

The Greatest Leisure for All People



Financial Presentation

for the Year Ended March 31, 2015

FIELDS CORPORATION

Full-Year_(14.4~15.3)

Index

1. Overview

2. Summary of Results for the Year Ended March 31, 2015 (Consolidated)

3. Forecast of earnings for the Year Ending March 31, 2016 (Consolidated)

(Reference) Trends in Pachinko/Pachislot Market

Pachinko/Pachislot Market Data

4. IP Initiatives

Overview



Management
/Results

◆ **April 14, 2015: Listed on First Section of Tokyo Stock Exchange**

- 10 yen dividend commemorating listing on First Section of TSE to be paid

◆ **Full-year earnings: 99.5 billion yen in net sales,**

5.4 billion yen in ordinary income

- Earnings are generally in line with forecasts
-



Pachinko/
pachislot
machine
Sales

Pachinko machine sales; 302,000 units

Pachislot machine sales; 97,000 units

- 5 pachinko titles and 3 pachislot titles were sold, with the number of machines sold generally in line with the previous fiscal year
 - Number of machines sold exceeds forecasts for each titles launched
-



IP

150 total IP developed in 85 media forms in previous fiscal year

- Filming of stories run in “HERO’S ” Monthly got underway
- Collaborations with diverse corporations in the entertainment sector

2. Summary of Results (Consolidated)

Year Ended March 31, 2015

Consolidated P/L

Main pachinko/pachislot machine
lineup (Results)

Consolidated B/S

Consolidated cash flow

Consolidated P/L

Earnings are generally in line with forecasts

(Unit: Billions of yen)

	Year ended March 31, 2014	Year ended March 31, 2015			
	Full-Year	Plan	Full-Year	Increase/ Decrease	Increase/ Decrease (Plan)
Net sales	114.90 (100.0%)	100.00 (100.0%)	99.55 (100.0%)	(13.4)%	-0.44
Gross profit	33.81 (29.4%)	—	28.46 (28.6%)	(15.8)%	—
SG&A expenses	24.02 (20.9%)	—	23.72 (23.8%)	(1.2)%	—
Operating income	9.79 (8.5%)	5.00 (5.0%)	4.74 (4.8%)	(51.6)%	-0.25
Ordinary income	9.76 (8.5%)	5.00 (5.0%)	5.49 (5.5%)	(43.8)%	+0.49
Extraordinary income (loss)	(0.17)	—	0.26	—	—
Net income	5.37 (4.7%)	2.50 (2.5%)	3.01 (3.0%)	(43.8)%	+0.51

* The numbers in parentheses are ratio to net sales.

Pachinko/Pachislot Machine Lineup for the Year Ending March 31, 2015

Summary of Results for the Year Ended
March 31, 2015 (Consolidated)

(Unit: Machine)

	Q1	Q2	Q3	Q4	Full- Year		
Pachinko	OK!! “Pachinko Onimusha: Dawn of Dreams”  	*Reused machines etc.  	Bisty CR ayumi hamasaki 2 	Bisty CR EVANGELION 9 	Macy CR BATMAN  	OK!! Pachinko Ultra Battle Retsuden 	5 titles
	39,000	35,000	44,000	184,000	302,000		
Pachislot		Enterrise Pachislot Sengoku BASARA 3 		RODEO Salaryman Kintaro 	NANASHOW Pachislot BERSERK 	3 titles	
	6,000	23,000	7,000	62,000	97,000		

Number of pachinko/pachislot machines sold: 399,000

* The above number of machines posted to sales includes pachinko/pachislot machines other than the titles noted here.

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TM & © DC Comics. (s15) ©UNIVERSAL ENTERTAINMENT ©円谷プロ ©OK!! ©三浦建太郎 (スタジオ我画) ・白泉社/BERSERK FILM PARTNERS ©NANASHOW

Consolidated B/S

(Unit: Billions of yen)

	March 31, 2014	March 31, 2015	Increase/ Decrease	Main factors for increase/decrease
Current assets	66.92	71.01	4.09	Increase in notes and accounts receivable—trade
Tangible fixed assets	12.10	12.19	0.09	
Intangible fixed assets	4.36	4.49	0.12	
Investments and other assets	21.47	22.61	1.13	Increase in long-term loans
Total assets	104.86	110.31	5.44	
Current liabilities	41.73	45.77	4.04	Increase in short-term borrowings Increase in notes and accounts payable—trade
Fixed liabilities	4.38	4.29	(0.08)	
Net assets	58.75	60.24	1.49	Increase in retained earnings
Total liabilities and net assets	104.86	110.31	5.44	

Consolidated cash flow

(Unit: Billions of yen)

	Year ended March 31, 2014	Year ended March 31, 2015	Analysis of main factors	
Operating cash flows	16.32	(9.08)	Income before income taxes and minority interests	5.75
			Increase in notes and accounts receivable—trade	(17.23)
			Depreciation and amortization	2.13
			Income taxes paid	(1.95)
Investing cash flows	(8.01)	(6.29)	Expenditure for loans	(4.22)
			Expenditures for purchase of tangible fixed assets	(1.58)
			Expenditures for purchase of intangible fixed assets	(1.66)
Financial cash flows	(2.01)	1.62	Proceeds from short-time borrowings	3.38
			Dividends paid	(1.65)

Cash and cash equivalents at beginning of period	23.30	29.58	
Cash and cash equivalents at end of period	29.58	15.82	

3. Forecast of earnings (consolidated)

Year Ending March 31, 2016

Forecast of earnings (consolidated)

Toward reforms in management
structure

Forecast of consolidated earnings

Forecasts of higher sales and higher profits in fiscal year ending in March 2016 / 10 yen dividend commemorating listing to be paid

(Unit: Billions of yen)

	Year ended March 31, 2014	Year ended March 31, 2015	Year ending March 31, 2016		
	Results	Results	Plan	YoY	Increase/ Decrease
Net sales	114.90 (100.0%)	99.55 (100.0%)	120.00 (100.0%)	+ 20.5%	+ 20.44
Operating income	9.79 (8.5%)	4.74 (4.8%)	6.00 (5.0%)	+ 26.5%	+ 1.25
Ordinary income	9.76 (8.5%)	5.49 (5.5%)	6.50 (5.4%)	+ 18.4%	+ 1.00
Net income	5.37 (4.7%)	3.01 (3.0%)	3.50 (2.9%)	+ 15.9%	+ 0.48
Dividend per share	50 yen	60 yen <small>*Commemorative dividend 10 yen</small>	50 yen		
Payout ratio (consolidated)	30.9%	66.0%	47.4%		

* The numbers in parentheses are ratio to net sales.

Forecast of consolidated earnings

1) Pachinko/pachislot

- ◆ Targeting further growth in total number of machines sold and market share
 - Plans to launch products from all affiliated manufacturers (including 2 manufacturers with which Fields has formed new relationships)
 - Plans to release twice as many new titles as in previous fiscal year

2) Social games

- ◆ Improvements to game elements of existing titles, launch of highly innovative titles

3) Management overall

- ◆ Reforms to management structure - Thorough cost management

Toward reforms in management structure

Start of reforms to create a more productive management structure

- ◆ Establish a speedy IP cyclical business model
- ◆ Establish solid management foundation by reinforcing earning capacity

Specific measures

- 1) Implement constructive changes in all businesses
 - Reexamine significance of all businesses currently being developed and decide on future policies
 - Take inventory of IP holdings and decide on policies for developing IP
 - Consider organization able to execute IP development and framework for HR development from a company-wide perspective
 - Consider Group elimination and consolidation
- 2) Establish medium-term management plan
 - Improve earning capacity with thorough cost management (10-20%/3 years less)
 - Return profits to shareholders and strengthen governance

(Reference)
Trends in
Pachinko/Pachislot
Market

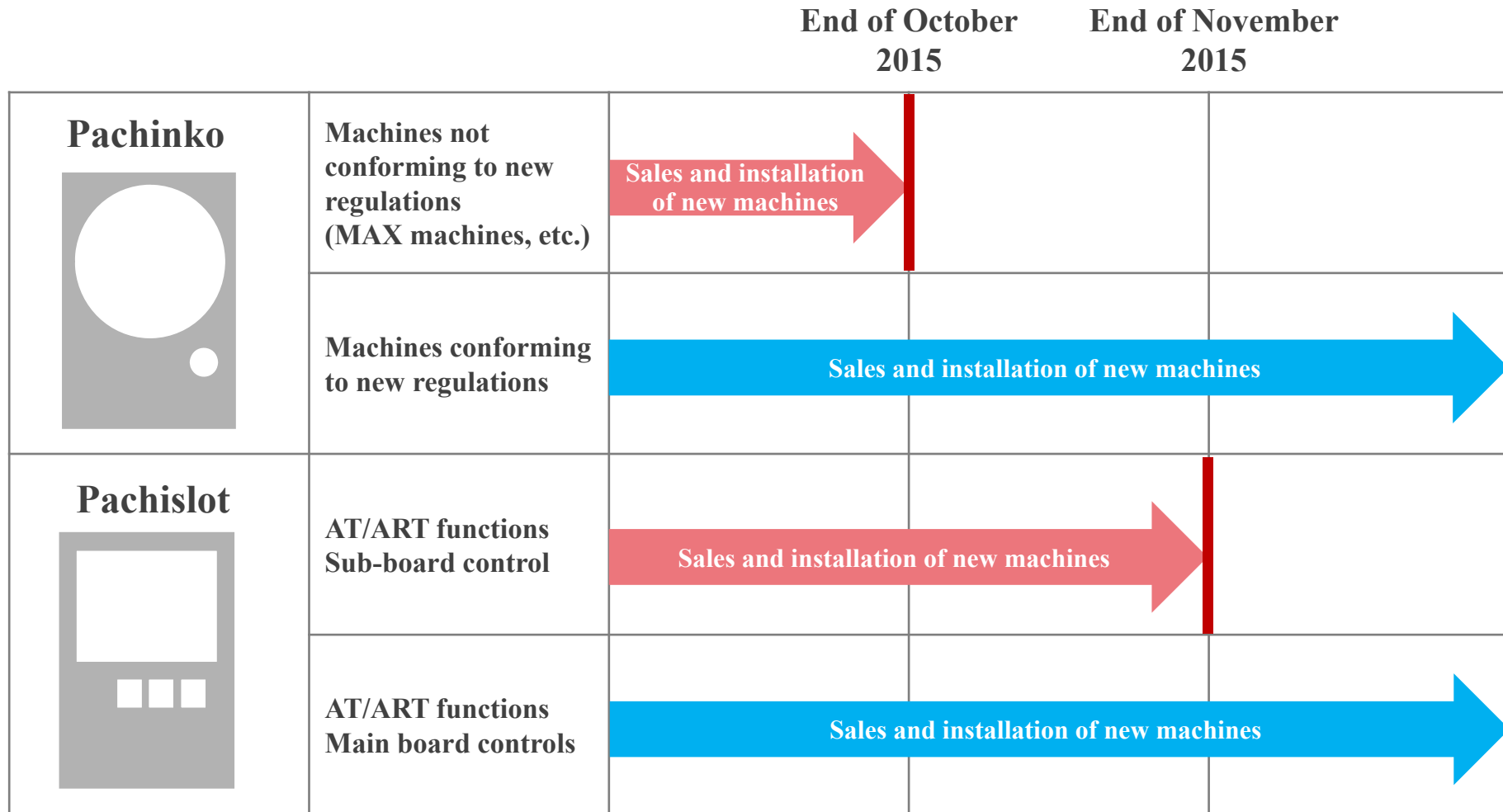
Deadline for sales of
pachinko/pachislot machines and
new machine installment

Changes to standards for pachinko
machines (details)

Changes in Pachinko Sales Market

Deadline for sales of pachinko/pachislot machines and new machine installment

Release of pachinko/pachislot machines complying with new regulations in 2015



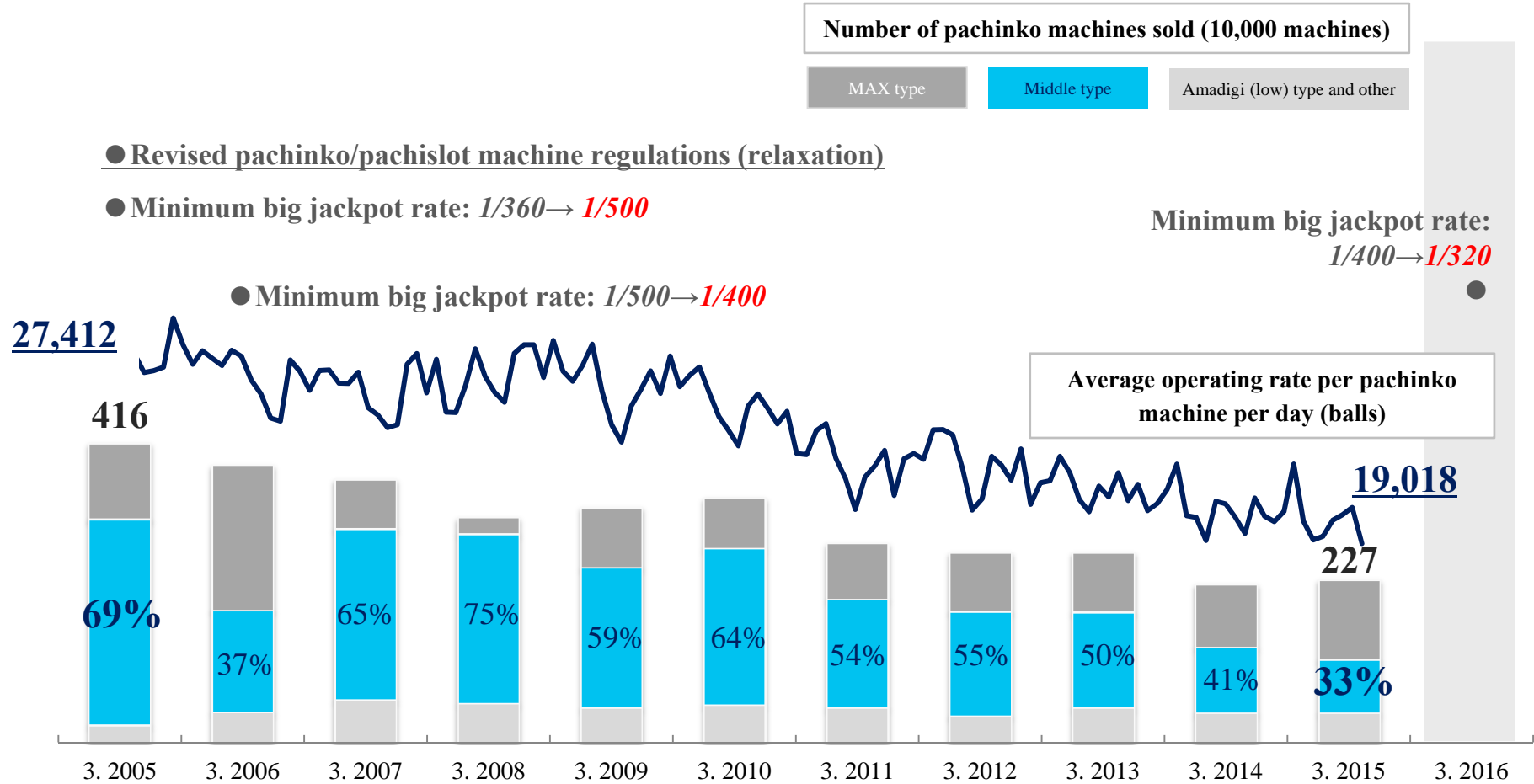
Changes to standards for pachinko machines (details)

Nikkoso: New standards set to curb high-stakes gambling elements

	Before change	After change
Minimum big jackpot probability	1/400 or less	1/320 or less
Minimum ball discharge per initial big jackpot	—	<p>Divided into 3 categories depending on big jackpot probability rate band to set minimum standard for initial big jackpot</p> <p>* 1/3, 1/4 or 1/8 of maximum ball discharge per big jackpot</p>
Expected value for ball discharge	The maximum expected value for ball discharge, including initial big jackpot , is set by type (loop/ST, V probability variation).	<p>The maximum expected value for ball discharge, not including initial big jackpot, is newly set by type (loop/ST, V probability variation).</p> <p>* Total number of balls discharged is restricted according to type.</p>
Date of application	—	For newly opened halls from November 1, 2015 (some exceptions)

Changes in Pachinko Sales Market

Decrease in sales of middle type → average operating rate declines



Source: Fields

(Reference)
Pachinko/Pachislot
Machines Market Date

Status of pachislot machines sales

Status of pachislot machines installed

Status of pachinko machines sales

Status of pachinko machines installed

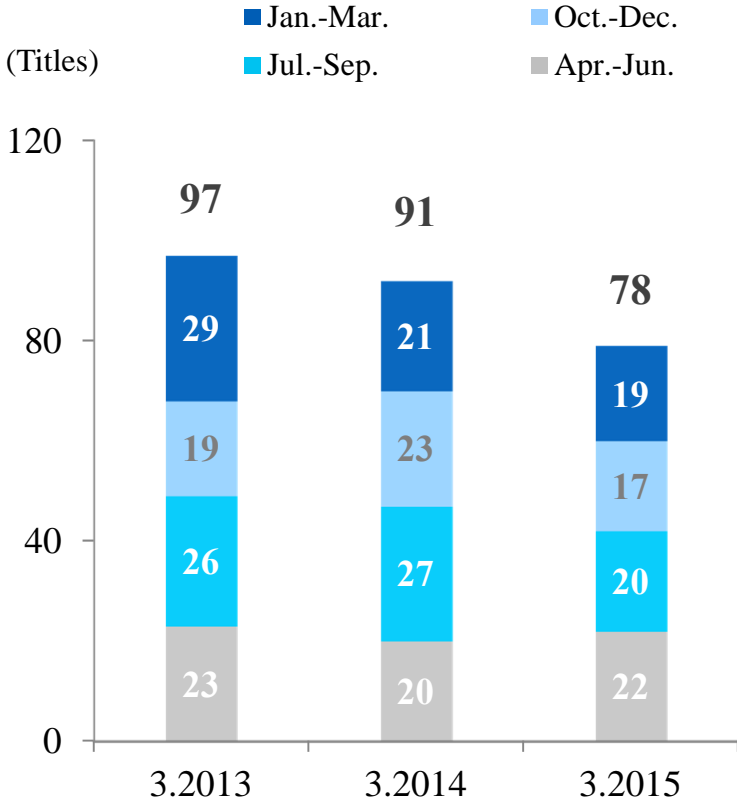
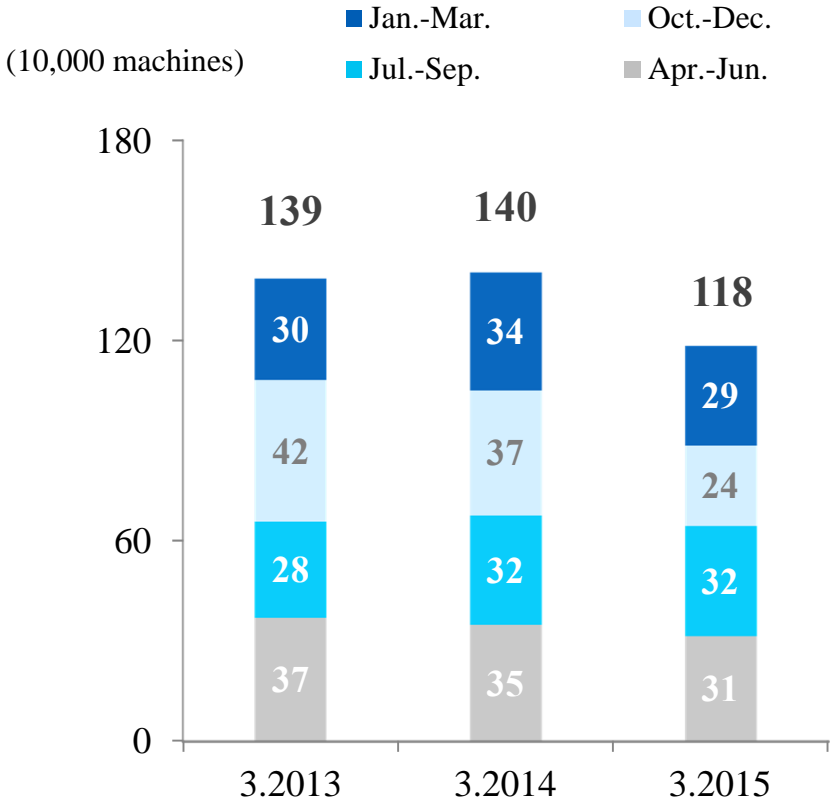
SCA; status of implementation of
model certification test

Status of pachislot machine sales

Decrease in number of machines sold and titles as a result of change in model certification test method in fiscal year ended in March 2015

Number of pachislot machines sold

Number of pachislot titles sold



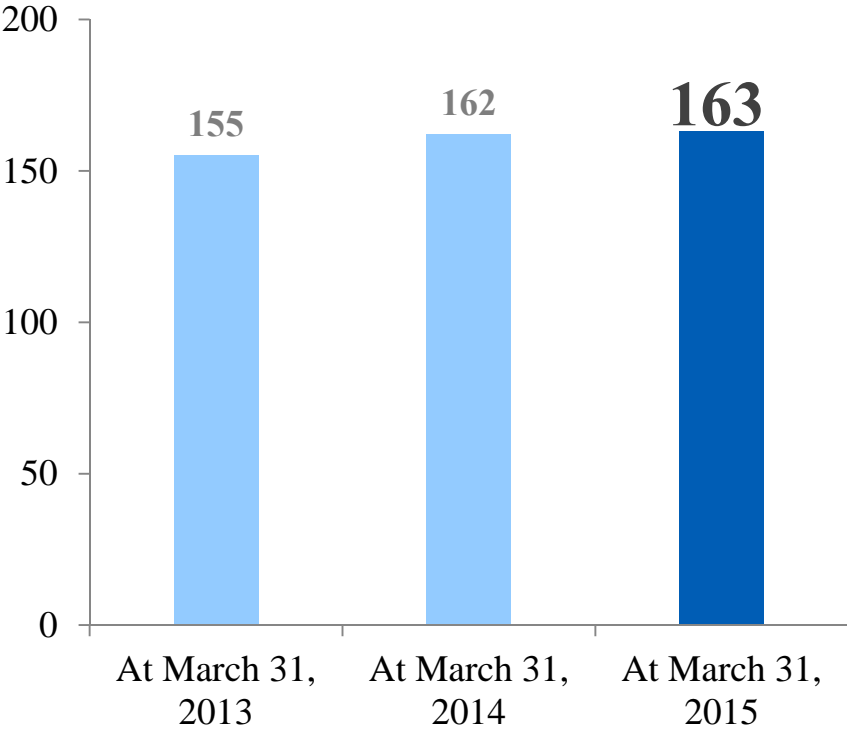
Source: Fields

Status of pachislot machine installation

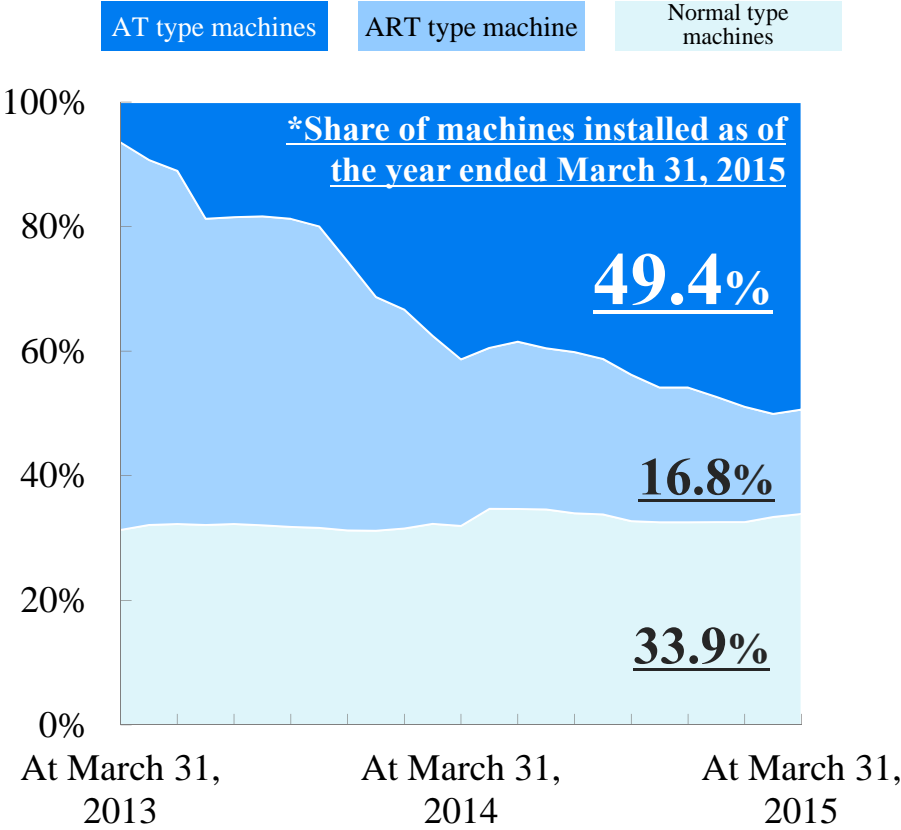
Number of machines installed as of March 31, 2015 was flat compared with the same month of the previous year

Number of pachislot machines installed

(10,000 machines)



Share of pachislot machines installed

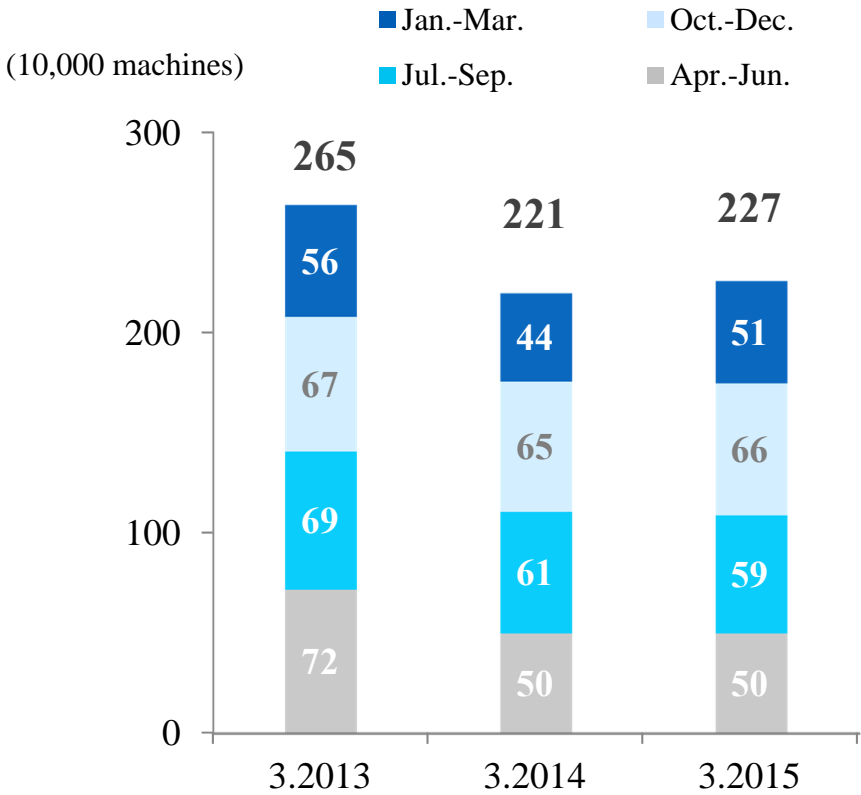


Source: Fields

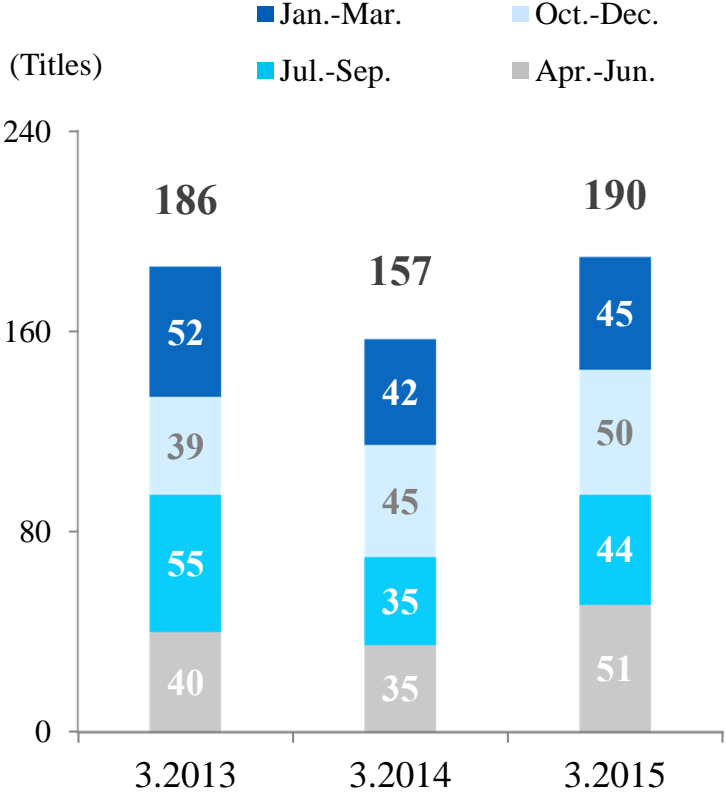
Status of pachinko machine sales

Number of machines sold in fiscal year ended in March 2015 rose slightly, while the number of titles sold increased significantly

Number of pachinko machines sold



Number of pachinko titles sold

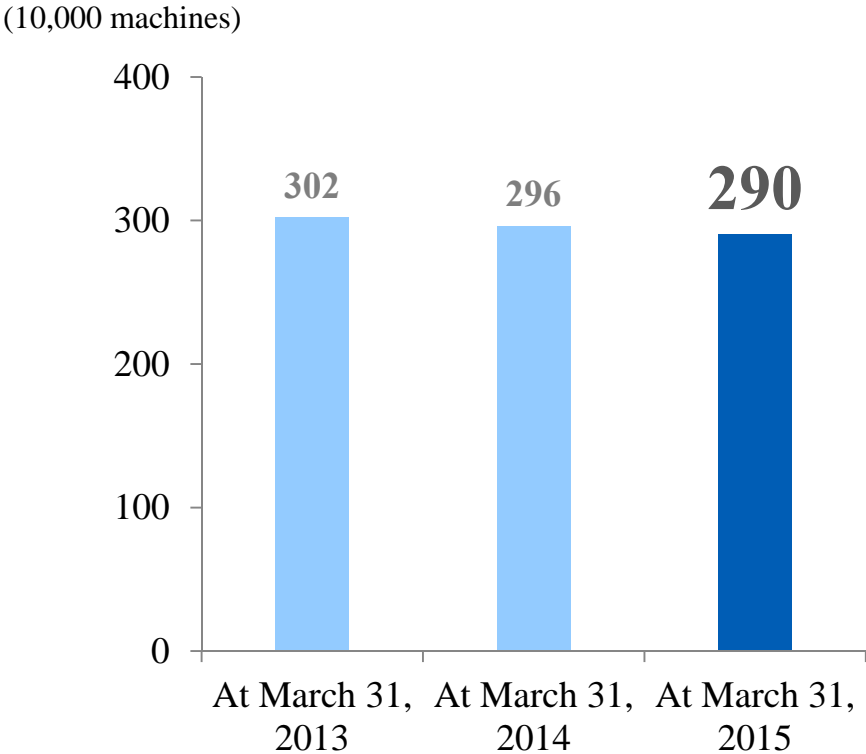


Source: Fields

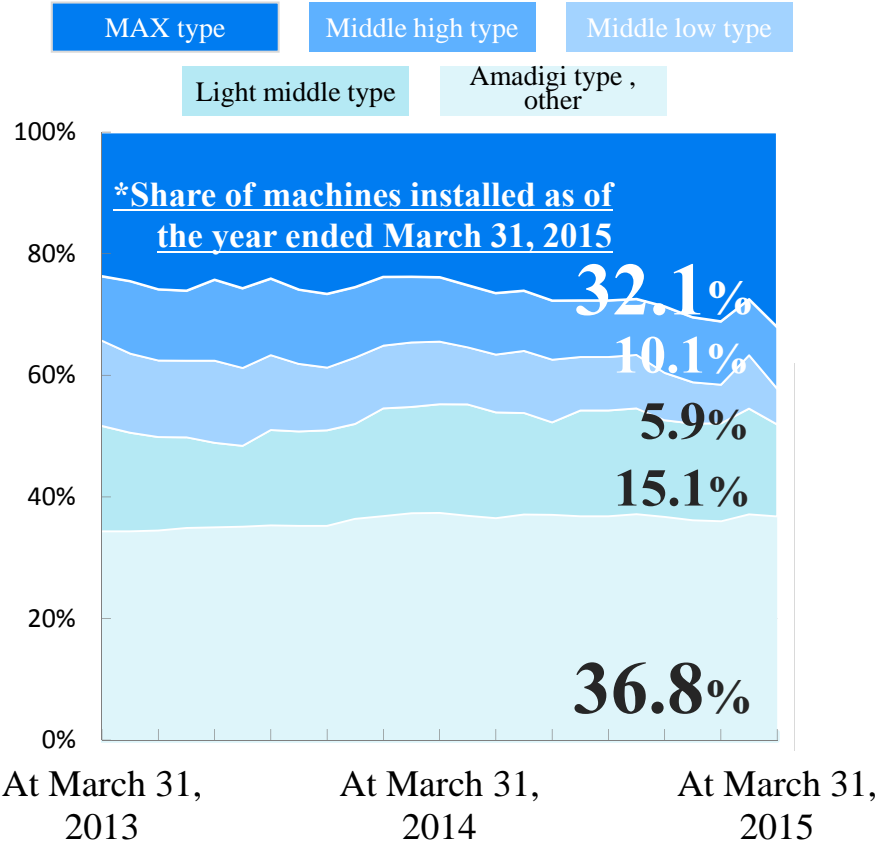
Status of pachinko machine installation

Number of machines installed as of March 31, 2015 was flat compared with the same month of the previous year

Number of pachinko machines sold



Number of pachinko titles sold

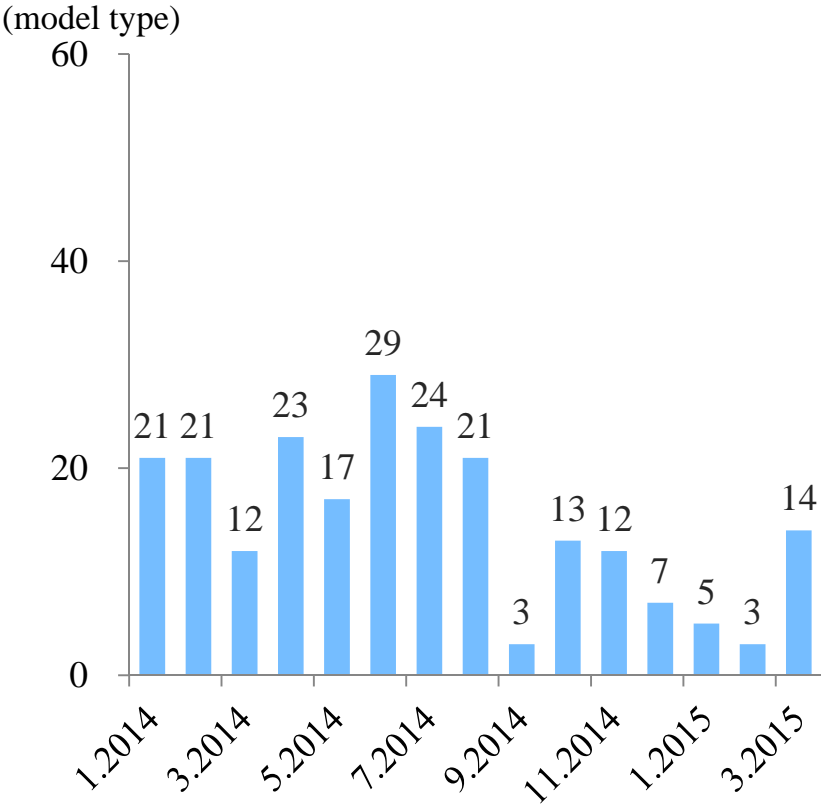


Source: Fields

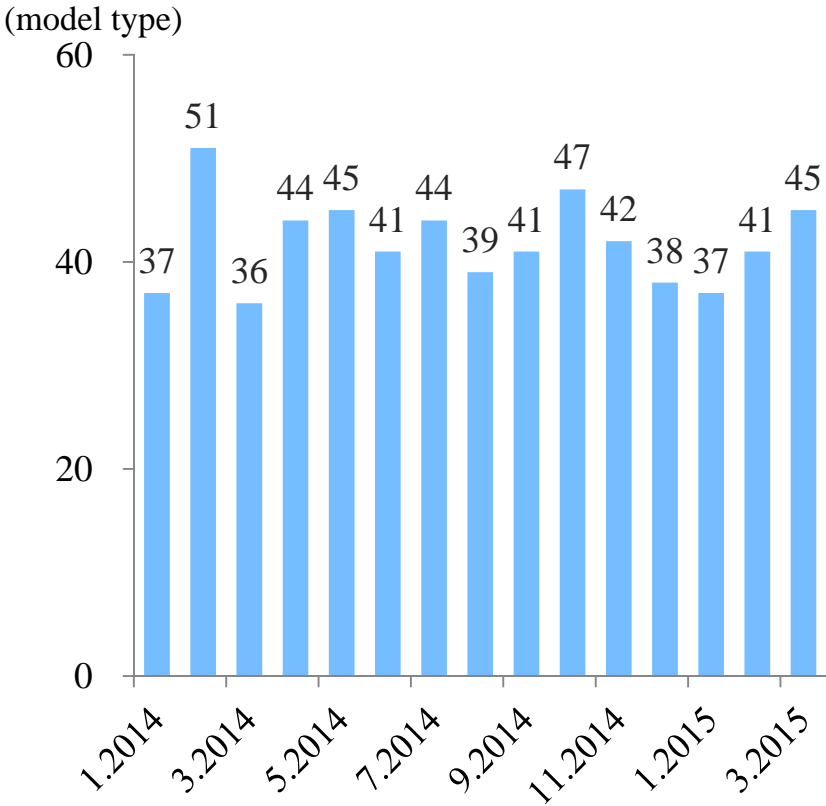
SCA; status of implementation of model certification test

The number of conforming pachislot machines will improve compared to March 2015, with an average of 40 pachinko titles per month.

Number of pachislot machines passing model certification test



Number of pachinko machines passing model certification test



Source: Security Communications Association

4. IP Initiatives

Principle behind Cyclical Business Model

Status of IP development

Status of IP development

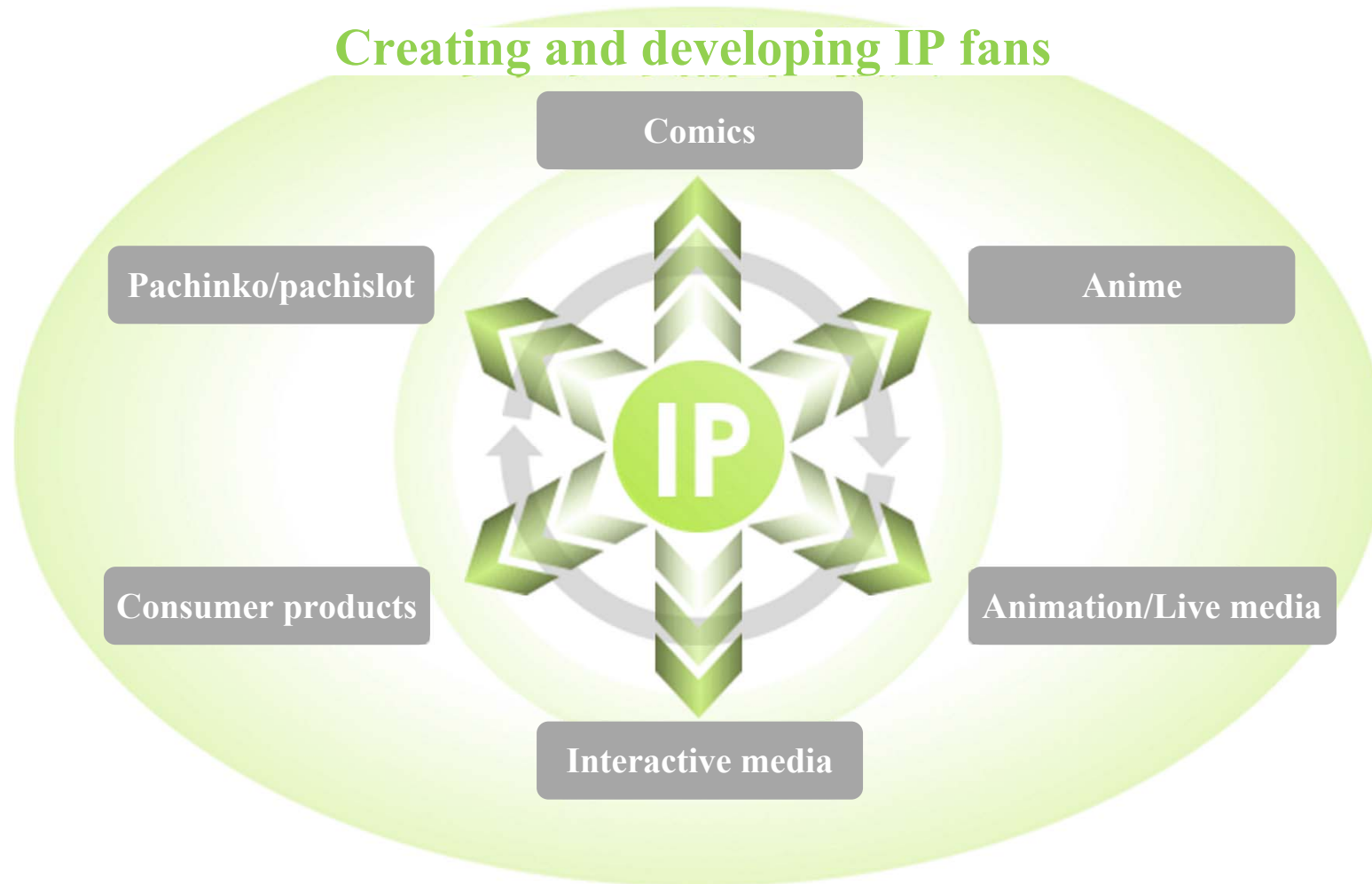
Current status of IP film development

Status of IP merchandising

Conditions in Ultraman series

Philosophy behind cyclical business model

Cross-media development of IP = IP sharing



Status of IP development

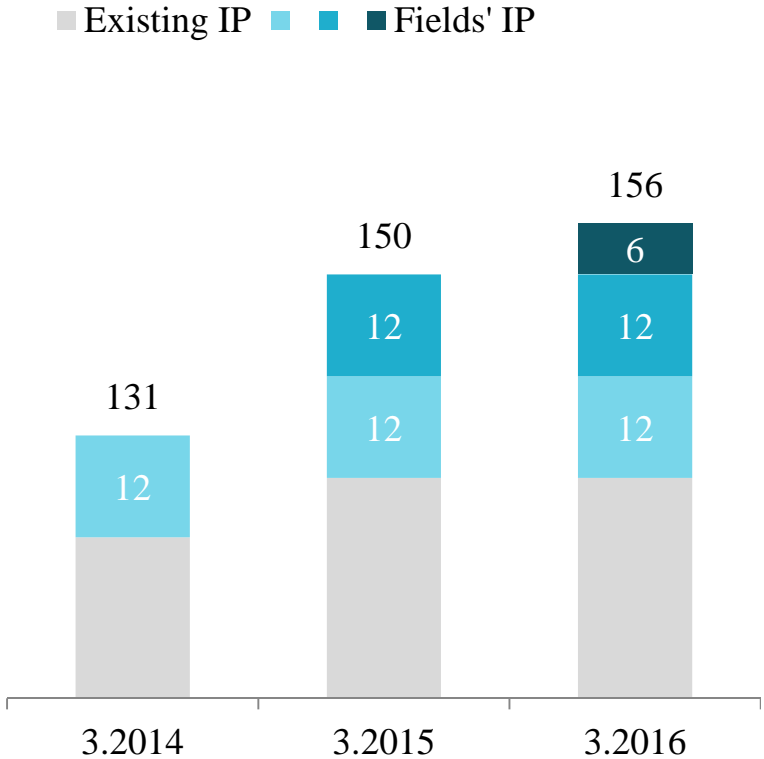
Total number of IP: 150

Focus on high-quality IP by carefully concentrating resources

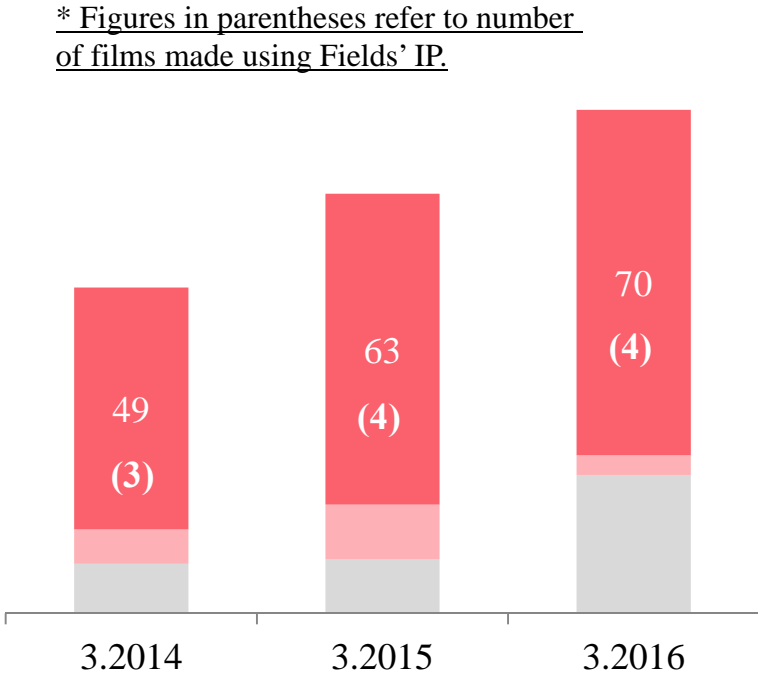
Total IP

Number of media for IP development

(As of March 31, 2015)



Other Companies' IP Collaboration IP Fields' IP



* Figures in parentheses refer to number of films made using Fields' IP.

* The creation of our own IP refers primarily to the number of new works published in "HERO'S" Monthly. /Merchandising refers primarily to the total number of social games, PS and publications in book format.

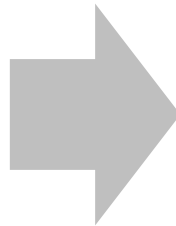
Status of IP development

Create IP primarily from “HERO’S” Monthly,
expand across media forms

November 2011 – March 2015
49 works created



©ヒーローズ



New IP creation: **6 IP** per fiscal year

7 IP currently being developed
for film



Game development: **6 IP** selected

Development as pachinko/pachislot machines:
3 IP selected

Current status of IP film development

Develop films with view to cross-media devevelopment

	Main IP	Year Ending March 31, 2016	Year Ending March 31, 2017	Year Ending March 31, 2018
HERO'S IP	SWORDGAI		TV (anime)	
	SOUL ReVIVER	Scripts under development		
	Other works		TV / Movie (anime • Live-action film)	
Tsuburaya's IP	Ultraman series for kids	TV/Movie	TV/Movie	TV/Movie
	Ultraman series for adults		TV	Movie
	Other Tsuburaya' IP		TV	Movie
Collaboration IP	NINJA SLAYER FROM ANIMATION	Internet delivery	TV	
	Products produced and invested in jointly	TV / Movie (anime • Live-action film)		

Status of IP merchandising (social game)

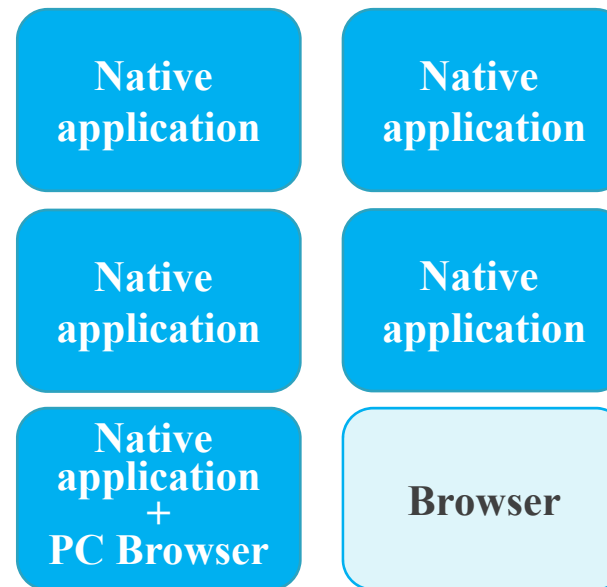
Improve game elements of existing titles, release highly innovative titles

Existing titles (As of April 2015)



Improve game elements

New titles



6 titles to be released for the year ending March 31, 2016

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Status of IP merchandising (related to commercialization)

Plans to launch diverse products utilizing IP

Overview of “NINJA SLAYER”

Hold merchandising rights in Japan and overseas

25 licensing companies have plans to develop digital goods, miscellaneous goods and overseas broadcast syndication, apparel and miscellaneous goods, figures, convenience store sweepstakes, prizes, capsule toys and other goods.

Recommended retail price:
Over 1.5 billion yen

©Ninj@ Entertainment/Ninj@ Conspiracy



Other merchandising plans “A”

- ◆ **Monetize highly entertaining products**
 - Plan and develop gimmick products utilizing characters
 - Build up a platform business based on gimmick products
 - Plans to introduce at over 2,000 stores, primarily GMS and drug stores

Other merchandising plans “B”

- ◆ **Create new market and customers in trading card games**
 - Devise new ways of playing, stories and characters
 - Cross-media expansion in cooperation with major publishing companies and toy companies
 - Film development under consideration

Status of IP merchandising (Related to commercialization)

Conceptual license putting concepts into shape

Launch of new license brand “A MAN of ULTRA”

Overview of “A MAN of ULTRA”

Concept and world view

**Create Ultra Man
for everyday world**

Freely design the concept and world view of
“A MAN of ULTRA” under the restraint of not to
express character realistically



* As of April 28, 2015

Licensed companies: 17

**A
MAN
of ULTRA**



Conditions in Ultraman series

Generate stable revenue through multi-media expansion Accelerate overseas expansion from fiscal year ending in March 2016

Expansion of Ultraman series

- (1) Expand sales of related products based on films/broadcast syndication overseas
 - Continually release TV series and expand sales of related products
 - Syndicate programs overseas, plan new productions, and hold events
- (2) Pursue various measures for overseas development of IP
 - Plan experience-based live entertainment shows in Japan and overseas
 - Hold HERO shows in Malaysia

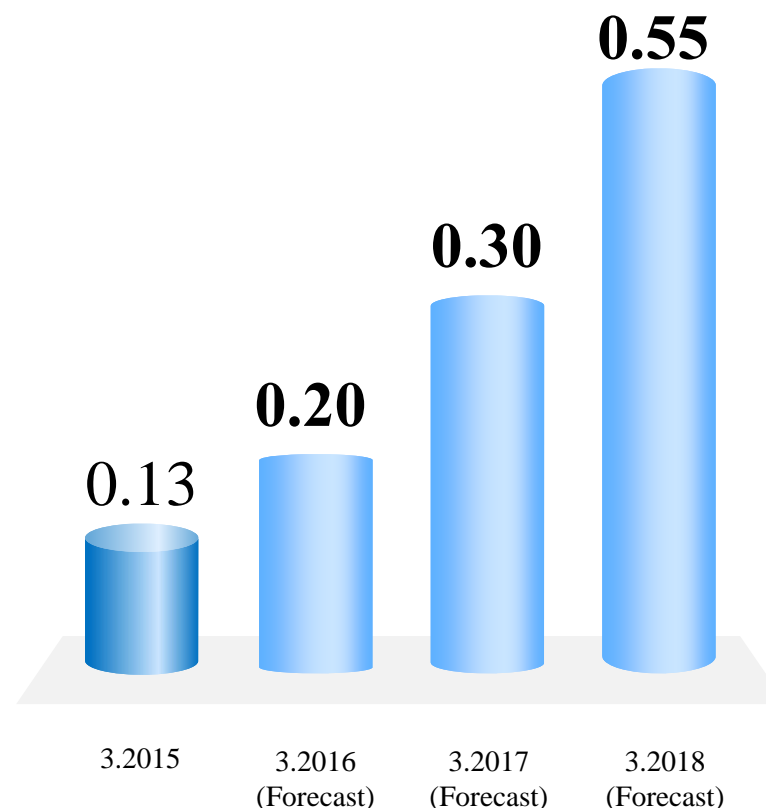


©Tsuburaya Productions Co., Ltd.



Tsuburaya Productions' overseas gross margin (image)

(Unit: Billions of yen)



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.



Gaming and Entertainment

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