



FIELDS CORPORATION

Financial presentation (Year Ended March 31, 2005)

May 13 (FRI), 2005

THE GREATEST LEISURE FOR ALL PEOPLE

2767:JASDAQ

FIELDS CORPORATION

Corporate Profile

Corporate Data

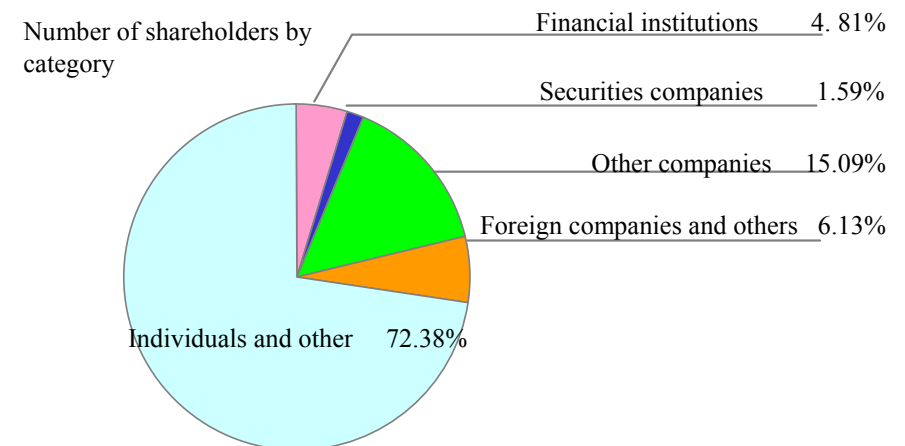
(As of March 31, 2005)

Company name	FIELDS CORPORATION http://www.fields.biz/	
Establishment	June 1998 (Started business as TOYO Shoji Corporation in 1983)	
Head office address	E Space Tower 12F, 3-6, Maruyama-cho, Shibuya-ku, Tokyo 150-0044 Japan	
Paid-in capital	¥7948.03 billion	
Stock information	Total outstanding shares: 347,000 shares ※two-for-one stock split in September 2004	
Market	JASDAQ 2767	
Number of employees	625 (non-consolidated)	758 (consolidated)
Main business activities	Planning, development, and sales of amusement machines	
Branch offices	Sapporo, Aomori, Sendai, Koriyama, Niigata, Takasaki, Tsukuba, Utsunomiya, Saitama, Chiba, Tokyo, Western-Tokyo, Yokohama, Shizuoka, Nagoya, Nagano, Aichi, Mie, Kanazawa, Kyoto, Osaka, Kobe, Hiroshima, Okayama, Yamaguchi, Matsuyama, Fukuoka, Saga, and Kagoshima (29 bases nationwide)	
Consolidated subsidiaries	<ul style="list-style-type: none"> •Professional Management Co., Ltd. •Fields Jr. Corporation •White Trash Charms Japan Co., Ltd. •Total Workout Corporation •Digital Lord Corporation •D3 Publishers Inc. (from March 2005) other 3 companies 	
Equity method companies	<ul style="list-style-type: none"> •RODEO Co., Ltd. •Kadokawa Haruki Corporation other 1 company 	

Principal shareholders

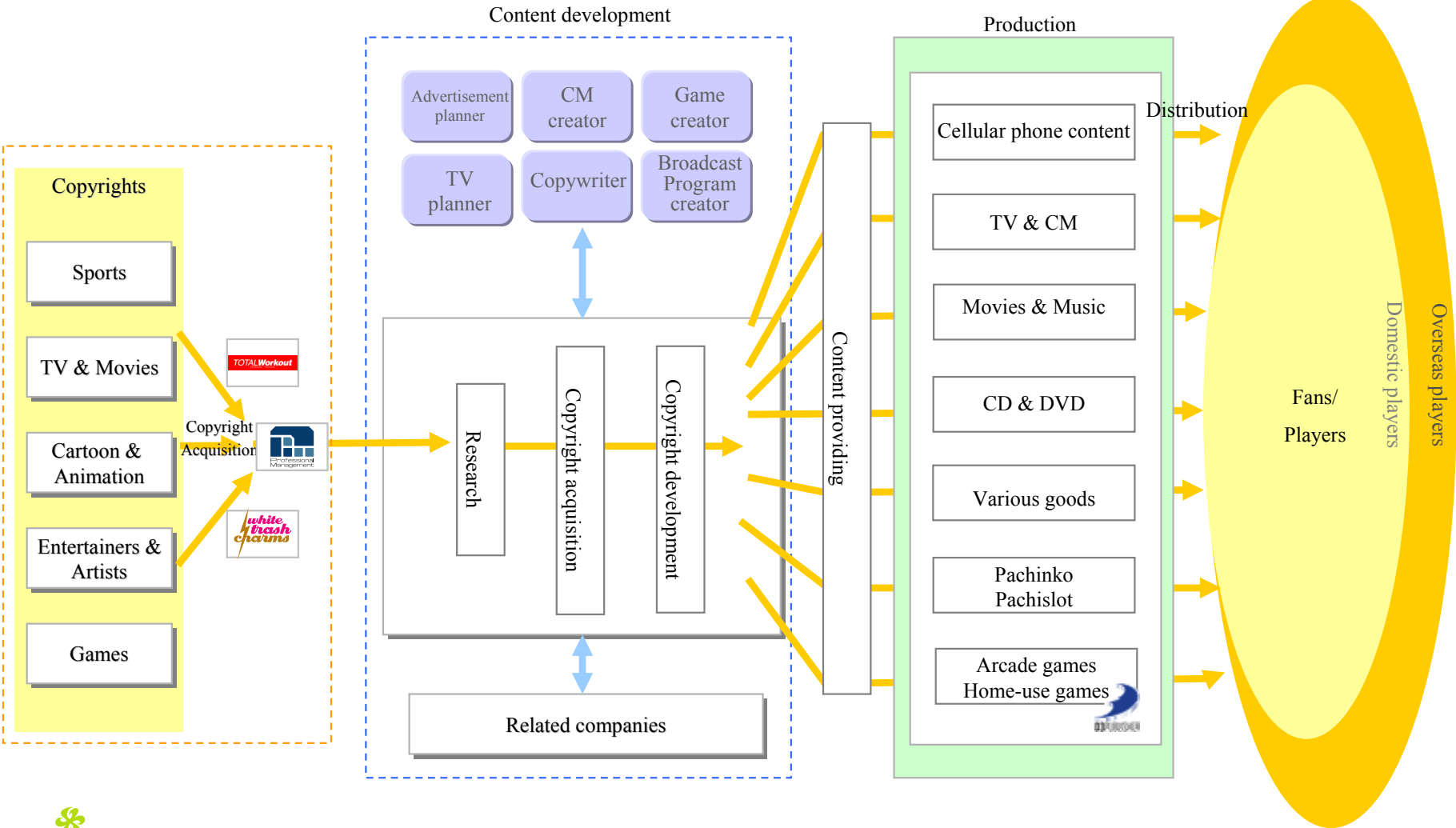
(As of March 31, 2005)

Name of shareholders	Number of shares held	Percentage of outstanding shares owned
Hidetoshi Yamamoto	112,200	32.33%
Takashi Yamamoto	40,000	11.53%
Yoko Yamamoto	35,000	10.09%
Sammy Corporation	27,500	7.92%
Mint Co.	16,000	4.61%
Morgan Stanley & Co. International Limited	5,479	1.57%
Fields Employee Shareholding Association	5,435	1.56%
Yuki Yamamoto	5,000	1.44%
Morgan Stanley & Co. Inc.	4,761	1.37%
Japan Trustee Service Bank, Ltd. (in trust)	4,547	1.31%



Content Provider Fields

Business Model





Year Ended March 2005 Highlights



Year ended March 2005

Non-consolidated operating results

Result for year ended March 2005 (non-consolidated)

(Unit : ¥million)

	Year ended March 2004	Year ended March 2005	Year ended March 2005	YOY	Actual to Plan
(Millions of Yen)	Actual	Plan	Actual	(%)	(%)
Net sales	65,140	71,700	79,970	122.8%	111.5%
Cost of Sales	43,975	45,800	55,787	126.9%	121.8%
Gross profit	21,164	25,800	24,182	114.3%	93.7%
SG&A	9,213	12,000	11,906	129.2%	99.2%
Operating income	11,951	13,800	12,275	102.7%	88.9%
Ordinary income	12,054	13,800	12,312	102.1%	89.2%
Net income	6,520	7,490	6,721	103.1%	89.7%

Year ended March 2005 Consolidated operating results

Result for year ended March 2005 (consolidated)

(Unit : ¥million)

(Millions of Yen)	Year ended March 2004	Year ended March 2005	Year ended March 2005	YOY	Actual to Plan
	Actual	Plan	Actual	(%)	(%)
Net sales	66,211	73,700	81,658	123.3%	110.8%
Cost of Sales	44,633	47,100	56,905	127.5%	120.8%
Gross profit	21,578	26,600	24,752	114.7%	93.1%
SG&A	9,711	12,900	12,655	130.3%	98.1%
Operating income	11,866	13,800	12,097	101.9%	87.7%
Ordinary income	12,209	14,000	12,480	102.2%	89.1%
Net income	6,620	7,600	6,926	104.6%	91.1%

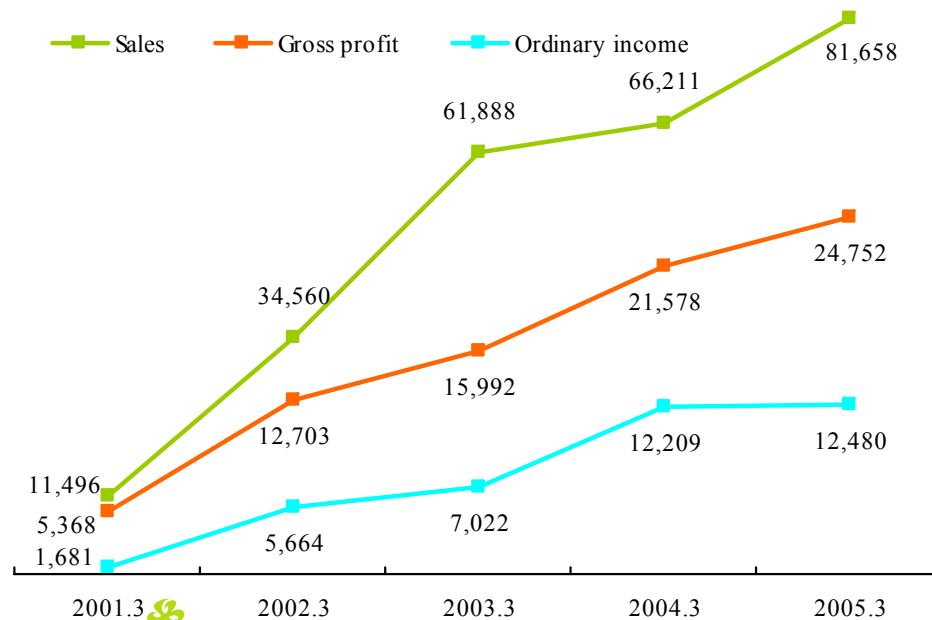
Business results in FY2000-2004

(Unit : ¥million)

	Year ended March 2001 (Non-consolidated)	Year ended March 2002 (Non-consolidated)	Year ended March 2003 (Consolidated)	Year ended March, 2004 (Consolidated)	Year ended March 2005 (Consolidated)
Net sales	11,496	34,560	61,888	66,211	81,658
Gross profit	5,368	12,703	15,992	21,578	24,752
Operating income	1,700	5,730	6,781	11,866	12,097
Ordinary income	1,681	5,664	7,022	12,209	12,480
Net income	583	3,041	3,524	6,620	6,926
Number of amusement machines	166,339	222,660	259,813	323,937	474,044

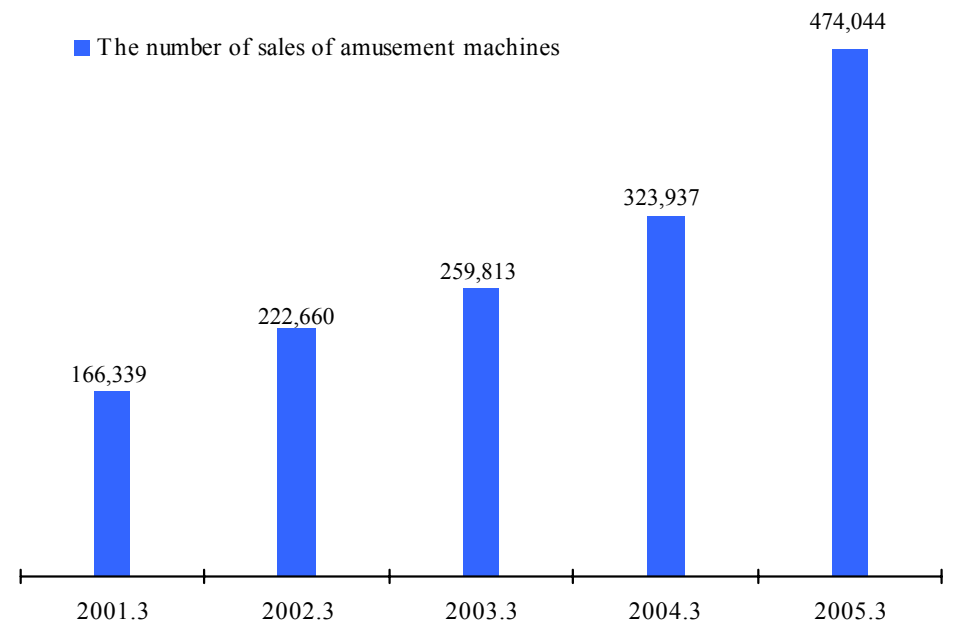
Financial results

(Unit : ¥million)



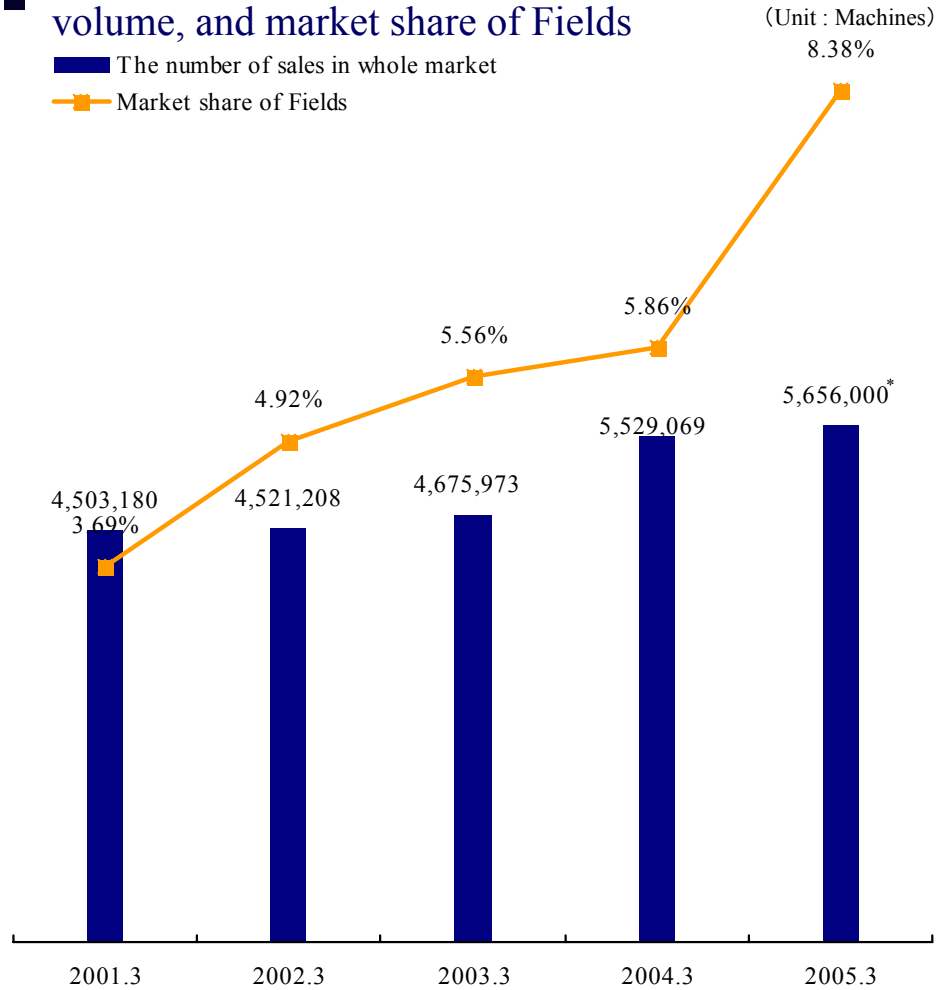
Unit sales of amusement machines

(Unit : Machines)

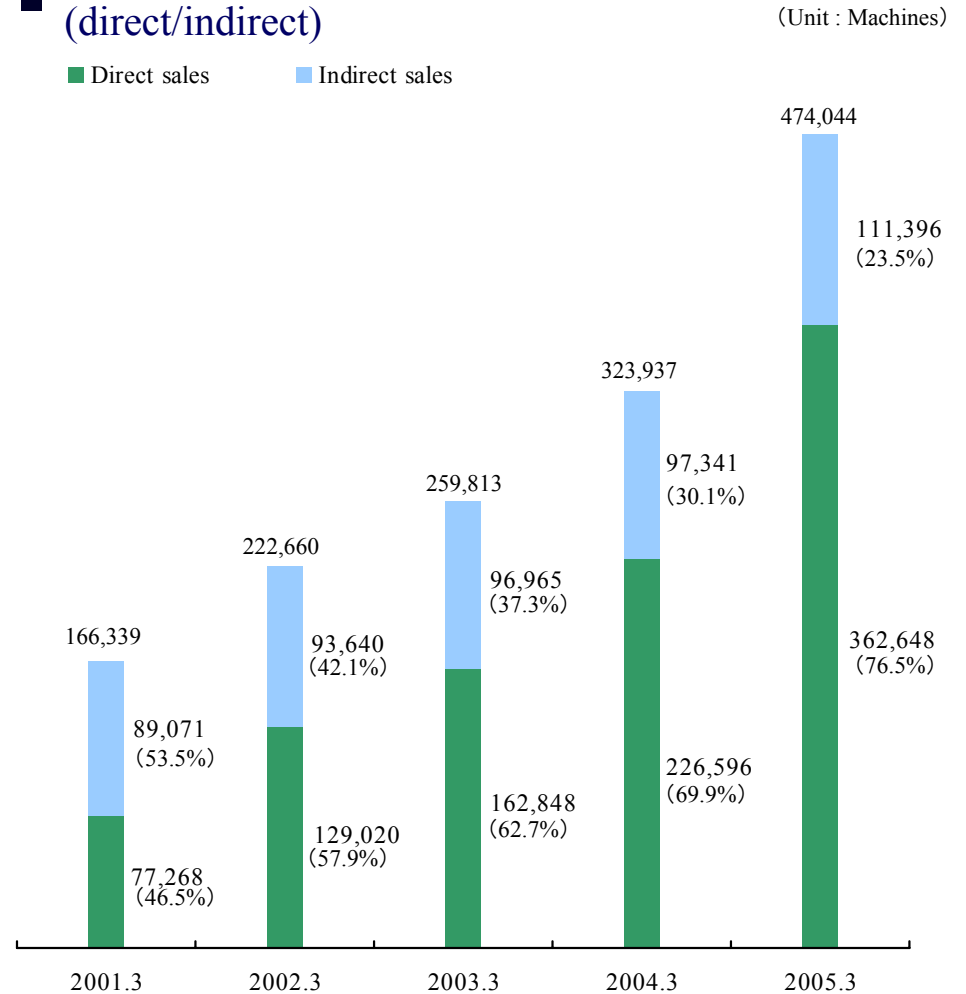


Market share based on volume and unit sales of amusement machines by sales channel - I

Japanese market for amusement machines, based on volume, and market share of Fields



Unit sales of amusement machines by sales channel (direct/indirect)

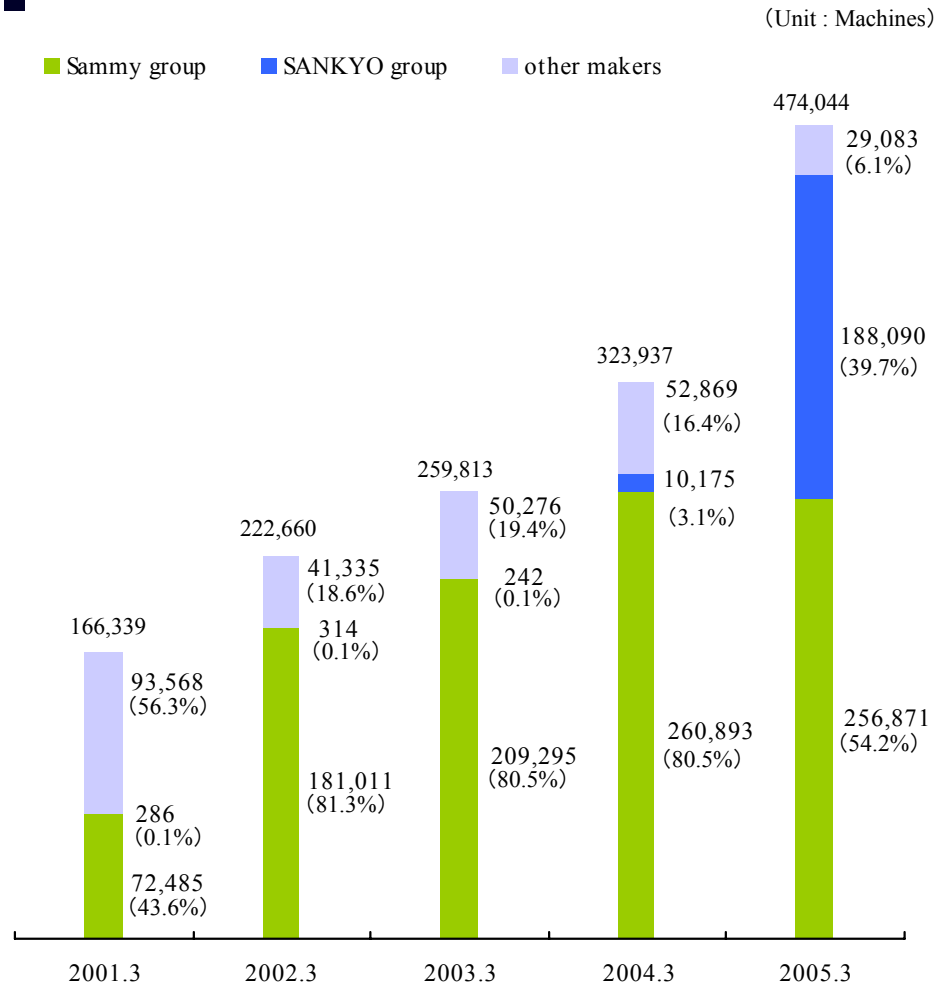


※The number of sales in whole market is calculated yearly
 *The number of sales in whole market in 2004 is estimated by Fields

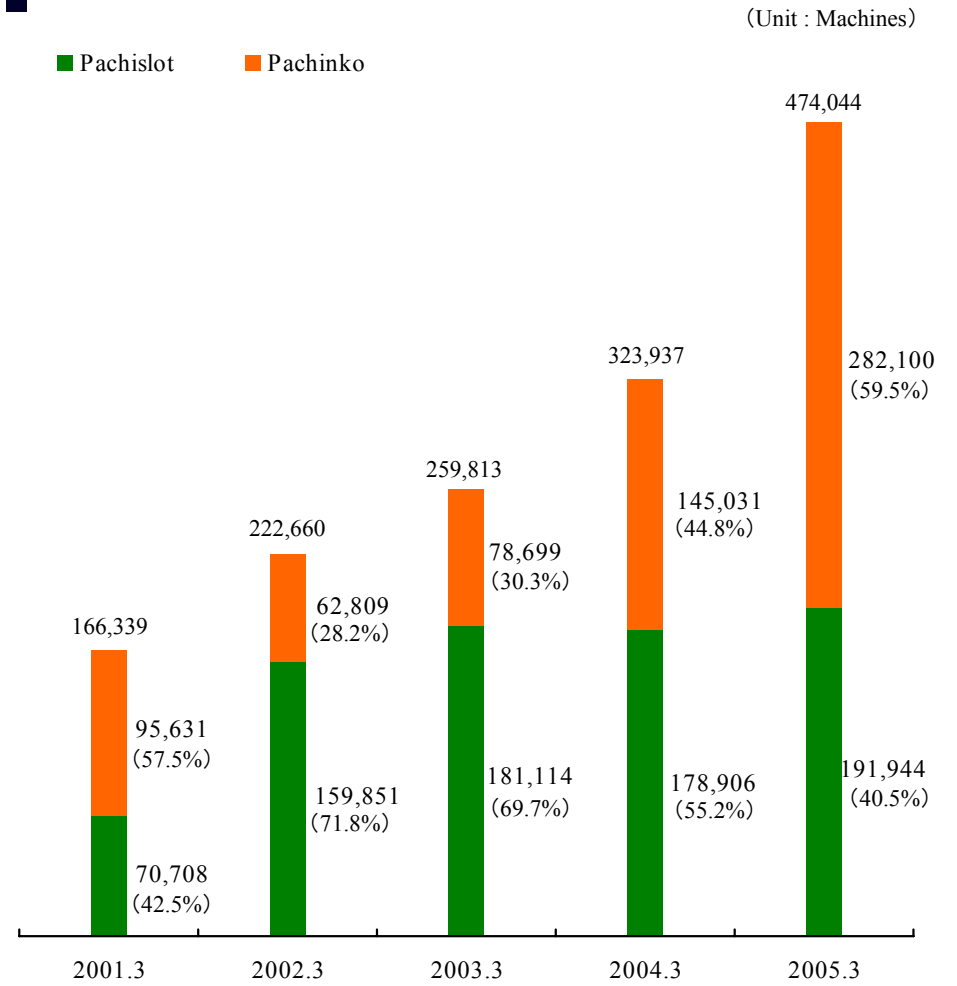
Source : Fields, "Trend and market share of Pachinko related makers 2004" Yano Research Institute

Unit sales of amusement machines by maker and type of machine – II

Unit sales by maker



Unit sales by type of machine (Pachinko/Pachislot)



*Sammy group : Sammy Pachinko, Rodeo Pachislot, SANKYO group : Bisty Pachinko, Bisty Pachislot

Unit sales by product type (Pachinko/Pachislot)

	Year ended March 2001	Year ended March 2002	Year ended March 2003		Year ended March 2004			Year ended March 2005			
	Full year	Full year	1 st Half	2 nd Half	Full year	1 st Half	2 nd Half	Full year	1 st Half	2 nd Half	Full year
<i>(in Y thousand)</i>											
Operating income	1,700,893	5,730,688	4,406,268	2,374,928	6,781,196	6,111,557	5,755,021	11,866,578	3,171,648	8,925,576	12,097,224
Ordinary income	1,681,106	5,664,866	4,589,086	2,432,962	7,022,048	6,413,795	5,795,714	12,209,509	3,280,677	9,199,894	12,480,571
Net income	583,081	3,041,486	2,278,072	1,246,300	3,524,372	3,523,380	3,096,873	6,620,253	1,972,236	4,954,555	6,926,791
Unit sales of machines											
Sum of Pachinko and Pachislot	166,339	222,660	133,448	126,365	259,813	153,254	170,683	323,937	168,707	305,337	474,044
Unit sales of Pachinko Machines (sales ratio)	95,631 57.5%	62,809 28.20%	34,823 26.09%	43,876 34.72%	78,699 30.29%	42,575 27.78%	102,456 60.03%	145,031 44.77%	91,157 54.03%	190,943 62.54%	282,100 59.51%
Unit sales of Pachislot machines (sales ratio)	70,708 42.5%	159,851 71.80%	98,625 73.91%	82,489 65.28%	181,114 69.71%	110,679 72.22%	68,227 39.97%	178,906 55.23%	77,550 45.97%	114,394 37.46%	191,944 40.49%
Agency sales (Machines)	164,705 99.01%	151,423 68.01%	36,840 27.61%	46,569 36.85%	83,409 32.11%	45,892 29.95%	105,718 61.96%	151,610 46.81%	92,584 54.87%	194,221 63.61%	286,805 60.50%
Distribution sales (Machines)	1,634 0.99%	71,237 31.99%	96,608 72.39%	79,796 63.15%	176,404 67.89%	107,362 70.05%	64,965 38.04%	172,327 53.19%	76,123 45.13%	111,116 36.39%	187,239 39.50%
Direct sales (Machines)	77,268 46.45%	129,020 57.94%	79,859 59.84%	82,989 65.67%	162,848 62.78%	98,305 64.15%	128,291 75.16%	226,596 69.95%	123,338 73.10%	239,310 78.38%	362,648 76.50%
Indirect sales (Machines)	89,071 53.55%	93,640 42.06%	53,589 40.16%	43,376 34.33%	96,965 37.32%	54,949 35.85%	42,392 24.84%	97,341 30.05%	45,369 26.90%	66,027 21.62%	111,396 23.50%



Year Ended March 2006 Outlook



Year ended March 2006 Non-consolidated operating plan

Estimates for year ended March 2006 (non-consolidated)

(Millions of Yen)	Year ended March 2005			Year ended March 2006					
	1 st Half result	2 nd Half result	Full year result	1 st Half plan	YOY (%)	2 nd Half plan	YOY (%)	Full year plan	YOY (%)
Net sales	30,265	49,705	79,970	34,500	114.0%	51,300	103.2%	85,800	107.3%
Gross profit	8,727	15,455	24,182	12,200	139.8%	16,700	108.1%	28,900	119.5%
SG&A	5,398	6,508	11,906	7,200	133.4%	7,700	118.3%	14,900	125.1%
Operating income	3,328	8,947	12,275	5,000	150.2%	9,000	100.6%	14,000	114.1%
Ordinary income	3,265	9,047	12,312	5,100	156.2%	8,900	98.4%	14,000	113.7%
Net income	1,992	4,729	6,721	2,700	135.5%	4,700	99.4%	7,400	110.1%

Year ended March 2006 Consolidated operating plan

(Millions of Yen)	Year ended March 2005			Year ended March 2006					
	1 st Half result	2 nd Half result	Full year result	1 st Half plan	YOY (%)	2 nd Half plan	YOY (%)	Full year plan	YOY (%)
Net sales	30,975	50,683	81,658	38,500	124.3%	56,400	111.3%	94,900	116.2%
Gross profit	8,986	15,766	24,752	13,800	153.6%	18,600	118.0%	32,400	130.9%
SG&A	5,814	6,841	12,655	8,800	151.4%	9,000	131.6%	17,800	140.7%
Operating income	3,171	8,926	12,097	5,000	157.7%	9,600	107.6%	14,600	120.7%
Ordinary income	3,280	9,200	12,480	5,200	158.5%	9,500	103.3%	14,700	117.8%
Net income	1,972	4,954	6,926	2,700	136.9%	5,000	100.9%	7,700	111.2%

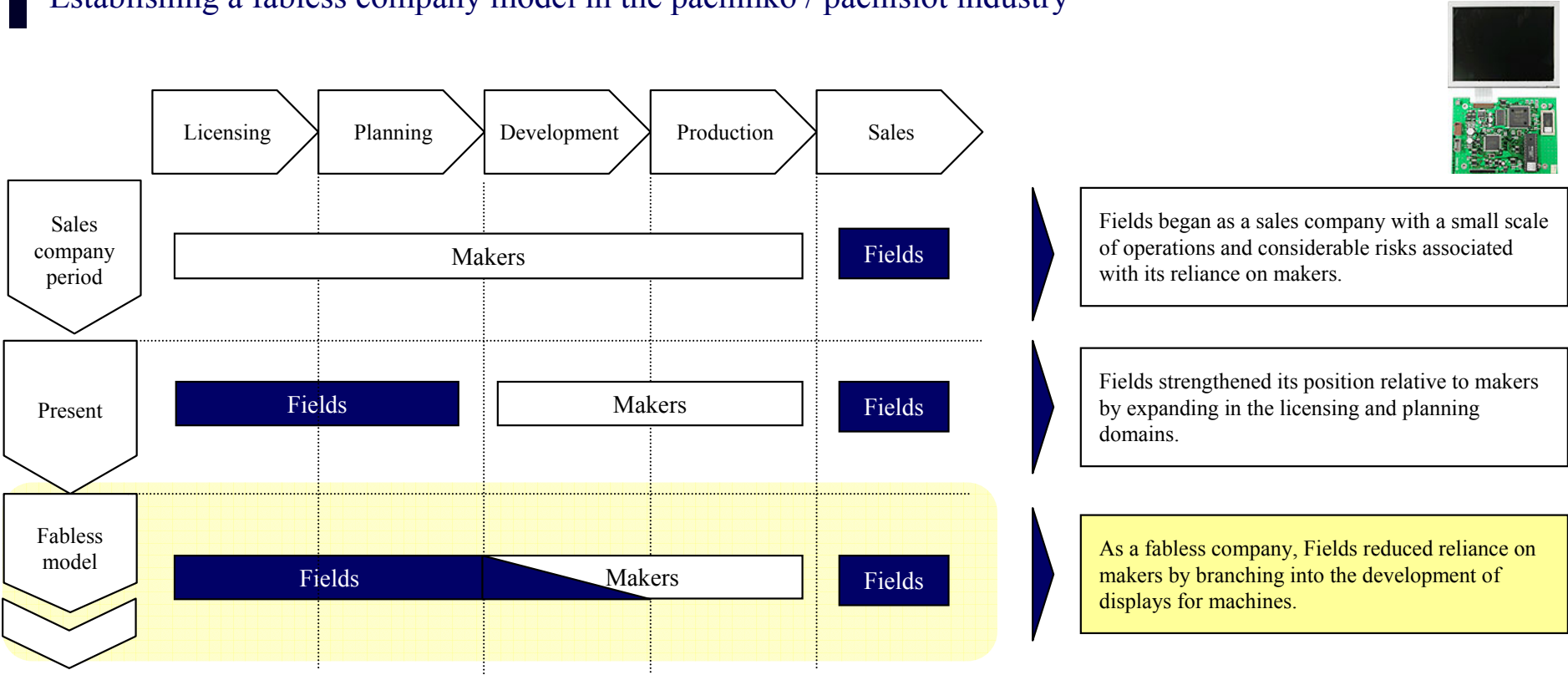


Strategic Expansion



Evolution of pachinko / pachislot business

Establishing a fables company model in the pachinko / pachislot industry

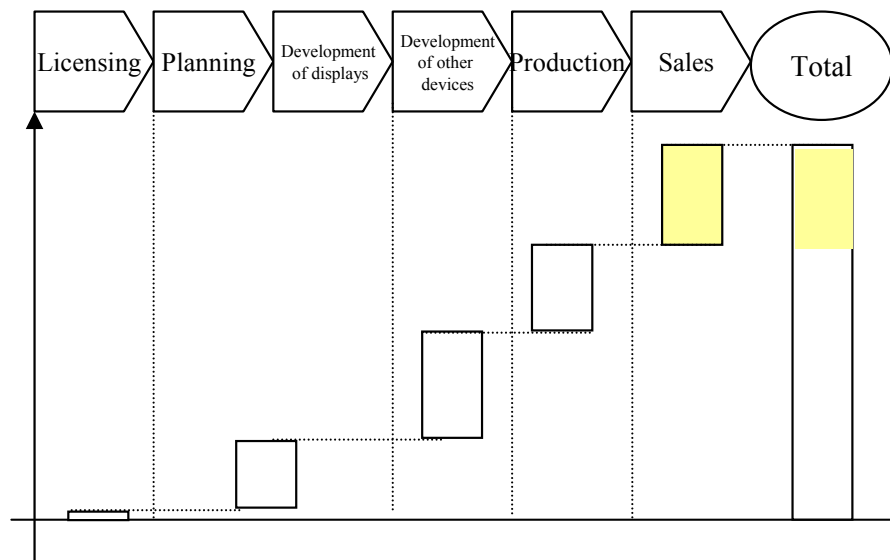


Reliance on makers further declined as Fields steadily enlarged its business domains

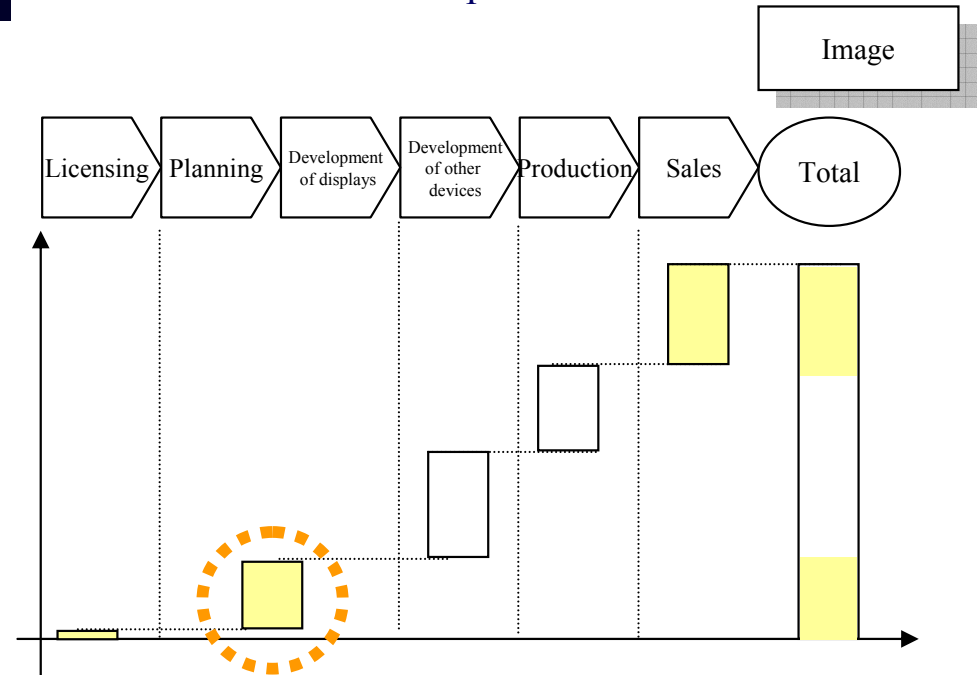
■ As a fables maker in the pachinko / pachislot industry, Fields is developing displays for machines. By enlarging business domains through this approach, Fields is confident that it can minimize risk associated with reliance on makers.

Increase of sales by expansion of business domains

Added value supplied to date



Added value we intend to provide



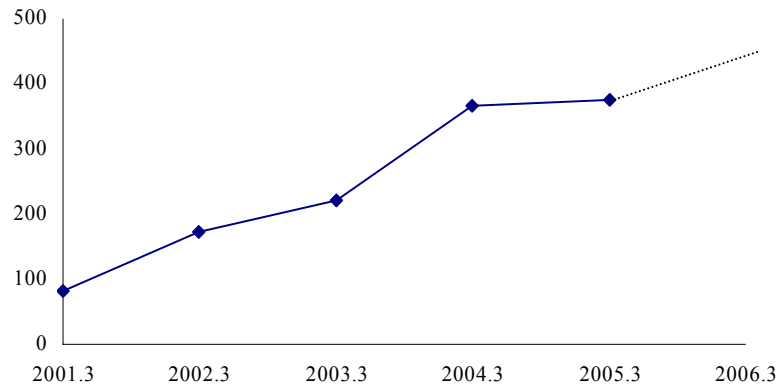
Aiming to make planning and display development into another core profit center alongside sales

- By supplying content in recent years, Fields has been gaining expertise in evaluating, planning and other aspects of the business. As one way to use this knowledge, the company has decided to start a business with the goal of supplying entire units. Many companies generate profits by supplying units, including Daikoku Denki and Eizo Nanao. Furthermore, these companies have extremely consistent earnings. Fields plans to develop the planning and display development business into a core profit center alongside its amusement machine sales business.

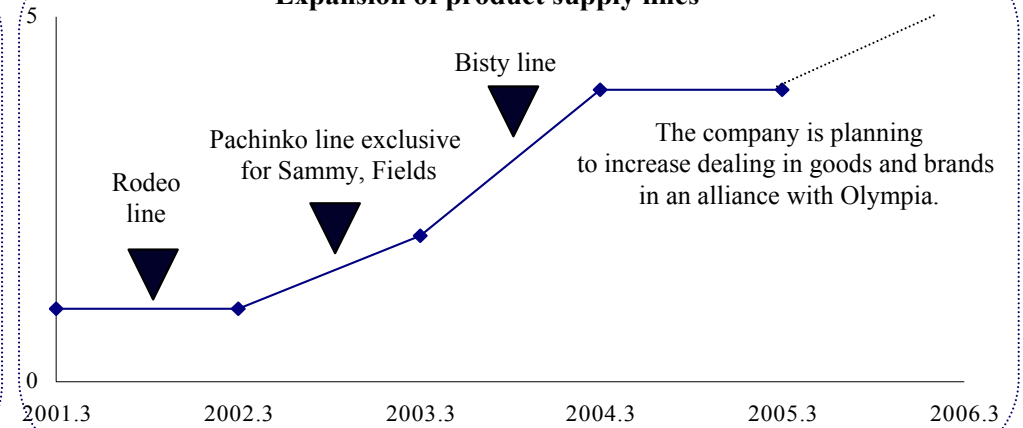
Strategy to increase market share in amusement machine sales

Further increase of market share by pursuing current strategy

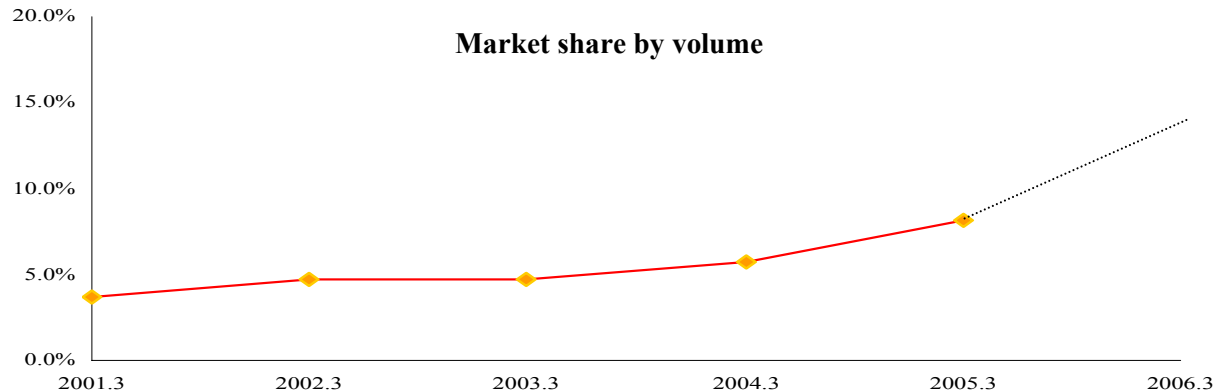
Increasing sales force



Expansion of product supply lines

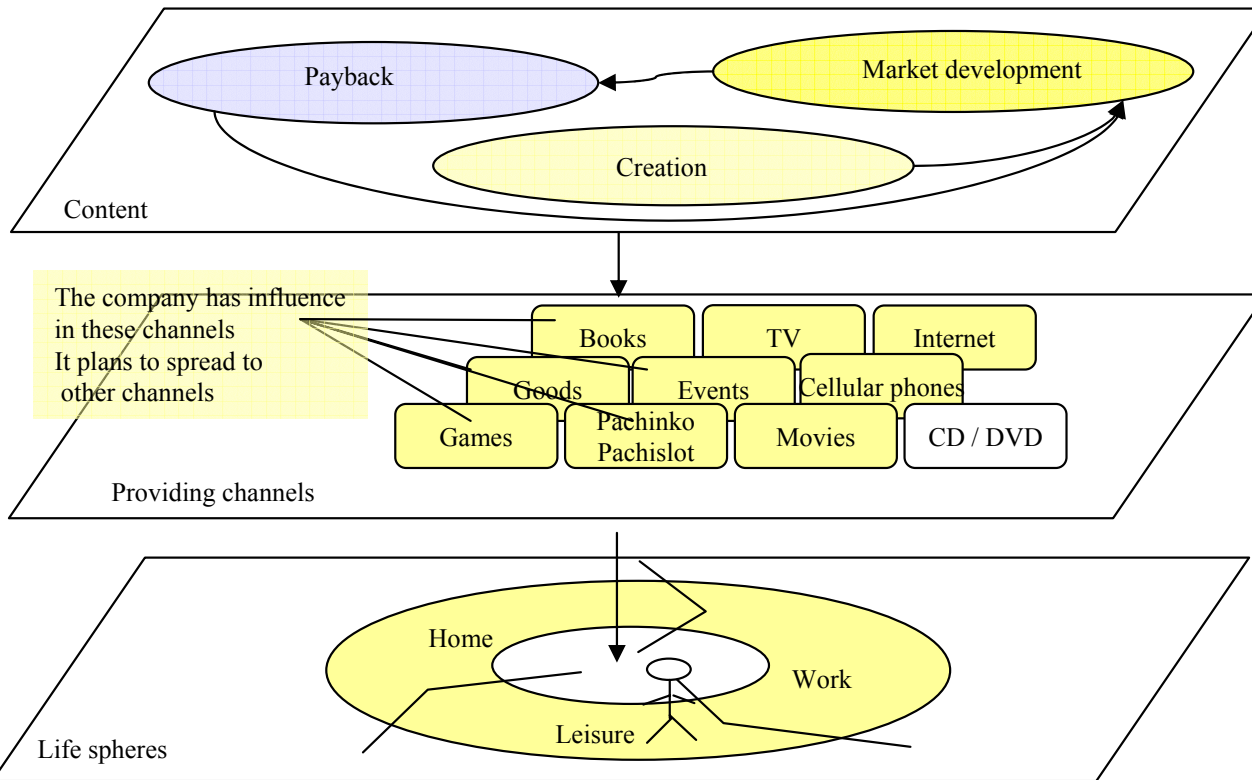


Market share by volume



Content integrator model

Content life cycle and provision



Broadening scope of content business

Fields believes the content business has three stages. First is the creation of the content. Second is the market development stage that boosts value. And third is the payback stage when investments in content are recovered.

Fields will create content and utilize it in many ways while taking into consideration life spheres and the three stages of the content life cycle.

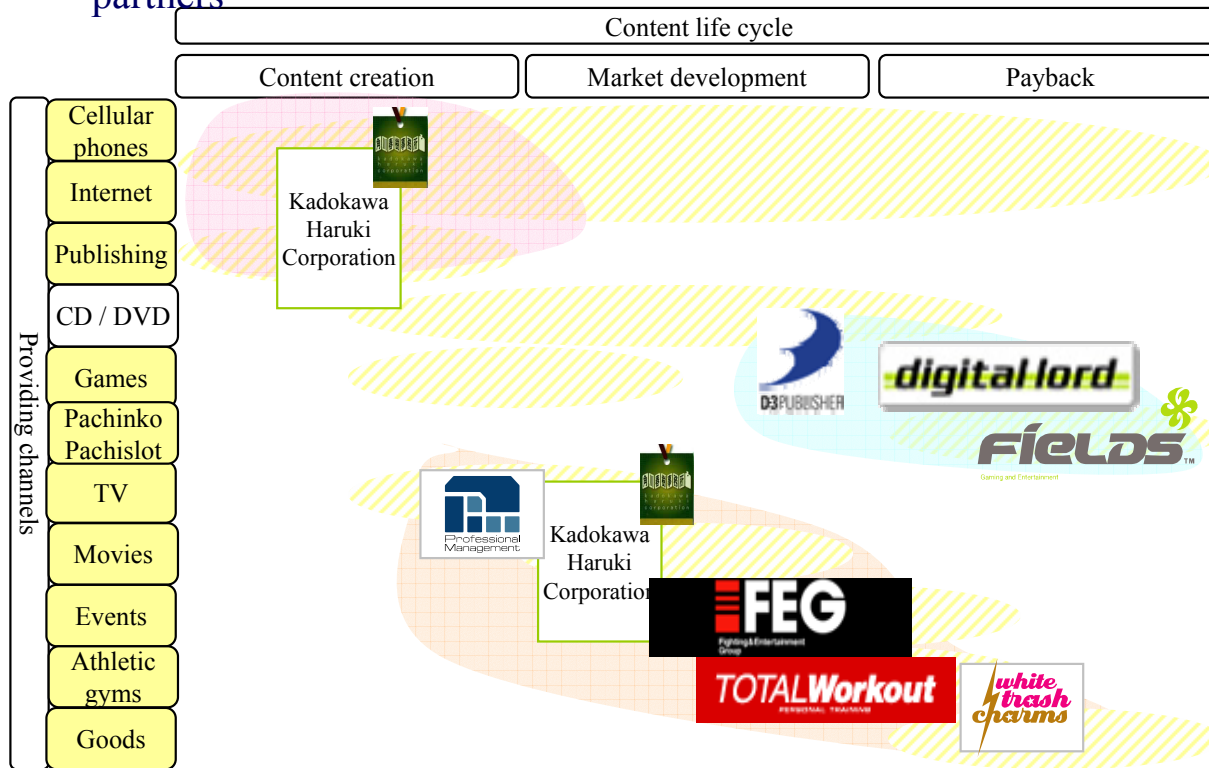
How can individuals most enjoy their leisure? Exactly what is leisure? Fields is constantly monitoring changes in life styles from this perspective in order to develop an effective marketing approach.

Aim to offer the greatest leisure for all people

■ Fields manages content to promote its model for success. At the same time, Fields is working on gaining influence over the channels that provide content. By establishing this business model, Fields intends to offer the greatest leisure for all people.

Realization of the business model through alliances

Japanese companies in the content business, including two partners



Alliances with companies that share the same ambitions

One company alone cannot easily cover all categories of the immense content business. This is why Fields forges alliances with companies in the content business that share the same ambitions. In this manner, Fields aims to establish an “integrator model” in the expansive content business.

Icons for alliance partners



: Kadokawa Haruki Corporation



: FEG Inc.

Aim to provide enjoyable content in all spheres of human activity

Fields believes that the enjoyment of interesting content is one means to enhance leisure time. To provide such content, Fields will collaborate with companies that share the same ambitions.

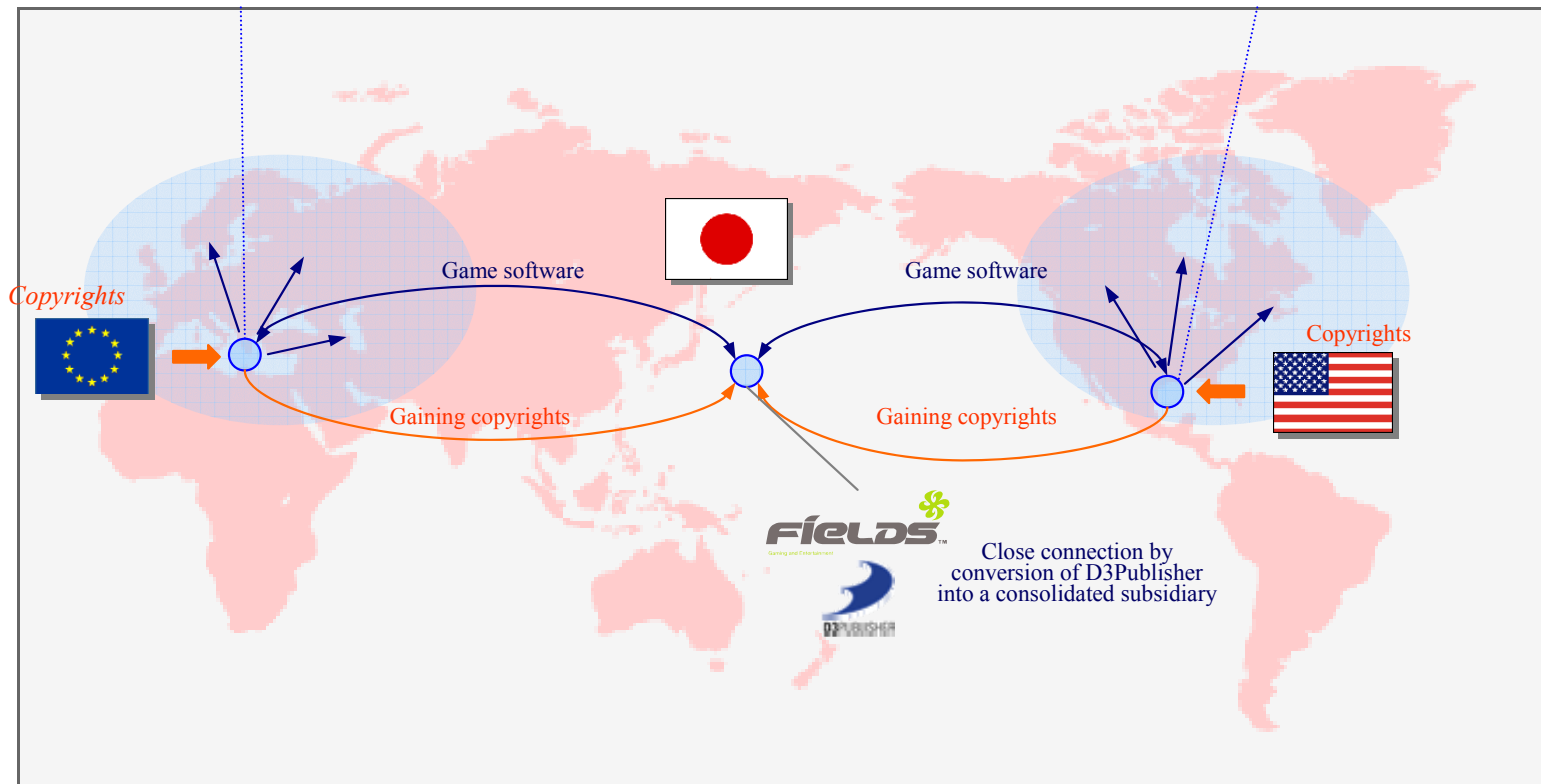
Fields group : Business expansion to U.S. and Europe

Worldwide business expansion – Development of content provider business

■ January 2005 Establishment of “D3DB S.r.l.”, joint enterprise in Europe

■ November 2004 Establishment of “D3Publisher of America. Inc.”, subsidiary in U.S.

■ Fields will acquire the copyrights to popular characters, plan the use of these characters in machines, and develop machine monitors. It will sell these machines through astute marketing.



■ Make content provider business even more competitive

- Create a content development infrastructure centered on producers, creators and other contributors in local markets.
- Build a distribution system with deep regional roots.
- Enter the enormous markets for home game software in Europe and US on a full scale.
- Aggressively acquire content in Europe and US



Source : Fields

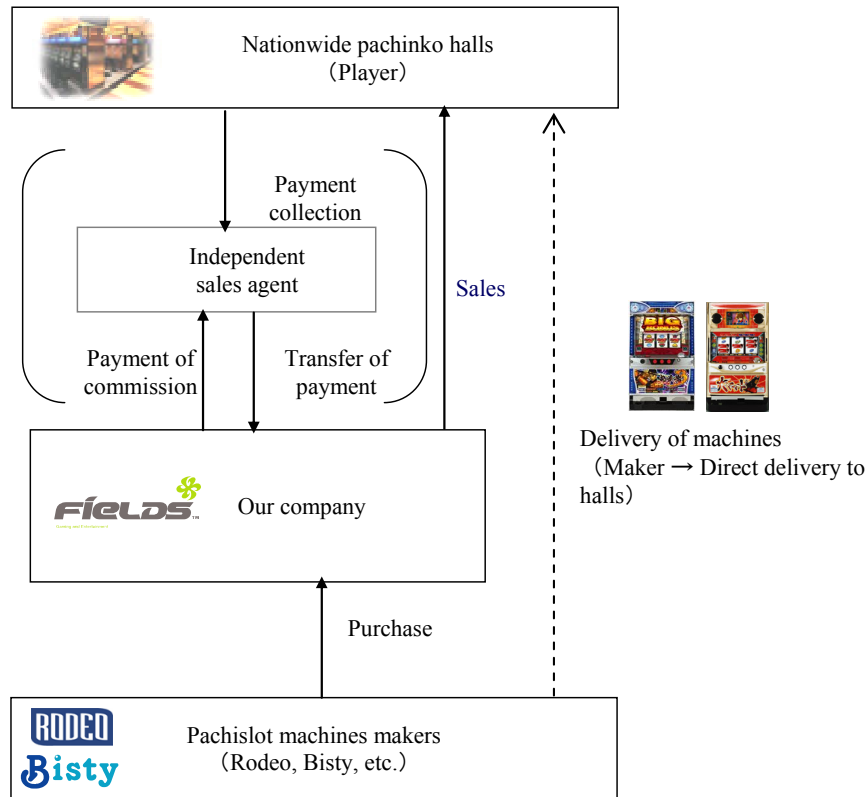


Appendix



Distribution model / Agency model

Distribution model

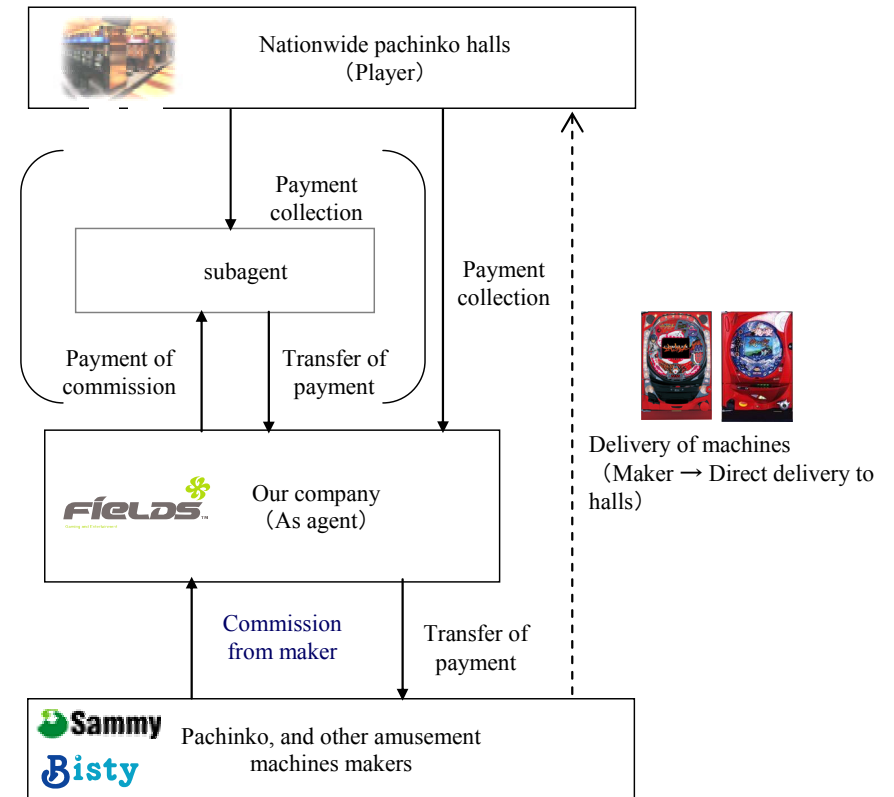


- Distribution model : Pachislot sales of Rodeo, Bisty, and Olympia
- ※ Sales addition : Shipping basis
- ※ Distribution model : Sales price = Net sales

(Examples)	November	December	January
■ Distribution model	Pachislot A	●	
		▲ Delivery	

● = Sales addition

Agency model



- Agency model : All pachinko makers, Some pachislot makers
- ※ Sales addition : Normally adding sales up by payment collection and payment to maker 1 month after of delivery
- ※ Agency model : Commission = Net sales

(Examples)	November	December	January
■ Agency model	Pachinko A	●
		▲ Delivery	

● = Sales addition

Financial highlights, FY1998-2004

Key financial data (: ¥thousands)	1999.3	2000.3	2001.3	2002.3	2003.3(Consolidated)	2004.3 (Consolidated)	2005.3 (Consolidated)
Net sales	11,811,500	10,017,585	11,496,060	34,560,468	61,888,832	66,211,589	81,658,011
Operating income	138,791	768,876	1,700,893	5,730,688	6,781,196	11,866,578	12,097,224
Ordinary income	107,358	726,910	1,681,106	5,664,866	7,022,048	12,209,509	12,480,571
Net income	34,842	262,168	583,081	3,041,486	3,524,372	6,620,253	6,926,791
Paid-in capital	10,000	10,000	116,000	530,500	1,295,500	1,295,500	7,948,036
Shareholders' equity	23,938	286,107	1,069,803	3,883,201	8,752,797	14,507,820	33,426,273
Total assets	5,388,131	6,199,947	6,211,821	18,631,438	17,090,435	37,115,839	72,584,547
Cash Flows from Operating activities	—	—	1,105,738	4,525,559	3,316,128	851,192	2,965,857
Cash Flows from Investing activities	—	—	269,440	△ 724,077	△ 2,253,217	△ 3,190,193	△ 5,257,154
Cash Flows from Financial activities	—	—	△ 920,780	2,004,198	△ 2,454,804	2,029,999	10,177,881
Cash and cash equivalents at end of the period	—	—	1,414,660	6,857,525	5,739,061	5,437,758	13,326,256

Indicators per share (Unit : JPY)	1999.3	2000.3	2001.3	2002.3	2003.3(Consolidated)	2004.3 (Consolidated)	2005.3 (Consolidated)																
Shareholders' equity per share	119,690	1,430,535	461,122	1,325,324	268,600	89,305	96,026																
Annual dividend per share (non-consolidated)	—	—	15,000	<table border="0"> <tr> <td>Old shares</td> <td>100,000</td> </tr> <tr> <td>New shares</td> <td>27,398</td> </tr> <tr> <td>2nd new shares</td> <td>548</td> </tr> </table>	Old shares	100,000	New shares	27,398	2 nd new shares	548	10,000	<table border="0"> <tr> <td>• Memorial</td> <td>24,000</td> </tr> <tr> <td>• Interim</td> <td>10,000</td> </tr> <tr> <td>• Full year</td> <td>4,000</td> </tr> </table>	• Memorial	24,000	• Interim	10,000	• Full year	4,000	<table border="0"> <tr> <td>• Interim</td> <td>4,000</td> </tr> <tr> <td>• Full year</td> <td>2,000</td> </tr> </table>	• Interim	4,000	• Full year	2,000
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2 nd new shares	548																						
• Memorial	24,000																						
• Interim	10,000																						
• Full year	4,000																						
• Interim	4,000																						
• Full year	2,000																						
Net income per share	174,211	1,310,844	2,075,024	1,275,256	117,233	40,465	19,888																

Management indicators (Unit : %)	1999.3	2000.3	2001.3	2002.3	2003.3(Consolidated)	2004.3 (Consolidated)	2005.3 (Consolidated)
Shareholders' equity ratio	0.4	4.6	17.2	20.8	51.2	39.1	46.0
Return on equity	534.6	169.1	86.0	122.8	55.9	56.9	28.9
Dividend as percentage of shareholders' equity (non-consolidated)	—	—	6.0	7.8	7.9	*20.1	20.7

*Dividend as percentage of shareholders' equity in 2004.3 is calculated including memorial dividend

Others	1999.3	2000.3	2001.3	2002.3	2003.3(Consolidated)	2004.3 (Consolidated)	2005.3 (Consolidated)
Total outstanding shares	200	200	2,320	2,930	32,300	161,500	347,000
Employees (persons)	166	210	319	323	460	651	758

• October, 2002 10-for-1 stock split • November, 2003 5-for-1 stock split • September, 2004 2-for-1 stock split

• Consolidated from 2003.3



References



Year ending March 2006 Pachinko / Pachislot market forecast and plans to deal with the market I

Whole pachinko market

- Since the pachinko market peaked in 1995, the key theme has been to build a structure in which higher spending per user offsets the decline in the number of pachinko fans.
- Macroeconomic trend: Dispersion of needs due to maturing of the environment for entertainment
- Microeconomic trend: Revisions to regulations in 1995 limited freedom to develop new products, greatly reducing the variety of machines
- 2004 revisions to regulations greatly raised the freedom to develop new models based on the premise of holding gambling elements within certain limits.
- An environment in which the use of innovative technology like LCDs and image processing can be used to attract not only pachinko fans, but also a broad range of other individuals
- The number of pachinko balls is declining, but the number of machines per location is rising, leading to growth in the number of large pachinko halls

Number of pachinko fans

- Looking ahead, the pachinko industry requires the ability to “preserve the current market scale by achieving a recovery in the population of fans while holding down the amount spent per customer.”
- In 2003, when the number of pachinko fans hit bottom, Fields launched “Project 45” for the purpose of increasing the number of fans. This was to be accomplished by targeting a broad spectrum of needs of many kinds of people against a backdrop of Japan’s maturing entertainment business climate.
- Pachinko fans were accustomed to passive entertainment machines with look-alike designs (Ocean). But they became more interested in pachinko due to the introduction of machines with major characters and story lines made possible by models that take advantage of new regulations.
- In recent years, the number of young pachinko fans has been growing due to a decline in the gambling aspects of machines and to advances in imaging hardware and software. This growth is likely to continue for the foreseeable future.
- Looking ahead, Fields must focus not only on developing amusement machines, but on adopting a diverse approach that includes developing spaces, services and other items that can cater to a broad range of people.

Forecast for pachinko machines

- 2004 revisions to regulations were designed to facilitate the development of many types of game machines that remained within proper limits concerning gambling elements.
- Elimination of previous categorization and easing of restrictions on machine structures points to greater freedom in developing machines.
- Based on past trends, there is a big increase in the number of machines sold in the two years after the easing of government regulations (or NIKKOSO rules).
- Regulations were revised in 1995, 1999, 2002, and this time ; these revisions are expected to produce sales volume that exceeds the number of machines now in use.
- Following the 2004 revision, there was a constant stream of new models using large LCDs, high-grade images and famous characters.
- The previous new model development progression was “specs>hardware>content” ; from now on, “content>hardware>specs.
- An environment in which the consensus and enthusiastic support of the entire industry is possible with regard to gambling characteristics of machines

Forecast for pachislot machines

- Since the reinterpretation of the 1998 regulations, machines have been allowed to make greater use of technology. The result is the emergence of machines that permit players to win large numbers of balls. Approval to use video, audio and other sub-controls is leading to the incorporation of LCDs, AT functions and other new features, attracting a broad spectrum of fans.
- 2004 revisions placed restrictions on functions that permit players to win large numbers of balls, AT functions and other features that had driven growth of the pachislot market.
- As of April 2005, no models conformed to the standards of the Security Electronics and Communications Technology Association. For the time being, only machines that have already been approved under the previous regulations can be sold.
- The industry is anticipating the appearance of machines that comply with new regulations over the next few years.

Year ending March 2006 Pachinko / Pachislot market forecasts and plans to deal with the market II

Trend of pachinko makers

- Since the appearance of machines conforming to new regulations, there has been a big shift in sales of amusement machines to highly competitive models incorporating large LCDs, outstanding picture quality and famous characters.
- SANKYO group: Developed products that radically altered the image of pachinko machines: CRF Dai-Yamato (SANKYO) and CR Neon Genesis Evangelion (Bisty). Increased panel size by 30% compared with conventional models. Incorporated 10.4-inch LCD, the industry's largest. State-of-the-art chips and image processing technology.
→ Excels not only in the number of units sold, but also by contributing to pachinko halls' productivity and earnings.
- The focus of competition among makers is certain to be larger LCDs, higher resolution images and the use of highly appealing characters.

Trend of pachislot makers

- Market needs will remain centered on machines for old regulations for the time being even if machines conforming to new regulations are introduced.
- Machines conforming to old regulations can be sold and used until June 2007. The point now is whether machines can be supplied with the proper balance to meet upcoming demand from pachinko halls to replace these old machines.
- There is a need to launch machines conforming to new regulations that emphasize entertainment smoothly while continuing to make use of old-regulation machines.
- The Yoshimune model, which has a large market share (estimated 230,000 units), and the Hokuto-no-Ken model (estimated 600,000 units) will reach the end of their certification periods in July 2006 and October 2006, respectively, meaning they will have to be replaced.
- Fields will take full advantage of its position as a distributor and controller to coordinate the interests of different makers to see that the right machines are introduced at the right times.

Strategy of Fields

■ Making pachinko halls a place for entertainment

- Create new kinds of entertainment spaces by proposing ideas for multifaceted facilities centered on pachinko halls

■ Develop new models that use large LCDs and use characters that are at the peak of their popularity

- Aim to offer content that takes advantage of larger LCDs as technological skills grow. Further refine Fields' character evaluation system to select and acquire characters that will generate the most fans.
- Create plans that take full advantage of the appeal of characters and heighten development capabilities.

■ In conjunction with changes in regulations, shift emphasis of new product development from gambling to gaming.

- Advances in chip compression technology are increasing game capabilities. Aim to plan and develop new models with performance on a par with character-based home video games, and strengthen skills in developing new technologies.

■ Conduct promotions that increase the number of fans.

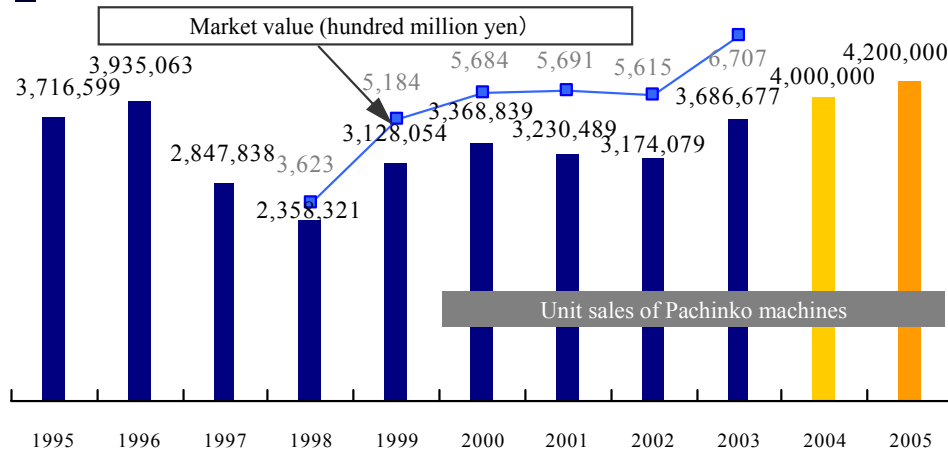
- Highly appealing characters can attract large numbers of new fans.
- Makers can use characters to develop new machines, and pachinko halls can use the characters in their advertising and marketing activities.
- Make a broad range of people aware of these advances, and broaden the base of fans

→ Increase business opportunities by using "Project 45" * to conduct educational activities targeting makers, sales agencies and pachinko halls.

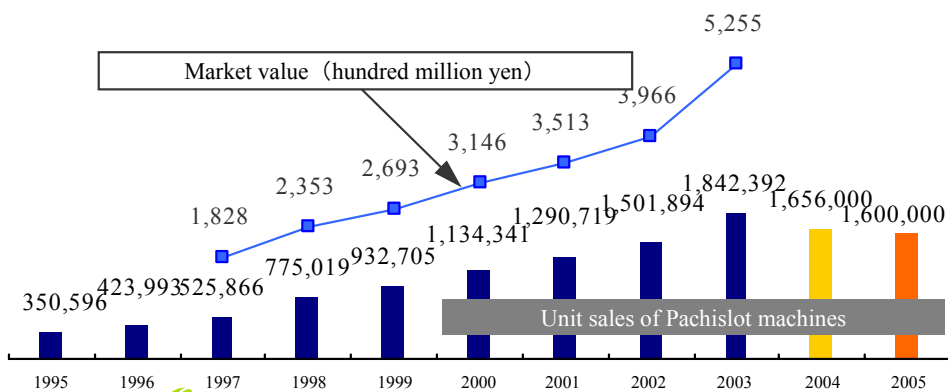
* "Project 45" : A core project started by Fields in 2003 that targets the entire pachinko/pachislot industry. The aim is to raise the population of pachinko users from the current 20 million to half of the total number of potential users in Japan, which is about 90 million.

Market scale of core businesses

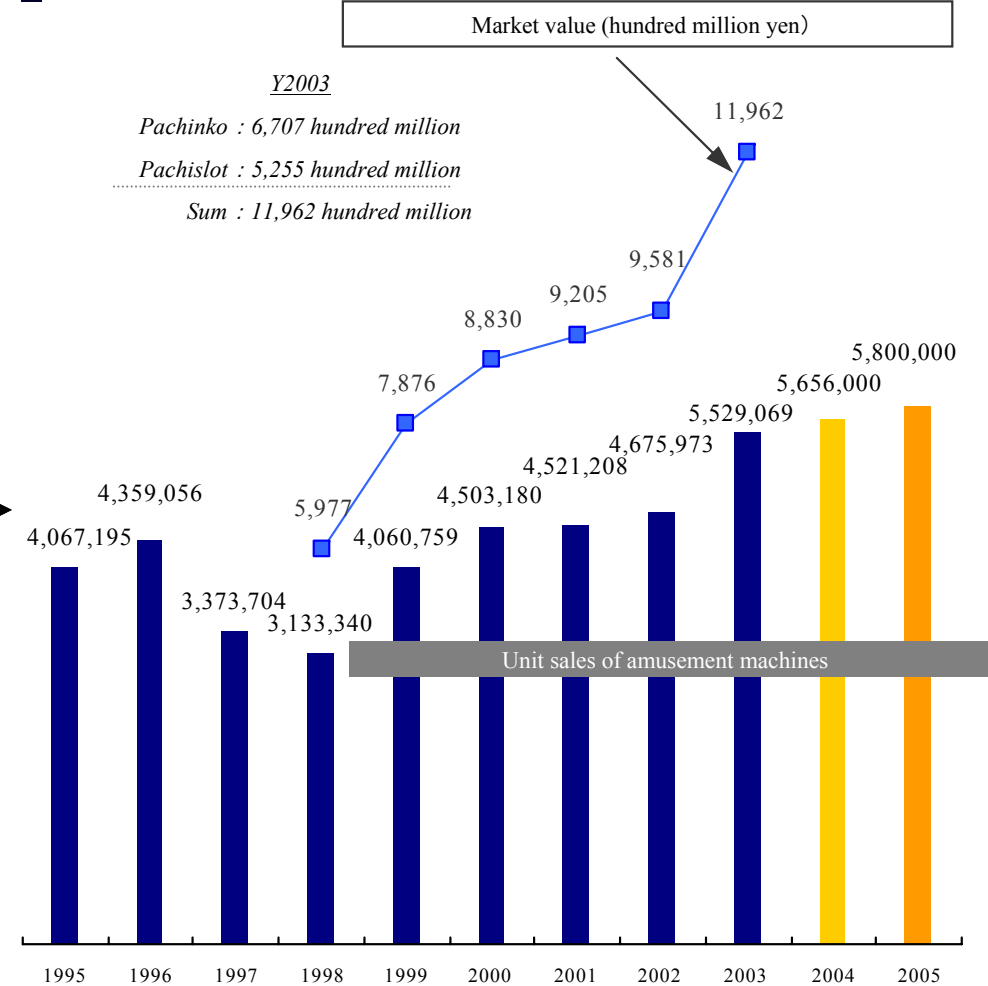
Japanese market for Pachinko machines



Japanese market for Pachislot machines



Japanese market for amusement machines



Source : "Trend and market share of Pachinko related makers 2004" Yano Research Institute, Estimation by Fields after 2004