



SPORTS & ENTERTAINMENT



HOKKAIDO
BALLPARK
F.VILLAGE

2022 NH Foods IR DAY

Hokkaido Nippon-Ham Fighters Ballpark Project



January 2022

Ken Maezawa

Executive Director and Business Operation
General Manager of Fighters Sports &
Entertainment Co., Ltd.

Director of Hokkaido Nippon-Ham Fighters
Baseball Club Co., Ltd.



Career summary

- **Pasona Inc.**
- **J Sakazaki Marketing Ltd.**
 - ✓ Engaged in sports businesses with Mr. Jack Sakazaki, a leading figure in sports marketing. Assigned to the establishment of a professional baseball league in China and marketing for a national team.
- **Hokkaido Nippon-Ham Fighters Baseball Club Co., Ltd.**
 - ✓ Strengthened Fighters' business foundation in Hokkaido and also contributed to the establishment of Pacific League Marketing Corporation, a joint company including the six teams of the Pacific League, and formulation of its business plans.
- **Yokohama DeNA BayStars Baseball Club, Inc.**
 - ✓ Took part in the restructuring of a new corporate organization and business foundation for the BayStars after the team was acquired.
Formulated a scenario for a cooperation system with Yokohama Stadium and organized a partnership with the government.
- **Nippon Professional Baseball Organization**
 - ✓ Developed and implemented business strategies for Samurai Japan, the Japanese national team.
- **Hokkaido Nippon-Ham Fighters Baseball Club Co., Ltd.**

Hitoshi Mitani

Executive Director and Business Operation
Vice General Manager of Fighters Sports &
Entertainment Co., Ltd.

Director of Hokkaido Nippon-Ham Fighters
Baseball Club Co., Ltd.



Career summary

- **Sumitomo Corporation**
 - ✓ Engaged in fund raising and operations, the conclusion of large commitment lines and financial support for investments.
- **ORIX Baseball Club Co., Ltd.**
 - ✓ Reviewed the business foundations, marketing methods and other practices of the ORIX Buffaloes after it merged with the Kintetsu Buffaloes. Mitani was also involved in the purchase of Osaka Dome. Mitani was also involved in the purchase of Osaka Dome.
- **GREE, Inc.**
- **Hokkaido Nippon-Ham Fighters Baseball Club Co., Ltd.**

1. Project Outline
2. Schedule and Progress
3. Progress Versus Target Profit
4. Creation of Social Value



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1. Project Outline

Fuse sports into Hokkaido and develop the towns anew

This project represents a huge step forward from “making a new ballpark” to **developing the towns anew** based on **a model combining the “value of sports” with the “value of Hokkaido.”**

Mix our baseball business with non-baseball businesses.

In an aging society with a declining birthrate, we **position baseball as a form of entertainment instead of going with the conventional idea of increasing the population of athletes to boost the growth of baseball and sports circles.** With that in mind, we will **build an area that will attract even people who are less interested in baseball** to make them Fighters’ fans.

An area where a wide variety of people gather through co-creation with partners

The concept of the project is **“space for collaborative creation.”** This is more than just involving NH Foods and Fighters in town development. **A broad array of business operators from public, private and academic sectors will join as partners to engage in the development with us.**

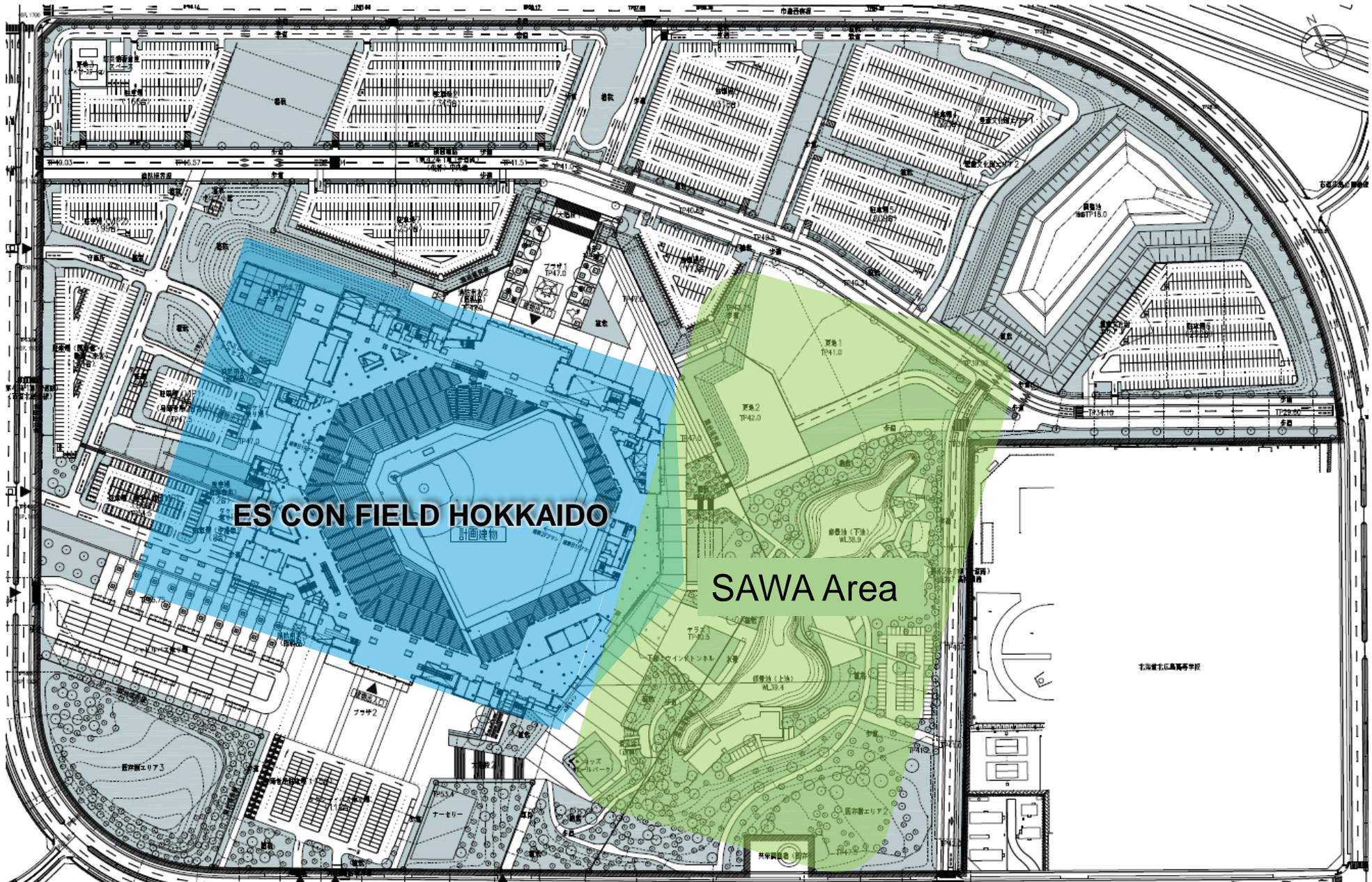
Platform business with a ballpark functioning as the core

In the ballpark, NH Foods and Fighters are positioned as **project leaders and platform providers.** We will **develop a platform** to connect the people having fun at the ballpark with our partners offering products and services, **and will engage in town development and create innovation through co-creation and collaboration among the partners.**



We will leverage the natural resources of Hokkaido, an area where a wide variety of people can gather, irrespective of whether they are interested in baseball or not. In this way, we will enter the global market of 7.7 billion people.

1. Project Outline



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2. Schedule and Progress

Outside the ballpark: Bird's-eye (1)

Outside the ballpark: Bird's-eye (2)

The rate of progression was 60% as of the end of December 2021.

Inside the ballpark: Bird's-eye (1)

Inside the ballpark: Bird's-eye (2)

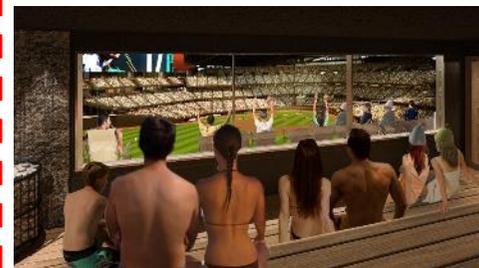
Inside the ballpark: Bird's-eye (3)

2. Schedule and Progress - 2021 in Review -

- In 2021, we focused on publicity activities by issuing releases to develop and convey the secure and peaceful atmosphere of the area and the ballpark.
- From the spring of 2022, we will actively issue revenue-related releases and run pure advertisements.

-2021-

- (1) April 27: ES CON FIELD HOKKAIDO is [selected as the stadium/arena to serve as the hub for interaction, attracting people from different generations](#) as defined by Japan Sports Agency and the Ministry of Economy, Trade and Industry
- (2) June 29: The Fighters announce their commitment to SDGs
- (3) August 7: The Fighters establish PLAY HUMAN, an area vision
- (4) August 17: [The Fighters forms a tie-up with BørneLund in the kids area business](#)
- (5) August 17: [A residence project with ES-CON JAPAN is announced](#)
- (6) August 30: [The Fighters conclude an agreement with TOKYU COMMUNITY CORP. on the supervisory management of facilities](#)
- (7) September 7: VR-based experience of a new ballpark is introduced for one month
- (8) September 12: A Lego-brick exhibition of the new ballpark on a 1/350 scale and an experience event are held for one month
- (9) October 8: [THE BRICK goes on sale](#) to engrave persons' names on the new ballpark's bricks
- (10) October 9: The Fighters [sign a trilateral partnership agreement with Kubota and Hokkaido University](#) in a farm business
- (11) November 22: It is decided that [the new ballpark will host](#) the North and South Hokkaido preliminaries for the 2023 summer national championship of high school baseball
- (12) November 30: Online tour of the construction site is held
- (13) December 1: The Fighters start accepting applications for HOKKAIDO BALLPARK ART PRIZE 2023
- (14) December 5: Players who join the Fighters in 2022 visit the construction site
- (15) December 21: [The first announcement of TOWER11 outline](#) is made. It is about the accommodation and spa facilities



2. Schedule and Progress - 2021 in Review -

History and Topics

April 2015	An in-house project is set up
May 2016	An article on the plan for constructing a new ballpark appears on the media
June 2016	Kitahiroshima City expresses its intention to attract a ballpark
January 2017	Working-level talks with municipal governments of Kitahiroshima and Sapporo Cities start
June 2017	The vision of the Fighters is announced in a perspective drawing
March 2018	Kitahiroshima Sports Park is informally decided as the site of the new ballpark *Official decision is made in October 2018
November 2018	The Fighters announce a basic plan for the new ballpark *Governments of Hokkaido and Kitahiroshima City and Fighters conclude a partnership agreement
October 2019	Fighters Sports & Entertainment Co., Ltd. (FSE), a company to own and operate the new ballpark, is established
January 2020	The new ballpark is named ES CON FIELD HOKKAIDO The ballpark area is named HOKKAIDO BALLPARK F VILLAGE
May 2020	Construction of F VILLAGE and ES CON FIELD HOKKAIDO starts
	Future
2022	Partner-related decisions, areas and functions to be announced Annual seats and tickets to go on sale
December 2022	Construction of the new ballpark to be completed
March 2023	F VILLAGE will open and the Fighters' first match for the season will take place at ES CON FIELD HOKKAIDO

The baseball club division is separated and FSE, a new company for owning and operating the new ballpark, is established by receiving funds totaling 24 billion yen from NH Foods, the Fighters, Dentsu and MINTO*.

A naming rights agreement is concluded with ES-CON JAPAN at the highest price in Japan three years before the new ballpark's opening.

Creation of agreement-related, perspective drawings is underway.

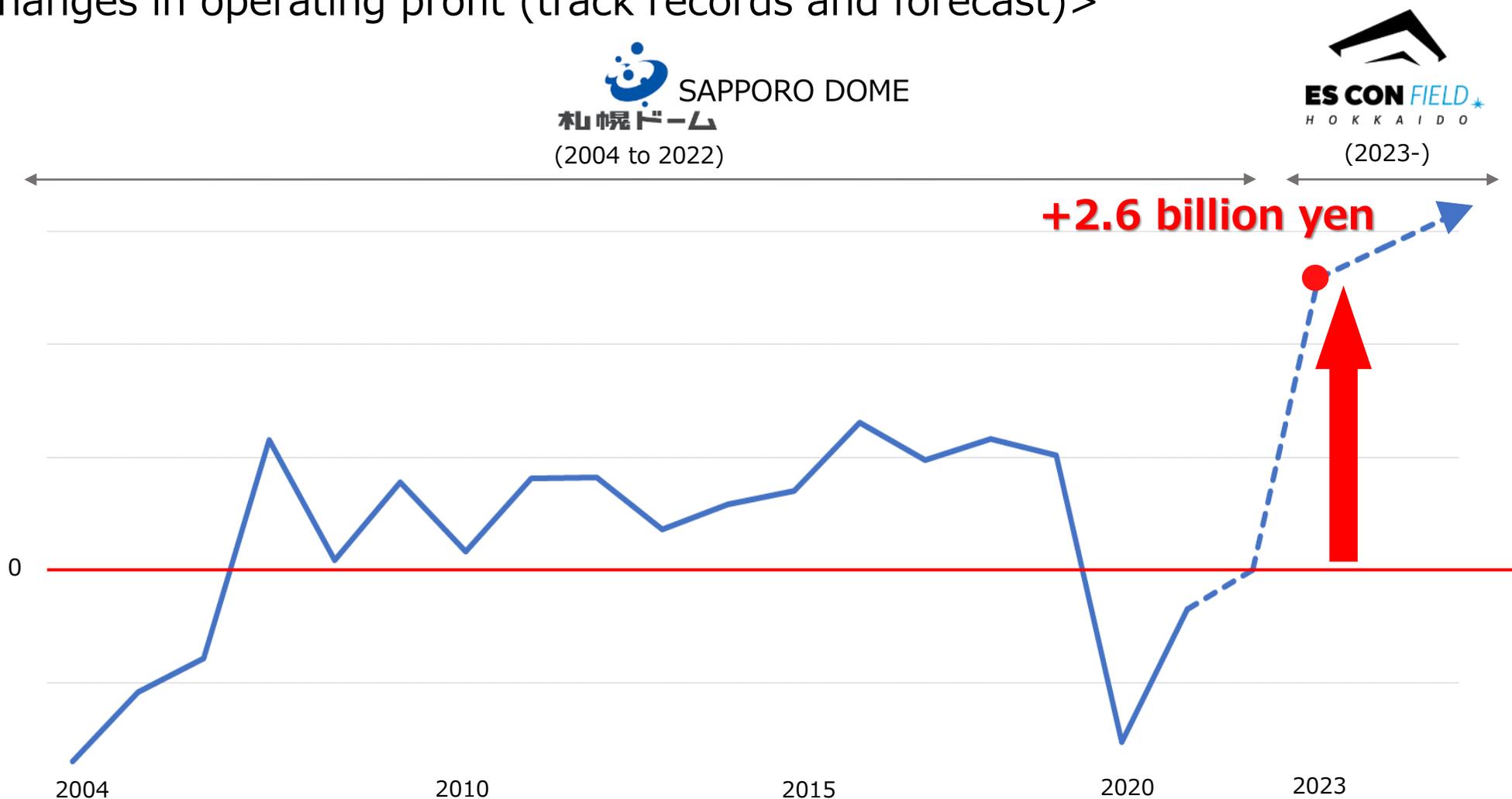
*MINTO is an urban development foundation.

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3. Profit and Loss

<Changes in operating profit (track records and forecast)>



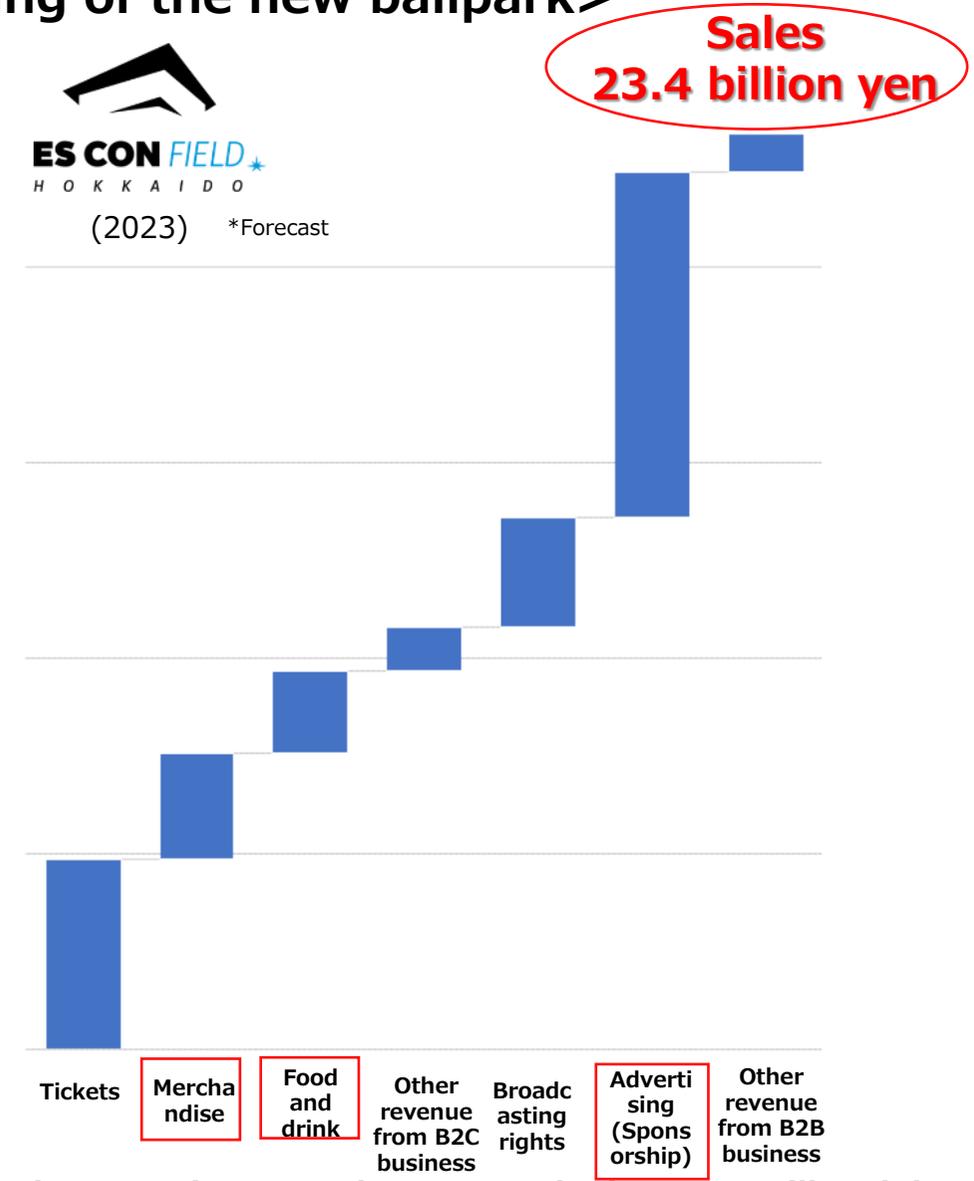
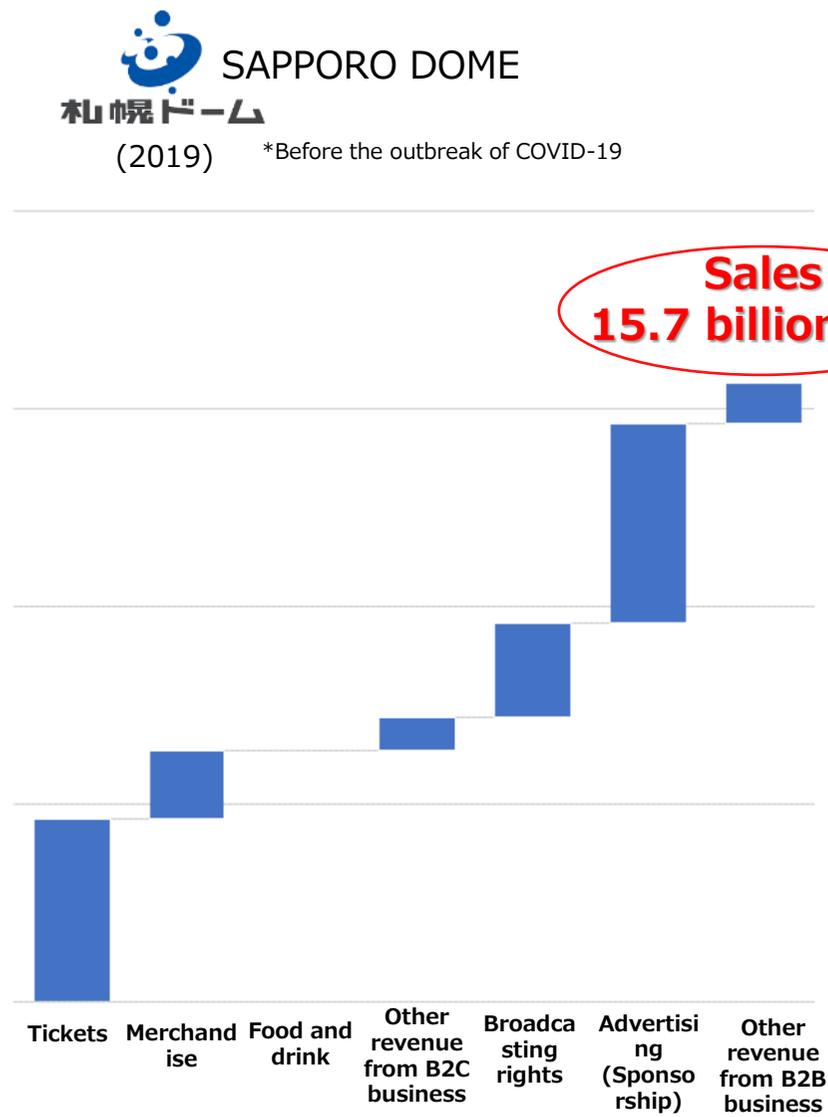
- Fighters has used Sapporo Dome as its home stadium since 2004. Operating profit for the period between 2004 and 2022 ranges between a deficit of 1.7 billion yen and a surplus of 1.3 billion yen.
- The business environment will begin to change in 2023 and we will enter a higher stage in pursuit of greater revenue and profits.

[Note 1] For 2021 and after, the above operating profit (on a management accounting basis) is calculated on the basis of consolidation between Hokkaido Nippon-Ham Fighters Baseball Club Co., Ltd. and Fighters Sports & Entertainment Co., Ltd. For both companies, an accounting period lasts from January to December.

[Note 2] Operating profit includes advertising revenue from NH Foods Ltd. and does not include the posting money that accrued in 2012 and in 2017.

3. Profit and Loss

<Sales breakdown before and after the opening of the new ballpark>



- A 7.7 billion yen increase in sales is expected from 2023 as the business environment improves. The increase will mainly come from merchandise, food and drink and advertising (sponsorship).
- Sales from advertising (sponsorship) will increase by about 1.8 times. Sales activities have been under way from last year and agreements already concluded account for around 60% of the predicted figure.

3. Profit and Loss

<Examples of advertising (sponsorship) items>

(1) Naming rights

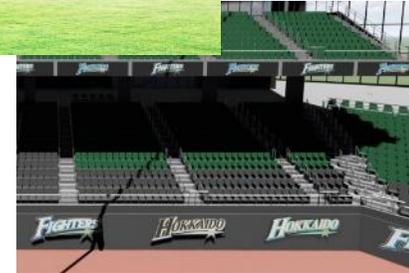


- The ballpark's naming rights were sold to ES-CON JAPAN.
- Gate naming rights, zone naming rights and other so-called facility naming rights have partly been sold out. (To be announced later)
- The agreement is basically valid for five years or longer (an agreement for the ballpark's naming rights lasts longer than ten years) so that the name becomes familiar to people.

(2) Ballpark's signboards



- To date, advertising revenue from within the ballpark has solely belonged to Sapporo Dome. Advertising revenue from the new ballpark will belong to the Fighters. Advertising will be made more effective and efficient with the use of LED and by being linked with TV camerawork.



- With three-layer structure, the new ballpark will have larger space for advertising, another factor for expecting an increase in revenue.

(3) Activation



- A function of showcasing new products and services will be offered at the ballpark. Sponsor companies will use the ballpark to conduct demonstration tests of new technologies and market research on new products and services.
- Product samples will be handed out to visitors and events and campaigns will be held in collaboration between the Fighters and business enterprises.



(4) Baseball team related



- Advertisements will be placed on the caps, uniforms, helmets and other pieces of gear worn by the Fighters' manager, coaches and players.
- NPB has rules on the spaces and sizes of such advertisements.
- An advertisement is priced within a range between tens of millions of yen and greater than 100 million yen annually.

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4. Creation of Social Value: Contribution to SDGs

Make the ballpark a space to symbolize Hokkaido.



HOKKAIDO BALLPARK F VILLAGE pursues **sustainable town development** through **partnership** among the industries, governments and academic institutions that support the aim of the project. We will stay focused on activities to provide many different options to **“children”** who will lead the local community in the future and to contribute to their growth.



F VILLAGE focuses on "children" by:

- offering elementary school children and younger children free admission to ES CON FIELD;
- making areas available for children to safely play within and outside the ballpark and developing a child development program;
- offering opportunities for learning about the community's issues and experiencing jobs; and
- supporting food education, among others.



F VILLAGE pursues "sustainable town development" by:

- developing spaces and communities for people from all generations, from children to grown-ups, to gather and interact with one another;
- providing a sustainable transportation system for all people to use safely and easily (e.g. use of EVs as shuttle buses); and
- functioning as a hub for disaster control in the event of contingencies and as the community's wide-area evacuation area, among other roles.



F VILLAGE promotes "partnership" by:

- facilitating resolution of issues through session meetings of the **All Hokkaido Ballpark Council** that are organized by subject and joined by government agencies, neighboring local governments, companies and academic experts; and
- facilitating partnership and collaboration irrespective of barriers among industrial, public and academic sectors in pursuit of creation of versatile value, among others.

4. Creation of Social Value: Mobility

As an enterprise based in the naturally enriched land of Hokkaido, HOKKAIDO BALLPARK F VILLAGE is committed to the shift to electric vehicles (EV) in the mobility domain with an aim to lessen impact on the nature.

Use only electric buses to pick up and drop off ballpark visitors

The shuttle buses traveling between F VILLAGE and the nearest station, Kitahiroshima, every day will be mainly electric powered.



*Arrangements are under way with the alliance partner.

The number of buses will be gradually increased after the ballpark opens.

Replace the company-owned, fossil fuel-powered vehicles with EVs (with the utilization of car sharing)

In alliance with a car sharing company, we will shift the current company cars to vehicles compatible with clean energy by the time the ballpark opens in 2023.



Use only EVs for in-facility work

As the ground-floor area of F VILLAGE will be large at 32 hectares, many vehicles will be used irrespective of whether they are designed for operation within the ballpark. Either way, priority is given to vehicles compatible with clean energy.



*This does not apply to certain vehicles that are not electric powered.

4. Creation of Social Value: Consideration for Environment and Society

The new ballpark, ES CON FIELD HOKKAIDO, acquired five stars under the DBJ Green Building certification in February 2021.

Besides social value such as sustainable growth, successful town development and the provision of an evacuation space in the event of disaster, our efforts to reduce the environmental impact through energy and resource saving have been highly regarded and led the new ballpark to win five star certification.





Let's create a ballpark
that celebrates players
and fans alike.

A place that brings people together through shared experience. A place that transcends sport and embraces all aspects of community life with excitement, energy and wellness in a safe and friendly environment the likes of which the world has never seen. Together we can create a ballpark that will introduce a new chapter in sport.

Planned inauguration in 2023, the Hokkaido Ballpark Project begins.

F HOKKAIDO
BALLPARK
F.VILLAGE