Summary

(Translation)

FIELDS CORPORATION
Summary of Financial Information and Business Results (Consolidated) for the Year Ended March 31, 2016 (Japan GAAP)

April 27, 2016
Listed on: TSE 1st

Company Name:	FIELDS CORPORATION (URL: http://www.fields.biz/)
Stock code:	2767
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Planned Date for Ordinary General Meeting of Shareholders:	June 22, 2016
Planned Date for Start of Dividend Payment:	June 23, 2016
Planned Date for Submittal of the Financial Statements Report:	June 22, 2016
Full year earnings supplementary explanatory materials:	Yes
Full year earnings presentation:	Yes (For institutional investors and security analysts)

(Rounded down to the nearest million)

1. Consolidated business results for the year ended March 31, 2016 (April 1, 2015 to March 31, 2016)

(1) Operating results (cumulative total) (Percentage figures denote year-over-year changes)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Year ended March 31, 2016	94,476	(5.1)	1,411	(70.4)	1,380	(74.9)	118	(96.1)
Year ended March 31, 2015	99,554	(13.4)	4,760	(51.4)	5,491	(43.8)	3,018	(43.8)

(Note) Comprehensive income Year ended March 31, 2016: ¥159 million (94.7%)
Year ended March 31, 2015: ¥3,034 million (45.7%)

	Net income per share	Diluted net income per share	Return on equity	Ordinary income to total assets	Operating margin
	Yen	Yen	%	%	%
Year ended March 31, 2016	3.58	—	0.2	1.4	1.5
Year ended March 31, 2015	90.97	—	5.1	5.1	4.8

(Reference) Equity in net income of affiliates Year ended March 31, 2016: ¥(962) million
Year ended March 31, 2015: ¥187 million

(2) Financial position

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
Year ended March 31, 2016	92,478	58,291	62.0	1,726.88
Year ended March 31, 2015	110,316	60,246	53.9	1,792.83

(Reference) Shareholders' equity Year ended March 31, 2016: ¥57,304 million
Year ended March 31, 2015: ¥59,492 million

(3) Cash flows

	Cash flow from operating activities	Cash flow from investing activities	Cash flow from financing activities	Cash and cash equivalents at end of year
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Year ended March 31, 2016	13,353	(2,191)	5,214	32,200
Year ended March 31, 2015	(9,086)	(6,297)	1,624	15,823

2. Dividends

	Annual dividends				
	First quarter-end	Second quarter-end	Third quarter-end	Year-end	Annual
	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2015	—	25.00	—	35.00	60.00
Year ended March 31, 2016	—	25.00	—	25.00	50.00
Year ending March 31, 2017 (Forecast)	—	25.00	—	25.00	50.00

(Note) Breakdown of year-end dividend for the year ended March 31, 2015

Ordinary dividend: 25 yen, Commemorative dividend: 10 yen

	Total dividend (annually)	Payout ratio (consolidated)	Dividend on equity ratio (consolidated)
	Millions of yen	%	%
Year ended March 31, 2015	1,991	66.0	3.4
Year ended March 31, 2016	1,659	1,398.1	2.8
Year ending March 31, 2017 (Forecast)		—	

3. Forecast of consolidated earnings for the fiscal year ending March 31, 2017 (April 1, 2016 to March 31, 2017)

(Percentage figures denote year-over-year changes)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full-year	115,000	21.7	2,000	41.7	2,000	44.9	1,000	742.7	30.14

(Note) Fields Corporation discloses a full-year business forecast, as it manages its business performance on an annual basis.

***Notes**

(1) Transfer of important subsidiaries during the year under review (Transfer of specific subsidiaries that results in a change in the scope of consolidation): No

(2) Changes in accounting principles, accounting procedures, presentation method and other factors

1) Changes due to the revision to the accounting standards, etc.: Yes
2) Changes due to any reason other than those in 1) above: No
3) Changes in accounting estimates: No
4) Revisions/restatements: No

(3) Number of shares issued (common stock)

1) Number of shares issued at end of year (including treasury stock)

Year ended March 31, 2016	34,700,000 shares
Year ended March 31, 2015	34,700,000 shares

2) Number of shares of treasury stock at end of year

Year ended March 31, 2016	1,516,200 shares
Year ended March 31, 2015	1,516,200 shares

3) Average number of shares outstanding (quarterly consolidated cumulative period)

Year ended March 31, 2016	33,183,800 shares
Year ended March 31, 2015	33,183,800 shares

Note regarding the number of shares issued

* Indication of status of quarterly review procedure

This quarterly earnings report is not subject to review procedures based upon the Financial Instruments and Exchange Act. Thus, at the time of disclosure of the financial results, the quarterly financial statement review procedures based upon the Financial Instruments and Exchange Act have not been completed.

* Explanation of the appropriate usage of forecast earnings and other specific matters

The above forecast relies on judgments and assumptions based on information available as of the date of announcement of this material, and is subject to changes in risks, uncertainties, and economy, and other factors that could cause actual results to be materially different from expectations. Please refer to“(3) Review of consolidated earnings forecasts and other forecasts” under “1. Qualitative information on quarterly financial results” on page 2 of the attached documents for the assumptions on which the forecast relies.

The Company is planning to hold a results briefing for institutional investors and analysts on Thursday, April 28, 2016. Materials distributed at that briefing will be posted on the Company’s website after the briefing as soon as possible.

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1. Operating results

(1) Analysis of operating results

[1] Overview of operations for the year ended March 31, 2016 (April 1, 2015 to March 31, 2016)

For the consolidated fiscal year under review, the Company recorded net sales of ¥94,476 million (down 5.1% year-over-year), operating income of ¥1,411 million (down 70.4% year-over-year), ordinary income of ¥1,380 million (down 74.9% year-over-year) and net income attributable to owners of parent of ¥118 million (down 96.1% year-over-year).

The Fields Group has set out a corporate philosophy, “The Greatest Leisure for All People.” To achieve this goal, the Group makes an effort to plan, develop and provide products and services that will enrich the hearts of people of the world, aiming at realizing sustainable growth.

Under its medium- to long-term growth strategy, the Group carries out a cyclical business in which it develops intellectual property (IP), such as characters and stories that are the bases of entertainment, across multimedia formats, including comics, animations, films, games and pachinko/pachislot machines.

In the fiscal year under review, in addition to continuing to focus on the creation of IP mainly through “HERO’S Monthly,” the Group promoted the expansion of IP into films and other media in cooperation with its business partners. Moreover, targeting multimedia expansion, including overseas, the Group narrowed down IP on which it would focus in the future.

In the same manner, in its mainstay business, the pachinko/pachislot business, by cooperating with its partner manufacturers, the Group focused on planning and developing highly entertaining pachinko/pachislot machines that use IP and it endeavored to increase sales of the machines.

The Group’s main business activities are as follows.

In comics, the Group started four new series in “HERO’S Monthly.” Moreover, it promoted projects to bring the IP that had been created in this magazine to film, and focused on adopting it in games and pachinko/pachislot machines. The Group has also started the distribution of electronics comics in China, as part of its global expansion.

In visual/live media, the Group broadcasted “Ultraman X,” as a new product of the Ultraman series. Moreover, with regard to the commencement of the broadcasting of “Ultraman Orb,” the Group took a variety of measures such as changing the broadcasting time to one when more children have opportunities to watch. In addition, the Group strengthened not only program sales, but also live entertainment, advertising, and product development both in Japan and various regions in Asia. In animation, the Group focused on merchandizing in addition to working toward improved visibility of IP and providing four titles through televised and web distribution.

In interactive media, as for social games, in addition to the titles that continued from the previous term, the Group newly distributed three titles, including the “TOWER of PRINCESS.” It also proactively carried out promotional activities to enhance visibility, and improvements targeted at raising service quality, among other measures.

In consumer products, aiming to expand the area of the IP business, the Group managed concept shops using IP and established a conceptual brand, “A MAN of ULTRA.”

In pachinko/pachislot machines, the Group sold seventeen titles through seven brands. In the fiscal year under review, the pachinko/pachislot machine sales market faced a situation in which it was difficult to develop hit products, mainly due to the effects of the movement to new regulation machines. This meant that the number of pachinko/pachislot machines sold in the overall market also remained lower year-over-year. In this environment, the Company worked to expand sales of pachinko/pachislot machines. As a result, the number of pachislot machines sold stood at 126,000 (up 29,000 year-over-year) while the number of pachinko machines sold amounted to 162,000 (down 140,000 year-over-year) and the total number of pachinko/pachislot machines sold was 289,000 (down 110,000 year-over-year).

(Note) The product names included in this report are the trademarks or registered trademarks of the respective companies.

[2] Forecasts for next fiscal year

The forecasts for the next fiscal year are shown in the table below.

(Unit: Millions of yen)

	Forecast for the year ending March 31, 2017	Results for the year ended March 31, 2016	Change from same period of previous fiscal year
Net sales	115,000	94,476	up 21.7%
Operating income	2,000	1,411	up 41.7%
Ordinary income	2,000	1,380	up 44.9%
Net income attributable to owners of parent	1,000	118	up 742.7%

In pachinko/pachislot machines, the Group will continue to sell a series of product groups that use IP and have superior game and entertainment elements, contributing to the vitalization of the industry as a whole. Moreover, with an aim to develop and expand its existing businesses under the operating structure in which planning and development, manufacturing and sales are carried out in an integrated manner based on IP, the Group will carry out a number of measures to strengthen product appeal, improve services as a distributor and trading company, and expand the fan base. With these initiatives, the Group will also aim to transform its earnings structure.

Moreover, in multimedia, the Group will concentrate investments in IP that is expected to become a major product, and will accelerate the expansion of major IP on a global scale through cooperation with its partners both in Japan and overseas.

(Note) FIELDS CORPORATION discloses a full-year business forecast, as it manages its business performance on an annual basis

(2)Analysis of financial condition

[1] Assets, liabilities and net assets

(Unit: Millions of yen)

	Current fiscal year-end (as of March 31, 2016)	Previous fiscal year-end (as of March 31, 2015)	Year-over-year change
Total assets	92,478	110,316	(17,838)
Total liabilities	34,186	50,070	(15,884)
Total net assets	58,291	60,246	(1,954)

(Assets)

Current assets amounted to ¥52,934 million, down ¥18,079 million year-over-year. This was primarily attributable to a decrease in notes and accounts receivable—trade.

Tangible fixed assets amounted to ¥11,447 million, down ¥749 million since the end of the previous fiscal year.

Intangible fixed assets amounted to ¥3,746 million, down ¥743 million since the end of the previous fiscal year.

Investments and other assets amounted to ¥24,348 million, up ¥1,734 million year-over-year. This primarily reflected an increase in long-term loans.

As a result of the above, total assets amounted to ¥92,478 million, down ¥17,838 million year-over-year.

(Liabilities)

Current liabilities amounted to ¥29,809 million, down ¥15,963 million year-over-year. The principal factor behind this was a decrease in notes and accounts payable—trade.

Fixed liabilities amounted to ¥4,376 million, up ¥79 million since the end of the previous fiscal year.

As a result of the above, total liabilities amounted to ¥34,186 million, down ¥15,884 million year-over-year.

(Net assets)

Net assets amounted to ¥58,291 million, down ¥1,954 million year-over-year. This primarily reflected a decrease in retained earnings.

[2] Cash flows

During the fiscal year under review, cash and cash equivalents (hereinafter referred to as "cash") increased by ¥16,377 million year-over-year, amounting to ¥32,200 million at the end of the year ended March 31, 2016.

Cash flow for the year ended March 31, 2016 and contributing factors are as follows:

(Unit: Millions of yen)

	Current fiscal year (Year ended March 31, 2016)	Previous fiscal year (Year ended March 31, 2015)	Year-over-year change
Cash flows from operating activities	13,353	(9,086)	22,439
Cash flows from investing activities	(2,191)	(6,297)	4,106
Cash flows from financing activities	5,214	1,624	3,590

(Cash flows from operating activities)

Net cash provided by operating activities amounted to ¥13,353 million (¥9,086 million of expenditure for the same period of the previous fiscal year). This was mainly due to a decrease of ¥36,663 million in notes and accounts receivable—trade, a decrease of ¥22,828 million in notes and accounts payable—trade and income taxes paid of ¥3,382 million.

(Cash flows from investing activities)

Net cash used in investing activities amounted to ¥2,191 million (¥6,297 million of expenditure for the same period of the previous fiscal year). This was primarily attributable to expenditure for loans totaling ¥7,121 million, proceeds from redemption of other affiliated companies' investment securities totaling ¥3,110 million and proceeds from repayment of loans totaling ¥2,502 million.

(Cash flows from financing activities)

Net cash provided by financing activities amounted to ¥5,214 million (¥1,624 million of revenue for the same period of the previous fiscal year). This was mainly attributable to proceeds from short-term borrowings totaling ¥7,400 million and dividends paid totaling ¥1,990 million.

(Reference) Trends of cash flow indicators

	Year ended March 31, 2012	Year ended March 31, 2013	Year ended March 31, 2014	Year ended March 31, 2015	Year ended March 31, 2016
Shareholders' equity ratio (%)	54.6	51.2	55.6	53.9	62.0
Shareholders' equity ratio at market value (%)	48.6	48.2	47.4	55.0	67.42
Interest-bearing debt/cash flow ratio (years)	0.2	0.1	0.0	—	0.9
Interest coverage ratio (times)	556.2	742.2	1,490.4	—	439.0

Shareholders' equity ratio: Shareholders' equity/Total assets

Shareholders' equity ratio at market value: Aggregate market value (based on the closing stock price at the end of the year)/Total assets

Interest-bearing debt/cash flow ratio: Interest-bearing debt/Operating cash flow

Interest coverage ratio: Operating cash flow/Interest expense

Notes 1. All of the above indicators are calculated for their respective values on a consolidated basis.
2. Aggregate market value is calculated based on the number of shares issued excluding treasury stock.
3. Interest-bearing debt indicates all the liabilities for which interest is paid posted in the consolidated balance sheets.
4. Interest-bearing debt/cash flow ratio and interest coverage ratio are not stated in the case of negative operating cash flows.

(3) Fundamental corporate policy for distributing profits and dividends for the current and next fiscal years

The Company regards the enhancement of corporate value as a principal management task, and its fundamental policy is to pay dividends at an appropriate level that corresponds with profits. Specifically, dividends are determined on the basis of such factors as cash flow conditions and we will aim to achieve a consolidated payout ratio of 20% or more. The Company makes every effort to effectively use retained earnings for investments to enhance its financial condition, strengthen the management foundation, expand businesses continually and secure a competitive edge.

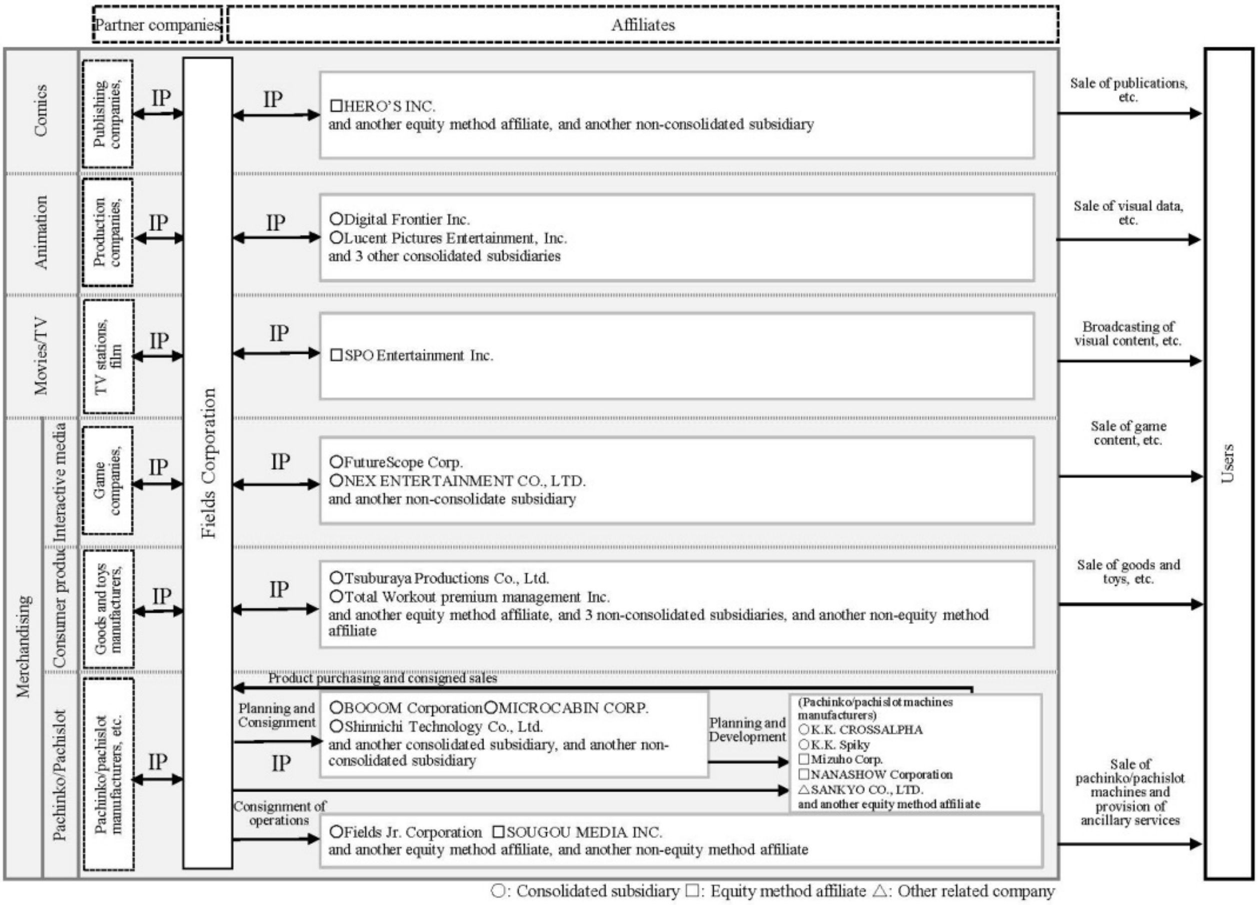
Dividends in the fiscal year ended March 31, 2016 amounted to an interim dividend of 25 yen and a year-end dividend of 25 yen.

With regard to the year ending March 31, 2017, the Company intends to distribute an interim dividend of ¥25 and a year-end dividend of ¥25 (annual dividend per share of ¥50).

2. Outline of the Fields Group

Our Group (FIELDS CORPORATION and associated companies) includes FIELDS CORPORATION (hereafter, "the Company"), 22 subsidiaries, 11 affiliated companies and one other related company.

The following chart summarizes our business organization.



3. Management policies

(1) Fundamental corporate management policy

(2) Targeted management indicators

(3) Management strategies for the medium- to long- term

Information on the above items is not disclosed as there were no important changes from the information disclosed in the Summary of Financial Information and Business Results for the Year Ended March 31, 2013 (released on May 7, 2013).

Please use the following URL to access this financial statement.

(Company website)
http://www.fields.biz/ir/e/

(Japan Exchange Group website [search site for listed companies])
http://www.jpx.co.jp/english/listing/co-search/index.html

(4) Issues to address

The managerial goal of the Fields Group is to increase its corporate value by achieving greater operational efficiency and continuous business expansion. It places emphasis on management indicators such as return on equity, ordinary income, and cash flow from operating activities.

(5) Other important matters affecting corporate management

None

4. Basic Approach to Selecting Accounting Standards

The Group has determined that financial statements prepared according to Japanese standards are appropriate in light of current business conditions. We plan to appropriately address the adoption of IFRS after considering conditions in Japan and overseas.

5. Consolidated financial statements

(1) Consolidated balance sheets

(Unit: Millions of yen)

	Fiscal year ended March 31, 2015 (as of March 31, 2015)	Fiscal year ended March 31, 2016 (as of March 31, 2016)
Assets		
Current assets		
Cash and cash equivalents	15,823	32,200
Notes and accounts receivable—trade	45,888	8,562
Electronically recorded monetary claims—operating	—	1,142
Merchandise and products	239	346
Work in process	1,414	*2 2,596
Raw materials and supplies	83	78
Merchandising rights advances	3,061	2,121
Deferred tax assets	568	724
Other current assets	3,959	5,181
Allowance for doubtful accounts	(25)	(20)
Total current assets	71,014	52,934
Fixed assets		
Tangible fixed assets		
Buildings and structures	6,513	6,325
Accumulated depreciation	(3,365)	(3,514)
Net amount of buildings and structures	3,147	2,811
Machinery, equipment and vehicles	54	86
Accumulated depreciation	(24)	(20)
Net amount of machinery, equipment and vehicles	30	66
Tools, furniture and fixtures	4,590	4,520
Accumulated depreciation	(3,369)	(3,570)
Net amount of tools, furniture and fixtures	1,221	949
Land	7,737	7,550
Construction in progress	59	70
Total tangible fixed assets	12,197	11,447
Intangible fixed assets		
Goodwill	1,618	1,298
Other intangible fixed assets	2,872	2,448
Total intangible fixed assets	4,490	3,746
Investments and other assets		
Investment securities	*1 14,564	*1 9,716
Long-term loans	3,770	9,729
Deferred tax assets	840	1,618
Other assets	4,468	4,477
Allowance for doubtful accounts	(1,029)	(1,193)
Total investments and other assets	22,614	24,348
Total fixed assets	39,302	39,543
Total assets	110,316	92,478

(Unit: Millions of yen)

	Fiscal year ended March 31, 2015 (as of March 31, 2015)	Fiscal year ended March 31, 2016 (as of March 31, 2016)
Liabilities		
Current liabilities		
Notes and accounts payable—trade	33,850	12,749
Short-term borrowings	4,014	11,414
Current portion of long-term borrowings	42	8
Accrued income taxes	2,345	690
Accrued bonuses	378	375
Accrued bonuses to directors and auditors	282	214
Reserve for returned goods unsold	22	22
Provision for losses on contracts	—	*2 77
Other current liabilities	4,837	4,256
Total current liabilities	45,773	29,809
Fixed liabilities		
Long-term borrowings	8	—
Net defined benefit liability	521	643
Other fixed liabilities	3,766	3,732
Total fixed liabilities	4,296	4,376
Total liabilities	50,070	34,186
Net assets		
Shareholders' equity		
Common stock	7,948	7,948
Capital surplus	7,994	7,994
Retained earnings	46,049	44,177
Treasury stock	(1,821)	(1,821)
Total shareholders' equity	60,171	58,298
Accumulated other comprehensive income		
Unrealized holding gain on available-for-sale securities	(567)	(862)
Foreign currency translation adjustment	(1)	(2)
Remeasurements of defined benefit plans	(109)	(130)
Total accumulated other comprehensive income	(679)	(994)
Non-controlling interest	753	987
Total net assets	60,246	58,291
Total liabilities and net assets	110,316	92,478

(2) Consolidated statements of income and consolidated statements of comprehensive income

Consolidated statements of income

(Unit: Millions of yen)

	Fiscal year ended March 31, 2015 (April 1, 2014–March 31, 2015)	Fiscal year ended March 31, 2016 (April 1, 2015–March 31, 2016)
Net sales	99,554	94,476
Cost of sales	71,086	*4 68,995
Gross profit	28,468	25,480
Selling, general and administrative expenses		
Advertising expenditures	3,541	4,118
Salaries	6,222	6,248
Provision for accrued bonuses	306	231
Retirement benefit expenses	118	125
Outsourcing expenses	2,394	2,370
Travel and transport expenses	598	573
Depreciation and amortization	1,474	1,547
Rents	2,022	2,072
Provision to allowance for doubtful accounts	3	1
Amortization of goodwill	325	326
Provision for accrued bonuses to directors and auditors	282	191
Others	6,419	6,262
Total selling, general and administrative expenses	23,707	24,069
Operating income	4,760	1,411
Non-operating income		
Interest income	76	67
Dividend income	196	178
Discounts on purchases	289	485
Lease income	93	91
Gain on management of investment securities	–	183
Equity method investment gain	187	—
Distributions from investments	135	101
Others	216	131
Total non-operating income	1,196	1,238
Non-operating expenses		
Interest expenses	12	30
Equity method investment loss	—	962
Amortization of equity investment	254	138
Financing expenses	124	8
Others	73	128
Total non-operating expenses	465	1,269
Ordinary income	5,491	1,380

(Unit: Millions of yen)

	Fiscal year ended March 31, 2015 (April 1, 2014–March 31, 2015)		Fiscal year ended March 31, 2016 (April 1, 2015–March 31, 2016)	
Extraordinary income				
Gain on sale of fixed assets	*1	11	*1	40
Gain on sales of investment securities		467		198
Others		0		—
Total extraordinary income		479		238
Extraordinary losses				
Loss on litigation charges		104		89
Loss on disposal of fixed assets	*2	88	*2	55
Impairment loss	*3	12	*3	79
Loss on waiver of receivables from associated companies		—		161
Loss on valuation of shares in affiliates		—		144
Provision to allowance for doubtful accounts of affiliates		—		175
Others		10		13
Total extraordinary losses		215		717
Income before income taxes and minority interests		5,754		901
Corporate, inhabitant and enterprise taxes		2,425		1,243
Deferred income taxes		4		(816)
Total income taxes		2,430		427
Net income		3,324		474
Net income attributable to non-controlling interests		305		356
Net income attributable to owners of parent		3,018		118

Consolidated statements of comprehensive income

(Unit: Millions of yen)

	Fiscal year ended March 31, 2015 (April 1, 2014–March 31, 2015)	Fiscal year ended March 31, 2016 (April 1, 2015–March 31, 2016)
Net income	3,324	474
Other comprehensive income		
Unrealized holding gain on available-for-sale securities	(307)	(293)
Foreign currency translation adjustment	(0)	(0)
Remeasurements of defined benefit plans, before tax	17	(20)
Total other comprehensive income	* (290)	* (314)
Comprehensive income	3,034	159
(Breakdown)		
Comprehensive income attributable to owners of the parent	2,730	(196)
Comprehensive income attributable to non-controlling interests	304	356

(3) Consolidated statement of change in net assets

Fiscal year ended March 31, 2015 (April 1, 2014–March 31, 2015)

(Unit: Millions of yen)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at beginning of the year	7,948	7,994	44,548	(1,821)	58,670
Amount of changes during the year					
Dividends from surplus			(1,659)		(1,659)
Net income attributable to owners of parent			3,018		3,018
Change in equity by purchase of investments in consolidated subsidiaries					—
Net amount of changes in items not included in shareholders' equity during the year					
Total amount of changes during the year	—	—	1,359	—	1,359
Balance at end of the year	7,948	7,994	46,049	(1,821)	60,171

	Accumulated other comprehensive income				Non-controlling interest	Total net assets
	Unrealized holding gain on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of the year	(262)	(1)	(126)	(390)	473	58,753
Amount of changes during the year						
Dividends from surplus						(1,659)
Net income attributable to owners of parent						3,018
Change in equity by purchase of investments in consolidated subsidiaries						—
Net amount of changes in items not included in shareholders' equity during the year	(305)	(0)	17	(288)	280	(8)
Total amount of changes during the year	(305)	(0)	17	(288)	280	1,351
Balance at end of the year	(567)	(1)	(109)	(679)	753	60,246

Fiscal year ended March 31, 2016 (April 1, 2015–March 31, 2016)

(Unit: Millions of yen)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at beginning of the year	7,948	7,994	46,049	(1,821)	60,171
Amount of changes during the year					
Dividends from surplus			(1,991)		(1,991)
Net income attributable to owners of parent			118		118
Change in equity by purchase of investments in consolidated subsidiaries		(0)			(0)
Net amount of changes in items not included in shareholders' equity during the year					
Total amount of changes during the year	—	(0)	(1,872)	—	(1,873)
Balance at end of the year	7,948	7,994	44,177	(1,821)	58,298

	Accumulated other comprehensive income				Non-controlling interest	Total net assets
	Unrealized holding gain on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of the year	(567)	(1)	(109)	(679)	753	60,246
Amount of changes during the year						
Dividends from surplus						(1,991)
Net income attributable to owners of parent						118
Change in equity by purchase of investments in consolidated subsidiaries						(0)
Net amount of changes in items not included in shareholders' equity during the year	(294)	(0)	(20)	(315)	233	(81)
Total amount of changes during the year	(294)	(0)	(20)	(315)	233	(1,954)
Balance at end of the year	(862)	(2)	(130)	(994)	987	58,291

(4) Consolidated statements of cash flows

(Unit: Millions of yen)

	Fiscal year ended March 31, 2015 (April 1, 2014–March 31, 2015)	Fiscal year ended March 31, 2016 (April 1, 2015–March 31, 2016)
Cash flows from operating activities		
Income before income taxes and minority interests	5,754	901
Depreciation and amortization	2,137	2,273
Impairment loss	12	79
Amortization of goodwill	325	326
Increase (decrease) in allowance for doubtful accounts	(54)	159
Increase (decrease) in accrued bonuses	28	(3)
Increase (decrease) in accrued bonuses to directors and auditors	52	(68)
Increase (decrease) in net defined benefit liability	102	(96)
Interest and dividend income	(272)	(245)
Discounts on purchases	(289)	(485)
Equity method investment loss (gain)	(187)	962
Interest expense	12	30
Amortization of equity investment	454	264
Loss (gain) on sales of investment securities	(467)	(198)
Decrease (increase) in notes and accounts receivable—trade	(17,232)	36,663
Decrease (increase) in inventories	1,396	86
Decrease (increase) in merchandising right advances	(966)	939
Decrease (increase) in prepaid expenses	73	271
Decrease (increase) in advance payments	14	9
Increase (decrease) in notes and accounts payable—trade	1,317	(22,828)
Increase (decrease) in other accounts payable	21	(250)
Increase (decrease) in accrued consumption taxes	380	(560)
Increase (decrease) in deposits received	(361)	(67)
Others	375	(1,652)
Subtotal	(7,369)	16,509
Interest and dividends received	246	257
Interest paid	(12)	(30)
Income taxes (paid) refund	(1,951)	(3,382)
Net cash provided by (used in) operating activities	(9,086)	13,353
Cash flows from investing activities		
Purchases of tangible fixed assets	(1,587)	(946)
Proceeds from sale of tangible fixed assets	380	638
Purchases of intangible fixed assets	(1,665)	(848)
Proceeds from sales of investment securities	828	216
Proceeds from redemption of investment securities	414	100
Expenditure for acquiring shares in affiliates	(48)	(100)
Expenditure for equity investment	(461)	(138)
Expenditure for loans	(4,221)	(7,121)
Collection on loans	788	2,502
Payments for deposits and guarantees	(162)	(48)
Proceeds from cancellation of deposits and guarantees	126	104
Proceeds from purchase of shares of subsidiaries resulting in change in scope of consolidation	–	*2 652
Proceeds from redemption of investments in other securities of subsidiaries and affiliates	–	3,110
Others	(688)	(312)
Cash flows from investing activities	(6,297)	(2,191)

(Unit: Millions of yen)

	Fiscal year ended March 31, 2015 (April 1, 2014–March 31, 2015)	Fiscal year ended March 31, 2016 (April 1, 2015–March 31, 2016)
Cash flows from financing activities		
Payments from changes in ownership interests in subsidiaries that do not result in changes in scope of consolidation	–	(24)
Net increase (decrease) in short-term borrowings	3,380	7,400
Repayment of long-term borrowings	(58)	(42)
Dividends paid	(1,658)	(1,990)
Others	(38)	(127)
Net cash provided by (used in) financing activities	1,624	5,214
Effect of exchange rate changes on cash and cash equivalents	–	0
Increase (decrease) in cash and cash equivalents	(13,760)	16,377
Cash and cash equivalents at beginning of the year	29,583	15,823
Cash and cash equivalents at end of the year	*1 15,823	*1 32,200

(5) Note regarding the Consolidated Financial Statements

(Note regarding the operation of the company as a going concern)

No relevant items

(Basis of presentation of the consolidated financial statements)

1. Scope of consolidation

(1) Number of consolidated subsidiaries: 16

Names of consolidated subsidiaries:

Fields Jr. Corporation

Shinnichi Technology Co., Ltd.

MICROCABIN CORP.

Lucent Pictures Entertainment, Inc.

Total Workout premium management Inc.

FutureScope Corporation

Digital Frontier Inc.

Digital Frontier (Taiwan) Inc.

Fly Studio SDN, BHD

GEMBA Inc.

NEX ENTERTAINMENT CO., LTD.

BOOOM Corporation

Tsuburaya Productions Co., Ltd.

XAAX Inc.

K.K. CROSSALPHA

K.K. Spiky

K.K. CROSSALPHA and its subsidiary K.K. Spiky have been included in the scope of consolidation from the consolidated fiscal year under review as the Company acquired their shares. K.K. CROSSALPHA changed its business name from K.K. Aristocrat Technologies as of October 1, 2015.

In the consolidated fiscal year under review, a consolidated subsidiary, IP Bros. Inc., was extinguished in the absorption-type merger in which another consolidated subsidiary, FutureScope Corporation, was the surviving company, and therefore has been excluded from the scope of consolidation.

(2) Names of non-consolidated subsidiaries:

HERO‘S Properties Corporation

TOKYO DEBUG Inc.

Silent partnership designating Nishiazabu 2-chome kaihatsu project, LLC

K-1 INTERNATIONAL Corporation

APE Inc.

Fields Amino Link Inc.

Reason for excluding from the scope of consolidation:

Non-consolidated subsidiaries have been excluded from consolidation owing to their small size and the fact that in no case do their aggregate total assets, net sales, net income (proportionate to equity stakes held) and retained earnings (proportionate to equity stakes held), etc. have a material impact on the consolidated financial statements.

2. Application of equity method

(1) Number of affiliates accounted for using the equity method: 9

Names of affiliates accounted for using the equity method

X'stina Inc.

Mizuho Corp.

HERO’S INC.

Japan Amusement Broadcasting Corp.

NANASHOW Corporation

RODEO Co., Ltd.

SOGO MEDIA INC.

SPO Inc.

Kadokawa Haruki Corporation

(2) Names of non-consolidated subsidiaries and affiliates not accounted for using the equity method:

HERO‘S Properties Corporation

TOKYO DEBUG Inc.

Silent partnership designating Nishiazabu 2-chome kaihatsu project, LLC

K-1 INTERNATIONAL Corporation

APE Inc.

GLAMOROUS co., ltd.

G&E Corporation

Fields Amino Link Inc.

Reason for not applying the equity method:

These companies have a negligible impact on net income (proportionate to equity stakes held) and retained earnings (proportionate to equity stakes held) and have no significance as a whole, so they have been excluded from the application of the equity method.

(3) Matters requiring clarification concerning procedures for application of the equity method:

With regard to companies accounted for by the equity method whose year-end settlement date differs from that for consolidated accounts, the financial statements based on those companies’ provisional settlement of accounts are utilized.

3. Business years of consolidated subsidiaries

The accounts settlement dates of consolidated subsidiaries correspond with the Company’s consolidated accounts settlement date.

4. Accounting policies

(1) Valuation standards and methods for important assets

[1] Marketable securities

Held-to-maturity bonds:

Carried at amortized cost (straight-line method)

Other marketable securities

Securities with market prices:

Stated at market value based on market price as of the consolidated balance sheet date (unrealized gains or losses are charged or credited directly to net assets, with the cost of securities sold determined by the moving average method).

Securities without market prices:

Stated at cost determined by the moving average method.

[2] Derivatives:

Stated at market value

[3] Inventories

Inventories held for purposes of ordinary sales

Valuation policy for inventories held for purposes of ordinary sales is based on a cost basis (which reduces the book value of assets whose profitability is diminished).

a. Merchandise

FIELDS CORPORATION:

Used pachinko/pachislot machines

Specific identification method

Others

Moving average method

Consolidated subsidiaries:

Periodic average method

b. Work in process

Consolidated subsidiaries:

Specific identification method

c. Raw materials

The Company and its consolidated subsidiaries

Moving average method

d. Supplies

Last purchase price method

(2) Depreciation methods for important depreciable assets

[1] Tangible fixed assets

Declining-balance method for the Company and domestic consolidated subsidiaries

However, the straight-line method is applied to buildings (excluding building fixtures) acquired on and after April 1, 1998.

The estimated useful lives of depreciable assets are as follows.

Buildings and structures: 2–50 years

Machines and conveyors: 2–12 years

Tools, furniture and fixtures: 2–20 years

[2] Intangible fixed assets
Straight-line method

The straight-line method is applied to software for company use, based on its useful life within the Company (up to 5 years).

[3] Long-term prepaid expenses

Straight-line method

(3) Accounting standards for important reserves

[1] Allowance for doubtful accounts

To provide against losses from doubtful accounts, allowances for ordinary receivables are provided using a rate determined by past collection experience, and allowances for specific debts considered doubtful are accounted for by calculating the estimated amounts deemed uncollectible after individually reviewing collectability of the debts.

[2] Accrued bonuses

To provide for employee bonuses, the Company and some of its consolidated subsidiaries recognize the amounts out of the projected bonus payments to be allocated during the year under review.

[3] Accrued bonuses to directors and auditors

To provide for bonuses to directors and auditors, the Company recognizes the amounts corresponding to the year under review based on the projected bonus payments in the year under review.

[4] Provision for sales returns

To provide against losses in future sales returns, some of the consolidated subsidiary companies factor in the projected amount of losses from such returns in advance.

[5] Provision for losses on contracts

To provide for possible future losses on contracts, the Company factors in the projected amount of losses after the following consolidated fiscal year, where it is probable that the loss will be incurred in the future and the amount can be estimated reliably.

(4) Accounting standards for retirement benefits

[1] Method of attributing estimated retirement benefits to accounting periods

When calculating retirement benefit obligations, the benefit formula basis is used to attribute the estimated amount of retirement benefits to the period through the end of the current fiscal period.

[2] Recognition of actuarial differences and prior service liabilities

Actuarial differences are amortized in the year following their occurrence using the straight-line method over a certain period (5 years) not exceeding the employees' average remaining service period as of the time of their occurrence.

[3] Use of simplified method for small companies

Some consolidated subsidiaries use a simplified method, which assumes the Company's retirement benefit obligations to be equivalent to the benefits payable assuming the voluntary retirement of all employees at the fiscal year-end, to calculate net defined benefit liability and retirement benefit expenses.

(5) Amortization method for goodwill and the amortization period

Goodwill is amortized equally for a reasonable number of years within 10 years, separately estimating the period when its effect is generated.

(6) Scope of funds in consolidated statements of cash flows

Funds include cash on hand, demand deposits, and short-term investments maturing or redeemable within 3 months after acquisition that are highly liquid, easily convertible into cash, and exposed to low price-fluctuation risk.

(7) Other significant matters in the preparation of the consolidated financial statements

Accounting for consumption taxes

Regarding the accounting for consumption tax and local consumption tax, using the before-tax formula, consumption tax excluding asset-related deductions and local consumption tax will be treated as costs of the year under review.

(Changes in accounting policies)

(Adoption of Accounting Standard for Retirement Benefits, etc.)

Effective from the current fiscal year, the Company has applied the “Accounting Standard for Business Combinations” (ASBJ Statement No. 21, September 13, 2013), the “Accounting Standard for Consolidated Financial Statements” (ASBJ Statement No. 22, September 13, 2013), the “Accounting Standard for Business Divestitures” (ASBJ Statement No. 7, September 13, 2013) and other accounting standards. As a result, the method of recording differences caused by changes in the Company’s ownership interests in subsidiaries in the case of subsidiaries under ongoing control of the Company was changed to one in which such amounts are recorded as capital surplus, and the method of recording acquisition-related costs was changed to one in which such amounts are recognized as expenses for the fiscal year in which they are incurred. Furthermore, for business combinations carried out on or after the beginning of the current fiscal year, the accounting method was changed to one in which the reviewed acquisition cost allocation resulting from the finalization of the tentative accounting treatment is reflected in the consolidated financial statements for the fiscal year in which the business combination occurs. In addition, changes have also been made in the presentation of net income, etc. and also in nomenclature from “minority interests” to “non-controlling interests.” The consolidated financial statements for the previous fiscal year have been reclassified to reflect these changes in presentation.

The Accounting Standard for Business Combinations, etc. is applied in accordance with the transitional treatment set forth in paragraph 58-2 (4) of the Accounting Standard for Business Combinations, paragraph 44-5 (4) of the Accounting Standard for Consolidated Financial Statements and paragraph 57-4 (4) of the Accounting Standard for Business Divestitures, and has been applied from the beginning of the current fiscal year and will be applied in the future.

As a result, operating income, ordinary income and net income before taxes each decreased by ¥105 million in the consolidated fiscal year under review. The impact on the capital surplus at the end of the current fiscal year was minimal.

In the consolidated cash flow statement for the consolidated fiscal year under review, cash flow related to the acquisition or sale of shares in a subsidiary that does not involve changes in the scope of consolidation is listed under cash flows from financing activities. In addition, cash flow concerned with expenses related to the acquisition of shares in a subsidiary that does involve changes in the scope of consolidation, as well as expenses incurred in the acquisition or sale of shares in a subsidiary that does not involve changes in the scope of consolidation are listed under cash flows from operating activities.

The impact on the capital surplus in the consolidated statement of change in net assets at the end of the current fiscal year was minimal.

The impact on per share data is described in the relevant section.

(Accounting standards not adopted)

“Implementation Guidance on Recoverability of Deferred Tax Assets” (ASBJ Guidance No. 26, March 28, 2016)

(1) Outline

The guidance provides for the treatment of the recoverability of deferred tax assets by adhering fundamentally to the Report No. 66 of the audit committee of the JICPA, “Audit Treatment of Judgments with Regard to Recoverability of Deferred Tax Assets,” under which the companies are classified into five categories and the amount of deferred tax assets are estimated according to the category, except that the following treatments have been revised as necessary.

[1] Treatment for a company that does not meet any of the classification requirements for (Category 1) through (Category 5).

[2] Classification requirements for (Category 2) and (Category 3)

[3] Treatment for a company falling within (Category 2) regarding deductible temporary differences where the scheduling of the timing of the reversal is not possible

[4] Treatment for a company falling within (Category 3) regarding a period for which taxable income before future temporary differences can be reasonably estimated

[5] Treatment for a company meeting the classification requirements for (Category 4) where it falls within (Category 2) or (Category 3)

(2) Scheduled implementation date

The accounting standards will be adopted from the beginning of the fiscal year ending March 31, 2017.

(3) Impact of the implementation of these accounting standards

The impact is currently being assessed during the preparation of these consolidated financial statements.

(Changes in the method of presentation)

(Consolidated statements of income-related)

Operations consignment fees collected from affiliates, etc. were previously recorded in others under non-operating income. To clarify the actual state of cost sharing and make the profit and loss segment more appropriate, however, the Company has adopted a method that treats such expense as a deduction item of selling, general and administrative expenses since the current fiscal year.

As a result, the ¥16 million that was stated as others under non-operating income in the consolidated statements of income for the previous fiscal year has been reclassified as a deduction from selling, general and administrative expenses.

(Consolidated balance sheets)

*1. Related to non-consolidated subsidiaries and affiliates

	Fiscal year ended March 31, 2015 (as of March 31, 2015)	Fiscal year ended March 31, 2016 (as of March 31, 2016)
Investment securities (shares)	¥5,505 million	¥4,180 million
Investment securities (Investments in anonymous partnerships)	¥3,000 million	¥− million

*2. Provision for losses on contracts

Inventories and provision for losses on contracts related to development of made-to-order software for which losses are likely to incur are presented separately and are not offset.

Of the inventories related to development of made-to-order software for which losses are likely to incur, the amount corresponding to provision for losses on contracts is ¥77 million.

3. Contingent liabilities

The Company provides payment guarantees for sales of pachinko/pachislot machines to pachinko halls from pachinko/pachislot machine manufacturers when acting as a representative in such sales.

	Fiscal year ended March 31, 2015 (as of March 31, 2015)	Fiscal year ended March 31, 2016 (as of March 31, 2016)
K.K. The City	¥46 million	¥34 million
GAIA Co., Ltd.	¥136 million	¥29 million
SHOUEI PROJECT INC	¥16 million	¥14 million
Okura K.K.	¥10 million	¥10 million
NIIMI co., ltd.	¥13 million	¥9 million
ABC Co., Ltd.	¥− million	¥9 million
VEAM STADIUM K.K.	¥− million	¥8 million
Asahi Shouzi Co., Ltd.	¥27 million	¥8 million
K.K. Korona World	¥2 million	¥7 million
K.K. TOYOKO SHOJI	¥13 million	¥6 million
Others	¥789 million	¥196 million
Total	¥1,056 million	¥336 million

4. Overdraft agreements and loan commitments

To raise working capital efficiently, the Fields Group has concluded an overdraft agreement and a loan commitment with banks.

Unutilized balances under these agreements as of March 31, 2016 were as follows:

	Fiscal year ended March 31, 2015 (as of March 31, 2015)	Fiscal year ended March 31, 2016 (as of March 31, 2016)
Overdraft limit and total commitment line	¥32,000 million	¥32,000 million
Borrowings outstanding	¥3,800 million	¥11,320 million
Difference	¥28,200 million	¥20,680 million

(Consolidated balance sheets)*1 Profit on sales of fixed assets:

	Fiscal year ended March 31, 2015 (April 1, 2014–March 31, 2015)	Fiscal year ended March 31, 2016 (April 1, 2015–March 31, 2016)
Machinery, equipment and vehicles	¥0 million	¥2 million
Tools, furniture and fixtures	¥0 million	¥0 million
Land	¥10 million	¥37 million
Total	¥11 million	¥40 million

*2 Loss on disposal of fixed assets:

	Fiscal year ended March 31, 2015 (April 1, 2014–March 31, 2015)	Fiscal year ended March 31, 2016 (April 1, 2015–March 31, 2016)
Buildings and structures	¥57 million	¥19 million
Tools, furniture and fixtures	¥16 million	¥21 million
Construction in progress	¥- million	¥2 million
Software	¥14 million	¥12 million
Total	¥88 million	¥55 million

*3 Impairment loss

The Fields Group has recorded an impairment loss for the assets set out below.

Fiscal year ended March 31, 2015 (April 1, 2014–March 31, 2015)

Usage	Food service outlets
Type	Tools, furniture and fixtures
Location	Minato-ku, Tokyo
Amount	¥1 million

The Group is engaged in a single business domain, and thus it groups its business assets into the smallest unit that generates cash flow.

Because a decision was made to close food service outlets, the book value was reduced to the recoverable amount, and this reduction was recognized as a loss.

The breakdown shows ¥1 million on tools, furniture and fixtures.

The recoverable value of these properties has been calculated on the basis of value in use because net selling prices are not available. However, such recoverable value is appraised at ¥0 because no future cash flow is expected.

Usage	Offices
Type	Buildings and structures, etc.
Location	Shibuya-ku, Tokyo
Amount	¥10 million

The Group is engaged in a single business domain, and thus it groups its business assets into the smallest unit that generates cash flow.

Because a decision was made to move offices, the book value was reduced to the recoverable amount, and this reduction was recognized as a loss.

The breakdown shows ¥10 million on the buildings and structures.

The recoverable value of these properties has been calculated on the basis of value in use because net selling prices are not available. However, such recoverable value is appraised at ¥0 because no future cash flow is expected.

Fiscal year ended March 31, 2016 (April 1, 2015–March 31, 2016)

Usage	Food service outlets
Type	Buildings and structures, etc. and Tools, furniture and fixtures
Location	Osaka-shi, Osaka
Amount	¥27 million

The Group is engaged in a single business domain, and thus it groups its business assets into the smallest unit that generates cash flow.

Because a decision was made to close food service outlets, the book value was reduced to the recoverable amount, and this reduction was recognized as a loss.

The breakdown shows ¥18 million on the buildings and structures and ¥9 million on tools, furniture and fixtures.

The recoverable value of these properties has been calculated on the basis of value in use because net selling prices are not available. However, such recoverable value is appraised at ¥0 because no future cash flow is expected.

Usage	Offices
Type	Buildings and structures, etc. and Tools, furniture and fixtures
Location	Shibuya-ku, Tokyo
Amount	¥51 million

The Group is engaged in a single business domain, and thus it groups its business assets into the smallest unit that generates cash flow.

Because a decision was made to move offices, the book value was reduced to the recoverable amount, and this reduction was recognized as a loss.

The breakdown shows ¥50 million on the buildings and structures and ¥1 million on tools, furniture and fixtures.

The recoverable value of these properties has been calculated on the basis of value in use because net selling prices are not available. However, such recoverable value is appraised at ¥0 because no future cash flow is expected.

*4 Inventory at the end of the year under review is the amount after book-value reduction due to lower profitability and the following loss on valuation of inventories is included in cost of sales.

	Fiscal year ended March 31, 2015 (April 1, 2014–March 31, 2015)	Fiscal year ended March 31, 2016 (April 1, 2015–March 31, 2016)
	¥– million	¥77 million

(Consolidated statements of comprehensive income)

* Recycling and tax effects related to other overall income

	Fiscal year ended March 31, 2015 (April 1, 2014–March 31, 2015)	Fiscal year ended March 31, 2016 (April 1, 2015–March 31, 2016)
Unrealized holding gain on available-for-sale securities		
Differences that arose during the current fiscal year	¥37 million	¥(204) million
Amount of recycling	¥(467) million	¥(198) million
Pre-tax adjustments	¥(429) million	¥(403) million
Amount of tax effects	¥(122) million	¥(109) million
Unrealized holding gain on available-for-sale securities	¥(307) million	¥(293) million
Foreign currency translation adjustment		
Differences that arose during the current fiscal year	¥(0) million	¥(0) million
Amount of recycling	¥− million	¥− million
Pre-tax adjustments	¥(0) million	¥(0) million
Amount of tax effects	¥− million	¥− million
Foreign currency translation adjustment	¥(0) million	¥(0) million
Remeasurements of defined benefit plans, before tax		
Differences that arose during the current fiscal year	¥(9) million	¥(70) million
Amount of recycling	¥44 million	¥44 million
Pre-tax adjustments	¥35 million	¥(25) million
Amount of tax effects	¥17 million	¥(5) million
Remeasurements of defined benefit plans, before tax	¥17 million	¥(20) million
Share of other comprehensive income of associates accounted for using equity method		
Differences that arose during the current fiscal year	¥− million	¥− million
Total other comprehensive income	¥(290) million	¥(314)d million

(Consolidated statements of changes in net assets)

Fiscal year ended March 31, 2015 (April 1, 2014–March 31, 2015)

1 Shares issued

Type	As of April 1, 2014	Increase	Decrease	As of March 31, 2015
Common stock (shares)	34,700,000	—	—	34,700,000

2 Treasury shares

Type	As of April 1, 2014	Increase	Decrease	As of March 31, 2015
Common stock (shares)	1,516,200	—	—	1,516,200

3 Stock acquisition rights

No relevant items

4 Dividends

(1) Dividends paid

Resolution	Type	Total dividends paid (Millions of yen)	Amount of dividends per share (Yen)	Record date	Effective date
Ordinary General Meeting of Shareholders on June 18, 2014	Common stock	829	25	March 31, 2014	June 19, 2014
Meeting of the Board of Directors on October 31, 2014	Common stock	829	25	September 30, 2014	December 2, 2014

(2) Dividends for which the record date had occurred during the fiscal year ended March 31, 2015, but the effective date occurred during the fiscal year ended March 31, 2016

Resolution	Type	Total dividends paid (Millions of yen)	Source for payment of dividends	Amount of dividends per share (Yen)	Record date	Effective date
Ordinary General Meeting of Shareholders on June 29, 2015	Common stock	1,161	Retained earnings	35	March 31, 2015	June 30, 2015

Note: Dividends per share includes a commemorative dividend of 10 yen.

Fiscal year ended March 31, 2016 (April 1, 2015–March 31, 2016)

1 Shares issued

Type	As of April 1, 2015	Increase	Decrease	As of March 31, 2016
Common stock (shares)	34,700,000	—	—	34,700,000

2 Treasury shares

Type	As of April 1, 2015	Increase	Decrease	As of March 31, 2016
Common stock (shares)	1,516,200	—	—	1,516,200

3 Stock acquisition rights

No relevant items

4 Dividends

(1) Dividends paid

Resolution	Type	Total dividends paid (Millions of yen)	Amount of dividends per share (Yen)	Record date	Effective date
Ordinary General Meeting of Shareholders on June 29, 2015	Common stock	1,161	35	March 31, 2015	June 30, 2015
Meeting of the Board of Directors on October 30, 2015	Common stock	829	25	September 30, 2015	December 2, 2015

Note: Dividends per share includes a commemorative dividend of 10 yen.

(2) Dividends for which the Record date occurred during the fiscal year ended March 31, 2016, but the effective date will occur during the fiscal year ending March 31, 2017

Resolution	Type	Total dividends paid (Millions of yen)	Source for payment of dividends	Amount of dividends per share (Yen)	Record date	Effective date
Ordinary General Meeting of Shareholders on June 22, 2016	Common stock	829	Retained earnings	25	March 31, 2016	June 23, 2016

(Consolidated statements of cash flows)

*1 Difference between cash and cash equivalents as of the end of the fiscal year and cash amounts stated on the consolidated balance sheets

	Fiscal year ended March 31, 2015 (April 1, 2014–March 31, 2015)	Fiscal year ended March 31, 2016 (April 1, 2015–March 31, 2016)
Cash and cash deposit accounts	¥15,823 million	¥32,200 million
Time deposits for which depositing period exceeds 3 months	¥− million	¥− million
Cash and cash equivalents	¥15,823 million	¥32,200 million

*2. Breakdown of major assets and liabilities of the companies that have newly become consolidated subsidiaries due to the acquisition of shares

The following are the breakdown of assets and liabilities at the start of consolidation following the Company's acquisition of shares in K.K. CROSSALPHA and its subsidiary K.K. Spiky and inclusion of them in the scope of consolidation, as well as the difference between the acquisition value of the shares and revenue from the acquisition (net amount):

Current assets	¥2,952 million
Fixed assets	¥523 million
Goodwill	¥5 million
Current liabilities	(¥2,859 million)
Fixed liabilities	(¥607 million)
Acquisition value of shares	¥15 million
Cash and cash equivalents	¥667 million
Difference: revenue from acquisition	¥652 million

(Segment information, etc.)

[Segment information]

This statement is omitted as the Group engages in a single segment.

[Related information]

Fiscal year ended March 31, 2015 (April 1, 2014–March 31, 2015)

1 Information on each product and service

Information on each product and service has been omitted because net sales to external customers in a single product or service category accounted for more than 90% of net sales in the consolidated statement of income.

2 Information on each region

(1) Net sales

Information on net sales in each region has been omitted because net sales to external customers in Japan accounted for more than 90% of net sales in the consolidated statement of income.

(2) Tangible fixed assets

Information on the amount of tangible fixed assets has been omitted because the amount of tangible fixed assets in Japan accounted for more than 90% of the amount of tangible fixed assets in the consolidated balance sheet.

3 Information on each major customer

Information on major customers has been omitted because there is no external customer for which net sales represents 10% of net sales of the consolidated statements of income.

Fiscal year ended March 31, 2016 (April 1, 2015–March 31, 2016)

1 Information on each product and service

Information on each product and service has been omitted because net sales to external customers in a single product or service category accounted for more than 90% of net sales in the consolidated statement of income.

2 Information on each region

(1) Net sales

Information on net sales in each region has been omitted because net sales to external customers in Japan accounted for more than 90% of net sales in the consolidated statement of income.

(2) Tangible fixed assets

Information on the amount of tangible fixed assets has been omitted because the amount of tangible fixed assets in Japan accounted for more than 90% of the amount of tangible fixed assets in the consolidated balance sheet.

3 Information on each major customer

Information on major customers has been omitted because there is no external customer for which net sales represents 10% of net sales of the consolidated statements of income.

[Information relating to impairment loss of fixed assets by reportable segment]
This information has been omitted because the Group has only one segment.

[Information relating to goodwill amortization and unamortized balance by reportable segment]
This information has been omitted because the Group has only one segment.

[Information relating to gain on bargain purchase by reportable segment]
No relevant items

(Per-share data)

(Unit: Yen)

Item	Fiscal year ended March 31, 2015 (as of March 31, 2015)	Fiscal year ended March 31, 2016 (as of March 31, 2016)
Net assets per share	1,792.83	1,726.88
Net income per share	90.97	3.58

(Notes) 1. Since no latent shares exist, the amount of diluted net income per share is not stated.
2. As stated in "Changes in accounting policies," the Company has applied the "Accounting Standard for Business Combinations" and other standards. As a result, net income per share for the current fiscal year fell by ¥3.16. The impact of the application on the amount of net assets per share is also minor.
3. The basis for calculation of the amount of net income per share is as follows:

Item	Fiscal year ended March 31, 2015 (April 1, 2014–March 31, 2015)	Fiscal year ended March 31, 2016 (April 1, 2015–March 31, 2016)
Net income attributable to owners of parent (millions of yen)	3,018	118
Amount not allocable to common stockholders (millions of yen)	—	—
Net income attributable to owners of parent related to common shares (millions of yen)	3,018	118
Average number of shares of common stock outstanding (shares)	33,183,800	33,183,800
Outline of latent shares not reflected in the calculation of diluted net income per share since they have no dilutive effect	———	———

(Significant subsequent events)

No relevant items

6. Others

(1)Personnel change in board members

[1] Change in representatives of the Company (as of April 27, 2016)

1. Name and title of retiring representative director
Name: Takashi Oya
Former title: Vice Chairman

*Oya, who is retiring, is to become Vice Chairman without representative rights.
* The Company will have two representative directors: Hidetoshi Yamamoto (Chairman & CEO) and Tetsuya Shigematsu (President & COO).
(Reason) to further promote efforts to speed up management decision-making

[2] Change in other directors (scheduled to be effective on June 22, 2016)

1. New director candidate
Senior Managing Director Ei Yoshida (Corporate Officer at present)

*The appointment is as stated in "Announcement of Board Member Change" released on March 31, 2016.

2. Reappointed auditor candidates

Standing Auditor	Kenichi Ikezawa
Auditor	Yoshika Furuta
Auditor	Koichiro Nakamoto

*Auditor candidates, Kenichi Ikezawa, Yoshika Furuta, and Koichiro Nakamoto are outside auditors as stipulated in Clause 16, Article 2 of the Corporation Act.
*Each candidate is to be appointed at the 28th Annual General Meeting of Shareholders, to be held on June 22, 2016. Ei Yoshida is also to assume his new post as senior managing director after approval at a board of directors meeting to be held following the shareholders meeting.

3. Retiring Director
Nobuyuki Kikuchi

* Nobuyuki Kikuchi is to retire at the end of the 28th Annual General Meeting of Shareholders, to be held on June 22, 2016.

*Reference: New management structure (as of June 22, 2016)

Title	Name
Chairman & CEO	Hidetoshi Yamamoto
Vice Chairman	Takashi Oya
President & COO	Tetsuya Shigematsu
Executive Vice President	Kiyoharu Akiyama
Senior Managing Director	Ei Yoshida
Managing Director	Masakazu Kurihara
Managing Director	Akira Fujii
Managing Director	Kenichi Ozawa
Director	Hiroyuki Yamanaka
Director	Hideo Ito
Director	Teruo Fujishima
Director	Eiichi Kamagata
Outside Director	Shigesato Itoi