Quarterly Earnings Supplementary Explanatory Materials for the Nine Month Ended December 31, 2016

1. Main initiatives in IP [Ultraman Series]



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The Ultraman Series marks its 50th anniversary in 2016. To mark the milestone for the series that features a hero loved by three generations in Japan, cross-media action will be organized in collaboration with business partners in Japan and overseas.

P.	thers in supun and overseas.	
■ Domestic		
Jul. 2016	Vol. 8 of "ULTRAMAN," the HERO's comic book published	(Comics)
Dec. 2016	Vol. 9 of "ULTRAMAN," the HERO's comic book published	(Comics)
	- Cumulative total of 2.4 million copies sold	
Jul. 2016	TV series "Ultraman Orb" started	(Visuals)
	- Saturday at 9:00 am, on affiliated to TV Tokyo	
Dec. 2016	"ULTRAMAN ORB THE ORIGIN SAGA" distribution started	(Visuals)
	- Amazon Prime Vide original	
Jul. 2016	"Ultraman Festival 2016" held	(Live action event)
Dec. 2016	"ULTRA HEROES EXPO 2017" held	(Live action event)
Sep. 2016	"ULTRA HEROES THE LIVE ACROBATTLE CHRONICLE"	(Live action event)
	Osaka event	
Dec. 2016	"ULTRA HEROES THE LIVE ACROBATTLE CHRONICLE"	(Live action event)
	Nagoya event	
Jan. 2017	"ULTRA HEROES THE LIVE ACROBATTLE CHRONICLE"	(Live action event)
	Tokyo event	
Jun. 2016	"A MAN of ULTRA" participants: 65 companies	(Licensing)
	- Japan Brand Licensing Grand Prix winner of "Licensing of the Year at the	
	Character and Brand of the Year"	
Jul. 2016	"Ultraman×MONSTER STRIKE by mixi Inc." collaboration organized	(Licensing)
Jun. 2016	"Pachislot ALIEN BALTAN" launched	(PS)
< Future plan	is >	
Mar. 2017	"Ultraman Orb" the movie scheduled to release	(Visuals)
■ Overseas		
Jul. 2016	"Ultraman Orb" series distribution started	(Visuals)
	- Global (excluding Asia): Crunchyroll	
	- China: iQIYI, LeTV, Tencent and Youku, Sohu	
Nov. 2016	"ULTRAMAN LIVE in GENTING 2016 REVENGE OF BALTAN" in Malaysia	(Live action event)
Jan. 2017	"ULTRA HEROES in Formosan Aboriginal Culture Village" in Taiwan	(Live action event)
■Others		
May 2016	"Ultraman Foundation" fund support for suffers of Kumamoto Earthquake	(Others)
Nov. 2016	"Ultraman Foundation" fund support for the childcare facility in Tottori	(Others)

[BERSERK]



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"BERSERK" (written by Kentaro Miura, Studio Gaga; featured in "YOUNG ANIMAL" magazine from HAKUSENSHA CO., Ltd.) is a dark fantasy comic series that started publication in 1989 and has sold a cumulative total of 40 million copies worldwide. A trilogy movie has been distributed since 2012, along with cross-media development into game and pachinko/pachislot versions.

■ Domestic		
Jul. 2016	The first series of "BERSERK" TV animation series started	(Visuals)
	- MBS Animeism, WOWOW, etc.	
Oct. 2016	Blu-ray Box Volume 1 of "BERSERK" launched	(Visuals)
Dec. 2016	Blu-ray Box Volume 2 of "BERSERK" launched	(Visuals)
Oct. 2016	"Berserk and the Band of the Hawk" (KOEI TECMO GAMES CO., LTD.)	(Games)
	launched	
< Future plans	>	
Apr. 2017	The second series of "BERSERK" scheduled to start	(Visuals)
	- MBS Animeism, WOWOW, etc.	
■ Overseas		
Jul. 2016	Global distribution of "BERSERK" animation through Crunchyroll etc.	(Visuals)
Jan. 2017-	"Berserk and the Band of the Hawk" (KOEI TECMO GAMES CO., LTD.)	(Games)
	launched	

[GANTZ]



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"GANTZ (written by Hiroya Oku, SHUEISHA Inc.)" is a SF action series that started publication in 2000 in the "WEEKLY YOUNG JUMP" and has sold a cumulative total of more than 21 million copies. The work has been developed into live action movie and game and won the support of fans in Japan and overseas.

The Fields Group plans cross-media development spurred on by production of the movie version.

■ Domestic		
Sep. 2016	Event featuring the world of "GANTZ:O" animation organized/	(Live action event)
	VR attraction exhibited in Shinjuku, Tokyo	
Oct. 2016	Showing of the movie "GANTZ:O" started nationwide	(Visuals)
Oct. 2016	The English-dubbed version of the movie "GANTZ:O" premiered at Tokyo	(Visuals)
	International Film Festival (official exhibit)	
Dec. 2016	Awarded Best Picture in CG Animation category at the 2nd CGWORLD	(Visuals)
	AWARDS	
Jan. 2017	"Pachinko GANTZ" scheduled for launch	(PS)
< Future plan	s>	
Feb. 2017	Blu-ray Box/ DVD of "GANTZ:O" scheduled for launch	(Visuals)
■Overseas		
Sep. 2016	Screened at the 73rd Venice International Film Festival	(Visuals)
Oct. 2016	Screened at the 49th Sitges International Fantastic Film Festival of Catalonia	(Visuals)
< Future plans >		
Apr. 2017	Screened at the 35th Brussels International Fantastic Film Festival	(Visuals)

[THE TOWER OF PRINCESS]



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"THE TOWER OF PRINCESS" is the original social game from Fields that offers elements unique to online RPGs, including collaboration battles with as many as five players, with easy controls. The cumulative total of downloads is in excess of 2 million.

■Domestic		
Jul. 2016	TV commercial broadcasting	
Aug. 2016	Collaboration with "BABY, THE STARS SHINE BRIGHT" organized	(Games)
Aug. 2016	The first anniversary since the service started	(Games)
Sep. 2016	Collaboration with "HATSUNE MIKU" organized	(Games)
Oct. 2016	Collaboration with "EVANGELION" organized	(Games)
Dec. 2016	Collaboration with "ATTACK ON TITAN" scheduled to be organized	(Games)
Dec. 2016	<u>C</u>	` /

2. Main initiatives by business platform

[Comic Field]





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The Group has continued focusing on creating heroes IP assets chiefly though "HERO's Monthly." It has also stepped up efforts to diversify distribution methods and establish new partnerships in Japan and overseas in the e-book platform.

■ Domestic		
Apr. 2016	Publication of 4 works in book form	(Comics)
May 2016	Publication of 4 works in book form	(Comics)
Jun. 2016	Publication of 3 works in book form	(Comics)
Jul. 2016	Publication of 3 works in book form	(Comics)
Aug. 2016	"Iris on the soles of the feet" started publication	(Comics)
Aug. 2016	Publication of 3 works in book form	(Comics)
Sep. 2016	"CAPTAIN HANZOMON" started publication	(Comics)
Sep. 2016	Publication of 2 works in book form	(Comics)
Oct. 2016	Publication of 4 works in book form	(Comics)
Oct. 2016	Official comic app "Comic HERO's" started distribution	(E-books)
Nov. 2016	"Kinryo rokku" started publication	(Comics)
Nov. 2016	Publication of 3 works in book form	(Comics)
Dec. 2016	Publication of 7 works in book form	(Comics)
■ Overseas		
Jul. 2016	E-book distribution started at Kidstone, China	(E-books)
Jan. 2017	E-book distribution started at Yingqi, China	(E-books)
Jan. 2017	E-book distribution started at Naver Books, Korea	(E-books)
< Future plans >		
	E-book distribution scheduled to start in new areas other than Asia	(E-books)

In the comic field, the market for publications is continuing to contract. Meanwhile, with new businesses entering the e-book platform which utilizes smartphones, tablets and other devices, the markets in Japan and overseas are proceeding to grow.

The Fields Group continued to focus on creating heroes IP assets based on "HERO's Monthly," and promoted various measures aimed at acquiring new fans, such as by commencing its manga application service "Comic HERO's" in Japan and building overseas partnerships with e-book distributors in China and other East Asian countries.

[Visual Field]





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Global development and cross-media development under way for visual productions, in cooperation with major companies in the entertainment industry and SVOD (Subscription Video On Demand) businesses in Japan and overseas.

Dusinesses in	Tapan and overseas.	
Apr. 2016	"NINJA SLAYER" series started broadcasting on TV	(Visuals)
	- TOKYO MX, etc.	
Apr. 2016	"Infini-T Force" to be produced as animation (broadcast time to be	(Visuals)
	confirmed)	
Jul. 2016	"ACTIVERAID: Special Public Security Fifth Division Third Mobile	(Visuals)
	Assault Eighth Unit" second series started broadcasting on TV	
	- TOKYO MX, etc.	
Sep. 2016	Collaboration of "ACTIVERAID: Special Public Security Fifth Division	(Game)
	Third Mobile Assault Eighth Unit" with "STATION MEMORIES! (Mobile	
	Factory, Inc.)" organized	
Nov. 2016	Release of animated cinema version of "MAJESTIC PRINCE"	(Visuals)
< Future plans	>	
Spring 2017	"ATOM THE BIGINNING" to be broadcasted	(Visuals)
	- NHK	

In the visual field, SVOD businesses have shown a positive attitude toward the development of original anime and dramas, and the market is projected to continue expanding.

In collaboration with leading entertainment companies and SVOD operators in the United States, China and other countries, the Group has invested in film production with a view to global expansion. In addition, the Group generated revenue through cross-media development for works adapted for film.

[Pachinko/Pachislot Field]





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Various measures had been implemented towards the New Year holiday shopping season. The Group will also promote a variety of measures to strengthen product appeal, improve services as a distributor and trading company, and expand the fan base, with the aim of invigorating the entire industry.

■ Pachinko		
Apr. 2016	CR The Amazing Spider-Man	NANASHOW Corporation
Apr. 2016	CR MAJESTIC PRINCE	Daiichi Shokai Co., Ltd
Aug. 2016	CR TEKKEN 2 Toushin ver.	Bisty Co., Ltd.
Dec. 2016	CR EVANGELION - Time to Rise*	Bisty Co., Ltd.
Jan. 2017	Pachinko GANTZ*	OK Co. Ltd
■ Pachislot		
Apr. 2016	Super Street Fighter IV Pachislot Edition	Enterrise Co., Ltd.
May 2016	Pachislot GARGANTIA ON THE VERDUROUS PLANET	D-light Co., Ltd.
Jun. 2016	Pachislot ALIEN BALTAN	NANASHOW Corporation
Jul. 2016	Devil May Cry X	Enterrise Co., Ltd.
Oct. 2016	Pachislot LOAD of VERMILION	NANASHOW Corporation
Dec. 2016	Pachislot INUYASHA	Rodeo Co., Ltd.
Jan. 2017	Pachislot Monster Hunter: KYOURYU SENSEN*	Enterrise Co., Ltd.
< Future plans >		
Feb. 2017	EVANGELION – WISH OF VICTORY*	Bisty Co., Ltd.
Spring 2017	PACHI-SLOT MOBILE SUIT Z GUNDAM*	Bisty Co., Ltd.

Note: Titles marked with "*" are those currently being marketed. The year and month for each product indicates its delivery

In the pachinko/pachislot field, with the looming deadline for the removal of "machines with possible performance variance from test machines" set for December 2016, there was a pick-up in demand for the replacement of pachinko machines during this Oct.-Dec. period. However, in part as a consequence of the series of regulations, starting from changes to the model certification test for pachislot machines implemented in 2014, there has been a continual contraction of the overall pachinko/pachislot market.

The Group released a total of 4 titles—2 pachinko titles and 2 pachislot titles—in the lead-up to the New Year holiday shopping season when demand was expected to concentrate. The average sales volume of pachinko/pachislot machines per title that have been or are being introduced this fiscal year has remained above the market average.

(Note 1)The product names included in this report are the trademarks or registered trademarks of the respective companies. (Note 2) The information herein is as of the date of announcement and is subject to change thereafter.