

(Translation)
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To all parties concerned:

FIELDS CORPORATION
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Notification of differences between the consolidated performance forecast and actual results for the year ended March 31, 2016, differences between the non-consolidated results for the year ended March 31, 2016 and the results for the previous fiscal year, and posting of an extraordinary loss

FIELDS CORPORATION hereby announces that differences have arisen between the consolidated performance forecast for the year ended March 31, 2016 which was released on February 22, 2016 and the actual results released today, and between the non-consolidated results for the year ended March 31, 2016 and the results for the previous fiscal year. The details of the differences are given below. Furthermore, the Company also hereby announces that it has posted an extraordinary loss.

1. Regarding differences between the consolidated performance forecast and actual results for the year ended March 31, 2016, and differences between the non-consolidated results for the year ended March 31, 2016 and the results for the previous fiscal year

1) Differences between the consolidated performance forecast and actual results for the year ended March 31, 2016 (April 1, 2015 – March 31, 2016)

(Unit: Millions of yen)

	Net sales	Operating income	Ordinary income	Net income attributable to owners of parent	Net income per share
Previous forecast (A)	95,000	1,000	1,000	0	Yen 0.00
YoY (%)	(4.6)	(78.9)	(81.8)	—	—
Results for the current fiscal year (B)	94,476	1,411	1,380	118	3.58
YoY (%)	(5.1)	(70.3)	(74.9)	(96.1)	—
Amount changed (B-A)	(523)	411	380	118	—
Change (%)	(0.6)	41.1	38.0	—	—
(Reference) Results for the Previous fiscal year (ended March 31, 2015)	99,554	4,760	5,491	3,018	90.97

2) Differences between the non-consolidated results for the year ended March 31, 2016 (April 1, 2015 – March 31, 2016) and the results for the previous fiscal year

(Unit: Millions of yen)

	Net sales	Operating income	Ordinary income	Net income attributable to owners of parent
Previous forecast (A)	87,221	3,829	4,431	1,855
Results for the current fiscal year (B)	83,829	353	1,401	(137)
Amount changed (B-A)	(3,391)	(3,476)	(3,030)	(1,992)
Change (%)	(3.9)	(90.8)	(68.4)	—

3) Reason for differences

Consolidated earnings for the fiscal year ending March 31, 2016 were as described in the table in (1) above. Regarding differences with the previously announced forecast, although operating income, ordinary income and net income attributable to owners of the parent company surpassed previously announced forecasts, they were generally in line with the expected range.

Non-consolidated earnings for the fiscal year ending March 31, 2016 were as described in the table in (2) above, due to the reasons stated in the “Summary of Financial Information and Business Results for the Year Ended March 31, 2016” which was published today.

2. Posting of an extraordinary loss

Predicting changes in the market environment, the Company has diligently proceeded to expand business with a focus on intellectual property (IP), making the most of its marketing strength. Given this, after considering the optimum long-term investment of the Group’s management resources as part of the process of selection and concentration, the Company decided to liquidate or wind down the four affiliates listed below.

For the non-consolidated subsidiaries Fields Amino Link Inc. and TOKYO DEBUG Inc. and the equity-method affiliate X’stina Inc., the Company decided to dissolve and liquidate these businesses. For the non-consolidated subsidiary K-1 INTERNATIONAL Corporation, the Company decided to transfer the Company’s entire shareholding to a third party.

For the consolidated subsidiary NEX ENTERTAINMENT CO., LTD., the company recorded a provision to allowance for doubtful accounts and a valuation loss on shares in non-consolidated results.

In liquidating or winding down the above affiliates, etc., the Company recorded a provision to allowance for doubtful accounts and a valuation loss on shares, and it respectively recorded as an extraordinary loss, 717 million yen in consolidated earnings and 1,948 million yen in non-consolidated earnings for the year ended March 31, 2016.

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