Summary

(Translation)

Fields Corporation
Summary of Interim Financial Statements (Non-Consolidated)
Year Ending March 31, 2006

November 11, 2005

Company Name:	Fields Corporation (URL: http://www.fields.biz)
Listed on:	JASDAQ (Stock code: 2767)
Head Office:	Tokyo
Representative Director:	Hidetoshi Yamamoto President, Representative Director and CEO
Inquiries:	Hiroyuki Yamanaka General Manager, Administration Division for Board of Directors Tel: (03) 5784-2111
Date Approved by Board of Directors:	November 11, 2005
Interim Dividend System (Yes/No):	Yes
Date of Commencement of Dividend Payment:	December 2, 2005
Unit Stock System (Yes/No):	No

1. Business results for the first half ended September 30, 2005 (April 1 to September 30, 2005)

(1) Operating results (Rounded down to nearest million)

	Net sales		Operating income		Ordinary income	
	Millions of yen	(% change)	Millions of yen	(% change)	Millions of yen	(% change)
First half ended September 30, 2005	33,077	(9.3)	1,706	(-48.7)	1,982	(-39.3)
First half ended September 30, 2004	30,265	(-16.0)	3,328	(-45.4)	3,265	(-47.0)
Year ended March 31, 2005	79,970		12,275		12,312	

	Net income		Net income per share
	Millions of yen	(% change)	Yen
First half ended September 30, 2005	1,209	(-39.3)	3,486.06
First half ended September 30, 2004	1,992	(-39.9)	5,876.37
Year ended March 31, 2005	6,721		19,289.46

Notes: 1. Average number of shares outstanding

First half ended September 30, 2005: 347,000

First half ended September 30, 2004: 339,000

Year ended March 31, 2005: 343,000

2. Changes in accounting methods (Yes/No): No

3. Percentages for net sales, operating income, ordinary income and net income denote changes compared with the interim period of the previous fiscal year.

(2) Dividend information

	Interim dividend per share	Annual dividend per share
	Yen	Yen
First half ended September 30, 2005	2,000.00	—
First half ended September 30, 2004	2,000.00	—
Year ended March 31, 2005	—	4,000.00

(3) Financial position

	Total assets	Shareholders’ equity	Shareholders’ equity ratio	Shareholders’ equity per share
	Millions of yen	Millions of yen	%	Yen
First half ended September 30, 2005	45,512	34,124	75.0	98,340.95
First half ended September 30, 2004	46,310	29,233	63.1	84,247.58
Year ended March 31, 2005	68,354	33,414	48.9	95,993.86

Notes: 1. Number of shares outstanding at period-end
First half ended September 30, 2005: 347,000
First half ended September 30, 2004: 347,000
Year ended March 31, 2005: 347,000

2. Treasury stock at period-end
First half ended September 30, 2005: —
First half ended September 30, 2004: —
Year ended March 31, 2005: —

2. Forecast earnings for the year ending March 31, 2006 (April 1, 2005, to March 31, 2006)

	Net sales	Ordinary income	Net income	Annual dividend per share	
				Final	
	Millions of yen	Millions of yen	Millions of yen	Yen	Yen
Full year	83,889	10,717	5,744	2,000.00	4,000.00

Reference: Projected net income per share for the year ending March 31, 2006: ¥16,250.72

Interim Financial Statements and Other Data

Non-consolidated Financial Statements

1. Non-consolidated Balance Sheets

(Thousands of yen, %)

Item \ Period	First half ended September 30, 2004 (As of September 30, 2004)		First half ended September 30, 2005 (As of September 30, 2005)		Fiscal year ended March 31, 2005 (summary) (As of March 31, 2005)	
	Amount	% total	Amount	% total	Amount	% total
Assets						
I Current assets						
1. Cash and cash equivalents	14,375,589		13,268,018		9,872,987	
2. Notes receivable–trade *4	2,842,695		2,351,848		3,232,572	
3. Accounts receivable–trade	11,601,547		7,045,393		34,061,850	
4. Inventories	176,137		177,520		246,470	
5. Merchandising right advances	2,998,567		3,686,966		3,384,063	
6. Other current assets *3	2,855,518		1,274,491		1,848,896	
7. Allowance for doubtful accounts	(31,200)		(26,000)		(84,300)	
Total current assets	34,818,855	75.2	27,778,238	61.0	52,562,541	76.9
II Fixed assets						
1. Tangible fixed assets *1	4,217,153	9.1	4,034,834	8.9	4,325,058	6.3
2. Intangible fixed assets	414,579	0.9	898,773	2.0	777,906	1.2
3. Investments and other assets						
(1) Investment securities	—		2,484,835		1,946,480	
(2) Investments in subsidiaries and affiliates	—		7,260,550		5,510,550	
(3) Others	6,953,940		3,443,089		3,523,735	
(4) Allowance for doubtful accounts	(93,680)		(368,289)		(97,206)	
(5) Allowance for investment losses	—		(20,000)		(195,000)	
Total investments and other assets	6,860,259	14.8	12,800,185	28.1	10,688,559	15.6
Total fixed assets	11,491,992	24.8	17,733,794	39.0	15,791,524	23.1
Total assets	46,310,847	100.0	45,512,032	100.0	68,354,065	100.0

(Thousands of yen, %)

Item \ Period	First half ended September 30, 2004 (As of September 30, 2004)		First half ended September 30, 2005 (As of September 30, 2005)		Fiscal year ended March 31, 2005 (summary) (As of March 31, 2005)	
	Amount	% total	Amount	% total	Amount	% total
Liabilities						
I Current liabilities						
1. Accounts payable–trade	11,992,432		6,123,672		27,479,545	
2. Accrued bonuses	19,300		25,200		20,000	
3. Other current liabilities *3	2,055,668		2,084,046		4,325,396	
Total current liabilities	14,067,400	30.4	8,232,919	18.1	31,824,942	46.6
II Long-term liabilities						
1. Retirement benefit provisions	120,569		143,464		129,925	
2. Reserve for retirement benefits for directors and statutory auditors	537,700		576,900		568,700	
3. Deposits received	2,320,082		2,434,440		2,409,736	
4. Other liabilities	31,185		—		5,893	
Total long-term liabilities	3,009,537	6.5	3,154,805	6.9	3,114,255	4.5
Total liabilities	17,076,938	36.9	11,387,724	25.0	34,939,197	51.1
Shareholders' equity						
I Common stock	7,948,036	17.2	7,948,036	17.5	7,948,036	11.6
II Capital surplus						
1. Additional paid-in capital	7,994,953		7,994,953		7,994,953	
Capital surplus total	7,994,953	17.3	7,994,953	17.6	7,994,953	11.7
III Retained earnings						
1. Legal reserve	9,580		9,580		9,580	
2. Voluntary reserve	10,000,000		15,000,000		10,000,000	
3. Unappropriated retained earnings	3,077,307		2,523,164		7,112,502	
Total retained earnings	13,086,887	28.2	17,532,744	38.5	17,122,082	25.1
IV Unrealized holding gain on available-for-sale securities	204,032	0.4	648,573	1.4	349,796	0.5
Total shareholders' equity	29,233,908	63.1	34,124,308	75.0	33,414,868	48.9
Total liabilities and shareholders' equity	46,310,847	100.0	45,512,032	100.0	68,354,065	100.0

2. Non-Consolidated Statements of Income

(Thousands of yen, %)

Item \ Period	First half ended September 30, 2004 (April 1–September 30, 2004)		First half ended September 30, 2005 (April 1–September 30, 2005)		Fiscal year ended March 31, 2005 (summary) (April 1, 2004–March 31, 2005)	
	Amount	% sales	Amount	% sales	Amount	% sales
I Net sales	30,265,550	100.0	33,077,297	100.0	79,970,015	100.0
II Cost of sales	21,538,323	71.2	24,831,827	75.1	55,787,766	69.8
Gross profit	8,727,226	28.8	8,245,470	24.9	24,182,248	30.2
III Selling, general and administrative expenses	5,398,676	17.8	6,538,547	19.8	11,906,358	14.9
Operating income	3,328,549	11.0	1,706,922	5.1	12,275,890	15.3
IV Non-operating income *1	165,578	0.6	283,145	0.9	289,650	0.4
V Non-operating expenses *2	228,576	0.8	8,053	0.0	252,956	0.3
Ordinary income	3,265,551	10.8	1,982,015	6.0	12,312,584	15.4
VI Extraordinary income *3	395,365	1.3	349,669	1.1	346,283	0.4
VII Extraordinary losses *4, 5	225,470	0.7	365,792	1.1	461,240	0.6
Income before income taxes	3,435,446	11.4	1,965,891	6.0	12,197,626	15.2
Current income taxes	1,115,799	3.7	830,925	2.5	5,354,480	6.7
Deferred income taxes	327,559	1.1	(74,696)	(0.2)	121,863	0.1
Net income	1,992,088	6.6	1,209,662	3.7	6,721,283	8.4
Earnings brought forward from previous period	1,085,219		1,313,502		1,085,219	
Interim dividends paid	—		—		694,000	
Unappropriated retained earnings	3,077,307		2,523,164		7,112,502	

Material items affecting the operation of the Company as a going concern

First half ended September 30, 2004 (April 1, 2004, to September 30, 2004): No relevant items

First half ended September 30, 2005 (April 1, 2005, to September 30, 2005): No relevant items

Fiscal year ended March 31, 2005 (April 1, 2004, to March 31, 2005): No relevant items

Basis of Presentation of the Interim Financial Statements

Item \ Period	First half ended September 30, 2004 (April 1–September 30, 2004)	First half ended September 30, 2005 (April 1–September 30, 2005)	Fiscal year ended March 31, 2005 (April 1, 2004–March 31, 2005)
1. Asset valuation standards and methods	(1) Marketable securities (i) Shares of subsidiaries and affiliates Stated at cost determined by the moving average method. (ii) Other marketable securities Securities with market prices: Stated at market value based on market price as of the interim balance sheet date (unrealized gains or losses are charged or credited directly to shareholders' equity, with the cost of securities sold determined by the moving average method). Securities without market prices: Stated at cost determined by the moving average method. (2) Inventories (i) Merchandise Used pachinko/pachislot machines At cost determined by the specific identification method Others At cost determined by the moving average method (ii) Supplies At cost determined by the last purchase price method	(1) Marketable securities (i) Shares of subsidiaries and affiliates Same as at left (ii) Other marketable securities Securities with market prices: Same as at left Securities without market prices: Same as at left (2) Inventories (i) Merchandise Used pachinko/pachislot machines Same as at left Others Same as at left (ii) Supplies Same as at left	(1) Marketable securities (i) Shares of subsidiaries and affiliates Same as at left (ii) Other marketable securities Securities with market prices: Stated at market value based on market price as of the balance sheet date (unrealized gains or losses are charged or credited directly to shareholders' equity, with the cost of securities sold determined by the moving average method). Securities without market prices: Same as at left (2) Inventories (i) Merchandise Used pachinko/pachislot machines Same as at left Others Same as at left (ii) Supplies Same as at left
2. Depreciation methods for fixed assets	(1) Tangible fixed assets Declining-balance method However, the straight-line method is applied to buildings (excluding building fixtures) acquired after April 1, 1998. The estimated useful lives of depreciable assets are as follows. Buildings: 6-50 years Structures: 10-27 years Vehicles: 4-6 years Tools and equipment: 3-20 years (2) Intangible fixed assets Straight-line method The straight-line method is applied to software for company use, based on its useful life within the Company (five years). (3) Long-term prepaid expenses Straight-line method	(1) Tangible fixed assets Declining-balance method However, the straight-line method is applied to buildings (excluding building fixtures) acquired after April 1, 1998. The estimated useful lives of depreciable assets are as follows. Buildings: 4-50 years Structures: 10-50 years Vehicles: 4-6 years Tools and equipment: 3-20 years (2) Intangible fixed assets Same as at left (3) Long-term prepaid expenses Same as at left	(1) Tangible fixed assets Declining-balance method However, the straight-line method is applied to buildings (excluding building fixtures) acquired after April 1, 1998. The estimated useful lives of depreciable assets are as follows. Buildings: 6-50 years Structures: 10-50 years Vehicles: 4-6 years Tools and equipment: 3-20 years (2) Intangible fixed assets Same as at left (3) Long-term prepaid expenses Same as at left

Item \ Period	First half ended September 30, 2004 (April 1–September 30, 2004)	First half ended September 30, 2005 (April 1–September 30, 2005)	Fiscal year ended March 31, 2005 (April 1, 2004–March 31, 2005)
3. Treatment of deferred assets	(1) Stock issuance expenses These expenses are charged in full at the time they are incurred. The issuance of 12,000 new shares of common stock on June 15, 2004, through a public offering was carried out by the underwriting companies purchasing and underwriting the shares at ¥1,108,755 per share, which differed from the share issue price of ¥1,161,000, the offering price paid by ordinary investors. The gross spread or differential between the two prices was in this case ¥626,940 thousand, the de facto underwriting commission. If, as was previously the case, the underwriting and share issue prices were the same, the underwriting commission would have been charged as stock issuance expenses. Consequently, compared to the previous method of accounting for underwriting commission, stock issuance expenses and the total of common stock and capital surplus are each reduced by ¥626,940 thousand, and ordinary income and income before income taxes are each increased by the same amount.	———	(1) Stock issuance expenses These expenses are charged in full at the time they are incurred. The issuance of 12,000 new shares of common stock on June 15, 2004, through a public offering was carried out by the underwriting companies purchasing and underwriting the shares at ¥1,108,755 per share, which differed from the share issue price of ¥1,161,000, the offering price paid by ordinary investors. The gross spread or differential between the two prices was in this case ¥626,940 thousand, the de facto underwriting commission. If, as was previously the case, the underwriting and share issue prices were the same, the underwriting commission would have been charged as stock issuance expenses. Consequently, compared to the previous method of accounting for underwriting commission, stock issuance expenses and the total of common stock and capital surplus are each reduced by ¥626,940 thousand, and ordinary income and income before income taxes are each increased by the same amount.
4. Accounting standards for reserves	(1) Allowance for doubtful accounts To provide against losses from doubtful accounts, allowances for ordinary receivables are provided using a rate determined by past collection experience, and allowances for specific debts considered doubtful are accounted for by calculating the estimated amounts deemed uncollectible after individually reviewing collectibility of the debts. (2) ——— (3) Accrued bonuses To provide for employee bonuses, the Company recognizes the amounts out of the projected bonus payments to be allocated to the half.	(1) Allowance for doubtful accounts Same as at left (2) Reserve for investment losses To provide for possible losses on investments in affiliates, this reserve is provided in consideration of factors such as the financial condition of the affiliates. (3) Accrued bonuses Same as at left	(1) Allowance for doubtful accounts Same as at left (2) Reserve for investment losses Same as at left (3) Accrued bonuses To provide for employee bonuses, the Company recognizes the amounts out of the projected bonus payments to be allocated to the fiscal year.

Item \ Period	First half ended September 30, 2004 (April 1–September 30, 2004)	First half ended September 30, 2005 (April 1–September 30, 2005)	Fiscal year ended March 31, 2005 (April 1, 2004–March 31, 2005)
	(4) Retirement benefit provisions To provide for employees' retirement benefits the Company recognizes, on the basis of projected benefit obligations as of the end of the fiscal year, benefit obligations deemed to arise as of the end of the half. Actuarial differences are amortized proportionately by the straight-line method over a fixed number of years (five years) within the average remaining period of service of employees as of the time such differences arise. Amortization amounts are expensed beginning with the fiscal year following that in which the differences arise. (5) Reserve for retirement benefits for directors and statutory auditors To provide for retirement benefits for directors and statutory auditors the Company, in accordance with the internal regulations, states the amounts to be paid at the end of the half.	(4) Retirement benefit provisions Same as at left (5) Reserve for retirement benefits for directors and statutory auditors Same as at left	(4) Retirement benefit provisions To provide for employees' retirement benefits, the Company recognizes, on the basis of projected benefit obligations as of the end of the fiscal year, benefit obligations accrued as of the end of the fiscal year. Actuarial differences are amortized proportionately by the straight-line method over a fixed number of years (five years) within the average remaining period of service of employees as of the time such differences arise. Amortization amounts are expensed beginning with the fiscal year following that in which the differences arise. (5) Reserve for retirement benefits for directors and statutory auditors To provide for retirement benefits for directors and statutory auditors the Company, in accordance with the internal regulations, states the amounts to be paid at the end of the fiscal year.
5. Treatment of lease transactions	Finance lease transactions, other than those where the ownership of the leased assets is deemed to be transferred to the lessee, are accounted for as ordinary operating lease transactions.	Same as at left	Same as at left
6. Other significant standards for the preparation of financial statements	Accounting for consumption tax Consumption tax is accounted for by the tax-excluded method.	Accounting for consumption tax Same as at left	Accounting for consumption tax Same as at left

Changes in Accounting Treatment

First half ended September 30, 2004 (April 1–September 30, 2004)	First half ended September 30, 2005 (April 1–September 30, 2005)	Fiscal year ended March 31, 2005 (April 1, 2004–March 31, 2005)
————	**Accounting standard for impairment of fixed assets** As of this half the Company has adopted the Accounting Standard for Impairment of Fixed Assets (“Opinion Concerning Establishment of Accounting Standard for Impairment of Fixed Assets” issued by the Business Accounting Deliberation Council on August 9, 2002) and the Implementation Guidance for the Accounting Standard for Impairment of Fixed Assets (Financial Accounting Standard Implementation Guidance No. 6 issued by the Accounting Standards Board of Japan on October 31, 2003). In consequence, income before income taxes declined by ¥56,819 thousand. Cumulative impairment losses are deducted directly from the amount of the relevant assets in accordance with the revised Regulations on Interim Financial Statements.	————

Changes in Method of Presentation

First half ended September 30, 2004 (April 1–September 30, 2004)	First half ended September 30, 2005 (April 1–September 30, 2005)
Non-consolidated balance sheets 1. Until the end of the previous first half, merchandising right advances were included within "Other current assets." As this item exceeds 5% of total assets, it is now presented as a separate item. As of September 30, 2003, "Merchandising right advances" amounted to ¥322,859 thousand. 2. Until the end of the previous first half, "Deferred tax assets" was presented as a separate item under current assets. As this item has fallen below 5% of total assets, it is now included in "Other current assets." As of September 30, 2004, deferred tax assets amounted to ¥92,629 thousand. 3. Until the end of the previous first half, "Land" was presented as a separate item under "Tangible fixed assets." As this item has fallen below 5% of total assets, it is now included in "Tangible fixed assets." As of September 30, 2004, land amounted to ¥1,547,993 thousand. 4. Until the end of the previous first half, "Investments in subsidiaries and affiliates," "Long-term loans receivable from affiliates," "Deposits " and "Deferred tax assets" were presented as separate items under "Investments and other assets." As these items have fallen below 5% of total assets, they are now included in "Others" under "Investments and other assets." As of September 30, 2004, investments in subsidiaries and affiliates totaled ¥1,790,450 thousand, long-term loans receivable from affiliates totaled ¥1,450,000 thousand, deposits totaled ¥1,473,937 thousand and deferred tax assets totaled ¥176,678 thousand. 5. Until the end of the previous first half, "Other accounts payable" and "Accrued income taxes" were presented as separate items under "Current liabilities." As these items have fallen below 5% of total liabilities and shareholders’ equity, they are now included within "Other current liabilities." As of September 30, 2004, other accounts payable totaled ¥705,267 thousand, and accrued income taxes totaled ¥1,173,000 thousand.	**Non-consolidated balance sheets** 1. Until the end of the previous first half, investment securities and investments in subsidiaries and affiliates were included within “Others” under "Investments and other assets." As these items exceed 5% of total assets, they are now presented as separate items. As of September 30, 2004, "Investment securities" totaled ¥1,709,729 thousand and "Investments in subsidiaries and affiliates" totaled ¥1,790,450 thousand.

Additional Information

First half ended September 30, 2004 (April 1–September 30, 2004)	First half ended September 30, 2005 (April 1–September 30, 2005)	Fiscal year ended March 31, 2005 (April 1, 2004–March 31, 2005)
As a result of the promulgation of the Law for Partial Amendment to the Local Tax Law, etc. (Law No. 9 of 2003) on March 31, 2003, and the consequent introduction of the pro forma standard taxation system, which applies to fiscal years commencing on or after April 1, 2004, as of this half the Company includes charges for the value-added and capital portions of corporate enterprise tax in selling, general and administrative expenses in accordance with the Practical Procedures for Indication of Pro Forma Taxation in Income Statement concerning Corporate Enterprise Tax (Accounting Standards Board of Japan, Practical Solutions Report No. 12, dated February 13, 2004). As a result, SG&A expenses increased by ¥40,000 thousand, and operating income, ordinary income, and income before income taxes decreased by ¥40,000 thousand.	———	As a result of the promulgation of the Law for Partial Amendment to the Local Tax Law, etc. (Law No. 9 of 2003) on March 31, 2003, and the consequent introduction of the pro forma standard taxation system, which applies to fiscal years commencing on or after April 1, 2004, as of the current fiscal year the Company includes charges for the value-added and capital portions of corporate enterprise tax in selling, general and administrative expenses in accordance with the Practical Procedures for Indication of Pro Forma Taxation in Income Statement concerning Corporate Enterprise Tax (Accounting Standards Board of Japan, Accounting Practices Report No. 12, dated February 13, 2004). As a result, SG&A expenses increased by ¥107,461 thousand, and operating income, ordinary income, and income before income taxes decreased by ¥107,461 thousand.

Notes

Non-Consolidated Balance Sheets

First half ended September 30, 2004 (As of September 30, 2004)	First half ended September 30, 2005 (As of September 30, 2005)	Fiscal year ended March 31, 2005 (As of March 31, 2005)
*1. Accumulated depreciation of tangible fixed assets ¥596,094 thousand	*1. Accumulated depreciation of tangible fixed assets ¥837,785 thousand	*1. Accumulated depreciation of tangible fixed assets ¥769,201 thousand
2. Contingent liabilities The Company provides payment guarantees for sales of pachinko/pachislot machines to pachinko halls on an agency basis for pachinko/pachislot machine manufacturers. Daiei Kanko K.K. ¥38,529 thousand K.K. Corona ¥31,686 thousand Asahi Shoji K.K. ¥30,937 thousand Niimi Co., Ltd. ¥28,897 thousand Meiplanet K.K. ¥20,969 thousand K.K. Sunvic ¥20,574 thousand Otsuka Shoji K.K. ¥20,040 thousand Y.K. Daitaku ¥15,171 thousand Y.K. Daiko ¥14,682 thousand K.K. Toei Kanko ¥13,468 thousand Others (194) ¥431,030 thousand Total ¥665,987 thousand	2. Contingent liabilities The Company provides payment guarantees for sales of pachinko/pachislot machines to pachinko halls on an agency basis for pachinko/pachislot machine manufacturers. Sankei Shoji Co., Ltd. ¥50,964 thousand Meiplanet K.K. ¥50,191 thousand Asahi Shoji K.K. ¥47,546 thousand Niimi Co., Ltd. ¥46,864 thousand Y.K. Daiko ¥24,579 thousand Daishin Kanko Co., Ltd. ¥22,057 thousand Estadio Co., Ltd. ¥20,742 thousand Taisei Kanko Co., Ltd. ¥19,464 thousand Takarajima Co., Ltd. ¥18,963 thousand K.K. Toei Kanko ¥17,801 thousand Others (194) ¥545,123 thousand Total ¥864,298 thousand	2. Contingent liabilities The Company provides payment guarantees for sales of pachinko/pachislot machines to pachinko halls on an agency basis for pachinko/pachislot machine manufacturers. Asahi Shoji K.K. ¥59,985 thousand Daiei Kanko K.K. ¥58,480 thousand Meiplanet K.K. ¥33,698 thousand Kouki Co., Ltd. ¥30,571 thousand Iwamoto Development Co., Ltd. ¥28,551 thousand BOSS Co., Ltd. ¥24,910 thousand Niimi Co., Ltd. ¥23,739 thousand Y.K. Daiko ¥23,293 thousand The City Co., Ltd ¥19,622 thousand K.K. Toei Kanko ¥18,677 thousand Others (176) ¥475,519 thousand Total ¥797,050 thousand
*3. Treatment of consumption taxes Temporary consumption tax payments and temporary receipts have been included in other current liabilities, given that, after netting, their amount is insignificant.	*3. Treatment of consumption taxes Same as at left	*3. ————
*4. Securitization of receivables Accompanying the securitization of receivables, at the end of the current first half ¥767,000 thousand in notes receivable—trade were removed from the consolidated balance sheets. Beneficial trust rights held by the Company as a result of the securitization of receivables totaled ¥510,498 thousand as of the end of the current first half and are included in notes receivable—trade.	*4. ————	*4. ————
5. Overdraft agreements To raise working capital efficiently, the Company has concluded overdraft agreements with three banks. As of the end of the half the unutilized balances under these agreements were as follows. Overdraft limit ¥3,000,000 thousand Borrowings outstanding — Difference ¥3,000,000 thousand	5. Overdraft agreements To raise working capital efficiently, the Company has concluded overdraft agreements with three banks. As of the end of the half the unutilized balances under these agreements were as follows. Overdraft limit ¥3,000,000 thousand Borrowings outstanding — Difference ¥3,000,000 thousand	5. Overdraft agreements To raise working capital efficiently, the Company has concluded overdraft agreements with three banks. As of the end of the fiscal year the unutilized balances under these agreements were as follows. Overdraft limit ¥3,000,000 thousand Borrowings outstanding — Difference ¥3,000,000 thousand

Non-consolidated Statements of Income

<table>
<tr><th>First half ended September 30, 2004
(April 1–September 30, 2004)</th><th>First half ended September 30, 2005
(April 1–September 30, 2005)</th><th>Fiscal year ended March 31, 2005
(April 1, 2004–March 31, 2005)</th></tr>
<tr><td>*1. Main components of non-operating income
Discounts on purchases ¥83,168 thousand
Interest income ¥20,522 thousand
Dividend income ¥27,364 thousand
Lease income ¥19,491 thousand</td><td>*1. Main components of non-operating income
Discounts on purchases ¥194,168 thousand
Interest income ¥13,620 thousand
Dividend income ¥48,762 thousand</td><td>*1. Main components of non-operating income
Discounts on purchases ¥159,760 thousand
Interest income ¥34,926 thousand
Dividend income ¥33,021 thousand
Lease income ¥38,079 thousand</td></tr>
<tr><td>*2. Main components of non-operating expenses
Interest expense ¥7,351 thousand
Capital increase-related expense ¥112,494 thousand
Stock issuance expense ¥83,219 thousand
Lease costs ¥8,495 thousand</td><td>*2. ————</td><td>*2. Main components of non-operating expenses
Interest expense ¥7,351 thousand
Capital increase-related expense ¥112,494 thousand
Stock issuance expense ¥91,906 thousand
Lease costs ¥16,848 thousand</td></tr>
<tr><td>*3. Main components of extraordinary income
Gain on investment in anonymous association ¥19,879 thousand
Gain on sale of investment securities ¥162,685 thousand
Reversal of allowance for doubtful accounts ¥48,099 thousand
Reversal of reserve for retirement benefits for directors and statutory auditors ¥162,100 thousand</td><td>*3. Main components of extraordinary income
Gain on sale of fixed assets ¥124,941 thousand
Gain on investment in anonymous association ¥29,728 thousand
Reversal of reserve for investment losses ¥195,000 thousand</td><td>*3. Main components of extraordinary income
Gain on investment in anonymous association ¥45,171 thousand
Gain on sale of investment securities ¥162,685 thousand
Reversal of reserve for retirement benefits for directors and statutory auditors ¥131,100 thousand</td></tr>
<tr><td>*4. Main components of extraordinary losses
Loss on disposal of fixed assets ¥58,993 thousand
Valuation loss on investment securities ¥166,477 thousand</td><td>*4. Main components of extraordinary loss
Loss on disposal of fixed assets ¥68,341 thousand
Impairment loss ¥56,819 thousand
Provision to allowance for doubtful accounts ¥201,900 thousand</td><td>*4. Main components of extraordinary losses
Loss on disposal of fixed assets ¥89,039 thousand
Valuation loss on investment securities ¥175,534 thousand
Provision to reserve for investment losses ¥195,000 thousand</td></tr>
<tr><td>*5. ————</td><td>*5. Impairment loss
The Company has stated an impairment loss for the asset set out below.<table><tr><td>Usage</td><td>Miscellaneous business</td></tr><tr><td>Type</td><td>Buildings and land</td></tr><tr><td>Location</td><td>Shibuya, Tokyo</td></tr><tr><td>Amount</td><td>¥56,819 thousand</td></tr></table>When grouping its assets the Company adopts the method of grouping primarily by business category in accordance with management accounting practice. With regard to a property in Shibuya used for miscellaneous business, since there is no prospect of a recovery in operating income from the property a loss has been recognized, composed of ¥51,136 thousand on the building and ¥5,682 thousand on the land.
The recoverable value of this property has been calculated on the basis of the net sale price, the market price being the real estate appraisal value.</td><td>*5. ————</td></tr>
<tr><td>6. Depreciation charges
Tangible fixed assets ¥155,121 thousand
Intangible fixed assets ¥33,940 thousand</td><td>6. Depreciation charges
Tangible fixed assets ¥199,455 thousand
Intangible fixed assets ¥49,464 thousand</td><td>6. Depreciation charges
Tangible fixed assets ¥363,589 thousand
Intangible fixed assets ¥81,142 thousand</td></tr>
</table>

Leases

First half ended September 30, 2004 (April 1–September 30, 2004)

1. Finance lease transactions other than those in which the ownership of the leased assets is deemed to be transferred to the lessee

(1) Acquisition cost, accumulated depreciation, and net book value of leased assets at the end of the half

(Thousands of yen)

	Acquisition cost	Accumulated depreciation	Net book value
Tools, furniture and fixtures	101,726	74,564	27,162
Software	8,524	6,989	1,535
Total	110,251	81,553	28,697

Acquisition cost has been calculated by the interest-inclusive method since the balance of future minimum lease payments accounts for a minimal portion of tangible fixed assets at the end of the half.

(2) Future minimum lease payments

Due within one year	¥17,936 thousand
Due after one year	¥10,761 thousand
Total	¥28,697 thousand

Future minimum lease payments at the end of the half have been calculated by the interest-inclusive method, since the balance of future minimum lease payments accounts for a minimal portion of tangible fixed assets at the end of the half.

(3) Lease payments and depreciation

Lease payments	¥11,263 thousand
Depreciation	¥11,263 thousand

(4) Calculation method for depreciation

Depreciation is calculated by the straight-line method over the lease term of the leased assets with no residual value.

First half ended September 30, 2005 (April 1–September 30, 2005)

1. Finance lease transactions other than those in which the ownership of the leased assets is deemed to be transferred to the lessee

(1) Acquisition cost, accumulated depreciation, and net book value of leased assets at the end of the half

(Thousands of yen)

	Acquisition cost	Accumulated depreciation	Net book value
Tools, furniture and fixtures	104,314	87,884	16,429
Software	39,710	5,412	34,298
Total	144,025	93,297	50,727

Acquisition cost has been calculated by the interest-inclusive method since the balance of future minimum lease payments accounts for a minimal portion of tangible fixed assets at the end of the half.

(2) Future minimum lease payments

Due within one year	¥14,288 thousand
Due after one year	¥36,439 thousand
Total	¥50,727 thousand

Future minimum lease payments at the end of the half have been calculated by the interest-inclusive method, since the balance of future minimum lease payments accounts for a minimal portion of tangible fixed assets at the end of the half.

(3) Lease payments and depreciation

Lease payments	¥10,591 thousand
Depreciation	¥10,591 thousand

(4) Calculation method for depreciation

Depreciation is calculated by the straight-line method over the lease term of the leased assets with no residual value.

Fiscal year ended March 31, 2005 (April 1, 2004–March 31, 2005)

1. Finance lease transactions other than those in which the ownership of the leased assets is deemed to be transferred to the lessee

(1) Acquisition cost, accumulated depreciation, and net book value of leased assets at the end of the fiscal year

(Thousands of yen)

	Acquisition cost	Accumulated depreciation	Net book value
Tools, furniture and fixtures	104,314	81,264	23,049
Software	39,710	1,441	38,269
Total	144,025	82,705	61,319

Acquisition cost has been calculated by the interest-inclusive method since the balance of future minimum lease payments accounts for a minimal portion of tangible fixed assets at the end of the fiscal year.

(2) Future minimum lease payments

Due within one year	¥18,568 thousand
Due after one year	¥42,751 thousand
Total	¥61,319 thousand

Future minimum lease payments at the end of the fiscal year have been calculated by the interest-inclusive method, since the balance of future minimum lease payments accounts for a minimal portion of tangible fixed assets at the end of the fiscal year.

(3) Lease payments and depreciation

Lease payments	¥22,462 thousand
Depreciation	¥22,462 thousand

(4) Calculation method for depreciation

Depreciation is calculated by the straight-line method over the lease term of the leased assets with no residual value.

Marketable Securities

First half ended September 30, 2004 (As of September 30, 2004)

Shares of subsidiaries and affiliates at fair value

(Thousands of yen)

Category	Carrying value on non-consolidated balance sheets	Market value	Difference
Shares of affiliates	883,000	1,195,000	312,000

First half ended September 30, 2005 (As of September 30, 2005)

Shares of subsidiaries and affiliates at fair value

(Thousands of yen)

Category	Carrying value on non-consolidated balance sheets	Market value	Difference
Shares of subsidiaries	2,670,100	3,864,000	1,193,900

Fiscal year ended March 31, 2005 (As of March 31, 2005)

Shares of subsidiaries and affiliates at fair value

(Thousands of yen)

Category	Carrying value on non-consolidated balance sheets	Market value	Difference
Shares of subsidiaries	2,670,100	3,276,000	605,900

Increases in numbers of shares of common stock outstanding

First half ended September 30, 2004 (April 1–September 30, 2004)	First half ended September 30, 2005 (April 1–September 30, 2005)	Fiscal year ended March 31, 2005 (April 1, 2004–March 31, 2005)
New shares issued on June 15, 2004 (1) Number of shares issued 12,000 shares (2) Issue price per share ¥1,108,755 (3) Amount transferred to paid-in capital per share ¥554,378 (4) Total amount transferred to paid-in capital ¥6,652,536 thousand New shares issued on September 3, 2004, as a result of a stock split (1) Stock split ratio 2-for-1 (2) Number of shares issued 173,500 shares	―――――	New shares issued on June 15, 2004 (1) Number of shares issued 12,000 shares (2) Issue price per share ¥1,108,755 (3) Amount transferred to paid-in capital per share ¥554,378 (4) Total amount transferred to paid-in capital ¥6,652,536 thousand New shares issued on September 3, 2004, as a result of a stock split (1) Stock split ratio 2-for-1 (2) Number of shares issued 173,500 shares

Per-share Data

Omitted, given that interim consolidated financial statements have been prepared.

Significant Subsequent Events

First half ended September 30, 2004 (April 1–September 30, 2004)	First half ended September 30, 2005 (April 1–September 30, 2005)	Fiscal year ended March 31, 2005 (April 1, 2004–March 31, 2005)
	Merger of subsidiaries At the meeting of the Board of Directors held on June 27, 2005, it was resolved that Professional Management Co., Ltd., Total Workout Corporation and J. Sakazaki Marketing Ltd. should merge. The said merger was effected on October 1, 2005. (1) Outline of the merger (i) Date of merger: October 1, 2005 (ii) Merger method: A merger by absorption in which Professional Management Co., Ltd. was to be the surviving company, Total Workout Corporation and J. Sakazaki Marketing Ltd. were dissolved. (iii) Merger ratio: For every share of the common stock of J. Sakazaki Marketing Ltd., 0.67 shares of Professional Management Co., Ltd.’s common stock will be allocated, and for every share of Total Workout Corporation’s common stock, 80 shares of Professional Management Co., Ltd.’s common stock will be allocated. (iv) Post-merger situation Trade name: Japan Sports Marketing, Inc. Address: 10-8 Dogenzaka 1-chome, Shibuya-ku, Tokyo Representative: Kazunori Sakazaki Capital: ¥200 million Fiscal year-end: March 31 (v) Fields Corporation's holding in the new company after the merger: 61.8%	Resolution on stock options Pursuant to the provisions of Articles 280-20 and 280-21 of the Commercial Code, and based on resolutions of the 17th ordinary general meeting of shareholders on June 29, 2005, and of the meeting of the Board of Directors held on the same day, the Company resolved as follows with regard to the issuance of stock acquisition rights as stock options. (1) Issue date of stock acquisition rights: June 29, 2005 (2) Number of stock acquisition rights to be issued: 1,610 (one share per stock acquisition right) (3) Issue price of stock acquisition rights: Gratis (4) Class and number of shares for which stock acquisition rights are to be issued: 1,610 shares of common stock (5) Amount to be paid upon exercise of stock acquisition rights: ¥760,000 per share (6) Exercise period: From August 1, 2005, to June 30, 2008 (7) Number of persons eligible for stock acquisition rights allotment: Directors and employees of the Company totaling 46 people Acquisition of shares of J. Sakazaki Marketing Ltd. (to make it a subsidiary) The Company is seeking to expand its sports and entertainment operations and establish a global standing in the field, and therefore at the meeting of its Board of Directors held on June 27, 2005, it was resolved to conclude a basic agreement to acquire shares in J. Sakazaki Marketing Ltd. (to make it a subsidiary). (1) Overview of the company (i) Trade name: J. Sakazaki Marketing Ltd. (ii) Representative: Kazunori Sakazaki, President & CEO (iii) Address: 2-19 Akasaka 2-chome, Minato-ku, Tokyo (iv) Main businesses: Planning, implementation, sale of broadcasting rights, etc., for sporting events; acquisition of copyrights, trademarks, licenses and granting of licenses. (v) Capital: ¥20 million (vi) Shares issued: 24,000 (vii) Revenues: ¥3,266,450 thousand (viii) Total assets: ¥952,935 thousand (ix) Fiscal year-end: December 31

First half ended September 30, 2004 (April 1–September 30, 2004)	First half ended September 30, 2005 (April 1–September 30, 2005)	Fiscal year ended March 31, 2005 (April 1, 2004–March 31, 2005)
――――	――――	(2) Method of acquiring shares Acquisition of 15,600 shares from Kazunori Sakazaki (65.0% of all issued shares) (3) No. of shares acquired and state of share ownership before and after the acquisition No. of shares owned before the transfer - shares No. of shares acquired 15,600 shares (No. of shares with voting rights 15,600; 65.0% ownership) No. of shares owned after the transfer 15,600 shares (No. of shares with voting rights 15,600; 65.0% ownership) (4) Schedule Mid-July 2005: Conclusion of final agreement; transfer of share certificates and payment (Planned) Merger of subsidiaries At the meeting of the Board of Directors held on June 27, 2005, it was resolved that J. Sakazaki Marketing Ltd. would become a subsidiary of the Company, whereupon it was further resolved to approve a memorandum of agreement concerning the merger of its subsidiaries Professional Management Co., Ltd., Total Workout Corporation and J. Sakazaki Marketing Ltd. (1) Outline of the merger of subsidiaries Schedule Mid-August 2005: Signing of merger agreement (Planned) Late-August 2005: Approval of merger by extraordinary general meeting of shareholders at each company (Planned) October 1, 2005: Merger (Planned) (2) Outline of merging companies (i) Trade name: Professional Management Co., Ltd. (ii) Representatives: Hidetoshi Yamamoto, Ken Kudo, Representative directors (iii) Address: 10-8 Dogenzaka 1-chome, Shibuya-ku, Tokyo (iv) Main businesses: Advertising agency services, etc., acquisition of copyrights (merchandizing rights) and content (v) Capital: ¥200 million (vi) Shares issued: 4,000 (vii) Total assets: ¥643,272 thousand (viii) Fiscal year-end: March 31 (i) Trade name: Total Workout Corporation (ii) Representatives: Hidetoshi Yamamoto, Kevin Yamazaki, Representative directors (iii) Address: 10-8 Dogenzaka 1-chome, Shibuya-ku, Tokyo (iv) Main businesses: Management of gymnasiums (v) Capital: ¥10 million (vi) Shares issued: 200 (vii) Total assets: ¥1,373,732 thousand (viii) Fiscal year-end: March 31

First half ended September 30, 2004 (April 1–September 30, 2004)	First half ended September 30, 2005 (April 1–September 30, 2005)	Fiscal year ended March 31, 2005 (April 1, 2004–March 31, 2005)
————	————	(i) Trade name: J. Sakazaki Marketing Ltd. Details are as set out above in "(1) Overview of the company" in "Acquisition of shares of J. Sakazaki Marketing Ltd. (to make it a subsidiary)."