

Supplementary Financial Document for the First Quarter of the Year Ending March 31, 2018



The Greatest Leisure for All People

FIELDS CORPORATION TSE 1st: 2767 August 1, 2017

# Financial Highlights (3.2003-3.2009)

(Unit: Millions of yen)

								`	9 /
		3. 2003	3. 2004	3. 2005	3. 2006	3. 2007	3. 2008	3. 2009	3. 2010
Net sales		61,888	(107.0) 66,211	(123.3) 81,658	(118.6) 96,814	(88.1) 85,321	(119.3) 101,818	(71.7) 73,035	(90.8) 66,342
Gross profit		15,992	(134.9) 21,578	(114.7) 24,752	(120.1) 29,737	(98.4) 29,248	(118.1) 34,544	(69.5) 24,024	(111.9) 26,889
SG&A expen	ses	9,211	(105.4) 9,711	(130.3) 12,655	(137.4) 17,389	(116.8) 20,303	(105.3) 21,385	(103.2) 22,063	(85.0) 18,764
Operating Inc	come	6,781	(175.0) 11,866	(101.9) 12,097	(102.1) 12,348	(72.4) 8,944	(147.1) 13,158	(14.9) 1,960	(414.5) 8,124
Ordinary inco	ome	7,022	(173.9) 12,209	(102.2) 12,480	(105.2) 13,127	(70.1) 9,202	(127.2) 11,705	(8.5) 991	(783.1) 7,761
Net income attributable to	owners of parent	3,524	(187.9) 6,620	(104.6) 6,926	(102.3) 7,085	(52.4) 3,710	(142.7) 5,296	(1,481)	3,289
Common stoo	ck	1,295	1,295	7,948	7,948	7,948	7,948	7,948	7,948
Net assets		8,752	14,507	33,426	39,411	42,836	46,331	39,496	41,187
Total assets		17,090	37,115	72,584	87,556	66,081	69,168	52,064	81,329
Cash flows fr activities	om operating	3,316	851	2,965	6,164	5,293	11,127	4,147	8,429
Cash flows fr activities	om investing	(2,253)	(3,190)	(5,257)	(2,224)	(4,772)	(14,604)	(6,182)	(1,011)
Cash flows fr activities	om financing	(2,454)	2,029	10,177	(1,540)	1,488	(1,384)	602	(2,687)
Cash and cash at end of the		5,739	5,437	13,326	15,777	17,819	12,693	11,181	15,906
									(Unit: Yen)
Indicators per	share	2003.3	2004.3	2005.3	2006.3	2007.3	2008.3	2009.3	3. 2010
Net assets per	share	268,600	89,305	96,026	113,275	118,487	128,201	117,326	123,645
Annual divide	end per share	10,000	24,000	4,000	4,000	4,000	4,500	4,500	4,500
	Commemorative	-	10,000	-	-	-	500	-	-
	Interim	_	10,000	2,000	2,000	2,000	2,000	2,000	2,000
	Year-end	-	4,000	2,000	2,000	2,000	2,000	2,500	2,500
Net income p	er share	117,233	40,465	19,888	20,118	10,692	15,263	(4,271)	9,796
									(Unit: %)
Management	indicators	2003.3	2004.3	2005.3	2006.3	2007.3	2008.3	2009.3	3. 2010
Shareholders'	equity ratio	51.2	39.1	46.0	45.0	62.2	64.3	75.8	50.5
Return on equ	uity (ROE)	55.9	56.9	28.9	19.5	9.2	12.4	(3.5)	8.2
Return on ass	ets (ROA)	39.3	45.0	22.8	16.4	12.0	17.3	1.6	11.6
Payout ratio *	1	7.9	20.1	20.7	20.3	37.4	29.5	-	45.9
Other		2003.3	2004.3	2005.3	2006.3	2007.3	2008.3	2009.3	3. 2010
Total number and outstandi	of shares issued ng (shares)	*2 32,300	*2 161,500	347,000	347,000	347,000	347,000	347,000	347,000
Treasury stoc	k (shares)	-	-	-	-	-	-	10,643	14,885
Number of er	mployees (people)	460	651	758	901	1,022	1,077	827	909

<sup>\*</sup>The figures in upper parenthesis indicate YoY. The figures are calculated on this sheet under.

\*1 Consolidated payout ratio after the year ended March 31, 2007. Payout ratio for the year ended March 31, 2007 was computed including a commemorative dividend.

\*2 The year ended March 31, 2003 1:5 stock split/year ended March 31, 2004 1:2 stock split.

Source: Fields

# Financial Highlights (3.2010-3.2018)

(Unit: Millions of yen)

								(Omt. IV	illilolis of yell)
		3. 2011	3. 2012	3. 2013	3. 2014	3. 2015	3. 2016	3. 2017	Q1 3.2018
Net sales		(156.1) 103,593	(89.0) 92,195	(117.3) 108,141	(106.3) 114,904	(86.6) 99,554	(94.9) 94,476	(81.2) 76,668	(81.4) 12,446
Gross profit		(130.6) 35,129	(89.2) 31,330	(106.2) 33,279	(101.6) 33,812	(84.2) 28,468	(89.5) 25,480	(69.2) 17,641	(78.9) 1,961
SG&A expe	nses	(117.2) 21,993	(103.7) 22,803	(100.7) 22,964	(104.6) 24,020	(98.7) 23,707	(101.5) 24,069	(95.6) 23,015	(88.7) 4,864
Operating In	come	(161.7) 13,136	(64.9) 8,527	(121.0) 10,314	(94.9) 9,791	(48.6) 4,760	(29.6) 1,411	(5,374)	(2,902)
Ordinary inc	ome	(176.3) 13,684	(63.3) 8,661	(118.6) 10,268	(95.1) 9,765	(56.2) 5,491	(25.1) 1,380	(9,068)	(3,055)
Net income attributable t	o owners of parent	(228.6) 7,520	(79.7) 5,991	(78.8) 4,720	(113.8) 5,370	(56.2) 3,018	(3.9) 118	(12,483)	(2,752)
Common sto	ock	7,948	7,948	7,948	7,948	7,948	7,948	7,948	7,948
Net assets		47,021	51,555	55,098	58,753	60,246	58,291	43,227	39,999
Total assets		78,971	93,601	106,628	104,869	110,316	92,478	80,397	70,037
Cash flows f activities	rom operating	8,005	10,015	13,570	16,322	(9,086)	13,353	(7,319)	△915
Cash flows f activities	from investing	(4,356)	(4,798)	(6,263)	(8,018)	(6,297)	(2,191)	(3,927)	4,995
Cash flows f activities	rom financing	(3,915)	(2,565)	(2,277)	(2,018)	1,624	5,214	2,136	397
Cash and cas at end of the	sh equivalents year	15,632	18,284	23,309	29,583	15,823	32,200	23,090	27,570
									(Unit: Yen)
Indicators pe	er share	3. 2011	3. 2012	3. 2013 *3	3. 2014	3. 2015	3. 2016	3. 2017	Q1 3.2018
Net assets pe	er share	140,853	153,904	1,644.15	1,756.27	1,792.83	1,726.88	1,272.48	1,174.76
Annual divid	lend per share	5,000	5,000	50	50	60	50	50	50
	Commemorative Interim	2.500	2.500	- 25	-	10	- 25	- 25	-
	Year-end	2,500 2,500	2,500 2,500	25 25	25 25	25 25	25 25	25 25	
Net income p		22,643	18,044	142.27	161.83	90.97	3.58	(376.19)	(82.96)
1 (00 1110 01110 )		22,043	10,044	172.27	101.03	70.77	3.30	(370.17)	(Unit: %)
Management	t indicators	3. 2011	3. 2012	3. 2013	3. 2014	3. 2015	3. 2016	3. 2017	Q1 3.2018
Shareholders	s' equity ratio	59.2	54.6	51.2	55.6	53.9	62.0	52.5	55.7
Return on eq	uity (ROE)	17.1	12.2	8.9	9.5	5.1	0.2	(25.1)	(6.8)
Return on as	sets (ROA)	17.1	10.0	10.3	9.2	5.1	1.4	(10.5)	(4.1)
Payout ratio	*1	22.1	27.7	35.1	30.9	66.0	1,398.1	-	-
Oth		2 2011	2 2012	2 2012	2.2011	2.2015	2 2015	2 201-	01.2.2010
Other	6.1	3. 2011	3. 2012	3. 2013 *3	3. 2014	3. 2015	3. 2016	3. 2017	Q1 3.2018
Total numbe and outstand	r of shares issued ing (shares)	347,000	347,000	34,700,000	34,700,000	34,700,000	34,700,000	34,700,000	34,700,000
Treasury sto	ck (shares)	14,885	15,162	1,516,200	1,516,200	1,516,200	1,516,200	1,516,300	1,516,300
Number of e	mployees (people)	1,149	1,324	1,416	1,588	1,716	1,845	1,713	1,652

<sup>\*3</sup> The number of shares to constitute a share-trading unit was changed to 100 shares in October 2012. The figure given for the interim dividend for the year ended March 31, 2013 takes a stock split into account.

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Q1 3.2018

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# Highlights for the Q1 of the Year Ending March 31, 2018

- P.6 (Consolidated) P/L Statement
- P.7 (Consolidated) B/S
- P.8 (Consolidated) Cash Flow

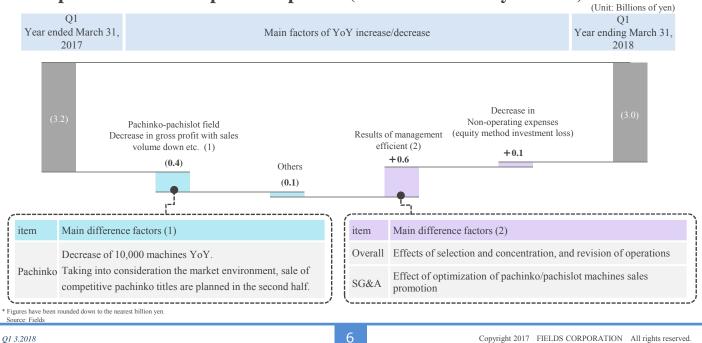
## Highlights for the Q1 of the Year Ending March 31, 2018 (Consolidated)

## 【 P/L Statement 】 (Unit: Millions of yen)

	Year Ended Ma	arch 31, 2016	Year Ended Ma	arch 31, 2017	Year Ending M	arch 31, 2018
	Q1	Full-Year	Q1	Full-Year	Q1	Full-Year Forecast
	(229.8)	(94.9)	(89.2)	(81.2)	(81.4)	(107.0-110.9)
Net sales	17,140	94,476	15,295	76,668	12,446	82,000- 85,000
	[100.0]	[100.0]	[100.0]	[100.0]	[100.0]	[100.0]
Gross profit	(177.4) <b>4,950</b>	(89.5) <b>25,480</b>	(50.3) <b>2,487</b>	(69.2) <b>17,641</b>	(78.9) <b>1,961</b>	_
Cross prom	[28.9]	[27.0]	[16.3]	[23.0]	[15.8]	
	(112.4)	(101.5)	(92.1)	(95.6)	(88.7)	
SG&A expenses	5,956	24,069	5,485	23,015	4,864	-
	[34.7]	[25.5]	[35.9]	[30.0]	[39.1]	
Advertising expenditures	720	4,118	562	3,904	426	-
Salaries	1,602	6,248	1,564	6,033	1,468	-
Outsourcing expenses	635	2,370	560	2,232	520	-
Depreciation and amortization	377	1,547	303	1,221	255	-
Rent	501	2,072	522	1,981	462	-
Amortization of goodwill	85	326	80	322	81	-
Other	2,036	7,388	1,894	7,322	1,652	-
	(-)	(29.7)	(-)	(-)	(-)	(-)
Operating income	(1,005) [-]	1,411	(2,997)	(5,374)	(2,902)	1,000-2,000
		[1.5]	[-]	[-]	[-] (-)	[2.4]
Ordinary income	(-) (864)	(25.1) <b>1,380</b>	(-) (3,241)	(-) ( <b>9,068</b> )	(3,055)	(-) <b>0-2,000</b>
Ordinary meonic	[-]	[1.5]	(3,241)	( <b>),000</b> )	[-]	[2.4]
	(-)	(3.9)	(-)	(-)	(-)	(-)
Net income attributable to	(867)	118	(2,340)	(12,483)	(2,752)	0-1,000
owners of parent	[-]	[0.1]	[-]	[-]	[-]	[1.2]

<sup>\*</sup>The numbers in parentheses ( ) are YoY; the numbers in parentheses [ ] are ratio to net sales.

Comparisons with the previous period (based on ordinary income)



# Highlights for the Q1 of the Year Ending March 31, 2018 (Consolidated)

B/S ]					(Unit: Millions of yer
	At March 31, 2016	At March 31, 2017	At June 30, 2017	Increase/ Decrease	Factors
Cash and cash equivalents	32,200	23,190	27,670	4,480	Increase in sales of land/investment securities and short-term loans
Notes and accounts receivable —trade	8,562	12,727	5,217	(7,510)	
Electronically recorded monetary claims—operating	1,142	2,108	1,294	(814)	
Inventories	3,021	1,425	1,700	275	
Other	8,029	6,479	5,811	(668)	
Allowance for doubtful accounts	(20)	(73)	(71)	2	
Total current assets	52.934	45,856	41,621	(4.005)	Decrease in notes and accounts receivable –
Land	7,550	7,206	2,257	(4,949)	trade Increase in cash and cash equivalents
Other	3,897	3,160	3,368	208	
Total tangible fixed assets	11,447	10,366	5,625		Decrease in sales of land
Goodwill	1,298	1,007	926	(81)	
Other	2,448	1,462	1,305	(157)	
Total intangible fixed assets	3,746	2,469	2,231	(238)	
Investment securities	9,716	8,223	6,402	(1,821)	
Long-term loans	9,729	8,156	9,538	1,382	
Other	6,096	5,470	4,762	(708)	
Allowance for doubtful accounts	(1,193)	(144)	(144)	0	
Total investments and other assets	24,348	21,705	20.558	(1.1.47)	Decrease in sales of investment securities
Total fixed assets	39,543	34,540	28,416	(6,124)	Increase in long-term loans receivable
	0,000	- 1,0 10		(0,121)	
Total assets	92,478	80,397	70,037	(10,360)	
Notes and accounts payable—trade	12,749	12,792	4,875	(7,917)	
Short-term borrowings	11,414	281	2,137	1,856	
Accrued income taxes	690	126	52	(74)	
Current portion of long-term borrowings	8	2,600	2,600	-	
Other	4,956	4,676	4,292	(384)	
Total current liabilities	29,809	20,475	13,956	(6,519)	Decrease in notes and accounts payable - trace
Long-term borrowings	-	12,607	11,957	(650)	
Other	4,376	4,087	4,124	37	
Total fixed liabilities	4,376	16,694	16,081	(613)	
Total liabilities	34,186	37,170	30,038	(7,132)	
Common stock	7,948	7,948	7,948		
Capital surplus	7,994	7,994	7,994		
Retained earnings	44,177	30,035	26,452	(3,583)	
Treasury stock	(1,821)	(1,821)	(1,821)	(5,505)	
Total shareholders' equity	58,298	44,156	40,573	(3,583)	
Unrealized holding gain on	(862)	(1,836)	(1,508)	328	
available-for-sale securities Accumulated other comprehensive	(994)	(1,930)	(1,590)	340	
income Minority interest	987	1,002	1,016	14	
Total net assets	58,291	43,227	39,999		Decrease in retained earnings
Total liabilities and net assets	92,478	80,397	70,037	(10,360)	
Other" and "Increase/Decrease" are calculated on this sheet al		00,397	70,037	(10,300)	
Other" and "Increase/Decrease" are calculated on this sheet a Source: Fields	oove.				

# Highlights for the Q1 of the Year Ending March 31, 2018 (Consolidated)

## [ Cash Flow ] (Unit: Millions of yen)

	Year Ended M	farch 31, 2017		Year Ending March 31, 2018	
	Q1	Full-Year	Q1	Factors	
				Income (loss) before income taxes and minority interests	-2,668
Cash flows from operating activities	(4,808)	(7,319)	(915)	Increase in notes and accounts receivable—trade	+8,942
				Decrease in accounts payable	-7,571
Cash flows from				Proceeds from sales of tangible fixed assets	+5,254
investing activities	(247)	(3,927)	4,995	Proceeds from sales of shares in affiliates	+2,201
				Expenditure for loans	-2,350
Cash flows from				Increase in short-time loans payable	+1,856
financing activities	(3,521)	2,136	397	Repayments of long-term loans payable	-650
				Dividends paid	-802
Effect of exchange rate changes on cash and cash equivalents	(23)	-	1		
Increase (decrease) in cash and cash equivalents	(8,601)	(9,109)	4,479		
Cash and cash equivalents at beginning of period	32,200	32,200	23,090		
Cash and cash equivalents at end of period	23,598	23,090	27,570		



# Changes in Business Results etc.

- P.10 Change in Quarterly P/L Statement (Table)
- P.11 Change in Financial Results (Graph) (Consolidated) Change in Assets/Liabilities, Net Assets (Graph) (Consolidated)
- P.12 Change in SG&Administrative Expenses (Graph) Change in Free Cash Flow (Graph)

# Change in Quarterly P/L Statement (Table)

## 【 Consolidated 】 (Unit: Millions of yen)

	Y	ear Ende	d March	31, 2016		Y	ear Ende	d March	31, 2017		Year Ending March 31, 2018				
	Q1	Q2	Q3	Q4	Full-Year	Q1	Q2	Q3	Q4	Full-Year	Q1	Q2	Q3	Q4	Full-Year
Net sales	17,140	33,115	21,373	22,848	94,476	15,295	11,364	15,967	34,042	76,668	12,446				
Gross profit	4,950	8,898	6,410	5,222	25,480	2,487	2,699	4,852	7,603	17,641	1,961				
SG & A expenses	5,956	6,008	6,126	5,979	24,069	5,485	5,976	5,972	5,582	23,015	4,864				
Operating income	(1,005)	2,889	284	(757)	1,411	(2,997)	(3,278)	(1,119)	2,020	(5,374)	(2,902)				
Ordinary income	(864)	2,794	265	(815)	1,380	(3,241)	(3,587)	(1,117)	(1,123)	(9,068)	(3,055)				
Net income attributable to owners of parent	(867)	1,573	73	(661)	118	(2,340)	(2,516)	(4,216)	(3,411)	(12,483)	(2,752)				
Pachinko machines	15,684	49,270	61,959	35,620	162,533	24,677	20,035	33,292	77,610	155,614	14,531				
Pachislot machines	28,725	40,852	24,037	33,268	126,882	12,105	16,236	24,346	35,283	87,970	12,571				
Total (machines)	44,409	90,122	85,996	68,888	289,415	36,782	36,271	57,638	112,893	243,584	27,102				
	Υ	ear Ende	d March	31, 2013		Y	ear Ende	d March	31, 2014		Y	ear Ende	d March	31, 2015	
	Q1	Q2	Q3	Q4	Full-Year	Q1	Q2	Q3	Q4	Full-Year	Q1	Q2	Q3	Q4	Full-Year
Net sales	21,145	7,973	18,627	60,396	108,141	5,748	30,637	17,819	60,700	114,904	7,459	12,882	8,976	70,237	99,554
Gross profit	5,566	3,258	6,239	18,216	33,279	2,027	11,621	5,709	14,455	33,812	2,790	4,130	3,593	17,955	28,468
SG & A expenses	5,282	5,402	5,535	6,745	22,964	5,856	5,615	5,849	6,700	24,020	5,300	5,698	6,115	6,611	23,724
Operating income	283	(2,142)	703	11,470	10,314	(3,829)	6,005	(140)	7,755	9,791	(2,509)	(1,568)	(2,522)	11,342	4,743
Ordinary income	574	(2,312)	763	11,243	10,268	(3,759)	5,903	(78)	7,699	9,765	(2,254)	(1,818)	(1,561)	11,124	5,491
Net income attributable to owners of parent	342	(1,322)	303	5,397	4,720	(2,290)	3,724	(207)	4,143	5,370	(1,502)	(1,007)	(706)	6,233	3,018
Pachinko machines	20,928	25,895	31,824	21,346	99,993	12,842	97,434	28,728	23,875	162,879	38,540	35,370	44,224	184,272	302,406
Pachislot machines	43,862	10,418	37,887	135,950	228,117	5,660	55,969	31,003	137,471	230,103	5,657	22,552	7,172	61,904	97,285
Total (machines)	64,790	36,313	69,711	157,296	328,110	18,502	153,403	59,731	161,346	392,982	44,197	57,922	51,396	246,176	399,691

## [ Non-Consolidated ]

(Unit: Millions of ven)

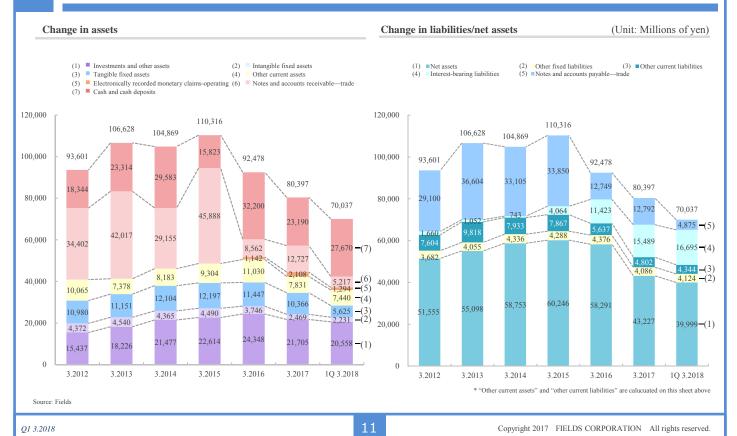
_	_				()	int. Minions of yen)
	Year Ended March 31, 2012	Year Ended March 31, 2013	Year Ended March 31, 2014	Year Ended March 31, 2015	Year Ended March 31, 2016	Year Ended March 31, 2017
Net sales	80,394	97,301	103,572	87,221	83,829	64,155
Gross profit	27,036	29,341	30,592	24,976	21,311	14,075
SG & A expenses	18,834	19,317	21,065	21,146	20,958	19,761
Operating income	8,202	10,023	9,527	3,829	353	(5,685)
Ordinary income	8,496	10,219	9,246	4,431	1,401	(5,213)
Net income	4,905	6,083	4,582	1,855	(137)	(13,559)
Source: Fields						

10

# Change in Financial Results (Graph) (Consolidated)



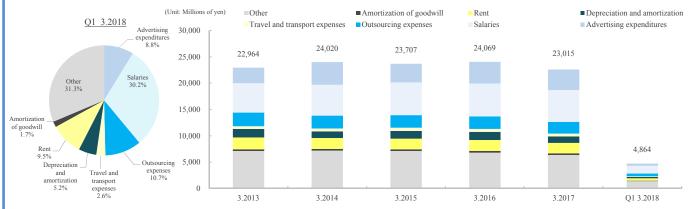
# Change in Assets/Liabilities, Net Assets (Graph) (Consolidated)



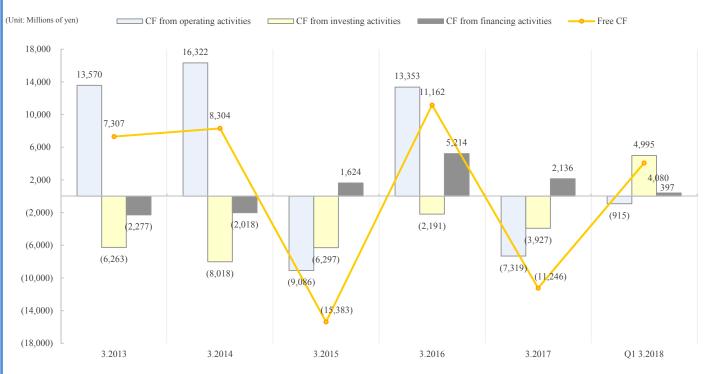
## Change in Selling, General and Administrative Expenses (Graph) (Consolidated)

					J)	Init: Millions of yen)
	3.2013	3.2014	3.2015	3.2016	3.2017	Q1 3.2018
Advertising expenditures	2,964	4,305	3,541	4,118	3,904	426
Salaries	5,569	5,859	6,222	6,248	6,033	1,468
Provision for accrued bonuses	247	285	306	231	222	60
Provision for accrued bonuses to directors and auditors	230	230	282	191	-	25
Outsourcing expenses	2,608	2,451	2,394	2,370	2,232	520
Travel and transport expenses	507	551	598	573	542	128
Depreciation and amortization	1,623	1,268	1,474	1,547	1,221	255
Rent	2,249	2,062	2,022	2,072	1,981	462
Provision to allowance for doubtful accounts	(56)	(3)	3	1	42	(2)
Retirement benefit expenses	92	6	118	125	149	34
Amortization of goodwill	319	323	325	326	322	81
Other	6,612	6,683	6,419	6,267	6,367	1,407
Total SG&A expenses	22,964	24,020	23,707	24,069	23,015	4,864

\* "Other" is calculated on this sheet above.



## Change in Free Cash Flow (Graph)

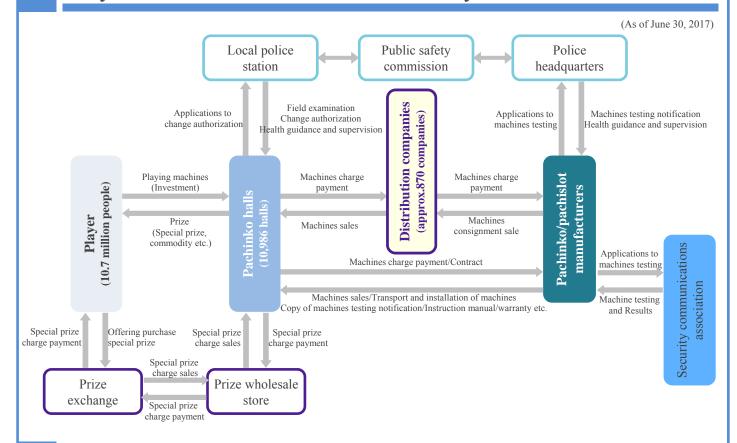


\* Free Cash Flow: Cash flow from operating activities and investing activiti

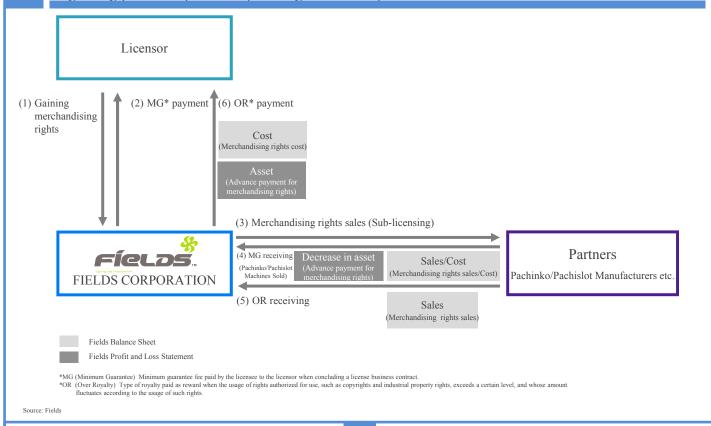
# Pachinko and Pachislot Machines Sales related Data

- P.14 Players in the Pachinko/Pachislot Industry
  Business flow and accounting method of merchandising rights
  regarding pachinko/pachislot planning and development (Image)
- P.15 Accounting Method of Pachinko/Pachislot machines Sales (Image)
- P.16 Main Alliance Manufactures and group companies
- P.17 Main Pachinko/Pachislot Machines' Titles from 3.2016 to Q2 3.2018
- P.18 History of Pachinko General Sales: number of sales machines by affiliated manufacturer (3.2001-Q1 3.2018)
- P.20 History of Pachinko General Sales: number of sales machines by title (3.2001-Q1 3.2018)
- P.22 Change of "Evangelion" Series

# Players in the Pachinko/Pachislot Industry



Business flow and accounting method of merchandising rights regarding pachinko/pachislot planning and development



## Accounting Method of Pachinko/Pachislot machines Sales (Image)

## Distribution sales (sales and profit by purchase of machines)

### Pachinko and Pachislot Machines

Pachinko machine sales: Cost, gainsharing (per machine)



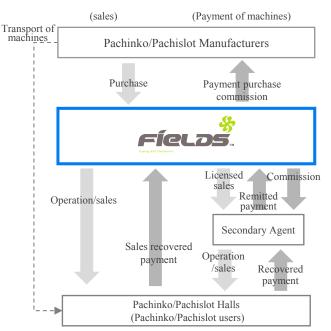


Pachislot machine sales: Cost, gainsharing (per machine)





## Method of machine's recovered payment



## Agency sales (Sales and profit by commission)

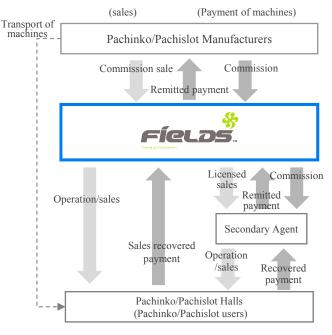
## Pachinko Machine

Pachinko machine sales: Cost, gainsharing (per machine)





## Method of machine's recovered payment



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# Alliance Manufactures and group companies

	35. 6.4	TY ( C.W.	Machi	nes
	Manufacture	History of alliance	Pachinko	Pachislot
	Bisty  Bisty	2003 Alliance with SANKYO CO., LTD. formed;     Exclusive sales of Bisty brand machines began	CR EVANGELION – Time to Rise  Manufacture of machine sales 2,333,000	EVANGELION – WISH OF VICTORY  Manufacture of machine sales 748,000
Alliance Manufacturer	KYORAKU SANGYO Group OK!!	•2008 Alliance with KYORAKU SANGYO formed     •2012 Exclusive sales of OK!! brand machines began     •2015 Sign a Basic Sales and Purchase Agreement with OK Co., Ltd.	Pachinko GANTZ  Manufacture of machine sales 212,000	Pachi-Slot Marvel's The Avengers
Ma	Daiichi Group		CR MAJESTIC PRINCE	Pachislot Osomatsu-kun
Alliance	D-light  D-light	•2013 Formed alliance with D-light Co., Ltd. •2015 Formed alliance with Daiichi Shokai Co., Ltd		
			Manufacture of machine sales 22,000	Manufacture of machine sales 15,000
	CAPCOM Group Enterrise  Fiterrise	•2009 Alliance with Enterrise Co., Ltd formed Exclusive sales of its brand machines began	-	Resident Evil Revelations
				Manufacture of machine sales 275,000
ə	NANASHOW NANASHOW 38.9%*2	•2014 Formed alliance with NANASHOW Corporation	THE GENIE FAMILY	Pachislot LOAD of VERMILION
Affiliate			Manufacture of machine sales 4,000	Manufacture of machine sales 43,000
Aff	Universal Entertainment Group Mizuho Mizuho	•2012 Formed alliance with Universal Entertainment Corporation	CR Tengen Toppa Gurren Lagann	Kai-Dou-Sei Million Arthur
	49.8%*2		Manufacture of machine sales 44,000	Manufacture of machine sales 54,000
Cooperative Manufacturer	Sammy Group RODEO  Sammy	•2000 Alliance with Sammy Corporation formed;     Exclusive sales of RODEO brand machines began     •2002 RODEO became a affiliate     •2017 Sign a Basic Sales and Purchase Agreement with     Sammy Corporation     Closed relationship of Other Related Company of Fields	-	Pachislot INUYASHA
O Ä	RODEO	Corp. with RODEO Co., Ltd.		Manufacture of machine sales 1,386,000
Consolidated Subsidiary	Spiky 100.0%*2	•2015 Spiky Corporation became a subsidiary	-	-
Conso	CROSSALPHA 100.0%*2	•2015 Aristocrat Technologies (now K.K. CROSSALPHA) became a subsidiary	-	-
Source: Fi	elds			

Source: Fields
\*1 As a result of the subsidiary acquisition of K.K. CROSSALPHA (formerly known as K.K. Aristocrat Technologies),
its subsidiary Spiky was made a wholly owned subsidiary.
\*2 The Number in the parenthes is investment ratio.
\*3 Figures have been rounded down to the nearest thousand.

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## Main Pachinko/Pachislot Machines' Titles from 3.2016 to Q2 3.2018

3.2016

(Sales units as of June 30, 2017)

#### Pachinko machines

## Launch of 7 pachinko titles













#### Launch of 6 pachinko titles













Daiichi ltitles NANASHOW 2titles Bisty 2titles OK!! Ititles

-ルス/MJP製作委員会 ②創選/フィールズ ②ヒーローズ IARVEL ② 2012 CPII ③ NANASHOW ANDAI NAMCO Entertainment Inc. ⑤ SANKYO ⑥ Bisty I SANKYO ⑤ Bisty (集英社、⑤奥浩海/集英社・「GANTZ:O」製作委員会⑥ ⑥OK!! □ ⑥ NANASHO

#### Pachislot machines

#### Launch of 10 pachislot titles













### Launch of 9 pachislot titles











Bisty 2titles NANASHOW 2titles D-light Ititles RODEO

D-light Pachislot Osomatsu-kun







GRAPPLER BAKI





Enterrise Pachislo Machine Ace Attorney

DAXEL Pachislot SORA NO OTOSHIMONO FORTE On sale



JulvDAXEL Pachislot Yuki Yuna is a Hero On sale

©2014Project2H ©DAXEL ねんどろいど協力/GOOD SMILE COMPANY



EXCITE Sengoku Pachislot Hana no Keiji- Ten wo Ugatsu Ikusayari On sale (sales cooperation )





D-light Pachislot The Ambition of Oda Nobuna



Kai-Dou-Sei Million Arthur On sale ©2012-2017 SQUARE ENIX CO., LTD. All Rights Reserved ©UNIVERSAL ENTERTAINMENT @MIZUHC



September RODEO Pachislot Ys I & II On sale



Julv



Enterrise Resident Evil Revelations



NANASHOW PACHISLOT TOUKIDEN On sale



MIZUHO THE AMAZING SPIDER-MAN



September RODEO PACHISLOT TATAKAE! SALARY-MAN On sale



September OK!! <u>PACHI-SLOT ULTRASEVEN</u>

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Q1 3.2018

## History of Pachinko General Sales: number of sales machines by affiliated manufacturer (3.2001-3.2010)

		3. 2001	3. 2002	3. 2003	3. 2004	3. 2005	3. 2006	3. 2007	3. 2008	3. 2009	3. 2010
Bisty	Title	-	-	-	1	4	5	5	5	4	4
	Number of sales	-	-	-	4,151	169,037	262,806	292,905	217,526	170,883	286,877
OK!!	Title	-	-	-	-	-	-	-	-	-	-
	Number of sales	-	-	-	-	-	-	-	-	-	-
Mizuho/Macy	Title	-	-	-	-	-	-	-	-	-	-
	Number of sales	-	-	-	-	-	-	-	-	-	-
NANASHOW	Title	-	-	-	-	-	-	-	-	-	-
	Number of sales	-	-	-	-	-	-	-	-	-	-
Daiichi	Title	-	-	-	-	-	-	-	-	-	-
	Number of sales	-	-	-	-	-	-	-	-	-	-

## History of Pachislot General Sales: number of sales machines by affiliated manufacturer (3.2001-3.2010)

		3. 2001	3. 2002	3. 2003	3. 2004	3. 2005	3. 2006	3. 2007	3. 2008	3. 2009	3. 2010
RODEO	Title	2	4	5	6	3	2	3	5	3	2
	Number of sales	32,904	155,263	176,436	153,538	165,134	159,222	42,818	86,182	29,811	28,762
Bisty	Title	-	-	-	1	2	1	5	3	2	2
	Number of sales	-	-	-	5,622	19,053	22,952	73,714	112,439	91,204	76,179
OK!!	Title	-	-	-	-	-	-	-	-	-	-
	Number of sales	-	-	-	-	-	-	-	-	-	-
Enterrise	Title	-	-	-	-	-	-	-	-	-	1
	Number of sales	-	-	-	-	-	-	-	-	-	2,498
Mizuho/Macy	Title	-	-	-	-	-	-	-	-	-	-
	Number of sales	-	-	-	-	-	-	-	-	-	-
NANASHOW	Title	-	-	-	-	-	-	-	-	-	-
	Number of sales	-	-	-	-	-	-	-	-	-	-
D-light	Title	-	-	-	-	-	-	-	-	-	-
	Number of sales	-	-	-	-	-	-	-	-	-	-

\*Number of titles sold includes only major titles \*Number of machines sold is the cumulative number of machines sold by each manufacturer

## History of Pachinko General Sales: number of sales machines by affiliated manufacturer (3.2011- Q1 3.2018)

3. 2011	3. 2012	3. 2013	3. 2014	3. 2015	3. 2016	3. 2017	Q1 3.2018	Total
2	2	1	3	2	2	2	-	42
236,505	181,776	48,216	111,868	159,778	90,684	98,637	1,605	2,333,254
-	-	1	2	1	1	1	-	6
-	-	32,437	28,790	114,597	5,010	22,897	9,207	212,938
-	-	-	-	1	3	-	-	4
-	-	-	-	4,898	39,623	73	-	44,594
-	-	-	-	-	-	2	-	2
-	-	-	-	-	-	3,731	665	4,396
-	-	-	-	-	1	1	-	2
-	-	-	-	-	8,636	14,015	-	22,651

## History of Pachislot General Sales: number of sales machines by affiliated manufacturer (3.2011-Q1 3. 2018)

3. 2011	3. 2012	3. 2013	3. 2014	3. 2015	3. 2016	3. 2017	Q1 3.2018	Total
3	3	2	1	1	-	1	-	46
121,691	81,820	104,549	26,505	42,566	-	4,431	-	1,386,166
2	2	3	3	-	3	2	-	31
70,080	81,754	65,876	61,762	20	54,341	12,010	1,272	748,278
-	-	-	-	-	-	-	1	1
-	-	-	=	=	-	-	1,755	1,755
1	1	1	2	1	2	3	1	12
16,119	7,264	47,889	72,085	24,467	42,825	57,848	4,171	275,166
-	-	-	1	=	-	-	-	1
-	-	-	54,127	66	-	-	-	54,193
-	-	-	-	1	2	2	1	5
-	-	-	=	20,084	14,990	6,321	2,087	43,482
-	-	-	-	-	3	1	1	4
-	-	-	-	-	9,131	3,185	2,316	15,058

\*Number of titles sold includes only main spec machines \*Number of machines sold is the cumulative number of machines sold by each manufacturer \*RODEO includes the sales number of "Kaiji 3" from GINZA Corporation released in the year ended March 31, 2014.

## History of Pachinko General Sales: number of sales machines by title (3.2004-Q1 3.2018)

		D'	
	EV	Bisty Title	Number of sales
1	FY 3. 2004		
1	3. 2004	CR FEVER KUNG-FU GAL	14,000
2	3. 2003	CR Kahara Tomomi to Minashigo Hatchi	41,000
3		CR Neon Genesis Evangelion	124,000
4		CR Circuit e ikou!	11,000
5	3. 2006	CR FEVER TWINS	161,000
7	3. 2000	CR Neon Genesis Evangelion: Second Impact	161,000
-		CR Ashita ga arusa Yoshimoto World	38,000
8		CR Marilyn Monroe	39,000
9		CR Iijima Naoko no Casino Bisty	21,000
11	3. 2007	CR Daimajin	10,000
	3. 2007	CR Neon Genesis Evangelion—Kiseki no Kachiwa	187,000
12		CR Ava Mataura	11,000
14		CR Aya Matsuura	40,000
15		CR Otoko Ippiki Gaki Daisho	27,000
	3. 2008	CR Shin Sangoku Musou CR Neon Genesis Evangelion	27,000
16	3. 2008	—The Angels Are Back Again	199,000
17		CR Tomb Raider	-
18		CRA Felix the Cat	-
19		CR The Mask of Zorro	-
20		CR LOONEY TUNES BIA	-
21	3. 2009	CR Mystic Blue	-
22		CR King Kong	21,000
23		CR Seven Samurai	82,000
24		CR A Morning Musume	-
25		CR A Neon Genesis Evangelion Premium Model	51,000
26	3. 2010	CR Neon Genesis Evangelion—The Beginning and the End	237,000
27		CR Iron Chef	-
28		CR GTO	-
29		CR Neon Genesis Evangelion —The Angels Are Back Again YF	24,000
30		CR Shimizu no Jirocho—The Bonds of Life	11,000
31	3. 2011	CR Kung Fu Panda	12,000
32		CR Evangelion —Evangelical of the beginnings Light ver.	_
33		CR Shimizu no Jirocho Light ver.	_
34		CR Evangelion	205,000
35	3. 2012	—Evangelical of the Beginnings CR Evangelion 7	100,000
	3.2012	CR The story of ayumi hamasaki	
36		Sweet Version CR The story of ayumi hamasaki	10,000
37		Light Version	-
38		CR The story of ayumi hamasaki —introduction	72,000
39	3. 2013	Evangelion 7 Smile Model	12,000
40		CR Sengoku BASARA 3 —The Battle of Sekigahara	16,000
41		EVA Light III	16,000
42	3. 2014	CR EVANGELION 8 Premium Battle	12,000
43		CR TEKKEN	18,000
44		CR EVANGELION 8	75,000
45		CR Beyond the Heavens	
46	3. 2015	CR TEKKEN LIGHT VERSION	_
47		CR EVANGELION 8 Extreme Battle	20,000
48		CR ayumi hamasaki 2	23,000
49		CR EVANGELION 9	103,000
		CR EVANGELION 9	
50		Premium Amadigi ver.	13,000
51		CR EVANGELION 9 Middle ver.	-

52	3. 2016	CR EVANGELION 9 Type zero ver.	-
53		CR Martian Successor NADESICO	-
54		CR EVANGELION X	53,000
55		CR EVANGELION 9 Type zero 199 ver.	-
56		CR Martian Successor NADESICO Light ver.	-
57		CR EVANGELION X PREMIUM MODEL	12,000
58	3. 2017	CR TEKKEN 2 Toushin ver.	15,000
59		CR EVANGELION 9 180ver.	-
60		CR EVANGELION 10 SPEED IMPACT	12,000
61		CR EVANGELION – Time to Rise	57,000
62		CR TEKKEN 2 Fujin ver.	-
63	3. 2018	CR EVANGELION – Time to Rise Premium Model	-

		OK!!	
	FY	Title	Number of sales
1	3. 2013	New-century Pachinko GHOST IN THE SHELL: STAND ALONE COMPLEX MAX type	-
2		New-century Pachinko GHOST IN THE SHELL: STAND ALONE COMPLEX Middle type	25,000
3	3. 2014	Pachinko Onimusha: Dawn of Dreams	33,000
4		New-century Pachinko BERSERK	23,000
5	3. 2015	Pachinko Onimusha: Dawn of Dreams Light Version	-
6		Pachinko Ultra Battle Retsuden	80,000
7	3. 2016	Pachinko Marvel's Avengers	-
8	3. 2017	Pachinko GANTZ	20,000
9	3. 2018	Pachinko Ultra Battle Retsuden Light Edition	-
10		Pachinko Marvel's Avengers Type196	-
11		Pachinko Marvel's Avengers Light Version	-

		Mizuho *Mizuho includes Macy	
	FY	Title	Number of sales
1	3. 2015	CR BATMAN	-
2	3. 2016	CR Million GOD RISING	22,000
3		CR Midoridon Hanabi DE Buon giorno	10,000
4		CR Million GOD RISING—ZEUS Returns—	-
5		CR Tengen Toppa Gurren Lagann	-
6		CR Midoridon Hanabi DE Buon giorno 1/99ver.	-

		Daiichi	
	FY	Title	Number of sales
1	3. 2016	CR Sakigake Otokojuku	-
2		CR Sakigake OtokojukuLight Ver.	-
3	3. 2017	CR MAJESTIC PRINCE	13,000

		NANASHOW	
	FY	Title	Number of sales
1	3. 2017	CR The Amazing Spider-Man	_
2		THE GENIE FAMILY	-

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

\* Figures have been rounded down to the nearest thousand.

## History of Pachislot General Sales: number of sales machines by title (3.2001-Q1 3.2018)

		RODEO	
	FY	Title	Number of sales
1	3. 2001	INDY JAWS 2	23,000
2		Gamera	29,000
3	3. 2002	Ichigeki Teio 2	17,000
4		Salaryman Kintaro	118,000
5		DOUBLE CHALLENGE	31,000
6		Oo-Gamera	32,000
7	3. 2003	KAZENOYOUJINBOU	53,000
8	3. 2003	SNOW KING	33,000
9		Salaryman Kintaro S	42.000
10		CLUB RODEO T	43,000
11	2 2004	Ginginmaru	31,000
12	3. 2004	Gamera -High Grade Vision	61,000
13		WANTOUCHABLE (Sammy)	
14		JET SET RADIO	22,000
15		Charlie's Angels FT	
16		Sloter Kintaro	52,000
17		Yajyu	14,000
18	3. 2005	Onimusha 3	120,000
19		Kaiji	29,000
20		Umematsu Dynamite Wave!	36,000
21	3. 2006	Ore no Sora	125,000
22		Dokonjo Gaeru	120,000
23	3 2007	Sakigake!! Otoko Juku	17,000
24	3. 2007		17,000
		PREMIUM Dynamite	
25	3. 2008	Dokaben	
27	3. 2008	Virtua Fighter Tenka Muteki!	10,000
28		Salaryman Kintaro	18,000
29		The Mask of Zorro	
30		Cream Stew	
31		Devil May Cry 3	48,000
32	3. 2009	Kaiji Act 2	18,000
33		Tenchi wo Kurau	
34		Sonic Live	
	3. 2010	Onimusha:	00.000
35		Dawn of Dreams	90,000
36		Hono-no Nekketsu Kyoshi	
37	3. 2011	Gravion	
38		Ore no Sora —Spirit of Young Justice	38,000
39		Gamera	13,000
40	3. 2012	Pachislot Monster Hunter	95,000
41		Rahxephon	
42		Kaze no Youjinbou	23,000
43	3. 2013	—Memory of Butterflies Pachislot Shin-Onimusha Sairin	41,000
		SAKIGAKE OTOKOJUKU	,
44	2 2014	—TENCHO-GORIN THE FINAL	24,000
45	3. 2014	Kaiji3	25,000
46	3. 2015	Salaryman Kintaro Syusse Kaido	42,000
47	3. 2017	Pachislot INUYASHA	
48	3. 2018	Pachislot Ys I & II "	On sale
49		PACHISLOT TATAKAE! SALARY-MAN	On sale

2 3 3 4 3 5 3 6 7 8 9 10 3 11 12	3. 2005 3. 2006 3. 2007 3. 2008	Title  KAIZOKU  Dai Yamato Fever Natsumatsuri Neon Genesis Evangelion SHERLOCK HOUND GTO  ROCKY BALBOA Tomb Raider Lord of the Rings Beach Club Neon Genesis Evangelion —'Magokoro wo Kimini' Morning Musume	Number of sales
2 3 3 4 3 5 3 6 7 8 9 10 3 11 12 13 3	3. 2005 3. 2006 3. 2007 3. 2008	Dai Yamato Fever Natsumatsuri Neon Genesis Evangelion SHERLOCK HOUND GTO ROCKY BALBOA Tomb Raider Lord of the Rings Beach Club Neon Genesis Evangelion —'Magokoro wo Kimini'	- 12,000 - 23,000 - - - 60,000
3 4 3 5 3 6 7 8 9 10 3 11 12 13 3	3. 2006 3. 2007 3. 2008	Fever Natsumatsuri Neon Genesis Evangelion SHERLOCK HOUND GTO ROCKY BALBOA Tomb Raider Lord of the Rings Beach Club Neon Genesis Evangelion —'Magokoro wo Kimini'	23,000
4 3 5 3 6 7 8 9 10 3 11 12 13 3	3. 2007 3. 2008	Neon Genesis Evangelion SHERLOCK HOUND GTO ROCKY BALBOA Tomb Raider Lord of the Rings Beach Club Neon Genesis Evangelion —'Magokoro wo Kimini'	60,000
5 3 6 7 8 9 10 3 11 12 13 3	3. 2007 3. 2008	SHERLOCK HOUND GTO  ROCKY BALBOA Tomb Raider Lord of the Rings Beach Club Neon Genesis Evangelion —'Magokoro wo Kimini'	60,000
5 3 6 7 8 9 10 3 11 12 13 3	3. 2007 3. 2008	SHERLOCK HOUND GTO  ROCKY BALBOA Tomb Raider Lord of the Rings Beach Club Neon Genesis Evangelion —'Magokoro wo Kimini'	-
7 8 9 10 3 11 12 13 3		ROCKY BALBOA Tomb Raider Lord of the Rings Beach Club Neon Genesis Evangelion —'Magokoro wo Kimini'	-
8 9 10 3 11 12 13 3		Tomb Raider Lord of the Rings Beach Club Neon Genesis Evangelion — 'Magokoro wo Kimini'	-
9 10 3 11 12 13 3		Lord of the Rings Beach Club Neon Genesis Evangelion —'Magokoro wo Kimini'	-
10 3 11 12 13 3		Beach Club Neon Genesis Evangelion —'Magokoro wo Kimini'	99,000
11 12 13 3		Neon Genesis Evangelion —'Magokoro wo Kimini'	99,000
12 13 3	3. 2009	— 'Magokoro wo Kimini'	99,000
13 3	3. 2009	Morning Musume	
	3. 2009		-
14		KING KONG	-
		Neon Genesis Evangelion—That time has come, now they're waiting for us	90,000
15 3	3. 2010	Saturday Night Fever	-
16		Neon Genesis Evangelion  —Die Spur der SEELE	84,000
17 3	3. 2011	MOBASLO Evangelion —for your own wish	77,000
18		Magical Shopping Arcade Abenobashi	-
19 3	3. 2012	Evangelion —the Heartbeat of Life	46,000
20		SAMURAI 7	12,000
21 3	3. 2013	EVANGELION	57,000
22		Yaoh	-
23		GTO Limit Break	-
24 3	3. 2014	Evangelion —Ketsui no Toki	13,000
25		MOBILE SUIT GUNDAM	25,000
26		PACHISLOT ULTRAMAN WARS	23,000
27 3	3. 2016	EVANGELION—Spear of Hope	26,000
28		EVANGELION —Tamashii wo Tsunagumono	15,000
29		MOBILE SUIT GUNDAM Awakening  – Chained battle –	12,000
30 3	3. 2017	EVANGELION – WISH OF VICTORY	-
31		PACHI-SLOT MOBILE SUIT Z GUNDAM	-

		Enterrise	
	FY	Title	Number of sales
1	3. 2010	VIEWTIFUL JOE	-
2	3. 2011	Sengoku BASARA 2	16,000
3	3. 2012	Street Fighter IV	-
4	3. 2013	Resident Evil 5	49,000
5	3. 2014	Monster Hunter: Gekka Raimei	50,000
6		Devil May Cry 4	25,000
7	3. 2015	Pachislot Sengoku BASARA 3	20,000
8	3. 2016	Resident Evil 6	37,000
9		Asura's Wrath	-
10	3. 2017	Super Street Fighter IV	-
11		Devil May Cry X (Cross)	15,000
12		Monster Hunter Kyoryu Sensen	37,000
13	3. 2018	Pachislo Machine Ace Attorney	-
14		Resident Evil Revelations	-

		Mizuho	
	FY	Title	Number of sales
1	3. 2014	ANOTHER GOD HADES	54,000
2	3. 2018	Kai-Dou-Sei Million Arthur	On sale
3		THE AMAZING SPIDER-MAN	On sale

	FY	Number of sales	
1	3.2015	Pachislot BERSERK	20,000
2	3. 2016	PACHISLOT NINJA GAIDEN	12,000
3		Pachislot Ultraman	-
4	3. 2017	Pachislot ALIEN BALTAN	-
5		Pachislot LOAD of VERMILION	-
6	3.2018	PACHISLOT GRAPPLER BAKI	-
7		PACHISLOT TOUKIDEN	On sale

		D-light	
	FY	Title	Number of sales
1	3. 2016	MAJESTIC PRINCE	-
2		HIGURASHI NO NAKUKORONI— KIZUNA	-
3		Oh My Goddess!	-
4	3. 2017	Pachislot GARGANTIA ON THE VERDUROUS PLANET	-
5	3. 2018	Pachislot Osomatsu-kun	-
5		Pachislot The Ambition of Oda Nobuna."	On sale
		OK!!	
	FY	Title	Number of

		OK!!	
	FY	Title	Number of sales
1	3. 2018	Pachi-Slot Marvel's The Avengers	On sale
2		PACHI-SLOT ULTRASEVEN	On sale

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

\* Figures have been rounded down to the nearest thousand.

\* Title in red indicate titles of sales cooperation.

# Change of "Evangelion" Series: Pachinko Machines

	Sales title	Type less reliant on gambling nature/reused machines	Series of machine sales (by period)		Sales title	Type less reliant on gambling nature/reused machines	Series of machine sales (by period)
3. 2005	Neon Genesis Evangelion Dec. 2004 (124,000 machines)		98,000 machines	3.2014	EVANGELION 8 Jul. 2013 (75,000 machines)	Premium Battle Jan. 2014 (12,000 machines)	88,000 machines
3. 2006	Second Impact Feb. 2006 (161,000 machines)		150,000 machines		EVANGELION 9 Dec. 2014 (103,000 machines)	Extreme Battle Jul. 2014 (20,000 machines)	
3. 2007	Kiseki no Kachiwa Feb. 2007 (187,000 machines)		206,000 machines	3. 2015		Premium Amadigi Ver. Feb. 2015 (13,000 machines)  EVANGELION 9 Middle Ver. Feb. 2015	131,000 machines
3. 2008	The Angels Are Back Again Jan. 2008 (199,000 machines)		206,000 machines		EVANGELION X Sep. 2015. (53,000 machines)	EVANGELION 9 Type zero ver. May 2015	
3. 2009		Premium Model May 2008 (51,000 machines)	63,000 machines	3. 2016		EVANGELION 9 Type zero 199ver. Dec. 2015	84,000 machines
3. 2010	The Beginning and the End Apr. 2009 (237,000 machines)	The Angels Are Back Again YF Jan. 2010 (24,000 machines)	259,000 machines			PREMIUM MODEL Feb. 2016 (12,000 machines)	
3. 2011	Evangelical of the Beginnings Jun. 2010 (205,000 machines)	Evangelical of the Beginnings Light ver. Nov. 2010	215,000 machines	2017	Time to Rise Dec. 2016 (57,000 machines)	180Ver. Sep. 2016  SPEED IMPACT Sep. 2016	78,000 machines
3. 2012	Evangelion 7 Jan. 2012 (100,000 machines)		97,000 machines	3.2		(12,000 machines)	<u>maximos</u>
3. 2013		EVA Light III May 2012 (16,000 machines)  Smile Model	31,000 machines	3. 2018		PREMIUM MODEL Jun. 2016 On sale	-
Source:	Fields @ 115-/Project Fva @	Dec. 2012 (12,000 machines) カラ− © SANKYO © Bisty		* Figu	tes have been rounded down to the nearest thousand. es in parentheses () indicate the number of machines sclosed)	sold per title (sales of less than 10,000 mach	nines are not

# Change of "Evangelion" Series: Pachislot Machines

	Sales title	Series of machine sales (by period)			Sales title	Series of machine sales (by period)
3. 2006	Neon Genesis Evangelion Sep. 2005 (23,000 machines)	22,000 machines	3. 2014		Ketsui no Toki Feb. 2014 (13,000 machines)	13,000 machines
3. 2007		-	3. 2015			-
3. 2008	Magokoro wo Kimini Jul. 2007 (99,000 machines)	99,000 machines	2016		Spear of Hope Jun. 2015 (26,000 machines)	41,000
3, 2009	That time has come, they're waiting for us Sep. 2008 (90,000 machines)	90,000 machines	3.2	<b>基</b> 基	Tamashii wo Tsunagumono Dec. 2015 (15,000 machines)	<u>machines</u>
3. 2010	Die Spur der SEELE Mar. 2010 ( <u>84,000 machines</u> )	74,000 machines	3. 2017		WISH OF VICTORY Feb. 2017	-
3. 2011	For your own wish Mar. 2011 (77,000 machines)	65,000 machines				
3. 2012	The Heartbeat of Life Feb. 2012 (46,000 machines)	69,000 machines				
3. 2013	EVANGELION Feb. 2013 (57,000 machines)	56,000 machines				

<sup>\*</sup> Figures have been rounded down to the nearest thousand.
\* Figures in parentheses () indicate the number of machines sold per title (sales of less than 10,000 machines are not disclosed) ©  $h^2$ -/Project Eva. ©  $h^2$ - © Bisty Source: Fields



# Sales Result of Pachinko/Pachislot Machines

- P.25 Sales Result of Pachinko/Pachislot Machines
- P.26 Change in the Number of Pachinko/Pachislot Machines Sold (Graph)
- P.27 Number of Pachinko/Pachislot Machines Sold (Details) Cumulative Number of Pachinko/Pachislot Series Sold (by Main IP)

# Sales Result of Pachinko/Pachislot Machines

## [ By Pachinko/Pachislot Brand ]

(Unit: Machines)

		Year End	ed March 3	31, 2017	Year Ending March 31, 2018					
	Q1	Q2	Q3	Q4	Full-Year	Q1	Q2	Q3	Q4	Full-Year
< Pachinko machines >										
Bisty	2,798	16,441	28,677	50,721	98,637	1,605				
OK!!	2,345	-	959	19,593	22,897	9,207				
Mizuho *1	73	-	-	-	73	-				
Daiichi	14,015	-	-	-	14,015	-				
NANASHOW	2,396	-	-	1,335	3,731	665				
Others	3,050	3,594	3,656	5,961	16,261	3,054				
I) Total number of pachinko machines sold	24,677	20,035	33,292	77,610	155,614	14,531				
< Pachislot machines >										
RODEO	-	-	4,416	15	4,431	-				
Bisty	5	-	-	12,005	12,010	1,272				
OK!!	-	-	-	-	-	1,755				
NANASHOW	1,995	173	4,153	-	6,321	2,087				
Enterrise	5,537	15,011	15,122	22,178	57,848	4,171				
D-light	3,167	2	-	16	3,185	2,316				
Others	1,401	1,050	655	1,069	4,175	970				
II) Total number of pachislot machines sold	12,105	16,236	24,346	35,283	87,970	12,571				
I) + II) Total number of pachinko/pachislot machines sold	36,782	36,271	57,638	112,893	243,584	27,102				

<sup>\*1</sup> Mizuho includes Marcy.

## [ Major Sales Title ]

(Unit: Machines)

Re	Release Brand Title					Q3	Q4	Full-Year
< Pacl	hinko ma	achines >						
Apr.	2018	OK!!	Pachinko Ultra Battle Retsuden Light Edition	-				-
Jun.	2018	OK!!	Pachinko Marvel's Avengers Type 196	-				-
Jun.	2018	OK!!	Pachinko Marvel's Avengers Light Version	-				-
Jun.	2018	Bisty	CR EVANGELION – Time to Rise PREMIUM MODEL	-				-
< Pacl	hislot ma	ichines >						
Apr.	2018	D-light	Pachislot Osomatsu-kun	-				-
May	2018	NANASHOW	PACHISLOT GRAPPLER BAKI	-				-
May	2018	Enterrise	Pachislo Machine Ace Attorney	-				-
Jun.	Jun. 2018 OK!! Pachi-Slot Marvel's The Avengers							-

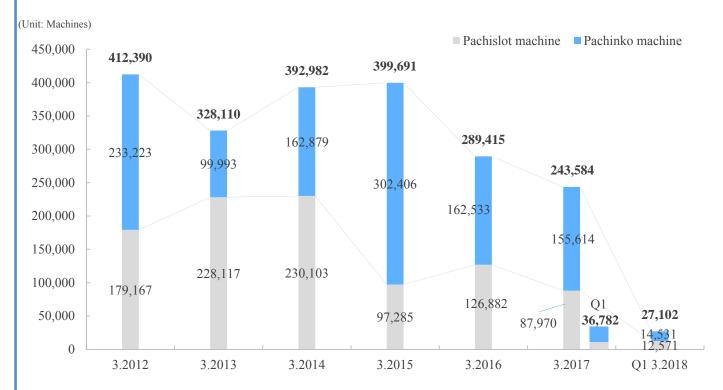
<sup>\*[</sup>Major Sales Title] is only general sales of Fields Corp.

<sup>\*</sup> Regarding the titles of pachinko/pachislot machines for which the number of machines sold was less than 10,000, the number of machines sold is not disclosed. Figures have been rounded to the nearest thousand.

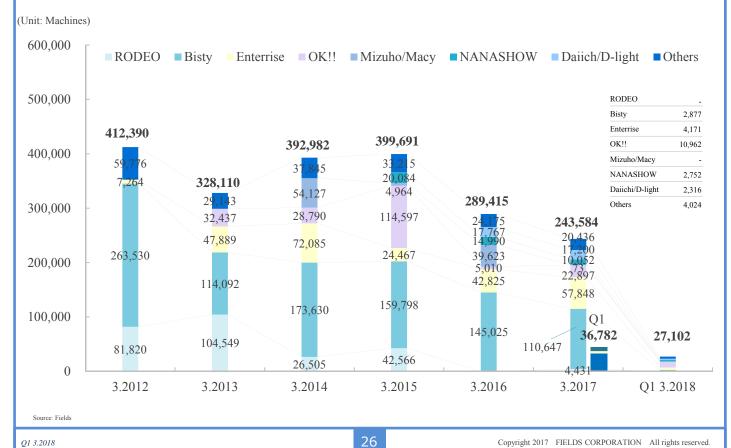
<sup>\*</sup> Titles in blue indicate titles derived from spin-offs of previously launched pachinko/pachislot machines.

# Change in the Number of Pachinko/Pachislot Machines Sold (Graph)

## [ By Pachinko/Pachislot Machines ]



## [ By Pachinko/Pachislot Brand ]



# Number of Pachinko/Pachislot Machines Sold (Details)

																(Unit: M	Iachine
		3. 2013			3. 2014			3. 2015			3. 2016			3. 2017		Q1 3.	2018
	H1	H2	Full	H1	H2	Full	H1	H2	Full	H1	H2	Full	H1	H2	Full	Q1	Full
Number of machines sold	101,103	227,007	328,110	171,905	221,077	392,982	102,119	297,572	399,691	134,531	154,884	289,415	73,053	170,531	243,584	27,102	
■ Sales ratio																	
Pachinko	46,823	53,170	99,993	110,276	52,603	162,879	73,910	228,496	302,406	64,954	97,579	162,533	44,712	110,902	155,614	14,531	
raciiliko	46.3%	23.4%	30.5%	64.1%	23.8%	41.4%	72.4%	76.8%	75.7%	48.3%	63.0%	56.2%	61.2%	65.0%	63.9%	53.6%	
Pachislot	54,280	173,837	228,117	61,629	168,474	230,103	28,209	69,076	97,285	69,577	57,305	126,882	28,341	59,629	87,970	12,571	
Pacifisiot	53.7%	76.6%	69.5%	35.9%	76.2%	58.6%	27.6%	23.2%	24.3%	51.7%	37.0%	43.8%	38.8%	35.0%	36.1%	46.4%	
■ Agency/Di	stribution	sales ratio	0														
Agency	52,274	57,008	109,282	116,235	55,492	171,727	77,422	149,509	226,931	36,288	77,528	113,816	27,869	90,141	118,010	5,180	
sales	51.7%	25.1%	33.3%	67.6%	25.1%	43.7%	75.8%	50.2%	56.8%	27.0%	50.1%	39.3%	38.1%	52.9%	48.4%	19.1%	
Distribution	48,829	169,999	218,828	55,670	165,585	221,255	24,697	148,063	172,760	98,243	77,356	175,599	45,184	80,390	125,574	21,922	
sales	48.3%	74.9%	66.7%	32.4%	74.9%	56.3%	24.2%	49.8%	43.2%	73.0%	49.9%	60.7%	61.9%	47.1%	51.6%	80.9%	
■ Direct/Indi	rect sales	ratio															
Direct sales	81,336	187,610	268,946	144,481	179,486	323,967	86,597	244,134	330,731	110,070	126,307	236,377	60,805	138,154	198,959	23,089	
Direct sales	80.4%	82.6%	82.0%	84.0%	81.2%	82.4%	84.8%	82.0%	82.7%	81.8%	81.5%	81.7%	83.2%	81.0%	81.7%	85.2%	
Indirect	19,767	39,397	59,164	27,424	41,591	69,015	15,522	53,438	68,960	24,461	28,577	53,038	12,248	32,377	44,625	4,013	
sales	19.6%	17.4%	18.0%	16.0%	18.8%	17.6%	15.2%	18.0%	17.3%	18.2%	18.5%	18.3%	16.8%	19.0%	18.3%	14.8%	

# Cumulative Number of Pachinko/Pachislot Series Sold (by Main IP)

(As of June 30, 2017)

	"Evangelion" "Game IP" "H series series		"Hiroshi Motomiya's works" series	"Comics, animation IP" series	"Ultraman" series	
■ Major titles						
Pachinko machines	• EVANGELION X • CR EVANGELION — Time to Rise	Onimusha: Dawn of Dream     TEKKEN	Salaryman Kintaro     Ore no Sora	Tengen Toppa Gurren     Lagann     GANTZ	• Ultra Battle Retsuden	
Pachislot machines	Tamashii wo     Tsunagumono     WISH OF VICTORY	• Monster Hunter • Resident Evil 6	"""		• ULTRAMAN WARS • Ultraman	
Cumulative titles so	ld					
Pachinko machines	11	10	4	20	1	
Pachislot machines	11	25	8	32		
Total	22	35	12	52	4	
Cumulative number	of units sold (unit: machine	es)				
Pachinko machines	1,717,000	210,000	90,000	281,000	83,000	
Pachislot machines	543,000	767,000	403,000	369,000	27,000	
Total	2,260,000	977,000	493,000	654,000	111,00	

<sup>\*</sup> Figures have been rounded to the nearest thousand. The total number of machines sales is not calculated on this sheet.

\* Pachinko number of titles sold excludes reused machines and machines with specifications changes.

# Medium-term management plan

**P.29** Plan of Medium-term Business Results
Focus Points of the 3-year Medium-term Management Plan

**P.30** Focus Points of the Cross-Media Business Platform Focus Points of the Pachinko/Pachislot Business Platform

P.31 Actions
Restructure Business Value Chain

**P.32** [IP × Business Platform] Matrix Model Development Image Based on Matrix Model

P.33 [Business Value chain × Matrix Model]
IP Portfolio Management



## Plan of Medium-term Business Results

FY2017 is the first fiscal year for the newly formulated three-year Medium-term Management Plan. First, we will deploy measures for short-term recovery of business results. However, for our main field of pachinko/pachislot field, we will be disclosing ranges due to some uncertainties in the market environment and plan for sales titles.

On the other hand, as we move towards short-term recovery of business results, we will also continue with business selection and concentration, and efficiency of business management from a medium-term perspective. The risk from this process is considered in our income plan.

(Unit: billions of yen)

	FY2016	FY2017	FY2018	FY2019
Net sales	76.6	82.0–85.0 (+5.4–+8.4)	71.0–74.0 (-14.0– -8.0)	81.0–88.0 (+7.0–+17.0)
Operating income	(5.3)	1.0–2.0 (+6.3– +7.3)	2.0-3.0 (0-+2.0)	5.0-7.0 (+2.0-+5.0)
Ordinary income	(9.0)	0-2.0 (+9.0-+11.0)	2.0-3.0 (0-+3.0)	5.0-7.0 (+2.0-+5.0)
Net income attributable to owners of parent	(12.4)	0-1.0 (+12.4-+13.4)	1.0–1.5 (0–+1.5)	2.5–3.5 (+1.0–+2.5)

<sup>\*</sup> Figures in parentheses are changes from the previous fiscal year

## Focus Points of the 3-year Medium-term Management Plan

Our Group has identified the below three focus points for our Medium-term Management Plan after correctly recognizing the factors for slumping performance in recent years. By carrying these out, we aim to achieve our business results plan for the three years as well as even further growth.

- 1. In parallel with executing medium- to long-term business strategies, concentrate on the short-term recovery of business results
  - ✓ Strengthening of distribution infrastructure in the PS business platform
  - ✓ Restoration of profitability to each IP project
- 2. Restructure business value chain based on core planning/production capabilities
  - ✓ Customer orientation / reaction to change / information capability / partnership / planning capability / persistent business development
  - ✓ Organizational improvement of production capabilities pursuing product ideals
- 3. Evolve the [IP  $\times$  business platform] business model
  - Thorough approach from both "IP" perspective and "business platform" perspective
  - ✓ Generation of revenue through the expansion and deepening of [IP × business platform]

## Focus Points of the Pachinko/Pachislot Business Platform

# Improving labor productivity

#### 1. Focus on short-term recovery of business results concurrently with medium-to long-term management strategy

- ✓ Enhance distribution base aimed at recovery in short-term business results
- ✓ Expand goods handled

#### 2. Building of business structure that will not be upset by changes in market environment

- ✓ Configuration of well-balanced line-up of titles with product appeal
- ✓ Build distribution system and relationships enabling stable supply of new machines
- ✓ Build business structure that is not dependent just on PS sales

#### 3. Supplying of PS solutions

- ✓ Expansion of business domain: PS distribution structure × products and services
- ✓ Expansion of target market: PS sales market ¥860 billion ⇒ Total PS market ¥2.7 trillion

## Contribute to expanding fans/market

## Focus Points of the Cross-media Business Platform

## 1. Initiatives in IP

- ✓ "IP portfolio management" that is not reliant on any specific hit IP
- ✓ Concentrate on IP planning that will succeed in [Reboot × Cross-media]
- ✓ IP management structure to manage the Group's entire IP in an integrated manner

## 2. Initiatives in Business Platform

- ✓ Enhancing foundations to respond to market changes
- ✓ Conversion to a policy of collaboration with major partners
- ✓ Interlocking and evolution with PS machines platforms

## 3. Initiatives in Global development

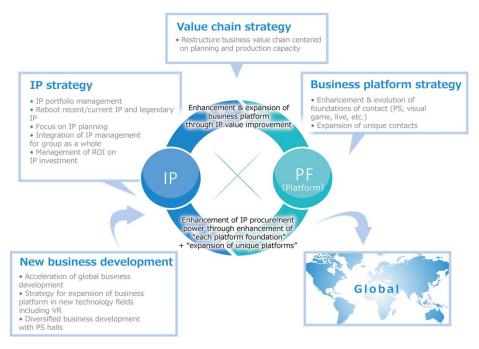
- ✓ Premising on global development at the planning stage
- ✓ Building of networks with overseas platform partners
- ✓ Horizontal expansion of products and services for overseas

Source: Fields

Q1 3.2018

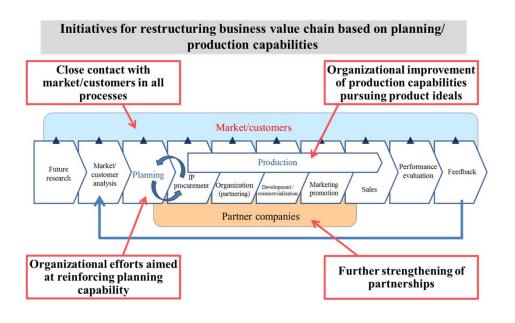
## Actions

We will restructure centered on our business value chain, and based on this from the perspective of both IP and business platform, focus on integrated cultivation of IP. We will also work on new business development, such as accelerating global business development and expanding our business platform in new technological fields including that of VR, in order to further expand profit. For all these actions, we will work on strengthening win-win relations with partners such as publishers, pachinko/pachislot machine manufacturers, pachinko hall management companies, entertainment companies, and global companies.



# Restructuring of Business Value Chain

For our business value chain centered on planning and production capacity, we aim to restructure through close contact with the market and our customers in all processes, organizational efforts aimed at reinforcing planning capability, organizational improvement of production capabilities pursuing product ideals, and further strengthening of partnerships.

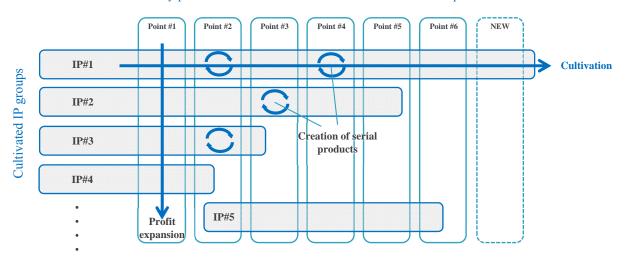


## [IP×Business Platform] Matrix Model

Aim to further cultivate IP and expand profit,

by having many <u>points of customer contact = cross-media business platform</u> cultivating IP, and <u>by refining the IP at each contact point, expanding the fan base, raising the IP value and creating serial products</u>

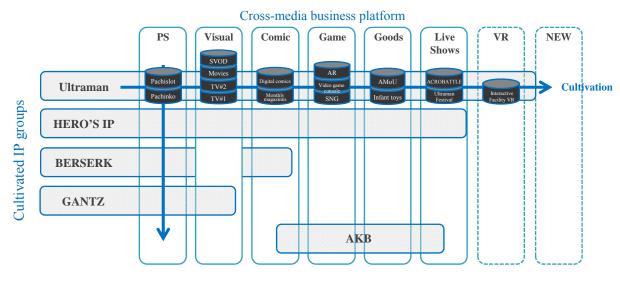
## Many points of customer contact = Cross-media business platform



## Development Image Baced on Matrix Model

We will promote vertical cumulative expansion through creation of serial products and expansion into various media for each contact point based on the matrix structure

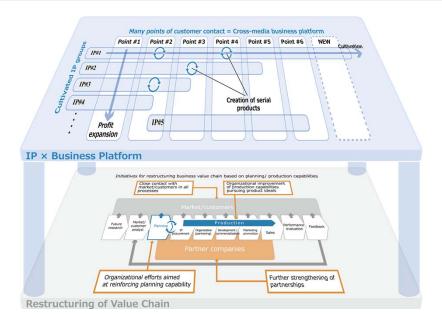
[Cultivated IP groups × Cross-media business platform]. We will aim for further IP cultivation and profit expansion.



## [Business Value chain × Matrix model]

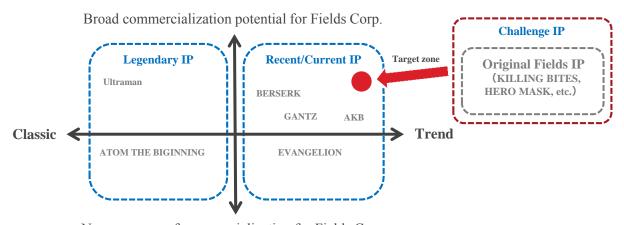
We aim for profit expansion by <u>focusing on restructuring business value chain</u> centerd on planning/production capabilities, and <u>enabling the matrix model [IP × Business</u>

platform] on a firm foundation



## IP Portfolio Management

We will carry out IP portfolio management that is not reliant on any specific hit IP. For FY2017 to FY2019, we will firstly focus on recent/current IP. In addition, we will also proactively tackle the rebooting of legendary IP. Our original IP will be positioned as "challenge IP," which we will narrow down through selection and concentration, and cultivate to grow into recent/current IP.



Narrow range of commercialization for Fields Corp.

# 6

# **Market Data**

- P.35 Trends in Working Hours Trends in Household Consumption
- P.36 Trends in Leisure Market Trends in the Content Industry

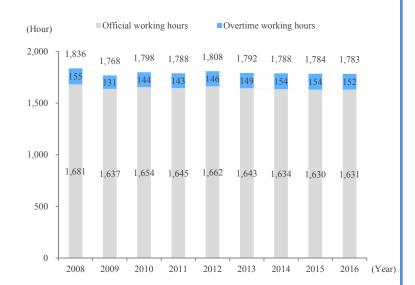
## Trends in Working Hours

The data is updated by Monthly Labour Survey conducted of Japan's Ministry of Health, Labour and Welfare

According the Monthly Labor Survey of the Ministry of Health, Labor and Welfare, the annual total actual hours in 2016 worked in Japan (at establishments with 30 employees or more) was 1,783 hours (0.1% decrease compared with the previous fiscal year), marking the fourth consecutive year of decrease. Official working hours were 1,631 hours, (0.0% increase), for the second consecutive year of increase.

Meanwhile, overtime working hours were 152 hours (1.7% decrease), for the second consecutive year of decrease. The ratio of part-time workers continues to increase, leading to the decrease in working hours.

\*Surveyed offices changed in January 2015, therefore past index figures and rates of change were recalculated retroactively. Consequently, the comparison with the previous fiscal year may not always match calculations made using the figures in the graph.



## Trends in Household Consumption

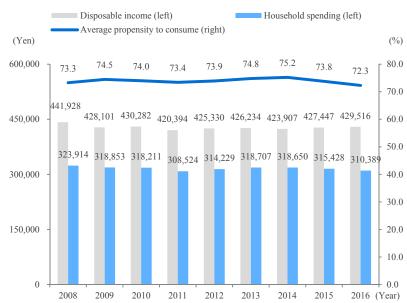
The data is updated by Family Income and Expenditure Survey conducted by the Ministry of Internal Affairs and Communications

\* Worker household (households of two or more people with average number of people per household of 3.39, excluding agricultural, forestry, and fishing households) Household spending (yearly average per month)

According to the Family Income and Expenditure Survey conducted by the Ministry of Internal Affairs and Communications, disposable income per household for employees in 2016 was 429,516 yen (0.5% increase compared

with the previous fiscal year, an increase of 2,069 yen). However, household spending (monthly, averaged over one year) in 2016 was 310,389 yen (1.6% decrease), marking the third consecutive year of decrease. This was due mainly to the impact of the unseasonal weather on the summer market. Average propensity to consume (percentage of the household spending for the disposable income) was 72.3% (1.5% point decrease), marking the second consecutive year of decrease.

\* Comparisons with the previous fiscal year are actual values taking into account price fluctuations, so they may not always match those calculated using the figures in the graph.



Source: Monthly Labour Survey conducted by Japan's Ministry of Health, Labour and Welfare,
Family Income and Expenditure Survey conducted by the Ministry of Internal Affairs and Communications

## Trends in the Leisure Market

The data is updated by White Paper on Leisure of the Japan Productivity Center

According to the Japan Productivity Center's White Paper on Leisure 2016, Japan's leisure market shrank 1.0% year-over-year to ¥72.299 trillion in 2015. It expanded 1.2% year-over-year, marking three consecutive years of positive growth, if the pachinko and pachislot market, which accounts for a substantial share of the overall leisure market, is excluded. This is largely attributable to continued steady growth in the domestic tourism field and brisk demand for food services and sporting goods.

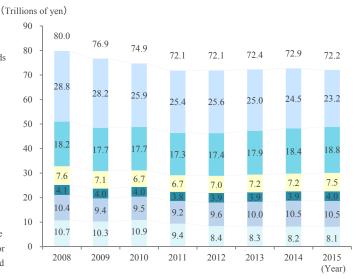
The sports market expanded 1.9% year-over-year to ¥4.024 trillion, underscoring the recovery trend seen in recent years, backed by strong demand for sporting goods and watching sports events.

The market for pastimes and creative activities shrank 1.0% year-over-year to \$48.117 trillion. It has contracted for five consecutive years due to a drop in sales of cameras and video cameras as well as books and magazines. However, electronic publishing, subscription-based music distribution services, and video-on-demand services have increased their presence.

The entertainment market shrank 1.5% year-over-year to ¥49.567 trillion, hit by the contraction of the pachinko and pachislot market. Meanwhile, the market for horse, bicycle, and boat racing remained steady, and demand for lotteries, sports lotteries, and food services was also strong.

The tourism and recreation markets inched up 0.6% year-over-year to \$10.591 trillion, expanding for four consecutive years. This is attributable to the fact that the hotel market and the amusement and theme park market reached an all-time high for three and two consecutive years, respectively, and demand for domestic tourism and train and air trips was also robust.





## Trends in the Content Industry

The data is updated by the Digital Content Association of Japan's White Paper on Digital Content 2016

According to the Digital Content Association of Japan's White Paper on Digital Content 2016, the contents industry—comprising Japanese movies, anime, TV shows, games, and books—was worth ¥12.0505 trillion, edging up 0.4% year-over-year.

The animation market edged up 0.7% year-over-year to ¥4.3655 trillion as revenues from network distribution services, stages, movies, and TV broadcasting increased, while package sales continued to decrease.

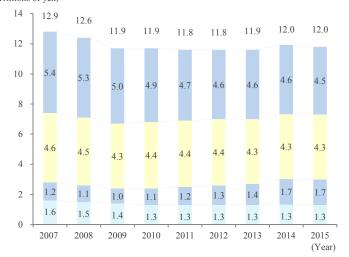
Revenues from concerts remained strong, growing for eight straight years. Revenues from music distribution services slightly rose, affected by substantial increase in network distribution and decrease in services for feature phones. Package sales were flat from the previous year, while revenues from karaoke and radio-related services declined. As a result, the overall music and sound market remained roughly unchanged from the previous year, up 3.7% year-over-year to ¥1.3861 trillion.

Revenues from online games (those for PCs and smartphones, excluding feature phones) exceeded ¥1 trillion, but their growth slowed down. Package sales, revenues from arcade games and feature phone games remained on a downward trend. As a result, the overall game market shrank 0.9% year-over-year to ¥1.7026 trillion yen, marking its first contraction in six years since 2009.

The market for books, newspapers, pictures, and text works shrank 2.9% year-over-year to ¥3.6769 trillion. While sales of electronic books and magazines expanded significantly, sales of books and magazines fell for nine and 18 consecutive years, respectively.

■Books, newspapers, pictures, and text works ■Animations ■Games ■Music and sound

(Trillions of yen)



Source: Japan Productivity Center's White Paper on Leisure 2016 igital Content Association of Japan's White Paper on Digital Content 2016

# Pachinko/Pachislot Market Data

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- P.39 Pachinko/Pachislot Market Scale
- P.40 Trends in Pachinko/Pachislot Industry
- P.41 Trends in Pachinko/Pachislot Regulations
- P.42 Number of Pachinko Halls and Change in Number of Pachinko/Pachislot Machines Installed Per Hall Number of Installed Pachinko/Pachislot Machines and Annual Turnover Rate
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  Market Share by Manufacturers
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# Trends in Pachinko/Pachislot Market (Editor: Greenbelt)

## Trends in the pachinko market

Titles released in Q1 increased year on year for the first time in three years, with release of major titles for two consecutive months pulling up machine sales

The number of pachinko titles sold in Q1 (Apr.-Jun.) was 44, an increase of 7 titles (18.9%) compared to the same quarter last year. This is the first time in three years the number of pachinko titles sold has increased year on year. In addition, this was the first time after two years that more than 40 titles were achieved in Q1. The increase indicates that there remains replacement demand for middle-type machines, which have moved into the main spees following the removal of MAX-types at the end of last year, but may also reflect the desire of manufacturers to supplement the decrease in machines sold through an increase in titles. On the other hand, the number of machines sold in Q1 was 395,000, a significant increase of 128,000 machines (47.9%) YoY. Even when compared with the previous quarter, there was an increase of 75,000 machines (23.4%). Major titles, such as "Hokuto 7" (Apr.) and "Shigoto-nin 5" (May), pulled up overall pachinko sales. The market welcomed the entry of major titles for two consecutive months after the removal of MAX-types.



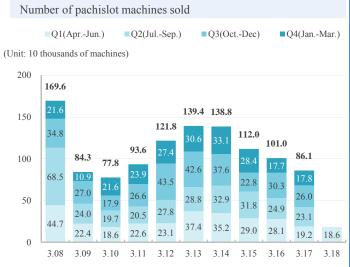


## Trends in the pachislot market

More than 30 titles in the quarter after six quarters, increase of 8,000 machines (4.5%) from the previous quarter due to "Bancho 3" effect

The number of pachislot titles sold in Q1 (Apr.-Jun.) was 35, an increase of 8 titles (29.6%) compared to the same quarter last year. This is the third consecutive quarter since Q3 last year that the number of titles sold have surpassed the previous quarter. In addition, this is the first time in six quarters (1.5 years) since Q3 of FY2015 that the number of titles sold per quarter has exceeded 30 titles. In the market for new machines, regulation 5.5 machines are currently being deployed, with signs that the release pace is increasing in preparation for the sales and installation deadline in September. We expect further increase in the next quarter, during which the deadline will take effect. On the other hand, the number of pachislot machines sold in Q1 was 186,000 machines, a decrease of 6,000 machines (3.1%) YoY. However, there was an increase of 8,000 machines (4.5%) from the previous quarter. In Q1, "Bancho 3" produced noteworthy results for the first time as a major title for regulation 5.5 machines. Competing with old regulation machines which have the advantage in specs, heavily criticized regulation 5.5 machines are finally seeing the light. The government is requesting a review of the removal schedule for old regulation machines. Attention is being placed on just how quickly removal will take place with the review.

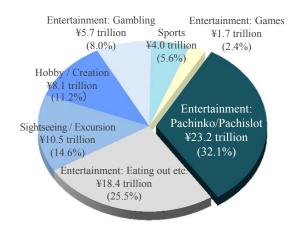




# Pachinko/Pachislot Market Scale

### Market Scale of Pachinko/Pachislot Industry

#### **FY2015 Japanese Leisure Market** ¥72.2 trillion



Pachinko/Pachislot is one of the leading forms of leisure in Japan, being played by about 10.6% of the population in pachinko halls of 11,310 venues

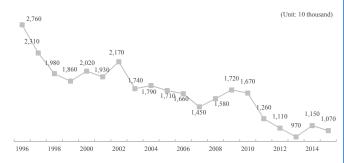
#### Change in Pachinko/Pachislot Market Scale

The data is updated every August by "White Paper on Leisure: Japan Productivity Center"



#### Change in Number of Pachinko/Pachislot Players

The data is updated every August by "White Paper on Leisure: Japan Productivity Center"



\*"White Paper on Leisure" has changed the survey method to internet base survey since 2009.

#### Income Structure of Pachinko Halls

#### Pachinko/Pachislot Market Size: ¥23.2 trillion (Total lease amount of pachinko balls)

Premiums: ¥19.8 trillion (Returned to players)

Investment for Customer Expansion New Machine Installment Costs (Purchase cost of new machines)

Pachinko Machines: ¥613.0 billion

Pachislot Machines: ¥369.7 billion

Costs for constructing new halls and refurbishing

Advertising, marketing and service expenses

Other expenses related to equipment

Net Income

Pachinko/Pachislot Machine Market: Approximately ¥982.7 billion

Hall-related Businesses

existing halls

Other expenses

■ Net income

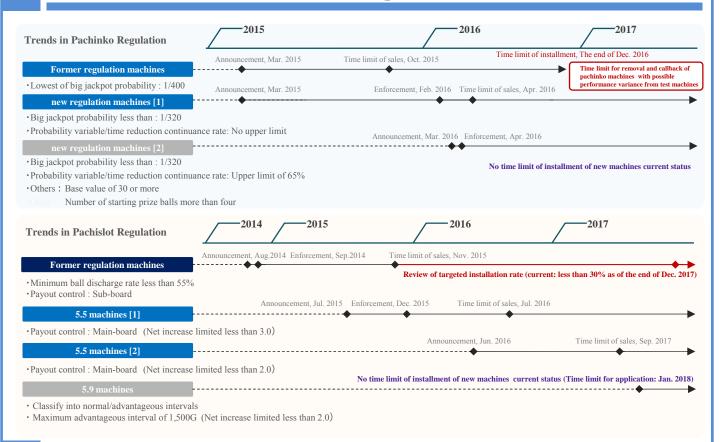
<sup>&</sup>quot;White Paper on Leisure" by Japan Productivity Center,
"Trend and Market Share of Pachinko Related Manufacturers by Yano Research Institute, and Estimation by Fields

# Trends in Pachinko/Pachislot Market

o effect thorough
s laying cost
FInstallment rate 14.1%
22.1%
9.7% 28.6%
12.3% 32.7%
18.7% 37.5%
21.1% 40.5%
23.0% 43.0%
23.7% 45.3% chislot
23.2% 46.8%
S I

Source: Fields, National Police Agency's data (https://www.npa.go.jp/touke/index.htm),
"Trend and Market Share of Pachinko Related Manufacturers" by Yano Research Institute
\* Total number of PS machines sold in 2017 is estimated figure of Fields Corp.

# Trends in Pachinko/Pachislot Regulations



### Draft Revisions to Laws, Ordinances, and Rules Related to the Amusement Business Law

Revisions to Laws, Ordinances, and Rules Related to the Amusement Business Law

Announcement in Aug. 2017, Enforcement in Feb.2018 (scheduled)

#### **◇Regulation of ball output**

(1) Changes to criteria for test firing

	Test	Old regulation	New regulation
nko	1 hour	Under 300%	Over 33.3%—Under 220%
Pachinko	4 hours	-	Over 40%—Under 150%
	10 hours	Over 50%—Under 200%	Over 50%—Under 133%

	Test	Former regulation	New regulation
lot	400 G	Under 300%	Over 33.3%—Under 220%
Pachislot	1,600 G	-	Over 40%—Under 150%
Pa	6,000 G	Under 150%	Over 50%—Under 126%
	17,500 G	Over 55%—Under 120%	Over 60%—Under 115%

(2) Changes to criteria for jackpot balls

	Former regulation	New regulation
Pachinko	2,400 balls (equivalent to 9,600 yen)	1,500 balls (equivalent to 6,000 yen)

	Former regulation	New regulation
Pachislot	480 tokens (equivalent to 9,600 yen)	One type: 300 tokens (equivalent to 6,000 yen)

(3) Changes to maximum number of rounds for pachinko

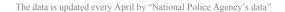
	Former regulation	New regulation
Round	Maximum 16 rounds	Maximum 10 rounds

- $\Diamond$  Introduction of specifications for "controlled machines (ball enclosed-type machines) and pachinko machine settings (6 types)"
- ♦ To promote measures to prevent pachinko addiction, revised laws and rules require machine managers to provide information to customers and take other necessary measures as their additional duties.

Source: Fields, National Police Agency "New/Old Comparative table" released on June 11, 2017. and Nikkoso <a href="http://www.yugi-nippon.com/?p=13733">http://www.yugi-nippon.com/?p=13733</a>

# Number of Pachinko Halls and Change in Number of Pachinko/Pachislot Machines Installed Per Hall

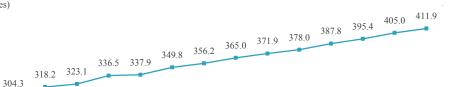
294.7



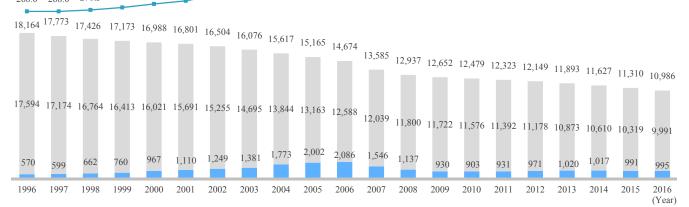


Pachinko/Pachislot hall establishment (Unit: Stores)

Installed machines per hall (Unit: Machines)



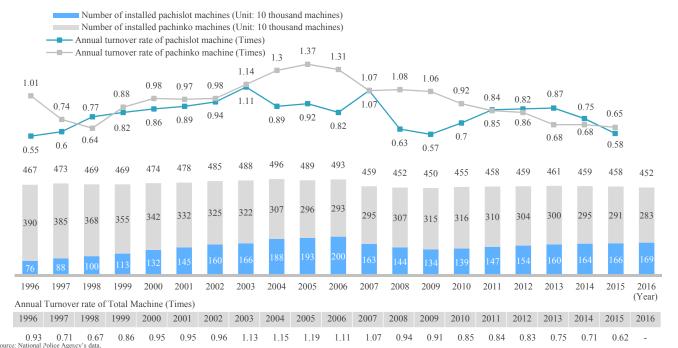
268.0 268.0 270.3 274.3 279.9 284.9



### Number of Installed Pachinko/Pachislot Machines and Annual Turnover Rate

The data of number of installed Pachinko/Pachislot machines is updated every April by "National Police Agency's data"

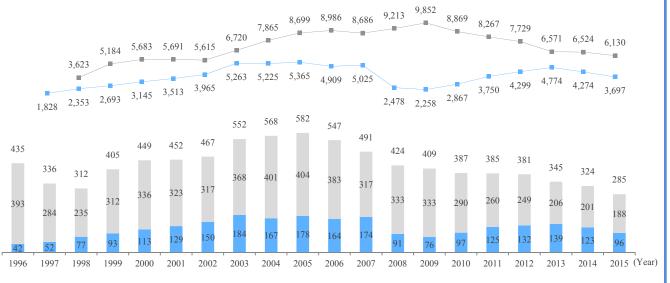
The data of annual turnover of pachislot machine is updated every August by "Trend and Market Share of Pachinko Related Manufacturers" by Yano Research Institute



### Market Sale of Pachinko/Pachislot Machines Sales (based on sales)



- Pachislot machine sales amount (Unit: 100 millions of yen) Pachinko machine sales amount (Unit: 100 millions of yen)
  - Unit sales of pachislot machines (Unit: 10 thousand machines) ■ Unit sales of pachinko machines (Unit: 10 thousand machines)



Pachinko/Pachislot machine total (100 millions of yen)

						,													
1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
NA	NA	5.976	7.877	8.828	9.204	9.580	11.983	13.090	14.064	13.895	13.711	11.691	12.110	11.736	12.007	12.029	11.345	10.798	9.8

### Market Share by Manufacturers

The data is updated every August by "Trend and Market Share of Pachinko Related Manufacturers" by Yano Research Institute

#### Unit Sales Share - Pachinko Machines

	2010		2011		2012		2013		2014		2015	
Ranking	Manufacturer	Market share	Manufacturer	Market share	Manufacturer	Market share	Manufacturer	Market share	Manufacturer	Market share	Manufacturer	Market share
1	SANYO	22.5%	KYORAKU	18.7%	SANYO	21.8%	KYORAKU	16.9%	SANYO	16.3%	Sansei R&D	15.9%
2	SANKYO	14.6%	SANKYO	13.9%	KYORAKU	20.3%	SANYO	15.3%	SANKYO	16.3%	SANKYO	15.7%
3	Sammy	11.8%	Sammy	12.8%	HEIWA/ OLYMPIA	10.1%	SANKYO	14.1%	KYORAKU	15.3%	SANYO	14.6%
4	KYORAKU	11.1%	SANYO	12.8%	Newgin	10.0%	Sammy	9.7%	HEIWA/ OLYMPIA	12.5%	HEIWA/ OLYMPIA	12.4%
5	Newgin	10.2%	Newgin	9.8%	Sammy	8.7%	HEIWA/ OLYMPIA	9.5%	Sammy	12.0%	Newgin	11.7%

<sup>\*</sup> SANKYO's sales share includes Bisty

#### Unit Sales Share - Pachislot Machines

	2010		2011		2012		2013		2014		2015	
Ranking	Manufacturer	Market share	Manufacturer	Market share	Manufacturer	Market share	Manufacturer	Market share	Manufacturer	Market share	Manufacturer	Market share
1	Sammy	30.9%	Sammy	23.9%	UNIVERSAL	17.8%	Sammy	21.7%	Sammy	16.8%	UNIVERSAL	17.0%
2	DAITO	11.9%	DAITO	15.9%	Sammy	15.3%	UNIVERSAL	15.4%	UNIVERSAL	16.6%	Sammy	14.7%
3	SANKYO	11.9%	YAMASA	15.6%	YAMASA	14.6%	HEIWA/ OLYMPIA	8.6%	DAITO	10.4%	HEIWA/ OLYMPIA	11.8.%
4	HEIWA/ OLYMPIA	11.3%	UNIVERSAL	13.7%	DAITO	14.0%	SANKYO	8.4%	YAMASA	8.8%	KITA DENSHI	10.3%
5	UNIVERSAL	10.5%	SANKYO	7.6%	KITA DENSHI	8.3%	DAITO	7.3%	HEIWA/ OLYMPIA	7.5%	SANKYO	8.3%

<sup>\*</sup> Sammy's sales share includes RODEO, IGT, TRIVY, and TAIYO ELEC

Source: "Trend and market share of Pachinko related makers" by Yano Research Institute

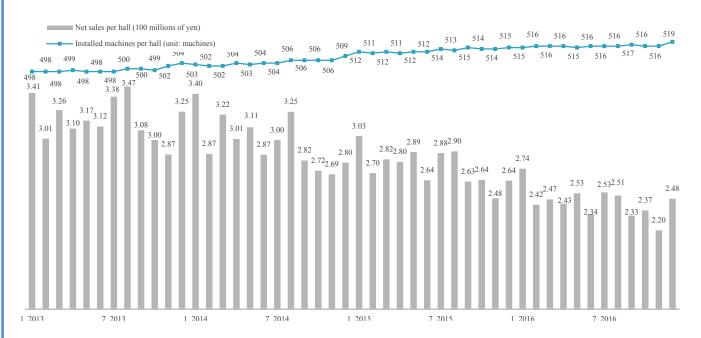
<sup>\*</sup> Sammy's sales share includes GINZA and TAIYO ELEC

<sup>\*</sup> SANKYO's sales share includes Bisty
\* ARUZE changed its name to Universal Entertainment Corporation

<sup>\*</sup> UNIVERSAL's sales share includes Eleco, Mizuho and Macy
\* OLYMPIA's sales includes HEIWA's sales; Total sales of all OLYMPIA and HEIWA brands is shown

# $Monthly\ Trends\ of\ Pachinko\ Halls\ {\scriptstyle\text{-}Excerpt\ from\ Current\ Survey}\ of\ Selected\ Service\ Industries-response to the property of the package of$

The data is updated monthly by "Current Survey of Selected Service Industries: The Ministry of Economy, Trade and Industry"



<sup>\*</sup> The Ministry of Economy, Trade and Industry outsource to the Zennichiyuren to pick up the hall for survey from 47 prefectures

### Status of Model Certification Tests

### Pachinko Machines

		Jun.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Total
2014	Application	45	57	44	51	52	48	48	48	48	60	48	53	602
	Pass	37	51	36	44	45	41	44	39	41	47	42	38	505
	Passing test Ratio	82.2%	89.5%	81.8%	86.3%	86.5%	85.4%	91.7%	81.3%	85.4%	78.3%	87.5%	71.6%	83.8%
2015	Application	55	53	60	50	58	66	58	63	65	52	60	50	690
	Pass	37	41	45	36	50	59	47	50	54	35	36	28	518
	Passing test Ratio	67.3%	77.4%	75.0%	72.0%	86.2%	89.4%	81.0%	79.4%	83.1%	67.3%	60.0%	56.0%	75.1%
2016	Application	54	73	88	79	58	94	69	81	70	53	73	61	853
	Pass	26	28	49	41	27	45	24	35	29	25	38	29	396
	Passing test Ratio	48.1%	38.4%	55.7%	51.9%	46.6%	47.9%	34.8%	43.2%	41.4%	47.2%	52.1%	47.5%	46.4%
2017	Application	65	81	91	85	61	67							
	Pass	38	31	38	34	24	28							
	Passing test Ratio	58.5%	38.3%	41.8%	40.0%	39.3%	41.8%							

#### Pachislot Machines

		Jun.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Lotal
2014	Application	42	45	38	60	53	61	61	49	46	32	20	38	545
	Pass	21	21	12	23	17	29	24	21	3	13	12	7	203
	Passing test Ratio	50.0%	46.7%	31.6%	38.3%	32.1%	47.5%	39.3%	42.9%	6.5%	40.6%	60.0%	18.4%	37.2%
2015	Application	17	8	31	39	43	35	95	74	37	62	67	71	579
	Pass	5	3	14	19	19	15	45	28	13	29	31	29	250
	Passing test Ratio	29.4%	37.5%	45.2%	48.7%	44.2%	42.9%	47.4%	37.8%	35.1%	46.8%	46.3%	40.8%	43.2%
2016	Application	59	69	51	75	50	47	63	50	67	82	62	70	745
	Pass	25	29	22	33	22	13	24	21	23	38	27	23	300
	Passing test Ratio	42.4%	42.0%	43.1%	44.0%	44.0%	27.7%	38.1%	42.0%	34.3%	46.3%	43.5%	32.9%	40.3%
2017	Application	55	79	84	70	76	85							
	Pass	20	32	33	17	26	30							
	Passing test Ratio	36.4%	40.5%	39.3%	24.3%	34.2%	35.3%							

"Model certification test operations for pachinko/pachislot machines; statistical data" Security Communications Association

<sup>\*</sup> Figures are real number value of "Current Survey of Selected Service Industries" from Q1 FY 2017.

# **Entertainment Market Data**

- P.46 Trends in Games Market
  Overseas Development of Japanese Game Contents
- P.47 Market Scale of Digital Content Business Sales Amount of Comic Books and Comic Magazines
- P.48 Market Scale of Animation Industry
  Box-Office of Domestic Movie Theaters
- P.49 Market Scale of Broadcasting Industry Overseas Development of Japanese Broadcasting Contents
- P.50 Trend in Toys Market Market Scale of Mobile Business

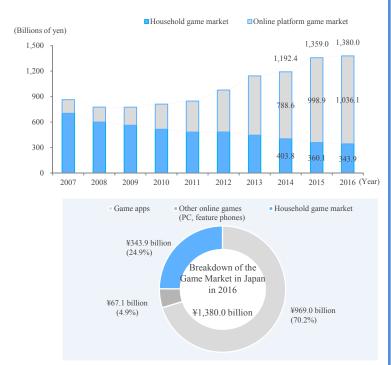
## Trends in Games Market

The data is updated by "White Paper on Famitsu Games 2016" of KADOKAWA CORPORATION

Gzbrain Inc.'s "White Paper on Famitsu Games 2017" states that the household game market decreased 4.5% YoY to ¥343.9 billion (total of game hardware and software) in 2016.

Meanwhile, the online platform game market (game apps for smartphones/tablets, games on SNS platforms for feature phones, and online PC games) increased 3.7% YoY to ¥1,036.1 billion. As a result, the size of the game market in Japan reached a record-high ¥1,380.0 billion, up 1.5% YoY.

Within the online platform game market, the size of the game app market (game apps for smartphones/tablets and games on  $SNS\,$ platforms for feature phones) increased 4.4% YoY to ¥969.0 billion, accounting for approximately 70% of the domestic game market and helping to drive its expansion.

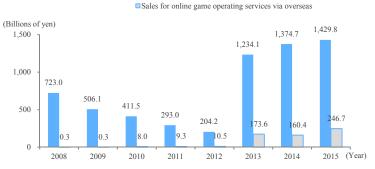


# Overseas Development of Japanese Game Contents

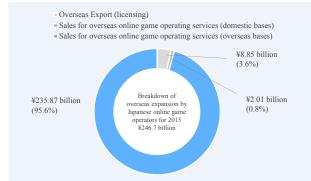
This data was prepared based upon Digital Content Association of Japan "Digital Content White Paper 2016."

According to the "Digital Content White Paper 2016" (Digital Content Association of Japan), the scale of exports of home-console video games in 2015 was valued at ¥1.4298 trillion (4.0% increase over the previous year), while the sales value for overseas expansion, including exports by Japanese online game operators (licensing) and game operating services, was ¥246.7 billion. (53.8% increase over the previous year).

In particular, the portion of sales for online game operating services via overseas bases was ¥235.8 billion, accounting for over 90% of the overall amount.



■ Scale of exports of home-console video games \*1



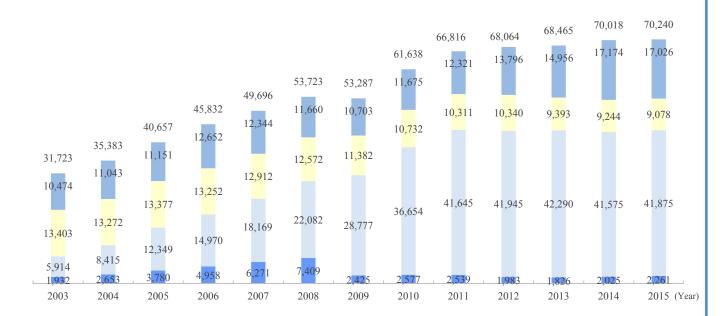
ce: White Paper on Famitsu Games 2016 of KADOKAWA CORPORATION "Digital Content White Paper 2016"

<sup>\*1.</sup> Figures for 2008 to 2012 only represent export values for Japanese companies (the portion for export by foreign companies is not included)
From 2013, the portion for export by foreign companies is included

# Market Scale of Digital Content Business

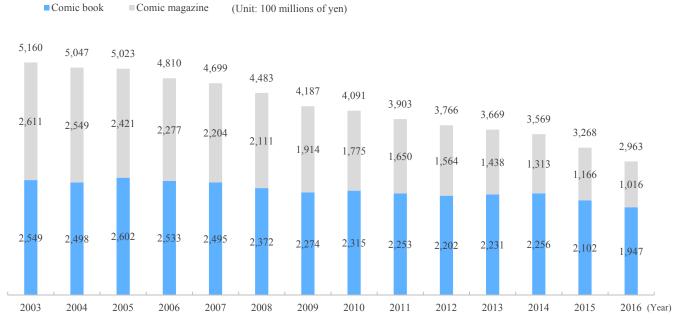
The data is updated every September by "White Paper on Digital Content: Digital Content Association of Japan."

■ Still image/Text ■ Animation ■ Music and sound ■ Games (Unit: 100 millions of yen)



# Sales Amount of Comic Books and Comic Magazines

The data is updated the end of April every year by "Annual Report of Publishing Indicator: All Japan Magazine and Book Publisher's Editor's Association."

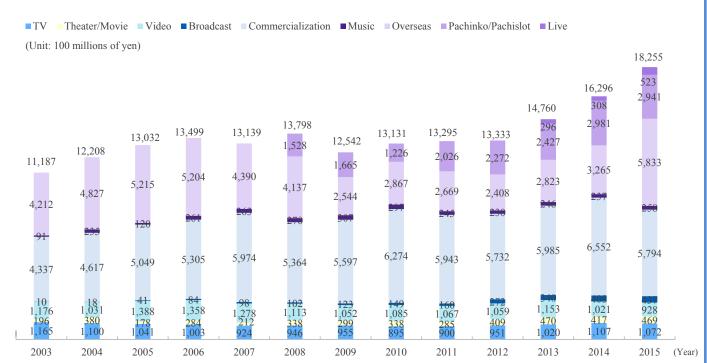


Source: "White Paper on Digital Content" by Digital Content Association of Japan "Annual Report of Publishing Indicator" by All Japan Magazine and Book Publisher's Editor's Association

# Market Scale of Animation Industry

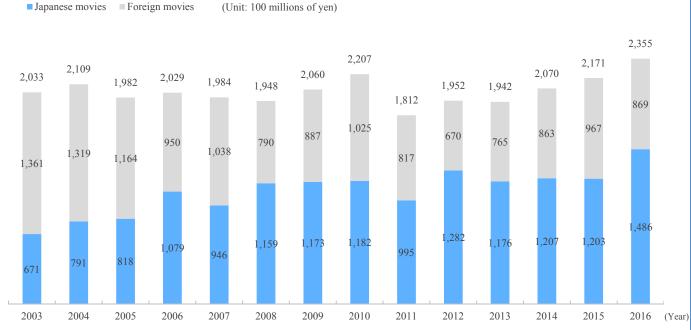
The data is updated every September by "Fluctuations in Japan's animation market: Association of Japanese Animation."

The data of pachinko/pachislot machines using animation are estimated by Fields. (Except pachinko/pachislot: Calculated according to amount of user's payment)



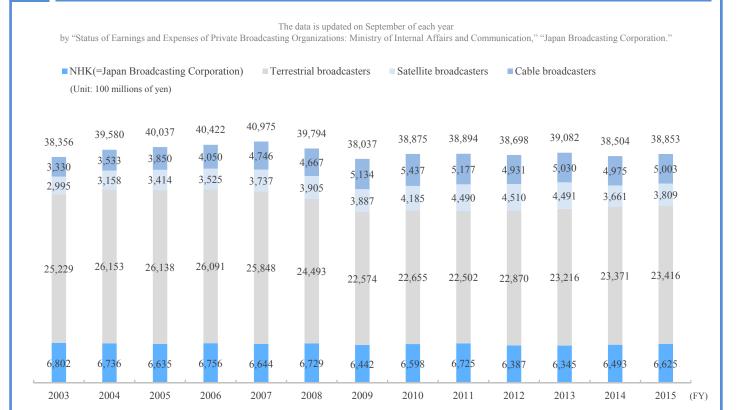
# Box-Office of Domestic Movie Theaters

The data is updated every January by "Statistics of Film Industry in Japan: Motion Picture Producers Association of Japanese, Inc."



Source: "Fluctuations in Japan's animation market: Association of Japanese Animation" and Estimation by Fields "Statistics of Film Industry in Japan: Motion Picture Producers Association of Japanese, Inc."

# Market Scale of Broadcasting Industry



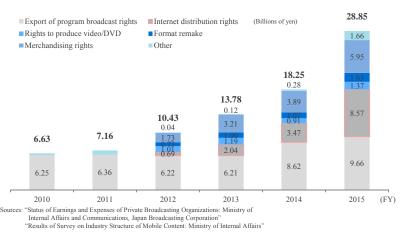
# Overseas Development of Japanese Broadcasting Contents

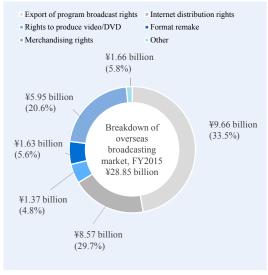
This data has been prepared based on "Analysis of the Current Overseas Expansion of Broadcasting Content (FY2015)," published by the Institute for Information and Communications Policy (IICP), Ministry of Communications and Internal Affairs (MIC).

According to the MIC's Institute for Information and Communications Policy (IICP), the value of Japanese broadcasting content exported overseas has been increasing every year, and in FY2015, it reached \(\frac{1}{2}\)28.85 billion, approximately 4.4 times the value in FY2010 (YoY 58.0% up).

Furthermore, while selling "program broadcasting rights" was the traditional method for broadcasting content, now, overseas expansion based on "format sales" and "remake rights"

are gaining traction. The sale of "Internet distribution rights" is also growing rapidly. (FY2014 19.0%  $\rightarrow$  FY2015 29.7%)



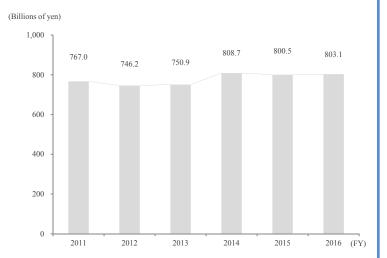


# Trend in Toys Market

The data is updated by the Japan Toy Association

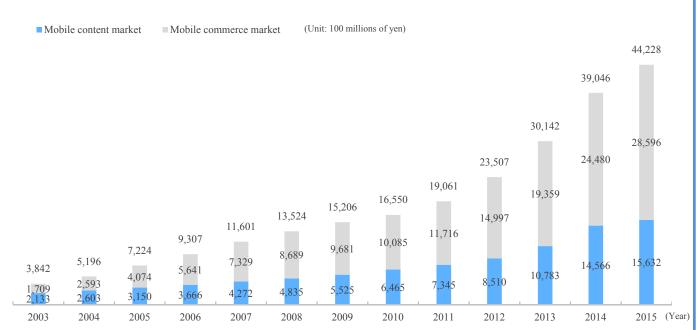
According to an announcement by The Japan Toy Association, the Japanese toy market in FY2016 was worth 803.1 billion yen (0.3% increase compared with the previous fiscal year). FY2014 saw the highest sales in 10 years, with sales over 800 billion yen for the first time since FY2004, and for the following three years, sales have stayed at over 800 billion yen. Meanwhile, in terms of peripheral categories, the capsule toys market was worth 27.7 billion yen (10.9% decrease), and the candy toy market was valued at 46.8 billion yen (10.0% decrease).

In FY2016, sales of trading card games grew significantly, continuing the trend of the previous fiscal year. Regular products such as dolls also drove the market. As can be seen in its double-digit growth, one feature of this category in recent years is an increasing number of boys playing with play kitchens and play houses, although these have previously been seen as girls' toys.



# Market Scale of Mobile Business

The data is updated every July by "Mobile Content Forum."



Source: White Paper on Famitsu Games 2016 of KADOKAWA CORPORATION



# Corporate Information etc.

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# Corporate Profile

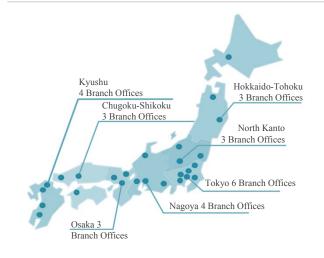
(As of June 30, 2017)

Company name	FIELDS CORPORATION http://www.fields.biz/
Establishment	June 1988 (Started business as Toyo Shoji Co., Ltd. in 1983)
Address of the head office	Shibuya Garden Tower, 16-17 Nampeidai-cho, Shibuya-ku, Tokyo 150-0036, Japan
Common stock	¥7,948 million
Stock information	Total number of shares issued and outstanding: 34,700,000 (Treasury stock: 1,516,300)
Securities exchange	The first section of the Tokyo Stock Exchange Code: 2767
Number of employees	1,652(Consolidated), 768 (Non-Consolidated)
Main business activities	Content-related businesses Planning, development and sales of pachinko/pachislot machines
Consolidated Subsidiaries	<ul> <li>Lucent Pictures Entertainment, Inc.</li> <li>Digital Frontier Inc.</li> <li>Tsuburaya Productions Co., Ltd.</li> <li>BOOOM Corporation</li> <li>K.K. CROSSALPHA and others total 14 companies</li> </ul>
Equity method companies	•HERO'S INC. •Kadokawa Haruki Corporation and others total 7 companies

Regional Offices: 7>
 Hokkaido-Tohoku, North Kanto, Tokyo, Nagoya, Osaka, Chugoku-Shikoku, Kyushu

 Regional Offices and Branch Offices

 Sapporo, Sendai, Aomori, Takasaki, Niigata, Koriyama, Tokyo, West Tokyo, Chiba, Saitama, Yokohama, Tsukuba, Nagoya, Mie, Shizuoka, Osaka, Kyoto, Kobe, Kanazawa, Hiroshima, Yamaguchi, Matsuyama, Fukuoka, Saga, Kumamoto, Kagoshima



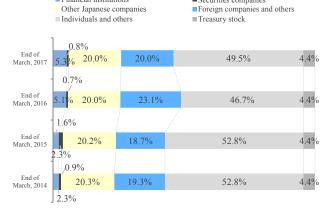
# **Stock Information**

#### **Stock Information**

Total number of authorized shares	138,800,000
number of shares issued	34,700,000
Treasury stock	1,516,300
shareholders	7,745

### By type of shareholder

Financial institutions



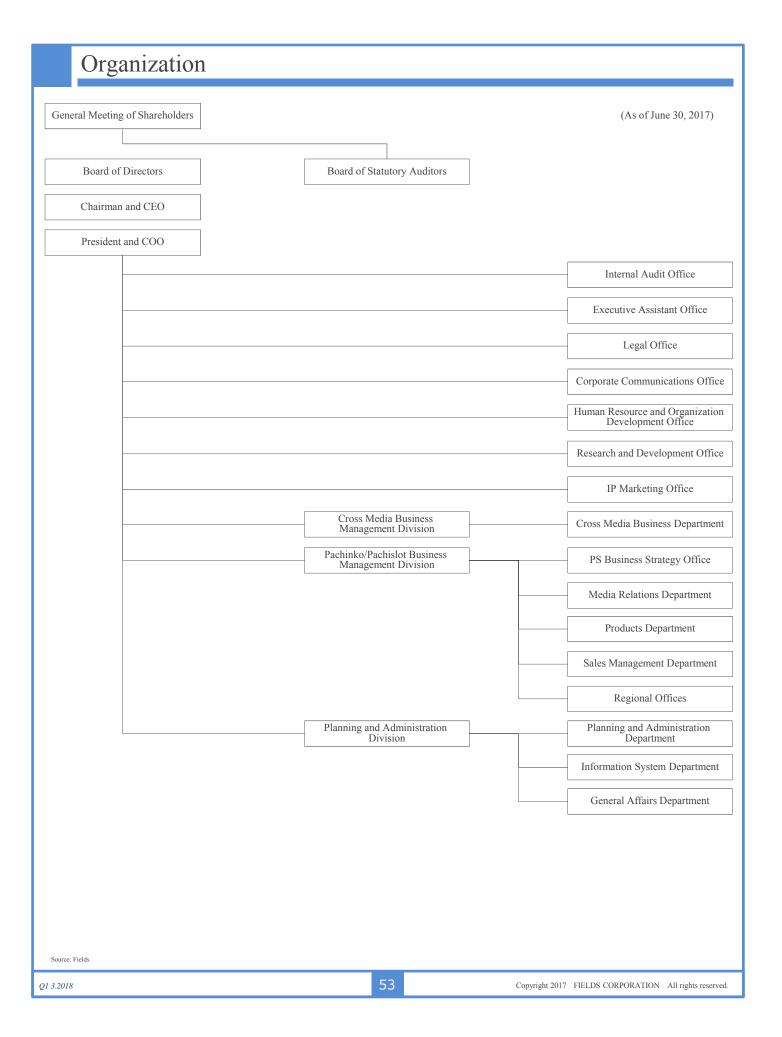
■Securities companies

Source: Fields

### Major shareholders

(As of March 31, 2017)

	(215 01	viaicii 51, 2017)
Shareholders	Number of shares held	Percentage of outstanding shares held
Hidetoshi Yamamoto	8,875,000	25.58%
SANKYO CO., LTD.	5,205,000	15.00%
Takashi Yamamoto	3,612,800	10.41%
NORTHERN TRUST CO. (AVFC) RE NVI01	1,835,100	5.29%
Mint Co.	1,600,000	4.61%
Treasury Stock	1,516,300	4.37%
GOLDMAN, SACHS & CO. REG	1,089,200	3.14%
STATE STREET BANK AND TRUST COMPANY 505019	593,600	1.71%
NORTHERN TRUST CO. (AVFC) RE IEDU UCITS CLIENTS NON LENDING 15PCT TREATY ACCOUNT	573,600	1.65%
NORTHERN TRUST CO. (AVFC) SUB A/C NON TREATY	476,200	1.37%



# Main Group Companies

(As of June 30, 2017)

		Company name	Holding Ratio of voting rights	Paid-in capital (Million yen)	Address	Business activities	Investment date
Cor	mics	☐ HERO'S INC.	49.0	10	Shibuya-ku, Tokyo	Comic magazine and character contents planning, operation and production	Apr. 2010
A	····	O Lucent Pictures Entertainment, Inc.	100.0	10	Shibuya-ku, Tokyo	Planning, production and producing of animations	Oct. 2007
An	imation	O Digital Frontier Inc.	86.9	31	Shibuya-ku, Tokyo	CG planning and production, etc.	Apr. 2010
Мо	ovies/TV	☐ SPO Entertainment Inc.	31.8	371	Chuou-ku, Tokyo	Movie planning, production and distribution, etc.	Mar. 2008
Me	rchandising						
	Interactive Media	○ FutureScope Corp.	94.4	60	Meguro-ku, Tokyo	Mobile contents service provider and mail order	Oct. 2006
	Consumer	O Tsuburaya Productions Co., Ltd.	51.0	310	Shibuya-ku, Tokyo	Movie/TV planning and production Character goods planning, production and sales	Apr. 2010
	Products	O Total Workout premium management Inc.	95.0	5	Shibuya-ku, Tokyo	Running fitness gym	May 2011
		○ Fields Jr. Corporation	100.0	10	Shibuya-ku, Tokyo	Pachinko/pachislot machines maintenance, etc.	Mar. 2002
		O Shinnichi Technology Co., Ltd.	100.0	10	Meguro-ku, Tokyo	Development of pachinko/pachislot machines	Jan. 2008
		O BOOOM Corporation	51.0	10	Shibuya-ku, Tokyo	Planning and development of pachinko/pachislot machines	May 2009
		□SOUGOU MEDIA INC.	35.0	10	Shibuya-ku, Tokyo	Advertising agency work, etc.	Mar. 2010
	Pachinko/ Pachislot	O MICROCABIN CORP.	100.0	10	Yokkaichi- shi, Mie	Planning and development of software for commercial-use machines	Jan. 2011
		☐ Mizuho Corp.	49.7	10	Koto-ku, Tokyo	Development and manufacturing of pachinko/pachislot machines	Feb. 2012
		□NANASHOWCORPORATION	38.9	40	Shibuya-ku, Tokyo	Development and manufacturing of pachinko/pachislot machines	Jan. 2014
		○ K.K. CROSSALPHA	100.0	10	Shibuya-ku, Tokyo	Development and manufacturing of pachislot machines	May 2015
		○ K.K. Spiky	100.0	100	Shibuya-ku, Tokyo	Development and manufacturing of pachislot machines	May 2015

 $^*\bigcirc Consolidated$  subsidiary  $\quad \Box Subsidiaries$  and affiliates accounted for using the equity method Source: Fields

## Our Tracks

1992

1999

2001

People's Liv	That Enriche	New Enterta	Seeking to C	From 1988
Lives	iches	2	to Create	800

From 2003 Toward the Multifaceted Development of IP

1988 Toyo Shoji Co., Ltd. established in Nagoya to sell pachinko/pachislot machines

Leisure Nippon News Company acquired; Formulation of a vision for the pachinko industry began

Cutting-edge information service launched

"Hall TV," a pachinko hall management support system, launched

"Pachinko Information Station," a direct-to-hall communications satellite broadcast for the pachinko industry, 1994 launched

Regional and branch offices throughout Japan were expanded to establish our foundation as a distributor

ISO 9002 certification (Sales Division) obtained to provide superior operational quality to customers

#### Company name changed from Toyo Shoji Co., Ltd. to FIELDS CORPORATION

Alliance with leading manufacturers formed to develop pachinko/pachislot machines utilizing IP

- Alliance with Sammy Corporation formed; Exclusive sales of RODEO brand machines began
- Alliance with SANKYO CO., LTD. formed; Exclusive sales of Bisty brand machines began
- Alliance with KYORAKU SANGYO formed; Exclusive sales of OK!! brand began
- Alliance with Enterrise Co., Ltd. (subsidiary of CAPCOM CO., LTD.) formed; Exclusive sales of 2009 Enterrise brand began
- 2012 Alliance with Universal Entertainment Corporation formed
- Alliance with D-light Co., Ltd. Formed 2013
- 2014 Alliance with NANASHOW Corporation formed
- 2015 K.K. Aristocrat Technologies (currently K.K. CROSSALPHA ) made a subsidiary

K.K. Spiky made a subsidiary (wholly-owned subsidiary of K.K. Aristocrat Technologies currently knows as K.K. CROSSALPHA)

Alliance with Daiichi Shokai Co., Ltd.

#### Sports entertainment field entered to acquire IP rights

- Professional Management Co., Ltd. launched; Entertainment production began
- 2001 Total Workout Corporation established to provide high-quality sports gyms
- 2005 Three sports-related subsidiaries merged and renamed Japan Sports Marketing Inc. (JSM Inc.)
- 2007 EXPRESS Inc. made a subsidiary
- 2011 Total Workout premium management Inc. established
- Absorption of JSM Inc.'s fitness club business considering future growth and synergistic effects 2012
- Absorption-type merger of EXPRESS Inc. aiming at improving management efficiency 2013
- 2014 Dining facility TOTAL FOODS (produced by TOTAL Workout) opened

#### 2003 Shares listed on the JASDAO market; New IP core business model announced

The video game field entered as part of multifaceted IP development

- Pachinko/pachislot machine simulator software launched, following investment in D3 Publisher Inc. 2004
- D3PUBLISHER INC. shares sold to NAMCO BANDAI Games Inc.; Relationship with NAMCO BANDAI

Games strengthened

The movie field entered to acquire IP and promote multifaceted IP development

- Planning and production of many movies for the theater began, following investment in Kadokawa Haruki
- Promotion of trend-setting cinema complexes for independent films began, following investment in SPO 2008 Entertainment Inc. (management company of movie theaters)

The cabled and mobile online services field entered for the acquisition, creation and multifaceted development of IP

- The mobile site "Fields Mobile" developed, following investment in FutureScope Corporation
- IP Bros. Incorporated jointly established with NHN Japan Corporation; Pachinko/pachislot-related site 2010 "Nanapachi" developed
- 2015 Absorption merger of IP Bros by FutureScope Corp.

The video development field entered to enhance the entertainment offered by pachinko/pachislot

- Shinnichi Technology Co., Ltd. established
- 2009 F Corporation (currently BOOOM Corporation) established
- 2011 MICROCABIN CORP. made a subsidiary
- 2011 NEX ENTERTAINMENT CO., LTD. made a subsidiary
- 2013 F Corporation (currently XAAX Inc.) established

The digital comics fields entered as part of multifaceted IP development efforts

- 2008 Digital comics distribution began, following investment in Bbmf Magazine, inc.
- 2012 Sold shares in Bbmf Magazine, inc.

Source: Fields ©カラー/Project Eva. ©Bisty ©カラー

2004 Launched CR Neon Genesis

Evangelion pachinko machine

2015

#### The movie production field entered to acquire and cultivate IP

- 2007 Operations at Lucent Pictures Entertainment, Inc. began; Feature-length animation film trilogy "BERSERK" planned and produced
- 2010 Digital Frontier Inc. made a subsidiary; Provision of high-quality video technology began
- 2011 Digital Frontier (Taiwan) made a subsidiary to expand the film production line overseas Fly Studio SDN. BHD. (Malaysia) made a subsidiary to expand the film production line overseas
- 2016 TV anime "BERSERK" broadcasting

Full-3DCG animation movie "GANTZ:O" released

 $2017\,$  TV anime "BERSERK" broadcasting (second series) on MBS etc., Animeism, wowow

TV anime "Altair: A Record of Battles" broadcasting on MBS etc., Animeism, wowow

#### 2010 The comics field entered to create IP

- 2010 Publishing company HERO'S INC. jointly established with Shogakukan Creative INC.
- 2011 Publishing of "HERO'S" Monthly magazine began
- 2012 Published "HERO'S Comics"
- 2017 "ATOM THE BIGINNING" broadcasting on NHK

#### Toward holding/cultivating IP

 $_{2010}$  Tsuburaya Productions Co., Ltd., owner of the "Ultraman" series and other high-quality IP, made a subsidiary

#### 2012 Group systems set up and network with external partners strengthened to raise IP value

- 2012 Collaboration with SOTSU CO., LTD. and Toho Co., Ltd. to begin cross-media development of "MAJESTIC PRINCE"
- 2013 TV anime "MAJESTIC PRINCE" broadcasting
- 2014 "APPLESEED ALPHA" produced with US-based Sony Pictures Entertainment Released in North America and Japan

Alliance with DLE Inc. and a project launched for cross-media development of "SWORDGAI," which runs in the "HERO'S" Monthly

- 2015 Developing the new conceptual licensed brand "A MAN of ULTRA" with the companies of the various fields
- 2016 "ACTIVERAID: Special Public Security Fifth Division Third Mobile Assault Eighth Unit" broadcasting on TV

"APPLESEED ALPHA" received first prize by category at the VFX-JAPAN Awards 2016 A MAN of ULTRA received the grand prize for Character & Brand of the Year 2016 at the Japan Brand and Licensing Awards

Release of animated cinema version of "MAJESTIC PRINCE"

2017 Live-action film "HURRICANE POLIMAR" released

#### Market changed to first section of the Tokyo Stock Exchange

2016 Acceleration of Global IP Promotion

- 2015 Ultraman live shows held in China, Hong Kong, Thailand, Malaysia, etc.
- 2016 Expanded e-book distribution of HERO'S titles in collaboration with China Mobile and kidstone

56

Promoted distribution of visual products in collaboration with U.S. Crunchyroll and other SVOD operators

2017 | Announcement of "Medium-term Management Plan"

Source: Fields

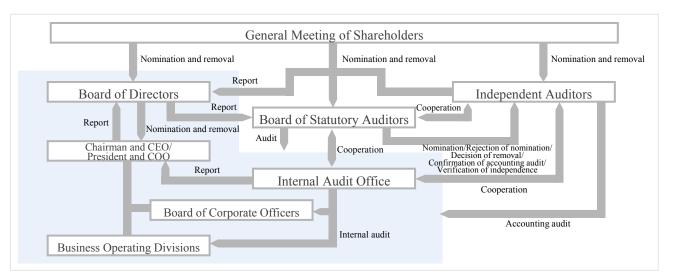
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# Corporate Governance System

### Basic Approach to Corporate Governance

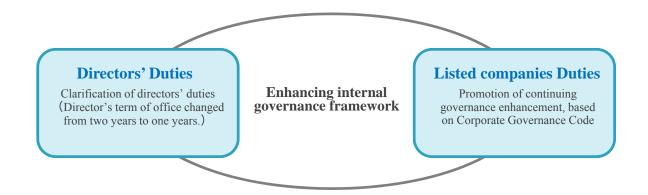
FIELDS CORPORATION has identified its corporate philosophy as providing "The Greatest Leisure for All People," and has established a basic management policy of continuously enhancing corporate value. To realize this basic policy, enabling corporate governance system functions is considered to be one of our key management issues. We enhance our corporate governance system by advancing reforms in our management structures and institutions specifically within the framework of the Board of Directors, the Board of Statutory Auditors, the Independent Auditors and the Board of Corporate Officers.

\*Please refer to "Corporate Governance" page of the URL below regarding handling aspect "Corporate Governance Code" http://www.fields.biz/ir/e/csr/governance/outline/



## Governance

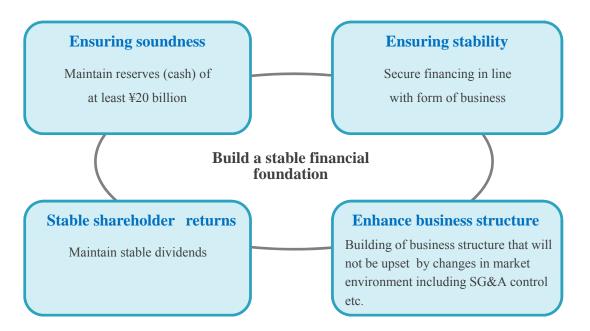
For governance, directors' term of office will be changed from two years to one year so as to move towards a system where directors' performance is evaluated on an annual basis. To continue increasing our corporate value, we will focus on strengthening our internal governance systems such as clarification of directors' duties, and enhancing our internal governance framework in line with the Corporate Governance Code.



Source: Fields

## financial strategy

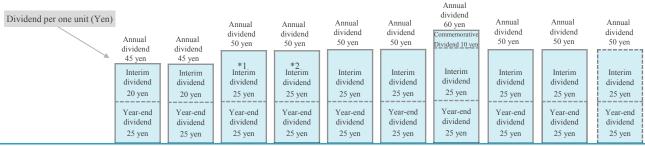
For financial strategy, to maintain and build a stable financial foundation, we will cooperate with various financial institutions, and continue to work on ensuring soundness (maintaining reserves of at least 20 billion yen), ensuring stability (securing financing in line with form of business), stable shareholder returns (maintaining stable dividends), and enhancing business structure (such as SG&A control).



# Profit Return Policy

### Basic policy: Profit-based dividend/Consolidated payout ratio standard: Higher than 20% (Focus on stability)

									(Unit: Mi	llions of yen)
	3. 2009	3. 2010	3. 2011	3. 2012	3. 2013	3. 2014	3. 2015	3. 2016	3. 2017	3. 2018 E
Net income attributable to owners of parent	(1,481)	3,289	7,520	5,991	4,720	5,370	3,018	118	(12,483)	0-1,000
Total dividend	1,534	1,503	1,660	1,659	1,659	1,659	1,991	1,659	1,659	1,659
Payout ratio (%)	-	45.9	22.1	27.7	35.1	30.9	66.0	1,398.1	-	-
As of 1st Half										
Total number of outstanding common stock	347,000	347,000	347,000	347,000	347,000	34,700,000	34,700,000	34,700,000	34,700,000	-
(excluding treasury stock)	347,000	336,357	332,115	332,115	331,838	33,183,800	33,183,800	33,183,800	33,183,700	-
As of Full-Year										
Total number of outstanding common stock	347,000	347,000	347,000	347,000	347,000	34,700,000	34,700,000	34,700,000	34,700,000	-
(excluding treasury stock)	347,000	336,357	332,115	332,115	331,838	33,183,800	33,183,800	33,183,800	33,183,700	-



<sup>\*1</sup> Interim dividends have increased as of November 4, 2010.

<sup>\*2</sup> A split of common shares was effected at a ratio of 1:100 with a record date of September 30, 2012, and all amounts are indicated taking the share split into account retroactively.

Source: Fields

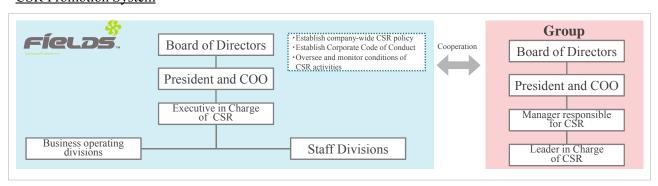
# **CSR** Activities

### Fields' CSR

We offer products and services to fill people's leisure time, which is expected to increase in the future in the mature society we live in. We are confident that we can enrich people's lives and lifestyles by enriching this leisure time, and that continuing these efforts will lead to the happiness of the greater society.

In other words, "our activities based on our corporate philosophy fulfill our social responsibilities", and acting in line with this concept is our responsibility to everyone who enjoys the Group's products and services, shareholders providing capital and all of our stakeholders.

### **CSR Promotion System**



#### Main Initiatives

Main Init	<u>iatives</u>			
Topics	The Con	Ongoing implementation of power-saving measures many will continue to comply with ower-saving measures in 2017		
Description	• Room tempe • Use of lighti	energy conservation measures (down 7% YoY) erature set at 28°C during summer ing reduced and light bulbs changed to LED light bulbs ng multi-function machines adopted		
	Promotion of green procurement (purchase of products and services which have a lesser impact on the environment)  • Promotion of the procurement of products with environmental labels/marks			
	Promotion of trash separation and recycling  *Collecting PET bottle caps (total 464,000, AprDec. 2016/translating into approximately 640 individual doses of polio vaccine for Jun. 2013 to Mar. 2017)			
Topics	s 2	Implementation of the social contribution activities		
Con		nent the environmental protection activities and ae social contribution activities		
Feb. 2016	Collecting an	d donating stationaries through NGO Jiyu-Jin Foundation		
Feb. 2016	TALKING PUMPs merchandise being developed by our firm (bottles featuring the voices of different characters) has been donated to three orphanages in Tokyo's Shibuya Ward, which is home to our head office			
Feb. 2016	"ACTIVERA Assault Eight Safety Section	Co. Ltd., and FlyingDog, Inc., the creators of the ID: Special Public Security Fifth Division Third Mobile th Unit' anime series, have collaborated with the Community n of the Tokyo Metropolitan Police to produce posters agains at were displayed throughout Tokyo		
Mar 2016	Participated in "The Union beautification day at Shibuya Station,"			

sponsored by the Shibuya Ward Beautification Promotion Committee Collecting and donating clothes through the NPO, Yofukupost Network

Collecting and donating stationaries through NGO Jiyu-Jin Foundation

Topics 3	Renewed ISO 9001
	Quality management system
ISO 9001: 2015	November 2016 Certification renewed system
Details Conti	nuous improvement of quality management
Topics 4	Introduction of the Eco-Car
En	vironmental awareness and introduction of eco-cars
Number of vehicles introduced	247 (70% of all vehicles)
Target for introduction	Sales cars (excluding vehicles with four-wheel drive used in cold regions)
Effect	Reduction in CO2 by 1,400 t in 2015
Topics 5	Establishment of Okinawa working center
	Promotion of employment of disabled people
Activities	Employs people with disabilities in Okinawa to promote the employment for people with disabilities Fulfills the social responsibility through offering employment opportunities and a comfortable working place to people with disabilities
Establishment Date	April 1, 2010 (Opening ceremony: April 5, 2010)
Business Activities	Business of data imputing, etc.
Topics 6	Introduction of AED* (*Automatic External Defibrillator)
Activities	Installed a number of AEDs at visible places in the office building such as near entrances to allow use by visitors and neighborhood residents, as well as by employees. Employees took instruction course of AED.
Date	From January 7, 2011
Installation Site	Head office, 7 regional offices, 26 branches Okinawa working center and Total Workout (gym): a total of 41 places

Source: Fields

Apr. 2016 May 2016

### **CSR** Activities



Tsuburaya Productions Co., Ltd. and other sponsoring corporate group companies established ULTRAMAN FOUNDATION immediately after the Great East Japan Earthquake in March 2011 to support the regions affected by the earthquake.

This Foundation provides psychological and material support to children who are the hope for the future and deploys the permanent support activities for their future.

Name	ULTRAMAN FOUNDATION
Representative	Hidetoshi Yamamoto (Tsuburaya Productions Co., Ltd. Chairman & CEO)
Establishment	March 2011
Organizer	Tsuburaya Productions Co., Ltd.
URL	http://www.ultraman-kikin.jp/en/
Statement	Ultraman Foundation is a foundation that acknowledges children are the hope for the future, and wil provide everlasting support in all kinds of ways for the welfare and well being of all children. It is our mission to bring back the smiles to the faces of each child as soon as possible, and we pray from our heart that the children will move on to their brighter future.
Slogan	A Foundation to support the present and future of the children



の円谷プロ

### TOPICS



○円谷プロ

### <u>Ultra Dream Project (from July 2017)</u>

Ultra Dream Project -- there are heroes throughout Japan and there is a future for Japan.

The future will begin from growth.

The ULTRAMAN FOUNDATION has engaged in activities as a bridge between the hopes of many people who want to support children now and into the future.

The year 2017 marks the  $7^{th}$  year of activities for the foundation, and is also the  $50^{th}$  year since Ultra Seven started to be broadcast.

In light of this, the Hero Caravan together with Ultraman will visit approximately 600 children's nursing homes nationwide to bring courage and smiles to children throughout Japan.

Providing dreams to children throughout Japan.

The growth of children brings hope and light to society.

The Ultra Dream Project was named based on this concept.

Of course, children are the main characters.

The aim is for children throughout Japan to each become heroes and to grow so that they can strongly push forward to create their own future and a new generation.

Source: Fields

# CSR Activities

	Activities
2011	Visits to provide support to regions affected by the earthquake Miyagi prefecture: Ishinomaki, Minamisanriku, Kesennuma, Higashimatsushima, Onagawa Fukushima prefecture: Sukagawa, Koriyama, Iwaki, Fukushima Iwate prefecture: Miyako, Otsuchi Chiba prefecture: Asahi Gifts of donations and other 30 million yen to Miyagi prefecture 20 million yen to Fukushima prefecture 20 million yen and a microbus to Iwate prefectural office
2012	Visits to provide support to regions affected by the earthquake Miyagi prefecture: Ishinomaki, Onagawa Fukushima prefecture: Koriyama, Sukagawa
2013	Visits to provide support to regions affected by the earthquake Hero Caravan: Bringing Light to Children's Hearts – 78 Places in Tohoku Visits were made to 79 nurseries and kindergartens between March 2013 and March 2014, and contact was made with over 7,200 children
	Visits to provide support to regions affected by the earthquake Miyagi prefecture: Higashimatsushima Fukushima prefecture: Tomioka Gifts of donations and other 25 million yen and a microbus each donated to Iwate, Miyagi and Fukushima prefectures
2014	The Great East Japan Earthquake Recovery Charity Event Genki Festival 2014 was held in collaboration with Antonio Inoki The Ultraman Foundation held Ultra Hero Shows at eight venues in the Tohoku region
2015	Expanding scope of activities for children needing support throughout Japan, including regions affected by the earthquake.
	We redesigned donation collection boxes to expand the scope of our aid and created five types of donation collection boxes wit monster motif.
	Tohoku Caravan 2015 was held, including visits to orphanages, children's hospitals, and kindergartens in Iwate and Miyagi prefectures from September 21–24. The Ultra Heroes also participated in the summer camp of the Ultra League (participation by six schools from areas affected by the Great East Japan Earthquake), a junior high school girl's volleyball interchange tourname held at the same time, resulting in a total of approximately 800 people coming into contact with the Ultra Heroes.
	To provide support to children in Joso city, where the Kanto and Tohoku Heavy Rainfall Disaster occurred in September, visits were provided together with the Ultra Heroes to nurseries and kindergartens and the city ward office on November 11–12. They came into contact with approximately 720 children.
2016	Following on from last year, visits were made with the Ultra Heroes to nurseries to offer support to the children of Joso City on March 23–24. A visit was also made to an orphanage in Ibaraki prefecture, resulting in contact being made with approximately 290 children in total.
	As part of efforts to provide support to children, a visit was made to the foster home and the pediatric ward in Tokyo Contact w made with approximately 100 children in total.
	To provide support to children afflicted by the 2016 Kumamoto Earthquake, a visit was made to the nursery school, prefectural government and city hall in Kumamoto. Contact was made with approximately 1,600 children in total.
	As part of support visits to the children of Tottori who were affected by the earthquake, the Ultraman Foundation, along with U Heroes visited nurseries and the Tottori Prefectural Kurayoshi School. Contact was made with approximately 630 children in to
2017	As a part of support visit to the children, Tohoku Caravan was held on March 12-13, including visits to hospitals and nursery schools in Miyagi and Fukushima. Contact was made with approximately 250 children in total.











Source: Fields C円谷プロ

## Reference: Notification of Our IR Site

IR materials are available from our IR website. Please visit us and utilize them.

### IR Pages (Japanese)

### URL : http://www.fields.biz/ir/j/



- -Company profile
- -Data related to financial statements
- -Financial presentation
- -IR press releases
- -Corporate governance/CSR information
- -Shareholder and share information

### IR Pages (English)

### URL : http://www.fields.biz/ir/e/



IR information is also Available on our mobile site

IR site



[ Nikko IR ] Chosen for the "Best Corporate Website award FY2016"





[ DAIWA IR ] FY2016 Company of Excellence



[ Gomez ] FY2015 Silver Prize



### Annual Report 2016 (Japanese/English)

Issued annually since the year ended March 31, 2004

### [STEADY, FOCUSED, FORWARD]

Latest issue: December 28, 2016



- -Management Massage
- -Business Model Aimed at Realizing Enhanced IP Value
- -Review of Business Activities
- -Special Feature: Fields Business Strategy
- -CSR/Corporate Governance
- -Company and Stock Information
- -Financial Section

Source: Fields

















### Disclaimer

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.