Summary

(Translation)

Fields Corporation
Summary of Interim Financial Statements (Consolidated)
Year Ending March 31, 2007

November 6, 2006

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 Director and General Manager, Planning and Administration Division Tel: (03) 5784-2111
Date Approved by the Board of Directors:	November 6, 2006
U.S. Accounting Standards Applied (Yes/No):	No

1. Business results for the first half ended September 30, 2006 (April 1 to September 30, 2006)

(1) Operating results (Rounded down to the 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, 2006	47,122	(31.8)	4,720	(222.7)	4,980	(175.7)
First half ended September 30, 2005	35,746	(15.4)	1,462	(-53.9)	1,806	(-44.9)
Year ended March 31, 2006	96,814		12,348		13,127	

	Net income		Net income per share	Diluted net income per share
	Millions of yen	(% change)	Yen	Yen
First half ended September 30, 2006	2,225	(131.6)	6,414.01	—
First half ended September 30, 2005	961	(-51.3)	2,769.62	—
Year ended March 31, 2006	7,085		20,118.14	—

Notes: 1. Equity in earnings of affiliates
First half ended September 30, 2006: ¥20 million
First half ended September 30, 2005: ¥121 million
Year ended March 31, 2006: ¥429 million
2. Average number of shares outstanding (consolidated)
First half ended September 30, 2006: 347,000
First half ended September 30, 2005: 347,000
Year ended March 31, 2006: 347,000
3. Changes in accounting methods (Yes/No): No
4. Percentages for net sales, operating income, ordinary income and net income denote changes compared with the interim period of the previous fiscal year.

(2) 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, 2006	69,795	42,196	58.2	121,603.26
First half ended September 30, 2005	50,541	33,892	67.0	97,673.70
Year ended March 31, 2006	87,556	39,411	45.0	113,275.37

Note: Number of shares outstanding at period-end (consolidated)

First half ended September 30, 2006: 347,000
First half ended September 30, 2005: 347,000
Year ended March 31, 2006: 347,000

(3) Cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at period-end
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
First half ended September 30, 2006	2,316	(1,528)	1,992	18,567
First half ended September 30, 2005	5,607	(1,784)	(1,017)	16,162
Year ended March 31, 2006	6,164	(2,224)	(1,540)	15,777

(4) Scope of consolidation and application of the equity method

Number of consolidated subsidiaries: 12
Non-consolidated subsidiaries accounted for by the equity method: —
Affiliates accounted for by the equity method: 2

(5) Changes in scope of consolidation and application of the equity method

Newly consolidated companies: 3
Excluded companies: —
Newly added equity method companies: —
Excluded equity method companies: Excluded equity method companies: —

2. Forecast earnings for the year ending March 31, 2007 (April 1, 2006, to March 31, 2007)

	Net sales	Ordinary income	Net income
	Millions of yen	Millions of yen	Millions of yen
Full year	109,880	14,150	7,480

Reference: Projected net income per share for the year ending March 31, 2007: ¥21,556.20

1. Outline of the Fields Group

The Fields Group (parent company and associated companies) comprises Fields Corporation (“the Company”), 14 subsidiaries and three affiliated companies.
The Group’s principal business activities are the sale of pachinko/pachislot machines and the planning and development of digital content based on the rights created by the Group or acquired for secondary use in other media.

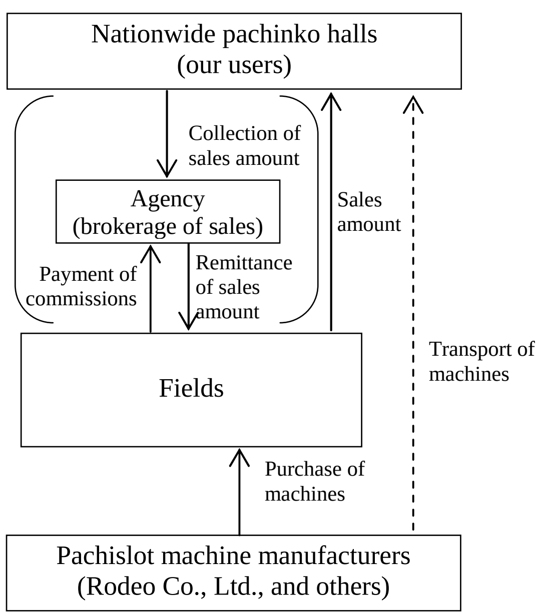
The business areas of each company in the Fields Group are summarized below.

Business segment	Description of principal business	Company name
PS (Pachinko/ Pachislot) Field	Planning, development and sale of pachinko/pachislot machines	Fields Corporation
	Pachinko/pachislot machine maintenance	Fields Jr. Corporation
	Purchasing of pachinko/pachislot machines	Rodeo Co., Ltd.
	Planning, development of pachinko/pachislot machine software	Digital Lord Corporation
Game Field	Planning, development and sales of home-use game software, etc.	D3 Inc. D3 Publisher Inc. Entertainment Software Publishing Inc. D3Publisher of America, Inc.* D3Publisher of Europe Ltd.* D3DB S.r.l.* thinkArts Co., Ltd.
Other Field	Other content business	Japan Sports Marketing Inc. Kadokawa Haruki Corporation
		White Trash Charms Japan Co., Ltd. Database Co., Ltd. Fields Pictures Corporation** G & E Corporation APE Inc.

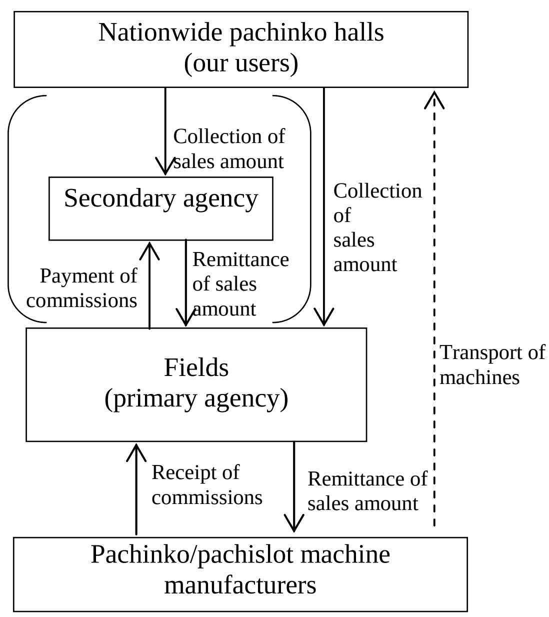
*Located overseas
**The predecessor E Active Corporation was renamed Fields Pictures Corporation as of June 19, 2006.

Business Organization Chart
We have two sales channels for pachinko/pachislot machines: direct sales to pachinko halls through sales activities by our branches (distribution model) and sales by an intermediary of an agency service (agency model).

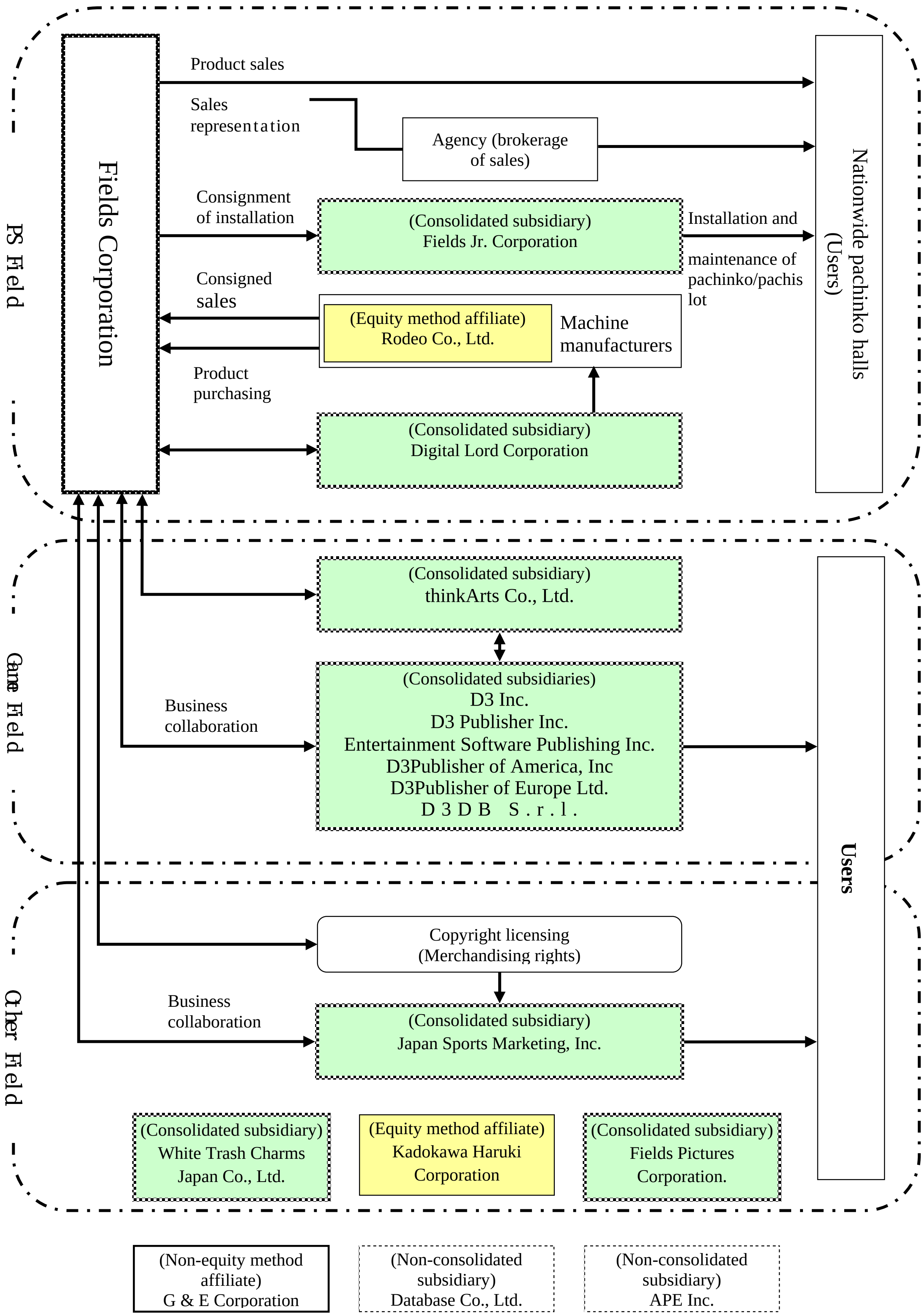
Distribution model



Agency model



Overview of Group Businesses



2. Operating Policies

1. Fundamental corporate management policy

The Company's management philosophy is to provide "the greatest leisure for all people," based on which it has been expanding its business domain in a variety of entertainment fields, taking the pachinko and pachislot field as its starting point. Through the comprehensive strengths of its group companies, it creates primary content and acquires copyrights for secondary use, providing content derived from planning and development activities in line with detailed project design based on strategic marketing.

The twin pillars of the Company's "shareholders first" operating policy are the enhancement of corporate value and the return of profits to shareholders. To do this, we seek to make optimal use of our management resources.

2. Fundamental corporate policy for distributing profits

The Company regards the enhancement of corporate value as one of its principal management tasks, and its fundamental policy is therefore to pay dividends at an appropriate level that corresponds with profits.

The Company makes every effort to effectively use retained earnings to enhance its financial condition and strengthen the foundations of its operations, while giving due consideration to business development requirements.

Reflecting this, the Company will pay an interim cash dividend of ¥2,000 per share to shareholders of record on September 30, 2006.

3. Challenges for the future

The Company forms an extensive corporate group via M&A and other measures in the entertainment field by proactively creating primary content and committing itself to the acquisition of copyrights for the secondary use of various content for such diverse media as pachinko, pachislot and games.

In these circumstances, the Company addresses the following tasks to raise its competitive edge in the market.

(1) PS Field

As for the planning and development of the pachinko/pachislot machines, the importance of content has been rising in line with larger LCD screens and the higher performance of the graphic IC tips of the machines. Based on its strategic marketing, the Company focuses on creating and acquiring high-value content products.

The Company intends to steadily establish an operating system through which the created and/or acquired content can be finished as high-value digital content products via close and effective collaboration with Digital Lord Corporation, one of our consolidated subsidiaries, and thinkArts Co., Ltd., a newly consolidated subsidiary for the development of graphic software of pachinko/pachislot machines and games.

(2) Game Field

The Company and D3 Inc. jointly or autonomously strive to acquire highly valued copyrights. Concurrently, we work to maximize profits by also using the created content in the PS Field and the game software field while paying attention to synergies through multiple uses of commercially valuable rights. Specifically, D3 uses the rights acquired and/or the machine content planned by the Company as game software. The Company, in turn, actively uses D3's game software for the planning and development of pachinko/pachislot machines.

(3) Other Field

Japan Sports Marketing Incorporated has established a unique business model in the sports and entertainment field. Kadokawa Haruki Corporation is committed to a media mix strategy for book publishing, movies and music. Fields Pictures Corporation aims to create influential content for movies and animations, and pursue business growth in these fields. At the same time, the Company and D3 endeavor to maintain a competitive advantage in these business fields by effectively leveraging high-value-added content products held by respective companies for pachinko/pachislot machines and game software.

4. Matters relating to relationships with parent company, etc.

Not applicable as the Company has no parent company.

5. Development of internal control system and its operational status

The relevant description is omitted because it overlaps the description in the “Basic Concept and the Streamlined Conditions Regarding the Internal Control System” in the Report on Corporate Governance, which is set forth in Article 8-3 of the Securities Listing Rules and Article 10, Paragraph 3, of the Timely Disclosure Regulations.

3. Operating Results and Financial Position

1. Operating results and information on progress

Overview

Net sales rose ¥11,375,701 thousand, or 31.8% year over year, to ¥47,122,183 thousand.

Net sales in the PS Field segment were ¥40,966,146 thousand, reflecting increases in units sold of approximately 50,000 pachinko machines and 20,000 pachislot machines from the corresponding first half of the previous fiscal year. Net sales in the Game Field segment increased to ¥3,878,951 thousand, mainly due to successful sales in North America. Net sales in the Other Field segment amounted to ¥2,277,085 thousand principally due to sales recorded by Japan Sports Marketing.

Operating income surged ¥3,257,804 thousand, or 222.7% year over year, to ¥4,720,564 thousand.

Of this total, operating income of the PS Field was ¥5,026,461 thousand principally due to the effect of increased sales that more than offset increased expenses such as an increase in sales promotion for the *CR Matsuura Aya* pachinko machine model and the *TOMB RAIDER* pachislot machine model. An operating loss of ¥81,446 thousand was recorded for the first half in the Game Field due to the amortization cost on goodwill, although sales of the *NARUTO* Series performed well and a reduction in marketing expense was posted. An operating loss of ¥286,925 thousand was also recorded in the Other Field, reflecting sluggish performance of Total Workout Corporation's newly setup stores and the initial setup of Field Pictures during the first half as an investment enterprise for movie and animation titles.

Ordinary income advanced ¥3,174,368 thousand, or 175.7%, to ¥4,980,682 thousand, along with an increase in operating income.

Non-operating income decreased ¥79,888 thousand to ¥292,271 thousand. This decline was mainly attributable to a reduction of the equity method investment gain from the corresponding first half of the previous fiscal year. Non-operating expenses increased ¥3,547 thousand to ¥32,152 thousand.

Net income increased ¥1,264,602 thousand, or 131.6% year over year, to ¥2,225,661 thousand.

Extraordinary income of ¥129,563 thousand was posted. This total comprised ¥91,754 thousand in reversal of allowance for doubtful accounts and a ¥37,808 thousand gain on investment in anonymous association. Extraordinary losses of ¥84,092 thousand were posted, with major factors such as a ¥44,345 thousand impairment loss at subsidiaries and a ¥30,802 thousand loss on suspended production of game software.

Segment analysis of businesses for the first half

PS Field

(Pachinko machine sales business)

The Bisty's *Neon Genesis Evangelion:Second Impact*, which was introduced in the first half of the previous fiscal year, increased the units sold to an aggregate of approximately 160,000. In addition, we launched big titles in different categories such as the *CR Shin-Sangokumuso*, which has adopted KOEI Co., Ltd.'s popular game content, and the *CR Matsuura Aya*, in which leading idol talents appears as game content.

As a result, the number of pachinko machine units sold during the first half totaled 123,271 for four new models, resulting in a 65% sales increase, compared with 74,344 for the corresponding previous first half.

(Pachislot machine sales business)

Sales of collaborating pachislot machine manufacturers performed successfully.

The Rodeo's *Ore-no-Sora*, which was introduced in the first half of the previous fiscal year, increased the units sold to an aggregate of approximately 130,000. In addition, we launched *LOONEY TUNES:BACK IN ACTION*, a new regulation pachislot model that is the first collaboration release with our new business partner, Olympia Co., Ltd., and *KING OF MOUSE*, an old regulation pachislot model, to increase our sales lineups, thereby increasing the number of machine units sold.

In view of changes in the market environment since we prepared the initial plan, we reviewed the sales schedule of pachislot machines. As a consequence, we postponed the release timing of a new regulation pachislot machine model, for which the launch was scheduled in the first half period under review, to the second half. Meanwhile, we slightly advanced the release timing of *TOMB RAIDER*, for which the launch was initially scheduled in mid-October 2006, and started delivery on October 1.

As a result, the number of pachislot machine units sold during the first half totaled 106,536 for three new models, resulting in a 25% sales increase, compared with 85,043 for the corresponding previous first half.

Game Field

D3 Inc., our important consolidated subsidiary in this business segment, shifted its company form to a holding company in the first half, and now integrates the planning, development and distribution operations for a variety of game software in the global market bridging Japan, the United States and Europe.

In the domestic consumer business, we continuously released a variety of game products to attract and acquire casual users regarding the SIMPLE Series, our mainstay product that comprises a variety of product groups. We continued to increase uses of the SIMPLE Series software for major hardware, especially for the SIMPLE DS Series. Apart from low-priced game software titles, we focused on producing and selling full-priced game software products that have high entertainment features, for example, the release of titles for which the target audience is family users and women, as well as on releasing the *CR Neon Genesis Evangelion*, *Second Impact & Pachislot Neon Genesis Evangelion* and other titles in the pachinko and pachislot game capture hint software series.

In the mobile phone business, we continued to deliver content of the *SIMPLE100 Series*, which is low-priced game content for mobile phone carriers. We also enhanced mobile content for women in conjunction with the consumer business.

As for overseas business development in North America and Europe, through the enhanced collaboration between D3's global content strategy division and locally affiliated companies, we now make up-front investments toward the future launch of global content by pursuing strategic business initiatives taking into account regional characteristics.

The operating results of this segment reflect and include those of thinkArts, a newly consolidated subsidiary for the development of graphic software.

Other Field

In the Other Field segment, at one year after the management integration in October 2005, Japan Sports Marketing Inc., a leading consolidated subsidiary, reviewed and adjusted business operations among the divisions and has deployed new businesses based on a new business plan. As a consequence, Japan Sports Marketing is actively committed to rights-related sports businesses including soccer events such as the AFC Asia Cup to determine the soccer participants in the World Cup held in June 2006, and the A3 Champions Cup where top club teams in Japan, South Korea and China play each other, as well as sponsorship and broadcasting rights-related businesses such as a baseball sponsorship for Chinese baseball. Meanwhile, Total Workout failed to achieve its planned targets in the initial plan prepared at the beginning of the year due to the sluggish performance at the newly setup stores.

Kadokawa Haruki Corporation performed well with robust book sales, such as *Popteen* and *BLENDA*, its mainstay magazines for young people; related books of a hit movie, *Otokotachi-no Yamato*; and the Samurai novel paperback series. However, the newly launched magazine failed to achieve the initially planned sales figure because it requires more-than-expected setup time.

The operating results of this segment reflect and include those of Fields Pictures, a newly consolidated subsidiary. Fields Pictures' principal business objective is to invest in the creation of promising content, and it intends to extensively acquire primary content for subsequent secondary utilization through investments in movie and animation titles.

2. Financial position

Balance Sheet Analysis

Current assets increased ¥18,643,055 thousand, or 56.5% year over year, to ¥51,640,164 thousand. This increase was principally attributable to increases of accounts receivable—trade associated with PS machines and of cash and cash equivalents.

Tangible fixed assets decreased ¥264,134 thousand, or 5.5% year over year, to ¥4,574,305 thousand. This decline was attributable to the disposal and impairment loss for several tangible fixed assets.

Intangible fixed assets increased ¥324,713 thousand, or 10.7% year over year, to ¥3,350,065 thousand. This increase was mainly attributable to purchases of software titles.

Investments and other assets increased ¥550,177 thousand, or 5.7% year over year, to ¥10,230,767 thousand. This increase is attributable to purchases of investment securities and a decrease in allowance for doubtful accounts.

Current liabilities increased ¥12,124,122 thousand, or 114.0% year over year, to ¥22,757,970 thousand. This leap was attributable to an increase in accounts payable—trade associated with PS machines, an increase in borrowings, the posting of accrued bonuses to directors and auditors and an increase of income taxes payable in association with increased profits.

Long-term liabilities increased ¥626,654 thousand, or 14.9% year over year, to ¥4,840,981 thousand. This increase is principally attributable to an increase in long-term debt and a reduction of the reserve for retirement benefits for directors and auditors

Shareholders' equity increased 20.6% year over year to ¥40,096,121 thousand. This was mainly due to an increase in retained earnings of ¥6,857,597 thousand.

Valuation and translation differences amounted to ¥492,162 thousand. This was mainly due to a reduction in unrealized holding gain on available-for-sale securities.

Cash Flow Analysis

Cash flows

Cash and cash equivalents at the end of the first half amounted to ¥18,567,634 thousand (up 14.9% year over year), representing an increase of ¥2,790,321 thousand from the end of the previous fiscal year, with income before income taxes and minority interests of ¥5,026,154 thousand. Factors contributing to this result were a decline in notes and accounts receivable—trade, a decline in notes and accounts payable—trade, increased expenditures for such purposes as the purchase of fixed assets and an increase in borrowings.

Cash flows from operating activities
Net cash provided by operating activities totaled ¥2,316,755 thousand (down 58.7% year over year). The principal components of this were a decline of ¥607,100 thousand in retirement benefits for directors and auditors, a decline of ¥22,329,363 thousand in notes and accounts receivable—trade, an increase of ¥1,197,859 thousand in inventories, a decline of ¥19,856,788 thousand in notes and accounts payable—trade and income taxes paid of ¥3,736,777 thousand.

Cash flows from investing activities
Net cash used in investing activities totaled ¥1,528,289 thousand (down 14.4% year over year). The principal factors in this were purchases of tangible fixed assets totaling ¥275,169 thousand and purchases of intangible fixed assets totaling ¥602,125 thousand.

Cash flows from financing activities
Net cash provided by financing activities amounted to ¥1,992,541 thousand (no percentage change). This was attributable primarily to an increase in short-term borrowings totaling ¥881,364 thousand, proceeds from long-term borrowings totaling ¥1,856,987 thousand (net) and cash dividends paid totaling ¥695,810 thousand.

Trends of Cash Flow Indicators

	First half ended September 30, 2004	Fiscal year ended March 31, 2005	First half ended September 30, 2005	Fiscal year ended March 31, 2006	First half ended September 30, 2006
Equity ratio	61.8%	46.0%	67.0%	45.0%	58.2%
Equity ratio at market value	292.6%	250.5%	204.6%	145.8%	173.5%
Debt redemption years	0.4 years	0.7 years	0.3 years	0.3 years	2.1 years
Interest coverage ratio	266.3 times	210.3 times	446.1 times	256.6 times	97.9 times

1. Equity ratio: Shareholders' equity/Total assets
2. Equity ratio at market value: Market capitalization (based on closing share price at end of the period)/Total assets
3. Debt redemption years: Interest bearing debt/Net cash provided by operating activities
4. Interest coverage ratio: Net cash provided by operating activities/Interest expense

3. Forecast for the full year

The Company's business strategy is to use an abundance of content assets to create a diversified earnings model based on core competence in the form of extensive planning and production capabilities in the entertainment field. This business strategy has been unfolding surely and steadily during the current fiscal year, evidenced by increasingly tangible signs of synergies arising from collaborations between group companies such as D3 Inc. By such means as the full-scale launch into sports and entertainment business by Japan Sports Marketing, Inc. (JSM), and the entry into the publishing business through the alliance with Kadokawa Haruki Corporation, we will continue to develop a structure for the creation and holding of high-quality content.

The Company's business development plans and projections for the full year by business segment are set out below.

(1) PS Field

(Pachinko machine sales business)

To meet diversifying needs, the Company will continue to assemble new series model lineups that include major copyright licensing in addition to the launch of additional titles. In the second half, the Company plans to release a new brand *GOLD OLYMPIA* through a business alliance with Olympia Co., Ltd., apart from sales of pachinko machine models supplied by Sammy Corporation and Bisty Co., Ltd. We will further increase sales by reinforcing the product lineups with the extended three channels of our product planning, development and sales for pachinko machines.

(Pachislot machine sales business）

We are now observing a clear trend of full-fledged replacement of old regulation machines with new regulation ones in the pachislot machine market and have already seen several hit products among the new regulation machines.

To cope with such changes in the environment, the Company has reviewed its sales plan for the second-half period, including a revision of its product lineup based on detailed marketing analysis.

By starting a full-scale collaboration with Olympia during the first half, we have extended our product planning, development and sales systems to three channels, similarly to the case for pachinko machines. We therefore intend to expand sales in the demand-rising second half by aggressively releasing a new lineup of pachislot machine models that has attractive content and is compliant with new regulations.

We have also checked previous business relations with our customers (pachinko halls) and have strengthened review-focused sales activities. Specifically, we will increase approaches to pachinko halls that are not our customers and the frequency of annual transactions with existing ones. To that end, we will not only supply appealing pachislot products, of which the Company will be engaged in the product planning and development, but also prepare high-value-added planning proposals to attract customers.

(2) Game Field

D3 will release global content in the fiscal year ending March 31, 2007, with the purpose of full-fledged entry into the Western game software markets.

Global content available on a full-year basis is the *Flushed Away* (Japanese title: *Mouse town—Rody to Rita no Daibouken*), a movie that will be released in Europe and the United States in November 2006. We anticipate an increase in sales via worldwide sales planning for the full-price game software by leveraging on the copyright licensing.

As for the NARUTO Series currently sold in the North America, the Company anticipated sales of several titles in the series during the first half, and favorable sales are expected in the second half and later.

In the Japanese market, we will endeavor to achieve higher results by increasing sales of low-priced game software products for Nintendo DS and enhancing content for mobile phones.

(3) Other Field

Japan Sports Marketing will reinforce its marketing capability for the sports-related athlete business and the copyright related business, and strive to strengthen its product planning capability such as the development of product packages. Total Workout expects an increase in the number of members through such measures as the renewal of its fee system and the addition of new programs.

Kadokawa Haruki Corporation reviews the planning and editing policies to increase the number of magazines and expand advertising revenue for the newly published magazine.

As for the movie *Aoki-Ookami, Chi-Hate Umi-Tsukirumade*, which will be released in the spring of 2007, it will not only supply the original but also assume the role of principal manager of the Movie Production Committee. Thus, it proactively follows a media mix strategy for book publishing, movies and music.

Fields Pictures aims to create influential primary content by investing in the cinema and animation industries, and

pursuing business growth. At the same time, the Company and D3 endeavor to maintain a competitive edge in their respective business fields by effectively leveraging high-value-added content products held by the respective companies for pachinko/pachislot machines and game software.
Fields Pictures' principal business objective is to invest in the creation of promising content and intends to extensively acquire primary content for the subsequent secondary multi-utilization for the Fields Group around the digital content for pachinko/pachislot machines and games through investments in movie and animation titles. The collection of return on investment via merchandising is expected to be realized in the next fiscal year or later.

As a result of these vigorous efforts to develop business, we project the following consolidated results for the fiscal year ending March 31, 2007: net sales of ¥109,880 million, up 13.5% year over year; ordinary income of ¥14,150 million, up 7.8%; and net income of ¥7,480 million, up 5.6%.

4. Interim Consolidated Financial Statements and Other Data

Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Thousands of yen)

Item \ Period		First half ended September 30, 2005 (As of September 30, 2005)		First half ended September 30, 2006 (As of September 30, 2006)		Fiscal year ended March 31, 2006 (summary) (As of March 31, 2006)	
		Amount	%total	Amount	%total	Amount	% total
Assets							
I Current assets							
1. Cash and cash equivalents		16,162,238		18,568,634		15,777,313	
2. Notes and accounts receivable–trade	*4	10,002,542		24,111,565		46,385,995	
3. Inventories		361,469		2,844,322		1,568,986	
4. Merchandising right advances		3,605,657		—		—	
5. Other current assets		2,916,381		6,165,173		6,296,702	
Allowance for doubtful accounts		(51,180)		(49,530)		(149,225)	
Total current assets		32,997,109	65.3	51,640,164	74.0	69,879,772	79.8
II Fixed assets							
1. Tangible fixed assets	*1	4,838,439	9.6	4,574,305	6.5	4,689,155	5.4
2. Intangible fixed assets		3,025,352	6.0	—	—	2,752,383	3.1
(1) Goodwill		—		1,626,741		—	
(2) Other intangible assets		—		1,723,324		—	
Total intangible fixed assets		—	—	3,350,065	4.8	—	—
3. Investments and other assets							
(1) Investment securities	*2	6,343,055		6,618,605		6,991,655	
(2) Others		3,661,749		3,768,839		3,398,027	
Allowance for doubtful accounts		(324,215)		(156,677)		(154,461)	
Total investments and other assets		9,680,590	19.1	10,230,767	14.7	10,235,222	11.7
Total fixed assets		17,544,382	34.7	18,155,138	26.0	17,676,761	20.2
Total assets		50,541,491	100.0	69,795,303	100.0	87,556,534	100.0

(Thousands of yen)

Item / Period	First half ended September 30, 2005 (As of September 30, 2005)		First half ended September 30, 2006 (As of September 30, 2006)		Fiscal year ended March 31, 2006 (summary) (As of March 31, 2006)	
	Amount	%total	Amount	%total	Amount	%total
Liabilities						
I Current liabilities						
1. Accounts payable–trade	6,320,750		14,835,970		34,869,095	
2. Short-term borrowings	430,000		1,634,200		730,000	
3. Current portion of long-term debt	248,668		935,722		214,668	
4. Corporate bonds redeemable within 1 year	50,000		120,000		110,000	
5. Accrued bonuses	27,512		25,000		25,000	
6. Accrued bonuses to directors and auditors	—		50,000		—	
7. Other current liabilities	3,556,938		5,157,097		6,577,747	
Total current liabilities	10,633,868	21.1	22,757,990	32.6	42,526,511	48.6
II Long-term liabilities						
1. Corporate bonds	550,000		430,000		490,000	
2. Long-term debt	474,331		1,688,816		366,997	
3. Retirement benefit provisions	182,464		179,376		162,648	
4. Reserve for retirement benefits for directors and auditors	576,900		—		607,100	
5. Other long-term liabilities	2,430,631		2,542,789		2,380,985	
Total long-term liabilities	4,214,327	8.3	4,840,981	6.9	4,007,730	4.6
Total liabilities	14,848,196	29.4	27,598,972	39.5	46,534,242	53.2
Minority interests						
Minority interests in consolidated subsidiaries	1,800,520	3.6	—	—	1,610,739	1.8
Shareholders' equity						
I Common stock	7,948,036	15.7	—	—	7,948,036	9.1
II Capital surplus	7,994,953	15.8	—	—	7,994,953	9.1
III Retained earnings	17,295,534	34.2	—	—	22,726,469	26.0
IV Unrealized holding gain on available-for-sale securities	648,573	1.3	—	—	735,622	0.8
V Foreign currency translation adjustment	5,676	0.0	—	—	6,470	0.0
Total shareholders' equity	33,892,774	67.0	—	—	39,411,552	45.0
Total liabilities, minority interests and shareholders' equity	50,541,491	100.0	—	—	87,556,534	100.0
Net assets						
I Shareholders' equity						
1. Common stock	—	—	7,948,036	11.4	—	—
2. Capital surplus	—	—	7,994,953	11.5	—	—
3. Retained earnings	—	—	24,153,131	34.6	—	—
Total shareholders' equity	—	—	40,096,121	57.5	—	—
II Valuation and translation differences						
1. Other valuation difference on available-for-sale securities	—	—	485,012	0.7	—	—
2. Foreign currency translation adjustment	—	—	7,150	0.0	—	—
Total valuation and translation differences	—	—	492,162	0.7	—	—
III Minority interests	—	—	1,608,047	2.3	—	—
Total net assets	—	—	42,196,331	60.5	—	—
Total liabilities and net assets	—	—	69,795,303	100.0	—	—

(2) Consolidated Statements of Income

(Thousands of yen)

Item \ Period	First half ended September 30, 2005 (April 1–September 30, 2005)			First half ended September 30, 2006 (April 1–September 30, 2006)			Fiscal year ended March 31, 2006 (summary) (April 1, 2005–March 31, 2006)		
	Amount		% sales	Amount		% sales	Amount		% sales
I Net sales		35,746,482	100.0		47,122,183	100.0		96,814,364	100.0
II Cost of sales		26,381,039	73.8		33,071,677	70.2		67,077,197	69.3
Gross profit		9,365,442	26.2		14,050,506	29.8		29,737,167	30.7
III Selling, general and administrative expenses *1		7,902,682	22.1		9,329,941	19.8		17,389,011	17.9
Operating income		1,462,760	4.1		4,720,564	10.0		12,348,156	12.8
IV Non-operating income									
1. Interest income	6,732			26,061			16,797		
2. Dividend income	13,762			13,763			25,422		
3. Discounts on purchases	194,168			187,320			201,904		
4. Equity method investment gain	121,139			20,057			429,179		
5. Others	36,357	372,159	1.1	45,068	292,271	0.6	155,191	828,495	0.9
V Non-operating expenses									
1. Interest expense	12,619			20,746			23,875		
2. Corporate bond issuance expense	2,400			—			2,400		
3. Stock issuance expense	803			—			872		
4. Loss on cancellation of time deposits	—			6,918			—		
5. Others	12,782	28,605	0.1	4,487	32,152	0.0	21,818	48,966	0.1
Ordinary income		1,806,314	5.1		4,980,682	10.6		13,127,685	13.6
VI Extraordinary income									
1. Gain on sale of fixed assets *2	124,941			—			147,314		
2. Gain on sale of investment securities	—			—			7,054		
3. Reversal of allowance for doubtful accounts	—			91,754			—		
4. Gain on investment in anonymous association	29,728			37,808			64,081		
5. Others	0	154,669	0.4	—	129,563	0.3	—	218,451	0.2
VII Extraordinary losses									
1. Loss on disposal of fixed assets *3	104,588			6,065			115,194		
2. Impairment loss *4	56,819			44,345			56,819		
3. Valuation loss on investment securities	4,320			—			4,320		
4. Loss on sale of shares in affiliates	3,704			—			4,604		
5. Valuation loss on equity investment	22,613			—			22,609		
6. Provision to allowance for doubtful accounts	6,900			—			6,900		
7. Loss on business liquidation	—			19,380			—		
8. Loss on suspended production	—			11,422			—		
9. Others	2,278	201,224	0.6	2,878	84,092	0.2	100,806	311,254	0.3
Income before income taxes		1,759,760	4.9		5,026,154	10.7		13,034,882	13.5
Current income taxes	973,385			2,578,204			6,588,353		
Deferred income taxes	(112,245)	861,140	2.4	220,714	2,798,919	6.0	(383,530)	6,204,823	6.4
Minority interests		(62,439)	(0.2)		1,572	0.0		(255,935)	(0.2)
Net income		961,059	2.7		2,225,661	4.7		7,085,994	7.3

(3) Consolidated Statements of Capital Surplus and Retained Earnings and Statement of Change in Shareholders' Equity etc.

(Thousands of yen)

Item \ Period	First half ended September 30, 2005 (April 1–September 30, 2005)		Fiscal year ended March 31, 2006 (April 1, 2005–March 31, 2006)	
Capital surplus				
I Capital surplus at beginning of period		7,994,953		7,994,953
II Capital surplus at end of period		7,994,953		7,994,953
Retained earnings				
I Retained earnings at beginning of period		17,133,487		17,133,487
II Increase in retained earnings				
1. Net income	961,059	961,059	7,085,994	7,085,994
III Decrease in retained earnings				
1. Cash dividends paid	694,000		1,388,000	
2. Bonuses to directors and auditors	105,000		105,000	
3. Decrease of retained earnings due to newly consolidated subsidiaries	12	799,012	12	1,493,012
IV Retained earnings at end of period		17,295,534		22,726,469

Consolidated Statement of Change in Shareholders' Equity etc.

First half ended September 30, 2006（April 1–September 30, 2006）

(Thousands of yen)

	Shareholders' equity			
	Common stock	Capital surplus	Retained earnings	Total shareholders' equity
Balance at March 31, 2006	7,948,036	7,994,953	22,726,469	38,669,459
Amount of changes during the period				
New stock issued	―	―	―	―
Cash dividends paid	―	―	(694,000)	(694,000)
Bonuses to directors and auditors	―	―	(105,000)	(105,000)
Net income	―	―	2,225,661	2,225,661
Repurchase of treasury stock	―	―	―	―
Disposal of treasury stock	―	―	―	―
Net amount of changes in items not included in shareholders' equity during the period	―	―	―	―
Total amount of changes during the period	―	―	1,426,661	1,426,661
Balance at September 30, 2006	7,948,036	7,994,953	24,153,131	40,096,121

	Valuation and translation differences			Minority interests	Total net assets
	Unrealized holding gain on available-for-sale securities	Foreign currency translation adjustment	Total valuation and translation differences		
Balance at March 31, 2006	735,622	6,470	742,093	1,610,739	41,022,292
Amount of changes during the period					
New stock issued	―	―	―	―	―
Cash dividends paid	―	―	―	―	(694,000)
Bonuses to directors and auditors	―	―	―	―	(105,000)
Net income	―	―	―	―	2,225,661
Repurchase of treasury stock	―	―	―	―	―
Disposal of treasury stock	―	―	―	―	―
Net amount of changes in items not included in shareholders' equity during the period	(250,610)	680	(249,930)	(2,692)	(252,623)
Total amount of changes during the period	(250,610)	680	(249,930)	(2,692)	1,174,038
Balance at September 30, 2006	485,012	7,150	492,162	1,608,047	42,196,331

(4) Consolidated Statements of Cash Flows

(Thousands of yen)

Item / Period	First half ended September 30, 2005 (April 1–September 30, 2005)	First half ended September 30, 2006 (April 1–September 30, 2006)	Fiscal year ended March 31, 2006 (summary) (April 1, 2005–March 31, 2006)
	Amount	Amount	Amount
I Cash flows from operating activities			
1. Income before income taxes and minority interests	1,759,760	5,026,154	13,034,882
2. Depreciation and amortization	563,258	430,973	1,237,274
3. Impairment loss	56,819	44,345	56,819
4. Amortization of excess of net assets acquired over cost	71,174	—	261,807
5. Amortization of goodwill	—	214,817	—
6. Increase (decrease) in allowance for doubtful accounts	16,253	(99,824)	(55,454)
7. Increase in accrued bonuses	5,200	—	2,688
8. Increase in accrued bonuses to directors and auditors	—	50,000	—
9. Increase (decrease) in retirement benefit provisions	16,716	16,727	(3,100)
10. Increase (decrease) in reserve for retirement benefits for directors and auditors	8,200	(607,100)	38,400
11. Interest and dividend income	(20,494)	(39,824)	(42,219)
12. Equity method investment gain	(121,139)	(20,057)	(429,179)
13. Interest expense	12,619	20,746	23,875
14. Corporate bond issuance expense	2,400	—	2,400
15. Stock issuance expense	803	—	872
16. Gain on sale of fixed assets	(124,941)	—	(147,314)
17. Gain on investment in anonymous association	(29,728)	(37,808)	(64,081)
18. Loss on disposal of fixed assets	104,588	6,065	115,194
19. Valuation loss on investment securities	4,320	—	4,320
20. Valuation loss on equity investment	22,613	—	22,609
21. Loss on sale of investment securities	3,704	—	5,855
22. Decrease (increase) in notes and accounts receivable—trade	27,604,072	22,329,363	(9,135,880)
23. Decrease (increase) in inventories	121,536	(1,197,859)	(1,085,496)
24. Decrease (increase) in merchandising right advances	(292,902)	387,775	(203,728)
25. Decrease (increase) in prepaid expenses	(307,666)	△5,266	147,235
26. Decrease in advance payments	181,848	74,457	5,838
27. Decrease (increase) in notes held	42,899	73,596	(19,670)
28. Decrease in non-operating notes receivable	648,189	427,432	377,620
29. Decrease (increase) in deposits as security for dealing	(96,993)	20,000	(30,832)
30. Increase (decrease) in notes and accounts payable—trade	(21,614,390)	(20,589,584)	7,492,695
31. Increase (decrease) in accrued consumption taxes	(127,856)	(1,110)	177,473
32. Decrease in deposits received	(313,392)	(251,078)	(55,878)
33. Increase in deposits held	52,021	161,803	2,375
34. Bonuses to directors and auditors	(105,000)	(105,000)	(105,000)
35. Others	68,182	(320,713)	644,143
Subtotal	8,212,675	6,009,029	12,276,545
36. Interest and dividends received	54,545	68,178	74,320
37. Interest paid	(12,569)	(23,676)	(24,024)
38. Income taxes paid	(2,646,945)	(3,736,777)	(6,162,055)
Net cash provided by operating activities	5,607,705	2,316,755	6,164,786

(Thousands of yen)

Item \ Period	First half ended September 30, 2005 (April 1–September 30, 2005)	First half ended September 30, 2006 (April 1–September 30, 2006)	Fiscal year ended March 31, 2006 (summary) (April 1, 2005–March 31, 2006)
	Amount	Amount	Amount
II Cash flows from investing activities			
1. Increase in time deposits	—	(1,400)	—
2. Proceeds from cancellation of time deposits	—	93,081	—
3. Proceeds from sale of marketable securities	5,000	—	5,000
4. Purchases of property and equipment	(628,455)	(275,169)	(784,621)
5. Proceeds from sale of property and equipment	361,069	2,891	395,924
6. Purchases of intangible fixed assets	(397,586)	(602,125)	(702,484)
7. Purchases of investment securities	(165,000)	(570,058)	(920,000)
8. Proceeds from sale of investment securities	—	529,328	551,585
9. Expenditure for acquiring shares in affiliates	(300,000)	(50,000)	(300,000)
10. Proceeds from (expenditure on)acquiring newly consolidated subsidiaries *2	(662,560)	(9,065)	(662,560)
11. Proceeds from sale of shares of subsidiaries on change to scope of consolidation	8,914	—	8,914
12. Expenditure for equity investment	—	(126,000)	—
13. Expenditure for loans	(209,450)	(13,998)	(215,650)
14. Collection on loans (receivable)	19,761	30,013	303,461
15. Payments for long-term prepaid expenses	(43,729)	(8,272)	(48,271)
16. Payments for deposits and guarantees	(14,074)	(261,049)	(304,686)
17. Proceeds from refund of deposits and guarantees	241,931	34,079	259,448
18. Payments for insurance reserve	(546)	(546)	(1,092)
19. Others	40	(299,999)	190,418
Net cash used in investing activities	(1,784,685)	(1,528,289)	(2,224,610)
III Cash flows from financing activities			
1. Increase (decrease) in short-term borrowings	(220,200)	881,364	79,800
2. Proceeds from long-term borrowings	—	2,000,000	—
3. Repayment of long-term borrowings	(201,934)	(143,012)	(343,268)
4. Proceeds from issuance of corporate bonds	97,600	—	97,600
5. Redemption of corporate bonds	—	(50,000)	—
6. Proceeds from payments by minority shareholders	206	—	10,319
7. Cash dividends paid	(693,363)	(695,810)	(1,384,996)
Net cash provided by (used in) financing activities	(1,017,691)	1,992,541	(1,540,544)
IV Effect of exchange rate changes on cash and cash equivalents	29,264	9,125	50,037
V Increase in cash and cash equivalents	2,834,593	2,790,132	2,449,668
VI Cash and cash equivalents at beginning of period	13,326,256	15,777,313	13,326,256
VII Increase in cash and cash equivalents due to change in scope of consolidation	1,388	188	1,388
Ⅷ Cash and cash equivalents at end of period	16,162,238	18,567,634	15,777,313

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

First half ended September 30, 2005 (April 1, 2005, to September 30, 2005): No relevant items
First half ended September 30, 2006 (April 1, 2006, to September 30, 2006): No relevant items
Fiscal year ended March 31, 2006 (April 1, 2005, to March 31, 2006): No relevant items

Basis of Presentation of the Consolidated Financial Statements

Item / Period	First half ended September 30, 2005 (April 1–September 30, 2005)	First half ended September 30, 2006 (April 1–September 30, 2006)	Fiscal year ended March 31, 2006 (April 1, 2005–March 31, 2006)
1. Scope of consolidation	(1) Number of consolidated subsidiaries: 10 Names of consolidated subsidiaries: Professional Management Co., Ltd. Fields Jr. Corporation Digital Lord Corporation White Trash Charms Japan Co., Ltd. Total Workout Corporation J. Sakazaki Marketing Ltd. D3 Publisher Inc. Entertainment Software Publishing Inc. D3 Publisher of America, Inc. D3DB S.r.l. Given its significance, D3DB S.r.l., which was a non-consolidated subsidiary until the previous fiscal year, was included within the scope of consolidation in the current first half. J. Sakazaki Marketing Ltd. has also been included within the scope of consolidation, given that its shares were acquired in the current first half. Since the day deemed to be that on which the shares were acquired was the day on which that company closed its books for the first half, it was consolidated only in the balance sheet. The Company sold all its shares in Heart-line Inc., which was a consolidated subsidiary in the previous fiscal year, and therefore that company ceased to be a consolidated subsidiary as of this half.	(1) Number of consolidated subsidiaries: 12 Names of consolidated subsidiaries: Fields Jr. Corporation White Trash Charms Japan Co., Ltd. Digital Lord Corporation thinkArts Co., Ltd. Fields Pictures Corporation. Japan Sports Marketing, Inc. D3 Inc. D3 Publisher Inc. Entertainment Software Publishing Inc. D3Publisher of America, Inc. D3Publisher of Europe Ltd. D3DB S.r.l. Given its significance, Fields Pictures Corporation., which was a non-consolidated subsidiary until the previous fiscal year, was included within the scope of consolidation in the current first half. E-Active Co., Ltd. changed its trade name to Fields Pictures Corporation. as of June 19, 2006. thinkArts Co., Ltd. has also been included within the scope of consolidation as a result of the acquisition of its shares in the current first half. Former D3 Publisher Inc. changed its trade name to D3 Inc. through a demerger conducted as of April 1, 2006, and D3 Publisher Inc. was newly established, and the new D3 Publisher Inc. has been included within the scope of consolidation.	(1) Number of consolidated subsidiaries: 9 Names of consolidated subsidiaries: Fields Jr. Corporation White Trash Charms Japan Co., Ltd. Digital Lord Corporation Japan Sports Marketing, Inc. D3 Publisher Inc. Entertainment Software Publishing Inc. D3Publisher of America, Inc. D3Publisher of Europe Ltd. D3DB S.r.l. Given its significance, D3DB S.r.l., which was a non-consolidated subsidiary until the previous fiscal year, was included within the scope of consolidation in the current fiscal year. J. Sakazaki Marketing Ltd. has also been included within the scope of consolidation as a result of the acquisition of its shares in the current fiscal year. During the year, Total Workout Corporation and newly consolidated J. Sakazaki Marketing Ltd. were excluded from the scope of consolidation, since they merged on October 1, 2005, and Professional Management Co., Ltd. became the surviving company. After the merger, Professional Management Co., Ltd. changed its name to Japan Sports Marketing, Inc. D3Publisher of Europe Ltd. was established during the fiscal year under review, and was therefore included in the scope of consolidation. The Company sold all its shares in Heart-line Inc., which was a consolidated subsidiary in the previous fiscal year, and therefore that company ceased to be a consolidated subsidiary as of this fiscal year.

Item \ Period	First half ended September 30, 2005 (April 1–September 30, 2005)	First half ended September 30, 2006 (April 1–September 30, 2006)	Fiscal year ended March 31, 2006 (April 1, 2005–March 31, 2006)
	2) Names of significant non-consolidated subsidiaries: Database Co., Ltd. APE Inc.	2) Names of significant non-consolidated subsidiaries: Database Co., Ltd. APE Inc.	(2) Names of significant non-consolidated subsidiaries: Database Co., Ltd. E-Active Co., Ltd. APE Inc.
	Reason for exclusion from the scope of consolidation: Non-consolidated subsidiaries have been excluded from the consolidation owing to their small size and the fact that in no case do their aggregate total assets, net sales, interim net income (proportionate to equity stakes held) and retained earnings (proportionate to equity stakes held), etc., have a material impact on the interim consolidated financial statements.	Reason for exclusion from the scope of consolidation: Same as at left	Reason for exclusion from the scope of consolidation: Non-consolidated subsidiaries have been left out of consolidation due to their small size, with none of their total assets, net sales, net income (proportionate to the equity stakes held) and retained earnings (proportionate to equity stakes held) having a material effect on the consolidated financial statements.
2. Application of equity method	(1) Number of equity-method affiliates: 3 Rodeo Co., Ltd. Kadokawa Haruki Corporation 3D-AGES Inc.	(1) Number of equity-method affiliates: 2 Rodeo Co., Ltd. Kadokawa Haruki Corporation	(1) Number of equity-method affiliates: 2 Rodeo Co., Ltd. Kadokawa Haruki Corporation In accordance with a resolution adopted at the ordinary general meeting of shareholders held on September 30, 2005, 3D-AGES Inc. was dissolved, and upon the completion of its liquidation on December 30, 2005, it ceased to be an equity method affiliate.
	(2) Names of significant non-consolidated subsidiaries and affiliated companies not accounted for by the equity method: Database Co., Ltd. APE Inc. Dynasty Sports Marketing Ltd. G & E Corporation	(2) Names of significant non-consolidated subsidiaries and affiliated companies not accounted for by the equity method: Database Co., Ltd. APE Inc. G&E Corporation	(2) Names of significant non-consolidated subsidiaries and affiliated companies not accounted for by the equity method: Database Co., Ltd. E-Active Co., Ltd. G&E Corporation APE Inc.
	Reason for non-application of the equity method: These companies have a negligible impact on interim net income (proportionate to equity stakes held) and retained earnings (proportionate to equity stakes held) and have no significance as a whole, so have been excluded from the application of the equity method.	Reason for non-application of the equity method: Same as at left	Reason for non-application of the equity method: These companies have a negligible impact on net income (proportionate to equity stakes held) and retained earnings (proportionate to equity stakes held) and have no significance as a whole, so have been excluded from the application of the equity method.

Item \ Period	First half ended September 30, 2005 (April 1–September 30, 2005)	First half ended September 30, 2006 (April 1–September 30, 2006)	Fiscal year ended March 31, 2006 (April 1, 2005–March 31, 2006)
	(3) Matters requiring clarification concerning procedures for application of the equity method: With regard to companies accounted for by the equity method whose interim accounts settlement dates differ from the settlement date of the interim consolidated accounts, the interim financial statements relating to those companies' semiannual periods are utilized. With regard to 3D-AGES Inc., interim financial statements based on a provisional accounts settlement effected on the settlement date of the interim consolidated accounts have been utilized.	3) Matters requiring clarification concerning procedures for application of the equity method: With regard to companies accounted for by the equity method whose interim accounts settlement dates differ from the settlement date of the interim consolidated accounts, the interim financial statements relating to those companies' semiannual periods are utilized.	3) Matters requiring clarification concerning procedures for application of the equity method: With regard to companies accounted for by the equity method whose year-end settlement dates differ from that for consolidated accounts, the financial statements relating to those companies' fiscal years are utilized.
3. Accounts settlement dates of consolidated subsidiaries	Among the consolidated subsidiaries, April 30 is the interim accounts settlement date of D3 Publisher Inc. and Entertainment Software Publishing Inc. The interim financial statements based on provisional accounts settlements on September 30 are used in the preparation of the interim consolidated financial statements. June 30 is the interim accounts settlement date of J. Sakazaki Marketing Ltd. The interim financial statements at the interim accounts settlement date are used in the preparation of the interim consolidated financial statements.	Among the consolidated subsidiaries, May 31 is the interim accounts settlement date of thinkArts Co., Ltd. The interim financial statements based on provisional accounts settlements on September 30 are used in the preparation of the interim consolidated financial statements.	The year-end balance sheet date of consolidated subsidiaries coincides with the consolidation date. As of the fiscal year under review, the year-end balance sheet date of D3 Publisher Inc. and of Entertainment Software Publishing Inc. was changed from October 31 to March 31.
4. Accounting standards (1) Valuation standards and methods for important assets	(1) Marketable securities Other marketable securities Securities with market prices: Stated at market value based on market price as of the interim consolidated 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.	(1) Marketable securities Other marketable securities Securities with market prices Same as at left Securities without market prices: Same as at left	(1) Marketable securities Other marketable securities Securities with market prices: Stated at market value based on market price as of the consolidated 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

Item \ Period	First half ended September 30, 2005 (April 1–September 30, 2005)	First half ended September 30, 2006 (April 1–September 30, 2006)	Fiscal year ended March 31, 2006 (April 1, 2005–March 31, 2006)
	(2) Inventories - Merchandise Fields Corporation: Used pachinko/pachislot machines At cost determined by the specific identification method Others At cost determined by the moving average method Consolidated subsidiaries: At cost determined by the periodic average method - Products Consolidated subsidiaries: At cost determined by the first-in first-out method - Work in process Consolidated subsidiaries: At cost determined by the specific identification method	(2) Inventories - Merchandise Fields Corporation: Used pachinko/pachislot machines Same as at left Others Same as at left Consolidated subsidiaries: Same as at left - Products Consolidated subsidiaries: Same as at left - Work in process, content Consolidated subsidiaries: Same as at left	(2) Inventories - Merchandise Fields Corporation: Used pachinko/pachislot machines Same as at left Others Same as at left Consolidated subsidiaries: Same as at left - Products Consolidated subsidiaries: Same as at left - Work in process, content Consolidated subsidiaries: At cost determined by the specific identification method

Item \ Period	First half ended September 30, 2005 (April 1–September 30, 2005)	First half ended September 30, 2006 (April 1–September 30, 2006)	Fiscal year ended March 31, 2006 (April 1, 2005–March 31, 2006)
			Game software: With regard to the production costs of outsourced game software, the software and its content are closely integrated and therefore inseparable, and it is impossible to demarcate them. In view of this, hitherto they have been recognized as software and treated accordingly, but owing to developments such as the upgrading of the performance of home game machines, the decision-making process for the merchandising of game software and the nature of outsourcing have been revised, and in recent years the importance of content categorized as images, music, voice, etc., has been growing, and this trend will strengthen in the future. In view of this, with the exclusion of items whose principal characteristics are clearly those of software, as of the fiscal year under review the Company's accounting recognizes them as content (stating production expenditure as advances or inventories, and transferring it to cost of sales in accordance with projected sales volume). In consequence, inventories increased by ¥1,160,073,000 and there were declines of ¥147,250,000 in advances and of ¥718,410,000 in other intangible fixed assets. Cost of sales rose by ¥124,267,000, and there were declines of ¥418,793,000 in selling, general and administrative expenses and of ¥112,000 in non-operating income, while operating income increased by ¥294,525,000, and ordinary income and net income before income taxes and minority interests each increased by ¥294,413,000.
	- Supplies At cost determined by the last purchase price method	- Supplies Same as at left	- Supplies Same as at left

Item \ Period	First half ended September 30, 2005 (April 1–September 30, 2005)	First half ended September 30, 2006 (April 1–September 30, 2006)	Fiscal year ended March 31, 2006 (April 1, 2005–March 31, 2006)
(2) Depreciation methods for important depreciable 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: 4-50 years Structures: 10-50 years Vehicles: 4-6 years Tools, furniture and fixtures: 3-20 years	(1) Tangible fixed assets Declining-balance method for the Company and domestic consolidated subsidiaries However, the straight-line method is applied to buildings (excluding building fixtures) acquired after April 1, 1998. Straight-line method for overseas consolidated subsidiaries. The estimated useful lives of depreciable assets are as follows. Buildings: 4-50 years Structures: 10-50 years Vehicles: 2-6 years Tools, furniture and fixtures: 3-20 years	(1) Tangible fixed assets Same as at left
	(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). Software for sale by consolidated subsidiaries is depreciated at the depreciation rate determined by the Company over the estimated payback period (12 months for game software; 36 months for other software).	(2) Intangible fixed assets Same as at left	(2) Intangible fixed assets Same as at left
	(3) Long-term prepaid expenses Straight-line method	(3) Long-term prepaid expenses Same as at left	(3) Long-term prepaid expenses Same as at left
(3) Treatment of important deferred charges	(1) Stock issuance expense The expense is charged in full at the time it is incurred.	(1) ――――――	(1) Stock issuance expense The expense is charged in full at the time it is incurred.
	(2) Corporate bond issuance expense The expense is charged in full at the time it is incurred.	(2) ――――――	(2) Corporate bond issuance expense The expense is charged in full at the time it is incurred.

Item \ Period	First half ended September 30, 2005 (April 1–September 30, 2005)	First half ended September 30, 2006 (April 1–September 30, 2006)	Fiscal year ended March 31, 2006 (April 1, 2005–March 31, 2006)
(4) Accounting standards for important 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.	(1) Allowance for doubtful accounts Same as at left	(1) Allowance for doubtful accounts Same as at left
	(2) Accrued bonuses To provide for employee bonuses, the Company recognizes the amounts out of the projected bonus payments to be allocated to the half.	(2) Accrued bonuses Same as at left	(2) 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.
	(3) ――――――	(3) Accrued bonuses to directors and auditors To provide for bonuses to directors and auditors, the Company recognizes the amounts out of the projected bonus payments to be allocated to the half. (Change in Accounting Treatment) As of this half, the Company has adopted the Accounting Standards Board of Japan Statement No. 4, “Accounting Standard for Directors’ Bonuses,” issued on November 29, 2005. As a result, operating income, ordinary income, and income before income taxes decreased ¥50 million, respectively. The impacts on segment information are stated at the relevant points in the Segment Information.	(3) ――――――

Item / Period	First half ended September 30, 2005 (April 1–September 30, 2005)	First half ended September 30, 2006 (April 1–September 30, 2006)	Fiscal year ended March 31, 2006 (April 1, 2005–March 31, 2006)
	(4) Retirement benefit provisions To provide for employees' retirement benefits, the Company and some consolidated subsidiaries recognize, 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 auditors To provide for directors' and auditors' retirement benefits, the Company states the amounts to be paid at the end of the half in accordance with the internal regulations.	(4) Retirement benefit provisions Same as at left (5) ————	(4) Retirement benefit provisions To provide for employees' retirement benefits, the Company and some consolidated subsidiaries recognize, 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 auditors To provide for directors' and auditors' retirement benefits, the Company states the amounts to be paid at the end of the fiscal year in accordance with the internal regulations.
(5) Translation of important foreign-currency-denominated assets and liabilities into yen	Foreign currency receivables and payables are translated into yen using the spot currency exchange rate on the interim consolidated balance sheet date, and translation differences are recorded as gains or losses.	Same as at left	Foreign currency receivables and payables are translated into yen using the spot currency exchange rate on the consolidated balance sheet date, and translation differences are recorded as gains or losses. The assets and liabilities of overseas subsidiaries are translated into yen using the spot currency exchange rate on the consolidated balance sheet date, and income and expenses are translated into yen using the average exchange rate during the period, translation differences being stated as part of the foreign currency translation adjustment in the minority interests or shareholders' equity sections of the balance sheet.

Item \ Period	First half ended September 30, 2005 (April 1–September 30, 2005)	First half ended September 30, 2006 (April 1–September 30, 2006)	Fiscal year ended March 31, 2006 (April 1, 2005–March 31, 2006)
(6) Treatment of important 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
(7) Important hedge accounting methods	(1) Hedge accounting method At certain consolidated subsidiaries, special treatment is used in the case of interest rate swaps that satisfy the criteria for hedge accounting.	(1) Hedge accounting method Same as at left	(1) Hedge accounting method Same as at left
	(2) Method and scope of hedging Hedging method Interest rate swap transactions Scope of hedging Interest on borrowings	(2) Method and scope of hedging Same as at left	(2) Method and scope of hedging Same as at left
	(3) Hedging policy At certain consolidated subsidiaries a hedging policy is implemented to avoid any impact of fluctuations in market interest rates on fund-raising costs (interest expense).	(3) Hedging policy Same as at left	(3) Hedging policy Same as at left
	(4) Method for assessing hedging effectiveness Interest rate swap transactions are deemed to qualify for special accounting treatment, and therefore it is on this basis that judgments as to effectiveness are made.	(4) Method for assessing hedging effectiveness Same as at left	(4) Method for assessing hedging effectiveness Same as at left
	(5) Other risk management The management division has responsibility for the conclusion of contracts relating to hedge accounting at certain consolidated subsidiaries. No particular stipulations relating to such transactions have been laid down, but they are administered in accordance with regulations governing the scope of authority.	(5) Other risk management Same as at left	(5) Other risk management Same as at left
(8) Other significant standards for the preparation of financial statements	Accounting for consumption taxes Consumption tax is accounted for by the tax-excluded method.	Accounting for consumption taxes Same as at left	Accounting for consumption taxes Same as at left

Item / Period	First half ended September 30, 2005 (April 1–September 30, 2005)	First half ended September 30, 2006 (April 1–September 30, 2006)	Fiscal year ended March 31, 2006 (April 1, 2005–March 31, 2006)
5. Scope of funds in consolidated statements of cash flows	Funds include cash on hand, demand deposits, and short-term investments maturing or redeemable within three months after acquisition that are highly liquid, easily convertible into cash, and exposed to low price fluctuation risk.	Same as at left	Same as at left

Changes in accounting treatment

First half ended September 30, 2005 (April 1–September 30, 2005)	First half ended September 30, 2006 (April 1–September 30, 2006)	Fiscal year ended March 31, 2006 (April 1, 2005–March 31, 2006)
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 and minority interests 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 Consolidated Financial Statements.	―――――	**Accounting standard for impairment of fixed assets** As of this fiscal year, 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 and minority interest 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 Consolidated Financial Statements.
―――――	**Accounting standard for the presentation of net assets in balance sheets** As of this half, the Company has adopted the Accounting Standard for the Presentation of Net Assets in Balance Sheets (Financial Accounting Standard No. 5 issued by the Accounting Standards Board of Japan on December 9, 2005) and the Implementation Guidance for the Accounting Standard for the Presentation of Net Assets in Balance Sheets (Financial Accounting Standard Implementation Guidance No. 8 issued by the Accounting Standards Board of Japan on December 9, 2005). The amount conventionally recorded in “Shareholders’ equity” was ¥40,588,283 thousand. Due to the revision to the regulations regarding interim consolidated financial statements, the interim consolidated balance sheets for the first half ended September 30, 2006 have been prepared according to the revised regulations.	―――――

Changes in method of presentation

First half ended September 30, 2005 (April 1–September 30, 2005)	First half ended September 30, 2006 (April 1–September 30, 2006)
Consolidated Balance Sheets 1. The Law for Partial Revision to the Securities and Exchange Law (Law No. 97, 2004) was promulgated on June 9, 2004 and implemented as of December 1, 2004. In consequence, the Practical Guidelines Concerning Accounting for Financial Instruments (JICPA Accounting Committee Report No. 14) were revised on February 15, 2005. In consequence, as of the current first half the method of stating investments in investment limited partnerships or analogous associations (that can be deemed to be securities pursuant to Article 2, Paragraph 2, of the Securities and Exchange Law) has been changed to stating them as investment securities.	**Consolidated Balance Sheets** 1. ―――――― 2. As "merchandising right advances," which was separately presented under current liabilities until the end of the previous fiscal year, accounted for not more than 5/100 of total assets, it has been included in "Other current assets" under current assets. The "merchandising right advances" as of September 31, 2006, was ¥3,128,708 thousand. 3. Pursuant to the revision to the regulations of interim consolidated financial statements, the consolidation account adjustment (¥1,600,689 thousand for the corresponding previous first half), which was included in "Intangible fixed assets" until the end of the previous fiscal year, has been separately presented as "Goodwill." **Consolidated Statements of Cash Flows** Pursuant to the revision to the regulations of interim consolidated financial statements, "Amortization of excess of net assets acquired over cost" in the cash flows from operating activities is presented as "Amortization of goodwill."

Additional information

First half ended September 30, 2005 (April 1–September 30, 2005)	First half ended September 30, 2006 (April 1–September 30, 2006)	Fiscal year ended March 31, 2006 (April 1, 2005–March 31, 2006)
――――――	**Retirement benefits of directors and auditors** We reviewed the remuneration payment system for directors and auditors, which is not linked to actual performance and may be considered deferred remuneration. As a result, the retirement benefit system for directors and auditors was abolished as of the closing of the 18th Ordinary General Meeting of Shareholders held on June 28, 2006. Accordingly, accrued retirement benefits as of the closing of the said Meeting were paid to directors and the auditors currently in office at the Meeting for their services.	――――――

Notes

Consolidated Balance Sheets

First half ended September 30, 2005 (As of September 30, 2005)	First half ended September 30, 2006 (As of September 30, 2006)	Fiscal year ended March 31, 2006 (As of March 31, 2006)
*1. Accumulated depreciation of tangible fixed assets ¥1,321,051 thousand	*1. Accumulated depreciation of tangible fixed assets ¥1,746,906 thousand	*1. Accumulated depreciation of tangible fixed assets ¥1,577,616 thousand
*2 ――――	*2. Investment securities include the money paid for new shares amounting to ¥50,000 thousand to a subsidiary established on October 2, 2006.	* 2. ――――
3. 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	3. 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. ¥44,027 housand Asahi Shoji K.K. ¥37,669 thousand Niimi Co., Ltd. ¥31,813 thousand K.K. Toei Kanko ¥30,092 thousand LiNE Company ¥22,612 thousand K.K. Bishop ¥22,275 thousand Y.K. Daiko ¥19,447 thousand Meiplanet K.K. ¥15,462 thousand Rocky Industries ¥15,443 thousand BOSS Co., Ltd. ¥14,629 thousand Others (187) ¥458,245 thousand Total ¥711,720 thousand	3. 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. ¥41,728 housand Asahi Shoji K.K. ¥39,823 thousand Niimi Co., Ltd. ¥33,106 thousand Y.K. Daiko ¥31,777 thousand Meiplanet K.K. ¥23,861 thousand K.K. Toei Kanko ¥19,895 thousand LiNE Company ¥15,536 thousand Y. K. Big Shot ¥14,025 thousand Y. K. R&K ¥14,017 thousand K.K. Bishop ¥13,198 thousand Others (294) ¥430,297 thousand Total ¥677,268 thousand
*4. ――――	*4. Notes due as of the closing date Notes that became due as of September 30, 2006 are treated as of the date those notes were cleared. Because September 30, 2006 was a bank holiday, the following notes due as of September 30, 2006 are included in the Balance at the end of the term. Notes receivable ¥3,440,455 thousand Non-operating notes receivable ¥7,603 thousand	*4. ――――
5. Overdraft agreements and loan commitments To raise working capital efficiently, the Fields Group has concluded overdraft and loan commitment agreements with four banks. As of the end of the half, unutilized balances under these agreements were as follows. Overdraft limit plus total amount of loan commitments ¥4,660,000thousand Borrowings outstanding ¥430,000thousand Difference ¥4,230,000thousand	5. Overdraft agreements and loan commitments To raise working capital efficiently, the Fields Group has concluded overdraft and loan commitment agreements with six banks. As of the end of the half, unutilized balances under these agreements were as follows. Overdraft limit ¥5,310,000thousand Borrowings outstanding ¥1,630,000thousand Difference ¥3,680,000thousand	5. Overdraft agreements and loan commitments To raise working capital efficiently, the Fields Group has concluded overdraft and loan commitment agreements with six banks. As of the end of the half, unutilized balances under these agreements were as follows. Overdraft limit plus total amount of loan commitments ¥5,610,000thousand Borrowings outstanding ¥730,000thousand Difference ¥4,880,000thousand

Consolidated Statements of Income

<table>
<tr><th>First half ended September 30, 2005
(April 1–September 30, 2005)</th><th>First half ended September 30, 2006
(April 1–September 30, 2006)</th><th>Fiscal year ended March 31, 2006
(April 1, 2005–March 31, 2006)</th></tr>
<tr><td>*1. Main components of SG&A expenses
Advertising expenditures ¥1,505,032 thousand
Salaries and allowances ¥2,178,849 thousand
Provision for bonuses ¥25,200 thousand
Outsourcing expenses ¥634,965 thousand
Travel & transport expenses ¥299,273 thousand
Depreciation charges ¥285,398 thousand
Rents ¥528,220 thousand
Retirement benefit costs ¥18,674 thousand
Provision to allowance for doubtful accounts ¥14,609 thousand
Reserve for retirement benefits for directors and auditors ¥29,500 thousand</td><td>*1. Main components of SG&A expenses
Advertising expenditures ¥2,128,367 thousand
Salaries and allowances ¥2,571,950 thousand
Provision for bonuses ¥25,000 thousand
Outsourcing expenses ¥648,079 thousand
Travel & transport expenses ¥333,320 thousand
Depreciation charges ¥290,023 thousand
Rents ¥593,041 thousand
Retirement benefit costs ¥25,071 thousand
Accrued bonuses to directors and auditors ¥50,000 thousand</td><td>*1. Main components of SG&A expenses
Advertising expenditures ¥3,905,772 thousand
Salaries and allowances ¥4,588,573 thousand
Provision for bonuses ¥25,000 thousand
Outsourcing expenses ¥1,277,679 thousand
Travel & transport expenses ¥622,025 thousand
Depreciation charges ¥576,645 thousand
Rents ¥1,087,487 thousand
Retirement benefit costs ¥47,982 thousand
Provision to allowance for doubtful accounts ¥114,257 thousand</td></tr>
<tr><td>*2. Details of gain on sale of fixed assets
Buildings and structures ¥9,302 thousand
Tools, furniture and fixtures ¥21 thousand
Land ¥115,617 thousand
Total ¥124,941 thousand</td><td>*2 ——————</td><td>*2. Details of gain on sale of fixed assets
Buildings and structures ¥9,323 thousand
Tools, furniture and fixtures ¥521 thousand
Land ¥115,617 thousand
Gain on sale of insurance reserve ¥21,852 thousand
Total ¥147,314 thousand</td></tr>
<tr><td>*3. Details of loss on disposal of fixed assets
Buildings and structures ¥28,326 thousand
Tools, furniture and fixtures ¥11,603 thousand
Construction in progress ¥19,337 thousand
Long-term prepaid expenses ¥1,696 thousand
Software ¥43,625 thousand
Total ¥104,588 thousand</td><td>*3. Details of loss on disposal of fixed assets
Buildings and structures ¥1,525 thousand
Tools, furniture and fixtures ¥55 thousand
Long-term prepaid expenses ¥260 thousand
Software ¥4,224 thousand
Total ¥6,065 thousand</td><td>*3. Details of loss on disposal of fixed assets
Buildings and structures ¥34,242 thousand
Tools, furniture and fixtures ¥16,274 thousand
Construction in progress ¥19,337 thousand
Long-term prepaid expenses ¥1,714 thousand
Software ¥5,845 thousand
Other intangible fixed assets ¥37,780 thousand
Total ¥115,194 thousand</td></tr>
</table>

<table>
<tr><th>First half ended September 30, 2005
(April 1–September 30, 2005)</th><th>First half ended September 30, 2006
(April 1–September 30, 2006)</th><th>Fiscal year ended March 31, 2006
(April 1, 2005–March 31, 2006)</th></tr>
<tr>
<td>*4. Impairment loss
The Fields Group 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>¥56,819thousand</td></tr>
</table>
When grouping its assets the Fields Group 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 buildings 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>*4. Impairment loss
The Fields Group 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 / Tools, furniture and fixtures</td></tr>
<tr><td>Location</td><td>Minato, Tokyo</td></tr>
<tr><td>Amount</td><td>¥44,345thousand</td></tr>
</table>
When grouping its assets the Fields Group adopts the method of grouping primarily by business category in accordance with management accounting practice. With regard to a property in Minato 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 ¥38,346 thousand on the buildings and ¥5,998 thousand on the tools, furniture and fixtures.
The recoverable value of this property has been calculated on the basis of the value in use. However, it is assessed as zero, because the future cash flows are negative.</td>
<td>*4. Impairment loss
The Fields Group 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>¥56,819thousand</td></tr>
</table>
When grouping its assets the Fields Group 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>
</tr>
</table>

Consolidated Statements of Changes in Net Asset

First half ended September 30, 2006 (April 1–September 30, 2006)

1. Shares issued

Type	As of March 31, 2006	Increase	Decrease	As of September 30, 2006
Common stock	347,000	—	—	347,000

2. Treasury shares

Not applicable.

3. Stock acquisition rights

Company Name	Description	Nature of shares to be issued	Number of shares to be issued				Balance at September 30, 2006 (¥thousand)
			As of March 31, 2006	Increase	Decrease	As of September 30, 2006	
The Company	The 1st stock acquisition rights	Common stock	6,040	—	260	5,780	—
	The 2nd stock acquisition rights	Common stock	1,610	—	150	1,460	—
Consolidated subsidiaries			—	—	—	—	—
		Total	7,650	—	410	7,240	—

Notes 1. The number of shares to be issued is the number of shares to which acquisition rights can be exercised.
2. The reason for the changes in the number of shares to be issued is as follows.
The decrease during the half-year period ended September 30, 2006 reflects expiration of some of the rights.

4. Dividends

(1) Dividends paid

Resolution	Nature of shares	Total dividends	Amount of dividends per share	Cut-off date	Effective date
Annual general meeting of shareholders on June 28, 2006	Common stock	¥694,000 thousand	¥2,000	March 31, 2006	June 29, 2006

(2) Dividends for which the cut-off date came during the interim period ended on September 30, 2006, but the effective date will come during the interim period ending on September 30, 2007 or thereafter

Resolution expected	Nature of shares	Source for payment of dividends	Total dividends	Amount of dividends per share	Cut-off date	Effective date
Meeting of the Board of Directors on December 6, 2006	Common stock	Retained earnings	¥694,000 thousand	¥2,000	September 30, 2006	December 8, 2006

Consolidated Statements of Cash Flows

First half ended September 30, 2005 (April 1–September 30, 2005)	First half ended September 30, 2006 (April 1–September 30, 2006)	Fiscal year ended March 31, 2006 (April 1, 2005–March 31, 2006)
1. Relationship between cash and cash equivalents as of the end of the first half and cash amounts stated on the consolidated balance sheets (As of September 30, 2005) Cash and deposit accounts ¥16,162,238 thousand Cash and cash equivalents ¥16,162,238 thousand	1. Relationship between cash and cash equivalents as of the end of the first half and cash amounts stated on the consolidated balance sheets (As of September 30, 2006) Cash and deposit accounts ¥18,568,634 thousand Time deposits for which the term exceeds three months ¥1,000 thousand Cash and cash equivalents ¥18,567,634 thousand	1. Relationship between cash and cash equivalents as of the end of the fiscal year and cash amounts stated on the consolidated balance sheets (As of March 31, 2006) Cash and deposit accounts ¥15,777,313 thousand Cash and cash equivalents ¥15,777,313 thousand

Leases

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	216,628	178,936	37,692
Software	39,710	5,412	34,298
Total	256,339	184,348	71,990

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	¥31,486 thousand
Due after one year	¥40,504 thousand
Total	¥71,990 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	¥23,959 thousand
Depreciation	¥23,959 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, 2006 (April 1–September 30, 2006)

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
Vehicles and delivery equipment	15,548	2,130	13,418
Tools, furniture and fixtures	88,436	74,416	14,020
Software	38,757	12,273	26,483
Total	142,741	88,819	53,922

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 and intangible fixed assets at the end of the half.

(2) Future minimum lease payments

Due within one year	¥20,713 thousand
Due after one year	¥33,208 thousand
Total	¥53,922 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 and intangible fixed assets at the end of the half.

(3) Lease payments and depreciation

Lease payments	¥16,328 thousand
Depreciation	¥16,328 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, 2006 (April 1, 2005–March 31, 2006)

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
Vehicles and delivery equipment	11,592	241	11,350
Tools, furniture and fixtures	91,863	67,278	24,584
Software	38,757	8,397	30,359
Total	142,212	75,917	66,295

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 and intangible fixed assets at the end of the half.

(2) Future minimum lease payments

Due within one year	¥27,619 thousand
Due after one year	¥38,676 thousand
Total	¥66,295 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 and intangible fixed assets at the end of the fiscal year.

(3) Lease payments and depreciation

Lease payments	¥41,246 thousand
Depreciation	¥41,246 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, 2005 (As of September 30, 2005)

1. Other securities at fair value

(Thousands of yen)

Category	Acquisition cost	Carrying value on consolidated balance sheets	Difference
Other marketable securities			
(1) Shares	832,724	1,926,240	1,093,516
(2) Bonds	—	—	—
(2) Other	500,000	500,200	200
Total	1,332,724	2,426,441	1,093,716

Note: The book values after write-downs are taken as the acquisition costs. There were no write-downs on other marketable securities at fair value in the current first half.

2. Principal holdings of securities not valued at fair value

(Thousands of yen)

Content	Carrying value on consolidated balance sheets
Other marketable securities	
(1) Unlisted securities	79,056
(2) Unlisted bonds	—
(3) Other	28,985
Total	108,041

Note: There were write-downs totaling ¥4,320 thousand on other marketable securities not valued at fair value in the current first half.

First half ended September 30, 2006 (As of September 30, 2006)

1. Other securities at fair value

(Thousands of yen)

Category	Acquisition cost	Carrying value on consolidated balance sheets	Difference
Other marketable securities			
(1) Shares	832,724	1,652,960	820,235
(2) Bonds	200,000	197,660	(2,340)
(2) Other	—	—	—
Total	1,032,724	1,850,620	817,895

Note: The book values after write-downs are taken as the acquisition costs. There were no write-downs on other marketable securities at fair value in the current first half.

2. Principal holdings of securities not valued at fair value

(Thousands of yen)

Content	Carrying value on consolidated balance sheets
Other marketable securities	
(1) Unlisted securities	122,118
(2) Unlisted bonds	—
(3) Other	546,796
Total	668,915

Fiscal year ended March 31, 2005 (As of March 31, 2006)

1. Other securities at fair value

(Thousands of yen)

Category	Acquisition cost	Carrying value on consolidated balance sheets	Difference
Other marketable securities			
(1) Shares	832,724	2,088,715	1,255,990
(2) Bonds	700,000	684,520	(15,480)
(2) Other	—	—	—
Total	1,532,724	2,773,235	1,240,510

2. Principal holdings of securities not valued at fair value

(Thousands of yen)

Content	Carrying value on consolidated balance sheets
Other marketable securities	
(1) Unlisted securities	34,618
(2) Unlisted bonds	—
(3) Other	55,758
Total	90,376

Derivatives

First half ended September 30, 2005 (April 1–September 30, 2005)	First half ended September 30, 2006 (April 1–September 30, 2006)	Fiscal year ended March 31, 2006 (April 1, 2005–March 31, 2006)
As all derivative transactions entered into by some consolidated subsidiaries are subject to hedge accounting, mention of them here has been omitted.	Same as at left	Same as at left

Segment Information

1. Segment information by business category

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

Since the pachinko/pachislot machine sales business accounts for more than 90% of total sales and operating income in all segments, the Company does not disclose segment information for each category of business activity.

First half ended September 30, 2006 (April 1–September 30, 2006)

(Thousands of yen)

	PS Field	Game Field	Other Field	Total	Eliminations or the Entire Company	Consolidated
I. Net Sales and Operating Income or Loss Net Sales:						
(1) Sales to third parties	40,966,146	3,878,951	2,277,085	47,122,183	—	47,122,183
(2) Inter-group sales or transfers	178,010	850	121,140	300,000	(300,000)	—
Total	41,144,156	3,879,801	2,398,225	47,422,184	(300,000)	47,122,183
Operating expenses	36,117,695	3,961,248	2,685,151	42,764,094	(362,475)	42,401,619
Operating income (loss)	5,026,461	(81,446)	(286,925)	4,658,089	62,474	4,720,564

Notes: 1. Based on the proximity of services or others provided, the Fields Corporation’s businesses are segmented into PS Field, Game Field and Other Field.

2. The major products or services in each segment are as follows:
(1) PS Field: Purchasing, sales, planning and development of pachinko/pachislot machines and related services
(2) Game Field: Planning, development and sales of packaged software, such as game software.
(3) Other Field: Sports management and others.

3. All operating expenses can be allocated among the three business segments.

4. As stated in the Basis of Presentation of the Interim Consolidated Financial Statements, directors’ bonuses are accounted for as an expense of the accounting period in which such bonuses are accrued by adopting the Accounting Standard for Directors’ Bonus (issued by Accounting Standards Board of Japan on November 29, 2005: ASBJ Statement No. 4) effective from the first half period ended September 30, 2006. This resulted in an increase of ¥50,000 thousand in the operating expenses and an decrease of the same amount in the operating income for the PS Field segment.

Fiscal year ended March 31, 2006 (April 1, 2005–March 31, 2006)

(Thousands of yen)

	PS Field	Game Field	Other Field	Total	Eliminations or the Entire Company	Consolidated
I. Net Sales and Operating Income or Loss Net Sales:						
(1) Sales to third parties	88,168,782	5,042,102	3,603,479	96,814,364	—	96,814,364
(2) Inter-group sales or transfers	180,653	10,774	480,027	671,455	(671,455)	—
Total	88,349,435	5,052,877	4,083,507	97,485,820	(671,455)	96,814,364
Operating expenses	75,638,435	4,775,196	4,739,036	85,152,668	(686,460)	84,466,208
Operating income (loss)	12,711,000	277,681	(655,529)	12,333,151	15,004	12,348,156

Notes: 1. Based on the proximity of services or others provided, the Fields Corporation’s businesses are segmented into PS Field, Game Field and Other Field.

2. The major products or services in each segment are as follows:
(1) PS Field: Purchasing, sales, planning and development of pachinko/pachislot machines and related services
(2) Game Field: Planning, development and sales of packaged software, such as game software.
(3) Other Field: Sports management and others.

3. Due to the growing size of its game business, the Company has started to disclose segment information by business category from the fiscal year ending March 31, 2007, before which such information was not provided because the pachinko/pachislot machine sales business accounted for more than 90% of total sales and operating income in all segments.

4. All operating expenses can be allocated among the three business segments.

2. Segment information by region

First half ended September 30, 2005 (April 1–September 30, 2005), First half ended September 30, 2006 (April 1–September 30, 2006), and Fiscal year ended March 31, 2006 (April 1, 2005–March 31, 2006)

Since Japan accounts for more than 90% of total sales in all segments, the Company does not disclose segment information by region.

3. Overseas sales

First half ended September 30, 2005 (April 1–September 30, 2005), First half ended September 30, 2006 (April 1–September 30, 2006), and Fiscal year ended March 31, 2006 (April 1, 2005–March 31, 2006)

Since overseas sales account for less than 10% of consolidated net sales, the Company does not disclose overseas sales.

Per-share Data

First half ended September 30, 2005 (April 1–September 30, 2005)	First half ended September 30, 2006 (April 1–September 30, 2006)	Fiscal year ended March 31, 2006 (April 1, 2005–March 31, 2006)
Book value per share ¥97,673.70 Net income per share ¥2,769.62 Since no dilutive latent shares exist, diluted net income per share is not stated.	Book value per share ¥121,603.26 Net income per share ¥6,414.01 Same as left	Book value per share ¥113,275.37 Net income per share ¥20,118.14 Same as left

Note: The calculation basis for net income per share is as follows.

	First half ended September 30, 2005 (April 1–September 30, 2005)	First half ended September 30, 2006 (April 1–September 30, 2006)	Fiscal year ended March 31, 2006 (April 1, 2005–March 31, 2006)
Net income (¥ thousands)	961,059	2,225,661	7,085,994
Amount not allocable to common shares (¥ thousands) (Including bonuses to directors and auditors by appropriation of retained earnings) (¥ thousands)	— (—)	— (—)	105,000 (105,000)
Net income allocable to common shares	961,059	2,225,661	6,980,994
Average number of shares of common stock outstanding	347,000	347,000	347,000
Outline of latent shares not reflected in the calculation of diluted net income per share since they have no dilutive effect	Number of the 1st stock acquisition rights: 626 Number of the 2nd stock acquisition rights: 1,610	Number of the 1st stock acquisition rights: 578 Number of the 2nd stock acquisition rights: 1,460	Number of the 1st stock acquisition rights: 604 Number of the 2nd stock acquisition rights: 1,610

Significant Subsequent Events

First half ended September 30, 2005 (April 1–September 30, 2005)	First half ended September 30, 2006 (April 1–September 30, 2006)	Fiscal year ended March 31, 2006 (April 1, 2005–March 31, 2006)
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%	———	———

Production, Orders Received and Sales

(1) Production

(Thousands of yen)

Item	First half ended September 30, 2005 (April 1–September 30, 2005)	
	Amount	Year-on-year (%)
Pachinko/pachislot machines	—	—
Others	600,391	—
Total	600,391	—

Note: The above amounts are net of consumption tax.

Segment	First half ended September 30, 2006 (April 1–September 30, 2006)		Fiscal year ended March 31, 2006 (April 1, 2005–March 31, 2006)	
	Amount	Year-on-year (%)	Amount	Year-on-year (%)
PS Field	—	—	—	—
Game Field	2,645,409	—	2,262,141	—
Other Field	—	—	—	—
Total	2,645,409	—	2,262,141	—

Note: The above amounts are net of consumption tax.

(2) Procurement

(Thousands of yen)

Item	First half ended September 30, 2005 (April 1–September 30, 2005)	
	Amount	Year-on-year (%)
Pachinko/pachislot machines	23,270,233	122.9
Others	653,358	118.2
Total	23,923,592	122.7

Notes 1. Amounts are based on the procurement prices.
2. The above amounts are net of consumption tax.

Segment	First half ended September 30, 2006 (April 1–September 30, 2006)		Fiscal year ended March 31, 2006 (April 1, 2005–March 31, 2006)	
	Amount	Year-on-year (%)	Amount	Year-on-year (%)
PS Field	25,006,165	—	53,797,293	—
Game Field	—	—	—	—
Other Field	67,024	—	137,402	—
Total	25,073,189	—	53,934,696	—

Notes 1. Amounts are based on the procurement prices.
2. The above amounts are net of consumption tax.

(3) Orders received

(Thousands of yen)

Item	First half ended September 30, 2005 (April 1–September 30, 2005)	
	Amount	Order balance
Pachinko/pachislot machines	—	—
Others	77,320	29,077
Total	77,320	29,077

Note: The above amounts are net of consumption tax.

Segment	First half ended September 30, 2006 (April 1–September 30, 2006)		Fiscal year ended March 31, 2006 (April 1, 2005–March 31, 2006)	
	Amount	Year-on-year (%)	Amount	Year-on-year (%)
PS Field	—	—	—	—
Game Field	2,677	—	159,410	—
Other Field	—	—	—	—
Total	2,677	—	159,410	—

Note: The above amounts are net of consumption tax.

(4) Sales

Item	First half ended September 30, 2005 (April 1–September 30, 2005)	
	Amount	Year-on-year (%)
Pachinko/pachislot machines	32,018,920	108.2
Others	3,727,561	269.5
Total	35,746,482	115.4

Notes 1. The "Others" category includes pachinko/pachislot machine parts and used pachinko/pachislot machines.
2. The above amounts are net of consumption tax.

(Thousands of yen)

Segment	First half ended September 30, 2006 (April 1–September 30, 2006)		Fiscal year ended March 31, 2006 (April 1, 2005–March 31, 2006)	
	Amount	Year-on-year (%)	Amount	Year-on-year (%)
PS Field	40,966,146	—	88,168,782	—
Game Field	3,878,951	—	5,042,102	—
Other Field	2,277,085	—	3,603,479	—
Total	47,122,183	—	96,814,364	—

Note: The above amounts are net of consumption tax.