(Translation)

August 22, 2013

To all parties concerned:

Fields Corporation
President and COO: Takashi Oya
(JASDAQ code 2767)
Inquiries: Hideaki Hatanaka
Executive Officer; General Manager,
Corporate Communications Office
Tel.: +81-3-5784-2111

Announcement of Merger of Consolidated Subsidiary (Simplified/ Short-form Merger)

Fields Corporation hereby announces that by resolution of its Board of Directors at a meeting held on August 22, 2013, EXPRESS Inc. (“EXPRESS”), consolidated subsidiary of Fields Corporation, will be merged into Fields Corporation as stated below.
As this merger is an absorption of a wholly owned consolidated subsidiary into the parent company, some data and statements disclosed for the merger are provided in summarized form below.

1. Objective of the merger

The Company is expanding into the fitness club business as part of its consumer products business, and a merger with EXPRESS, which operates fitness clubs in Fukuoka, would further enhance management efficiency.

2. Details of the merger

(1) Merger schedule

- Approval of merger at the board of directors meeting: August 22, 2013
- Signing of merger agreement: August 22, 2013
- Scheduled date of merger (Effective date) October 1, 2013

Note: This is a simplified merger in accordance with regulations set forth in Article 796, Paragraph 3 of the Companies Act for Fields Corporation and qualifies as a short-form merger as defined by Article 784, Paragraph 1 in the case of EXPRESS. Accordingly, the absorption of EXPRESS into Fields Corporation can proceed without the approval of each company’s shareholders.

(2) Merger process

EXPRESS will be dissolved as part of its merger and absorption into Fields Corporation, which will be the surviving company.

(3) Assignments related to merger

No new shares will be issued in association with this merger and no delivered money due to the merger will be paid.

(4) Handling of stock acquisition rights and bonds with stock acquisition rights of the dissolved company

Not applicable

3. Outline of companies in the merger (as of March 31, 2013)

Item		Surviving company	Dissolving company
(1)	Company name	Fields Corporation	EXPRESS Inc.
(2)	Location	16-17 Nampeidai-cho, Shibuya-ku, Tokyo, Japan	3-7-24 Nakasu, Hakata-ku, Fukuoka City, Fukuoka, Japan
(3)	Title and name of representative	Takashi Oya, President and COO	Tomo Kishimoto, President and COO
(4)	Main Business activities	Planning development and sales of pachinko and pachislot machines Planning development of content and acquisition of merchandising rights for content, and other	Planning and management of fitness clubs and swimming clubs, and other
(5)	Common stock	¥7,948 million	¥300 million
(6)	Establishment	June 10, 1988	December 26, 2005
(7)	Number of shares issued	34,700,000 shares	12,000 shares
(8)	End of fiscal year	March 31	March 31
(9)	Major shareholders and shareholding ratio (as of June 30, 2013)	Hidetoshi Yamamoto (25.00%) SANKYO CO., LTD. (15.00%) Takashi Yamamoto (10.41%)	Fields Corporation (100.00%)
(10)	Financial conditions and operating results in fiscal year immediately prior to merger		
	Fiscal year	Year ended March 31, 2013 (Consolidated)	Year ended March 31, 2013 (Non-Consolidated)
	Net assets	¥55,098 million	¥(483) million
	Total assets	¥106,628 million	¥338 million
	Net assets per share	¥1,644.15	¥(40,324.06)
	Net sales	¥108,141 million	¥523 million
	Operating income	¥10,314 million	¥35 million
	Ordinary income	¥10,268 million	¥24 million
	Net income	¥4,720 million	¥21 million
	Net income per share	¥142.27	¥1,781.65

Note: The financial conditions and operating results in the fiscal year immediately prior to merger are for the fiscal year ended in March 31, 2013. The Company waived some of EXPRESS's debts held by the Company before the effective date of this merger, and accordingly, as a result EXPRESS no longer had negative net worth as of August 22, 2013.

4. Status after merger

There will be no change to company name, location, title and name of representatives, business activities, capital and fiscal period of Fields Corporation.

5. Future outlook

As this merger is an absorption of a wholly owned consolidated subsidiary into the parent company, it will have little impact on consolidated and non-consolidated results.

◆For inquiries or further information please contact:◆
Corporate Communications Office, Fields Corporation
Shibuya Garden Tower, 16-17 Nampeidai-cho, Shibuya-ku, Tokyo 150-0036
Tel.: +81-3-5784-2109 Fax: +81-3-5784-2119