation and White Trash Charms Japan Co., Ltd. have been dissolved as part of their merger and absorption into Fields Corporation, the sole surviving entity.

(3) Name of the company after combination
Fields Corporation

(4) Summary of transactions including objective of transactions

[1] Objective of the merger
As part of the Company's group business strategy, the merger for Fields Pictures Corporation was implemented in order to increase the speed in the decision making process in the investment of film projects and also to minimize risk. With regard to White Trash Charms Japan Co., Ltd., with the recent scale down of operations, the merger was implemented to have it operating as a division of the main body of the company and thus streamline operations.

[2] Date of the merger
January 1, 2009

[3] Merger ratio and merger-related expenses
As this was a merger between the Company and its full subsidiaries, there have been no new shares issued, increase in capital, or payment of merger-related expenses in association with this merger.

2. Summary of accounting treatment
This merger has been treated as a transaction under common control pursuant to the Accounting Standard for Business Combinations (the Business Accounting Council effective as of October 31, 2003) and the Guidance on Accounting Standard for Business Combinations and Accounting Standard for Business Divestitures (ASBJ Guidance No. 10 effective as of December 27, 2005).

(Per-share data)

Fiscal year ended March 31, 2008 (April 1, 2007–March 31, 2008)	Fiscal year ended March 31, 2009 (April 1, 2008–March 31, 2009)
Net assets per share ¥128,201.49 Net income per share ¥15,263.76 Since no dilutive latent shares exist, diluted net income per share is not stated.	Net assets per share ¥117,326.58 Net loss per share ¥4,271.78 Since no dilutive latent shares exist, diluted net income per share is not stated.

(Note) The calculation basis for net income per share is as follows.

	Fiscal year ended March 31, 2008 (April 1, 2007–March 31, 2008)	Fiscal year ended March 31, 2009 (April 1, 2008–March 31, 2009)
Net income (Million yen)	5,296	(1,481)
Amount not allocable to common shares	—	—
Net income allocable to common shares (Million yen)	5,296	(1,481)
Average number of shares of common stock outstanding (shares)	347,000	346,796
Outline of latent shares not reflected in the calculation of diluted net income per share since they have no dilutive effect	Two types of stock acquisition rights: (Number of the first stock acquisition rights: 496 Number of the second stock acquisition rights: 750)	Two types of stock acquisition rights: (Number of the first stock acquisition rights: — Number of the second stock acquisition rights: —) The exercise period of the aforementioned stock acquisition rights has expired as of June 30, 2008.

(Significant subsequent events)

Fiscal year ended March 31, 2008 (April 1, 2007–March 31, 2008)	Fiscal year ended March 31, 2009 (April 1, 2008–March 31, 2009)
(Borrowings of capital) Based on a resolution at the Meeting of Board of Directors held on May 23, 2008, the Company entered into a bank overdraft agreement as of May 29, 2008 and exercised the overdraft of capital as follows: [1] Borrowed from: Sumitomo Mitsui Banking Corporation [2] Amount of borrowings: Overdraft: ¥2,000 million (Overdraft limit: ¥10,000 million) [3] Interest rate: Applicable interest rate for the first term: 0.94% per annum [4] Repayment terms: Fully payable on due date [5] Borrowing date: May 30, 2008 [6] Repayment due date: June 30, 2008 [7] Purpose of fund usage: Working capital	———
(Issuance of unsecured floating rate bonds) At the meeting of the board of the directors held on June 13, 2008, the Company resolved to issue unsecured bonds as outlined below. [1] Name of issue: Fields Corporation First Series Unsecured Floating Rate Bonds [2] Issue price: Priced at par (¥100 per ¥100 of the value of each bond) [3] Total amount of issue: ¥3,000 million [4] Coupon rate: Six-month Japanese Yen TIBOR plus 0.25% per annum [5] Redemption method: Scheduled redemption every six months by ¥300 million	

[6] Maturity date	June 27, 2013
[7] Payment due date and issuance date	June 27, 2008
[8] Purpose of fund usage	Purchase of fixed assets

5. Non-consolidated financial statements

(1) Non-consolidated balance sheets

(Unit: Million yen)

	Fiscal year ended March 31, 2008 (March 31, 2008)	Fiscal year ended March 31, 2009 (March 31, 2009)
Assets		
Current assets		
Cash and cash equivalents	8,568	9,450
Notes receivable—trade	1,881	2,188
Accounts receivable—trade	*1 5,366	*1 681
Merchandise and products	65	124
Raw materials and supplies	6	4
Advances	251	*1 474
Merchandising rights advances	*1 4,475	3,647
Prepaid expenses	*1 652	*1 420
Deferred tax assets	1,077	850
Short-term loans	*1 3,409	—
Other accounts receivable	*1 47	*1 3,153
Advance payments	*1 109	*1 53
Notes held	229	102
Non-operating notes receivable	520	333
Other current assets	*1 139	*1 327
Allowance for doubtful accounts	(63)	(42)
Total current assets	26,737	21,769
Fixed assets		
Tangible fixed assets		
Buildings	3,180	4,008
Accumulated depreciation	(649)	(752)
Net amount of buildings	2,530	3,256
Structures	61	50
Accumulated depreciation	(35)	(28)
Net amount of structures	25	22
Vehicles	26	23
Accumulated depreciation	(14)	(15)
Net amount of vehicles	11	7
Tools, furniture and fixtures	1,782	1,968
Accumulated depreciation	(894)	(1,348)
Net amount of tools, furniture and fixtures	888	619
Land	3,699	6,512
Construction in progress	188	39
Total tangible fixed assets	7,344	10,458
Intangible fixed assets		
Goodwill	—	22
Software	2,244	2,211
Software under development	345	43
Telephone subscription rights	18	18
Other intangible fixed assets	44	6
Total intangible fixed assets	2,652	2,302

(Unit: Million yen)

	Fiscal year ended March 31, 2008 (March 31, 2008)	Fiscal year ended March 31, 2009 (March 31, 2009)
Investments and other assets		
Investment securities	8,350	5,866
Investments in subsidiaries and affiliates	6,903	3,284
Equity investment	77	50
Equity investments in subsidiaries and affiliates	313	—
Long-term loans	102	101
Long-term loans receivable from shareholders, directors or employees	0	0
Long-term loans receivable from subsidiaries and affiliates	2,492	2,453
Claims in bankruptcy	338	247
Long-term prepaid expenses	53	*1 249
Deferred tax assets	2,265	3,874
Lon-term other accounts receivable from subsidiaries and affiliates	—	830
Deposits and guarantees	*1 2,416	*1 2,313
Other assets	77	301
Allowance for doubtful accounts	(1,503)	(2,317)
Total investments and other assets	21,888	17,256
Total fixed assets	31,885	30,017
Total Assets	58,622	51,787
Liabilities		
Current liabilities		
Accounts payable—trade	*1 4,765	1,023
Corporate bonds redeemable within 1 year	—	600
Other accounts payable	1,394	1,006
Accrued expenses	21	33
Accrued income taxes	2,929	—
Accrued consumption taxes	199	—
Advances received	480	331
Deposits received	660	1,581
Unearned revenue	—	11
Accrued bonuses	145	183
Accrued bonuses to directors and auditors	128	245
Reserve for losses on liability guarantee	*2 830	—
Allowance for losses on relocation of offices	32	4
Other current liabilities	*1 26	27
Total current liabilities	11,614	5,046
Fixed liabilities		
Corporate bonds	—	2,100
Retirement benefit provisions	180	217
Long-term guarantee deposits received	2,459	2,569
Other fixed liabilities	—	0
Total fixed liabilities	2,640	4,887
Total liabilities	14,255	9,934

(Unit: Million yen)

	Fiscal year ended March 31, 2008 (March 31, 2008)	Fiscal year ended March 31, 2009 (March 31, 2009)
Net assets		
Shareholders’ equity		
Common stock	7,948	7,948
Capital surplus		
Additional paid-in capital	7,994	7,994
Total capital surplus	7,994	7,994
Retained earnings		
Legal reserve	9	9
Other retained earnings		
General reserve	20,000	20,000
Retained earnings carried forward	8,600	8,184
Total retained earnings	28,609	28,194
Treasury stock	—	(1,330)
Total shareholders’ equity	44,552	42,806
Valuation and translation differences		
Unrealized holding gain on available-for-sale securities	(184)	(953)
Total valuation and translation differences	(184)	(953)
Total net assets	44,367	41,853
Total Liabilities and net assets	58,622	51,787

(2) Non-consolidated statements of income

(Unit: Million yen)

	Fiscal year ended March 31, 2008 (April 1, 2007–March 31, 2008)	Fiscal year ended March 31, 2009 (April 1, 2008–March 31, 2009)
Net sales	82,758	53,143
Cost of sales	*1 54,270	33,713
Gross profit	28,488	19,430
Selling, general and administrative expenses		
Advertising expenditures	2,592	2,957
Remuneration of directors and auditors	353	488
Salaries	4,149	3,833
Bonuses	37	47
Provision for accrued bonuses	145	183
Provision for accrued bonuses to directors and auditors	128	245
Legal welfare expenses	520	506
Other welfare expenses	203	42
Outsourcing expenses	1,716	1,297
Travel and transport expenses	429	378
Depreciation and amortization	865	1,399
Rents	1,218	1,325
Recruitment and training expenses	247	61
Provision to allowance for doubtful accounts	115	27
Retirement benefit expenses	52	62
Others	3,078	2,754
Total selling, general and administrative expenses	15,854	15,611
Operating income	12,634	3,818
Non-operating income		
Interest income	*1 47	85
Interest on securities	27	8
Dividend income	*1 53	*1 2,332
Discounts on purchases	*1 103	54
Lease income	3	89
Others	*1 90	204
Total non-operating income	326	2,775
Non-operating expenses		
Amortization of equity investment	243	92
Depreciation and amortization	3	2
Loss on management of investment securities	217	127
Loss on funds invested	—	367
Others	33	162
Total non-operating expenses	497	752
Ordinary income	12,463	5,842
Extraordinary income		
Gain on investment in anonymous association	90	83
Gain on sale of share in affiliates	—	2
Gain on liquidation of investment securities	—	17
Reversal of allowance for doubtful accounts	—	21
Total extraordinary income	90	124

(Unit: Million yen)

	Fiscal year ended March 31, 2008 (April 1, 2007–March 31, 2008)	Fiscal year ended March 31, 2009 (April 1, 2008–March 31, 2009)
Extraordinary losses		
Loss on sale of fixed assets	—	*2 0
Loss on disposal of fixed assets	*3 263	*3 62
Impairment loss	*4 116	*4 15
Valuation loss on investment securities	112	1,605
Loss on sale of shares in affiliates	—	1,926
Valuation loss on shares in affiliates	2,997	390
Bad debt loss	—	932
Provision to allowance for doubtful accounts	890	363
Provision to reserve for losses on liability guarantee	830	—
Provision to allowance for loss on relocation of offices	32	4
Loss on liquidation of investment securities	—	339
Others	3	0
Total extraordinary losses	5,247	5,639
Income before income taxes	7,306	326
Current income taxes	4,966	35
Deferred income taxes	(1,813)	(854)
Total income taxes	3,152	(819)
Net income	4,153	1,145

(3) Non-consolidated statement of change in net assets

(Unit: Million yen)

	Fiscal year ended March 31, 2008 (April 1, 2007–March 31, 2008)	Fiscal year ended March 31, 2009 (April 1, 2008–March 31, 2009)
Shareholders' equity		
Common stock		
Balance at end of previous year	7,948	7,948
Amount of changes during the year		
Total amount of changes during the year	—	—
Balance at end of year	7,948	7,948
Capital surplus		
Additional paid-in capital		
Balance at end of previous year	7,994	7,994
Amount of changes during the year		
Total amount of changes during the year	—	—
Balance at end of year	7,994	7,994
Total capital surplus		
Balance at end of previous year	7,994	7,994
Amount of changes during the year		
Total amount of changes during the year	—	—
Balance at end of year	7,994	7,994
Retained earnings		
Legal reserve		
Balance at end of previous year	9	9
Amount of changes during the year		
Total amount of changes during the year	—	—
Balance at end of year	9	9
Other retained earnings		
General reserve		
Balance at end of previous year	20,000	20,000
Amount of changes during the year		
Total amount of changes during the year	—	—
Balance at end of year	20,000	20,000
Retained earnings carried forward		
Balance at end of previous year	5,834	8,600
Amount of changes during the year		
Dividends from surplus	(1,388)	(1,561)
Net income	4,153	1,145
Total amount of changes during the year	2,765	(415)
Balance at end of year	8,600	8,184
Total retained earnings		
Balance at end of previous year	25,843	28,609
Amount of changes during the year		
Dividends from surplus	(1,388)	(1,561)
Net income	4,153	1,145
Total amount of changes during the year	2,765	(415)
Balance at end of year	28,609	28,194

(Unit: Million yen)

	Fiscal year ended March 31, 2008 (April 1, 2007–March 31, 2008)	Fiscal year ended March 31, 2009 (April 1, 2008–March 31, 2009)
Treasury stock		
Balance at end of previous year	—	—
Amount of changes during the year		
Purchase of treasury stock	—	(1,330)
Total amount of changes during the year	—	(1,330)
Balance at end of year	—	(1,330)
Total shareholders' equity		
Balance at end of previous year	41,786	44,552
Amount of changes during the year		
Dividends from surplus	(1,388)	(1,561)
Net income	4,153	1,145
Purchase of treasury stock		(1,330)
Total amount of changes during the year	2,765	(1,745)
Balance at end of year	44,552	42,806
Valuation and translation differences		
Unrealized holding gain on available-for-sale securities		
Balance at end of previous year	214	(184)
Amount of changes during the year		
Net amount of changes in items not included in shareholders' equity during the year	(399)	(768)
Total amount of changes during the year	(399)	(768)
Balance at end of year	(184)	(953)
Total valuation and translation differences		
Balance at end of previous year	214	(184)
Amount of changes during the year		
Net amount of changes in items not included in shareholders' equity during the year	(399)	(768)
Total amount of changes during the year	(399)	(768)
Balance at end of year	(184)	(953)
Total net assets		
Balance at end of previous year	42,001	44,367
Amount of changes during the year		
Dividends from surplus	(1,388)	(1,561)
Net income	4,153	1,145
Purchase of treasury stock	—	(1,330)
Net amount of changes in items not included in shareholders' equity during the year	(399)	(768)
Total amount of changes during the year	2,366	(2,514)
Balance at end of year	44,367	41,853

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

Fiscal year ended March 31, 2008 (April 1, 2007–March 31, 2008)
No relevant items

Fiscal year ended March 31, 2009 (April 1, 2008–March 31, 2009)
No relevant items

(5) Significant accounting policies

Item	Fiscal year ended March 31, 2008 (April 1, 2007–March 31, 2008)	Fiscal year ended March 31, 2009 (April 1, 2008–March 31, 2009)
1. Valuation standards and methods for marketable securities	(1) Held-to-maturity bonds: Carried at amortized cost (straight-line method) (2) Shares of subsidiaries and affiliates Stated at cost determined by the moving-average method. (3) Other marketable securities Securities with market prices: Stated at market value based on market price as of the balance sheet date (unrealized gains or losses are charged or credited directly to net assets, with the cost of securities sold determined by the moving-average method). Securities without market prices: Stated at cost determined by the moving-average method.	(1) Held-to-maturity bonds: Same as at left (2) Shares of subsidiaries and affiliates Same as at left (3) Other marketable securities Securities with market prices: Same as at left Securities without market prices: Same as at left
2. Valuation standards and methods for derivatives	Stated at fair value	Same as at left
3. Valuation standards and methods for inventories	(1) Merchandise Used pachinko/pachislot machines At cost determined by the specific identification method Others Stated at cost determined by the moving-average method. (2) Supplies Stated at cost determined by the last purchase price method	Valuation policy for inventories held for purposes of ordinary sales is based on a cost basis (which reduces the book value of assets whose profitability is diminished). (1) Merchandise Used pachinko/pachislot machines Specific identification method Others Moving-average method (2) Supplies Stated at cost determined by the last purchase price method
4. Depreciation methods for fixed assets	(1) Tangible fixed assets Declining-balance method However, the straight-line method is applied to buildings (excluding building fixtures) acquired on and after April 1, 1998. The estimated useful lives of depreciable assets are as follows. Buildings: 8–50 years Structures: 10–50 years Vehicles: 2–6 years Tools, furniture and fixtures: 2–20 years	(1) Tangible fixed assets Same as at left

Item	Fiscal year ended March 31, 2008 (April 1, 2007–March 31, 2008)	Fiscal year ended March 31, 2009 (April 1, 2008–March 31, 2009)
4. Depreciation methods for fixed assets	(2) Intangible fixed assets Straight-line method The straight-line method is applied to software for company use, based on its useful life within the Company (five years). (3) Long-term prepaid expenses Straight-line method	(2) Intangible fixed assets Straight-line method The straight-line method is applied to software for company use, based on its useful life within the Company (five years). With regard to goodwill carryforwards as a result of merger with consolidated subsidiaries, unamortized balance is amortized equally over the remaining unamortized period, based on the amortization period on the consolidated financial statements (five years). (3) Long-term prepaid expenses Same as at left
5. Treatment of deferred charges	―――――	Corporate bond issuance expense The expense is charged in full at the time it is incurred.
6. Accounting standards for reserves	(1) Allowance for doubtful accounts To provide against losses from doubtful accounts, allowances for ordinary receivables are provided using a rate determined by past collection experience, and allowances for specific debts considered doubtful are accounted for by calculating the estimated amounts deemed uncollectible after individually reviewing the collectibility of the debts. (2) Accrued bonuses To provide for employee bonuses, the Company recognizes the amounts out of the projected bonus payments to be allocated to the fiscal year. (3) Accrued bonuses to directors and auditors To provide for bonuses to directors and auditors, the Company recognizes the amounts corresponding to the year ended March 31, 2008 based on the projected bonus payments. (4) Reserve for losses on guarantee liability To prepare for losses on guarantees for affiliates, the Company provides a reserve for losses on guarantee liability taking into account the financial situation of the affiliates that it guarantees. (5) Allowance for losses on relocation of offices The Company provides estimated costs that might result from office relocations including a loss on disposal of fixed assets and expenses for recovering the present status, etc. (6) Retirement benefit provisions To provide for employees' retirement benefits, the Company recognizes, on the basis of projected benefit obligations as of the end of the fiscal year, benefit obligations accrued as of the end of the fiscal year. Actuarial differences are amortized proportionately by the straight-line method over a fixed number of years (five years) within the average remaining period of service of employees as of the time such differences arise. Amortization amounts are expensed beginning with the fiscal year following that in which the differences arise.	(1) Allowance for doubtful accounts Same as at left (2) Accrued bonuses Same as at left (3) Accrued bonuses to directors and auditors Same as at left (4) ――――― (5) Allowance for losses on relocation of offices Same as at left (6) Retirement benefit provisions Same as at left

Item	Fiscal year ended March 31, 2008 (April 1, 2007–March 31, 2008)	Fiscal year ended March 31, 2009 (April 1, 2008–March 31, 2009)
7. Accounting standards for revenues and expenses	For agency sales, when the pachinko/pachislot machines are delivered to users, and the payments for the machines are made to the machine makers, these are recognized as commission income and commission cost.	Same as at left
8. Treatment of important lease transactions	Finance lease transactions, other than those in which the ownership of the leased assets is deemed to be transferred to the lessee, are accounted for as ordinary operating lease transactions.	――――――
9. Other significant standards for the preparation of financial statements	Accounting for consumption taxes Consumption tax is accounted for by the tax-excluded method.	Accounting for consumption taxes Same as at left

(6) Changes to the significant accounting policies

Changes in accounting treatment

Fiscal year ended March 31, 2008 (April 1, 2007–March 31, 2008)	Fiscal year ended March 31, 2009 (April 1, 2008–March 31, 2009)
(Change in the method of depreciation of tangible fixed assets) Change in the method of depreciation of tangible fixed assets Pursuant to the revisions to the Corporate Tax Law (the Partial Revision to the Corporate Tax Law, the 6th Law enacted on March 30, 2007, and the Ordinance for Partial Revision to the Cabinet Order Related to the Corporate Tax Law, the 83rd Ordinance on March 30, 2007), the Company changed the method of depreciation of tangible fixed assets and now uses a method based on the revised Corporate Tax Law with regard to those assets acquired on and after April 1, 2007. Due to this change, operating income, ordinary income and income before income taxes each decreased ¥38 million.	――――――
――――――	(Accounting standards pertaining to valuation of inventories) Effective with the year ended March 31, 2009, the Company adopts the Accounting Standard for Valuation of Inventories (the Accounting Standards Board of Japan (hereinafter referred to as "ASBJ") Statement No. 9 announced on July 5, 2006) and changes its valuation policy from the cost method to a cost basis (which reduces the book value of assets whose profitability is diminished). This change has no effect on income.
――――――	(Accounting standards pertaining to lease transactions) In previous years, finance lease transactions, other than those where the ownership of the leased assets is deemed to be transferred to the lessee, are accounted for as ordinary operating lease transactions. However, effective with the year ended March 31, 2009, the Company adopts the Accounting Standard for Lease Transactions (ASBJ Statement No. 13 (effective as of June 17, 1993 (the 1st Committee of the Business Accounting Council) and revised as of March 30, 2007)) and the Implementation Guidance for Accounting Standard for Lease Transactions (ASBJ Guidance No. 16, effective as of January 18, 1994 (the Accounting System Committee of the Japanese Institute of Certified Public Accountants (hereinafter referred to as the "JICPA")) and revised as of March 30, 2007) and applies the accounting methods that applies to ordinary buying and selling transactions. With regard to finance lease transactions that entered into contract prior to March 31, 2008, the Company applies the accounting method that it uses to account for ordinary lease transactions. This has no effect on income.

Changes in method of presentation

Fiscal year ended March 31, 2008 (April 1, 2007–March 31, 2008)	Fiscal year ended March 31, 2009 (April 1, 2008–March 31, 2009)
(Balance sheets) As “Short-term loans,” which had been included in “Other current assets” until the end of the previous year, accounted for more than 1/100 of total assets, it has been presented separately. “Short-term loans” as of March 31, 2007, were ¥535 million. ―――――――	(Balance sheets) As “Short-term loans,” which had been separately presented in the current assets until the end of the previous year, accounted for less than 1/100 of total assets, it has been included in “Other current assets.” “Short-term loans” as of March 31, 2009 were ¥295 million. (Statements of income) As “Loss on management of equity investment” which had been included in “Others” under non-operating expenses until the end of the previous year, accounted for more than 1/100 of total non-operating expenses, it has been presented separately. “Loss on management of equity investment” as of March 31, 2008, was ¥31 million.

Additional information

Fiscal year ended March 31, 2008 (April 1, 2007–March 31, 2008)	Fiscal year ended March 31, 2009 (April 1, 2008–March 31, 2009)
(Method of depreciation of tangible fixed assets) Beginning with the fiscal year ended March 31, 2008, tangible fixed assets acquired by March 31, 2007, are equally amortized over five years from a year following the year when depreciation was completed up to the limit of the depreciation. The impact that this change has on the consolidated statement of income is immaterial.	―――――――

(7) Notes to the non-consolidated financial statements

(Non-consolidated balance sheets)

Fiscal year ended March 31, 2008 (As of March 31, 2008)	Fiscal year ended March 31, 2009 (As of March 31, 2009)
*1. Assets and liabilities relating to affiliates Other than items stated separately, the following are included in the relevant balance sheet items. Short-term loans ¥3,407 million Other assets ¥950 million Accounts payable—trade ¥3,098 million	*1. Assets and liabilities relating to affiliates Other than items stated separately, the following are included in the relevant balance sheet items. Other assets ¥1,052 million
*2. Contingent liabilities The Company provides payment guarantees for sales of pachinko/pachislot machines to pachinko halls on an agency basis for pachinko/pachislot machine manufacturers.. Y.K. Daiko ¥54 million Niimi Co., Ltd. ¥51 million K.K. The City ¥48 million K.K. Taisei Kanko ¥46 million Iwamoto Development Co., Ltd. ¥33 million Y.K. Fuji Leisure Service ¥31 million K's corporation ¥25 million Meiplanet K.K. ¥23 million Asahi Shoji K.K. ¥13 million R&K Co., Ltd. ¥13 million Others (126) ¥264 million Total ¥605 million The Company provides a guarantee for liabilities of the following corporation for its borrowings from financial institutions. Japan Sports Marketing Inc. ¥830 million Reserve for losses on guarantee liability ¥ (830 million) Difference — million	2. Contingent liabilities The Company provides payment guarantees for sales of pachinko/pachislot machines to pachinko halls on an agency basis for pachinko/pachislot machine manufacturers.. K.K. Taisei Kanko ¥80 million Niimi Co., Ltd. ¥54 million Y.K. Daiko ¥49 million Y.K. Big Shot ¥37 million Y.K. Takarazuka Pachinko Hall ¥36 million Sankei Shoji Co., Ltd. ¥34 million Meiplanet K.K. ¥33 million K.K. Corona ¥32 million K.K. Veam Stadium ¥32 million K's corporation ¥30 million Others (279) ¥839 million Total ¥1,261 million
3. Overdraft agreements To raise working capital efficiently, the Company has concluded an overdraft agreement with two banks. As of March 31, 2008, unutilized balances under these agreements were as follows: Overdraft limit ¥3,000 million Borrowings outstanding — million Difference ¥3,000 million	3. Overdraft agreements To raise working capital efficiently, the Company has concluded an overdraft agreement with four banks. As of March 31, 2008, unutilized balances under these agreements were as follows: Overdraft limit ¥19,000 million Borrowings outstanding — million Difference ¥19,000 million

(Non-consolidated statements of income)

<table>
<tr><th>Fiscal year ended March 31, 2008
(April 1, 2007–March 31, 2008)</th><th>Fiscal year ended March 31, 2009
(April 1, 2008–March 31, 2009)</th></tr>
<tr><td>*1. Items relating to affiliates included in the statements of income are as follows.
Purchases ¥21,562 million
Interest income ¥42 million
Discounts on purchases ¥103 million
Other non-operating income ¥65 million</td><td>*1. Items relating to affiliates included in the statements of income are as follows.
Dividend income ¥2,315 million</td></tr>
<tr><td>――――――</td><td>*2. "Loss on sale of fixed assets" was derived from the sale of vehicles.</td></tr>
<tr><td>*3. Details of loss on disposal of fixed assets are as follows:
Buildings ¥83 million
Vehicles ¥0 million
Tools, furniture and fixtures ¥17 million
Software ¥162 million
Total ¥263 million</td><td>*3. Details of loss on disposal of fixed assets are as follows:
Buildings ¥23 million
Vehicles ¥0 million
Tools, furniture and fixtures ¥4 million
Software ¥9 million
Other intangible fixed assets ¥25 million
Total ¥62 million</td></tr>
<tr><td>*4. Impairment loss
The Company has stated an impairment loss for the assets set out below.
Usage: Idle assets
Type: Buildings and structures
Location: Nagoya-shi, Aichi
Amount: ¥116 million
When grouping its assets, with regard to business-use assets, the Company adopts the method of grouping primarily by business category in accordance with management accounting practice. With regard to idle assets, the method of individual grouping is adopted.
With regard to idle assets, the transfer of such assets was determined at the Board of Directors' meeting held on March 7, 2008. The book value was amortized up to the recoverable value, and the decreased amount was recorded as an impairment loss under an extraordinary loss. It consists of ¥114 million in buildings and ¥1 million in structures.
The recoverable value is based on the scheduled price for the transfer of aforementioned idle assets.</td><td>*4. Impairment loss
The Company has stated an impairment loss for the assets set out below.
Usage: Assets scheduled to be sold
Type: Land
Location: Nagoya-shi, Aichi
Amount: ¥15 million
When grouping its assets, with regard to business-use assets, the Fields Group adopts the method of grouping primarily by business category in accordance with management accounting practice. With regard to idle assets, the method of individual grouping is adopted.
As the sale of aforementioned assets scheduled to be sold has already been decided, the book value of such assets was amortized up to the recoverable value, and the decreased amount was recorded as an impairment loss under an extraordinary loss. It consists of ¥15 million in land.
The recoverable value is calculated on the basis of the full sale price. With regard to the aforementioned assets scheduled to be sold, the recoverable value has been calculated based on the confirmed price for the sale.</td></tr>
</table>

(Non-consolidated statement of change in net assets)

Fiscal year ended March 31, 2008 (April 1, 2007–March 31, 2008)

1. Matters related to treasury stock

No relevant items

Fiscal year ended March 31, 2009 (April 1, 2008–March 31, 2009)

1. Matters related to treasury stock

Type	As of March 31, 2008	Increase	Decrease	As of March 31, 2009
Common stock (shares)	—	10,643	—	10,643

(The reason for the changes)

Details of the increase in treasury stock:

Increase as a result of acquisition of treasury stock: 10,643 shares

(Leases)

<table>
<tr><th>Fiscal year ended March 31, 2008
(April 1, 2007–March 31, 2008)</th><th>Fiscal year ended March 31, 2009
(April 1, 2008–March 31, 2009)</th></tr>
<tr><td>

1. Finance lease transactions other than those in which the ownership of the leased assets is deemed to be transferred to the lessee
(The lessee)

[1] Acquisition cost, accumulated depreciation, and net book value of leased assets at the end of the fiscal year
(Unit: Million yen)

	Acquisition cost	Accumulated depreciation	Net book value
Vehicles	15	5	10
Tools, furniture and fixtures	10	7	3
Software	38	23	14
Total	65	37	28

Acquisition cost has been calculated by the interest-inclusive method, since the balance of future minimum lease payments accounts for a minimal portion of tangible and intangible fixed assets at the end of the fiscal year.

[2] Future minimum lease payments
Due within 1 year ¥14 million
Due after 1 year ¥13 million
Total ¥28 million

Future minimum lease payments at the end of the fiscal year have been calculated by the interest-inclusive method, since the balance of future minimum lease payments accounts for a minimal portion of tangible and intangible fixed assets at the end of the fiscal year.

[3] Lease payments and depreciation
Lease payments ¥17 million
Depreciation ¥17 million

[4] Calculation method for depreciation
Depreciation is calculated by the straight-line method over the lease term of the leased assets with no residual value.

2. Operating lease transactions
Due within 1 year ¥1 million
Due after 1 year ¥0 million
Total ¥1 million

</td><td>

Non-ownership-transferred finance lease transactions whose effective date precedes the commencement of the initial fiscal year that the Accounting Standard for Lease Transactions is adopted
(The lessee)

[1] Acquisition cost, accumulated depreciation, and net book value of leased assets at the end of the fiscal year
(Unit: Million yen)

	Acquisition cost	Accumulated depreciation	Net book value
Vehicles	12	9	3
Tools, furniture and fixtures	12	6	5
Software	38	31	7
Total	64	47	16

Acquisition cost has been calculated by the interest-inclusive method, since the balance of future minimum lease payments accounts for a minimal portion of tangible and intangible fixed assets at the end of the fiscal year.

[2] Future minimum lease payments
Due within 1 year ¥13 million
Due after 1 year ¥3 million
Total ¥16 million

Future minimum lease payments at the end of the fiscal year have been calculated by the interest-inclusive method, since the balance of future minimum lease payments accounts for a minimal portion of tangible and intangible fixed assets at the end of the fiscal year.

[3] Lease payments and depreciation
Lease payments ¥15 million
Depreciation ¥15 million

[4] Calculation method for depreciation
Depreciation is calculated by the straight-line method over the lease term of the leased assets with no residual value.

Operating lease transactions
Due within 1 year ¥0 million
Due after 1 year — million
Total ¥0 million

1. Operating lease transactions
(The lessee)
Future minimum lease payments pertaining to irrevocable operating lease transactions
Due within 1 year ¥283 million
Due after 1 year ¥215 million
Total ¥498 million

</td></tr>
</table>

(Marketable securities)

Fiscal year ended March 31, 2008 (As of March 31, 2008)

Shares of subsidiaries and affiliates at fair value are as follows:

(Million yen)

Type	Carrying value on non-consolidated balance sheets	Market value	Difference
Shares of subsidiaries	2,670	3,024	353

Fiscal year ended March 31, 2009 (As of March 31, 2009)
There are no shares of subsidiaries and affiliates at fair value.

(Tax-Effect Accounting)

Fiscal year ended March 31, 2008 (As of March 31, 2008)		Fiscal year ended March 31, 2009 (As of March 31, 2009)	
1. Main components of deferred tax assets are summarized as follows:		1. Main components of deferred tax assets are summarized as follows:	
(Deferred tax assets)		(Deferred tax assets)	
Unrecognized accrued enterprise taxes	¥221 million	Excess reserve for retirement benefit	¥88 million
Excess reserve for retirement benefit	¥73 million	Excess allowance for doubtful accounts	¥917 million
Excess allowance for doubtful accounts	¥573 million	Excess reserve for accrued bonuses	¥74 million
Excess reserve for accrued bonuses	¥59 million	Unrecognized valuation loss on investment securities	¥558 million
Unrecognized reserve for losses on guarantee liability	¥337 million	Unrecognized valuation loss on merchandising rights advances	¥407 million
Unrecognized valuation loss on investment securities	¥120 million	Unrecognized valuation loss on equity investments in subsidiaries and affiliates	¥1,404 million
Unrecognized valuation loss on merchandising rights advances	¥261 million	Unrecognized valuation loss on equity investments in subsidiaries and affiliates	¥149 million
Unrecognized valuation loss on equity investments in subsidiaries and affiliates	¥1,254 million	Unrealized valuation gains on investment securities	¥654 million
Impairment loss	¥68 million	Operating loss carry forwards	¥293 million
Unrecognized valuation loss on merchandise	¥119 million	Others	¥176 million
Others	¥253 million	Total deferred tax assets	¥4,725 million
Total deferred tax assets	¥3,342 million		
2. Breakdown of main items causing differences between the statutory tax rate and the effective rate for income taxes after applying deferred tax accounting		2. Breakdown of main items causing differences between the statutory tax rate and the effective rate for income taxes after applying deferred tax accounting	
Statutory tax rate	40.7%	Statutory tax rate	40.7%
(Adjustments)		(Adjustments)	
Per capita levy of local resident income tax	0.5%	Per capita levy of local resident income tax	10.9%
Entertainment expenses not deductible for tax purposes	1.8%	Entertainment expenses not deductible for tax purposes	25.2%
Non-taxable dividend income	(0.2)%	Application of deferred tax accounting for operating loss carryforwards as a result of merger	(52.8)%
Others	0.4%	Non-taxable dividend income	(277.8)%
Effective income tax rate after application of deferred tax accounting	43.2%	Others	3.2%
		Effective income tax rate after application of deferred tax accounting	(250.6)%

(Business combinations)

Fiscal year ended March 31, 2008 (April 1, 2007–March 31, 2008)
No relevant items

Fiscal year ended March 31, 2009 (April 1, 2008–March 31, 2009)
(1) The item of transactions under common control, etc. is not stated since it is the same as what is stated in the Notes to the Consolidated financial statements (Business combinations).

(Per-Share data)

Fiscal year ended March 31, 2008 (April 1, 2007–March 31, 2008)		Fiscal year ended March 31, 2009 (April 1, 2008–March 31, 2009)	
Net assets per share	¥127,861.20	Net assets per share	¥124,430.66
Net income per share	¥11,970.60	Net income per share	¥3,304.50
Since no dilutive latent shares exist, diluted net income per share is not stated.		Since no dilutive latent shares exist, diluted net income per share is not stated.	

(Notes) The calculation basis for net income per share is as follows.

	Fiscal year ended March 31, 2008 (April 1, 2007–March 31, 2008)	Fiscal year ended March 31, 2009 (April 1, 2008–March 31, 2009)
Net income (Million yen)	4,153	1,145
Amount not allocable to common shares	—	—
Net income allocable to common shares (Million yen)	4,153	1,145
Average number of shares of common stock outstanding (shares)	347,000	346,796
Outline of latent shares not reflected in the calculation of diluted net income per share since they have no dilutive effect	Two types of stock acquisition rights: (Number of the first stock acquisition rights: 496 Number of the second stock acquisition rights: 750)	Two types of stock acquisition rights: (Number of the first stock acquisition rights: — Number of the second stock acquisition rights: —) The exercise period of the aforementioned stock acquisition rights has expired as of June 30, 2008.

(Significant subsequent events)

Fiscal year ended March 31, 2008 (April 1, 2007–March 31, 2008)	Fiscal year ended March 31, 2009 (April 1, 2008–March 31, 2009)
(Borrowings of capital) Based on a resolution at the Meeting of Board of Directors held on May 23, 2008, the Company entered into a bank overdraft agreement as of May 29, 2008 and exercised the overdraft of capital as follows: [1] Borrowed from: Sumitomo Mitsui Banking Corporation [2] Amount of borrowings: Overdraft: ¥2,000 million (Overdraft limit: ¥10,000 million) [3] Interest rate: Applicable interest rate for the first term: 0.94% per annum [4] Repayment terms: Fully payable on due date [5] Borrowing date: May 30, 2008 [6] Repayment due date: June 30, 2008 [7] Purpose of fund usage: Working capital (Issuance of unsecured floating rate bonds) At the meeting of the Board of the Directors held on June 13, 2008, the Company resolved to issue unsecured bonds as outlined below. [1] Name of issue: Fields Corporation First series unsecured floating rate bonds [2] Issue price: Priced at par (¥100 per ¥100 of the value of each bond) [3] Total amount of issue: ¥3,000 million [4] Coupon rate: Six-month Japanese Yen TIBOR plus 0.25% per annum [5] Redemption method: Scheduled redemption at every six month by ¥300 million [6] Maturity date: June 27, 2013 [7] Payment due date and issuance date: June 27, 2008 [8] Purpose of fund usage: Purchase of fixed assets	―――――

6. Others

(1) Personnel change in officers

[1] Change in Representatives of the Company

No relevant items

[2] Change in other officers (Effective June 25, 2009)

Nominations of candidates for Directors and Auditors are as follows. Candidates are scheduled to be elected at the 21st Ordinary General Meeting of Shareholders to be held on June 25, 2009.

1. Candidates for directors (Reappointment)

Position		Name	
Chairman and CEO		Hidetoshi Yamamoto	(Reappointment)
President and COO		Takashi Oya	(Reappointment)
Senior Managing Director	Division Manager, Group Strategy Division	Tetsuya Shigematsu	(Reappointment)
Senior Managing Director	(In charge of the Sales Division and the Development Division)	Kiyoharu Akiyama	(Reappointment)
Outside Director		Shigesato Itoi	(Reappointment)
Director	Division Manager, Planning Division	Masakazu Kurihara	(Reappointment)
Director	Division Manager, Intellectual Property Division	Yoshiteru Yamaguchi	(Reappointment)
Director	Division Manager, Planning and Administration Division	Hiroyuki Yamanaka	(Reappointment)
Director	Division Manager, Corporate Division	Hideo Ito	(Reappointment)
Director	Division Manager, Sales Division	Akira Fujii	(Reappointment)
Director	General Manager, Office of the Chairman	Toru Suenaga	(Reappointment)

2. Candidates for auditors (Reappointment)

Name	
Shigeru Matsushita	*
Tadao Koike	(Reappointment)
Yoshika Furuta	*
Koichiro Nakamoto	*

(Notes) Mr. Tadao Koike is a candidate for Outside Company Auditor set forth in item (16) of Article 2 of the Companies Act.

* Mr. Shigeru Matsushita, Mr. Yoshika Furuta, and Mr. Koichiro Nakamoto are still serving their terms and their nominations are not the resolution matters for this General Meeting of Shareholders.

.