

(Translation)

To all concerned parties:

August 5, 2005

Fields Corporation  
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**Conclusion of Final Agreement concerning the Merger between Fields Corporation Subsidiaries  
- Expanding and strengthening sports and entertainment business -**

Fields Corporation announces that at the meeting of its Board of Directors held on August 5, 2005, it was resolved to conclude the merger agreement between Fields Corporation's subsidiaries Professional Management Co., Ltd. ("PM"), J. Sakazaki Marketing Ltd. ("JSM"), and Total Workout Corporation ("TWO"), which was announced on June 27, 2005, and July 15, 2005.

**1. Purpose of the merger**

The Company's corporate philosophy is to provide "the greatest leisure for all people." Based on this, the Company is engaged in a wide range of entertainment content businesses by capitalizing on the strengths of its group companies.

JSM, known for creating the American Major League Baseball boom, also handles the television rights of football, golf, tennis and other sports. JSM is highly reputed to be the pioneer of sports marketing in Japan. On October 1 of this year, JSM is scheduled to be merged with the Company's subsidiaries TWO and PM. This merger would enable us to develop a structure that broadly utilizes sports content created by the new company not only in pachinko/pachislot areas but also in game software and books, through D3 Publisher Inc., a game software developer partly owned by the Company, and publisher Kadokawa Haruki Corporation.

## 2. Details of the merger

### (1) Merger schedule

Approval of merger agreement by meeting of Board of Directors	August 5, 2005
Approval of merger agreement by extraordinary general meeting of shareholders held by each subsidiary	August 29, 2005
Date of merger	October 1, 2005
Registration of merger	October 3, 2005

### (2) Merger method

PM will be the surviving company and JSM and TWO will be dissolved through absorption and merger.

### (3) Merger ratio

Company	Professional Management Co., Ltd. (Surviving company)	J. Sakazaki Marketing Ltd. (Merged company)	Total Workout Corporation (Merged company)
Merger ratio	1	0.67	80

Notes:

#### 1. Allocation ratio of shares

For every share of JSM's common stock, 0.67 shares of PM's common stock will be allocated. For every share of TWO's common stock, 80 shares of PM's common stock will be allocated.

#### 2. Basis for calculation of merger ratio

The merger ratio was determined among the merging parties with reference to the results calculated by Hibiya & Co., a third party institution, using the similar company comparison method and discounted cash flow (DCF) method.

#### 3. Number of shares to be newly issued as a result of the merger

23,280 shares of common stock

New shares will not be allocated for the 110 shares of TWO stock held by PM.

### (4) Payments upon the merger

Payments will not be made upon the merger.

### (5) Dividend reckoning date

The dividend reckoning date concerning new shares to be issued as a result of the merger is April 1, 2005.

### 3. Outline of the merging companies

Trade name	Professional Management Co., Ltd. (Surviving company) (as of March 31, 2005)	J. Sakazaki Marketing Ltd. (Merged company) (as of December 31, 2004)	Total Workout Corporation (Merged company) (as of March 31, 2005)
Main business contents	Advertising agency services, etc., acquisition of copyrights (merchandizing rights) and content Management of professional sportspeople, entertainers	Planning and operating sport events, selling television rights, etc. Acquiring copyrights, trademarks, and licenses; granting licenses	Management of gymnasiums
Established	July 25, 1989	July 10, 1980	June 8, 2001
Address of the head office	1-10-8 Dogenzaka, Shibuya-ku, Tokyo	2-2-19 Akasaka, Minato-ku, Tokyo	1-10-8 Dogenzaka, Shibuya-ku, Tokyo
Representative	Hidetoshi Yamamoto Ken Kudo	Kazunori Sakazaki	Hidetoshi Yamamoto Kevin Yamazaki
Capital	¥200 million	¥20 million	¥10 million
Total no. of outstanding shares	4,000	24,000	200
Shareholders' equity	(¥399 million)	¥703 million	¥67 million
Total assets	¥643 million	¥952 million	¥1,373 million
Fiscal year-end	March	December	March
Major shareholders and shareholding ratios (as of July 15, 2005)	1. Fields Corporation 100%	1. Fields Corporation 65% 2. Kazunori Sakazaki 35%	1. Professional Management Co., Ltd. 55% 2. Kevin Yamazaki 45%
Number of shareholders	1	2	2
Relationships between the companies	Capital relationship	Professional Management Co., Ltd. is a 55% shareholder of Total Workout Corporation.	
	Personnel relationship	Professional Management Co., Ltd.'s chairman Hidetoshi Yamamoto serves concurrently as chairman of Total Workout Corporation. Professional Management Co., Ltd.'s auditor Hiroyuki Yamanaka serves concurrently as auditor of Total Workout Corporation.	
	Business relationship	Professional Management Co., Ltd. provides sales promotion services to Total Workout Corporation.	

#### **4. Status after the merger**

(1) Trade name	Japan Sports Marketing, Inc.
(2) Business contents	Advertising agency services, etc., acquisition of copyrights (merchandizing rights) and content Management of professional sportspeople, entertainers Planning and operating sport events, selling television rights, etc. Acquiring copyrights, trademarks, and licenses; granting licenses Management of gymnasiums
(3) Address of the head office	1-10-8 Dogenzaka, Shibuya-ku, Tokyo
(4) Representative	Kazunori Sakazaki
(5) Capital	¥200 million
(6) Fiscal year-end	March 31
(7) Total no. of outstanding shares	27,280

#### **5. Outlook for earnings after the merger**

Specific projections are currently being formulated.

Earnings figures resulting from this merger are not included in the consolidated forecast earnings for the year ending March 31, 2006, announced on May 13, 2005.