

(Translation)

To all concerned parties:

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### **Issuance of Stock Options (Stock Acquisition Rights)**

Fields Corporation announces that at the meeting of its Board of Directors on May 27, 2005, it was resolved to submit the matter of the free issuance of stock acquisition rights as stock options pursuant to the provisions of Articles 280-20 and 280-21 of the Commercial Code for approval by its 17th ordinary general meeting of shareholders, due to be held on June 29, 2005. This resolution aims to motivate directors and employees, who were not eligible in the previous issuance, to improve their performance by providing them with stock options. This is in line with the Company's efforts over many years to secure talented human resources to diversify and expand its business. Details of the matter are given below.

1. Reason for issuance of stock acquisition rights at advantageous terms to persons other than shareholders

In order to enhance the morale and motivation of the directors and employees of the Company and its subsidiaries to improve their performance, it is proposed that stock acquisition rights (stock options) be issued gratis.

2. Summary of issuance of stock acquisition rights

(1) Persons to whom the stock acquisition rights are to be allotted

Directors and employees of Fields Corporation and its subsidiaries

(2) Aggregate number of stock acquisition rights

The maximum number shall be 1,800. (The number of shares per acquisition right shall be one share of the Company's common stock.)

However, in the event that a stock split or reverse split takes place, the number of shares for which stock acquisition rights have not been exercised at any such time shall be adjusted in accordance with the following formula, and in the event that a number of less than one share arises as a result of an adjustment, it shall be ignored.

$$\text{No. of shares after adjustment} = \text{Initial no. of shares} \times \text{Split (reverse split) ratio}$$

(3) Class and number of shares for which stock acquisition rights are to be issued

Maximum of 1,800 shares of Fields Corporation common stock.

In the event of an adjustment being made as provided in (2) above to the number of shares to be issued (including transfers of treasury stock in place of issuance, both here and hereinafter) through the exercise of stock acquisition rights, the maximum number stated above shall also be adjusted with respect to the increase or decrease in the total number of shares that results from that adjustment.

(4) Issue price of stock acquisition rights

Gratis

(5) Amount to be paid upon exercise of stock acquisition rights

The amount to be paid for each share issued by the exercise of an acquisition right (“payment amount”) shall be ¥760,000, and the amount to be paid upon the exercise of each acquisition right shall be the payment amount multiplied by the number of shares pertaining to each acquisition right.

In the event that the Company carries out a stock split or reverse split after the issue date, the payment amount shall be adjusted in accordance with the following formula. Fractions of a yen shall be rounded up to the nearest yen.

$$\text{Adjusted payment amount} = \text{Initial payment amount} \times \frac{1}{\text{Split ratio (or reverse split ratio)}}$$

In the event that the Company issues new shares (or disposes of treasury stock) at a price below market price, the payment amount shall be adjusted in accordance with the following formula. Fractions of a yen shall be rounded up to the nearest yen. However, “No. of shares already issued” in the formula shall not include treasury stock held by the Company prior to the issuance of new shares, etc.

$$\text{Adjusted payment amount} = \text{Initial payment amount} \times \frac{\text{No. of shares already issued} + \frac{\text{No. of new shares (No. of treasury shares to be disposed)} \times \text{Payment amount per share}}{\text{Share price before new issue (disposal)}}}{\text{No. of shares already issued} + \text{No. of new shares (No. of treasury shares to be disposed)}}$$

In addition, in the event that after the date of issuance of the stock acquisition rights Fields Corporation reduces its capital or conducts a merger or demerger, or some other unavoidable reason arises that necessitates an adjustment to the payment amount, the payment amount shall be adjusted within reasonable limits after taking into consideration such factors as the terms and conditions of the reduction of capital, merger, demerger, etc.

(6) Exercise period for stock acquisition rights

From August 1, 2005, through June 30, 2008

(7) Conditions for the exercise of stock acquisition rights

[1] Persons who receive allotments of stock acquisition rights must have the status described in (1) above when they exercise their stock acquisition rights. However, in the event that after the issuance date a person retires or resigns upon the expiry of his or her term of office or is transferred compulsorily by the Company to another company or some other legitimate reason recognized by the Company arises, that person may exercise his or her stock acquisition rights within the following periods.

a) If the relevant date is prior to the first day of the period during which the rights may be exercised, a period of one year from the first day of that period.

b) If the relevant date is after the first day of the period during which the rights may be exercised, a period of one year from the relevant date.

[2] No pledging or disposal of stock acquisition rights in any other manner or succession to rights by inheritance shall be permitted.

[3] Other conditions for the exercise of stock acquisition rights shall be prescribed by a stock acquisition rights agreement to be concluded between the Company and the persons entitled to receive the allotments of stock acquisition rights.

(8) Reasons and conditions for cancellation of stock acquisition rights

In any of the following events, stock acquisition rights shall be cancelled without compensation.

[1] In the event that a person who has received an allotment of stock acquisition rights pursuant to the provisions of the stock acquisition rights agreement forfeits the right to the stock acquisition rights or it is determined that that person will not exercise the stock acquisition rights.

[2] In the event that the Company approves an agreement for a merger in which the Company will not be the surviving company.

(9) Limitation on transfer of stock acquisition rights

Any transfer of stock acquisition rights is subject to the approval of the Board of Directors.

(10) Procedure in the event of a share exchange or share transfer

In the event that the Company becomes a wholly owned subsidiary by means of an exchange or transfer of shares, the Company may transfer its obligations with respect to the stock acquisition rights to the company that becomes its parent company by virtue of the said exchange or transfer of shares.

(11) Other matters

Other matters pertaining to the stock acquisition rights in addition to the above shall be determined by resolutions of meetings of the Board of Directors relating to the issuance of stock acquisition rights held subsequent to the aforementioned ordinary general meeting of shareholders.

Note: The above details are contingent upon the approval, at the Company's 17th ordinary general meeting of shareholders, scheduled to be held on June 29, 2005, of the proposal for the issuance of stock acquisition rights at advantageous terms to persons other than shareholders.