

May 15, 2019

To all parties concerned:

FIELDS CORPORATION
 Chairman, President and Group CEO:
 Hidetoshi Yamamoto
 (TSE 1st: 2767)
 Inquiries: Hideaki Hatanaka
 Corporate Officer
 Tel.: +81-3-5784-2111

Notification of differences between the consolidated performance forecast and actual results for the year ended March 31, 2019, and differences between the non-consolidated results for the year ended March 31, 2019 and the results for the previous fiscal year

FIELDS CORPORATION hereby announces that differences have arisen between the consolidated performance forecast for the year ended March 31, 2019 which was released on March 6, 2019 and the actual results released today. The Company also hereby announces that differences have arisen between the non-consolidated results for the year ended March 31, 2019 and the results for the previous fiscal year.

1. Regarding differences between the consolidated performance forecast and actual results for the year ended March 31, 2019, and differences between the non-consolidated results for the year ended March 31, 2019 and the results for the previous fiscal year

(1) Differences between the consolidated performance forecast and actual results for the year ended March 31, 2019 (April 1, 2018 – March 31, 2019)

(Unit: Millions of yen)

	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent	Profit per share
Previous forecast (A)	53,000	0	0	700	Yen 21.09
YoY (%)	(13.2)	-	-	-	-
Results for the current fiscal year (B)	51,639	(1,363)	(1,396)	(298)	(8.99)
YoY (%)	(15.4)	-	-	-	-
Amount changed (B-A)	(1,360)	(1,363)	(1,396)	(998)	-
Change (%)	(2.6)	-	-	-	-
(Reference) Results for the previous fiscal year (ended March 31, 2018)	61,055	(5,738)	(5,204)	(7,691)	(231.77)

(2) Differences between the non-consolidated results for the year ended March 31, 2019 (April 1, 2018 – March 31, 2019) and the results for the previous fiscal year

(Unit: Millions of yen)

	Net sales	Operating profit	Ordinary profit	Profit per share
Results for the previous fiscal year (A)	50,570	(7,045)	(6,430)	(6,239)
Results for the current fiscal year (B)	42,825	(2,999)	(2,082)	(2,204)
Amount changed (B-A)	(7,744)	4,046	4,348	4,035
Change (%)	(15.3)	-	-	-

(3) Reason for differences

[Differences between the consolidated performance forecast and actual results for the year ended March 31, 2019]

Consolidated business results for the current fiscal year were as set forth in section (1) above. The reasons for the difference from the forecast announced last time are as follows.

Previously, the Group's licensing sales revenues and profits relating to copyrights and other rights were reported as lump sums at the time of licensing. In accordance with this, "Notification of Revisions to Performance Forecast" released on March 6, 2019 included sales revenues and profits relating to licensing as of the time of licensing agreement execution. After that in the progress of the business activity, a forecast was made to the effect that operating profit would be approximately ¥200 million compared to the initial plan.

However, as a result of consultations with our accounting auditors conducted during the final stages of auditing regarding reporting of sales revenues relating to installment collection of royalties, FIELDS decided to report licensing sales revenues collected through long-term installments at the time of collection of each payment. This change will be made to appropriately reflect the actual status of sales revenues in response to the increase in installment collection in conjunction with the expansion of licensing transactions.

As a result of the above, approximately ¥1.6 billion in licensing royalty revenues forecast for the current fiscal year that will be collected through long-term installments will be reported in the next and subsequent fiscal years when actually received.

Going forward, we will from time to time engage in exchanges of opinions with the accounting auditors from various perspectives with regard to increasingly sophisticated accounting systems and make reference to the advice and opinions of other outside experts to enhance business management.

[Differences between the non-consolidated results for the year ended March 31, 2019 and the results for the previous fiscal year]

Non-consolidated business results for the fiscal year are as shown in the table (2) above.

The main reason for the difference from the results for the previous fiscal year was, as indicated in the "Summary of Financial Information and Business Results for the Year Ended March 31, 2019" published today, a ¥7.7 billion decline in net sales due to lower sales of new machines in the pachinko/pachislot business (down 53,000 units compared to the previous fiscal year), and other measures of profit improved substantially compared to the previous fiscal year as a result of successful implementation of ongoing measures to raise management efficiency, resulting in lower SG&A expenses and other effects.

We apologize to our shareholders and investors for any concern that this matter has caused.

For inquiries or further information please contact

Corporate Communications (IR), FIELDS CORPORATION

Shibuya Garden Tower, 16-17 Nampeidai-cho, Shibuya-ku, Tokyo 150-0036

Tel.: +81-3-5784-2109 Email : koho@fields.biz