

2nd quarter (7. 2013 – 9. 2013)

# Financial Presentation

(First Half of the Year Ending March 31, 2014)



## FIELDS CORPORATION

(November 7, 2013)



JASDAQ Standard 2767

The Greatest Leisure for All People

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# **1. Summary of Results for the First Half of the Year Ending March 31, 2014 (Consolidated)**

# Overview

**Strong progress has been made into sales of pachinko/pachislot machines, which is our core revenue source**

**Development through the fostering and commercializing of Intellectual Property (IP) has continued to be promoted steadily**

## Earnings

- **Net sales: ¥36.38 billion (up 125.0% year-over-year)**
- **Operating income: ¥2.17 billion**  
(versus operating loss of ¥1.85 billion for the same period of the previous year)  
⇒ 4 brands and 5 titles, the main title “CR EVANGERION 8” etc., were developed in the sales of pachinko/pachislot business  
The number of pachinko/pachislot machines sold increased year-over-year

## Key IP Initiatives

- **Sales of the comic books “HERO’s Monthly” has progressed steadily**
- **Adapting animation series to games (including planning and development), goods and pachinko/pachislot has been operated smoothly**
- **Ongoing expansion of “Ultraman” series into movies/TV, games, pachislot machines (including planning and development) and comics**

# Consolidated P/L

**Business of selling pachinko/pachislot machines contributed to operating results**

**The number of both pachinko/pachislot machines sold increased, especially “CR EVANGELION 8” which sold 72,000 machines**

(Unit: Billion yen)

		Year ended March 31, 2013		Year ending March 31, 2014		
		H1	Full-Year	H1	YoY(%)	Full-Year Forecast
Net sales		29.11	108.14	<b>36.38</b>	125.0	120.00
Gross profit margin		8.82	33.27	<b>13.64</b>	154.7	37.80
SG&A expenses		10.68	22.96	<b>11.47</b>	107.4	25.30
Operating income		(1.85)	10.31	<b>2.17</b>	-	12.50
Ordinary income		(1.73)	10.26	<b>2.14</b>	-	12.50
Net income		(0.98)	4.72	<b>1.43</b>	-	6.30
PS sales P : pachinko S : pachislot (Unit: 10,000 machines)	P	4.6	9.9	<b>11.0</b>	<b>+6.3</b>	(Forecast) <b>45.0</b>
	S	5.4	22.8	<b>6.1</b>	<b>+0.7</b>	

# Number of pachinko/pachislot machines sold

(Unit: 10,000 machines)

	First half of the year ended March 31, 2013			First half of the year ending March 31, 2014		
Pachinko machine	Bisty	EVA Light III	1.6	Bisty	CR Beyond the Heavens	-
	Bisty	CR Sengoku BASARA 3 -The Battle of Sekigahara	1.6	Bisty	CR EVANGELION 8	7.2
				OK!!	BERSERK	1.9
		<b>Total for pachinko machines</b>	<b>4.6</b>		<b>Total for pachinko machines</b>	<b>11.0</b>
Pachislot machine	<b>RODEO</b>	Monster Hunter (portion due to cut-off error)	<b>3.9</b>			
	Bisty	GTO Limit Break	-	Ginza	Kaiji3	2.5
	Bisty	Yaoh	-	Enterrise	Devil May Cry 4	2.4
		<b>Total for pachislot machines</b>	<b>5.4</b>		<b>Total for pachislot machines</b>	<b>6.1</b>
Total	<b>Total for pachinko/pachislot machines</b>	<b>10.1</b>		<b>Total for pachinko/pachislot machines</b>	<b>17.1</b>	

\*Regarding the titles of pachinko/pachislot machines for which the number of machines sold was less than 10,000, the number of machines sold is not disclosed.

# Consolidated B/S

(Unit: Million yen)

	End of March 2013	End of September 2013	Increase /Decrease	Main factors for increase/decrease
Current assets	72,709	49,426	(23,283)	Decrease in notes and accounts receivable— trade and decrease in cash and cash equivalents
Tangible fixed assets	11,151	11,612	461	Increase by purchase of land for building a new branch office
Intangible fixed assets	4,540	4,552	11	
Investments and other assets	18,226	18,183	(42)	
<b>Total assets</b>	<b>106,628</b>	<b>83,774</b>	<b>(22,853)</b>	
Current liabilities	47,365	23,424	(23,940)	Decrease in notes and accounts payable— trade
Fixed liabilities	4,164	4,243	79	
Shareholders' equity	54,975	55,564	606	Increase in retained earnings
Net assets	55,098	56,106	1,008	
<b>Total liabilities</b>	<b>106,628</b>	<b>83,774</b>	<b>(22,853)</b>	

# Consolidated Cash Flows

(Unit: Million yen)

	H1 Year ended March 31, 2013	H1 Year ending March 31, 2014	Analysis of main factors	
Operating cash flows	1,070	<b>(4,554)</b>	Decrease in notes and accounts receivable—trade	20,429
			Decrease in notes and accounts payable—trade	(22,451)
			Income taxes paid	(3,844)
Investing cash flows	(2,625)	<b>(1,650)</b>	Expenditure for purchase of tangible fixed assets	(913)
			Expenditure for purchase of intangible fixed assets	(657)
			Expenditure for loans	(230)
Financial cash flows	(1,111)	<b>(1,387)</b>	Dividends paid	(828)
			Redemption of corporate bonds	(300)
			Reduction by repayment of short-term borrowings	(130)
Balance at beginning of period	18,284	<b>23,309</b>		
Balance at end of period	15,613	<b>15,708</b>		

## **2. Key IP Initiatives**

# IP creation, development and commercialization

## “HERO’S Monthly”



- Includes 20 stories
- “ULTRAMAN” in book form third volume released  
Cumulative copies published: approximately 900,000

## “Majestic Prince”



- TV series broadcasts
- Goods development and sales
- Social game development

## “Ultraman” series



- TV series broadcasts/movie screening  
“Ultraman Ginga”  
“ULTRA MONSTERS RUSH: ULTRA FRONTIER”
- Launch of arcade game  
“ULTRA MONSTERS RUSH: ULTRA FRONTIER”
- Pachislot machine development  
“ULTRAMAN WARS”

## “BERSERK”



- Social game distribution  
“BERSERK”
- Launch of pachinko machine  
“BERSERK”

# IP creation, development and commercialization



## **3-1. Merchandising Field**

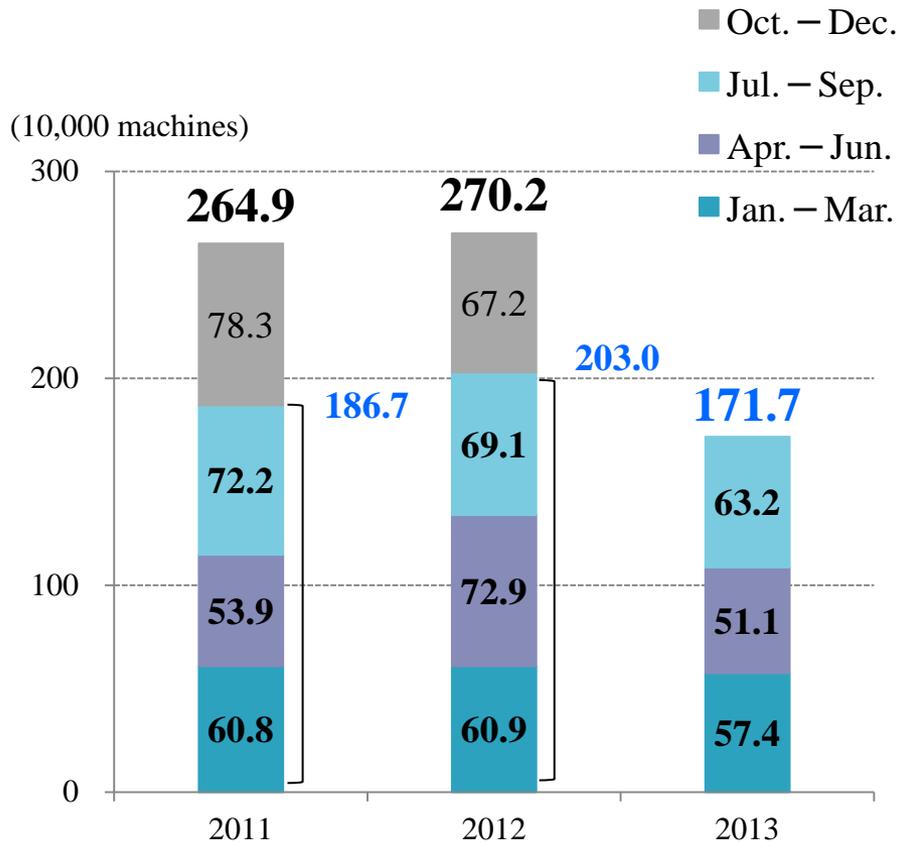
Pachinko/Pachislot Business

Interactive Media Business

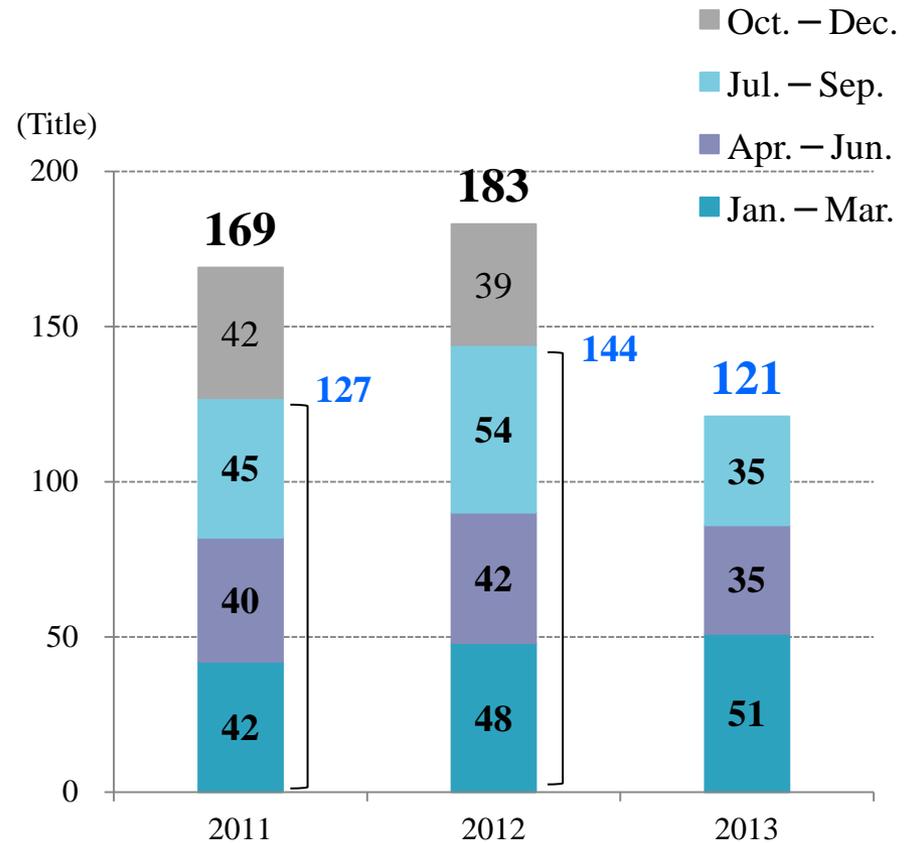
Consumer Products Business

# Status of pachinko machine sales

## Number of machines sold

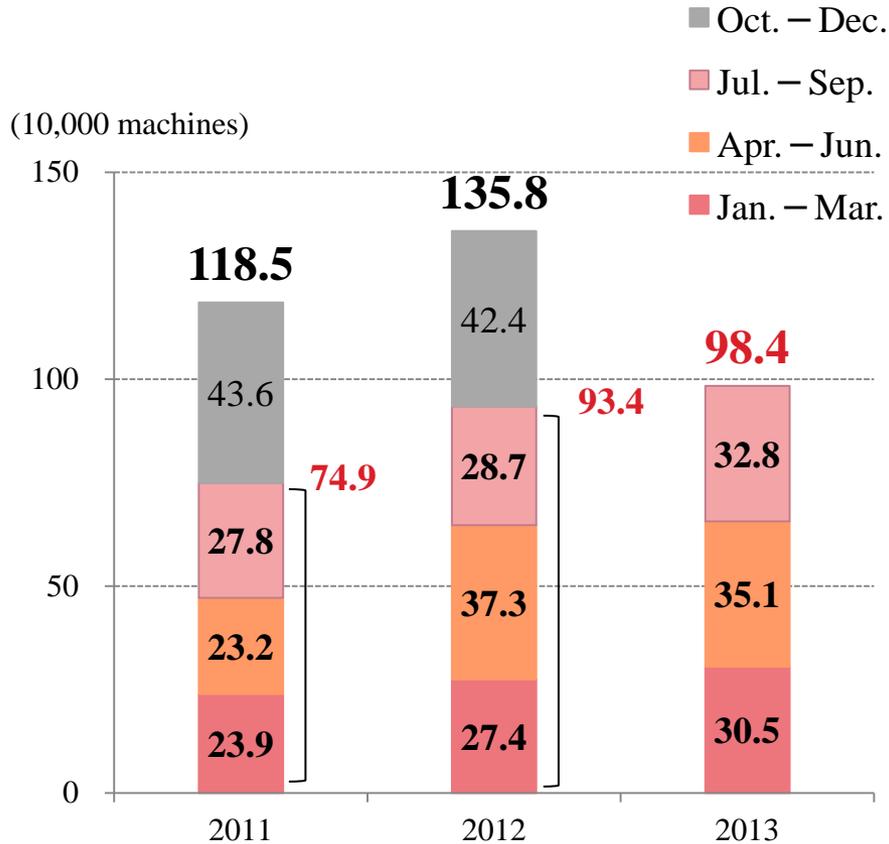


## Number of titles sold

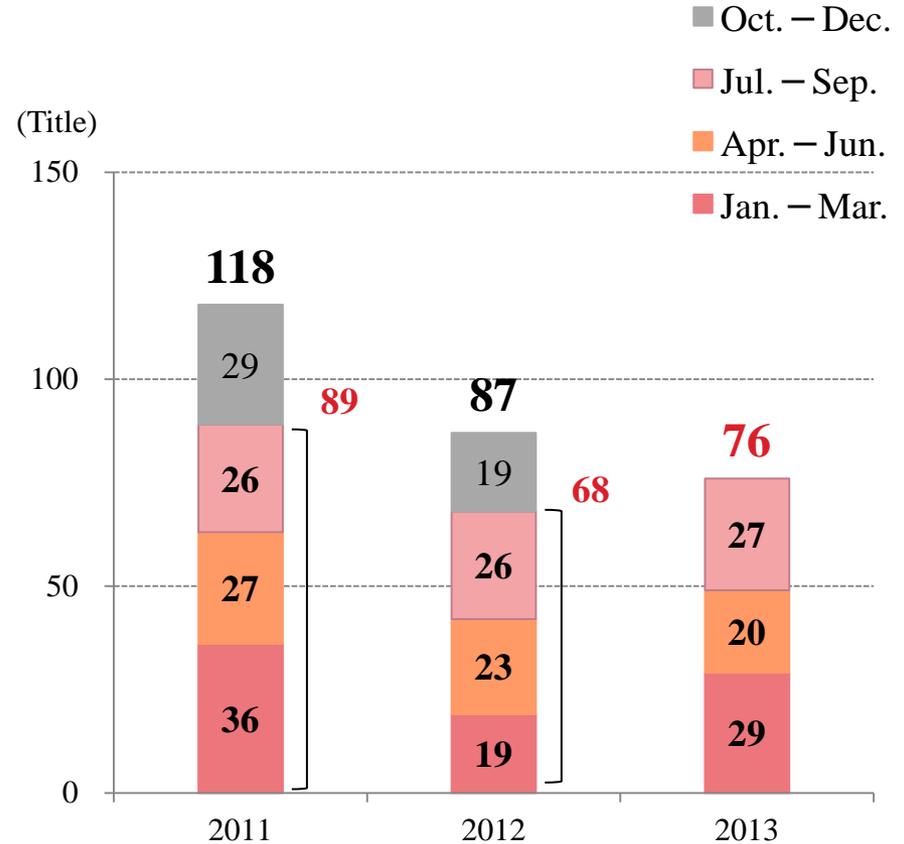


# Status of pachislot machine sales

## Number of machines sold



## Number of titles sold



# Product Line-up in and after Q3

## PACHISLOT ULTRAMAN WARS



Bisty  
October

## CR TEKKEN



Bisty  
November

## MOBILE SUIT GUNDAM



Bisty  
January

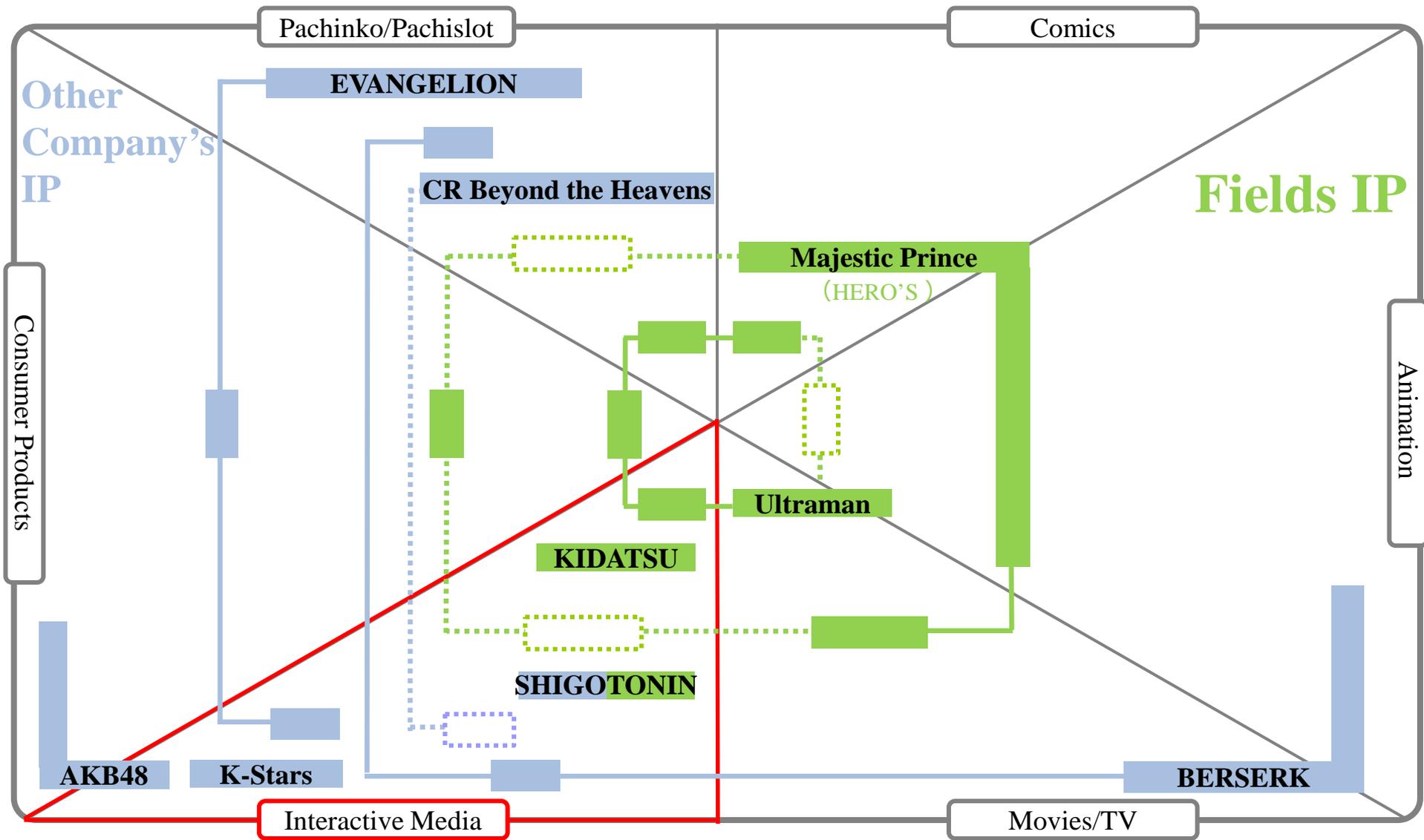
## **3-2. Merchandising Field**

Pachinko/Pachislot Business

Interactive Media Business

Consumer Products Business

# IP Linking with Interactive Media Business



# Disclaimer/Contact Information

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 of the pachinko/pachislot market in which the Company operates, market competition and the products handled by the Company.

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<Reference materials>

These materials were prepared for a presentation.

Please refer to the separate

Supplementary Financial Document

for the First Half of the Year Ending March 31, 2014

for more detailed data.