Summary

(Translation)

Fields Corporation
Summary of Interim Financial Statements (Non-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
Date of Commencement of Dividend Payment:	December 8, 2006
Unit Stock System (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	41,141	(24.4)	4,977	(191.6)	5,284	(166.6)
First half ended September 30, 2005	33,077	(9.3)	1,706	(-48.7)	1,982	(-39.3)
Year ended March 31, 2006	88,251		12,497		12,836	

	Net income		Net income per share
	Millions of yen	(% change)	Yen
First half ended September 30, 2006	2,810	(132.4)	8,100.50
First half ended September 30, 2005	1,209	(-39.3)	3,486.06
Year ended March 31, 2006	6,934		19,681.88

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

(2) 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	61,279	41,003	66.9	118,165.91
First half ended September 30, 2005	45,512	34,124	75.0	98,340.95
Year ended March 31, 2006	82,304	39,242	47.7	112,787.63

Notes: 1. Number of shares outstanding at period-end
First half ended September 30, 2006: 347,000
First half ended September 30, 2005: 347,000
Year ended March 31, 2006: 347,000
2. Treasury stock at period-end
First half ended September 30, 2006: —
First half ended September 30, 2005: —
Year ended March 31, 2006: —

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	93,810	14,020	7,610

Reference: Projected net income per share for the year ending March 31, 2007: ¥21,930.84

3. Dividend information

Cash dividend	Dividend per share		
	Interim dividend per share	Year-end dividend per share	Annual dividend per share
	Yen	Yen	Yen
Year ended March 31, 2006	2,000.00	2,000.00	4,000.00
Year ending March 31, 2007 (results)	2,000.00	—	4,000.00
Year ending March 31, 2007 (forecasts)	—	2,000.00	

Interim Non-Consolidated Financial Statements and Other Data

Non-Consolidated Financial Statements

(1) Non-Consolidated Interim 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	13,268,018		14,880,380		13,566,922	
2. Notes receivable—trade * 4	2,351,848		7,155,243		1,746,185	
3. Accounts receivable—trade	7,045,393		15,410,986		43,542,586	
4. Inventories	177,520		321,409		151,190	
5. Merchandising right advances	3,686,966		3,211,666		3,652,792	
6. Other current assets * 3, 4	1,274,491		1,161,765		1,706,045	
7. Allowance for doubtful accounts	(26,000)		(41,000)		(141,000)	
Total current assets	27,778,238	61.0	42,100,451	68.7	64,224,724	78.0
II. Fixed assets						
1. Tangible fixed assets * 1	4,034,834	8.9	3,880,056	6.3	3,911,388	4.8
2. Intangible fixed assets	898,773	2.0	1,597,873	2.6	997,317	1.2
3. Investments and other assets:						
(1) Investment securities	2,484,835		2,431,767		2,858,403	
(2) Investments in subsidiaries and affiliates	7,260,550		7,980,550		7,315,550	
(3) Other assets	3,443,089		3,923,648		3,629,734	
(4) Allowance for doubtful accounts	(368,289)		(614,568)		(612,476)	
(5) Allowance for investment losses	(20,000)		(20,000)		(20,000)	
Total investments and other assets	12,800,185	28.1	13,701,398	22.4	13,171,210	16.0
Total fixed assets	17,733,794	39.0	19,179,327	31.3	18,079,916	22.0
Total assets	45,512,032	100.0	61,279,779	100.0	82,304,640	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 receivable—trade	6,123,672		13,649,844		34,453,859	
2. Accrued bonuses	25,200		25,000		25,000	
3. Accrued bonuses to directors and auditors	—		50,000		—	
4. Other current liabilities * 3	2,084,046		3,844,449		5,446,872	
Total current liabilities	8,232,919	18.1	17,569,294	28.7	39,925,732	48.5
II Long-term liabilities:						
1. Retirement benefit provisions	143,464		160,314		144,705	
2. Reserve for retirement benefits for directors and auditors	576,900		—		607,100	
3. Deposits received	2,434,440		2,546,598		2,384,794	
Total long-term liabilities	3,154,805	6.9	2,706,912	4.4	3,136,600	3.8
Total liabilities	11,387,724	25.0	20,276,206	33.1	43,062,332	52.3
Shareholders' equity						
I Common stock	7,948,036	17.5	—	—	7,948,036	9.7
II Capital surplus						
1. Additional paid-in capital	7,994,953		—		7,994,953	
Total capital surplus	7,994,953	17.6	—	—	7,994,953	9.7
III Retained earnings						
1. Legal reserve	9,580		—		9,580	
2. Voluntary reserve	15,000,000		—		15,000,000	
3. Unappropriated retained earnings	2,523,164		—		7,554,115	
Total retained earnings	17,532,744	38.5	—	—	22,563,695	27.4
IV Unrealized holding gain on available-for-sale securities	648,573	1.4	—	—	735,622	0.9
Total shareholders' equity	34,124,308	75.0	—	—	39,242,308	47.7
Total liabilities and shareholder's equity	45,512,032	100.0	—	—	82,304,640	100.0
Net assets						
I Shareholders' equity						
1. Common stock	—	—	7,948,036	13.0	—	—
2. Capital surplus						
(1) Additional paid-in capital	—	—	7,994,953		—	—
Total capital surplus	—	—	7,994,953	13.0	—	—
3. Retained earnings						
(1) Legal reserve	—	—	9,580		—	—
(2) Other retained earnings						
General reserve	—	—	20,000,000		—	—
Retained earnings brought forward	—	—	4,565,990		—	—
Total retained earnings	—	—	24,575,570	40.1	—	—
Total shareholders' equity	—	—	40,518,560	66.1	—	—
II Valuation and translation differences						
1. Other valuation difference on available-for-sale securities	—	—	485,012		—	—
Total valuation and translation differences	—	—	485,012	0.8	—	—
Total net assets	—	—	41,003,572	66.9	—	—
Total liabilities and net assets	—	—	61,279,779	100.0	—	—

(2) Interim Non-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, 2005 (Summary) (April 1, 2005 − March 31, 2006)	
	Amount	% sales	Amount	% sales	Amount	% sales
I Net sales	33,077,297	100.0	41,141,324	100.0	88,251,762	100.0
II Cost of sales	24,831,827	75.1	28,789,862	70.0	61,682,867	69.9
Gross profit	8,245,470	24.9	12,351,462	30.0	26,568,894	30.1
IIII Selling, general and administrative expenses	6,538,547	19.8	7,373,800	17.9	14,071,454	15.9
Operating income	1,706,922	5.1	4,977,661	12.1	12,497,439	14.2
IV Non-operating income * 1	283,145	0.9	309,193	0.7	350,637	0.3
V Non-operating expenses	8,053	0.0	2,244	0.0	11,906	0.0
Ordinary income	1,982,015	6.0	5,284,610	12.8	12,836,170	14.5
VI Extraordinary income * 2	349,669	1.1	132,351	0.3	364,023	0.5
VII Extraordinary losses * 3,4	365,792	1.1	7,363	0.0	621,569	0.7
Income before income taxes	1,965,891	6.0	5,409,598	13.1	12,578,624	14.3
Income taxes: current	830,925	2.5	2,296,389	5.6	6,120,130	6.9
Income taxes: deferred	(74,696)	(0.2)	302,334	0.7	(476,119)	(0.5)
Net income	1,209,662	3.7	2,810,874	6.8	6,934,613	7.9
Earnings brought forward from previous period	1,313,502				1,313,502	
Interim dividends paid	—				694,000	
Unappropriated retained earnings	2,523,164				7,554,115	

(3) Interim Non-Consolidated Statements of Change in Shareholders' Equity etc.

First half ended September 30, 2006

(Thousands of Yen)

	Shareholders' Equity							
	Common stock	Capital surplus		Retained earnings				Total Shareholders' Equity
		Additional paid-in capital	Total capital surplus	Legal reserve	Other retained earnings		Total retained earnings	
					General reserve	Retained earnings brought forward		
Balance as of March 31, 2006	7,948,036	7,994,953	7,994,953	9,580	15,000,000	7,554,115	22,563,695	38,506,685
Amount of changes during the period								
Cash dividends paid	—	—	—	—	—	(694,000)	(694,000)	(694,000)
Bonuses to directors and auditors	—	—	—	—	—	(105,000)	(105,000)	(105,000)
Voluntary reserve	—	—	—	—	5,000,000	(5,000,000)	—	—
Net income	—	—	—	—	—	2,810,874	2,810,874	2,810,874
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	—	—	—	—	5,000,000	(2,988,125)	2,011,874	2,011,874
Balance as of September 30, 2006	7,948,036	7,994,953	7,994,953	9,580	20,000,000	4,565,990	24,575,570	40,518,560

	Valuation and translation differences		Total net assets
	Other valuation difference on available-for-sale securities	Total valuation and translation differences	
Balance as of March 31, 2006	735,622	735,622	39,242,308
Amount of changes during the period			
Cash dividends paid	—	—	(694,000)
Bonuses to directors and auditors	—	—	(105,000)
Voluntary reserve	—	—	—
Net income	—	—	2,810,874
Repurchase of treasury stock	—	—	—
Disposal of treasury stock	—	—	—
Net amount of changes in items not included in shareholders' equity during the period	(250,610)	(250,610)	(250,610)
Total amount of changes during the period	(250,610)	(250,610)	1,761,263
Balance as of September 30, 2006	485,012	485,012	41,003,572

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 Interim Non-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. Asset valuation standards and methods	(1) Marketable securities (i) Shares in subsidiaries and affiliates: Stated at cost determined by the moving average method. (ii) Other marketable securities Securities with market prices: Stated at market value based on market price as of the interim non-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. (2) Inventories (i) Merchandise Fields Corporation: Used pachinko/pachislot machines At cost determined by the specific identification method Others At cost determined by the moving average method (ii) Supplies At cost determined by the last purchase price method	(1) Marketable securities (i) Shares in subsidiaries and affiliates: Same as left (ii) Other marketable securities Securities with market prices: Same as at left Securities without market prices: Same as at left (2) Inventories (i) Merchandise Fields Corporation: Used pachinko/pachislot machines Same as at left Others Same as at left (ii) Supplies Same as at left	(1) Marketable securities (i) Shares in subsidiaries and affiliates: Same as left (ii) Other marketable securities Securities with market prices: Stated at market value based on market price as of the non-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 (2) Inventories (i) Merchandise Fields Corporation: Used pachinko/pachislot machines Same as at left Others Same as at left (ii) Supplies Same as at left
2. Depreciation methods for fixed assets	(1) Tangible fixed assets Declining-balance method However, the straight-line method is applied to buildings (excluding building fixtures) acquired after April 1, 1998. The estimated useful lives of depreciable assets are as follows. Buildings: 4-50 years Structures: 10-50 years Vehicles: 4-6 years Tools and equipment: 3-20 years (2) Intangible fixed assets Straight-line method The straight-line method is applied to software for company use, based on its useful life within the Company (five years). (3) Long-term prepaid expenses Straight-line method	(1) Tangible fixed assets Declining-balance method However, the straight-line method is applied to buildings (excluding building fixtures) acquired after April 1, 1998. The estimated useful lives of depreciable assets are as follows. Buildings: 4-50 years Structures: 10-50 years Vehicles: 2-6 years Tools and equipment: 3-20 years (2) Intangible fixed assets Same as at left (3) Long-term prepaid expenses Same as at left	(1) Tangible fixed assets Declining-balance method However, the straight-line method is applied to buildings (excluding building fixtures) acquired after April 1, 1998. The estimated useful lives of depreciable assets are as follows. Buildings: 4-50 years Structures: 10-50 years Vehicles: 2-6 years Tools and equipment: 3-20 years (2) Intangible fixed assets Same as at left (3) Long-term prepaid expenses Same as at left

Item \ Period	First half ended September 30, 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. Accounting standards for reserves	(1) Allowance for doubtful accounts To provide against losses from doubtful accounts, allowances for ordinary receivables are provided using a rate determined by past collection experience, and allowances for specific debts considered doubtful are accounted for by calculating the estimated amounts deemed uncollectible after individually reviewing collectibility of the debts (2) Reserve for investment losses To provide for possible losses on investments in affiliates, this reserve is provided in consideration of factors such as the financial condition of the affiliates. (3) Accrued bonuses To provide for employee bonuses, the Company recognizes the amounts out of the projected bonus payments to be allocated to the half. (4) ———————	(1) Allowance for doubtful accounts Same as at left (2) Reserve for investment losses Same as at left (3) Accrued bonuses Same as at left (4) Accrued bonuses to directors and auditors To provide for accrued bonuses to directors and auditors of the Company, in accordance with the internal regulations, states the amounts to be paid at the end of 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.	(1) Allowance for doubtful accounts Same as at left (2) Reserve for investment losses Same as at left (3) Accrued bonuses To provide for employee bonuses, the Company recognizes the amounts out of the projected bonus payments to be allocated to the fiscal year. (4) ———————

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) Retirement benefit provisions To provide for employees' retirement benefits, the Company 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 difference arise. (6) Reserve for retirement benefits for directors and auditors To provide for retirement benefits for directors and auditors the Company, in accordance with the internal regulations, states the amounts to be paid at the end of the half.	(5) Retirement benefit provisions Same as at left (6) ――――	(5) Retirement benefit provisions To provide for employees' retirement benefits, the Company 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 difference arise (6) Reserve for retirement benefits for directors and auditors To provide for retirement benefits for directors and auditors the Company, in accordance with the internal regulations, states the amounts to be paid at the end of the fiscal year.
4. 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
5. Other significant standards for the preparation of financial statements	Accounting for consumption tax Consumption tax is accounted for by the tax-excluded method.	Accounting for consumption tax Same as at left	Accounting for consumption tax Same as at left

Changes in Accounting Treatment

First half ended September 30, 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 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 Non-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 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 Non-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 ¥41,003,572 thousand. Due to the revision to the regulations regarding interim financial statements, the interim 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)
Interim non-consolidated balance sheets 1. Until the end of the previous first half, investment securities and investments in subsidiaries and affiliates were included within “Others” under "Investments and other assets." As these items exceed 5% of total assets, they are now presented as separate items. As of September 30, 2004, "Investment securities" totaled ¥1,709,729 thousand and "Investments in subsidiaries and affiliates" totaled ¥1,790,450 thousand.	――――――

Additional Information

First half ended September 30, 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

Interim Non-Consolidated Balance Sheet

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 ¥837,785 thousand	*1. Accumulated depreciation of tangible fixed assets ¥1,082,182 thousand	*1. Accumulated depreciation of tangible fixed assets ¥963,520 thousand
2. Contingent liabilities The Company provides payment guarantees for sales of pachinko/pachislot machines to pachinko halls on an agency basis for pachinko/pachislot machine manufacturers (Thousands of yen) Sankei Shoji Co., Ltd. 50,964 Meiplanet K.K. 50,191 Asahi Shoji K.K. 47,546 Niimi Co., Ltd. 46,864 Y.K. Daiko 24,579 Daishin Kanko Co., Ltd. 22,057 Estadio Co., Ltd. 20,742 Taisei Kanko Co., Ltd. 19,464 Takarajima Co., Ltd. 18,963 K.K. Toei Kanko 17,801 Others (194) 545,123 Total 864,298	2. Contingent liabilities The Company provides payment guarantees for sales of pachinko/pachislot machines to pachinko halls on an agency basis for pachinko/pachislot machine manufacturers (Thousands of yen) Sankei Shoji Co., Ltd. 44,027 Asahi Shoji K.K. 37,669 Niimi Co., Ltd. 31,813 K.K. Toei Kanko 30,092 LiNE Company 22,612 K.K. Bishop 22,275 Y.K. Daiko 19,447 Meiplanet K.K. 15,462 ROCKY CORPORATION 15,443 BOSS Co., Ltd. 14,629 Others (187) 458,245 Total 711,720	2. Contingent liabilities The Company provides payment guarantees for sales of pachinko/pachislot machines to pachinko halls on an agency basis for pachinko/pachislot machine manufacturers (Thousands of yen) Sankei Shoji Co., Ltd. 41,728 Asahi Shoji K.K. 39,823 Niimi Co., Ltd. 33,106 Y.K. Daiko 31,777 Meiplanet K.K. 23,861 K.K. Toei Kanko 19,895 LiNE Company 15,536 BIG SHOT 14,025 Y.K. R&K 14,017 K.K. Bishop 13,198 Others (294) 430,297 Total 677,268
*3. Consumption tax Suspense payment consumption taxes and suspense receipt consumption taxes are offset. The resulting amount is so insignificant that it is included in Others of Current assets.	*3. Consumption tax Suspense payment consumption tax and suspense receipt consumption taxes are offset. The resulting amount was so insignificant that it is included in Others of Current assets.	*3. ――――
*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. (Thousands of yen) Notes receivable 3,440,455 Non-operating notes receivable 7,603	*4. ――――
5. Overdraft agreements To raise working capital efficiently, the Company has concluded overdraft agreements with three banks. As of the end of the half, the unutilized balances under these agreements were as follows. (Thousands of yen) Overdraft limit 3,000,000 Borrowings outstanding — Difference 3,000,000	5. Overdraft agreements To raise working capital efficiently, the Company has concluded overdraft agreements with three banks. As of the end of the half the unutilized balances under these agreements were as follows. (Thousands of yen) Overdraft limit 3,500,000 Borrowings outstanding — Difference 3,500,000	5. Overdraft agreements To raise working capital efficiently, the Company has concluded overdraft agreements with three banks. As of the end of the fiscal year, the unutilized balances under these agreements were as follows. (Thousands of yen) Overdraft limit 3,500,000 Borrowings outstanding — Difference 3,500,000

Interim Non-Consolidated Statements of Income

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. Main components of non-operating income (Thousands of yen) Discounts on purchases 194,168 Interest income 13,620 Dividend income 48,762	*1. Main components of non-operating income (Thousands of yen) Discounts on purchases 187,320 Interest income 12,577 Dividend income 64,062	*1. Main components of non-operating income (Thousands of yen) Discounts on purchases 201,904 Interest income 25,488 Dividend income 67,622
*2. Main components of extraordinary income (Thousands of yen) Gain on sale of fixed assets 124,941 Gain on investment in anonymous association 29,728 Reversal of allowance for investment losses 195,000	2*. Main components of extraordinary income (Thousands of yen) Gain on investment in anonymous association 37,808 Reversal of allowance for doubtful accounts 94,542	*2. Main components of extraordinary income (Thousands of yen) Gain on sale of buildings and structures 9,323 Gain on sale of land 115,617 Gain on investment in anonymous association 64,081 Reversal of allowance for investment losses 175,000
*3. Main components of extraordinary losses (Thousands of yen) Loss on disposal of fixed assets 68,341 Impairment loss 56,819 Provision to allowance for doubtful accounts 201,900	*3. ――――――	*3. Main components of extraordinary losses (Thousands of yen) Loss on disposal of fixed assets 72,866 Impairment loss 56,819 Provision to allowance for doubtful accounts 471,900
*4. Impairment loss The Fields Group has stated an impairment loss for the asset set out below. Usage: Miscellaneous business Type: Buildings and land Location: Shibuya, Tokyo Amount: ¥56,819 thousand 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.	*4. ――――――	*4. Impairment loss The Fields Group has stated an impairment loss for the asset set out below. Usage: Miscellaneous business Type: Buildings and land Location: Shibuya, Tokyo Amount: ¥56,819 thousand 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.
5. Depreciation charges (Thousands of yen) Tangible fixed assets 199,455 Intangible fixed assets 49,464	5. Depreciation charges (Thousands of yen) Tangible fixed assets 171,291 Intangible fixed assets 67,062	5. Depreciation charges (Thousands of yen) Tangible fixed assets 393,284 Intangible fixed assets 100,048

Interim Non-Consolidated Statements of Shareholders' Equity

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

Matters related to treasury stock:

No relevant items

Leases

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)

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

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

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

(Thousands of yen)

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

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

(2) Future minimum lease payments

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

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

(3) Lease payments and depreciation

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

(4) Calculation method for depreciation

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

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	3,956	439	3,516
Tools, furniture and fixtures	23,406	13,450	9,955
Software	38,757	12,273	26,483
Total	66,119	26,162	39,956

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	¥13,751 thousand
Due after one year	¥26,205 thousand
Total	¥39,956 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	¥6,751 thousand
Depreciation	¥6,751 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
Tools, furniture and fixtures	26,833	14,441	12,391
Software	38,757	8,397	30,359
Total	65,590	22,838	42,751

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

(2) Future minimum lease payments

Due within one year	¥12,527 thousand
Due after one year	¥30,223 thousand
Total	¥42,751 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 fiscal year.

(3) Lease payments and depreciation

Lease payments	¥18,568 thousand
Depreciation	¥18,568 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)

Shares of subsidiaries and affiliates at fair value

(Thousands of yen)

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

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

Shares of subsidiaries and affiliates at fair value

(Thousands of yen)

Category	Carrying value on non-consolidated balance sheets	Fair value	Difference
Shares of subsidiaries	2,670,100	3,696,000	1,025,900

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

Shares of subsidiaries and affiliates at fair value

(Thousands of yen)

Category	Carrying value on non-consolidated balance sheets	Fair value	Difference
Shares of subsidiaries	2,670,100	4,116,000	1,445,900

Per-share Data

Indication of per-share data is omitted because the Interim Non-Consolidated Financial Statements were prepared.

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 were allocated, and for every share of Total Workout Corporation's common stock, 80 shares of Professional Management Co., Ltd.'s common stock were 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%	―――	―――