

Summary

(Translation)

Fields Corporation Summary of Financial Information and Business Results (Consolidated) for the First Quarter of the Year Ending March 31, 2011 (Japan GAAP)

August 4, 2010

Company Name: Fields Corporation
(URL: <http://www.fields.biz/>)
Listed on: JASDAQ (Stock code: 2767)
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Planned Date for Submittal of the Quarterly Report: August 10, 2010
Planned Date for Start of Dividend Payment: —
Quarterly earnings supplementary explanatory materials: Yes
Quarterly earnings presentation: Yes (For institutional investors and security analysts)

(Rounded down to the nearest million)

1. Business results for the first quarter of the year ending March 31, 2011 (April 1, 2010, to June 30, 2010)

(1) Operating results (cumulative total)

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

	Net sales		Operating income		Ordinary income		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
First quarter of the year ending March 31, 2011	21,344	33.1	2,348	(72.4)	2,518	(70.4)	1,477	(68.6)
First quarter of the year ended March 31, 2010	16,038	119.1	8,524	—	8,519	—	4,711	—

	Net income per share		Diluted net income per share	
	Yen		Yen	
First quarter of the year ending March 31, 2011	4,448.58		—	
First quarter of the year ended March 31, 2010	14,007.19		—	

(2) Financial position

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
First quarter of the year ending March 31, 2011	68,458	41,564	60.4	124,495.37
Year ended March 31, 2010	81,329	41,187	50.5	123,645.89

(Reference) Shareholders' equity

First quarter of the year ending March 31, 2011: ¥41,346 million

Year ended March 31, 2010: ¥41,064 million

2. Dividends

(Record date)	Annual dividends				
	First quarter-end	Second quarter-end	Third quarter-end	Year-end	Annual
Year ended March 31, 2010	—	2,000.00	—	2,500.00	4,500.00
Year ending March 31, 2011	—	—	—	—	—
Year ending March 31, 2011 (Forecast)	—	2,000.00	—	2,500.00	4,500.00

(Note) Revisions made to projections on dividends for the quarter: No

3. Forecast earnings for the year ending March 31, 2011 (April 1, 2010, to March 31, 2011)

(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	45,000	109.8	9,000	67.1	9,000	78.2	4,500	106.3	13,549.52
Full year	80,000	20.6	11,000	35.4	11,000	41.7	5,500	67.2	16,560.53

(Note) Revisions made to the forecast earnings for the quarter: Yes

Regarding the notification of revision to the consolidated performance projections, please refer to “Notification of Revision to Performance Projections” announced as of August 4, 2010.

4. Other Information (See “2. Other Information” on page 4 of the [Attached Document] for details.)

(1) Transfer of important subsidiaries during the period under review: No

(2) Adoption of simplified accounting methods and special accounting methods: Yes

(Note) This item indicates whether there was adoption of simplified accounting methods and special accounting methods for the preparation of quarterly consolidated financial statements.

(3) Changes in accounting principles, accounting procedures, presentation method and other factors

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) This item indicates whether there were changes in accounting principles, procedures, presentation methods, and other factors with respect to the preparation of quarterly consolidated financial statements, described in “Changes of Material Matters that are the Basis of Presenting Quarterly Consolidated Financial Statements”.

(4) Number of shares issued (common stock)

1) Number of shares issued (including treasury stock)

First quarter of the year ending March 31, 2011	347,000 shares
Year ended March 31, 2010	347,000 shares

2) Number of treasury stock at end of year

First quarter of the year ending March 31, 2011	14,885 shares
Year ended March 31, 2010	14,885 shares

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

First quarter of the year ending March 31, 2011	332,115 shares
First quarter of the year ended March 31, 2010	336,357 shares

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

The above forecast relies on judgments and assumptions based on information available as of the date of announcement of this material, and is subject to changes in risks, uncertainties, and economy, and other factors that could cause actual results to be materially different from expectations.

Table of Contents of Attached Document

1. Qualitative information on the consolidated business results for the first quarter of the year ending March 31, 2011	2
(1) Qualitative information on consolidated operating results	2
(2) Qualitative information on the consolidated financial position	3
(3) Qualitative information on projections for the consolidated business results	4
2. Other information	4
(1) Overview of transfer of important subsidiaries	4
(2) Overview of simplified accounting methods and special accounting methods	4
(3) Overview of changes in accounting principles, accounting procedures, presentation methods and other factors	5
3. Quarterly consolidated financial statements	6
(1) Quarterly consolidated balance sheets	6
(2) Quarterly consolidated statement of income	8
[First quarter of the year ending March 31, 2011]	8
(3) Quarterly consolidated statement of cash flows	9
(4) Note regarding the operation of the company as a going concern	11
(5) Segment information	11
(6) Note regarding occurrence of significant change in amount of shareholders' equity	13

* The Company plans to hold a presentation for investors as follows. The materials and documents distributed during this presentation will be posted on the Company's website shortly afterwards.

- August 5, 2010 (Thursday): Presentation on the Financial Results for the First Quarter for Institutional Investors and Security Analysts

1. Qualitative information on the consolidated business results for the first quarter of the year ending March 31, 2011

(1) Qualitative information on consolidated operating results

- 1) Overview of operations for the first quarter of the year ending March 31, 2011 (hereinafter “the first quarter under review”)

The Company’s consolidated business results for the first quarter under review are as follows.

The Company posted net sales of ¥21,344 million (33.1% up year-over-year). When compared to the previous quarter, this increase is mainly the result of the consolidation of Tsuburaya Productions Co., Ltd. and Digital Frontier Inc. as the Company’s subsidiaries and an increase in the sales of wholesale model pachislot machines. The Company posted operating income of ¥2,348 million (72.4% down year-over-year) and ordinary income of ¥2,518 million (70.4% down year-over-year). The decreases were mainly because while most of the sales of the “CR Evangelion” series, major titles in the pachinko machine sales business, were recorded in the first quarter in the previous fiscal year, they are scheduled to be recorded in the second quarter of this fiscal year.

Furthermore, an extraordinary loss of ¥159 million, including a loss on adjustment for changes of accounting standards for asset retirement obligations (¥142 million), etc. was recorded. As a result, net income for the period totaled ¥1,477 million (68.6% down year-over-year).

- 2) Analysis of operations for the first quarter under review by business segment

[Pachinko/Pachislot (PS) Field segment]

As the pachinko/pachislot industry today is called upon to grow into a purveyor of quality entertainment capable of creating a new population of fans, the Company has consistently been challenging in the field of planning and developing pachinko/pachislot machines to ensure growth for the future.

At pachinko halls nationwide, there has been increasing demand for pachinko machines which are rich in entertainment value to extend the fan base and promote steady operations. In the meantime, as pachislot manufacturers have made efforts to develop and gradually introduce pachislot machines with improved gaming and entertainment features, the pachislot market is now on the way to recovery.

During the first quarter under review, the pachinko machine sales business released *CR Evangelion—Evangelical of the Beginnings*, the latest title of the Evangelion series in late June, 2010, which was highly acclaimed in the market place and was a big hit, selling a total of over 200,000 machines, and was a sequel to the previous product. This machine sold about 56,000 machines in the first quarter under review, however, most of the sales will be recorded in the second quarter as this machine is a sales commission model.

Meanwhile, in the pachislot machine sales business released *Gamera*, the second new pachislot machine launched to commemorate Rodeo’s 10th anniversary. And *Onimusha: Dawn of Dreams* and *Neon Genesis Evangelion—Die Spur der SEELE*, which were launched in the fourth quarter of the previous fiscal year, continued to be on sale, receiving strong repeat orders in this quarter as well, and recorded strong sales.

As a result of the above, during the first quarter under review, with unit sales of pachinko machines amounting to 64,892 and unit sales of pachislot machines coming to 40,646, the Pachinko/Pachislot (PS) Field posted net sales of ¥19,201 million and operating income of ¥2,343 million.

<Pachinko/Pachislot machine titles sold during the first quarter under review>

Pachinko machine sales titles	Month released	
<i>CR Evangelion—Evangelical of the Beginnings</i> *	June 2010	(Bisty Co., Ltd.)
* Most of the sales will be recorded in the second quarter.		
Total number of pachinko machines sold	64,892 machines	

Pachislot machine sales titles	Month released	
[Still on sale from the previous fiscal year] <i>Neon Genesis Evangelion—Die Spur der SEELE</i>	March 2010	(Bisty Co., Ltd.)
[Still on sale from the previous fiscal year] <i>Onimusha: Dawn of Dreams</i>	March 2010	(Rodeo Co., Ltd.)
<i>Gamera</i>	June 2010	(Rodeo Co., Ltd.)
Total number of pachislot machines sold	40,646 machines	

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

[Mobile Field segment]

In the first quarter under review, the number of paying members for the Fields Mobile, the company's mainstay mobile content platform operated by FutureScope Corporation, has reached approximately 420,000 (as of June 30, 2010) due to a synergetic effect with the pachinko/pachislot machine sales. The Company is implementing measures aiming to increase the number of paying members for the Fields Mobile, etc. as one of its core businesses for the year ending March 31, 2011.

As a result of the above, the Mobile Field posted net sales of ¥495 million and operating income of ¥99 million.

[Sports Entertainment Field segment]

In the first quarter under review, the Company enhanced web marketing operations and increased the number of new contracts with athletes by reinforcing the athlete management business tied to Total Workout, and promoted the creation of profitable opportunities.

As a result of the above, the Sports Entertainment Field posted net sales of ¥548 million and operating loss of ¥64 million.

[Other Field segment]

In the first quarter under review, the Company focused on strengthening the foundation of the entertainment fields by acquiring Tsuburaya Productions Co., Ltd., a holder of highly-valued IP including the Ultraman Series and Digital Frontier Inc., one of Japan's major computer graphics (CG) production companies as the Company's subsidiaries and establishing a new publishing company called HERO'S jointly invested with Shogakukan Creative Inc. in April 2010.

As a result of the above, the Other Field posted net sales of ¥1,173 million and operating loss of ¥55 million.

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

(2) Qualitative information on the consolidated financial position

(Assets)

Current assets amounted to ¥40,559 million, down ¥16,135 million since the end of the previous fiscal year. The principal factor behind this was a decrease in notes and accounts receivable—trade.

Tangible fixed assets amounted to ¥10,021 million, up ¥300 million since the end of the previous fiscal year. This primarily reflected purchases of subsidiaries newly included in the scope of consolidation.

Intangible fixed assets amounted to ¥4,951 million, up ¥2,617 million since the end of the previous fiscal year. This was mainly attributable to increases in goodwill.

Investments and other assets amounted to ¥12,925 million, up ¥347 million since the end of the previous fiscal year. This primarily reflected an increase in deferred tax assets.

As a result of the above, total assets amounted to ¥68,458 million, down ¥12,870 million since the end of the previous fiscal year.

(Liabilities)

Current liabilities amounted to ¥22,381 million, down ¥13,464 million since the end of the previous fiscal year. The principal factors behind this were a decrease in notes and accounts payable—trade and a decrease in accrued income taxes.

Fixed liabilities amounted to ¥4,511 million, up ¥215 million since the end of the previous fiscal year. This was mainly attributable to an increase in asset retirement obligations with the application of the accounting standards and a decrease in redemption of corporate bonds.

As a result of the above, total liabilities amounted to ¥26,893 million, down ¥13,248 million since the end of the previous fiscal year.

(Net assets)

Net assets amounted to ¥41,564 million, up ¥377 million since the end of the previous fiscal year. This primarily reflected an increase in retained earnings.

(Analysis of cash flows)

Cash and cash equivalents (hereinafter referred to as “cash”) decreased by ¥6,498 million since the end of the previous fiscal year and amounted to ¥9,407 million at the end of the first quarter of the year ending March 31, 2011.

(Cash flows from operating activities)

Net cash provided by operating activities amounted to ¥1,698 million (¥4,748 million of income in the previous year). This was mainly attributable to a decrease of ¥12,079 million in notes and accounts payable—trade, a decrease of ¥10,803 million in notes and accounts receivable—trade, and income taxes paid of ¥3,473 million, etc.

(Cash flows from investing activities)

Net cash used in investing activities amounted to ¥2,478 million (¥131 million of expenditure in the previous year). This was mainly attributable to expenditure for acquiring shares in subsidiaries which involved change in the scope of consolidation totaling ¥1,649 million, expenditure for purchases of investment securities totaling ¥366 million, and expenditure for loans totaling ¥242 million, etc.

(Cash flows from financing activities)

Net cash used in financing activities amounted to ¥2,318 million (¥1,028 million of expenditure in the previous year). This was mainly attributable to repayment of short-term borrowings totaling ¥1,209 million, dividends paid totaling ¥738 million, and redemption of corporate bonds totaling ¥300 million, etc.

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

Projections for the consolidated business results are as stated in the “Notification of Revisions to Performance Projections” announced on August 4, 2010.

2. Other information

(1) Overview of transfer of important subsidiaries

None

(2) Overview of simplified accounting methods and special accounting methods

1) Method for estimation of general loan losses

Because it was observed at the end of the first quarter of the year ending March 31, 2011 that no significant change has occurred in the Company’s historical loan loss ratio, etc. since the end of the previous year, the Company determines an estimate of loan losses by employing the historical loan loss and other ratios computed at the end of the previous year.

2) Method for valuation of inventories

For the purpose of valuing inventories at the end of the first quarter of the year ending March 31, 2011, the Company dispenses with physical inventorying and applies a reasonable valuation method on the basis of the value of inventories physically verified at the end of the previous year.

3) Method for determination of deferred tax assets and deferred tax liabilities

For evaluating deferred tax assets for recoverability, when it has been observed that no significant change has occurred in the Company’s business environment and other conditions or the occurrence of temporary and other differences since the end of the previous year, the Company applies the method that employs the same future business performance projections and tax planning that were used at the end of the previous year.

- 4) Offsetting and elimination of intercompany receivables and payables and transactions among consolidated companies
During the offsetting and elimination of intercompany receivables and payables among consolidated companies, if the Company finds a discrepancy between the amounts receivable and payable, we offset and eliminate them against each other, to the extent that elimination is reasonable, without reconciling such discrepancy.

In addition, during the offsetting and elimination of intercompany transactions among consolidated companies, if the Company finds a discrepancy in transaction amounts, we apply the method that causes the different amounts to align with the amount recorded by the parent company for the offsetting and elimination of transactions, provided that such discrepancy is insignificant.

- 5) Assessment of tax expenses

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

(3) Overview of changes in accounting principles, accounting procedures, presentation methods and other factors

- 1) Application of Accounting Standard for Equity Method of Accounting for Investments and Practical Solution on Unification of Accounting Policies Applied to Accounted for Using the Equity Method

From the first quarter of the year ending March 31, 2011, the Company applies the Accounting Standard for Equity Method of Accounting for Investments (ASBJ Statement No. 16 issued on March 10, 2008) and Practical Solution on Unification of Accounting Policies Applied to Accounted for Using the Equity Method (PITF No. 24 issued on March 10, 2008). This change has no impact on profit or loss.

- 2) Application of Accounting Standard for Asset Retirement Obligations and others

From the first quarter of the year ending March 31, 2011, the Company applies the Accounting Standard for Asset Retirement Obligations (ASBJ Statement No. 18 issued on March 31, 2008) and Guidance on Accounting Standard for Asset Retirement Obligations (ASBJ Guidance No.21 issued on March 31, 2008). As a result of this application, operating income and ordinary income decreased by ¥7 million, respectively, and income before income taxes and minority interest decreased by ¥150 million. The amount of changes in asset retirement obligations as a result of the application of this standard was ¥276 million.

- 3) Application of Accounting Standard for Business Combinations and others.

From the first quarter of the year ending March 31, 2011, the Company applies the Accounting Standard for Business Combinations (ASBJ Statement No. 21 issued on December 26, 2008), Accounting Standard for Consolidated Financial Statements (ASBJ Statement No. 22 issued on December 26, 2008), Partial Amendments to Accounting Standard for Research and Development Costs (ASBJ Statement No. 23 issued on December 26, 2008), Accounting Standard for Business Divestitures (ASBJ Statement No. 7 issued on December 26, 2008), Revised Accounting Standard for Equity Method of Accounting for Investments (ASBJ Statement No. 16 issued on December 26, 2008) and Revised Accounting Standard for Business Combinations and Accounting Standard for Business Divestitures (ASBJ Guidance No. 10 issued on December 26, 2008).

3. Quarterly consolidated financial statements

(1) Quarterly consolidated balance sheets

(Unit: Million yen)

	End of first quarter of the year ending March 31, 2011 (June 30, 2010)	End of the year ended March 31, 2010 (March 31, 2010)
Assets		
Current assets		
Cash and cash equivalents	9,457	15,916
Notes and accounts receivable—trade	21,862	33,088
Inventories	1,899	1,520
Other current assets	7,591	6,524
Allowance for doubtful accounts	(252)	(355)
Total current assets	40,559	56,694
Fixed assets		
Tangible fixed assets		
Land	6,186	6,170
Other tangible fixed assets	3,835	3,551
Total tangible fixed assets	10,021	9,721
Intangible fixed assets		
Goodwill	2,883	239
Other intangible fixed assets	2,067	2,094
Total intangible fixed assets	4,951	2,333
Investments and other assets		
Investment securities	7,801	7,865
Other assets	5,306	4,827
Allowance for doubtful accounts	(181)	(114)
Total investments and other assets	12,925	12,578
Total fixed assets	27,899	24,634
Total assets	68,458	81,329
Liabilities		
Current liabilities		
Notes and accounts payable—trade	15,015	26,610
Current portion of long-term borrowings	60	—
Corporate bonds redeemable within 1 year	877	720
Accrued income taxes	1,097	3,562
Accrued bonuses	39	273
Accrued bonuses to directors and auditors	60	135
Other current liabilities	5,231	4,543
Total current liabilities	22,381	35,845
Fixed liabilities		
Corporate bonds	1,290	1,510
Retirement benefit provisions	291	274
Other fixed liabilities	2,930	2,511
Total fixed liabilities	4,511	4,295
Total Liabilities	26,893	40,141

(Unit: Million yen)

	End of first quarter of the year ending March 31, 2011 (June 30, 2010)	End of the year ended March 31, 2010 (March 31, 2010)
Net assets		
Shareholders' equity		
Common stock	7,948	7,948
Capital surplus	7,994	7,994
Retained earnings	28,231	27,583
Treasury stock	(1,785)	(1,785)
Total shareholders' equity	42,389	41,741
Valuation and translation differences		
Unrealized holding gain on available- for-sale securities	(1,042)	(676)
Foreign currency translation adjustment	0	0
Total valuation and translation differences	(1,042)	(676)
Minority interest	217	122
Total net assets	41,564	41,187
Total liabilities and net assets	68,458	81,329

(2) Quarterly consolidated statement of income

[First quarter of the year ending March 31, 2011]

(Unit: Million yen)

	First quarter of the year ended March 31, 2010 (April 1, 2009–June 30, 2009)	First quarter of the year ending March 31, 2011 (April 1, 2010–June 30, 2010)
Net sales	16,038	21,344
Cost of sales	3,636	13,680
Gross profit	12,402	7,663
Selling, general and administrative expenses	3,877	5,314
Operating income	8,524	2,348
Non-operating income		
Interest income	2	2
Dividend income	82	82
Equity method investment gain	—	98
Others	85	89
Total non-operating income	169	272
Non-operating expenses		
Interest expense	7	6
Equity method investment loss	106	—
Loss on management of investment securities	—	57
Amortization of equity investment	8	10
Others	51	29
Total non-operating expenses	174	103
Ordinary income	8,519	2,518
Extraordinary income		
Gain on sale of fixed assets	46	—
Gain on sale of shares in affiliates	—	126
Reversal of allowance for doubtful accounts	—	115
Others	9	45
Total extraordinary income	55	288
Extraordinary losses		
Loss on sale of fixed assets	0	—
Loss on disposal of fixed assets	17	0
Loss on change in equity of affiliates	32	—
Loss on adjustment for changes of accounting standards for asset retirement obligations	—	142
Others	—	16
Total extraordinary losses	49	159
Income before income taxes and minority interest	8,524	2,647
Current income taxes	3,800	1,159
Income before minority interests	—	1,488
Minority interests	12	10
Net income	4,711	1,477

(3) Quarterly consolidated statement of cash flows

(Unit: Million yen)

	First quarter of the year ended March 31, 2010 (April 1, 2009–June 30, 2009)	First quarter of the year ending March 31, 2011 (April 1, 2010–June 30, 2010)
Cash flows from operating activities		
Income before income taxes and minority interest	8,524	2,647
Depreciation and amortization	329	528
Amortization of goodwill	21	87
Increase (decrease) in allowance for doubtful accounts	27	(123)
Increase (decrease) in accrued bonuses	(195)	(236)
Increase (decrease) in accrued bonuses to directors and auditors	(183)	(75)
Increase (decrease) in retirement benefit provisions	12	16
Interest and dividend income	(84)	(85)
Discounts on purchases	(3)	(51)
Equity method investment loss (gain)	106	(98)
Interest expense	7	6
Loss (gain) on sale of shares in affiliates	—	(126)
Loss on adjustment for changes of accounting standards for asset retirement obligations	—	142
Decrease (increase) in notes and accounts receivable—trade	(2,631)	10,803
Decrease (increase) in inventories	(21)	78
Decrease (increase) in merchandising rights advances	(17)	(25)
Increase (decrease) in notes and accounts payable—trade	(115)	(12,079)
Increase (decrease) in accrued consumption taxes	752	(172)
Increase (decrease) in deposits received	(1,309)	635
Others	(279)	(174)
Sub total	4,941	1,696
Interest and dividends received	89	90
Interest paid	(14)	(12)
Income taxes paid	(268)	(3,473)
Net cash provided by (used in) operating activities	4,748	(1,698)
Cash flows from investing activities		
Purchases of tangible fixed assets	(272)	(134)
Proceeds from sale of tangible fixed assets	615	1
Purchases of intangible fixed assets	(99)	(186)
Purchases of investment securities	—	(366)
Expenditure for equity investment	(50)	(51)
Expenditure for loans	(345)	(242)
Expenditure for acquiring shares in subsidiaries which involved change in the scope of consolidation	—	(1,649)
Expenditure for acquiring shares in affiliates	—	(115)
Proceeds from sale of shares in affiliates	—	200
Others	21	66
Net cash provided by (used in) investing activities	(131)	(2,478)

(Unit: Million yen)

	First quarter of the year ended March 31, 2010 (April 1, 2009–June 30, 2009)	First quarter of the year ending March 31, 2011 (April 1, 2010–June 30, 2010)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	—	(1,209)
Repayment of long-term borrowings	(27)	(15)
Redemption of corporate bonds	(300)	(300)
Proceeds from payments by minority shareholders	50	—
Dividends paid	(751)	(738)
Others	—	(55)
Net cash provided by (used in) financing activities	(1,028)	(2,318)
Effect of exchange rate changes on cash and cash equivalents	(2)	(3)
Increase (decrease) in cash and cash equivalents	3,585	(6,498)
Cash and cash equivalents at beginning of period	11,181	15,906
Cash and cash equivalents at end of period	14,767	9,407

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

First quarter of the year ending March 31, 2011 (April 1, 2010 to June 30, 2010)
No relevant items

(5) Segment information

[Segment information by business category]

First quarter of the year ended March 31, 2010 (April 1, 2009 to June 30, 2009)

(Unit: Million yen)

	Pachinko/ Pachislot (PS) Field	Sports Entertainment Field	Mobile Field	Other Field	Total	Elimination or incorporation	Consolidated
Net sales							
(1) Net sales to third parties	14,947	565	519	6	16,038	—	16,038
(2) Inter-group net sales or transfers	82	0	0	246	329	(329)	—
Total	15,029	565	519	252	16,368	(329)	16,038
Operating income (loss)	8,543	(96)	124	58	8,629	(104)	8,524

(Notes) 1. Based on the proximity of merchandises and services or others provided, the Company's businesses are segmented into Pachinko/Pachislot (PS) Field, Sports Entertainment Field, Mobile 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) Sports Entertainment Field: Sports management and related activities

(3) Mobile Field: Mobile content, etc.

(4) Other Field: Planning and production of animation, movie production, etc.

3. Additional information

The sports management business had been included in the Sports Field segment in previous years. In light of new business developments, the Company renamed the segment as the Sports Entertainment Field segment effective with the first quarter of the year ending March 31, 2011.

The planning, development and sales business of packaged software, such as game software, which had been included in the Game Field segment in previous years, was dissolved during the previous fiscal year as a result of the sale of shares in subsidiaries.

The mobile content business, which had been included in the Other Field segment in previous years, was resegmented and separately disclosed under the Web Service Field segment in the previous fiscal year as the value of the business became material. The Company renamed the segment as the Mobile Field segment effective with the first quarter of the year ending March 31, 2011 in light of business developments such as an expansion of service provision for mobile content.

The digital content creation and copyright acquisition business, which had been included in the Movies Field segment in previous years, was dissolved during the previous fiscal year as a result of the merger and absorption of the business as a surviving entity into the Company. In addition, the movie production business has been included in the Other Field segment effective with the first quarter of the year ending March 31, 2011 as the value of the business is no longer material.

The following is the segment information for the first quarter of the year ended March 31, 2010 which is based on the business categories adopted in the first quarter of the year ending March 31, 2011.

(Unit: Million yen)

	Pachinko/ Pachislot (PS) Field	Sports Entertainment Field	Mobile Field	Game Field	Other Field	Total	Elimination or incorporation	Consolidated
Net sales								
(1) Net sales to third parties	4,052	946	366	1,904	51	7,321	—	7,321
(2) Inter-group net sales or transfers	145	15	—	0	3	163	(163)	—
Total	4,197	961	366	1,904	54	7,485	(163)	7,321
Operating income (loss)	(1,562)	(169)	120	(1,112)	(544)	(3,267)	(44)	(3,312)

[Segment information by region]

First quarter of the year ended March 31, 2010 (April 1, 2009 to June 30, 2009)

Segment information by region has been omitted, since Japan has accounted for more than 90% of total net sales across all segments.

[Overseas sales]

First quarter of the year ended March 31, 2010 (April 1, 2009 to June 30, 2009)

Information on overseas sales has been omitted, since they have accounted for less than 10% of the consolidated net sales.

[Segment information]

(Additional information)

From the first quarter of the year ending March 31, 2011, the Company applies the Accounting Standard for Disclosures about Segments of an Enterprise and Related information (ASBJ Statement No.17 issued on March 27, 2009) and Accounting Standard for Disclosures about Segments of an Enterprise and Related information (ASBJ Guidance No.20 issued on March 21, 2008).

1 General information about reportable segment

The reportable segments of the Company are business units of the Fields Group for which the Company is able to obtain individual financial information separately in order for the board of directors to conduct periodic investigation to determine distribution of management resources and evaluate their business performance.

The Company's reportable business segments are segmented into Pachinko/Pachislot (PS) Field, Mobile Field, Sports Entertainment Field and Other Field.

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

Pachinko/Pachislot (PS) Field: purchasing, sales, planning and development of pachinko/pachislot machines and related services; Mobile Field: mobile content, etc.; Sports Entertainment Field: sports management and related activities; and Other Field: planning, production, etc. of animations, movies and images.

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

First quarter of the year ending March 31, 2011 (April 1, 2010 to June 30, 2010)

(Unit: Million yen)

	Pachinko/ Pachislot (PS) Field	Mobile Field	Sports Entertainment Field	Other Field	Total	Adjustment (Note 1)	Amount in the quarterly consolidated statement of income (Note 2)
Net sales							
Net sales to third parties	19,135	494	546	1,167	21,344	—	21,344
Inter-group net sales or transfers	66	0	1	5	74	(74)	—
Total	19,201	495	548	1,173	21,418	(74)	21,344
Segment income (loss)	2,343	99	(64)	(55)	2,322	26	2,348

(Notes) 1. Adjustment of segment income (¥26 million) has been derived from the elimination of inter-group transactions.

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

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

(Significant impairment loss on fixed assets)

No relevant items

(Significant changes in the amount of goodwill)

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

As a result of this event, goodwill increased by ¥2,732 million during the first quarter of the year ending March 31, 2011.

(Significant income related to negative goodwill)

No relevant items

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

First quarter of the year ending March 31, 2011 (April 1, 2010 to June 30, 2010)

No relevant items