Fiscal Year Ending March 2021
2Q Results Presentation

Nov 6, 2020

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1. Fiscal Year ending Mar 2021 2Q Results, Overview of Revised Full-Year Forecasts

FY2021/3 2Q Results, Full-Year Forecast Summary

(JPY Billion)	2020/3		2021/3		
	Through 2Q	Through 4Q	Through 2Q	Full Year Forecast (announced on Aug 5)	Revised Full Year Forecast (announced on Nov 6)
Sales	**165.5**	**366.5**	**110.2**	**277.0**	**283.0**
Pachislot and Pachinko Machines	44.2	108.5	10.7	56.0	60.0
Entertainment Contents	115.7	247.6	97.0	214.0	216.0
Resort	5.5	10.4	2.2	6.5	6.5
Other / Elimination	0.0	0.0	0.3	0.5	0.5
Operating Income	**14.6**	**27.6**	**-3.0**	**-15.0**	**-1.5**
Pachislot and Pachinko Machines	7.3	23.2	-12.0	-9.5	-10.0
Entertainment Contents	13.2	16.5	14.9	9.0	21.5
Resort	-1.5	-3.6	-2.6	-6.5	-5.5
Other / Elimination	-4.4	-8.5	-3.3	-8.0	-7.5
Non-operating income	1.3	3.2	3.2	4.0	5.0
Non-operating expenses	3.3	5.5	3.7	9.0	8.5
Ordinary Income	**12.6**	**25.2**	**-3.5**	**-20.0**	**-5.0**
Pachislot and Pachinko Machines	7.2	22.7	-12.4	-10.0	-10.5
Entertainment Contents	12.8	16.2	16.8	11.0	24.0
Resort	-3.1	-5.3	-4.6	-12.5	-11.0
Other / Elimination	-4.3	-8.4	-3.3	-8.5	-7.5
Ordinary Income Margin	7.6%	6.9%	-	-	-
Extraordinary income	0.0	3.1	1.5	**0.2**	**7.5**
Extraordinary losses	0.1	1.2	21.1	**3.2**	**34.0**
Income before income taxes	**12.5**	**27.1**	**-23.1**	**-23.0**	**-31.5**
Profit attributable to owners of parent	**9.8**	**13.7**	**-21.7**	**-17.0**	**-24.5**

*The results of FY2020/3 reflect the change of segment classification retrospectively.

FY2021/3 2Q Results

- Significant decline in sales YoY and recording of losses
  - ✓ The negative impact of COVID-19 bottomed out in 1Q and recorded ordinary income in 2Q accounting period.
  - ✓ Recorded extraordinary losses associated with the structural reform in Amusement Center Operations area.

Forecast

- Revised the full-year operating results forecast
  - ✓ Extent of losses at ordinary income phase decreased significantly from initial forecast due to the contribution of Consumer area.
  - ✓ Expect the incurrence of extra ordinary income and losses associated with the structural reform.
- Interim dividends decided to 10 yen.
  Year-end dividends is undecided.

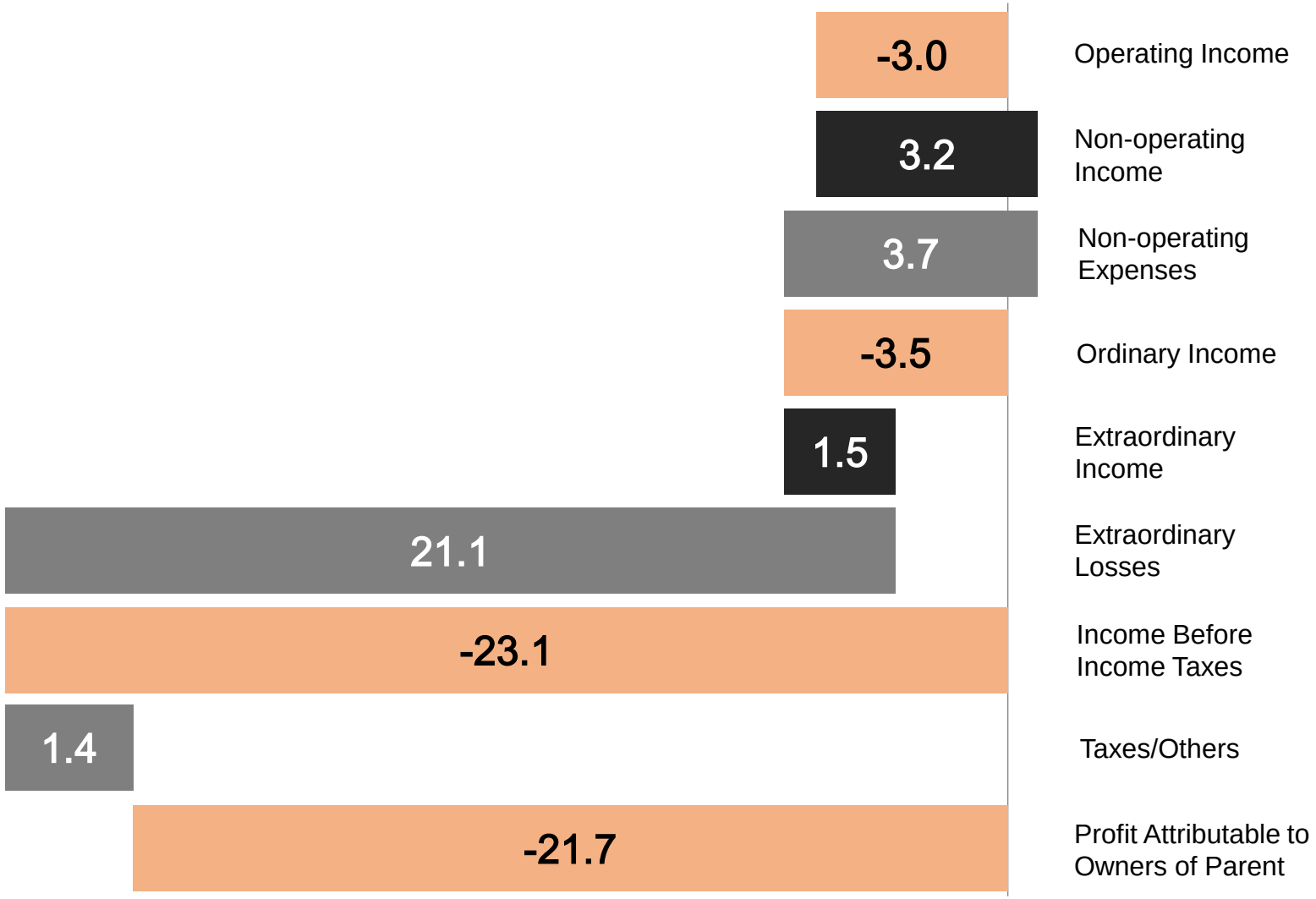
Breakdown of major extraordinary losses / income

＜**Extraordinary income**＞	**1Q results**	**2Q results**	**In and after 3Q (forecast)**
Subsidy income for COVID-19	**0.07 billion yen**	**0.5 billion yen**	**-**
(Structural reform) Gain on sales of investment securities	**-**	**-**	**5.9 billion yen**

＜**Extraordinary losses**＞	**1Q results**	**2Q results**	**In and after 3Q (forecast)**
Losses arising from the impact of COVID-19 (Loss on COVID-19)	**2.5 billion yen**	**0.06 billion yen**	**-**
(Structural reform) Transfer of shares of subsidiary engaged in amusement facilities	**-**	**18.4 billion yen**	**1.6 billion yen**
Closure of Orbi Yokohama	**-**		**0.5 billion yen**
Call for voluntary retirement of employees	**-**	**-**	**10 billion yen**

Breakdown of Income (FY2021/3 2Q Results)

(Unit: billion yen)



Non-operating income/ losses and extraordinary income / losses

Non-operating income	**3.2**
Gain on valuation of investment securities	2.2
Dividends income	0.3
Non-operating expenses	**3.7**
Equity in losses of affiliates	2.4
Extraordinary Income	**1.5**
Gain on reversal of subscription rights to shares	0.8
Subsidy income	0.5
Extraordinary losses	**21.1**
Loss on COVID-19	2.6
Structural reform expenses	18.4

Consolidated Costs and Expenses

(Unit: billion yen)

	2020/3		2021/3			
	Through 2Q	Through 4Q	Through 2Q	Full Year Forecast (announced on Aug 5)	Revised Full Year Forecast (announced on Nov 6)	Main factors for increase or decrease for 2Q and revised operating results forecast
R&D Expense / Content Production Expense	33.5	76.5	28.3	64.2	62.7	Expenses decrease due to the decrease of the numbers of new titles to be launched in Consumer area.
Cap-ex	10.5	22.8	7.2	15.2	13.9	Decrease due to the restrain of investment for machines, interiors and exteriors of stores and etc. in Amusement Center Operations area.
Depreciation	7.3	14.8	7.3	13.4	13.1	2Q results were on par YoY. Decreased in revised full-year forecast due to the structural reform in Amusement Center Operation area.
Advertising	8.5	17.4	5.6	16.9	16.3	Expenses decrease due to the decrease of the numbers of new titles to be launched in Consumer area.

Consolidated Balance Sheet Summary

(Unit: billion yen)

	As of end of March 2020	As of end of September 2020	Change
Total Current Assets	268.9	262.0	-6.9
Cash and Deposits	159.0	139.1	-19.9
Notes and accounts receivable - trade	40.4	26.1	-14.3
Short-term investment securities	5.3	5.1	-0.2
Inventories	47.0	59.7	+12.7
Total Noncurrent Assets	189.2	172.3	-16.9
Total assets	458.2	434.4	-23.8
Total Current Liabilities	86.1	87.1	+1.0
Corporate Bonds	10.0	-	-10.0
Short - term loans payable	13.3	39.1	+25.8
Total Noncurrent Liabilities	75.2	74.5	-0.7
Corporate Bonds	10.0	10.0	-
Total Liabilities	161.4	161.7	+0.3
Total Net Assets	296.8	272.6	-24.2
Total Liabilities and Net Assets	458.2	434.4	-23.8

	As of end of March 2020	As of end of September 2020	Change
Cash, deposits and cash equivalents	158.6	143.7	-14.9
Interest bearing debt	75.3	91.2	+15.9
Net cash	83.2	52.5	-30.7
Equity Ratio	64.2%	62.2%	-2.0pt

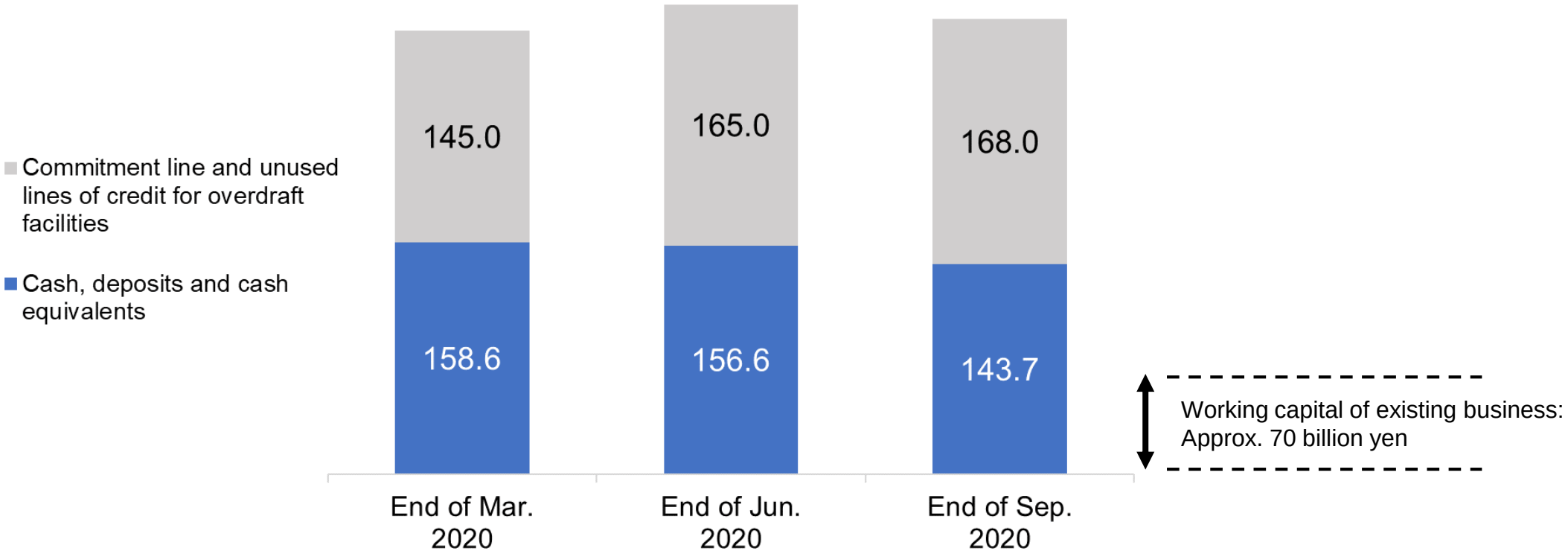
Main factors for increase / decrease	YoY Changes
Current Assets	**-6.9**
Cash and Deposits and trade notes and accounts receivable decreased while inventory assets including work in progress increased.	
Noncurrent Assets	**-16.9**
Decreased associated with the structural reform in Amusement Center Operations area	
Liabilities	**+0.3**
Increased due to the borrowing of short-term loans payable while redeemed corporate bonds.	
Net Assets	**-24.2**
Decreased due to the recording of losses attributable to owners of parent for quarter and payment of dividends.	

⇒For more details, please see “Fiscal Year Ending March 2021 2Q Results Appendix

Liquidity of Funds

- ✓ Secured 311 billion yen as liquidity, which enabling flexible response to funding demand, including working capital for existing business and strategic investments in the future.

(Unit: billion yen)



Market and business environment for the current fiscal year

2021/3

	Apr. – Jun.	Jul. – Sep.	Oct. – Mar.
Pachislot and Pachinko machines	*Halls suspended operation *Deadline for removal extended.	*Utilization has been recovering since resumption of operations *Expecting that the recovery of purchasing motivation of pachinko halls take a while as the deadline for removal extended.	*Utilization is stable at about 70 to 80 percent, and the removal of previous regulation machines is expected to proceed from the second half of the year.
Consumer	*Growth in sales due to spending from staying at home	*Spending from staying at home is stabilized, but repeat and other sales are expected to be strong continuously.	
Amusement Machine Sales	*Revenue from rev. sharing model and machine sales decreased due to closure and declined store utilization.	*Sales environment are expected to improve gradually as utilization of facilities recovers.	
Amusement Center Operations	*Take measures of temporary closure of stores sequentially. *Sales of existing stores YoY 27.4%	*Expecting that the utilization at facilities continues to recover *Sales of existing stores YoY: 50.1% (Through Sep.)	
Animation / Toys	*Significant decrease in production and allocated revenues due to postponement of theatrical release, etc.		*Expecting the gradual recovery from the resumption of operation at theatres, etc.
PHOENIX RESORT	*Temporary closure for all facilities	*Utilization recovering gradually. *The number of users continuously decline.	*Although expecting the expansion in personal demand from "Go To Travel Campaign", expecting the sluggish recovery in corporate and group demand.
PARADISE SEGA SAMMY	*Suspension of operations at some facilities and casino area	*Expecting that the restriction of foreign visitors will continue *Temporary closure of some facilities from 7/1.	

Pachislot and Pachinko Machines Business

(JPY Billion)	2020/3		2021/3		
	Through 2Q	Through 4Q	Through 2Q	Full Year Forecast (announced on Aug 5)	Revised Full Year Forecast (announced on Nov 6)
Sales	**44.2**	**108.5**	**10.7**	**56.0**	**60.0**
Pachislot	11.1	54.1	2.0	19.7	14.9
Pachinko	23.8	37.4	3.7	26.7	35.8
Other / Elimination	9.3	17.0	5.0	9.6	9.3
Operating Income	**7.3**	**23.2**	**-12.0**	**-9.5**	**-10.0**
Non-operating income	0.2	0.7	0.2	0.3	0.5
Non-operating expenses	0.3	1.1	0.6	0.8	1.0
Ordinary Income	**7.2**	**22.7**	**-12.4**	**-10.0**	**-10.5**
Ordinary Income Margin	16.3%	20.9%	-	-	-

FY2021/3 2Q Results

- Resumed sales of new titles from 2Q.
- Although recorded losses, the extent of losses decreased QoQ due to the resumption of sales.

Forecast

- Launch mainstay titles in line with the replacement demand at the end of 2020.
- Loss margin to remain at the same level as initial forecast as we review the sales schedule and proceed the review of inventory assets such as components.

*From FY2021/3, the gaming machine business, which develops and sells gaming machines for casino, was shifted from Amusement Machine Sales area of Entertainment Contents Business segment to Pachislot andPachinko Machines Business segment.

*The results of FY2020/3 reflect the change of segment classification retrospectively.

Pachislot and Pachinko Machines Business

(JPY Billion)		2020/3		2021/3		
		Through 2Q	Through 4Q	Through 2Q	Full Year Forecast (announced on Aug 5)	Revised Full Year Forecast (announced on Nov 6)
Pachislot	**Number of Titles**	**1 title**	**5 titles**	**1 title**	**8 titles**	**6 titles**
	Unit Sales (units)	**28,360**	**123,336**	**4,885**	**52,000**	**38,300**
Pachinko	**Number of Titles**	**4 titles**	**7 titles**	**2 titles**	**5 titles**	**5 titles**
	Unit Sales (units)	**66,140**	**104,581**	**11,342**	**71,000**	**89,200**
	Board + Frame	15,850	33,056	1,187	44,000	63,500
	Board	50,290	71,525	10,155	27,000	25,700

(Major Titles)

	2Q		In and after 3Q	
Pachislot	Pachislot Shin Hokuto Muso	July	Pachislot Kaidoumokushiroku kaiji numa	October
			Pachislot The Seven deadly Sins	November
			Pachislot Initial D	January
Pachinko	P Psalms of Planets Eureka Seven HI-EVOLUTION ZERO	August	P BIG DREAM2 GEKISHIN 199Ver.	November
			P Shin Hokuto Muso Chapter 3	December
	P ROAD TO EDEN	September	Dejihane PA Psalms of Planets Eureka Seven HI-EVOLUTION ZERO	January

Pachislot and Pachinko Machines Business: Major titles

2Q

Pachislot



“Pachislot Shin Hokuto Muso”

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Pachinko



“P Psalms of Planets Eureka Seven HI-EVOLUTION ZERO”

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In and after 3Q

Pachislot



“Pachislot The Seven deadly Sins”

©Nakaba Suzuki,Kodansha/The Seven Deadly Sins Project,MBS
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©Nakaba Suzuki,Kodansha
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Pachinko



“P Shin Hokuto Muso Chapter 3”

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©2010-2013 Koei Tecmo Games Co., Ltd.
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Entertainment Contents Business

(JPY Billion)	2020/3		2021/3		
	Through 2Q	Through 4Q	Through 2Q	Full Year Forecast (announced on Aug 5)	Revised Full Year Forecast (announced on Nov 6)
Sales	**115.7**	**247.6**	**97.0**	**214.0**	**216.0**
Consumer	55.8	125.5	61.4	125.0	132.5
Amusement Machine Sales	24.6	51.0	13.6	35.0	37.5
Amusement Center Operations	22.0	41.9	11.8	28.0	20.0
Animation / Toy	11.7	26.2	9.0	24.0	24.0
Other / Elimination	1.6	2.9	1.2	2.0	2.0
Operating Income	**13.2**	**16.5**	**14.9**	**9.0**	**21.5**
Consumer	9.7	14.7	20.3	22.5	30.0
Amusement Machine Sales	0.7	-0.6	-1.9	-3.5	-2.5
Amusement Center Operations	1.9	1.4	-2.7	-7.5	-4.5
Animation / Toy	1.7	2.7	0.2	0.5	0.9
Other / Elimination	-0.9	-1.7	-1.0	-3.0	-2.4
Non-operating income	0.3	1.3	2.5	3.0	3.3
Non-operating expenses	0.8	1.6	0.6	1.0	0.8
Ordinary Income	**12.8**	**16.2**	**16.8**	**11.0**	**24.0**
Ordinary Income Margin	11.1%	6.5%	17.3%	5.1%	11.1%

FY2021/3 2Q Results

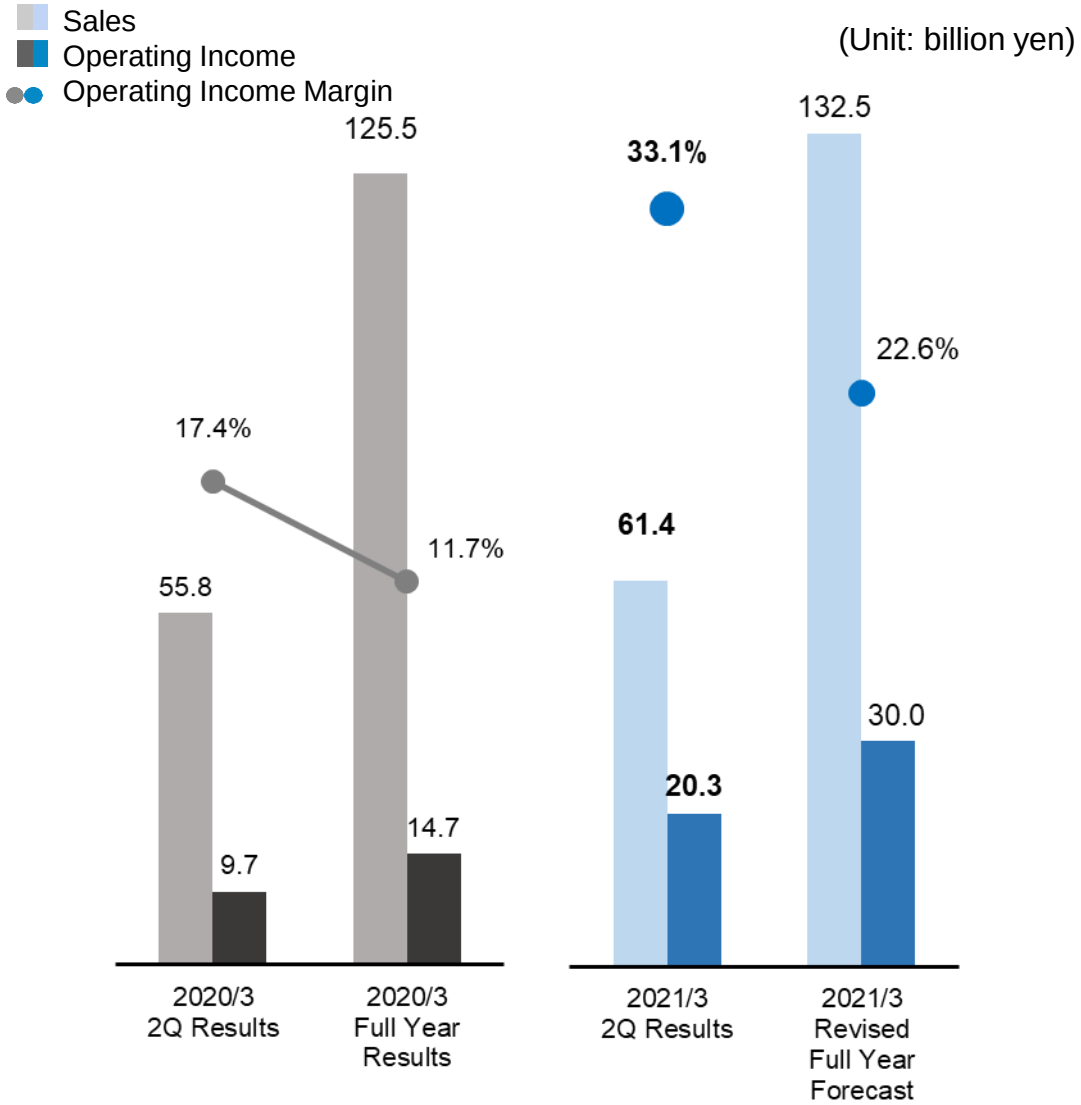
- Although sales decreased, profit increased YoY due to the contribution of Consumer area.
- Recorded gain on valuation of securities held by a U.S. subsidiary in non-operating income.

Forecast

- Continue to expect strong performance in Consumer area.
- Loss margin was restrained due to the implementation of the structural reform of Amusement Center Operations area through a review of business portfolio.
- Scheduled to record non-operating income for the movie "Sonic The Hedgehog" (some are scheduled to be recorded in the next fiscal year).

*From FY2021/3, Digital Games area and Packaged Games area have been integrated into 1 sub-segment and changed the name to Consumer area.
*From FY2021/3, the gaming machine business, which develops and sells gaming machines for casino, was shifted from Amusement Machine Sales area of Entertainment Contents Business segment to Pachislot andPachinko Machines Business segment.
*The results of FY2020/3 reflect the change of segment classification retrospectively.

Consumer area



FY2021/3 2Q Results

- Despite a decline in QonQ, profit increased substantially YoY.
- Strong performance of repeat sales, centered on overseas.
- Recorded royalties for some new titles.
- Performance of new titles for F2P went strong.

Forecast

- Expect to maintain strong repeat sales.
- Schedule to launch new titles.
- Expect both existing and new titles of F2P to continue to perform well.

Consumer area: Major Titles

2Q

Full Game



"A Total War Saga: TROY"

© SEGA. Developed by The Creative Assembly Limited.

F2P



"Re:ZERO -Starting Life in Another World- Lost in Memories"

©Tappei Nagatsuki,KADOKAWA/Re:ZERO2 PARTNERS ©SEGA



"Project SEKAI COLORFUL STAGE feat. Hatsune Miku"

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In and after 3Q

Full Game



"Shin Megami Tensei Ⅲ NOCTURNE HD REMASTER"

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"YAKUZA : LIKE A DRAGON"

©SEGA



"Puyo Puyo™ Tetris® 2"

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"HUMANKIND™"
*April 2021

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"Shin Megami Tensei V"
*Within 2021

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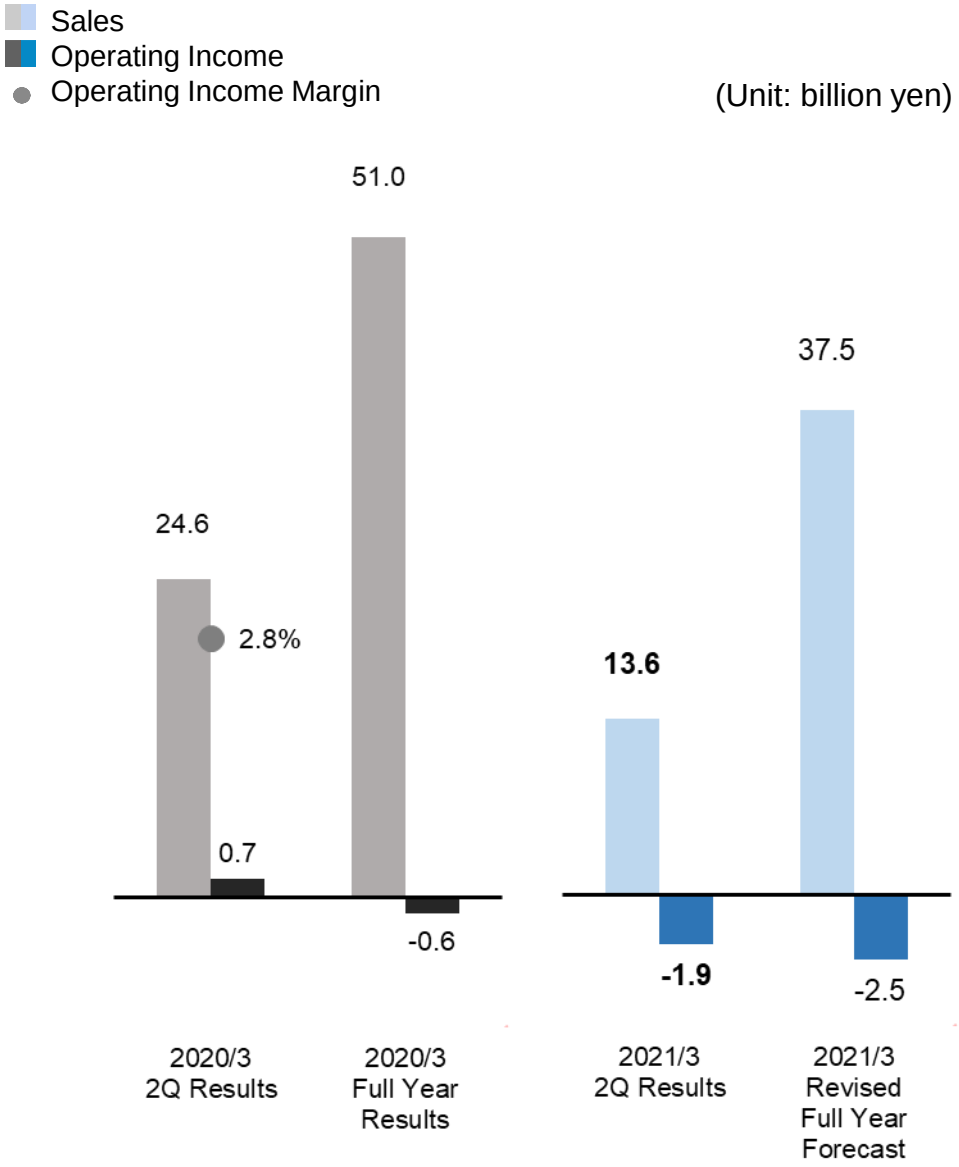
F2P



"Sakura Revolution"

Original Game © SEGA / © DELiGHTWORKS

Amusement Machine Sales area



FY2021/3 2Q Results

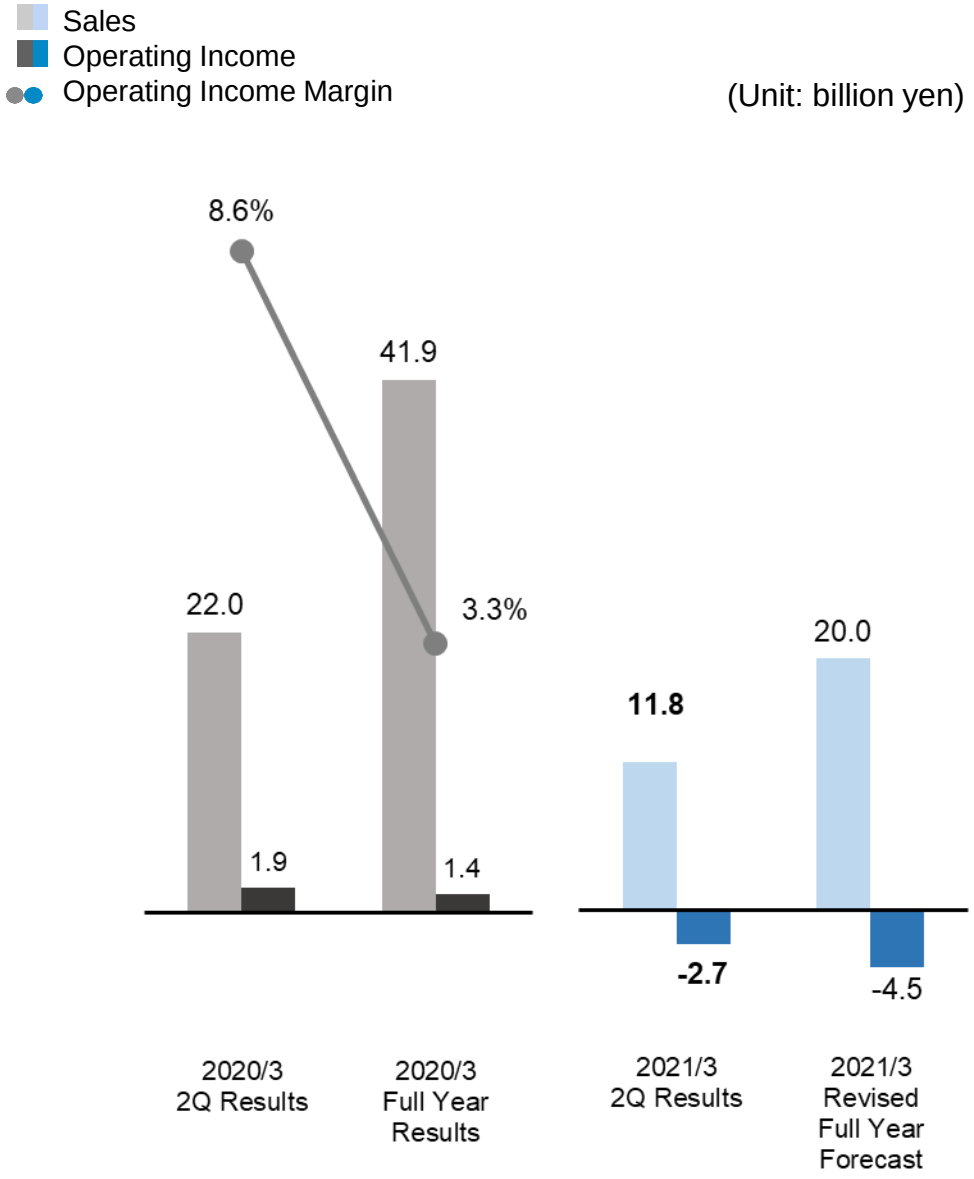
- Utilization of amusement facilities is in recovering trend and improving QoQ.
- Sold centered on UFO Catcher series machines and prizes for UFO Catcher.

Forecast

- Proceed the streamlining of business by shifting R&D resources to Consumer, the growing area.

*From FY2021/3, the gaming machine business, which develops and sells gaming machines for casino, was shifted from Amusement Machine Sales area of Entertainment Contents Business segment to Pachislot andPachinko Machines Business segment.
*The results of FY2020/3 reflect the change of segment classification retrospectively.

Amusement Center Operations area



FY2021/3 2Q Results

- Sales of existing stores were 50.1 % YoY.
- Currently, although stores mainly in suburban and shopping center are recovering, stores in central Tokyo remain sluggish.

Forecast

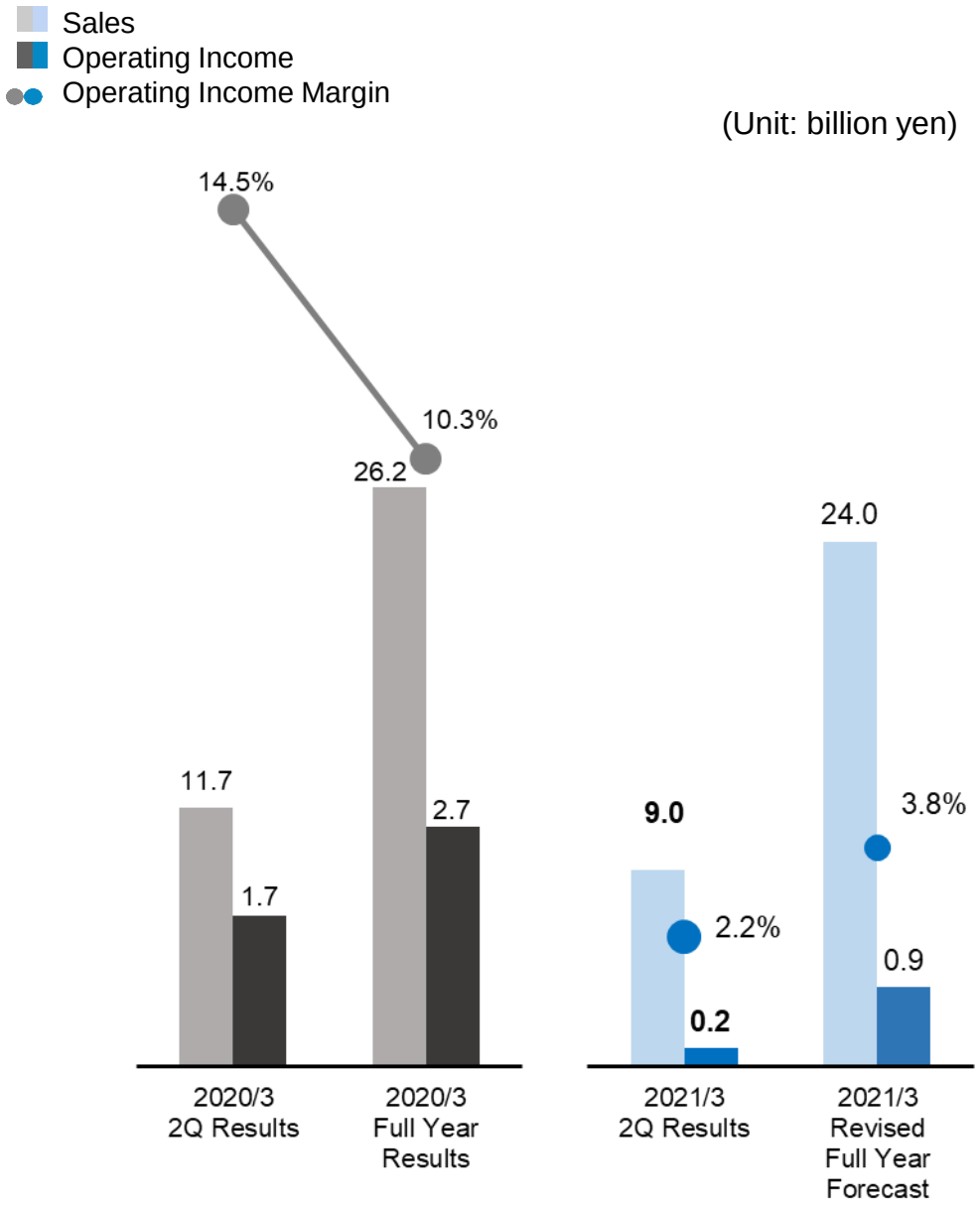
- Schedule to record the results of this area until 3Q associated with the structural reform.

■ YoY comparison of monthly sales of existing stores

Apr.	May.	Jun.	Jul.	Aug.	Sep.	Oct.
14.5%	16.2%	58.5%	68.3%	64.8%	75.5%	87.0%

(Figure for Oct. is preliminary figure)

Animation / Toys area



FY2021/3 2Q Results

- Animation: Significant decrease in allocated revenue due to postponement of release of theatrical version of "Detective Conan: The Scarlet Bullet" as the impact of COVID-19.
- Toys: Focused on sales of regular products.

Forecast

- Animation: Record revenue from animation production, etc.
- Toys: Sell new and regular products for holiday shopping season.

Resort Business

(JPY Billion)	2020/3 Through 2Q	2020/3 Through 4Q	2021/3 Through 2Q	2021/3 Full Year Forecast (announced on Aug 5)	2021/3 Revised Full Year Forecast (announced on Nov 6)
Sales	**5.5**	**10.4**	**2.2**	**6.5**	**6.5**
Operating Income	**-1.5**	**-3.6**	**-2.6**	**-6.5**	**-5.5**
Non-operating income	0.2	0.2	0.0	0.0	0.2
Non-operating expenses	1.7	1.9	2.0	6.0	5.7
Ordinary Income	**-3.1**	**-5.3**	**-4.6**	**-12.5**	**-11.0**
Ordinary Income Margin	-	-	-	-	-
＜PHOENIX RESORT＞					
Sales	**5.0**	**9.9**	**2.0**	**6.0**	**6.1**
Operating Income	**-0.1**	**-0.2**	**-1.6**	**-2.4**	**-2.1**
No. of facility users (Thousands)	**454**	**839**	**211**	**484**	**539**
3 accommodation facilities	194	359	78	200	224
2 golf courses	46	92	31	70	73
Other facilities	214	388	102	214	242

FY2021/3 2Q Results

- PHOENIX RESORT: Facilities utilization is in recovering trend due to "Go To Travel Campaign“.
  (Number of facility users YoY: 46.4%)

Forecast

- Expenses for domestic IR decreased from initial assumption.
- PHOENIX RESORT: Extent of losses narrowed due to the expansion of personal demand.
- Expect to record losses in PARADISE SEGASAMMY (non-operating expenses).

■ Numbers of monthly facility users of PHONIX RESORT (YoY comparison)

Apr.	May.	Jun.	Jul.	Aug.	Sep.
32.5%	8.6%	33.4%	45.5%	58.0%	97.8%

Resort Business (PARADISE SEGASAMMY)

（KRW Billion）

（KRW Billion）		FY2020 2Q Results	FY2021 2Q Results
Sales		196.4	115.7
	Casino	161.1	91.8
	Hotel	28.3	19.4
	Other	7.0	4.4
Cost of sales		182.1	126.1
	Casino	93.1	59.2
	Hotel	57.4	46.2
	Other	31.5	20.6
Gross profit		14.3	-10.4
	SG&A	26.4	15.3
Operating profit		-12.0	-25.7
EBITDA		19.4	4.0
Net profit		-27.6	-41.7
Number of casino visitors (Thousands)		181	101

Source: Paradise IR

SEGASAMMY Equity method acquisition amount (Billion yen)	**-1.5**	**-1.9**

FY2021/3 2Q Results

- ◆ The number of facility users declined.
  - Number of casino users YoY: 55.8%
  - Streamlined the facilities operation by suspending the operation of some facilities and reducing fixed expenses.

Forecast

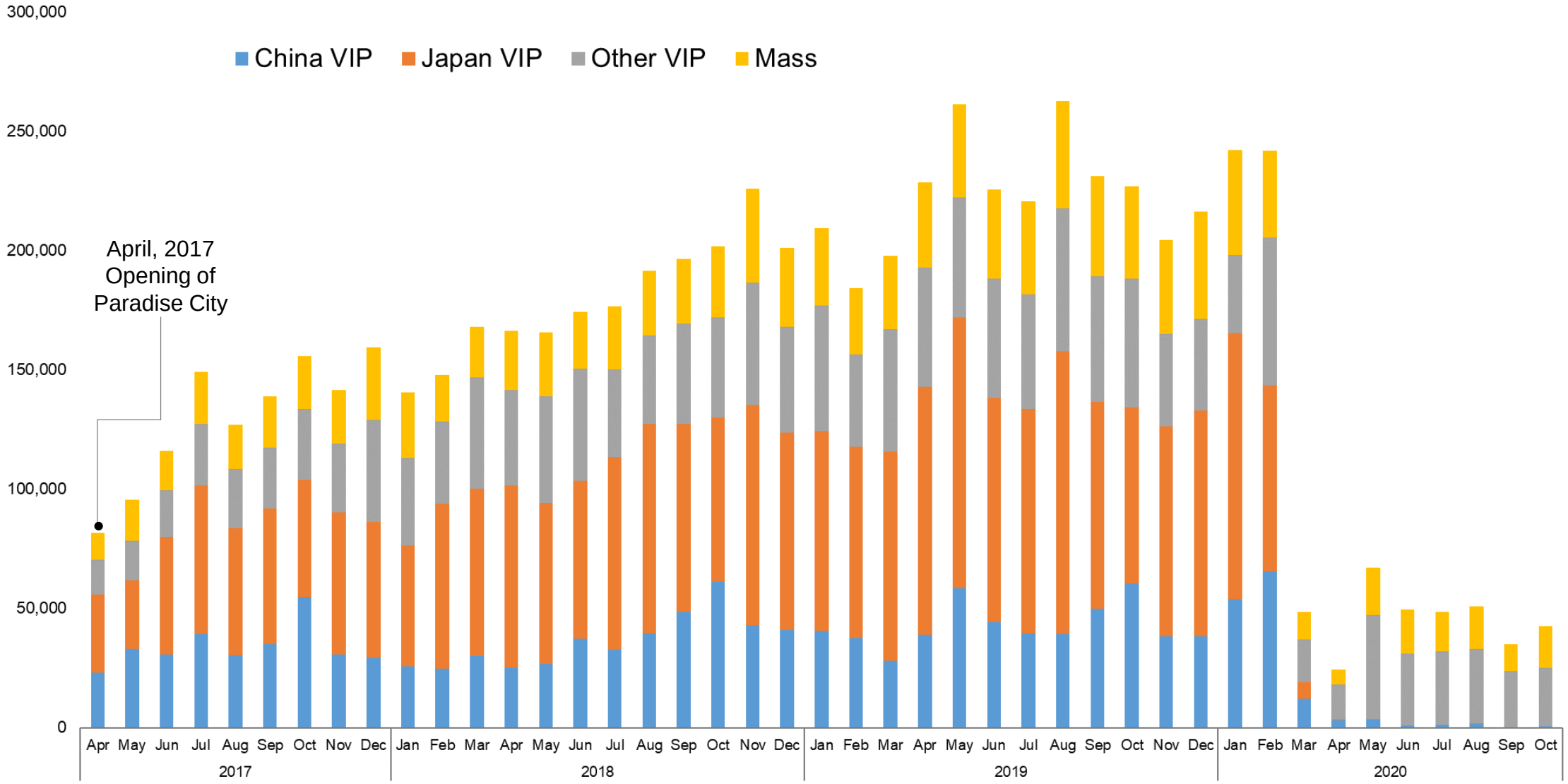
- ◆ Expecting that the restriction of foreign visitors in each country will continue.
- ◆ Expect to record losses due to a decrease in utilization of facilities.

*PARADISE SEGASAMMY Co., Ltd. is an equity method affiliate of SEGA SAMMY HOLDINGS INC. *Figures for PARADISE SEGASAMMY Co., Ltd. are recorded with three months delay as its settlement of accounts is December *Local accounting standard

Resort Business (PARADISE SEGASAMMY)

Transition of Drop* amounts at PARADISE SEGASAMMY

(KRW Million)



*Drop amounts: Purchased amount of chips by customers at the table
*Calculation method was changed after Jan 2018

2. Structural Reforms and Future Direction

Operating results for FY2021/3

- ✓ Expansion of net losses due to the recording of structural reform expenses

Net income **-24.5 billion yen**
(full-year forecast)

- ✓ Review of dividends amount

Interim: 10 yen,
Year-end: undecided

- ✓ Reduction of directors' compensation

-30% (Representative Director), etc.

Regarding the implementation of Structural Reforms

- ✓ Building a business structure that can adapt to market condition.
- ✓ Clarify the growing area by selecting and focusing on business.

Review of business Portfolio

Transfer of Amusement Center Operations area
Optimization of the scale of Amusement Machine sales area

- ✓ Transition to a fixed expenses level commensurate with business structure

Reduction of fixed expenses

Call for voluntary retirement of employees

- ✓ Securing cash for realization of investment for growth

Review of non-business properties

Sale of assets owned

Impact associated with “Structural Reform”

		PL impact for the current FY (Forecast)	PL impact for the next FY (Forecast)
1 . Review of business Portfolio	・Structural reform expenses in Amusement Center Operations area ・Closure of Orbi Yokohama	**-20.5 billion yen** (Extraordinary losses)	**+5.0 billion yen** (Ordinary Income)
2 . Reduction of fixed expenses of 15 billion yen	・Call for voluntary retirement approx. 650 employees group-wise	**-10.0 billion yen** (Extraordinary losses)	**+10.0 billion yen** (Ordinary Income)
3 . Review of BS	・Gain on sales of investment securities ・Continue to review non business properties	**+5.9 billion yen** (Extraordinary income)	**-**

Future outlook for each segment

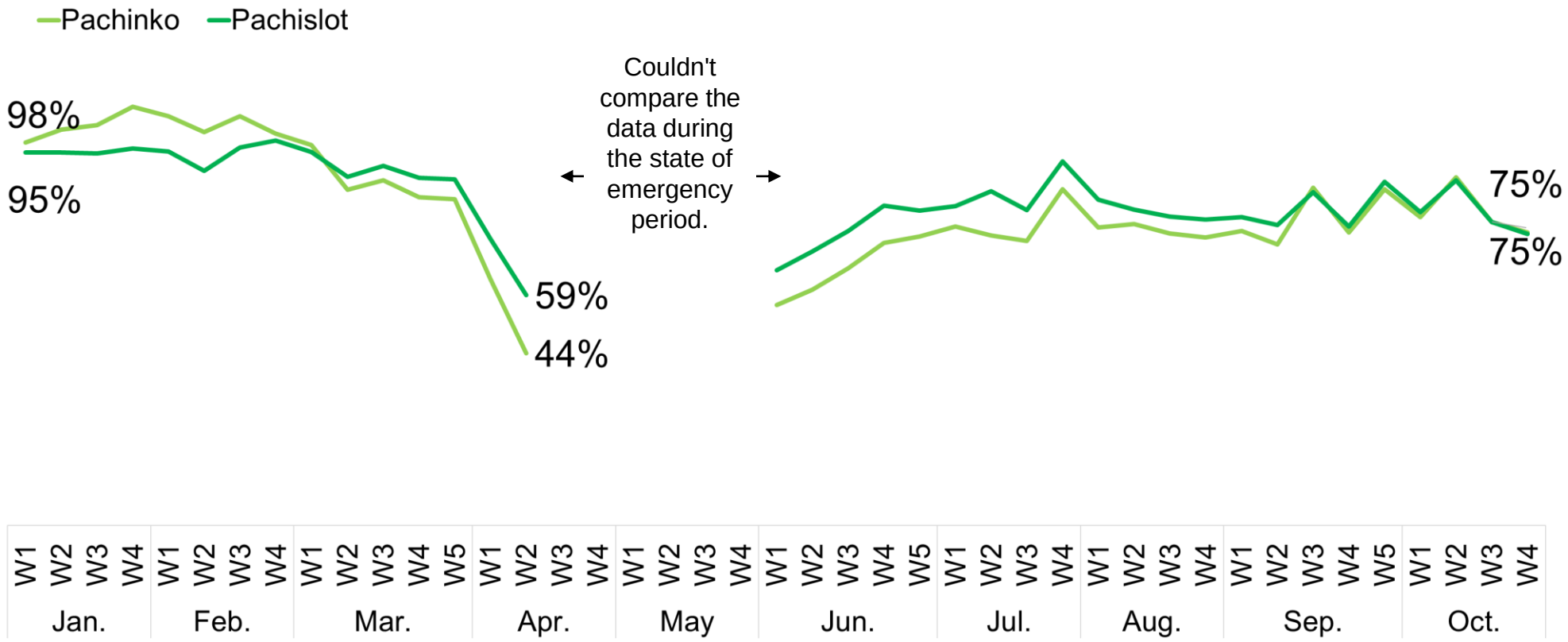
Pachislot and Pachinko Machines Business

- ✓ Utilization of Pachinko hall remains at around 70-80%
- ✓ Demand is expanding due to the arrival of deadline for removal in the second half to the next fiscal year.
- ✓ Recovery of business results from increase of sales unit and reduction of fixed expenses.

Market Environment of Pachislot and Pachinko Machines Business
(Transition of utilization of pachinko halls)

➢ Utilization of hall remains at around 70-80%

YoY comparison of average utilization rate of pachislot and pachinko

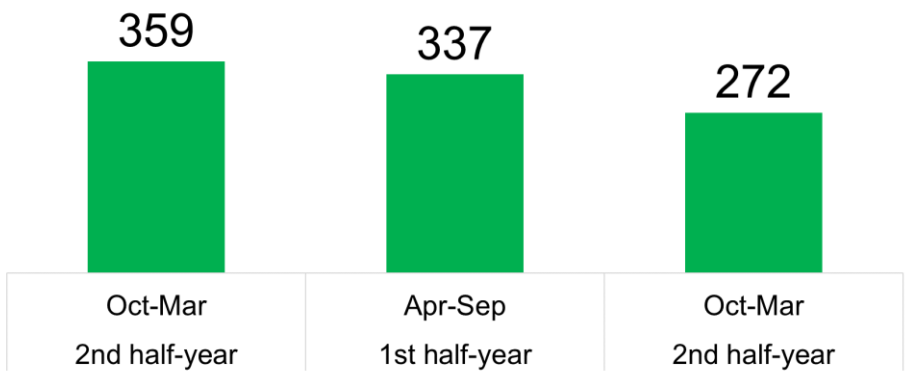


*In-house estimation based on DK-SIS data (Data of 4 yen Pachinko and 20 yen Pachislot) of Daikoku Electric Co., Ltd

Pachislot and Pachinko Machines Business (removal schedules)

- Deadline for removal arrives from the second half to the next fiscal year

Pachislot

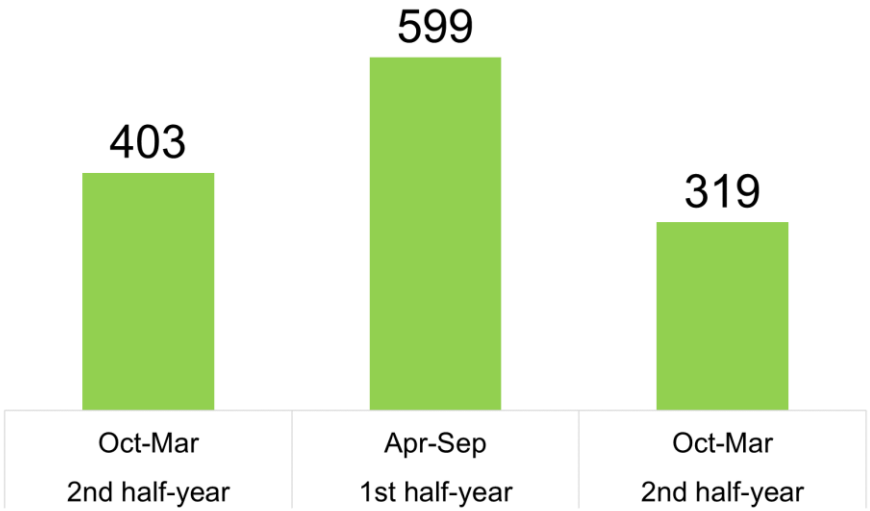


FY2021/3 **359K units**

FY2022/3 **609K units**

Pachinko

(Unit: K units)



FY2021/3 **403K units**

FY2022/3 **918K units**

*In-house estimates as of the end of October 2020

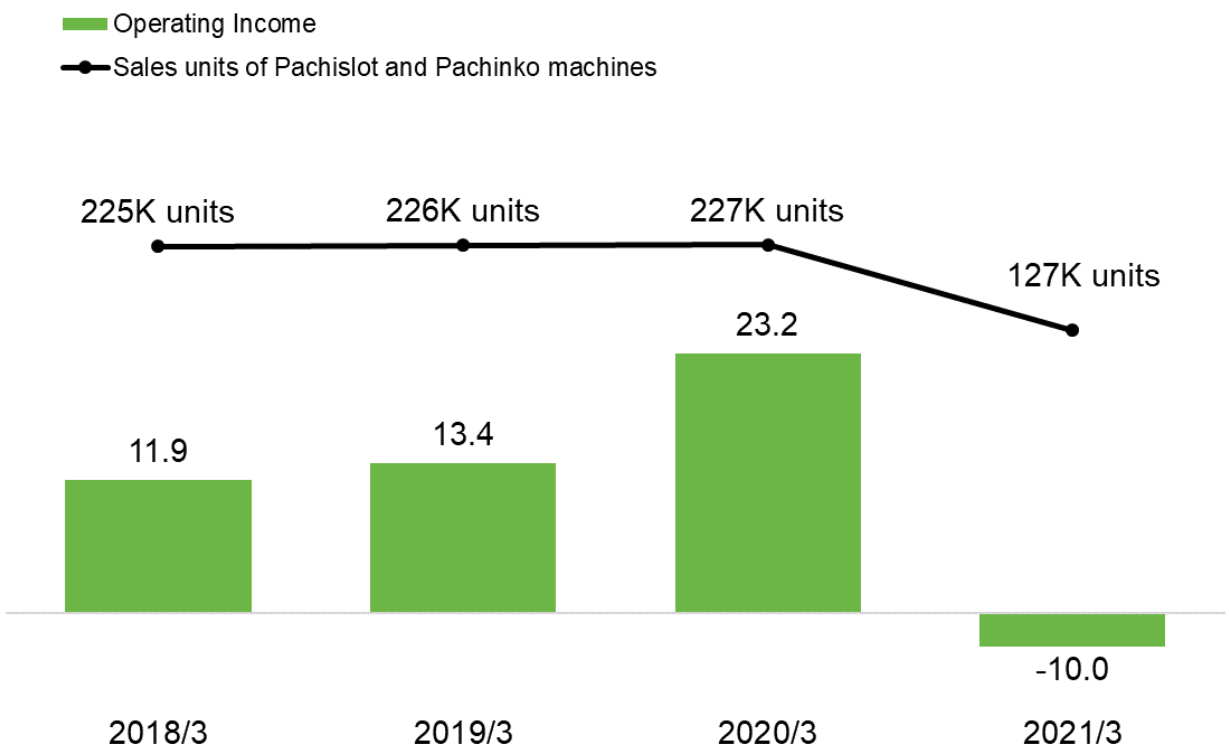
*Completion of transition to new regulation machines is scheduled on Dec, 2021

Pachislot and Pachinko Machines Business (Transition of results)

➢ Impact has bottomed out in the current fiscal year and aims for recovery of business results in the next fiscal year.

■ Transition of unit sales and operating income

(Unit: billion yen)



✓ **Unit sales to increase due to expansion of demand for replacement**

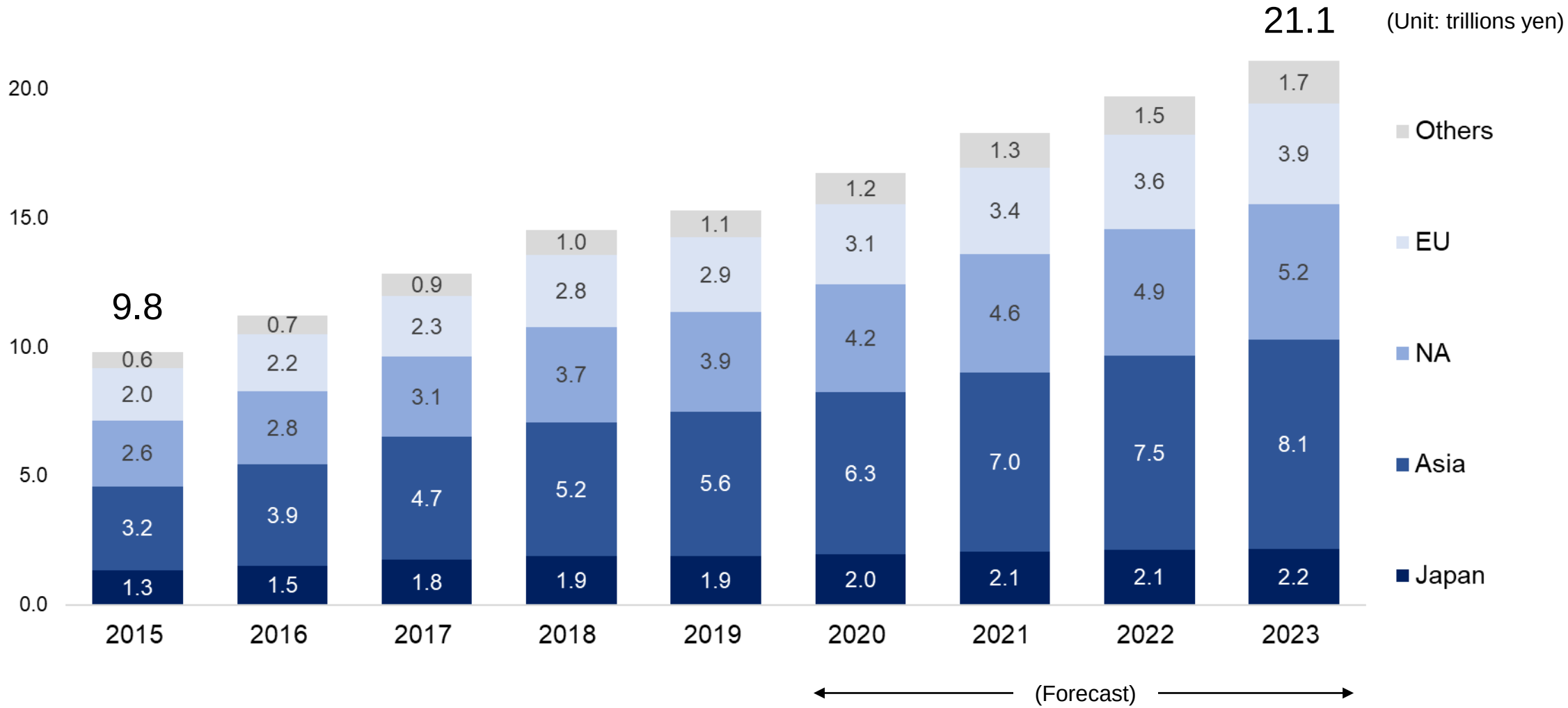
✓ **Reduction of fixed expenses**

Entertainment Contents Business
Consumer area

- ✓ Expanding trend of global market continues
- ✓ Recent titles in consumer area are performing strongly and expecting the continuous growth
- ✓ Strengthen the business design further to win globally

Consumer area

➢ Continuous Growth in the Global Game Market

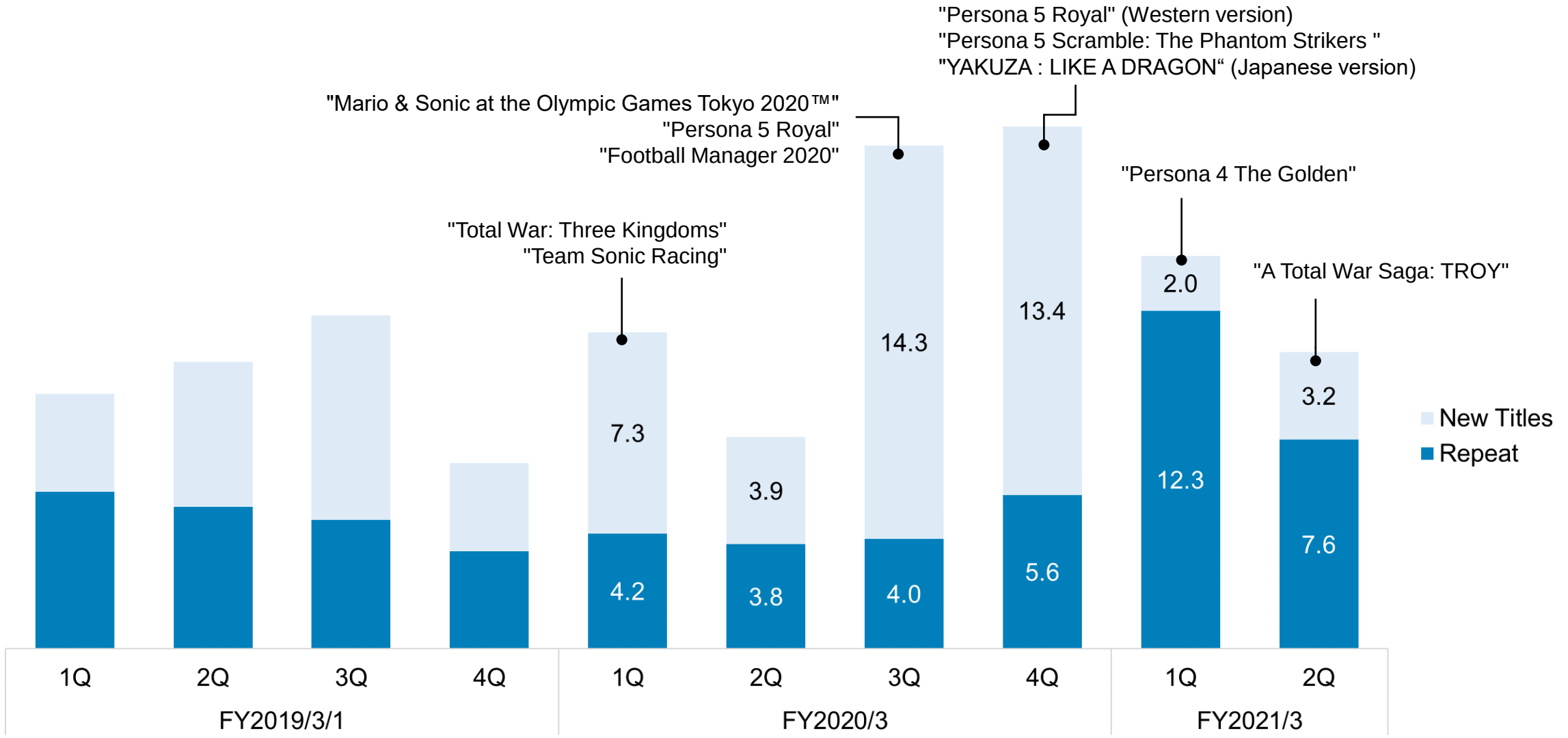


*In-house estimation based on data from "Newzoo Global Games Market Data January 2020" (Exchange rate: 1 USD = 105 JPY)

Consumer area (Sales Transition of Full Game)

➢ Performance of repeat sales continues to be strong.

(Unit: billion yen)



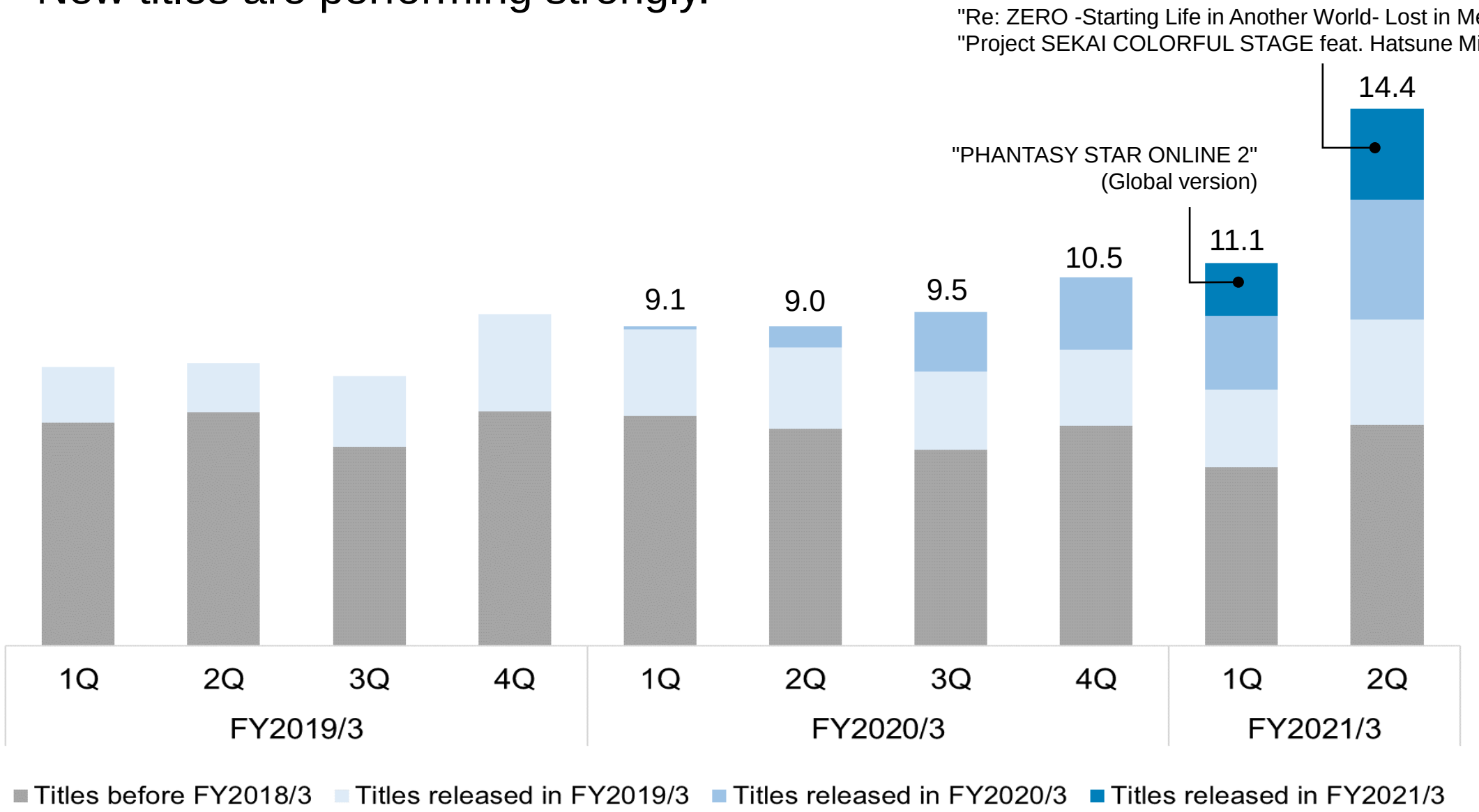
Repeat: "SONIC" series, "Persona" series, "Total War" series, "Football Manager" series, and "YAKUZA" series, etc.

*FY2019/3 is the reference values before the change of segments

Consumer area (Sales Transition of F2P)

(Unit: billion yen)

- New titles are performing strongly.



*1 Figures for FY2021/3 1Q have been revised. *2 FY2019/3 is the reference values before the change of segments

Recent titles (FY21/3)

Phantasy Star Online 2 (Global version)

Existing IP

Multi device
Multi region

- **Distribution on Xbox, Steam, etc.**
- **Distributed in 33 countries and regions worldwide, including Europe, India, and Oceania**

© SEGA

A Total War Saga: TROY

Existing IP

Entry to new platform

- **Offered exclusive pre-sale to Epic Games.**
- **Recorded more than 750 million downloads***



© SEGA. Developed by The Creative Assembly Limited.

*Including free download

Football Manager 2020*

Existing IP

Expansion of the brand recognition

- **Roll-out on multiple platforms, including free DLs at Steam and Epic Games stores**

© Sports Interactive Limited 2019.
Published by SEGA Publishing Europe Limited.

*Released in October. 2019

Recent titles (FY21/3)

Re: ZERO -Starting Life in Another World- Lost in Memories

External IP

Title based on popular animation

- **Titles using TV animation based on a popular novel.**
- **Earn the high rank at iOS app sales ranking.**



©Tappei Nagatsuki,KADOKAWA/Re:ZERO2 PARTNERS
©SEGA

Project SEKAI COLORFUL STAGE feat. Hatsune Miku

External IP

Joint development

- **Jointly developed with Colorful Palette (newly established studio of Craft Egg Inc.).**
- **Exceeded 2 million users.**



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Focus on Consumer area

- The optimal IP roll-out on optimal platform

Four IP strategies

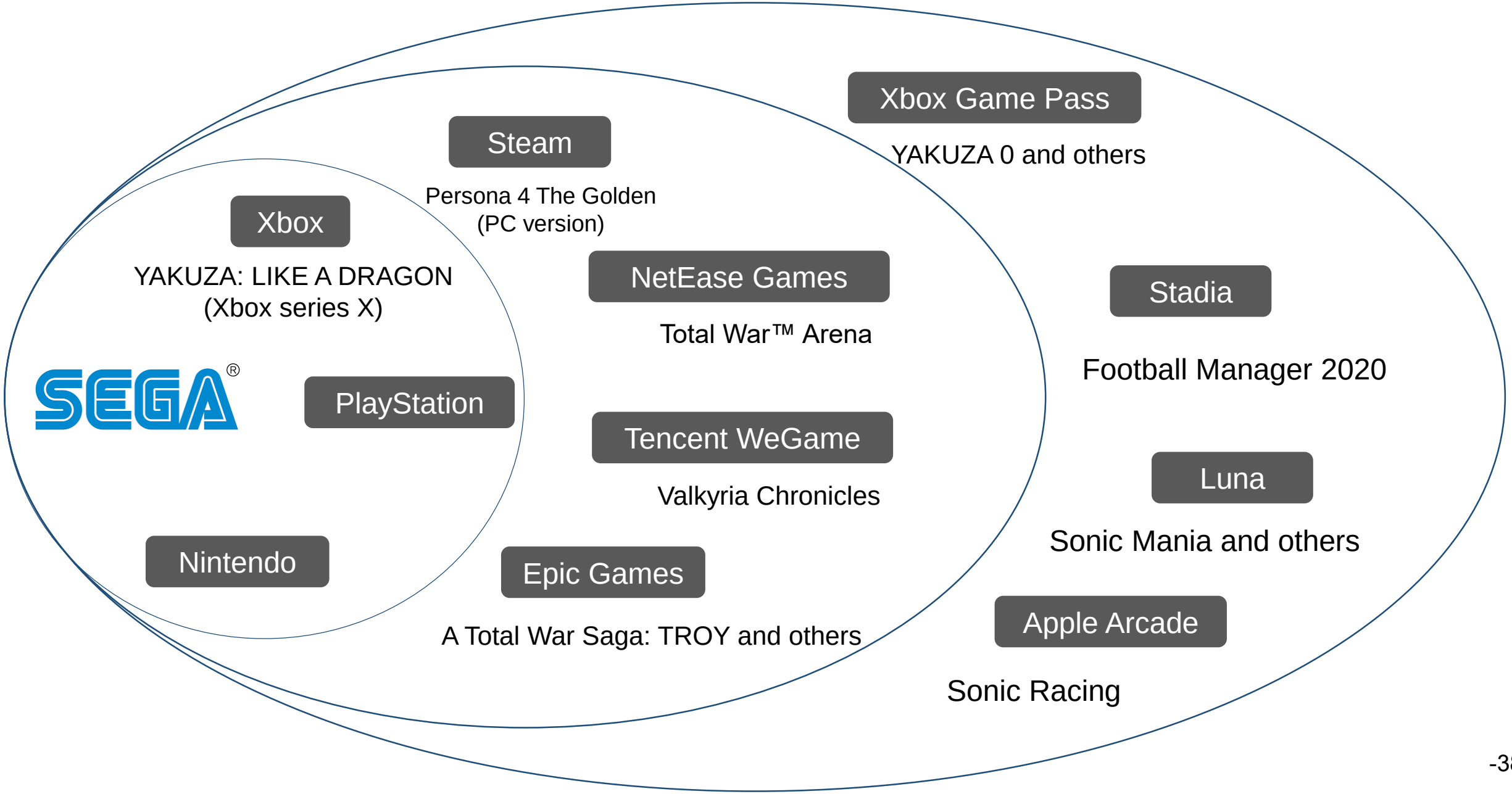
Existing IP
New IP
External IP
Revived IP

×



Global Partnerships

Expansion of business roll-out



New title (F2P)

“Total War™ Arena”



The Creative Assembly

×

NetEase

Launched the official service for Chinese Mainland through NetEase, a leading IT company in China. (9/23)

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New title (Full Game)

YAKUZA : LIKE A DRAGON



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SEGA × Xbox

Launch “YAKUZA : LIKE A DRAGON” at first time in Xbox Series X. (11/10)

New title (F2P)

“Sakura Revolution”



SEGA × DELiGHTWORKS Inc.

Co-development of the new title for smartphone

New title (Full Game)



”Shin Megami Tensei Ⅴ”
(within 2021)

© Amplitude Studios 2020.
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Plan for subsequential launch on Steam, Epic Games and STADIA from April, 2021



“HUMANKIND™”

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Plan to release on Nintendo Switch within 2021

Resort Business (Domestic IR)

- ✓ Re-revise the schedule for domestic IR
- ✓ Focus on RFP in Yokohama City
- ✓ Aiming to participate with carefully assessing conditions for future entry, etc.

Shift to the business structure adequate for environment

- Continue the structual reform to create a lean business structure

FY2022/3 onward

- **Recovery of business performance in Pachislot and Pachinko business**
- **Focus on global business in Consumer area**
- **Participation in Domestic IR**

3. Q&A

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