SEGA SAMMY GROUP

FY Ended March 2015
Full Year Results Presentation

SEGA SAMMY HOLDINGS

May 12th, 2015
SEGA SAMMY HOLDINGS INC.

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SEGA SAMMY GROUP

FY Ended March 2015 Full Year Results

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Consolidated Income Statements (Summary)

(JPY Billion)	FY Ended March 2014		FY Ended March 2015				
	Results Through 2Q	Full Year Results	Results Through 2Q	YoY Change	Revised Full Year Forecasts (announced on Feb 12)	Full Year Results	YoY Change
Net Sales	**162.2**	**378.0**	**154.2**	**-5%**	**352.5**	**354.9**	**-6%**
Pachislot and Pachinko Machines	71.2	181.8	60.6	-15%	149.0	149.1	-18%
Amusement Machine Sales	18.0	38.6	18.0	-	39.0	39.6	+3%
Amusement Center Operations	21.9	43.2	20.8	-5%	41.0	41.4	-4%
Consumer Business	43.8	99.8	48.2	+10%	110.0	111.0	+11%
Other	7.1	14.5	6.4	-10%	13.5	13.6	-6%
Operating Income	**12.3**	**38.5**	**3.4**	**-72%**	**16.0**	**17.6**	**-54%**
Pachislot and Pachinko Machines	15.1	45.2	7.3	-52%	25.0	25.7	-43%
Amusement Machine Sales	-0.0	-1.2	0.1	-	-1.6	-2.5	-
Amusement Center Operations	0.2	0.0	-0.2	-	-0.8	-0.9	-
Consumer Business	1.1	2.0	0.9	-18%	2.7	4.0	+100%
Other	-0.4	-1.2	-1.0	-	-2.6	-2.0	-
Eliminations	-3.6	-6.4	-3.7	-	-6.7	-6.5	-
Operating Income Margin	7.6%	10.2%	2.2%	-5.4pt	4.5%	5.0%	-5.2pt
Ordinary Income	**14.2**	**40.5**	**3.3**	**-77%**	**15.0**	**16.9**	**-58%**
Extraordinary Gain	3.8	15.7	0.3	-	1.0	1.0	-
Extraordinary Loss	0.6	8.7	3.5	-	15.0	15.9	-
Income before income taxes and minority interests	**17.4**	**47.5**	**0.0**	**-**	**1.0**	**2.0**	**-96%**
Net Income	**11.3**	**30.7**	**-2.0**	**-**	**-13.0**	**-11.2**	**-**
Dividends per share (JPY)	**20**	**40**	**20**	**-**	**40**	**40**	**-**
Earnings per share (JPY)	**46.76**	**126.42**	**-8.52**	**-**	**-53.25**	**-46.22**	**-**
Net Assets per share (JPY)	**1,401.90**	**1,409.27**	**1,387.64**	**-**	**-**	**1,337.46**	**-**

Net Sales / Profits Other		・Sales and profits decreased year-on year mainly due to the decrease in the unit sales of pachislot machines caused by the decreased number of newly released titles ・Recorded net loss due to recording of extraordinary loss including the structure reform related cost etc.
Segment breakdown	**Pachislot and Pachinko Machines**	・Sales and profits year-on-year decreased due to the decrease in the unit sales of pachislot machines caused by the decreased number of newly released titles ・Pachinko unit sales increased year-on-year, as sales remained solid centering on the mainstay title "CR Hokuto No Ken 6 series"
	Amusement Machine Sales	・Loss increased year-on-year due to sluggish sales of new titles, etc.
	Amusement Center Operations	・Recorded loss due to the impact of the consumption tax hike although same-store sales remained solid
	Consumer Business	・Sales and profits increased year-on-year due to expansion of earnings in the digital game field although the packaged game field and toy sales business remained weak
	Other	・Preliminary expenses in the casino related business such as casino machines development continued to be incurred

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Major Business Measures

■ Announced various measures of structure reform

*Please refer Page 23, review of group structure reform

(announced on June 11, 2014)

■ Issuance of Straight Corporate Bonds

<SEGA SAMMY HOLDINGS INC. Third Unsecured Straight Bond (with inter-bond pari passu clause)>

Total value of bond	10 billion yen
Interest rate	0.519%
Term	5 years
Maturity date	June 17, 2019

(announced on August 1, 2014)

■ Medium-Term Investment Plan by PHOENIX RESORT CO.,LTD.

Major Purpose	Implement selective and concentrated investments in an aim to further improve attractiveness, facility utilization rate and profit ratio of Phoenix Seagaia Resort operated by PHOENIX RESORT CO.,LTD.
Major Target	① Renovation of all guest rooms of Sheraton Grande Ocean Resort and Seagaia Convention Center ② Cease consideration on usage and utilization of Ocean Dome and termination of the operation of Sun Hotel Phoenix

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Major Business Measures

(announced on November 21, 2014)

■ Construction Start on PARADISE CITY

<PARADISE CITY: Facility Overview>

Facility name	PARADISE CITY
Operating company	PARADISE SEGASAMMY Co.,Ltd.
Facility address	IBC-1 2nd Phase District, Woonseo-dong, Jung-gu, Incheon, Republic of Korea
Site area	330,000㎡
Investment amount	Approx. 1,300 billion KRW (amount invested by Sega Sammy: 142.9 billion KRW; shareholding ratio: 45%)
Facility composition	・Casino (table games: 160 units, electronic table games: 388 units, slot machines: 350 units) ・Hotel (711 rooms; additional facilities: restaurant, banquet hall, indoor and outdoor pools, etc.) ・Commercial facility, cultural center ・Upscale spa (hot bath facility) ・Boutique hotel (103 rooms; additional facilities: fitness center)
Opening	Scheduled for First half of 2017

(announced on February 12, 2015)

■ Acquisition of Treasury Stocks

<Overview of Acquisition of Treasury Stocks>

Total number of shares to be acquired	10,000,000 shares (upper limit)
Total acquisition costs	20 billion yen (upper limit)
Acquisition period	From February 18, 2015 through May 29, 2015

* Acquisition was completed on April 16, 2015

(Reference) Number of treasury stocks held as of March 31, 2015

Total number of issued and outstanding shares	237,427,687 shares (excluding treasury stocks)
Total number of treasury stocks	28,801,789 shares

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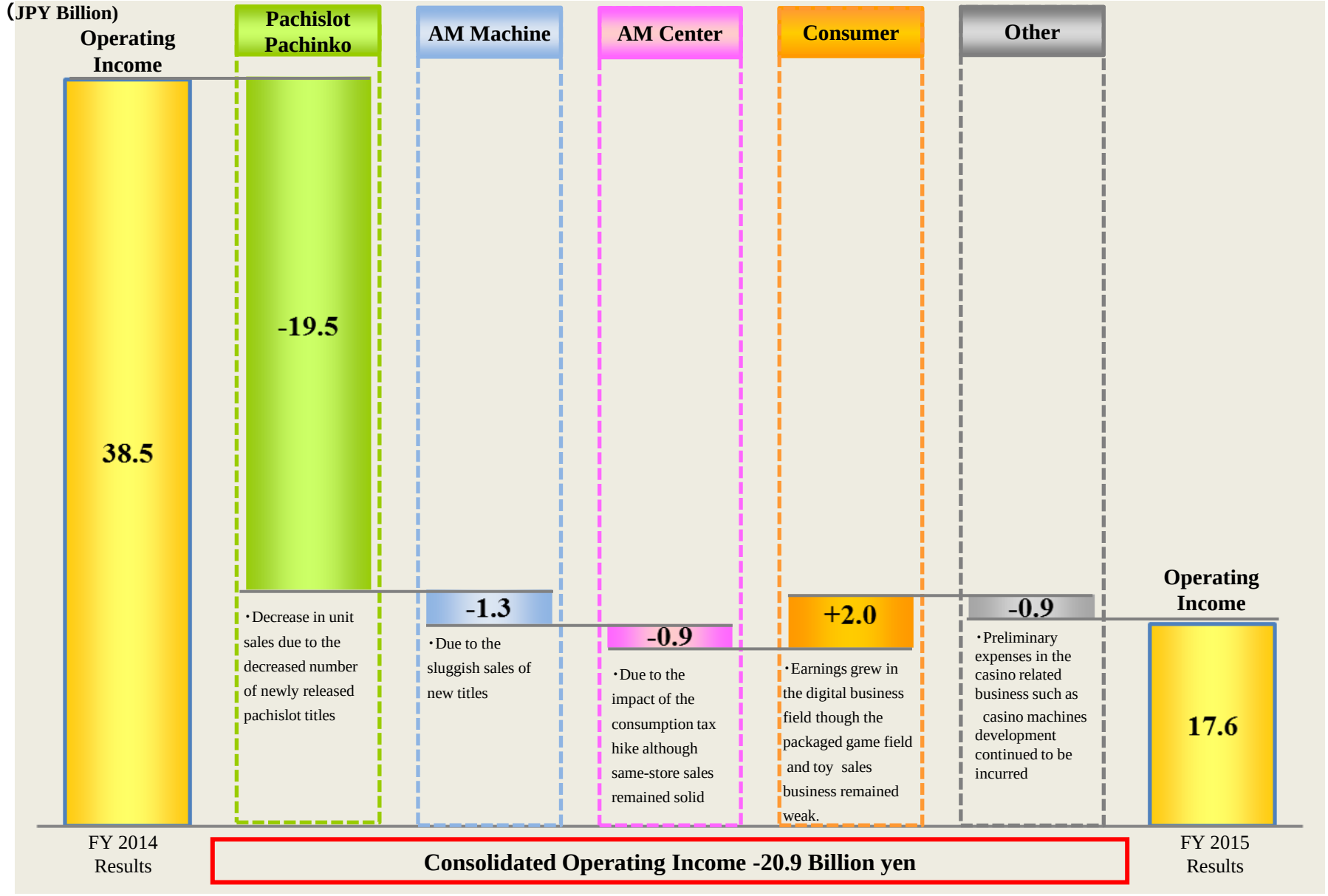
Operating Income

– Primary Factors Behind Fluctuations (Major Causes)



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Costs and Expenses Results

(JPY Billion)	FY Ended March 2014		FY Ended March 2015				
	Results Through 2Q	Full Year Results	Results Through 2Q	YoY Change	Revised Full Year Forecasts (announced on Feb 12)	Full Year Results	YoY Change
R&D Expense / Content Production Expense	**25.1**	**59.2**	**28.4**	**+13%**	**64.0**	**67.6**	**+14%**
Pachislot and Pachinko Machines	9.7	19.5	10.5	+8%	21.9	22.3	+14%
Amusement Machine Sales	4.0	8.9	3.9	-3%	9.0	11.2	+26%
Amusement Center Operations	0.0	0.1	0.1	-	0.1	0.1	-
Consumer Business	11.3	30.1	13.7	+21%	32.2	33.4	+11%
Other, eliminations etc.	0.1	0.6	0.2	+100%	0.8	0.6	-
Cap-ex	**22.6**	**38.1**	**14.7**	**-35%**	**28.7**	**28.7**	**-25%**
Pachislot and Pachinko Machines	2.5	7.9	4.0	+60%	7.1	6.7	-15%
Amusement Machine Sales	0.3	2.0	2.4	+700%	4.8	3.5	+75%
Amusement Center Operations	4.1	7.7	3.1	-24%	6.5	6.5	-16%
Consumer Business	4.3	8.3	4.2	-2%	8.7	10.1	+22%
Other, eliminations etc.	11.4	12.2	1.0	-91%	1.6	1.9	-84%
Depreciation	**7.5**	**16.1**	**8.1**	**+8%**	**17.5**	**17.6**	**+9%**
Pachislot and Pachinko Machines	2.8	5.8	2.9	+4%	6.2	6.3	+9%
Amusement Machine Sales	0.8	1.9	0.8	-	2.1	1.9	-
Amusement Center Operations	2.1	4.7	2.5	+19%	5.4	5.2	+11%
Consumer Business	1.2	2.6	1.2	-	2.7	2.9	+12%
Other, eliminations etc.	0.6	1.1	0.7	+17%	1.1	1.3	+18%
Advertising	**7.6**	**16.0**	**10.0**	**+32%**	**20.0**	**19.1**	**+19%**
Pachislot and Pachinko Machines	1.4	2.8	1.2	-14%	2.3	2.1	-25%
Amusement Machine Sales	0.6	1.4	0.8	+33%	2.1	2.0	+43%
Amusement Center Operations	0.7	1.2	0.7	-	1.5	1.2	-
Consumer Business	3.6	8.6	5.6	+56%	12.1	11.5	+34%
Other, eliminations etc.	1.3	2.0	1.7	+31%	2.0	2.3	+15%

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Consolidated Balance Sheet (Summary)

(JPY billion)	【 Assets 】			【 Liabilities and Net Assets 】			
Account	As of end of March 2014	As of end of March 2015	Change	Account	As of end of March 2014	As of end of March 2015	Change
Cash and Deposits	101.2	102.2	+1.0	Accounts Payable	37.2	26.9	-10.3
Accounts Receivable	48.1	39.2	-8.9	Corporate Bonds	1.7	1.6	-0.1
Securities	107.7	97.2	-10.5	Short Term Borrowings	12.9	13.8	+0.9
Inventories	35.9	28.7	-7.2	Other	39.2	44.4	+5.2
Other	25.5	30.9	+5.4	**Total Current Liabilities**	91.0	86.7	-4.3
Total Current Assets	318.4	298.2	-20.2	Corporate Bonds	37.8	56.2	+18.4
Tangible Fixed Assets	102.1	100.2	-1.9	Long Term Debt	35.1	32.9	-2.2
Intangible Fixed Assets	31.7	29.0	-2.7	Other	30.6	30.3	-0.3
Investment Securities	60.8	70.0	+9.2	**Total Noncurrent Liabilities**	103.5	119.4	15.9
Other	29.8	31.4	+1.6	**Total Liabilities**	194.6	206.2	11.6
				Shareholders Equity	330.9	298.8	-32.1
				Total accumulated other comprehensive income	12.3	18.7	+6.4
				Warrants	1.0	0.8	-0.2
				Minority Interest	3.8	4.2	+0.4
Total Noncurrent Assets	224.4	230.6	+6.2	**Total Net Assets**	348.2	322.6	-25.6
Total Assets	542.9	528.8	-14.1	**Total Liabilities and Net Assets**	542.9	528.8	-14.1

Summary of FY Ended March 2015 Results

■ Current Assets: Down 20.2 billion yen as accounts receivable and securities (short-term fund management) decreased

■ Noncurrent Assets: Up 6.2 billion yen primarily due to the increase in investment securities

■ Noncurrent Liabilities: Up 15.9 billion yen primarily due to the issuance of corporate bonds

・Total Assets：528.8 billion yen decreased by 14.1billion yen

■ Equity ratio： 60.0%　(-3.2pt)　■ Current ratio： 343.9%　(-5.8pt)

(JPY billion)	As of end of March 2014	As of end of March 2015	Change
Total Assets	542.9	528.8	-14.1
Net Assets	348.2	322.6	-25.6
Equity ratio	63.2%	60.0%	-3.2pt
Current ratio	349.7%	343.9%	-5.8pt

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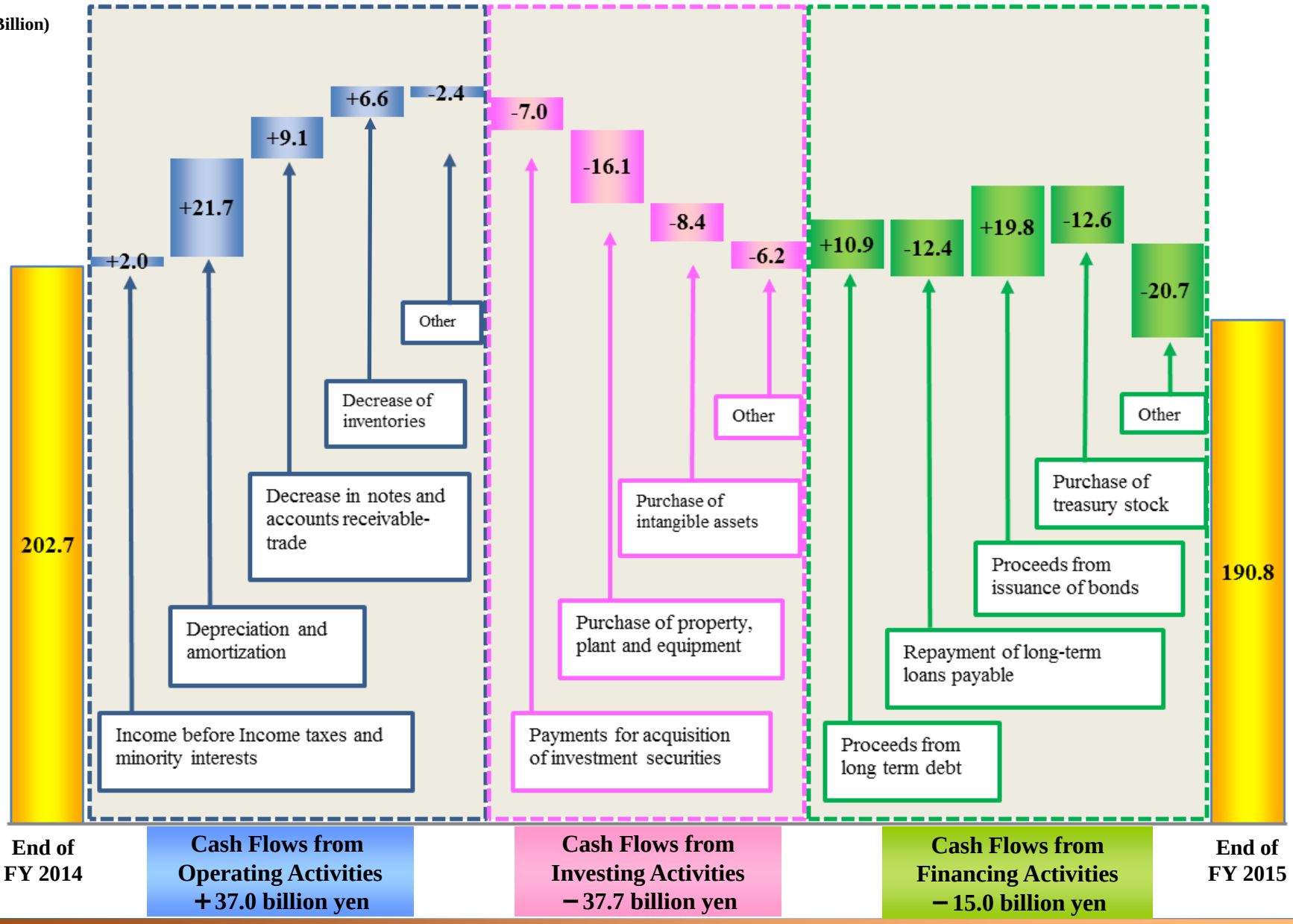
Consolidated Cash Flows



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Segment Results: Pachislot and Pachinko Machines

(JPY Billion)	FY Ended March 2014		FY Ended March 2015				
	Results Through 2Q	Full Year Results	Results Through 2Q	YoY Change	Revised Full Year Forecasts (announced on Feb 12)	Full Year Results	YoY Change
Net Sales	**71.2**	**181.8**	**60.6**	**-15%**	**149.0**	**149.1**	**-18%**
Pachislot	52.2	112.7	34.6	-34%	73.7	74.0	-34%
Pachinko	16.9	63.5	25.3	+50%	74.0	73.9	+16%
Other	2.1	5.6	0.7	-67%	1.3	1.2	-79%
Operating Income	**15.1**	**45.2**	**7.3**	**-52%**	**25.0**	**25.7**	**-43%**
Operating Income Margin	21.2%	24.9%	12.0%	-9.2pt	16.8%	17.2%	-7.7pt
Unit Sales (Pachislot)	**143,171**	**301,575**	**92,998**	**-35%**	**207,000**	**207,828**	**-31%**
Unit Sales (Pachinko)	**54,955**	**200,225**	**86,453**	**+57%**	**242,000**	**242,847**	**+21%**

Summary results of FY Ended March 2015

Overall

- Sales and profits decreased year-on-year

Pachislot

- Unit sales decreased year-on-year due to the decrease in the number of released Pachislot new titles in line with the change in the operation of prototype testing method, although mainstay titles **"Pachislot SOUTEN-NO-KEN 2"** and **"Pachislot ALADDINA Ⅱ"** were released
- Main titles launched

  ⇒ Sammy **"Pachislot SOUTEN-NO-KEN 2,"** Sammy **"Pachislot ALADDINA Ⅱ,"**
  RODEO **"Salaryman Kintaro,"** TAIYO ELEC **"Pachislot Virtua Fighter"** etc.

Pachinko

- Unit sales increased year-on-year due to strong sales of mainstay titles such as **"CR Hokuto No Ken 6 series"** and **"Pachinko CR Bakemonogatari"**
- Main titles launched

  ⇒ Sammy **"CR Hokuto No Ken 6 series"**, Sammy **"Pachinko CR Bakemonogatari,"**
  Sammy **"Dejihane CR Hokuto No Ken 5 Jibo,"** TAIYO ELEC **"CR BLACK LAGOON 2,"** etc.

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Segment Results: Pachislot

Shipment Data: Pachislot

* Number of titles reflects products which begin sales in the period

Pachislot	FY Ended March 2014		FY Ended March 2015		
	Results Through 2Q	Full Year Results	Results Through 2Q	Revised Full Year Forecasts (announced on Feb 12)	Full Year Results
Sammy	1 title	5 titles	2 titles	3 titles	3 titles
	114,453 units	264,365 units	83,468 units	155,000 units	155,693 units
RODEO	0 title	0 title	-	1 title	1 title
	893 units	893 units	-	42,000 units	42,566 units
TAIYO ELEC	1 title	2 titles	2 titles	2 titles	2 titles
	2,375 units	6,445 units	9,530 units	10,000 units	9,569 units
GINZA	1 title	2 titles	-	-	-
	25,450 units	29,872 units	-	-	-
Total	3 titles	9 titles	4 titles	6 titles	6 titles
	143,171 units	301,575 units	92,998 units	207,000 units	207,828 units

Major Titles (Results) / Pachislot

Brand	Title	Total Sales	Installed From
Sammy	Pachislot SOUTEN-NO-KEN 2	76,797 units	June
Sammy	Pachislot ALADDINA Ⅱ	72,225 units	February
Rodeo	Salaryman Kintaro	42,566 units	January
TAIYO ELEC	Pachislot Virtua Fighter	7,891 units	August
Sammy	Pachislot Lost Island	4,544 units	May



"Pachislot SOUTEN-NO-KEN 2"（Sammy）

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Salaryman Kintaro（Rodeo）

©HIROSHI MOTOMIYA / SHUEISHA / FIELDS ©Sammy ©RODEO

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Segment Results: Pachinko

Shipment Data: Pachinko

* Number of titles reflects products which begin sales in the periodc

Pachinko	FY Ended March 2014		FY Ended March 2015		
	Results Through 2Q	Full Year Results	Results Through 2Q	Revised Full Year Forecasts (announced on Feb 12)	Full Year Results
Sammy	2 titles	7 titles	6 titles	9 titles	9 titles
	27,405 units	160,688 units	62,938 units	205,000 units	206,704 units
TAIYO ELEC	2 titles	3 titles	3 titles	5 titles	5 titles
	27,550 units	39,537 units	23,515 units	37,000 units	36,143 units
Total	4 titles	10 titles	9 titles	14 titles	14 titles
	54,955 units	200,225 units	86,453 units	242,000 units	242,847 units
Board + Frame	35,151 units	103,819 units	24,320 units	69,000 units	65,880 units
Board	19,804 units	96,406 units	62,133 units	173,000 units	176,967 units





"CR Hokuto No Ken 6 Ken-ou"(Sammy)

©Buronson&Tetsuo Hara/NSP1983 ©NSP2007 ,Approved No.YDA-108 ©Sammy

Major Titles (Results)/ Pachinko

Brand	Title	Total Sales	Installed From
Sammy	CR Hokuto No Ken 6 series	133,114 units	November
Sammy	Pachinko CR Bakemonogatari	32,543 units	June
TAIYO ELEC	CR BLACK LAGOON 2 series	15,102 units	June
Sammy	Dejihane CR Hokuto No Ken 5 Jibo	14,583 units	September
Sammy	CR HAKUSHON DAIMAO series	10,010 units	March





"CR BLACK LAGOON 2"（TAIYO ELEC）

©2006,2010 REI HIROE· SHOGAKUKAN / BLACK LAGOON PROJECT
©TAIYO ELEC

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Segment Results: Amusement Machine Sales

(JPY Billion)	FY Ended March 2014		FY Ended March 2015				
	Results Through 2Q	Full Year Results	Results Through 2Q	YoY Change	Revised Full Year Forecasts (announced on Feb 12)	Full Year Results	YoY Change
Net Sales	**18.0**	**38.6**	**18.0**	**-**	**39.0**	**39.6**	**+3%**
Domestic	15.5	32.6	14.9	-4%	-	31.7	-3%
Overseas	2.5	6.0	3.1	+24%	-	7.9	+32%
Operating Income	**-0.0**	**-1.2**	**0.1**	**-**	**-1.6**	**-2.5**	**-**
Operating Income Margin	-	-	0.6%	-	-	-	-

Summary results of FY Ended March 2015

- Loss increased year-on-year due to sluggish sales of new titles
- Launched CVT kits for mainstay titles

  ⇒ **"WORLD CLUB Champion Football," "StarHorse3 Season Ⅲ CHASE THE WIND,"** etc.
- Posted distribution of earnings from revenue sharing model

  (Mainstay titles under revenue sharing models)

  ⇒ **"BORDER BREAK Series", "SEGA NETWORK MAHJONG MJ5 EVOLUTION," "CODE OF JOKER,"** etc.
- In order to win a broad range of users, launched titles that can meet diverse users' needs

  ⇒ **"Wonderland Wars"** etc.

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Segment Results: Amusement Machine Sales

Major Titles (Results)

Title	Game Type	Sales
WORLD CLUB Champion Football Series	Trading Card Game	2.7 billion yen
StarHorse3 Series	Medal Game	1.8 billion yen
SENGOKU-TAISEN	Trading Card Game	1.3 billion yen
BORDER BREAK Series	Video Game	1.2 billion yen
Wonderland Wars	Video Game	1.2 billion yen

*Sales figures include sales of expendable such as cards and distribution of earnings of revenue sharing titles.



"WORLD CLUB Champion Football Series"

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The game is made by Sega in association with Panini.
©2009 JFA



"Wonderland Wars"

ⓒSEGA

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Segment Results: Amusement Center Operations

(JPY Billion)		FY Ended March 2014		FY Ended March 2015				
		Results Through 2Q	Full Year Results	Results Through 2Q	YoY Change	Revised Full Year Forecasts (announced on Feb 12)	Full Year Results	YoY Change
Net Sales		**21.9**	**43.2**	**20.8**	**-5%**	**41.0**	**41.4**	**-4%**
Operating Income		**0.2**	**0.0**	**-0.2**	**-**	**-0.8**	**-0.9**	**-**
	Operating Income Margin	0.9%	-	-	-	-	-	-
Same Store Sales Comparisons		**95.0%**	**96.1%**	**98.7%**	**-**	**99.1%**	**100.1%**	**-**
Domestic Facilities	Opened	3 facilities	5 facilities	3 facilities	-	5 facilities	6 facilities	-
	Closed	3 facilities	9 facilities	3 facilities	-	4 facilities	6 facilities	-
	Total	**202 facilities**	**198 facilities**	**198 facilities**	**-**	**199 facilities**	**198 facilities**	**-**
Overseas Facilities		**2 facilities**	**2 facilities**	**2 facilities**	**-**	**2 facilities**	**2 facilities**	**-**

Full-Year Results

- Sales decreased and loss recorded year-on-year due to the impact of the consumption tax hike although same-store sales remained solid
- Domestic same store sales year-on-year comparison: Full year result 100.1% (January: 97.8%, February: 104.1%, March: 98.5%)
- Domestic facilities: End of the fiscal year: 198 facilities (Opening of 6 facilities and closing of 6 facilities)

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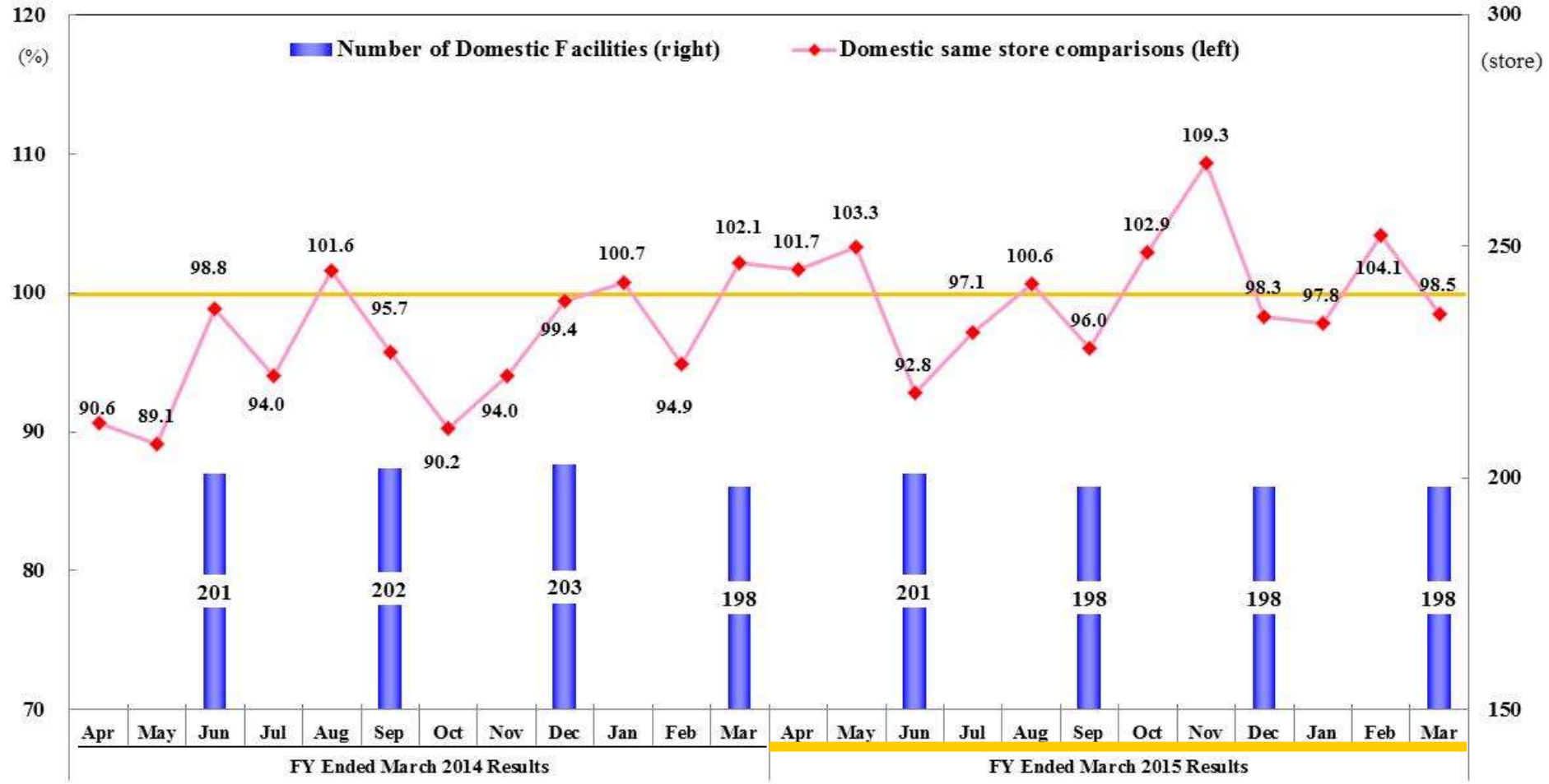
Segment Results : Amusement Center Operations

Domestic Facilities Same Store Sales Comps / Domestic Facilities Number Transition



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Segment Results: Consumer Business

(JPY Billion)	FY Ended March 2014		FY Ended March 2015				
	Results Through 2Q	Full Year Results	Results Through 2Q	YoY Change	Revised Full Year Forecasts (announced on Feb 12)	Full Year Results	YoY Change
Net Sales	**43.8**	**99.8**	**48.2**	**+10%**	**110.0**	**111.0**	**+11%**
Packaged Games	16.2	38.9	15.3	-6%	43.8	44.8	+15%
Digital Games	17.6	40.0	21.9	+24%	44.4	44.7	+12%
Toy	4.9	8.4	3.5	-29%	6.2	6.2	-26%
Animation	5.1	12.1	6.6	+29%	13.9	14.0	+16%
Other / Elimination	-0.1	0.4	0.8	-	1.7	1.3	+225%
Operating Income	**1.1**	**2.0**	**0.9**	**-18%**	**2.7**	**4.0**	**+100%**
Operating Income Margin	2.5%	2.0%	1.9%	-0.6pt	2.5%	3.6%	+1.6pt
Sales in Units (Thousands)	**3,230**	**8,730**	**4,100**	**+27%**	**11,060**	**12,300**	**+41%**

Summary results of FY Ended March 2015

Overall

- Sales and profits increased year-on-year due to strong performance of the digital game field although the packaged game field and toy sales business remained weak.

Packaged Games

- As sales of repeat titles remained stable, units sales increased year-on-year, but performance of sales of new titles remained weak.
- Mainstay titles: **"Alien: Isolation," "Football Manager 2015," "Sonic Boom Series"** and **"Ryu ga Gotoku 0: Chikai no Basho"**

Digital Games

- Strong due to profit contribution by existing titles as well as mainstay titles
  Mainstay titles ⇒ **"PHANTASY STAR ONLINE 2," "Puyopuyo!! Quest," "CHAIN CHRONICLE – Kizuna no Shintairiku,"** etc.
  Existing titles ⇒ **"Ange Vierge," "SAKATSUKU Shoot ! ,"** etc.
- Number of titles under service at end of the fiscal year: 117 (Pay-to-play 65, Free-to-play 52)
- In pachinko and pachislot games for mobile phones and PCs, strengthened activities of **"777TOWN"** for smartphones and **"Moba7"** for DeNA

Toy

- Toy sales business as a whole remained weak although sales were conducted centering on products from **"Anpanman Series," "Jewelpod Series,"** etc.

Animation

- Distribution revenue from the movie **"Detective Conan: Dimensional Sniper"** and license revenue, product sales revenue, etc. from TV series **"Yowamushi Pedal"** remained robust

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Segment Results：Consumer Business

Sales Results (Packaged Games)

*Number of titles reflects products which begin sales in the period

Breakdown by Region		FY Ended March 2014		FY Ended March 2015		
		Results Through 2Q	Full Year Results	Results Through 2Q	Revised Full Year Forecasts (announced on Feb 12)	Full Year Results
Domestic	# of titles	3	12	3	15	15
	# of titles(SKU)	3	21	4	19	19
	Unit Sales(Thousands)	400	2,150	710	2,140	2,140
Overseas	# of titles	5	9	3	15	15
	# of titles(SKU)	5	11	10	31	31
	Unit Sales(Thousands)	2,820	6,570	3,380	8,920	10,160
Total	# of titles	8	21	6	30	30
	# of titles(SKU)	8	32	14	50	50
	Unit Sales(Thousands)	3,230	8,730	4,100	11,060	12,300

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Segment Results : Consumer Business

Major Titles (Results) / Packaged Games

Title (Region)	Platform	Sales Unit (Thousands)	Launch
Alien: Isolation（Europe, US）	PS3, PS4, Xbox360, XboxOne, PC	2,110	October
Football Manager 2015（Europe, US）	PC	810	November
Sonic Boom Rise of Lyric（Japan, Europe, US）	WiiU	620	November
Sonic Boom Shattered Crystal（Japan, Europe, US）	3DS		
Ryu ga Gotoku 0: Chikai no Basho（Japan）	PS3, PS4	380	March
Persona 4 The ULTIMAX ULTRA SUPLEX HOLD（Japan, Europe, US）	PS3, Xbox360	280	August



“Alien: Isolation”

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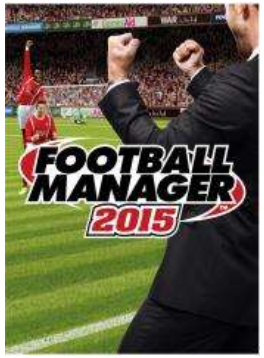

“Football Manager 2015”

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Segment Results: Consumer Business

■ Major Index for Digital Titles (for the entire digital games)

		FY Ended March 2015			
		1Q Results	2Q Results	3Q Results	4Q Results
Domestic	Average MAU（Thousands, 3 months average）*1	6,690	5,750	5,510	5,430
	ARPMAU (JPY) *2	1,225	1,928	1,757	1,761
	Share of sales for top 3 titles *3	47.6%	52.8%	47.6%	45.4%
Accumulated Downloads (Thousands)	Domestic *4	48,560	55,430	61,740	68,020
	Overseas *4	81,980	118,890	138,010	160,000
	Total	130,540	174,320	199,740	228,020
Ratio of advertising expense to net sales *5		12.6%	8.8%	7.1%	8.8%
Noah Pass KPI (Sega Networks)	Total number of users (Thousands) *6	51,930	58,960	82,600	94,730
	Average MAU（Thousands, 3 months average）	4,810	7,300	9,180	10,540
(Composition ratio of overseas sales)		9.4%	8.0%	6.3%	10.4%

Only free to play titles are covered for the calculation of average MAU, ARP MAU, Number of downloads. (Pay-to play models are not included.)
*1. Average of MAU (Monthly Active Users) within each quarter
*2. Calculated from dividing quarter digital sales (gross basis) by average MAU (Monthly Active Users)
*3. Sales percentage for top 3 titles in the domestic sales (gross basis) of each quarter
*4. As of the last day of each quarter
*5. Advertising expense percentage for total digital sales (gross basis) of each quarter
*6. As of the last day of each quarter

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SEGA SAMMY GROUP

Review of Structure Reform

SEGA SAMMY HOLDINGS

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Review of Structure Reform

Major Measures of Group Structure Reform in the fiscal year ended March 2015

1. **Established Group Structure Reform Division** (on May 9, 2014)
   - Chairman: Hajime Satomi, President & CEO

2. **Announcement of Group Structure Reform Policy** (on October 31, 2014)
   - Restructuring into three business groups
   - Policy for reduction of fixed expense
   - Appointment of personnel in charge of structure reform in SEGA CORPORATION

3. **Implementation of Structure Reform in SEGA CORPORATION**
   (on January 30, 2015)
   - Enhancing efficiency in domestic businesses
   - Soliciting voluntary retirement
   - Enhancing efficiency in overseas businesses

4. **Implementation of Group Structure Reform** (on February 12, 2015)
   - Implementation of restructuring the group subsidiaries as of April 1, 2015
   - To promote further business reorganization, organizational restructuring within the group will be determined.

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Review of Structure Reform

Implementation Status of Structure Reform (Fiscal year ended March 2015)

Clarification of core businesses

➢ **Restructuring into three business groups**



Fundamental review of unprofitable, less profitable business

➢ **Discontinuance of independent film production**

➢ **Withdrew from other unprofitable businesses, projects**

➢ **Soliciting voluntary retirement**

Established basis for business portfolio operation

➢ **Spin-off each business**
⇒Speed up decision making by delegating authority of each business level
⇒Consolidate the basis for further business restructuring

Optimal deployment of human resources

➢ **Adjusted absolute number of personnel to match size of profits**
⇒ Made age composition younger
⇒ Shifted resources to core businesses

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Review of Structure Reform

Future Activities（Fiscal year ending March 2016 ~）

Structure Reform

- Bolster operation of business portfolio
  ⇒Consider business replacements
  ⇒Consider investments in new businesses
- Thorough cost management of each business
- Consider rules for starting or exiting from businesses and projects

Pachislot and Pachinko Machines

- As a main pillar of the group's revenue, improve the profitability through cost management, etc.

Entertainment Contents Business

- As a short- to medium-term growth area, digital game area is classified as a core business

Resort Business

- As a medium- to long-term growth area, Resort Business is created

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Review of Structure Reform

Impact of structure reform implementation on operating results

<Breakdown of extraordinary loss in actual results for FY ended March 2015>

Account	Amount (JPY Billion)
Impairment loss	7.8
Provision for dismantling of fixed assets	2.7
Early extra retirement payments	1.8
Loss on the discontinuance of independent film production	1.8
Others	1.8
Total	**Approx. 15.9**

Structure reform related cost included in extraordinary loss	**Approx. 7.0**

<Effect of reduction of fixed expense in forecast for FY ending March 2016>

Segment	Amount (JPY Billion)
Entertainment Contents Business	5.4
Resort Business	0.3
Headquarter	0.3
Total	**Approx. 6.0**

- Effect of reduction of fixed expense in forecast for FY ending March 2016 (compared with FY ended March 2015)
  Effect of reduction of fixed expense ：**Approx. 6.0 billion yen**

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FY Ending March 2016 Full Year Forecasts

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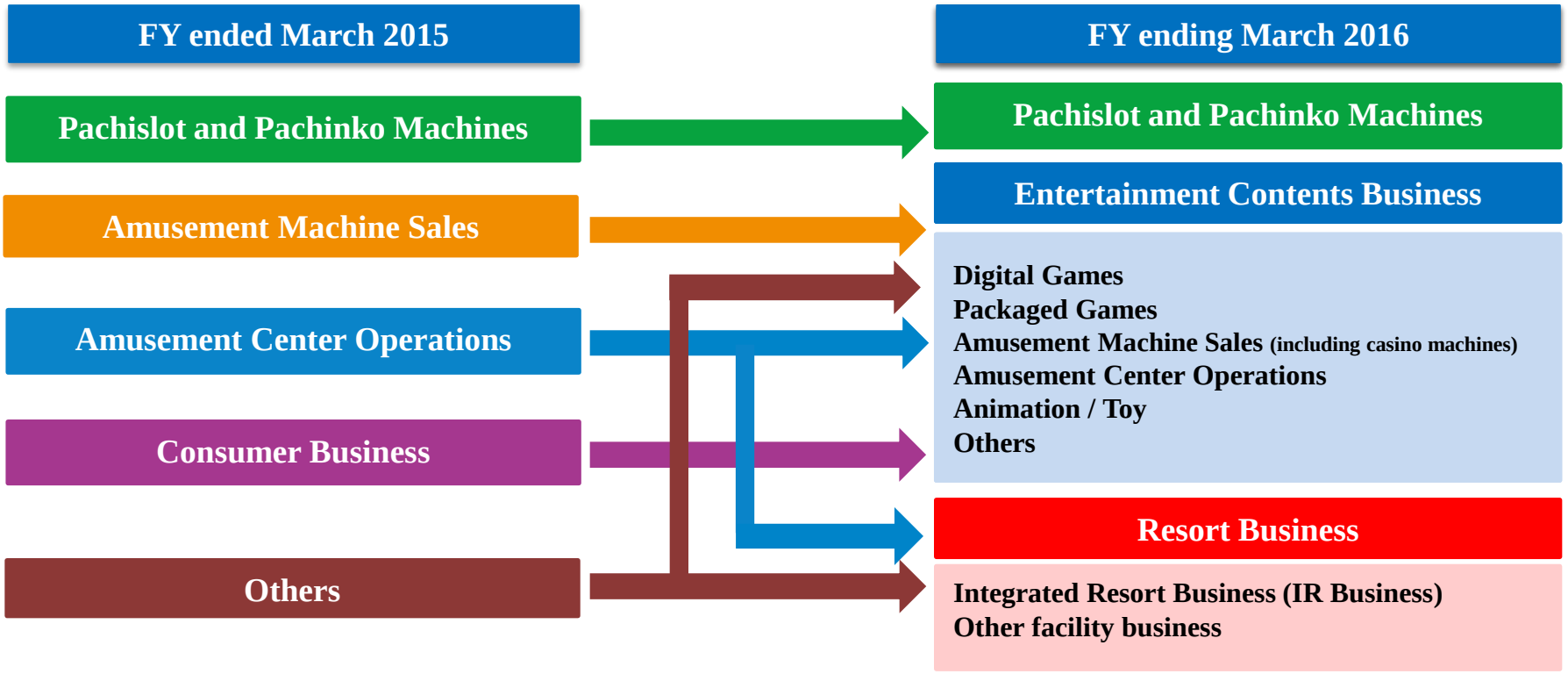
Changes to Business Segment and Accounting Policy

(1) Change to Business segment



(2) Change to Accounting policy

Recording of net sales has been changed from net basis to gross basis from the fiscal year ending March 2016.

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Consolidated Income Statements (Summary)

(JPY Billion)	FY Ended March 2015		FY Ending March 2016			
	Results Through 2Q	Full Year Results	Forecasts Through 2Q	YoY Change	Full Year Forecasts	YoY Change
Sales	**160.1**	**367.2**	**200.0**	**+25%**	**420.0**	**+14%**
Pachislot and Pachinko Machines	62.3	152.6	94.5	+52%	167.0	+9%
Entertainment Contents	91.0	199.6	98.5	+8%	235.0	+18%
Resort	6.6	14.9	7.0	+6%	18.0	+21%
Operating Income	**3.4**	**17.6**	**14.0**	**+312%**	**25.0**	**+42%**
Pachislot and Pachinko Machines	7.4	25.9	22.0	+197%	23.0	-11%
Entertainment Contents	0.9	0.0	-2.5	-	11.5	-
Resort	-1.4	-2.3	-2.0	-	-3.5	-
Eliminations	-3.5	-6.0	-3.5	-	-6.0	-
Operating Income Margin	2.1%	4.8%	7.0%	+4.9pt	6.0%	+1.2pt
Ordinary Income	**3.3**	**16.9**	**14.0**	**+324%**	**25.0**	**+48%**
Extraordinary Gain	0.3	1.0	0.0	-	0.0	-
Extraordinary Loss	3.5	15.9	0.0	-	1.0	-
Income before income taxes and minority interests	**0.0**	**2.0**	**14.0**	**-**	**24.0**	**+1100%**
Profit attributable to owners of parent	**-2.0**	**-11.2**	**11.0**	**-**	**19.0**	**-**
Dividends per share (JPY)	**20**	**40**	**20**	**-**	**40**	**-**
Earnings per share (JPY)	**-8.52**	**-46.22**	**46.33**	**-**	**80.02**	**-**
Net Assets per share (JPY)	**1,387.64**	**1,337.46**	**-**	**-**	**-**	**-**

*Sales and operating income of new segment is unaudited. (approximate figure)
*Sales of new segment is changed to gross basis.

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Costs and Expenses Results/Forecast

(JPY Billion)	FY Ended March 2015		FY Ending March 2016			
	Results Through 2Q	Full Year Results	Forecasts Through 2Q	YoY Change	Full Year Forecasts	YoY Change
R&D Expense / Content Production Expense	**28.4**	**67.6**	**30.0**	**+6%**	**69.4**	**+3%**
Pachislot and Pachinko Machines	10.5	22.3	10.2	-3%	21.2	-5%
Entertainment Contents	17.9	45.7	19.7	+10%	48.0	+5%
Resort	0.1	0.2	0.0	-	0.1	-50%
Other, eliminations etc.	-0.1	-0.6	0.1	-	0.1	-
Cap-ex	**14.7**	**28.7**	**15.0**	**+2%**	**34.4**	**+20%**
Pachislot and Pachinko Machines	4.1	6.9	4.0	-2%	8.1	+17%
Entertainment Contents	9.4	19.5	9.2	-2%	18.7	-4%
Resort	1.0	2.1	1.6	+60%	7.4	+252%
Other, eliminations etc.	0.2	0.2	0.2	-	0.2	-
Depreciation	**8.1**	**17.6**	**7.9**	**-2%**	**16.8**	**-5%**
Pachislot and Pachinko Machines	2.9	6.4	3.1	+7%	6.7	+5%
Entertainment Contents	4.4	9.6	3.9	-11%	8.1	-16%
Resort	0.4	0.9	0.5	+25%	1.2	+33%
Other, eliminations etc.	0.4	0.7	0.4	-	0.8	+14%
Advertising	**10.0**	**19.1**	**12.6**	**+26%**	**24.5**	**+28%**
Pachislot and Pachinko Machines	1.3	2.1	1.6	+23%	3.1	+48%
Entertainment Contents	7.0	14.5	9.4	+34%	19.1	+32%
Resort	0.5	0.8	0.4	-20%	0.7	-13%
Other, eliminations etc.	1.2	1.7	1.2	-	1.6	-6%

*Costs and expenses of new segment for are unaudited. (approximate figure)

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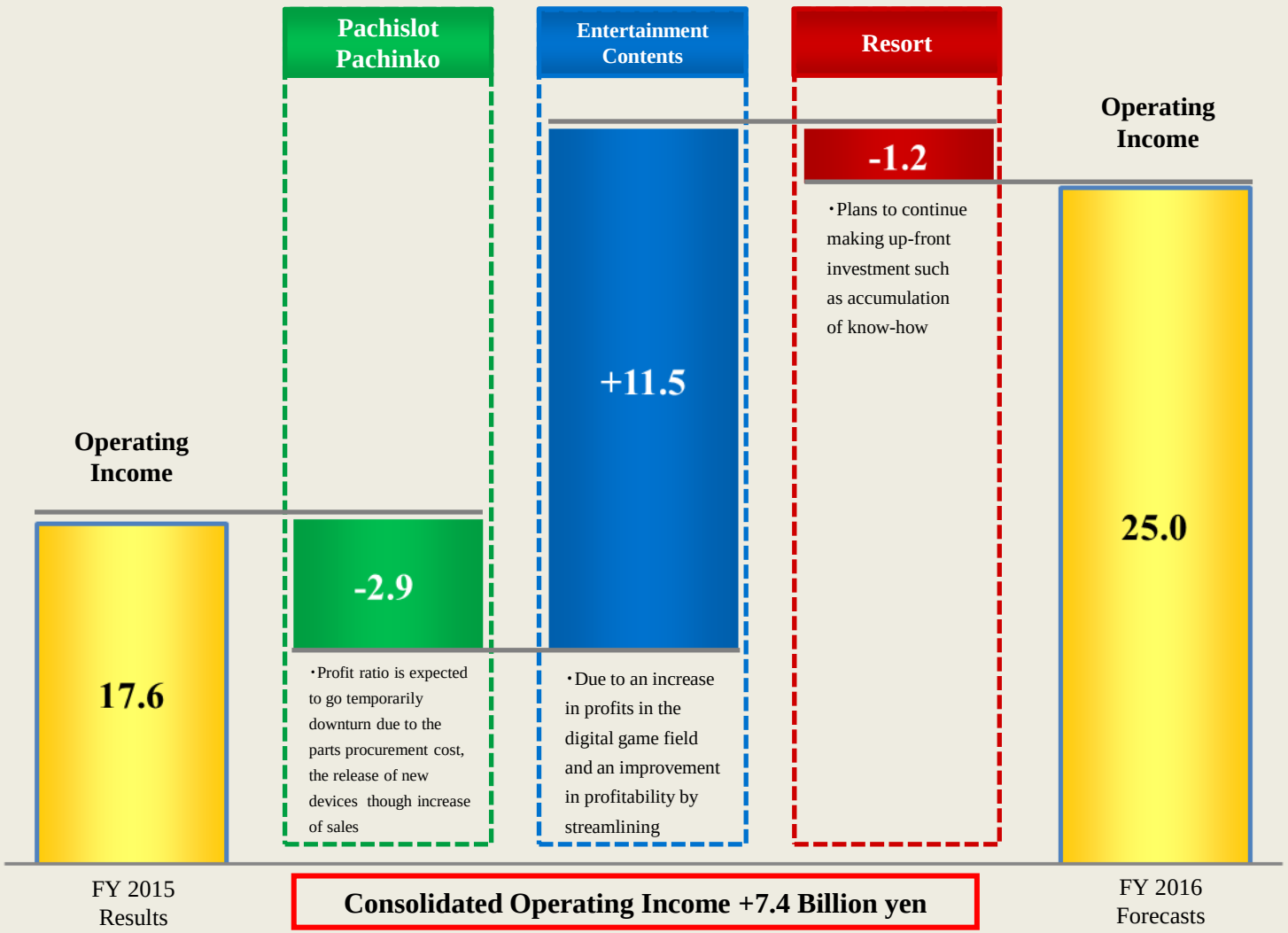
Operating Income

– Primary Factors Behind Fluctuations (Major Causes)

(JPY Billion)



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Positioning, Direction of Business Strategy, Our Strength

Positioning within the group	Main pillar of the group's revenue
Direction of Business Strategy	■ Responding to the market environment and regulatory environment ■ Developing products for broad user base ■ Enhancing profits by strengthening activities for reuse, etc.
Our strength	Advanced development capabilities Titles and IPs boasting strong track record Top-class market share for both pachinko and pachislot

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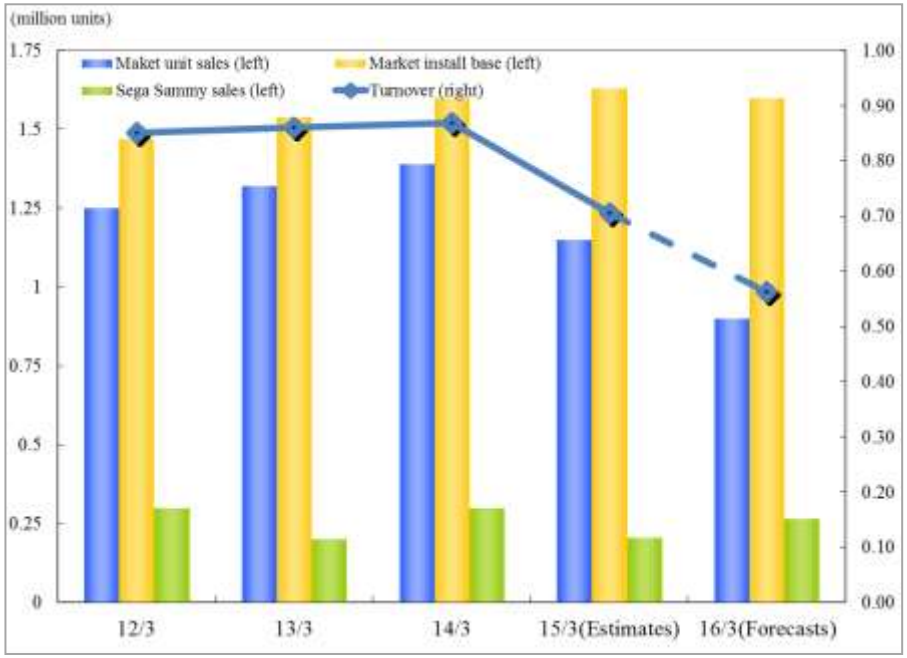
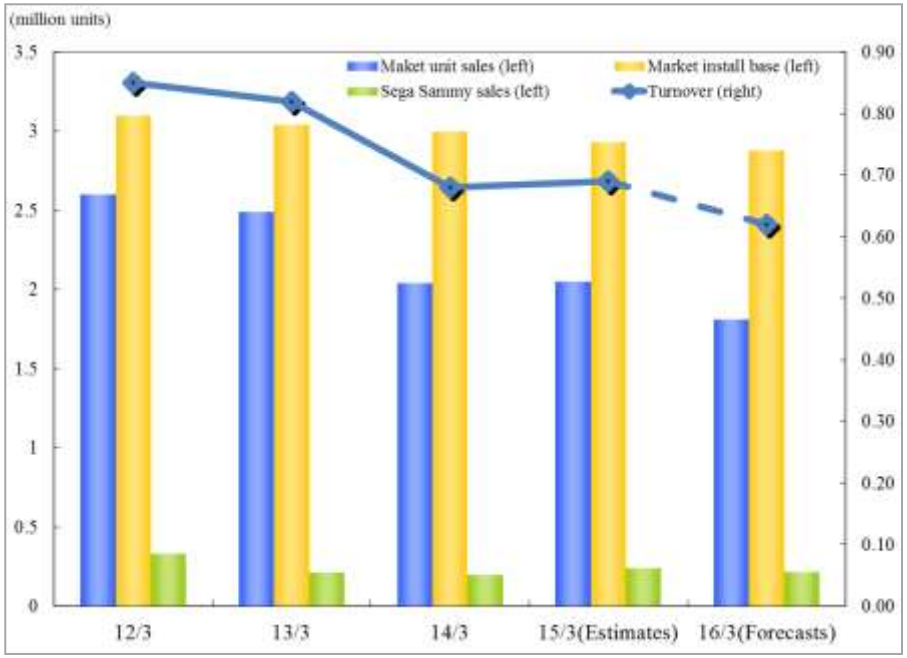
Pachislot Machine



Pachinko Machine



Pachislot	12/03 Results	13/03 Results	14/03 Results	15/03 Estimate	16/03 Forecasts
Market Unit Sales (million)	1.25	1.32	1.39	1.15	0.90
Market Installed Base (million)	1.47	1.54	1.60	1.63	1.60
Turnover (Sales/Installation)	0.85	0.86	0.87	0.70	0.56
Sega Sammy's Unit Sales (Thousands)	300	202	301	207	265

Pachinko	12/03 Results	13/03 Results	14/03 Results	15/03 Estimate	16/03 Forecasts
Market Unit Sales (million)	2.60	2.49	2.04	2.05	1.81
Market Installed Base (million)	3.10	3.04	3.00	2.93	2.88
Turnover (Sales/Installation)	0.84	0.82	0.68	0.69	0.62
Sega Sammy's Unit Sales (Thousands)	332	216	200	242	220

Source: National Police Agency, Yano Research Institute Ltd., Japan Productivity Center for Socio-Economic Development

∗ The data for 15/03 and 16/03, which have not been publicized yet, are our estimates and forecasts.

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Segment Forecasts: Pachislot and Pachinko Machines Business

(JPY Billion)	FY Ended March 2015		FY Ending March 2016			
	Results Through 2Q	Full Year Results	Forecasts Through 2Q	YoY Change	Full Year Forecasts	YoY Change
Sales	**62.3**	**152.6**	**94.5**	**+52%**	**167.0**	**+9%**
Pachislot	34.6	74.0	61.3	+77%	97.0	+31%
Pachinko	25.3	73.9	31.0	+23%	65.7	-11%
Other	2.4	4.7	2.2	-8%	4.3	-9%
Operating Income	**7.4**	**25.9**	**22.0**	**+197%**	**23.0**	**-11%**
Operating Income Margin	11.9%	17.0%	23.3%	+11.4pt	13.8%	-3.2pt
Unit Sales (Pachislot)	**92,998**	**207,828**	**165,000**	**+77%**	**265,000**	**+28%**
Unit Sales (Pachinko)	**86,453**	**242,847**	**110,000**	**+27%**	**220,000**	**-9%**

*Sales and operating income of new segment is unaudited. (approximate figure)
*Sales of new segment is changed to gross basis.

Full Year Forecast

Overall

- Increase in sales and decrease in profits are forecasted year-on-year
- Unit sales of Pachinko machines is forecast to decrease year-on-year while unit sales of Pachislot machines is forecast to increase year-on-year with release of several mainstay titles
- Profit ratio is expected to take temporarily downturn due to the impact of weak yen on parts procurement cost, the release of new devices, etc.

Pachislot

- Year-on-Year unit sales are planned to increase by about 60 thousand units through releasing of several new mainstay titles

Pachinko

- Year-on-Year unit sales are planned to decrease by about 20 thousand units due to the rebound of **"CR Hokuto No Ken 6 series"** released in FY ended March 2015 despite the release of several titles including **"CR Aura Battler Dunbine"**
- Major titles to be launched (1Q)
  - ⇒ Sammy **"CR Aura Battler Dunbine"** (April)
  - ⇒ TAIYO ELEC **"CR GAMERA"** (June)

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Segment Forecasts: Pachislot

Shipment Data: Pachislot

※Number of titles reflects products launched in this fiscal year.

Pachislot	FY Ended March 2015		FY Ending March 2016	
	Results Through 2Q	Full Year Results	Forecasts Through 2Q	Full Year Forecasts
Sammy	2 titles	3 titles	3 titles	7 titles
	83,468 units	155,693 units	140,000 units	240,000 units
TAIYO ELEC	2 titles	2 titles	2 titles	2 titles
	9,530 units	9,569 units	25,000 units	25,000 units
GINZA RODEO	-	1 title	-	-
	-	42,566 units	-	-
Total	4 titles	6 titles	5 titles	9 titles
	92,998 units	207,828 units	165,000 units	265,000 units

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Segment Forecasts: Pachinko

Shipment Data: Pachinko

※Number of titles reflects products launched in this fiscal year.

Pachinko	FY Ended March 2015		FY Ending March 2016	
	Results Through 2Q	Full Year Results	Forecasts Through 2Q	Full Year Forecasts
Sammy	3 titles	5 titles	3 titles	5 titles
	62,938 units	206,704 units	75,000 units	165,000 units
TAIYO ELEC	2 titles	5 titles	4 titles	6 titles
	23,515 units	36,143 units	35,000 units	55,000 units
Total	5 titles	10 titles	7 titles	11 titles
	86,453 units	242,847 units	110,000 units	220,000 units
Board + Frame	24,320 units	65,880 units	41,500 units	127,500 units
Board	62,133 units	176,967 units	68,500 units	92,500 units

*The counting rules for number of pachinko titles are changed and new series of title is counted as one title. (except change of specification etc.)

Major Titles (Forecasts) / Pachinko

Brand	Title	Installed From
Sammy	CR Aura Battler Dunbine	April
TAIYO ELEC	CR GAMERA	June



"CR Aura Battler Dunbine" (Sammy)

©SOTSU・SUNRISE Project by Sammy

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Positioning, Direction of Business Strategy, Our strength

Positioning within the group	Short- to medium-term growth area
Direction of business strategy	■ Further enhancing profitability in the digital game field ■ Solving unprofitable businesses by structure reform and recovering profitability of existing businesses ■ Speeding up decision making in each business area by spin-off
Our strength	Advanced development capabilities of SEGA Group Marketing support tool Noah Pass Titles and IPs boasting strong track record

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Segment Forecasts: Entertainment Contents Business

(JPY Billion)	FY Ended March 2015		FY Ending March 2016			
	Results Through 2Q	Full Year Results	Forecasts Through 2Q	YoY Change	Full Year Forecasts	YoY Change
Sales	**91.0**	**199.6**	**98.5**	**+8%**	**235.0**	**+18%**
Digital Games	26.9	54.3	34.0	+26%	87.0	+60%
Packaged Games	16.7	48.2	13.5	-19%	44.5	-8%
Amusement Machine Sales	18.5	39.4	23.0	+24%	45.0	+14%
Amusement Center Operations	17.9	36.0	18.5	+3%	36.5	+1%
Animation / Toy	10.0	19.8	8.5	-15%	20.0	+1%
Other / Elimination	1.0	1.9	1.0	-	2.0	+5%
Operating Income	**0.9**	**0.0**	**-2.5**	**-**	**11.5**	**-**
Digital Games	3.8	8.0	2.0	-47%	11.5	+44%
Packaged Games	-3.0	-2.7	-3.1	-	1.3	-
Amusement Machine Sales	0.0	-4.0	-0.4	-	0.0	-
Amusement Center Operations	0.5	0.7	0.5	-	0.3	-57%
Animation / Toy	-0.1	-1.6	-0.7	-	0.2	-
Other / Elimination	-0.3	-0.4	-0.8	-	-1.8	-
Operating Income Margin	1.0%	-	-	-	4.9%	-
Sales in Units (Thousands)	**4,100**	**12,300**	**2,120**	**-48%**	**7,140**	**-42%**
Same Store Sales Comparisons	**98.7%**	**100.1%**	**99.3%**	**-**	**97.3%**	**-**
Domestic Facilities	**198**	**198**	**198**	**-**	**199**	**-**

*Sales and operating income of new segment is unaudited. (approximate figure)
*Sales of new segment is changed to gross basis.

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Segment Forecasts: Entertainment Contents Business

Full Year Forecast of FY Ending March 2016

Overall		・Significant increase in sales and profits is forecasted year-on-year due to an increase in profits in the digital game field and an improvement in profitability by streamlining
Breakdown	Digital Games	・Increase in sales and profits is expected year-on-year due to the securement of income from existing titles and the release of several new titles ・Several mainstay titles are scheduled to be released mainly in the first half of the fiscal year (Number of titles to be released in Japan during the full year: 47 （Pay-to-play 1, Free-to-play 46）) ⇒ Major new titles: **“Hortensia SAGA,” ”CHAOS DRAGON,” “MONSTER GEAR,”** etc.
	Packaged Games	・Aim to improve profitability by streamlining centering on overseas businesses ・Though decrease in sales year-on-year, turning to profit are expected through the release of new titles centering on mainstay IP titles such as **“Persona5”**
	Amusement Machine Sales	・Improvement in profitability is expected in line with the implementation of measures for enhancing business efficiency ・Increased sales and eliminating loss year-on-year are expected through the release of new products for a broad user base
	Amusement Center Operations	・Decrease in profit year-on-year is expected as capital investment and amortization cost will increase in order to forward development of new store styles other than game centers
	Animation / Toy	・Turning to profit is expected with development focused on services for regular/mainstay products while working to improve profitability through streamlining

Major titles

“Hortensia SAGA”

©SEGA / f4samurai

“CHAOS DRAGON”

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「ケイオスドラゴン混沌戦争」製作委員会

“MONSTER GEAR”

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Segment Forecasts: Entertainment Contents Business

Sales Forecasts (Packaged Games)

*Number of titles reflects products which begin sales in the period

Breakdown by Region		FY Ended March 2015		FY Ending March 2016	
		Results Through 2Q	Full Year Results	Forecasts Through 2Q	Full Year Forecasts
Domestic	# of titles	3	15	4	14
	# of titles(SKU)	4	19	5	21
	Unit Sales(Thousands)	710	2,140	480	2,660
Overseas	# of titles	3	15	9	20
	# of titles(SKU)	10	31	11	24
	Unit Sales(Thousands)	3,380	10,160	1,640	4,480
Total	# of titles	6	30	13	34
	# of titles(SKU)	14	50	16	45
	Unit Sales(Thousands)	4,100	12,300	2,120	7,140

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Segment Forecasts: Resort Business

Positioning, Direction of Business Strategy, Our Strength

Positioning within the group	**Medium- to long-term growth area**
Direction of Business Strategy	■ Up-front investment to prepare for entry to domestic IR business ■ Accumulating know-how through development and operation of overseas IR facilities ■ Strengthening operation capabilities of theme parks and resort facilities
Our strength	**Track record of developing/operating PHOENIX RESORT and various theme parks** **Experience in developing/operating overseas IR facilities** **Solid financial base**

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Segment Forecasts: Resort Business

Major initiatives taken in the Resort Business

- Facility name: Phoenix Seagaia Resort
- Location: Miyazaki prefecture (Miyazaki City)
- Operating company: PHOENIX RESORT CO.,LTD.
- Overview: Resort facility which holds accommodation facilities such as “Sheraton Grande Ocean Resort,” a world-class convention center with maximum capacity of 5,000 people and sports facilities including one of Japan’s most renowned golf course “Phoenix Country Club”



- Facility name: Joypolis
- Location: Tokyo (Odaiba), Osaka (Umeda)
- Operating company: SEGA LIVE CREATION Inc.
- Overview: One of the largest indoor theme parks in Japan produced under the concept of “DigitaReal” meaning fusion of “digital” and “real”



- Facility name: Orbi
- Location: Kanagawa prefecture (Minato Mirai)
- Operating company: SEGA LIVE CREATION Inc.
- Overview: Various scenes on the earth are recreated by combining footage of BBC EARTH and SEGA’s entertainment technologies. Completely new type of museum where visitors can feel the mystery of nature throughout their bodies



- Facility name: Paradise Casino Incheon / PARADISE CITY
- Location: South Korea (Incheon)
- Operating company: PARADISE SEGASAMMY Co., Ltd.
- Overview: Operation of Paradise Casino Incheon, South Korea’s first casino exclusively for foreigners which opened in 1967, and development of PARADISE CITY, South Korea’s first full-fledged integrated resort which is scheduled to open in 2017



- Facility name: (to be determined)
- Location: South Korea (Busan Metropolitan City)
- Operating company: SEGASAMMY Busan Inc.
- Overview: Development and operation of large resort complex facility comprised of a hotel, entertainment and commercial facilities, etc., in Busan Metropolitan City, South Korea



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Segment Forecasts: Resort Business

(JPY Billion)		FY Ended March 2015		FY Ending March 2016			
		Results Through 2Q	Full Year Results	Forecasts Through 2Q	YoY Change	Full Year Forecasts	YoY Change
Sales		**6.6**	**14.9**	**7.0**	**+6%**	**180**	**+21%**
Operating Income		**-1.4**	**-2.3**	**-2.0**	-	**-35**	-
Operating Income Margin		-	-	-	-	-	-
Phoenix Seagaia Resort	Number of visitors (Thousands)	323	643	299	-7%	580	-10%
	Average sale per customer (JPY)	13,000	14,000	15,000	+15%	16,000	+14%
Tokyo Joypolis	Number of visitors (Thousands)	333	614	334	-	622	+1%
	Average sale per customer (JPY)	3,342	3,426	3,394	+2%	3,413	-
Orbi Yokohama	Number of visitors (Thousands)	240	400	233	-3%	384	-4%
	Average sale per customer (JPY)	2,264	2,283	2,253	-	2,236	-2%
Paradise Casino Incheon *	Casino sales (Billion KRW)	55	109	-	-	-	-
	Number of visitors (Thousands)	29	58	-	-	-	-

*Sales and operating income of new segment is unaudited. (approximate figure)
*Sales of new segment is changed to gross basis.
* Paradise Casino Incheon is operated by PARADISE SEGASAMMY Co., Ltd., an equity method affiliate of our company.
* Figures for Paradise Casino Incheon are recorded with three months delay (Record financial results from January 2014 to December 2014)

Full Year Forecast of FY Ending March 2016

Domestic

- Efforts will be made to strengthen operation capabilities and customer attraction capabilities of Phoenix Seagaia Resort
- Efforts will be made to improve contents capabilities of theme parks such as the indoor theme park "Tokyo Joypolis" and the museum offering supercharged nature experience "Orbi Yokohama"

Overseas

- Construction of South Korea's first full-fledged integrated resort PARADISE CITY was launched in Incheon, South Korea in November 2014 (scheduled to open in the first half of 2017)
- Net sales of the existing casino facility Paradise Casino Incheon are expected to remain strong
- In addition to 7 employees currently dispatched to Paradise Casino Incheon, another 5 employees of our company are scheduled to be dispatched to accumulate know-how

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Appendix

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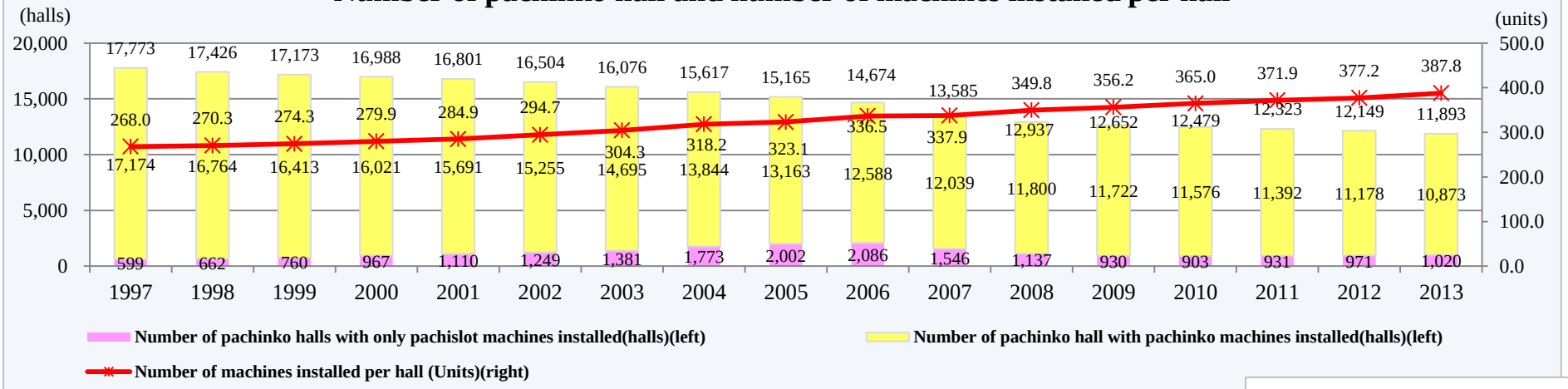
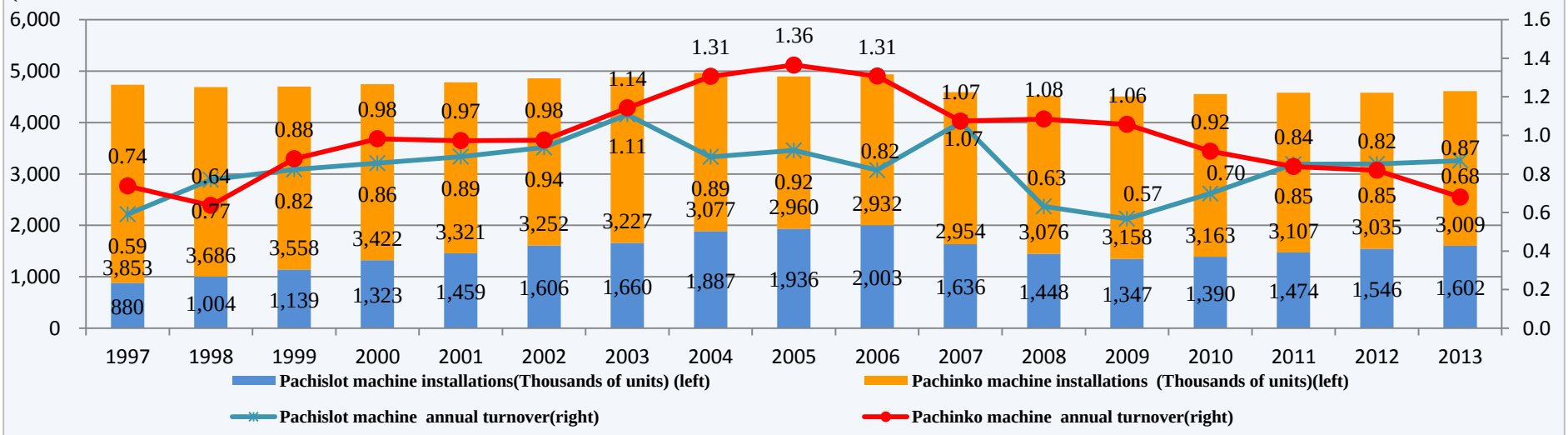
Pachinko and Pachislot Machine Markets

Number of pachinko hall and number of machines installed per hall



Sources : National Police Agency

Pachinko and pachislot machine installations and annual turnover



Sources:National Police Agency and Yano research Institute Ltd.

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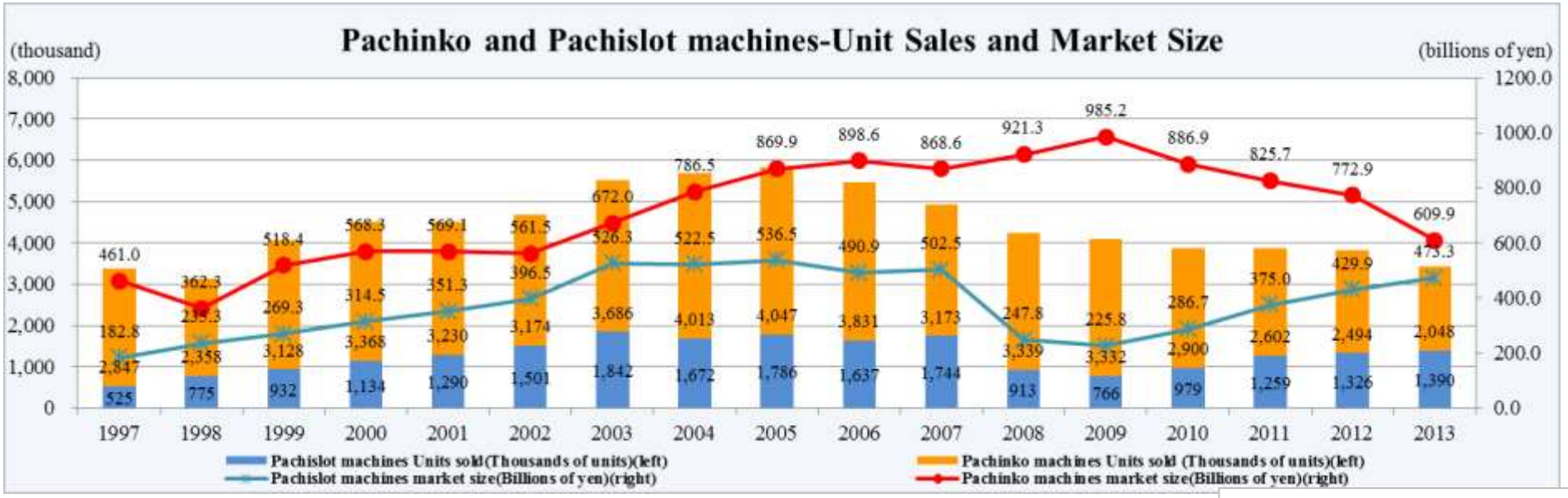
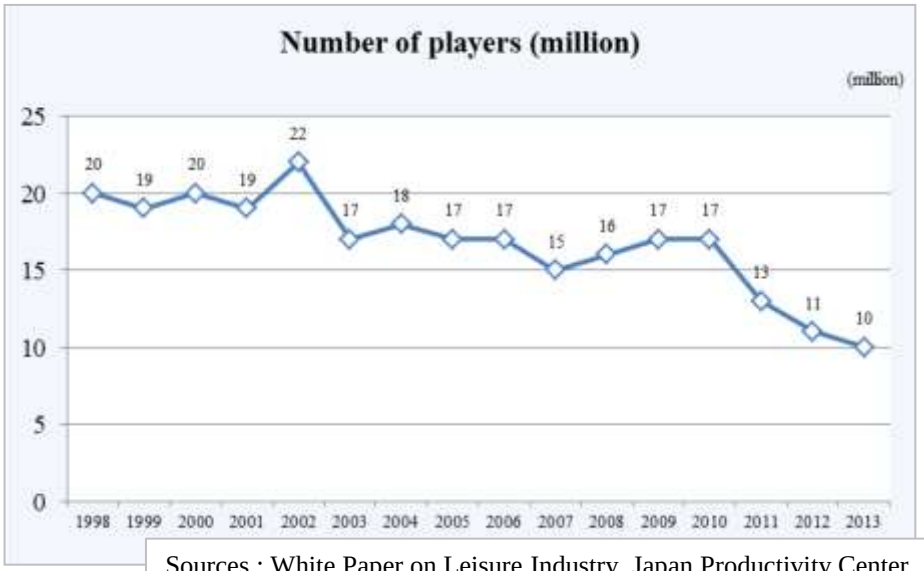
Pachinko and Pachislot Machine Markets



Sources:Yano research Institute Ltd.





Sources : White Paper on Leisure Industry, Japan Productivity Center

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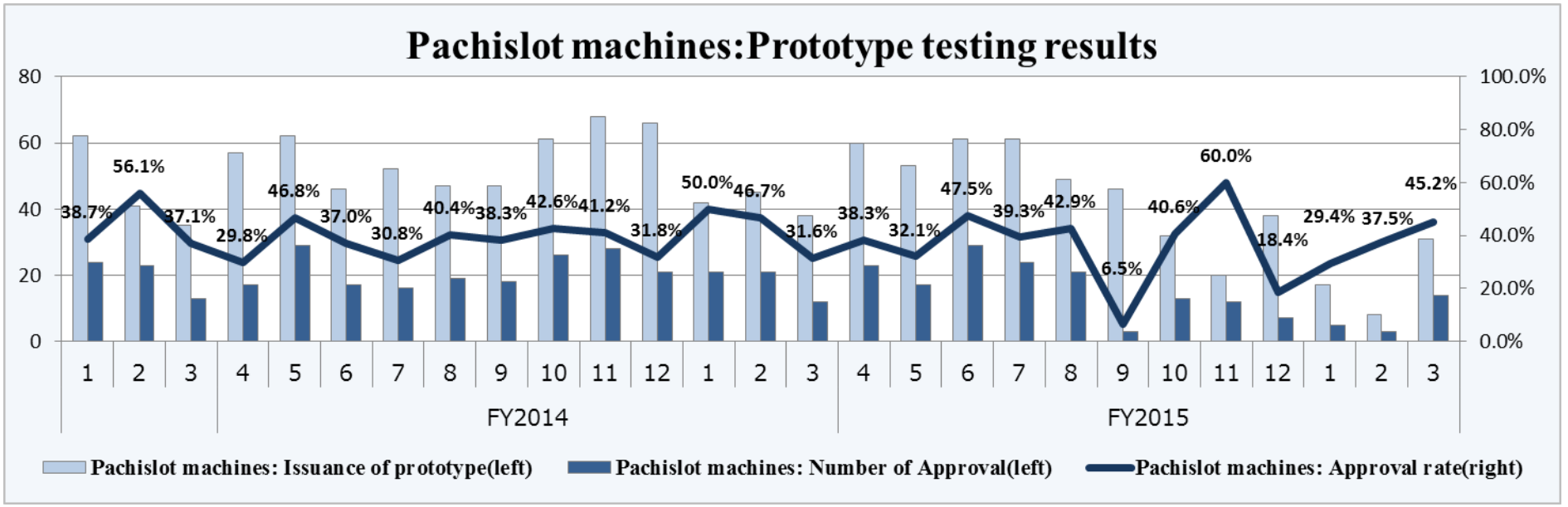
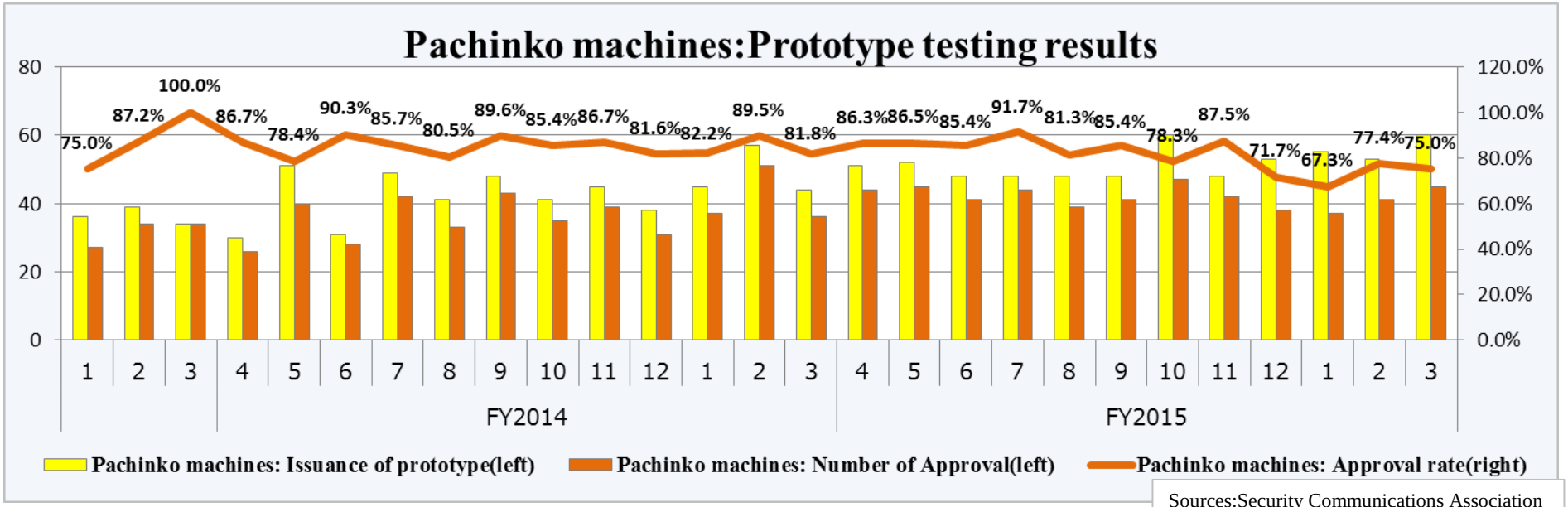
Pachinko and Pachislot Machine Markets





Sources:Security Communications Association

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Pachislot / Pachinko Sales Share

Share of Annual Pachislot Machine Sales

	2009			2010			2011			2012			2013		
Rank	Manufacturer	Units sold	Share	Manufacturer	Units sold	Share	Manufacturer	Units sold	Share	Manufacturer	Units sold	Share	Manufacturer	Units sold	Share
1	**Sammy**	**162,932**	**21.3%**	**Sammy**	**302,270**	**30.9%**	**Sammy**	**300,866**	**23.9%**	U Company	236,000	17.8%	**Sammy**	**301,575**	**21.7%**
2	S Company	104,266	13.6%	D Company	117,000	11.9%	D Company	200,000	15.9%	**Sammy**	**202,221**	**15.3%**	U Company	215,000	15.5%
3	U Company	100,000	13.1%	S Company	116,424	11.9%	Y Company	196,000	15.6%	Y Company	193,000	14.6%	H Company	120,000	8.6%
4	Y Company	73,000	9.5%	H Company	111,000	11.3%	U Company	172,000	13.7%	D Company	186,000	14.0%	S Company	116,291	8.4%
5	K Company	60,000	7.8%	U Company	103,000	10.5%	S Company	96,158	7.6%	K Company	110,000	8.3%	D Company	102,000	7.3%

Share of Annual Pachinko Machine Sales

	2009			2010			2011			2012			2013		
Rank	Manufacturer	Units sold	Share	Manufacturer	Units sold	Share	Manufacturer	Units sold	Share	Manufacturer	Units sold	Share	Manufacturer	Units sold	Share
1	S Company	600,000	18.0%	S Company	653,000	22.5%	K Company	485,000	18.6%	S Company	544,000	21.8%	K Company	349,000	17.0%
2	S Company	572,464	17.2%	S Company	424,533	14.6%	S Company	360,805	13.9%	K Company	507,000	20.3%	S Company	315,000	15.4%
3	K Company	426,000	12.8%	**Sammy**	**343,188**	**11.8%**	**Sammy**	**332,288**	**12.8%**	H Company	252,000	10.1%	S Company	291,967	14.3%
4	N Company	395,000	11.9%	K Company	322,000	11.1%	S Company	332,000	12.8%	N Company	250,000	10.0%	**Sammy**	**200,225**	**9.8%**
5	**Sammy**	**360,171**	**10.8%**	N Company	296,000	10.2%	N Company	255,000	9.8%	**Sammy**	**216,860**	**8.7%**	H Company	197,000	9.6%

Source: Yano Research Institute Ltd.
*Estimated by Yano Research Institute Ltd. with fiscal years from July of each year through June the following year as criteria

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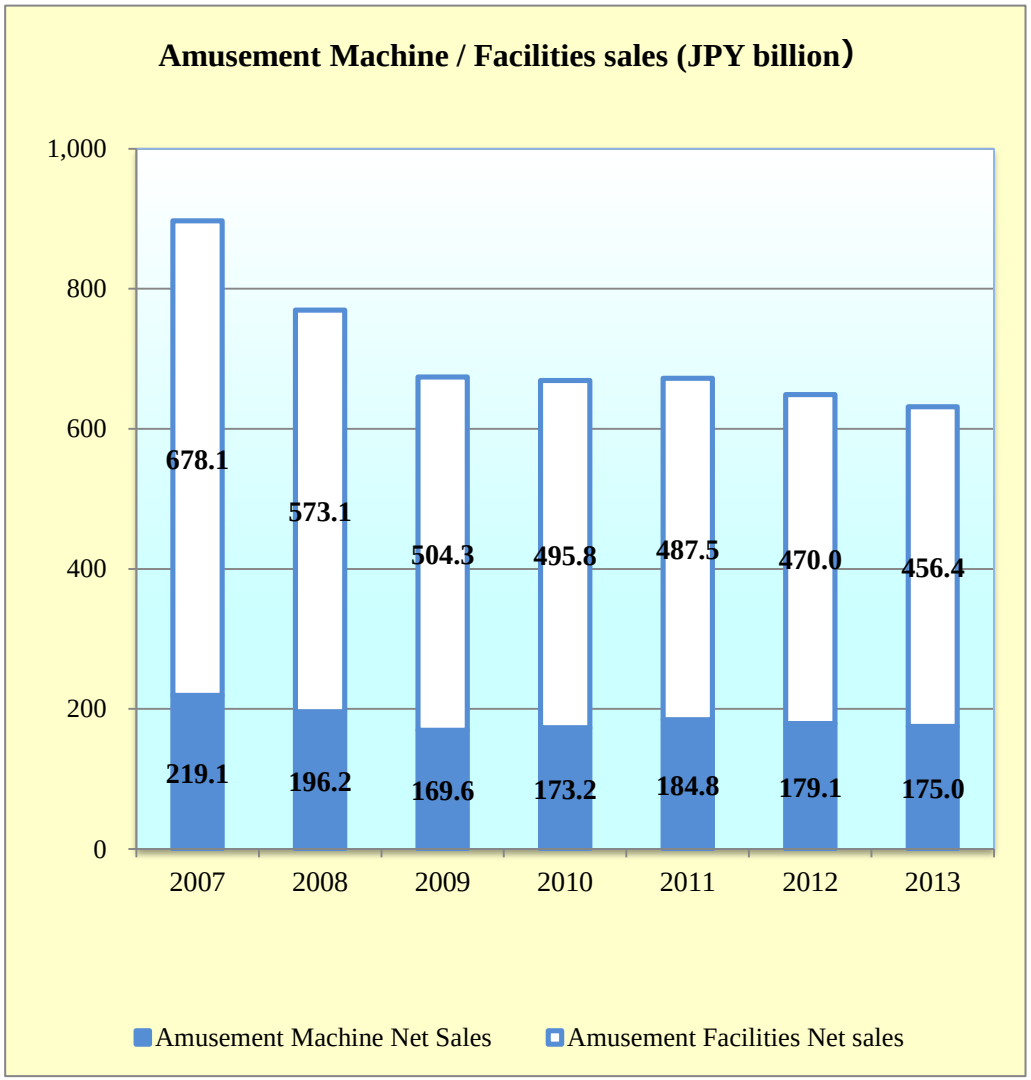
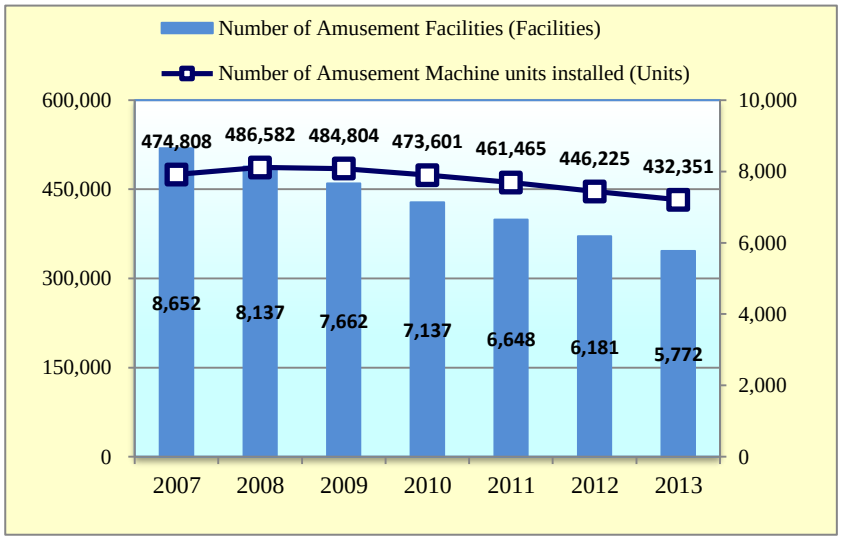
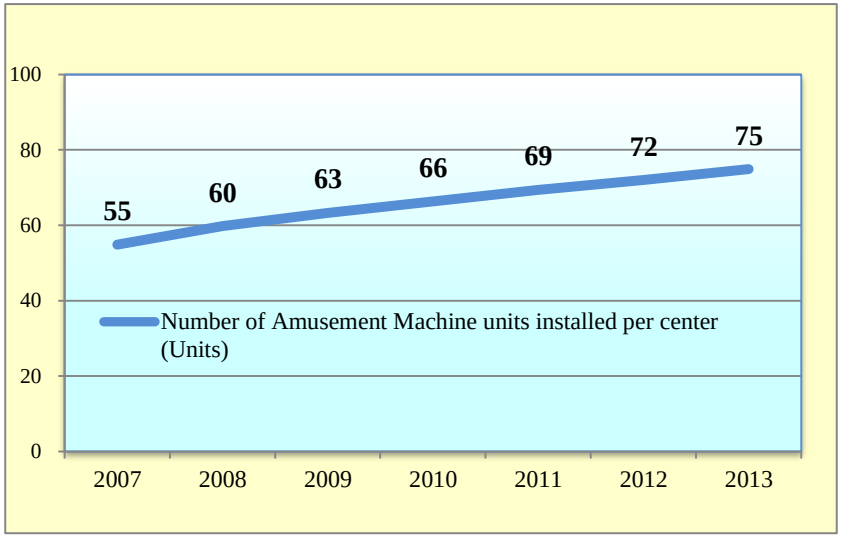
Amusement Market Data

Amusement Machine and Amusement Center Operations Markets Scale







Source: JAIA, National Police Agency

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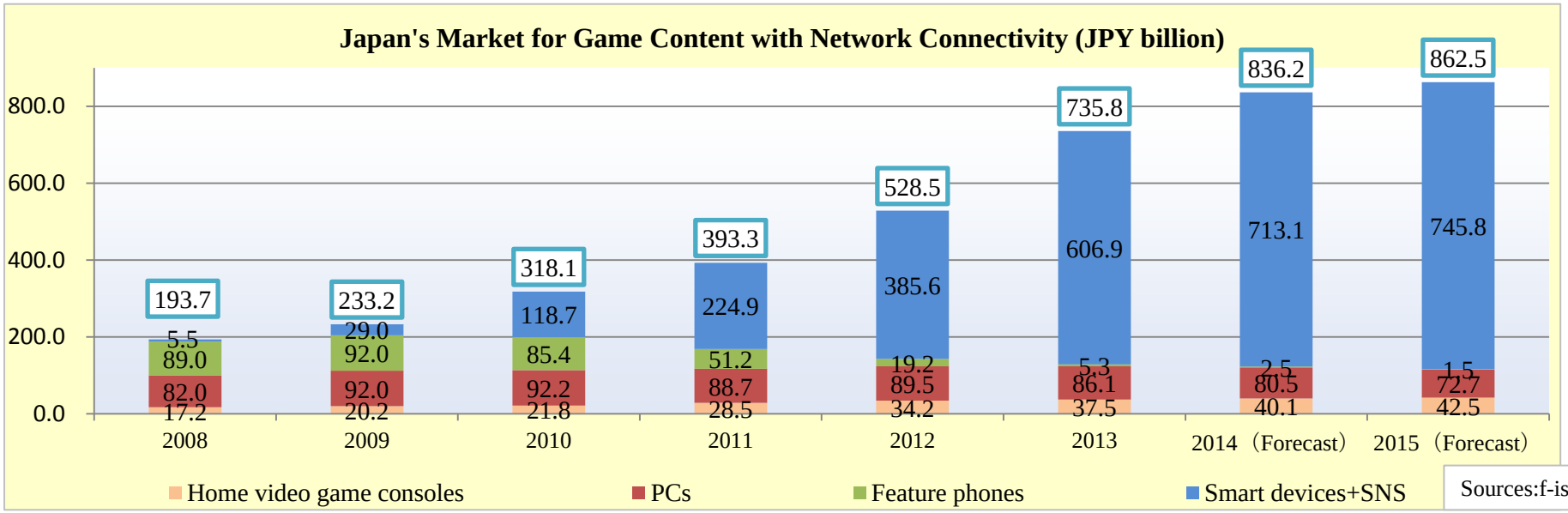
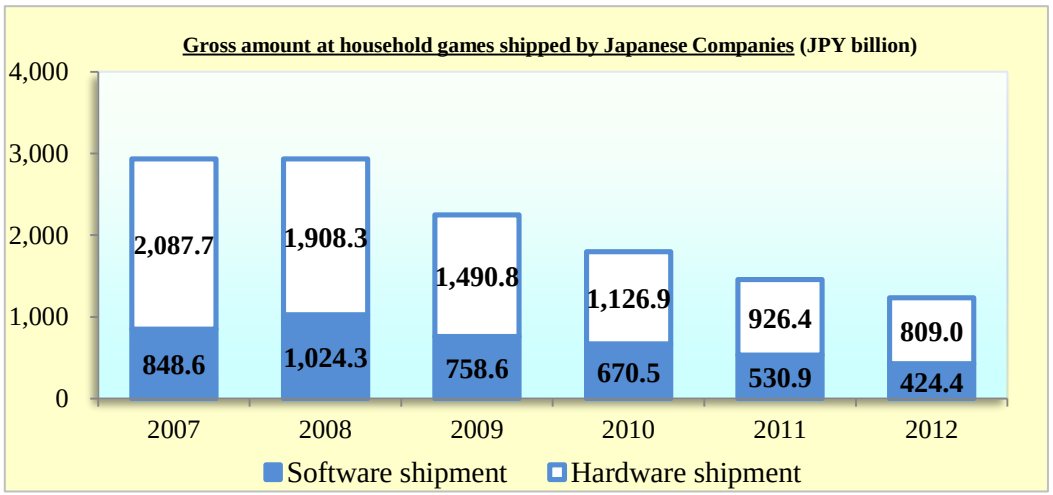
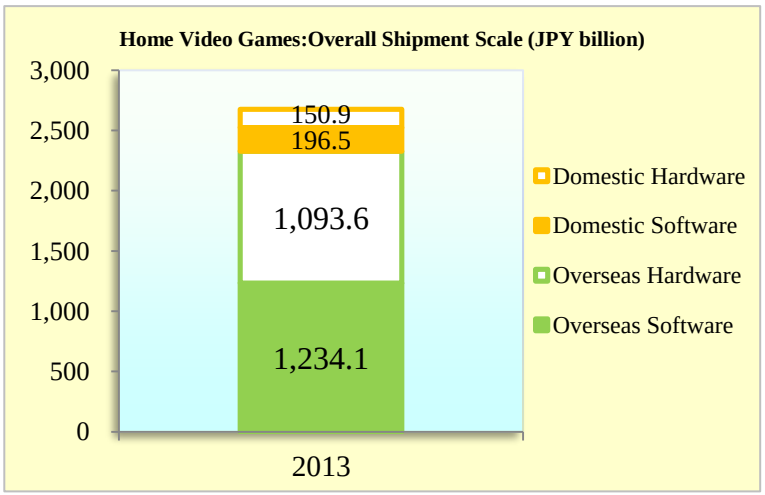
Packaged and Digital Game Market Data

Home Video Game and Online Game Markets Scale



Sources:f-ism





Source: CESA Games White Paper *Chart is separated from 2013 due to the change of collection method of the data.

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Past Operating Results

From FY Ended March 2005 to FY Ended March 2015

*The data in this page can be downloaded from following URL.
(http://www.segasammy.co.jp/english/ir/library/pdf/settlement/2015/e_201503_4q_transition.xls)
※The counting rules for the number of facilities have been changed from fiscal year ending March 2014

(JPY billion)		FY Ended March 2005	FY Ended March 2006	FY Ended March 2007	FY Ended March 2008	FY Ended March 2009	FY Ended March 2010	FY Ended March 2011	FY Ended March 2012	FY Ended March 2013	FY Ended March 2014		FY Ended March 2015	
		Full Year Results	Full Year Results	Full Year Results	Full Year Results	Full Year Results	Full Year Results	Full Year Results	Full Year Results	Full Year Results	Results Through 2Q	Full Year Results	Results Through 2Q	Full Year Results
	Net Sales	515.6	553.2	528.2	458.9	429.1	384.6	396.7	395.5	321.4	162.2	378.0	154.2	354.9
Breakdown	Pachislot and Pachinko Machines	280.1	265.6	211.5	145.5	161.6	160.3	212.0	212.1	142.2	71.2	181.8	60.6	149.1
Breakdown	Amusement Machines Sales	63.3	71.5	75.4	71.0	61.9	45.1	47.2	49.9	39.1	18.0	38.6	18.0	39.6
Breakdown	Amusement Center Operations	83.1	106.2	103.8	91.2	71.3	54.7	45.6	44.6	42.7	21.9	43.2	20.8	41.4
Breakdown	Consumer Business	65.3	90.3	119.5	141.7	131.3	121.5	88.8	85.6	83.8	43.8	99.8	48.2	111.0
Breakdown	Other	23.7	19.4	17.8	9.3	2.9	2.8	2.8	3.0	13.4	7.1	14.5	6.4	13.6
	Operating Income	105.0	119.1	76.5	-5.8	8.3	36.7[31.0]	68.7	58.3	19.0	12.3	38.5	3.4	17.6
Breakdown	Pachislot and Pachinko Machines	103.9	99.8	71.1	8.4	14.5	29.5	64.2	71.0	23.5	15.1	45.2	7.3	25.7
Breakdown	Amusement Machines Sales	7.4	12.1	11.6	7.1	6.8	7.0[5.4]	7.3	7.4	1.9	-0.0	-1.2	0.1	-2.5
Breakdown	Amusement Center Operations	5.4	9.2	0.1	-9.8	-7.5	-1.3[-1.4]	0.3	0.3	1.1	0.2	0.0	-0.2	-0.9
Breakdown	Consumer Business	-8.8	1.9	1.7	-5.9	-0.9	6.3[2.4]	1.9	-15.1	-0.7	1.1	2.0	0.9	4.0
Breakdown	Other	-0.5	-1.7	-1.3	-0.0	-0.3	0.3	0.0	0.2	-0.4	-0.4	-1.2	-1.0	-2.0
Breakdown	Eliminations	-2.3	-2.3	-6.7	-5.5	-4.9	-5.2	-5.1	-5.4	-6.3	-3.6	-6.4	-3.7	-6.5
	Operating Margin	20.4%	21.5%	14.5%	-	1.9%	9.5%[8.1%]	17.3%	14.7%	5.9%	7.6%	10.2%	2.2%	5.0%
	Ordinary Income	104.4	119.5	81.2	-8.2	6.6	35.9[30.2]	68.1	58.1	20.9	14.2	40.5	3.3	16.9
	Ordinary Income Margin	20.2%	21.6%	15.4%	-	1.5%	9.3%[7.9%]	17.2%	14.7%	6.5%	8.8%	10.7%	2.1%	4.8%
	Net Income	50.5	66.2	43.4	-52.4	-22.8	20.2[14.5]	41.5	21.8	33.4	11.3	30.7	-2.0	-11.2
	Net Income Margin	9.8%	12.0%	8.2%	-	-	5.3%[3.8%]	10.5%	5.5%	10.4%	7.0%	8.1%	–	–
	R&D expense / content production expense *3	41.5	36.3	52.1	65.3	59.6	41.5[47.2]	41.1	53.3	45.2	25.1	59.2	28.4	67.6
	Cap-ex	32.4	38.5	36.6	50.4(*1)	26.6	16.1	19.6	36.1	32.8	22.6	38.1	14.7	28.7
	Depreciation *4	17.7	21.8	28.0	45.6(*2)	26.6	17.1	15.9	16.1	18.1	7.5	16.1	8.1	17.6
	Advertising *5	11.8	18.9	22.2	22.8	20.7	20.7	15.1	17.2	13.1	7.6	16.0	10.0	19.1
	# of pachislot titles	9 titles	14 titles	17 titles	22 titles	19 titles	12 titles	10 titles	11 titles	8 titles	3 titles	9 titles	4 titles	6 titles
	Unit sales	676,933 units	607,106 units	523,422 units	380,688 units	123,286 units	162,932 units	302,270 units	300,866 units	202,221 units	143,171 units	301,575 units	92,998 units	207,828 units
	# of pachinko titles	8 titles	8 titles	14 titles	9 titles	12 titles	13 titles	12 titles	14 titles	14 titles	4 titles	10 titles	9 titles	14 titles
	Unit sales	233,049 units	288,895 units	132,981 units	108,184 units	391,831 units	360,171 units	343,188 units	332,288 units	216,860 units	54,955 units	200,225 units	86,453 units	242,847 units
	Same Store Sales Comparisons	98.5%	103.3%	95.8%	89.0%	92.4%	91.7%	99.3%	100.5%	93.8%	95.0%	96.1%	98.7%	100.1%
	Domestic Facilities	477 facilities	462 facilities	449 facilities	363 facilities	322 facilities	260 facilities	249 facilities	241 facilities	236 facilities	202 facilities	198 facilities	198 facilities	198 facilities
	# of game software titles	- (84)	- (122)	- (140)	80 (138)	78 (122)	66 (105)	51 (71)	45 (86)	25 (49)	8 (8)	21 (32)	6(14)	30 (50)
	Sales (Thousand units)	11,790	16,400	21,270	26,990	29,470	26,750	18,710	17,240	10,780	3,230	8,730	4,100	12,300

* Numbers shown in parentheses are based on previous accounting policy (reference)
* Number of titles reflects products which begin sales in the period (Numbers shown in parentheses are based on SKU)
(* 1): Includes rental assets of 17.1 billion Yen (full year) (* 2): Includes rental assets of 17.3 billion Yen (full year)
*3 In the fiscal year ended March 2014 and after, amortization cost of digital titles is included in R&D expense. (Up to the fiscal year ended March 2013, it was included in depreciation.)
*4 In the fiscal year ended March 2014 and after, amortization cost of digital titles is not included in depreciation. (In the fiscal year ended March 2014 and after, it is included in R&D expense/content production expense.)
*5 In the fiscal year ended March 2014 and after, advertising expenses are included in cost. (Up to the fiscal year ended March 2013, only selling, general and administrative (SG&A) expenses were included in cost.)

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http://http://www.sega.co.jp/ （SEGA Holdings）
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