



Gaming and Entertainment

FIELDS CORPORATION
Financial Presentation
(First Half of the Year Ending March 31, 2015)

The Greatest Leisure for All People

JASDAQ Standard 2767

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Overview

Results in First Half

Net sales; 20.3 billion yen/Operating loss; 4.0 billion yen

(Pachinko/pachislot machine sales)

- Number of machines sold was in line with forecasts for individual titles
- Launch of 1 pachislot machine was moved to lineup for the second half

Pachinko/ Pachislot Machine Sales

Pachinko machines sales; 73,000 units/ Pachislot machines sales; 28,000 units

- A single pachinko machine and pachislot machine accounted for most of the sales posted
- Rapid response to change in pachislot model certification test method

IP

144 total IP to be developed in 75 media forms in current fiscal year

- Animation versions begun for 5 works from “HERO’S Monthly”
- Cross-media expansion spurred by animation versions

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Summary of Results for the First Half of the Year Ending March 31, 2015 (Consolidated)

Consolidated P/L

(Unit: Billions of yen)

	Year Ended March 31, 2014		Year Ending March 31, 2015			
	H1	Full-Year	H1	Increase/ Decrease	Change (%)	Full-Year Forecast
Net sales	36.38	114.90	20.34	(16.04)	(44.1)	100.00
Gross profit	13.64	33.81	6.92	(6.72)	(49.3)	-
SG&A expenses	11.47	24.02	10.99	(0.47)	(4.1)	-
Operating income	2.17	9.79	(4.07)	(6.25)	-	5.00
Ordinary income	2.14	9.76	(4.07)	(6.21)	-	5.00
Net income	1.43	5.37	(2.50)	(3.94)	-	2.50

(Unit: Machine)

PS sales (posted) P: Pachinko S: Pachislot	P	110,000	162,000	73,000	(36,000)	/
	S	61,000	230,000	28,000	(33,000)	

Consolidated B/S

(Unit: Billions of yen)

	March 31, 2014	September 30, 2014	Increase/ Decrease	Main factors for increase/decrease
Current assets	66.92	33.75	(33.16)	Decrease in notes and accounts receivable—trade
Tangible fixed assets	12.10	12.31	0.20	
Intangible fixed assets	4.36	4.39	0.02	
Investments and other assets	21.47	19.95	(1.52)	Decrease in investment securities
Total assets	104.86	70.40	(34.46)	
Current liabilities	41.73	11.24	(30.48)	Decrease in notes and accounts payable—trade and decrease in accrued income taxes
Fixed liabilities	4.38	4.15	(0.23)	
Net assets	58.75	55.01	(3.73)	Decrease in retained earnings
Total liabilities and net assets	104.86	70.40	(34.46)	

Consolidated Cash Flows

(Unit: Billions of yen)

	H1 Year Ended March 31, 2014	H1 Year Ending March 31, 2015	Analysis of main factors	
Operating cash flows	(4.55)	(11.11)	Loss before income taxes and minority interests	(3.64)
			Decrease in notes and accounts receivable—trade	24.19
			Decrease in notes and accounts payable—trade	(27.25)
			Income taxes paid	(1.80)
Investing cash flows	(1.65)	(1.09)	Expenditures for purchase of tangible fixed assets	(0.82)
			Expenditures for purchase of intangible fixed assets	(0.90)
			Proceeds from sales of investment securities	0.82
Financial cash flows	(1.38)	(1.20)	Dividends paid	(0.82)
			Repayment of short-term borrowings	(0.31)
Cash and cash equivalents at beginning of period	23.30	29.58		
Cash and cash equivalents at end of period	15.70	16.17		

A large, semi-transparent, stylized number '2' is centered on the page, serving as a background for the title.

Status of IP Development

Out of 51 IP owned by Fields, 18 are being made into animations

IP Creation	“HERO’S” IP	H1 cumulative total: 6 new works published; 20 works published as comic books
	“HERO’S” IP	Film versions started for 5 works
Animation versions	SOUL ReVIVER	Start of project to make live action film in Hollywood Start of script development
	SWORDGAI	Start of development of anime content in collaboration with DLE Inc.
	Tsuburaya IP	Broadcasting of new TV series in Ultraman series Ongoing animation development of Tsuburaya IP
	APPLESEED ALPHA	CG anime production in collaboration with US Sony Pictures Released in North America in July 2014
	NINJA SLAYER FROM ANIMATION	Planning and production of animation version of novel released serially via Twitter

Start of joint development of anime content for “SWORDGAI”

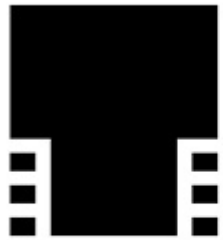


Animation
versions



Broadcast to begin in 2016 (planned)

Following the release of the “APPLESEED ALPHA” film in North America, it premiered at the 27th Tokyo International Film Festival



TOKYO
INTERNATIONAL
FILM
FESTIVAL
第27回東京国際映画祭
10.23-31

Special invitation film



To be released in theaters in Japan
in January 2015 (tentative)

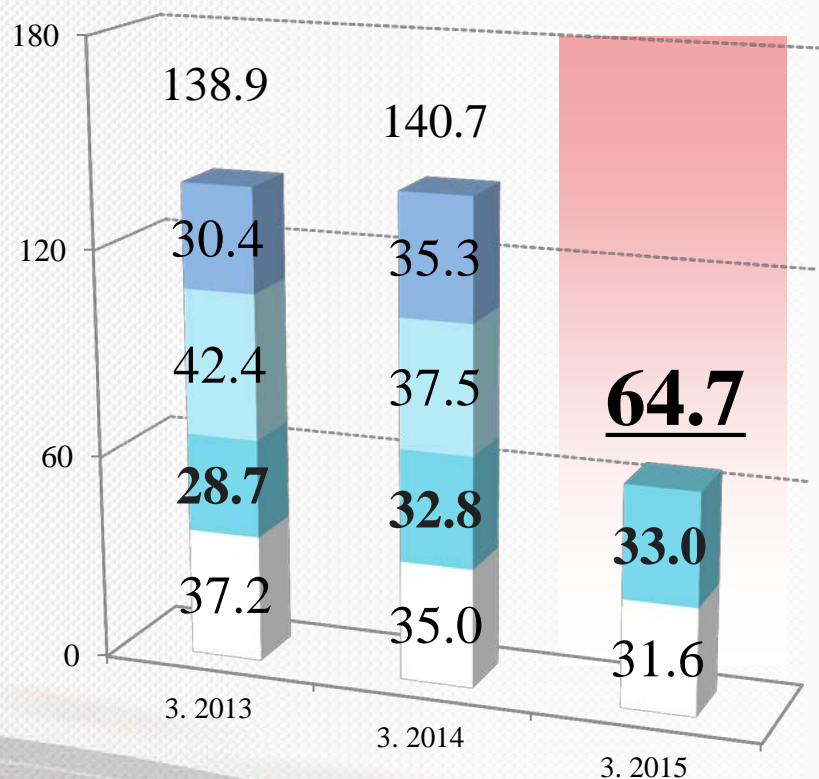
(Reference)
Pachinko/Pachislot Field

Slight decrease in the number of machines and titles sold

Number of pachislot machines sold

■ Jan. - Mar. ■ Oct. - Dec.
 ■ Jul. - Sep. ■ Apr. - Jun.

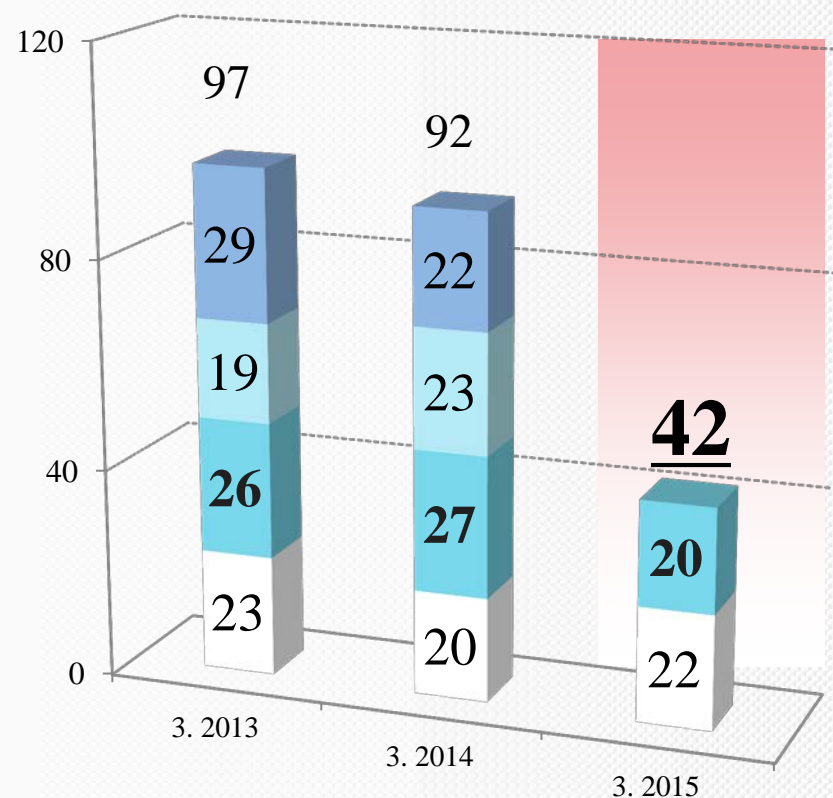
(10 thousand machines)



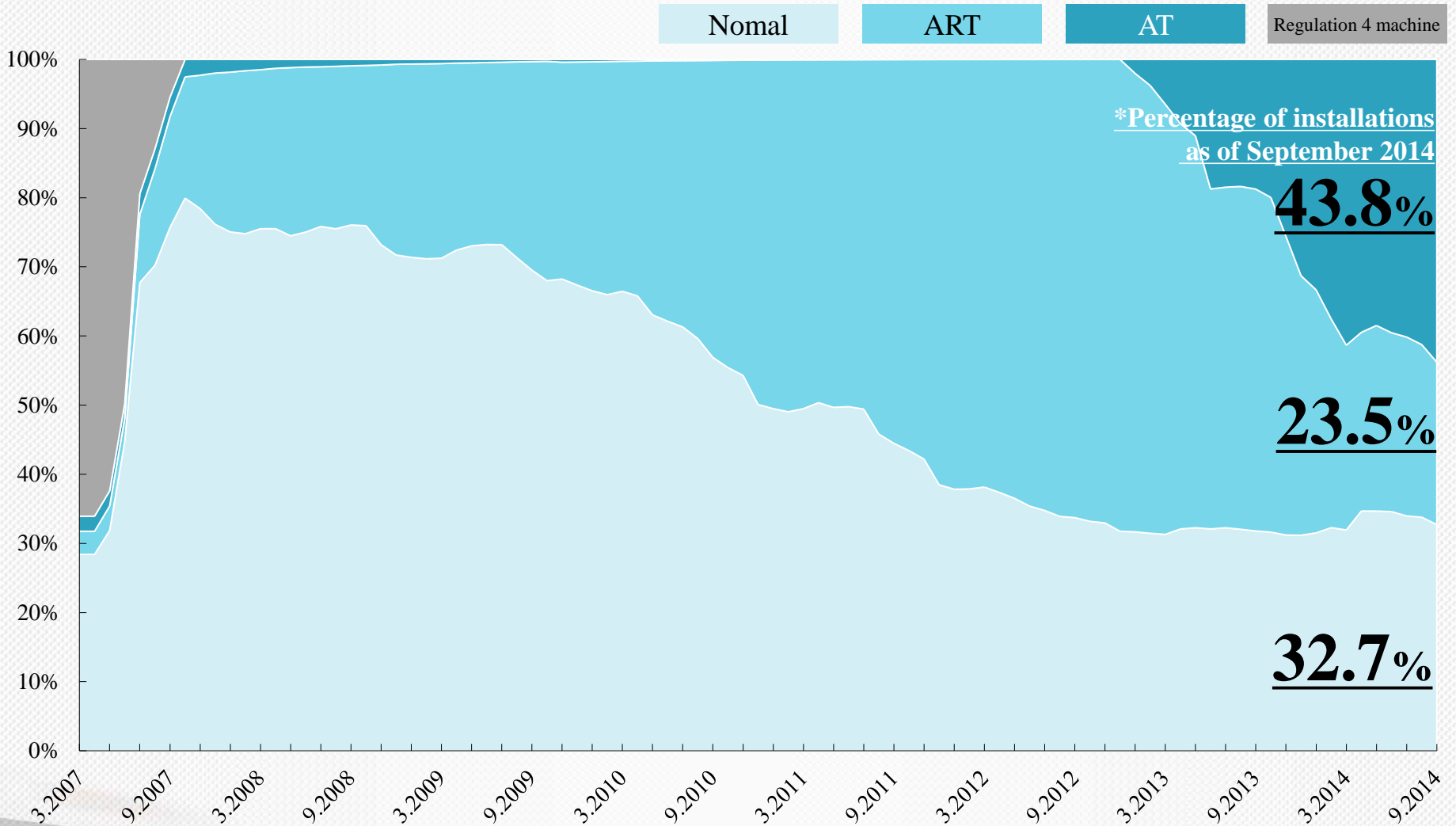
Number of pachislot titles sold

■ Jan. - Mar. ■ Oct. - Dec.
 ■ Jul. - Sep. ■ Apr. - Jun.

(Titles)



Percentage of AT type installations has dramatically increased since 2013

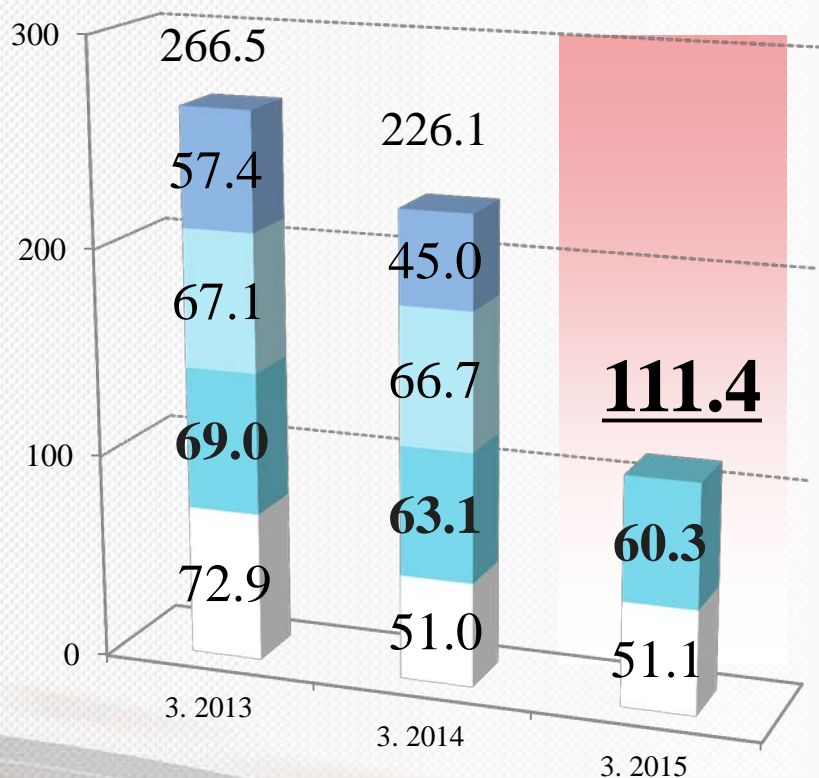


Number of machines sold in line with previous period, and number of titles sold in line with 2 years prior

Number of pachinko machines sold

■ Jan. - Mar. ■ Oct. - Dec.
■ Jul. - Sep. ■ Apr. - Jun.

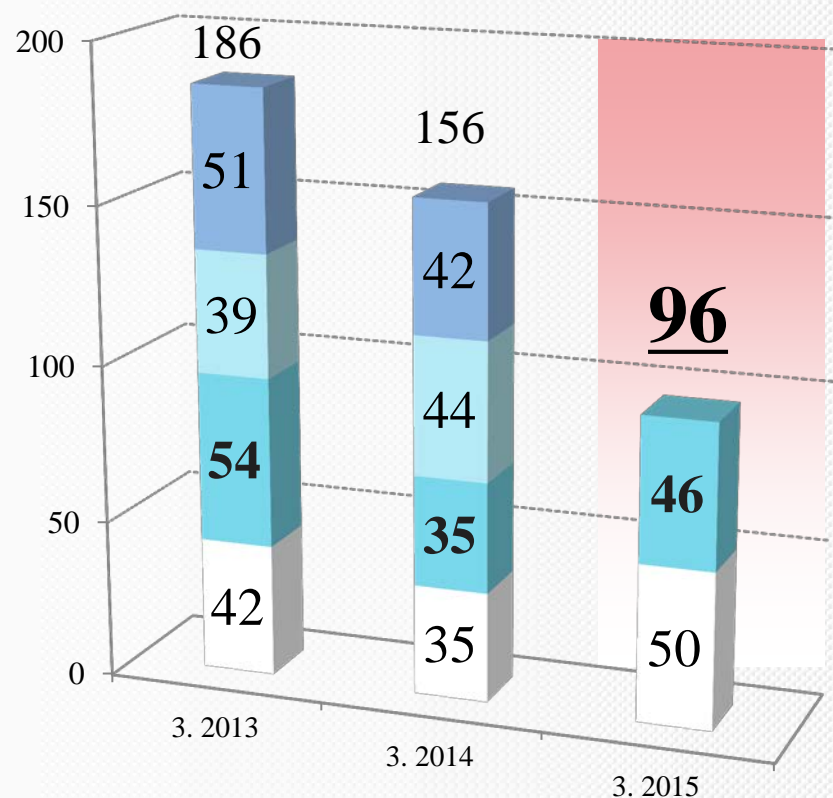
(10 thousand machines)



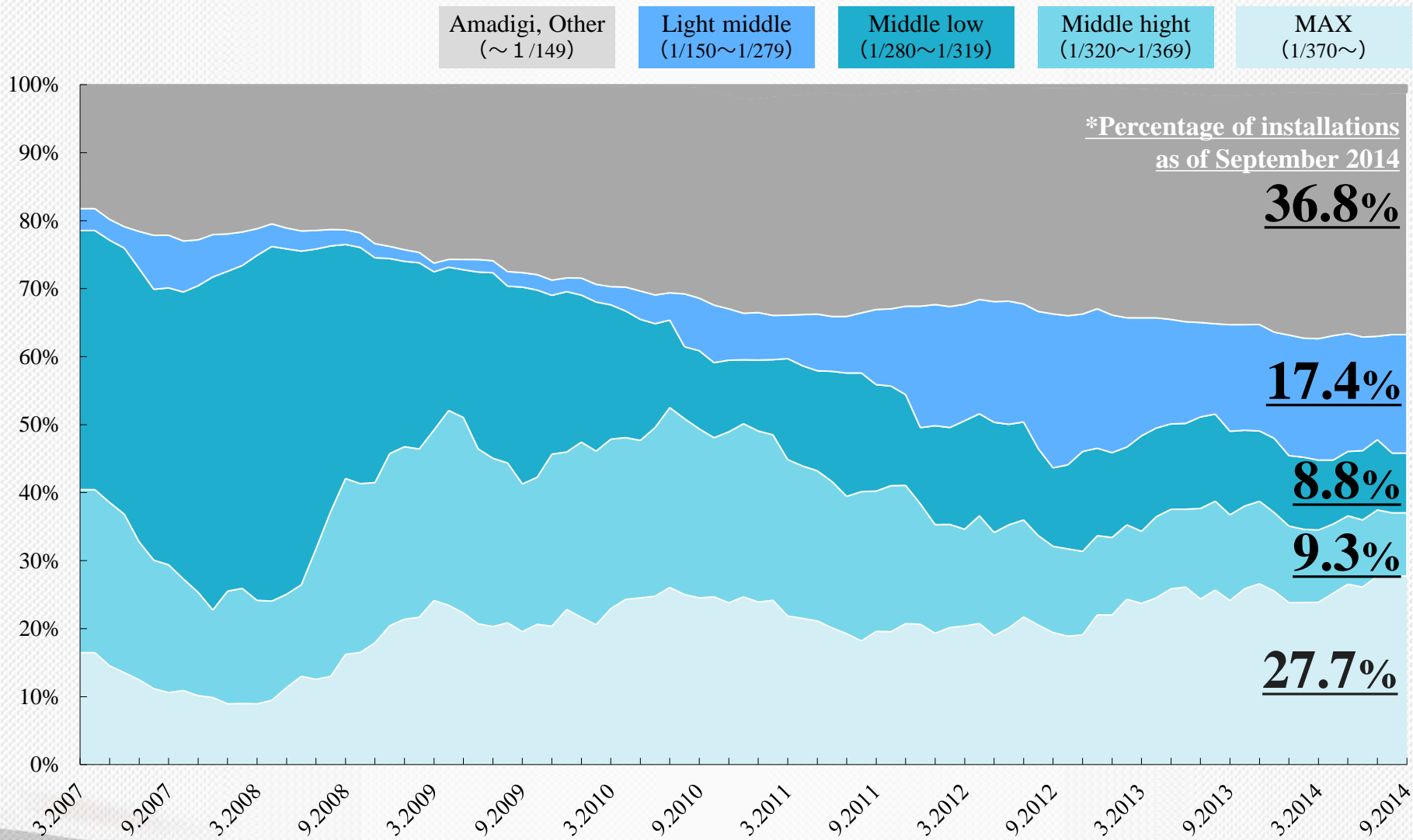
Number of pachinko titles sold

■ Jan. - Mar. ■ Oct. - Dec.
■ Jul. - Sep. ■ Apr. - Jun.

(Titles)



Bipolarization into Amadigi type and MAX type continues





Popular products such as “EVANGELION 9” and “Salaryman Kintaro” will be launched in the second half

First half (Apr. - Sep.)

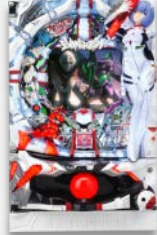
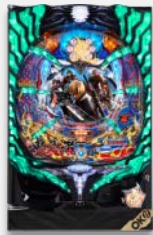
Second half (Oct. - Mar.)

Pachinko

OK!!
“Pachinko Onimusha:
Dawn of Dreams”



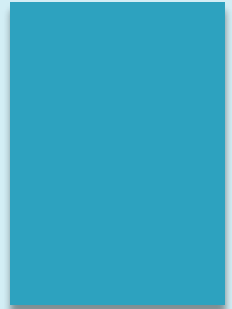
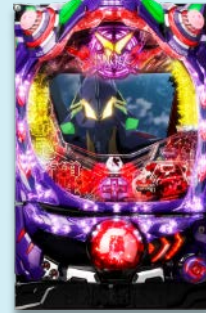
* Reused machines



Bisty
“CR ayumi hamasaki 2”



Bisty
“CR EVANGELION 9”

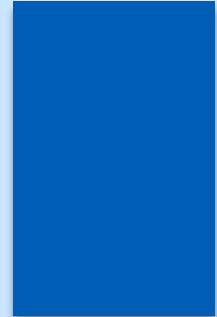
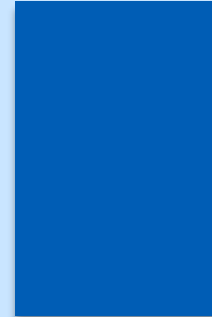


Pachislot

Enterrise
“Pachislot Sengoku
BASARA 3”



RODEO
“Salaryman Kintaro”

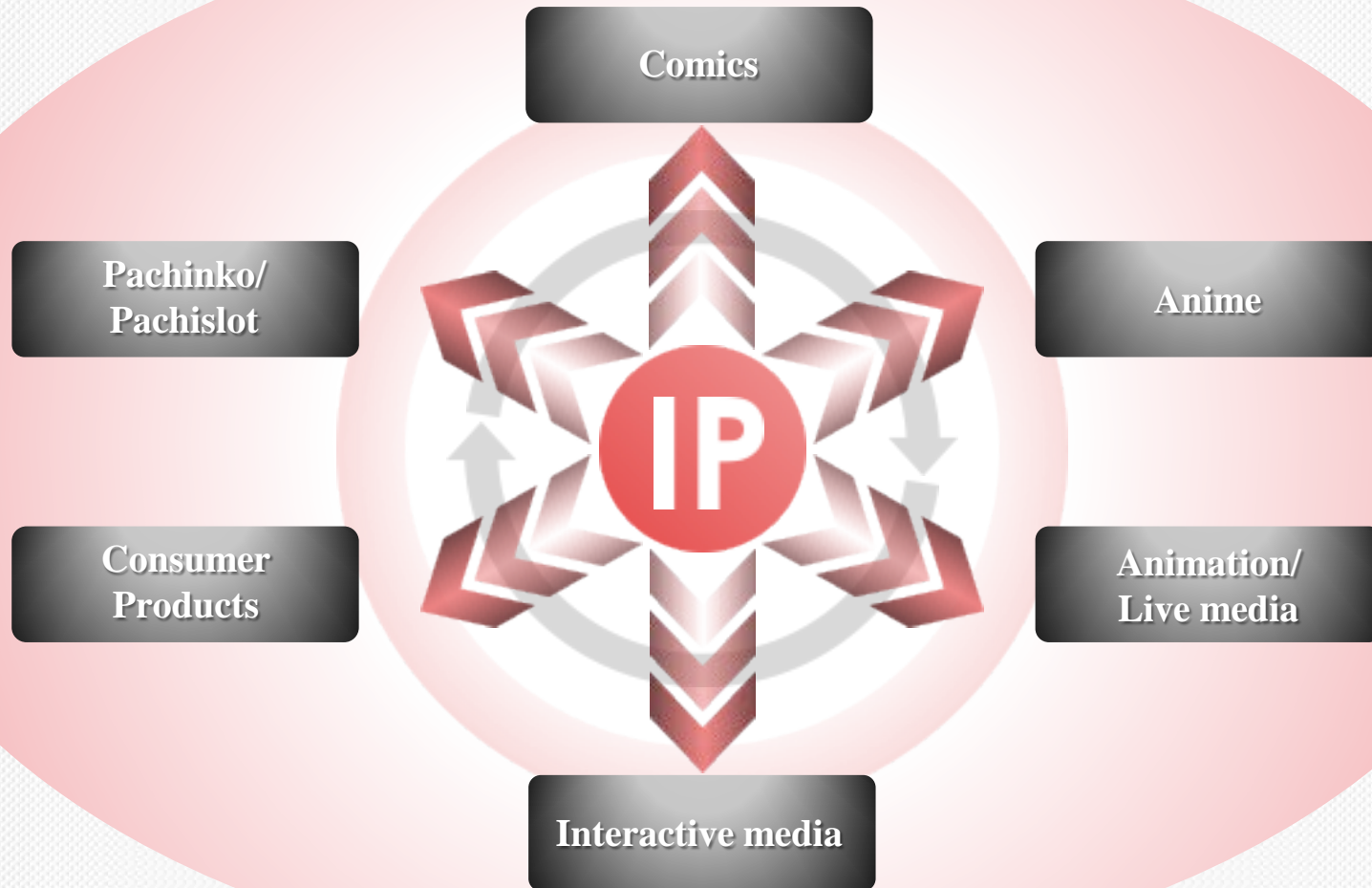


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Future IP Development

Cross-media development of IP = IP sharing

Creating and developing IP fans



144 total IP to be developed in 75 media forms in current fiscal year

<Status of IP development from year ending March 31, 2015 to year ending March 31, 2018>

		Year Ending March 31, 2015	Year Ending March 31, 2016	Year Ending March 31, 2017	Year Ending March 31, 2018
Fields IP (51)	Film	7	5	5	5
	Animation	5	4	3	6
	Merchandising	60	57	48	49
Collaboration IP (46)	Film	7	4	7	5
	Merchandising	4	2	4	—
Other Companies' IP (47)	Film	—	—	—	—
	Merchandising	11	8	7	—

*Proprietary IP Creation consists mainly of the works in the HERO'S Monthly new series, while Merchandise is primarily the total of social games, Pachinko/Pachislot, and comic book adaptations.

*Figures in table above reflect the number of IP planned for creation, film development/merchandising as of October 31, 2014.

IP cultivating based on cross-media expansion

Commercialization of Fields key IP

Ultraman series	Various measures underway to vitalize series in Japan and overseas
Japan	New TV series is ongoing, various events will be held
Overseas	Various plans in collaboration with local companies will be pursued, particularly in China and Southeast Asia
Tsuburaya IP	Plans to bring a wide range of IP to the screen and expand merchandising are being developed, including monster IP
KOTOKOTO	Word detection RPG (role-playing game) application distributed; more than 600,000 cumulative downloads (as of October 31, 2014)

Commercialization of key collaboration IP and other companies' IP

AKB48	Original story using AKB48 is being planned and developed
Freezing Vibration (tentative)	Joint development of social game using popular comic "Freezing" with GREE, Inc.
Others	Social game using animation IP is being planned and developed

More than 600,000 cumulative downloads*1

Revenue generation issue/Improvements to ARPU and infrastructure underway*2



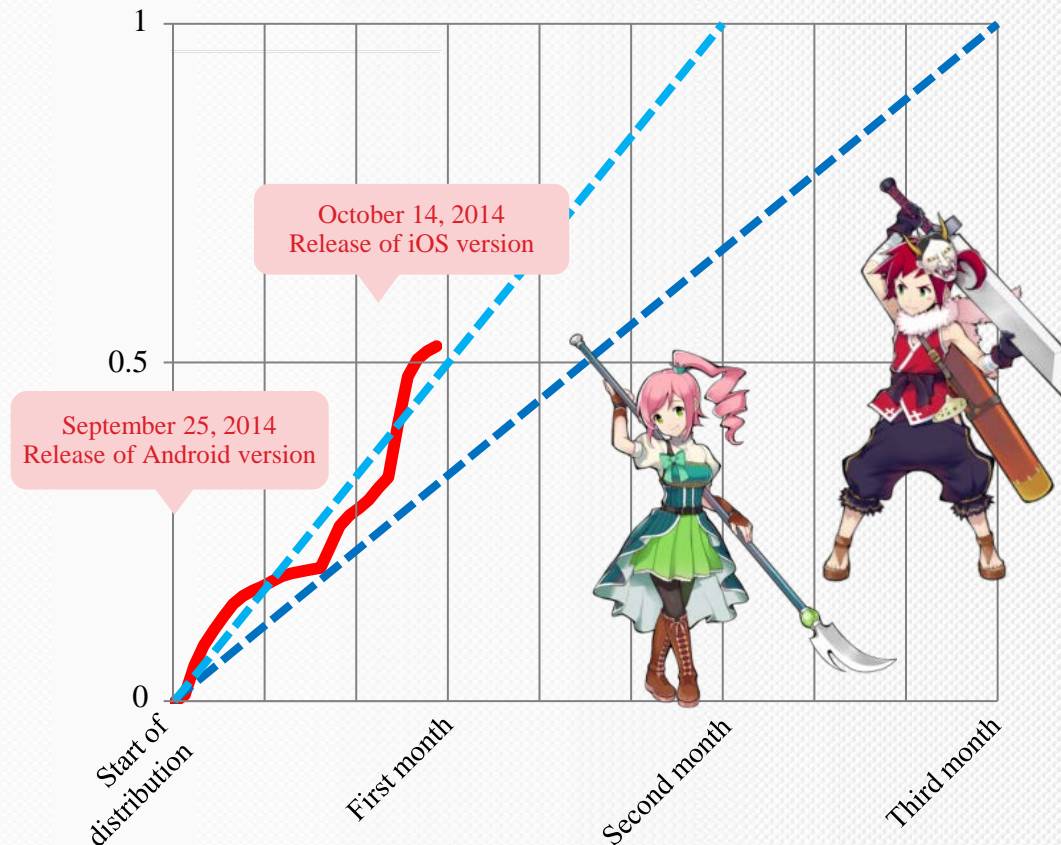
“KOTOKOTO” is...
 a word detection role-playing game that you play using words. You use the power of words to attack the enemy (Mononoke).



Enter a word to attack

Enter mystery words to make particular kinds of attacks

(Unit: million downloads) — KOTOKOTO — Major game A — Major game B



*1: Number of downloads as of the end of October 2014

*2: ARPU = Average Revenue Per User; here, refers to the amount billed per individual user.

(Reference) Supplementary Notes on Changes to Pachislot Model Certification Test Method

Metropolitan Police Department changed the testing method for the type test

<Law>

Amusement Businesses Law

Law on Control and Improvement of Amusement Businesses

<National Public Safety Commission's rules>

Enforcement regulations

Enforcement regulations for Law on Control and Improvement of Amusement Businesses

Pachinko/pachislot machine rules

Rules on Approval of Pachinko/Pachislot Machines and Certification of Models

- (1) Rules on performance meeting standards for machines
- (2) **Rules on verification of pachinko/pachislot machines and model certification tests**

The method for these tests has now been changed.



<Voluntary rules>

Nikkoso's internal regulations

Nichidenkyo's internal regulations

Zennichiyauren's voluntary rules

Voluntary rules of Kaidoshiki Yugiki Seizogyo Renrakukai
(Council of Pachislot Machine Manufacturers)

Strict adherence to minimum payout rate for long duration of play

*Payout rate stipulated in (ho), (to) and (ri) of Article 5, Clause 1 of the Pachinko/Pachislot Machine Regulations

	Number of tests (Number of games)	Minimum payout rate	Maximum payout rate
Short duration	400	-	Less than 300%
Medium duration	6,000	-	Less than 150%
Long duration	17,500	Over 55%	Less than 120%

Tests will be more rigorous for machines for which applications were filed prior to new test

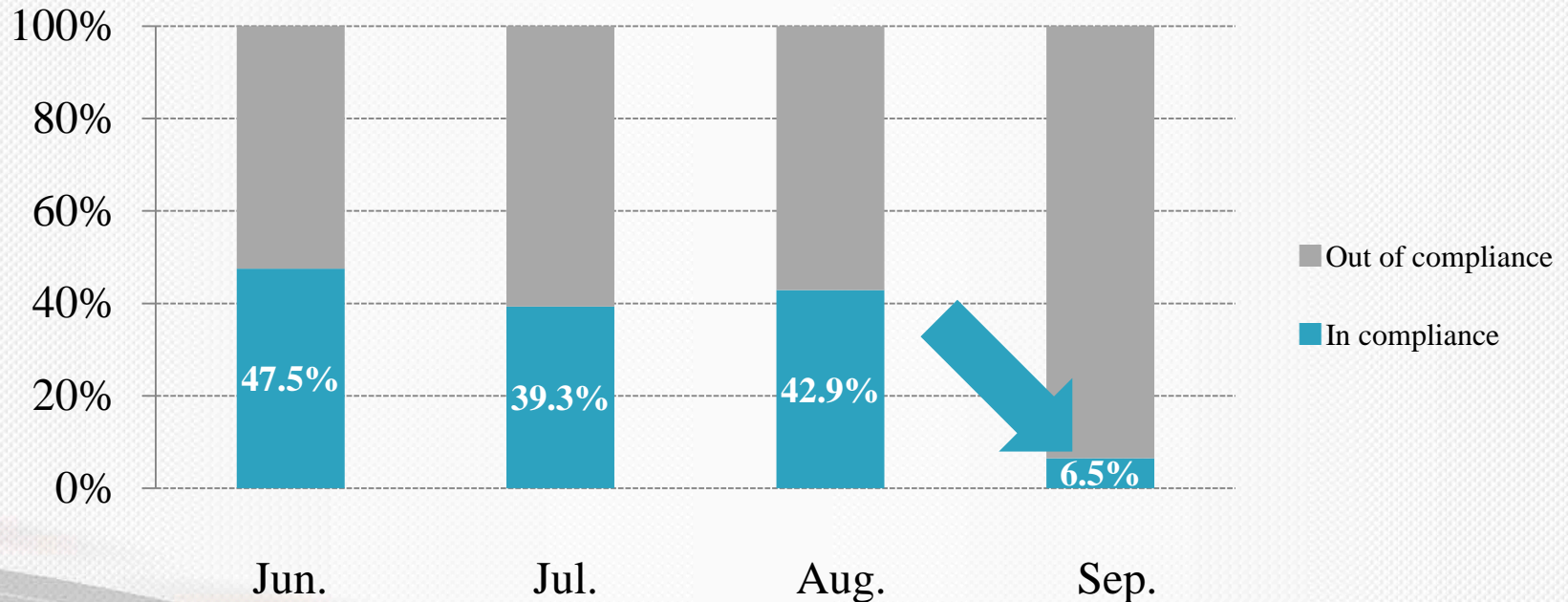
Notification of changes to test method

August 29

Start of new test

September 16

Results of Security Communications Association model certification test





The plans, strategies and estimates of the Company indicated in these documents, other than actual results and established facts, include potential risks and uncertainties and cannot be guaranteed.

Potential risks and uncertainties include, but are not limited to, the economic environment, market competition and the products handled by the Company.

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