

SEGA-SAMMY
H O L D I N G S

SEGA-SAMMY
G R O U P

FY Ending March 2017 2nd Quarter Results Presentation

**November 4th, 2016
SEGA SAMMY HOLDINGS INC.**

[Disclaimer]

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These contents involve risk and uncertainty and the actual results may differ materially from these contents/comments.

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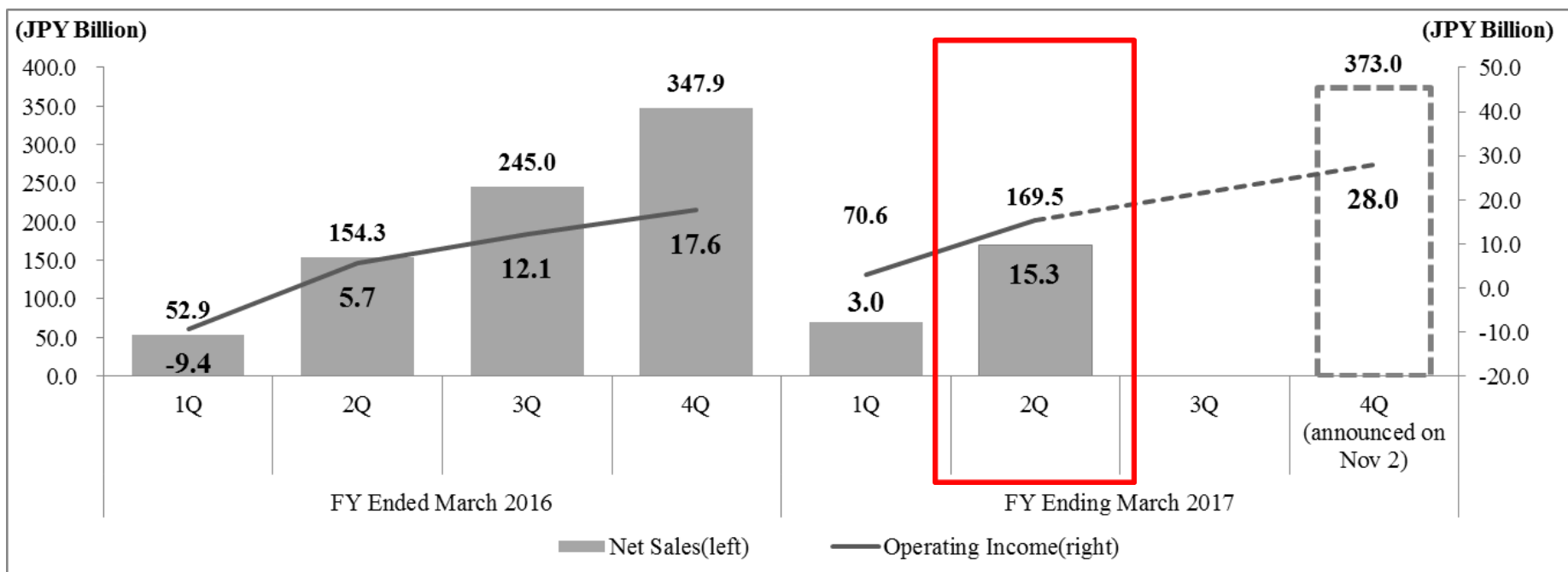
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1.FY Ending March 2017 2nd Quarter Results / Forecasts



Summary of Results Through 2Q

Sales increased and profits increased year-on-year.
Both Pachislot and Pachinko Machines Business and Entertainment Contents Business performed strongly

Full Year Forecasts

Revised full year forecasts on November 2, 2016

- Operating income will surpass the initial forecast due to profitability of Pachislot and Pachinko Machines Business will improve.
- Profit attributable to owners of parent will significantly surpass the initial forecast due to the transfer of noncurrent assets during the fiscal year.

⇒P. 5

Consolidated Income Statements (Summary)

(JPY Billion)	FY Ended March 2016		FY Ending March 2017					
	Results Through 2Q	Full Year Results	Initial Forecasts Through 2Q (announced on May 13)	Results Through 2Q	YoY Change	Initial Full Year Forecasts (announced on May 13)	Revised Full Year Forecasts (announced on Nov 2)	YoY Change
Sales	154.3	347.9	180.0	169.5	+10%	380.0	373.0	+7%
Pachislot and Pachinko Machines	60.9	141.0	80.0	64.9	+7%	157.0	153.5	+9%
Entertainment Contents	85.9	190.5	93.0	97.8	+14%	207.0	205.0	+8%
Resort	7.4	16.3	7.0	6.7	-9%	16.0	14.5	-11%
Operating Income	5.7	17.6	6.5	15.3	+168%	20.0	28.0	+59%
Pachislot and Pachinko Machines	8.4	20.9	10.5	10.6	+26%	19.0	27.0	+29%
Entertainment Contents	1.7	4.2	1.0	9.1	+435%	9.0	9.5	+126%
Resort	-1.2	-1.8	-1.5	-1.3	-	-2.5	-2.5	-
Other / Elimination	-3.2	-5.7	-3.5	-3.1	-	-5.5	-6.0	-
Operating Income Margin	3.7%	5.1%	3.6%	9.0%	+5.3pt	5.3%	7.5%	+2.4pt
Ordinary Income	5.8	16.4	6.5	15.4	+166%	20.0	27.0	+65%
Extraordinary Gain	0.5	1.2	0.0	11.9	-	0.0	12.0	-
Extraordinary Loss	2.3	5.6	0.0	0.3	-	0.0	2.5	-
Income before income taxes	4.0	12.0	6.5	27.1	+578%	20.0	36.5	+204%
Profit attributable to owners of parent	0.9	5.3	3.4	24.2	+2,589%	10.0	30.0	+466%
Dividends per share (JPY)	20	40	20	20	-	40	40	-
Earnings per share (JPY)	4.11	22.90	14.51	103.47	-	42.66	127.99	-
Net Assets per share (JPY)	1,310.36	1,257.43	-	1,292.06	-	-	-	-

*Contents of retroactive processing have been reflected on new segments from FY ended March 2016 because part of Entertainment Contents Business has been transferred to Pachislot and Pachinko Machines Business from FY ending March 2017.

Costs and Expenses

(JPY Billion)	FY Ended March 2016		FY Ending March 2017					
	Results Through 2Q	Full Year Results	Initial Forecasts Through 2Q (announced on May 13)	Results Through 2Q	YoY Change	Initial Full Year Forecasts (announced on May 13)	Revised Full Year Forecasts (announced on Nov 2)	YoY Change
R&D Expense / Content Production Expense	24.7	58.0	33.7	31.7	+28%	67.1	64.9	+12%
Pachislot and Pachinko Machines	10.5	20.0	11.4	9.3	-11%	22.3	20.0	-
Entertainment Contents	14.1	37.7	22.3	22.2	+57%	44.6	44.7	+19%
Resort	0.1	0.5	0.0	0.1	-	0.1	0.2	-60%
Other / Elimination	0.0	-0.2	0.0	0.1	-	0.1	0.0	-
Cap-ex	12.5	28.0	13.8	13.8	+10%	27.7	28.4	+1%
Pachislot and Pachinko Machines	3.2	6.7	2.9	3.0	-6%	5.5	5.3	-21%
Entertainment Contents	7.8	16.1	6.4	8.0	+3%	15.1	16.7	+4%
Resort	1.3	5.0	4.4	2.7	+108%	7.0	6.2	+24%
Other / Elimination	0.2	0.2	0.1	0.1	-	0.1	0.2	-
Depreciation	8.2	16.6	7.7	7.6	-7%	15.6	15.1	-9%
Pachislot and Pachinko Machines	3.2	6.5	2.9	3.0	-6%	5.7	5.3	-18%
Entertainment Contents	4.3	8.4	3.9	3.7	-14%	8.1	8.0	-5%
Resort	0.4	1.0	0.8	0.5	+25%	1.6	1.4	+40%
Other / Elimination	0.3	0.7	0.1	0.4	-	0.2	0.4	-
Advertising	9.3	17.9	10.1	7.6	-18%	19.8	16.1	-10%
Pachislot and Pachinko Machines	1.0	2.8	1.7	1.2	+20%	3.1	2.5	-11%
Entertainment Contents	6.9	13.1	7.0	5.0	-28%	14.8	12.1	-8%
Resort	0.3	0.6	0.3	0.3	-	0.4	0.5	-17%
Other / Elimination	1.1	1.4	1.1	1.1	-	1.5	1.0	-

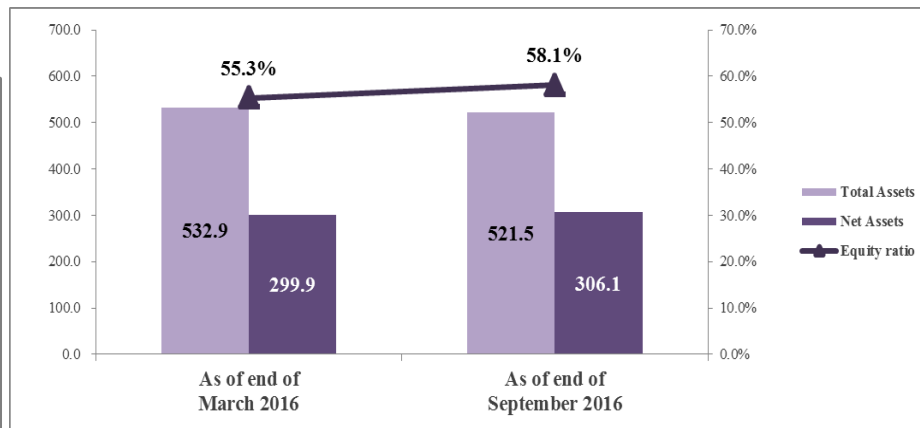
*Contents of retroactive processing have been reflected on new segments from FY ended March 2016 because part of Entertainment Contents Business has been transferred to Pachislot and Pachinko Machines Business from FY ending March 2017.

Consolidated Balance Sheet (Summary)

【 Assets 】				【 Liabilities and Net Assets 】			
Account	As of end of March 2016	As of end of September 2016	Change	Account	As of end of March 2016	As of end of September 2016	Change
Cash and Deposits	141.3	131.1	-10.2	Accounts Payable	33.0	41.7	+8.7
Accounts Receivable	55.6	42.8	-12.8	Corporate Bonds	14.2	11.6	-2.6
Securities	48.4	59.4	+11.0	Short Term Borrowings	14.0	12.2	-1.8
Inventories	34.4	46.1	+11.7	Other	44.7	39.7	-5.0
Other	22.5	24.6	+2.1	Total Current Liabilities	105.9	105.2	-0.7
Total Current Assets	302.2	304.0	+1.8	Corporate Bonds	52.0	43.8	-8.2
Tangible Fixed Assets	101.0	96.1	-4.9	Long Term Debt	48.8	44.6	-4.2
Intangible Fixed Assets	24.8	25.6	+0.8	Other	26.2	21.7	-4.5
Investment Securities	76.5	68.7	-7.8	Total Noncurrent Liabilities	127.0	110.1	-16.9
Other	28.3	27.0	-1.3	Total Liabilities	233.0	215.3	-17.7
				Shareholders Equity	288.1	302.8	+14.7
				Total accumulated other comprehensive income	6.6	0.0	-6.6
				Warrants	0.8	0.0	-0.8
				Non-controlling interests	4.4	3.2	-1.2
Total Noncurrent Assets	230.6	217.4	-13.2	Total Net Assets	299.9	306.1	+6.2
Total Assets	532.9	521.5	-11.4	Total Liabilities and Net Assets	532.9	521.5	-11.4

Summary of Results Through 2Q

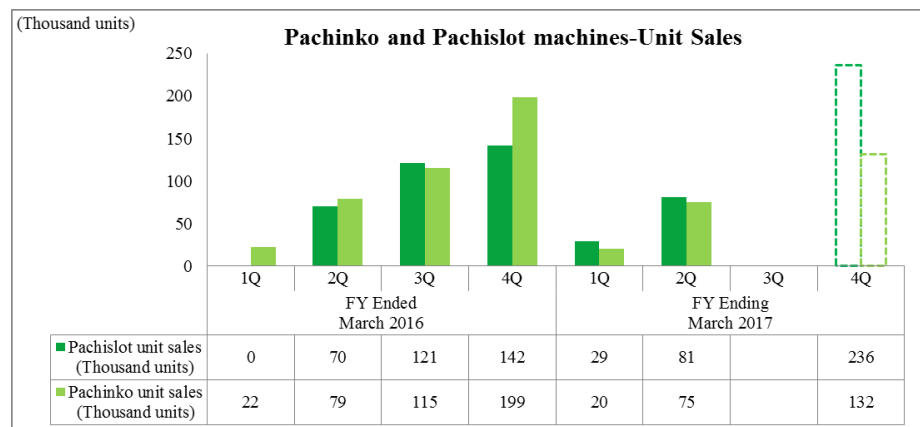
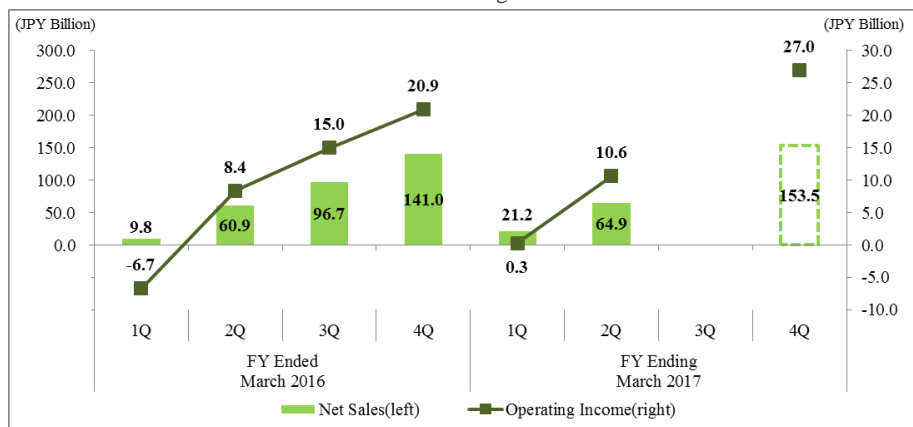
- Total Assets : 521.5 billion yen (decreased by 11.4 billion yen)
 - Current Assets: Up 1.8 billion yen due to an increase in securities (short-term operation) and inventories while cash and deposits, and accounts receivable from sales decreased.
 - Noncurrent Assets: Down 13.2 billion yen due to a decrease in tangible fixed assets and investment securities (a fall in prices of the capital holdings, etc.)
 - Equity Ratio : 58.1% (+2.8pt)
 - Current Ratio : 288.9% (+3.7pt)
- (Current Ratio as of the end of FY ended March 2016: 285.2%)



2. Segment Results / Forecasts

(JPY Billion)		FY Ended March 2016		FY Ending March 2017					
		Results Through 2Q	Full Year Results	Initial Forecasts Through 2Q (announced on May 13)	Results Through 2Q	YoY Change	Initial Full Year Forecasts (announced on May 13)	Revised Full Year Forecasts (announced on Nov 2)	YoY Change
Sales		60.9	141.0	80.0	64.9	+7%	157.0	153.5	+9%
	Pachislot	31.0	61.1	52.1	31.8	+3%	83.9	92.0	+51%
	Pachinko	23.1	66.8	21.0	26.4	+14%	57.2	46.0	-31%
	Other / Elimination	6.8	13.1	6.9	6.7	-	15.9	15.5	
Operating Income		8.4	20.9	10.5	10.6	+26%	19.0	27.0	+29%
	Operating Income Margin	13.8%	14.8%	13.1%	16.3%	+2.5pt	12.1%	17.6%	+2.8pt
Unit Sales (Pachislot)		70,260	142,337	139,300	81,895	+17%	230,800	236,000	+66%
Unit Sales (Pachinko)		79,604	199,014	68,000	75,542	-5%	182,000	132,000	-34%

*Contents of retroactive processing have been reflected on new segments from FY ended March 2016 because part of Entertainment Contents Business has been transferred to Pachislot and Pachinko Machines Business from FY ending March 2017.



Summary of Results Through 2Q




- Sales and profits increased year-on-year due to strong sales of several titles including both Pachislot and Pachinko mainstay titles.
- Profits exceeded the initial forecast due to improved profitability attributed by cost improvements through reuse of parts and a reduction of sales and general administrative expenses centered on development expenses.

Full Year Forecasts

- Revised full year forecasts on November 2, 2016
22 titles → 20 titles, unit sales: 412 → 368 thousands of units
- Although the number of titles and unit sales is likely to decrease due to the strategic review of the sales lineup, sales of mainstay titles for both pachislot and pachinko machines will generally be strong.
- Expect improvement in profitability due to cost improvement through the reuse of components and reduction of development expenses, etc.

Pachislot

Delivery Data: Pachislot

Pachislot	FY Ended March 2016		FY Ending March 2017		
	Results Through 2Q	Full Year Results	Results Through 2Q	Initial Full Year Forecasts (announced on May 13)	Revised Full Year Forecasts (announced on Nov 2)
	2 titles	5 titles	1 title	7 titles	7 titles
	70,260 units	136,997 units	54,204 units	195,000 units	198,000 units
	-	2 titles	2 titles	4 titles	3 titles
	-	5,340 units	27,691 units	20,800 units	28,000 units
	-	-	-	1 title	1 title
	-	-	-	15,000 units	10,000 units
Total	2 titles	7 titles	3 titles	12 titles	11 titles
	70,260 units	142,337 units	81,895 units	230,800 units	236,000 units

* New series of titles is counted as one title (machines launched in the previous fiscal year/change of specification, etc. are not included).

* As operation for “Pachislot Hokuto No Ken Syura no kuni hen” is to begin from October, it is not included in the number of titles.

Summary of Results Through 2Q

Pachislot

- Unit sales increased due to sales of several titles such as “**Pachislot BLOOD+ futari no joou**” added with many new features on its previous title, whose original gameplay was well supported.
- Unit sales fell below initial forecast as delivery of the mainstay title “**Pachislot Hokuto No Ken Syura no kuni hen**” was limited due to review of sales schedule.

Major Titles : Pachislot

Brand	Title	Total sales	Installed From
TAIYO ELEC	Pachislot BLOOD+ futari no joou	25,315 units	September
Sammy	Pachislot Hokuto No Ken Syura no kuni hen	6,856 units	October

* Main Pachislot titles and number of units of which delivery started in 2Q FY ending March 2017.



“Pachislot BLOOD+ futari no joou”

©2005 Production LG・Aniplex・MBS・HAKUHODO ©Sammy



“Pachislot Hokuto No Ken Syura no kuni hen”

©Buronson & Tetsuo Hara/NSP 1983, ©NSP 2007 Approved No.YSC-506 ©Sammy

Full Year Forecasts

- Revised full year forecasts on November 2, 2016
12 titles → 11 titles, unit sales: 230 → 236 thousands of units
- Sales of several titles including “**Pachislot Hokuto No Ken Syura no kuni hen**,” the latest title of the major “**Hokuto No Ken**” series are scheduled.
- Major titles to be launched:
“**Pachislot Hokuto No Ken Syura no kuni hen**”
“**Pachislot INUYASHA**,” etc.

Pachinko

Delivery Data: Pachinko

Pachinko	FY Ended March 2016		FY Ending March 2017		
	Results Through 2Q	Full Year Results	Results Through 2Q	Initial Full Year Forecasts (announced on May 13)	Revised Full Year Forecasts (announced on Nov 2)
	3 titles	5 titles	3 titles	6 titles	5 titles
	66,130 units	181,117 units	64,217 units	145,000 units	110,000 units
	3 titles	3 titles	-	4 titles	4 titles
	13,474 units	17,897 units	11,325 units	37,000 units	22,000 units
Total	6 titles	8 titles	3 titles	10 titles	9 titles
	79,604 units	199,014 units	75,542 units	182,000 units	132,000 units
Board + Frame	14,617 units	93,863 units	68,175 units	120,400 units	117,000 units
Board	64,987 units	105,151 units	7,367 units	61,600 units	15,000 units

* New series of titles is counted as one title (machines launched in the previous fiscal year/change of specification, etc. are not included).

Major Titles: Pachinko

Brand	Title	Total sales	Installed From
Sammy	Pachinko CR SOUTEN-NO-KEN Tenki	44,204 units	August
Sammy	Pachinko CR GAOGAOKING 2	11,050 units	July

* Main Pachinko titles and number of units of which delivery started in FY ending March 2017.



“Pachinko CR SOUTEN-NO-KEN Tenki”

©Tetsuo Hara & Buronson/NSP 2001, Approved No.YDM-406
©Sammy



“Pachinko CR GAOGAOKING 2”

©Sammy

Summary of Results Through 2Q

Pachinko

- Unit sales surpassing that of the initial forecast was achieved due to strong sales of the series' latest title “Pachinko CR SOUTEN-NO-KEN Tenki” and solid sales of “Pachinko CR GAOGAOKING 2” without a liquid crystal display (LCD).

Full Year Forecasts

- Revised full year forecasts on November 2, 2016
10 titles → 9 titles, unit sales: 182 → 132 thousands of units
- Sales of several titles such as “Pachinko CR Monster Hunter 4,” which recreated the world of “Monster Hunter” as the previous title did and “Pachinko CR Shin Hokuto Muso 219Ver.,” which modified the previous popular title to offer easier-to-play specifications.
- Major titles to be launched:
“Pachinko CR Shin Hokuto Muso 219Ver.”
“Pachinko CR Monster Hunter 4,” etc.

■ Major Titles in 2Q and new titles to be launched in and after 3Q

Results Through 2Q

3Q~

Pachislot

Pachislot CODE GEASS Lelouch of the Rebellion R2
Sammy

Pachislot Hokuto No Ken Syura no kuni hen
Sammy

A – SLOT Hokuto No Ken Shou
Sammy

Pachislot INUYASHA
RODEO

A – SLOT Nisemonogatari
Sammy

Pachislot BLOOD+ futari no joou
TAIYO ELEC

Pachislot Kayou Suspense Gekijou
TAIYO ELEC

Pachinko

Dejihane CR TOMORROW'S JOE
Sammy

CR BIG DREAM ~SHINGEKI 99Ver.
TAIYO ELEC

Pachinko CR GAOGAOKING 2
Sammy

Pachinko CR Monster Hunter 4
Sammy

Pachinko CR Shin Hokuto Muso
219Ver.
Sammy

CR Kayou Suspense Gekijou Shinsou
no tobira ~22 no ayamachi~
TAIYO ELEC

Pachinko CR SOUTEN-NO-KEN Tenki
Sammy

Dejihane CRA Kudamonobatake
Sammy



“Pachislot BLOOD+ futari no joou”

©2005 Production I.G・Aniplex・MBS・HAKUHODO
©Sammy



“Pachislot Hokuto No Ken Syura no kuni hen”

©Burtonson & Tetsuo Hara/NSP 1983, ©NSP
2007 Approved No.YSC-506 ©Sammy



“Pachislot INUYASHA”

©高橋留美子／小学館・読売テレビ・サンライズ 2000&2009
©Sammy ©RODEO



“Pachinko CR Monster Hunter 4”

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©Sammy



“Pachinko CR Shin Hokuto Muso 219 Ver.”

©Burtonson & Tetsuo Hara/NSP 1983 Approved
No.KOJ-111 2010-2013 KOEI TECMO GAMES CO., LTD.
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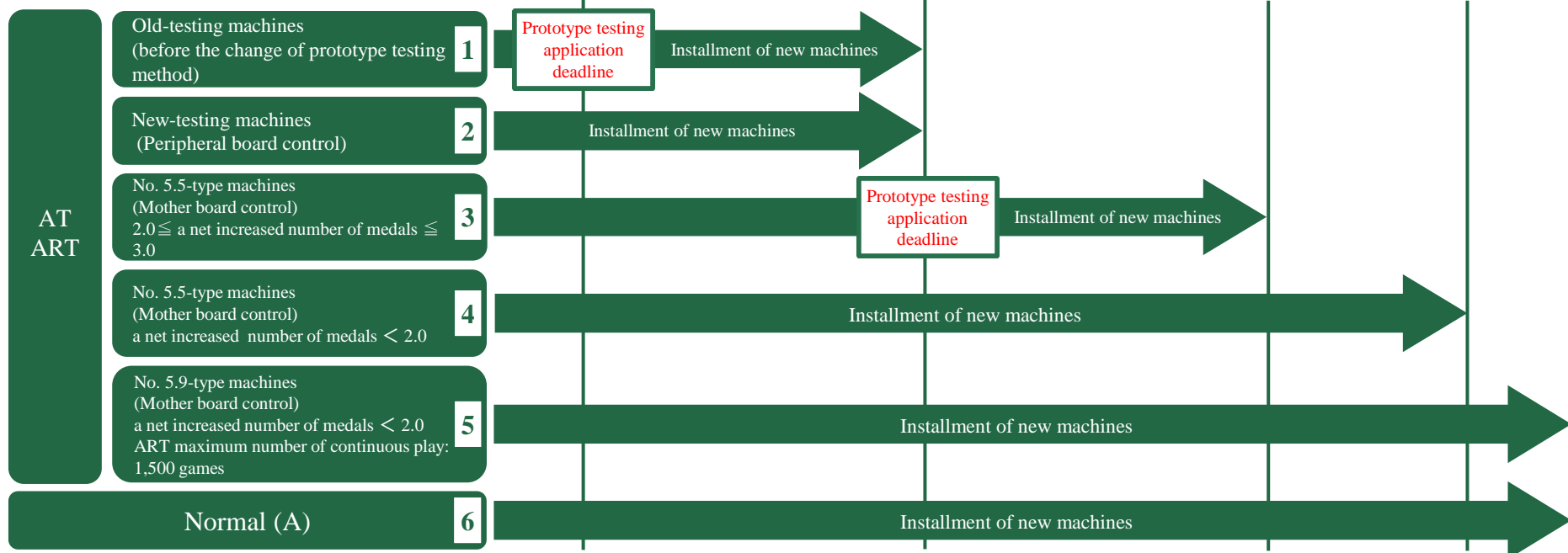


“Dejihane CRA Kudamonobatake”

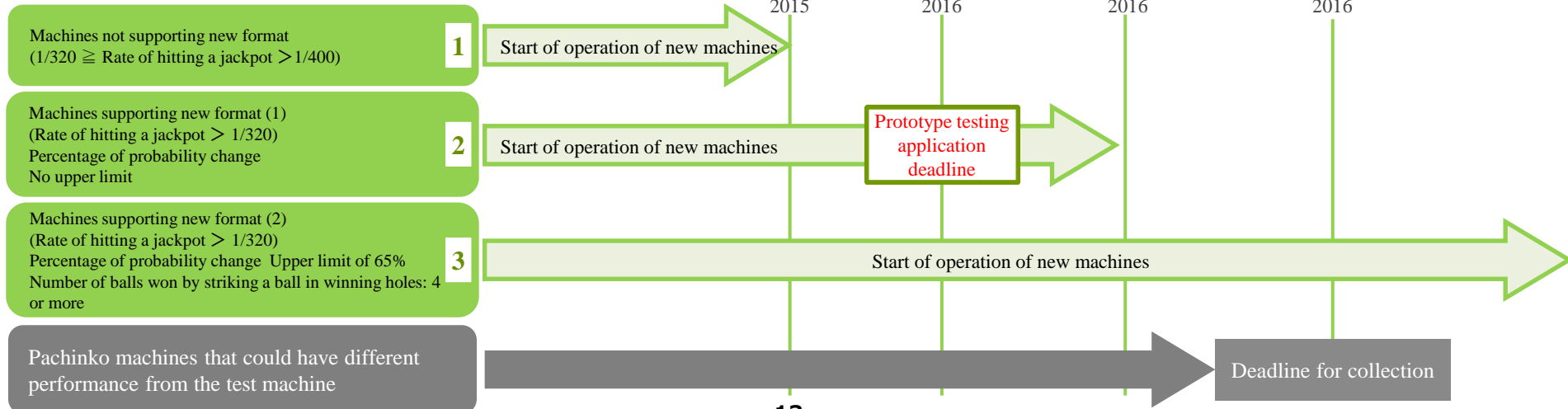
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Supplement (Deadline for pachislot and pachinko machines' prototype testing application/deadline for installment of new machines)

■ Pachislot



■ Pachinko

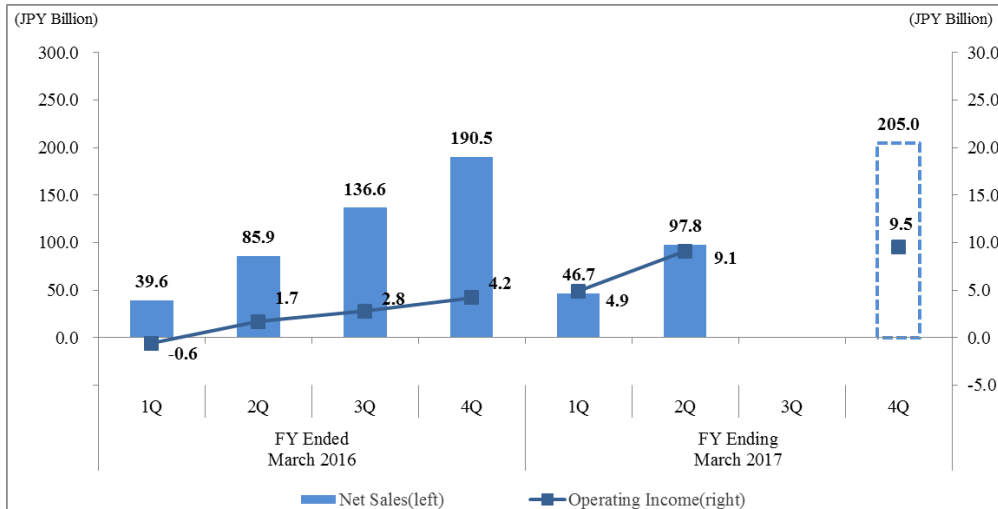




Segment Results: Entertainment Contents Business

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GROUP

(JPY Billion)	FY Ended March 2016		FY Ending March 2017					
	Results Through 2Q	Full Year Results	Initial Forecasts Through 2Q (announced on May 13)	Results Through 2Q	YoY Change	Initial Full Year Forecasts (announced on May 13)	Revised Full Year Forecasts (announced on Nov 2)	YoY Change
Sales	85.9	190.5	93.0	97.8	+14%	207.0	205.0	+8%
Digital Games	21.5	45.6	24.0	23.0	+7%	56.5	47.0	+3%
Packaged Games	14.6	42.3	21.0	23.0	+58%	46.5	47.0	+11%
Amusement Machine Sales	20.6	41.9	20.0	22.5	+9%	44.5	49.5	+18%
Amusement Center Operations	18.9	38.0	17.5	19.0	+1%	35.5	37.0	-3%
Animation / Toy	9.5	21.2	9.5	9.4	-1%	22.5	23.5	+11%
Other / Elimination	0.8	1.5	1.0	0.9	-	1.5	1.0	-
Operating Income	1.7	4.2	1.0	9.1	+435%	9.0	9.5	+126%
Digital Games	0.9	-0.4	1.9	3.8	+322%	8.0	4.8	-
Packaged Games	-0.9	2.4	0.4	2.7	-	1.6	2.7	+13%
Amusement Machine Sales	0.2	-0.1	-1.5	0.8	+300%	-1.1	0.3	-
Amusement Center Operations	1.3	1.8	1.2	2.0	+54%	1.4	2.0	+11%
Animation / Toy	0.0	0.6	-0.1	0.1	-	1.0	1.0	+67%
Other / Elimination	0.2	-0.1	-0.9	-0.3	-	-1.9	-1.3	-
Operating Income Margin	2.0%	2.2%	1.1%	9.3%	+7.3pt	4.3%	4.6%	+2.4pt
Sales in Units (Thousands)	3,280	9,220	5,740	4,650	+42%	12,280	10,300	+12%
Same Store Sales Comparisons	102.2%	103.1%	101.1%	110.8%	+8.6pt	101.0%	108.6%	+5.5pt
Domestic Facilities	198	194	193	189	-	194	190	-



Summary of Results Through 2Q

- The packaged game field, amusement machine sales field and amusement center operations field performed well in addition to strong performance of existing mainstay titles in the digital game field.
- Profits improved significantly year-on-year.

Full Year Forecasts

- In the digital game field, although domestic existing titles will perform strong, establishment of overseas game platform business, etc. is delayed.
- Expect operating expenses, etc., in line with launches of new titles in the packaged game, amusement machine sales, and amusement center operations fields.

*Contents of retroactive processing have been reflected on new segments from FY ended March 2016 because part of Entertainment Contents Business has been transferred to Pachislot and Pachinko Machines Business from FY ending March 2017.



Digital

■ Major Index / Digital Games (Digital Overall)

		FY Ended March 2016				FY Ending March 2017	
		1Q Results	2Q Results	3Q Results	4Q Results	1Q Results	2Q Results
Domestic	Average MAU(Thousands, 3 months average)*1	4,430	6,400	5,130	6,610	4,650	3,700
	ARPMU (JPY) *2	1,841	1,605	1,739	1,631	2,039	2,772
	Share of sales for top 3 titles *3	52.5%	48.6%	52.2%	58.4%	68.4%	70.3%
Ratio of advertising expense to net sales *4		17.9%	18.6%	15.1%	11.3%	6.5%	7.9%
Noah Pass*5 KPI	Average MAU(Thousands, 3 months average)*6	11,020	11,400	12,940	12,330	12,360	11,800
Composition ratio of overseas sales		14.3%	10.1%	17.6%	12.9%	19.5%	8.6%
Accumulated Downloads (Thousands)	Domestic *7	58,890	62,750	67,520	69,850	72,710	77,440
	Overseas *7	179,670	200,890	240,190	265,290	284,760	312,700
	Total	238,560	263,630	307,710	335,140	357,470	390,130

*Contents of retroactive processing have been reflected on new segments from FY ended March 2016 because part of Entertainment Contents Business has been transferred to Pachislot and Pachinko Machines Business from FY ending March 2017.

*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.)

*We've made a correction to the results through 1Q of ARPMU due to error in counting.

*1. Average of MAU (Monthly Active Users) within each quarter

*2. Calculated from dividing quarter digital sales by average MAU (Monthly Active Users)

*3. Sales percentage for top 3 titles in the domestic sales of each quarter

*4. Advertising expense percentage for total digital sales of each quarter

*5. Noah pass is a marketing support tool for smart device.

*6. The counting method has been changed since FY 2016 2Q.

*7. As of the last day of each quarter

TOP 3 Titles (Digital Game)



“PHANTASY STAR ONLINE 2”
©SEGA



“Hortensia Saga”
©SEGA / f4samurai



“Puyopuyo!! Quest”
©SEGA

*Sales top three titles in the period of July-September 2016

Summary of Results Through 2Q

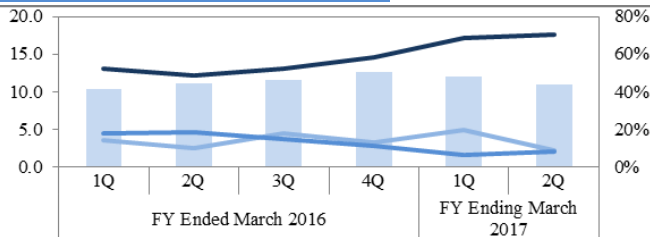
- Earnings structure improved centering on existing mainstay titles
- Registered IDs of “PHANTASY STAR ONLINE 2” surpassed 4.5 million in Japan with strong performance
- Existing mainstay titles such as “Puyopuyo!! Quest,” which was officially launched in September and whose real time battle among users are well-received, performed solidly.
- New title “WORLD CHAIN” launched.

Full Year Forecasts

- Expect profit contribution from domestic existing mainstay titles.
 - “CHAIN CHRONICLE 3” Episode 3, a large-scale update of “CHAIN CHRONICLE – Kizuna no Shintairiku,” is scheduled for launch.
 - Hold events mostly for existing mainstay titles such as “PHANTASY STAR ONLINE 2,” “Puyopuyo!! Quest” and “Hortensia Saga.”
- Establishment of overseas game platform business, etc. is delayed.
- Release titles linking machines for game centers and smart devices.



Major Index / Digital Games (Digital Overall)



Quarterly Sales (JPY billion) (left)

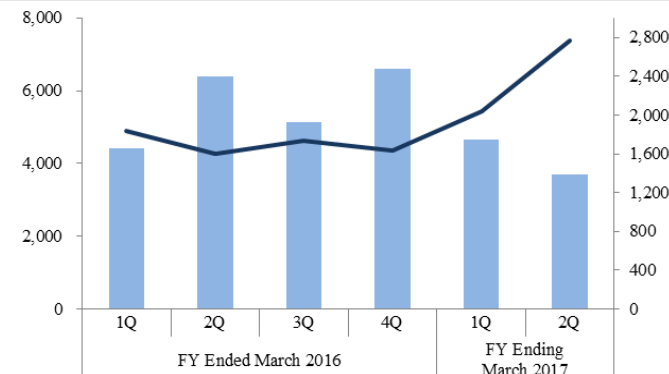
Composition ratio of overseas sales (%) (right)

Ratio of advertising expense to net sales(%) (right)

Share of sales for top 3 titles (%) (right)

- Share of sales for top 3 titles increased due to implementing the various measures of mainstay titles
- The ratio of advertising expense to net sales decreased from the previous year due to operation centering on existing mainstay titles.

Major Index / Domestic titles



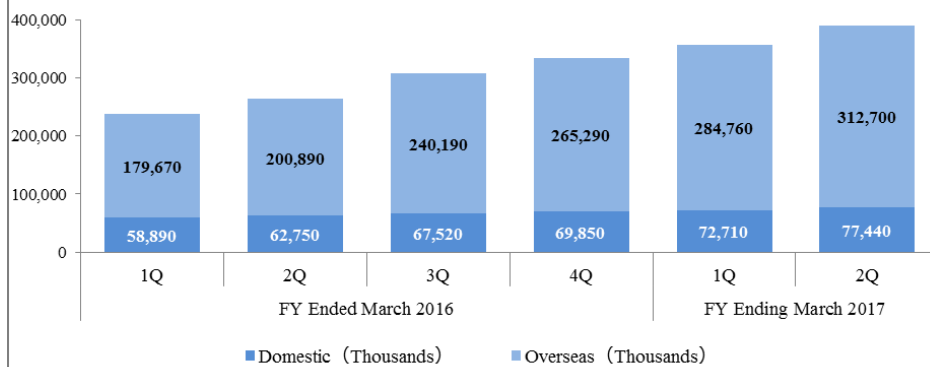
Average MAU (Thousands) (left)

ARPMAU (JPY) (right)

- Due to operations centering on existing titles and narrowing down of titles, ARPMAU increased while MAU shows a decrease.

*Contents of retroactive processing have been reflected on new segments from FY ended March 2016 because part of Entertainment Contents Business has been transferred to Pachislot and Pachinko Machines Business from FY ending March 2017.

Accumulated download numbers

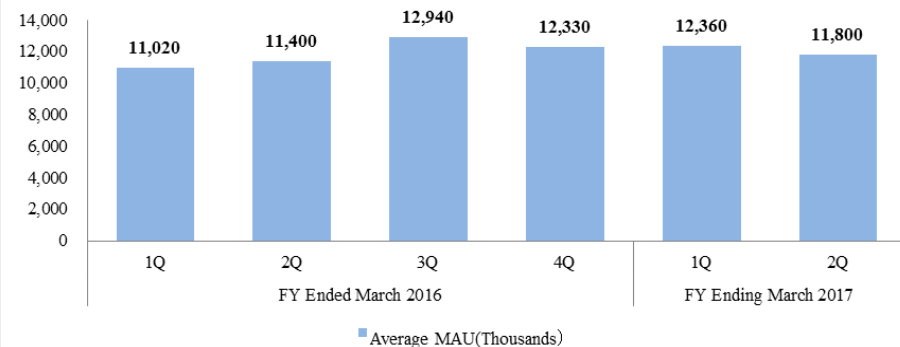


Domestic (Thousands)

Overseas (Thousands)

- Number of downloads continue to be on a growing trend mainly in overseas due to the “Sonic” series titles such as “Sonic Dash.”

Major Index / Noah Pass



Average MAU(Thousands)

- The average MAU slightly decreased due to narrowing down of operating titles.
- Promote efforts to improve monetization through an advertisement profit business model



Packaged Games

Delivery Data / Packaged Games (Game Contents)

Breakdown by Region		FY Ended March 2016		FY Ending March 2017		
		Results Through 2Q	Full Year Results	Results Through 2Q	Initial Full Year Forecasts (announced on May 13)	Revised Full Year Forecasts (announced on Nov 2)
Domestic	# of titles	4	14	3	9	9
	# of titles(SKU)	5	20	4	12	10
	Unit Sales(Thousands)	430	1,740	1,000	2,280	2,670
Overseas	# of titles	8	15	11	27	17
	# of titles(sku)	9	18	15	35	21
	Unit Sales(Thousands)	2,850	7,480	3,650	10,000	7,630
Total	# of titles	12	29	14	36	26
	# of titles(sku)	14	38	19	47	31
	Unit Sales(Thousands)	3,280	9,220	4,650	12,280	10,300

*Number of titles reflects (new) products by region which began sales in the period

Summary of Results Through 2Q

- Sales of “**Persona5**,” the latest title of the “**Persona**” series launched in September, was strong.
- “**Total War: WARHAMMER**,” the latest title of the “**Total War**” series which has been enjoying massive popularity overseas, has performed strong.
- Unit sales were **4,650** thousand, surpassing the unit sales for the same period in the previous year.

Full Year Forecasts

- Planning to release new titles of popular series centering on mainstay IP titles.
“**Hatsune Miku: VR Future Live**” (October), “**Football Manager 2017**” (November), “**Ryu ga Gotoku 6: Inochi no Uta**” (December), etc.

Major Sales Titles (Packaged Games)



“**Persona5**”

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Amusement Machine Sales

Summary of Results Through 2Q

- Performed strongly due to conducting additional pickup from “**KanColle Arcade**” and continuous profit contribution from revenue share titles.
- Sales of “**UFO CATCHER9**” were solid.
- ” **StarHorse3 Season V EXCEED THE LIMIT**,” a CVT kit of the horse racing medal game “**StarHorse**” series which has evolved for the 16th year performed solid.
- Preliminary expenses for casino machines development and sales were incurred.

Full Year Forecasts

- Expect profit contributions from favorable performance of revenue share titles such as “**KanColle Arcade**.”
- The latest titles of the largely popular trading card game “**SANGOKUSHI TAISEN**” and others are scheduled for launch.
- Preliminary expenses for casino machines development and sales to be incurred.

Amusement Center Operations

Summary of Results Through 2Q

- Performed strongly at **110.8%** against last fiscal year’s same store sales.
- Strong performance due to reinforced facility operation, including improvement of line-up and staff quality in the prize category.
- “**KanColle Arcade**” and others performed well among video game titles.
- Facilities operation improved due to execution of the Revised Act on Control and Improvement of Amusement Business.

Full Year Forecasts

- Continue to reinforce facility operation focusing on the prize category.
- Aim to improve profitability by introducing new titles, etc. of Sega Sammy, in addition to profit contribution from video games such as “**KanColle Arcade**.”
- Hold “**SEGA COLLABO CAFE Love Live! Sunshine!!**” in collaboration with “**Love Live**” at Club Sega in Akihabara as an initiative for a new style store.

Animation / Toys

Summary of Results Through 2Q

- Strong trends owing to distribution earnings from “**Detective Conan The Darkest Nightmare**,” which set a new standard for box office revenue for the series.
- Sales of regular/mainstay products such as “**Disney characters Magical Pad girls lesson**.”

Full Year Forecasts

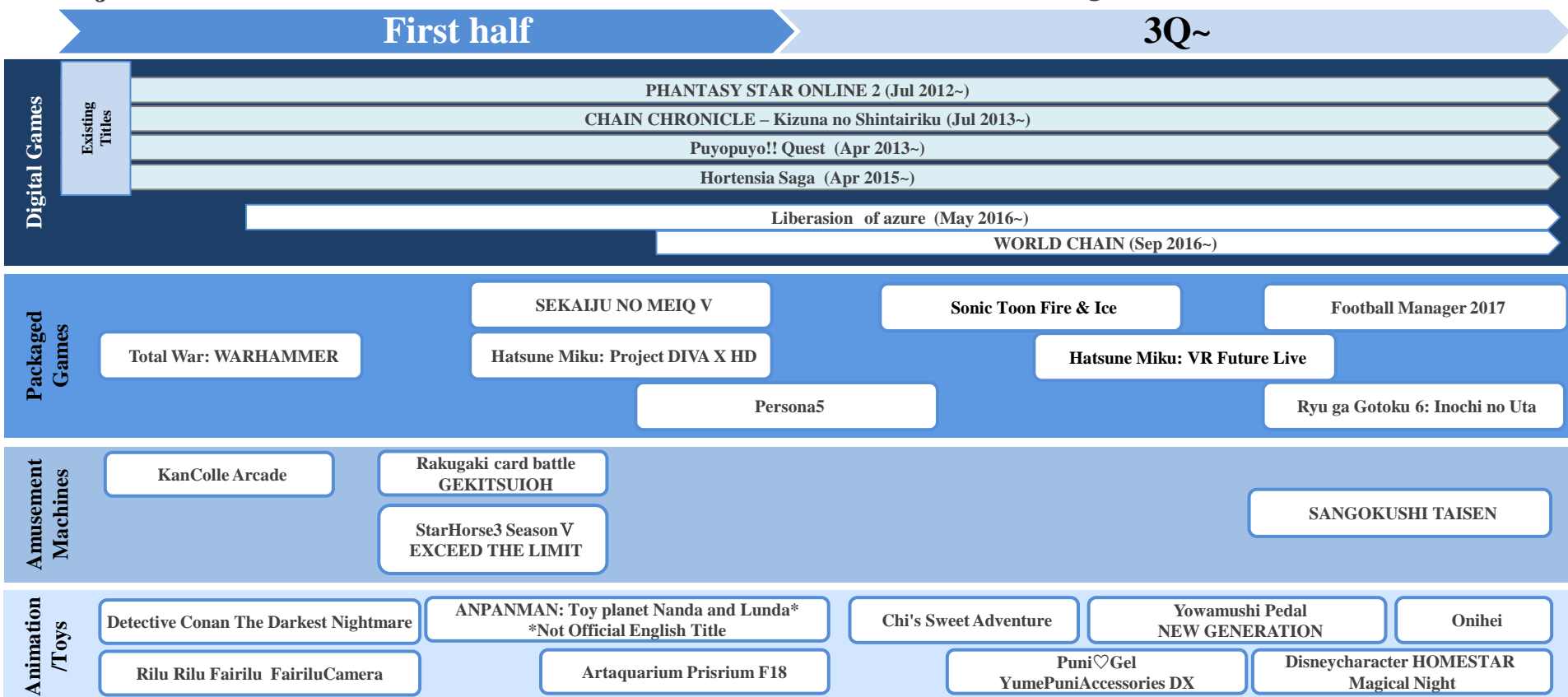
- Earnings from production of new TV animations “**Yowamushi Pedal NEW GENERATION**,” “**Onihai**,” etc. and earnings from movie production are expected.
- Implement animation broadcasts for titles such as “**Rilu Rilu Fairilu~Fairy Doors~**” and “**Chi’s Sweet Adventure**.”
- Ahead of the Christmas shopping season, focus on sales of regular and mainstay products and services, such as “**Disney**” and ” **ANPANMAN**” series.



Segment Results: Entertainment Contents Business

SEGA-SAMMY
GROUP

Major Titles in First half and new titles to be launched in and after 3Q



“WORLD CHAIN”

©SEGA



“Ryu ga Gotoku 6: Inochi no Uta”

©SEGA



“SANGOKUSHI TAISEN”

©SEGA



“Yowamushi Pedal
NEW GENERATION”

©Wataru Watanabe (Akitashoten) 2008/Yowamushi Pedal 03 Film
Partners 2017



“Puni♡Gel YumePuniAccessories DX”

©SEGA TOYS



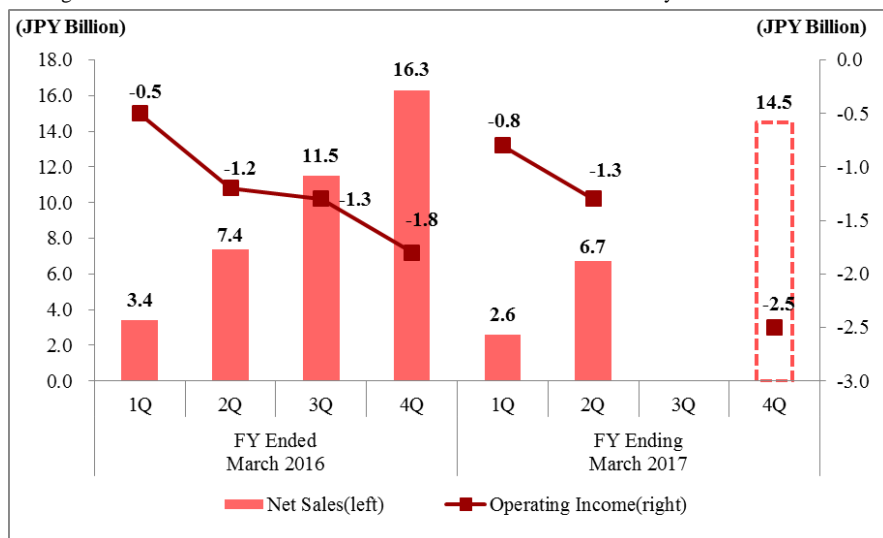
Segment Results: Resort Business

SEGA-SAMMY
GROUP

(JPY Billion)		FY Ended March 2016		FY Ending March 2017					
		Results Through 2Q	Full Year Results	Initial Forecasts Through 2Q (announced on May 13)	Results Through 2Q	YoY Change	Initial Full Year Forecasts (announced on May 13)	Revised Full Year Forecasts (announced on Nov 2)	YoY Change
Sales		7.4	16.3	7.0	6.7	-9%	16.0	14.5	-11%
Operating Income		-1.2	-1.8	-1.5	-1.3	-	-2.5	-2.5	-
	Operating Income Margin	-	-	-	-	-	-	-	-
Phoenix Seagaia Resort	Number of visitors (Thousands)	287	571	272	248	-14%	570	541	-5%
	Average sales per customer (JPY) *1	14,912	15,845	15,415	14,288	-4%	16,902	16,353	+3%
Tokyo Joypolis	Number of visitors (Thousands)	395	687	372	373	-6%	650	-	-
	Average sales per customer (JPY)	3,466	3,545	3,578	3,725	+7%	3,723	-	-
Orbi Yokohama	Number of visitors (Thousands)	194	323	232	218	+12%	371	356	+10%
	Average sales per customer (JPY)	2,421	2,282	2,079	1,855	-23%	2,050	1,911	-16%
Paradise Casino Incheon *	Casino sales (Billion KRW)	51	95	-	46	-10%	-	-	-
	Number of visitors (Thousands)	24	48	-	24	-	-	-	-

* 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



Summary of Results Through 2Q

- Loss expanded due to some cancellations of lodging, golfing, banquets, etc. at “**Phoenix Seagaia Resort**” affected by the Kumamoto Earthquake.
- New attraction “**ZERO LATENCY VR**” and others at “**Tokyo Joypolis**” were well-received
- The number of visitors to “**Orbi Yokohama**” increased due to revision of fees.

Full Year Forecasts

- At “**Phoenix Seagaia Resort**,”
 - Two “**Bridal reception banquet rooms**” are scheduled to open on the 42nd floor, the high-rise floor of the hotel.
 - Renewal of a MICE* facility “**Seagaia Convention Center**” is scheduled.
- Implement measures to improve the number of visitors to “**Orbi Yokohama**.”

* MICE : Meeting, Incentive Travel, Convention, Exhibition/Event



“Phoenix Seagaia Resort”

Summary of Results Through 2Q

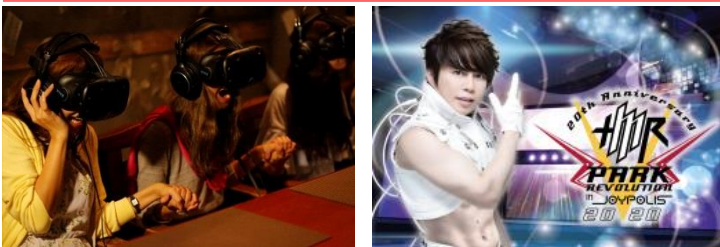


- Reopened on August 1st after renewal (renovated guestrooms, KAZE-MACHI TERRACE, Jikka Kurogi, etc.)
- Held various events during summer holidays
→Sea Turtle Hatching Tour, Kids Hotelier Experience Program, etc.

Full Year Forecasts



- Renewed convention center to open aiming to strengthen MICE facility business.
- Bamboo Lantern (candles in a park) to newly appear.



- Opened new attractions (5 machines) including attention-gathering VR attractions, commemorating 20th anniversary
- Conducted a large-scale collaboration with T.M. Revolution which also celebrated its 20th anniversary



- Hold events in collaboration with B-PROJECT and Evangelion
- Hold inner events such as Halloween, illumination and New Year countdown



“Orbi Yokohama”



- Significantly revised fee system
- “ANIMAL STUDIO,” where visitors can touch real animals, opened



- Hold “ANIMAL HALLOWEEN in Orbi Yokohama 2016”
- Sell parent and child passports



■ Construction progress of PARADISE CITY, South Korea's first full-fledged integrated resort

<Construction progress>
(as of September 28, 2016)



<Image after completion>
(scheduled to open in April 2017)



<Image of location>



<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: 232.9 billion KRW; shareholding ratio: 45%)
Facility composition	<ul style="list-style-type: none"> Casino (table games: 160 units, electronic table games: 378 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 Convention Club
Opening	Scheduled for April 2017

<Overview of Incheon International Airport>

- Number of users: 49.28 million (2015)
- Terminal 2, which will be able to accommodate 18 million passengers, is scheduled for completion in 2017

<Access to PARADISE CITY>

- 5-minute drive from Incheon International Airport
⇒ Free shuttle bus service to be arranged
⇒ Directly connected to a Maglev train station
- Also a 5-minute drive from Incheon IC on the expressway

3. Forecasts for FY Ending March 2017 and Future Measures

1. Current state and future measures in main businesses

2. Progress and future measures in structural reforms

Current state and future measures in main businesses

■ Implementation of Changing mindsets

FY Ended March 2015

FY Ended March 2016

FY Ending March 2017 -

【Cost Structure Reform】

- Reduce fixed expenses by 6 billion yen per annum

【Business Structure Reform】

- Sort businesses (invest management resources effectively)

【Changing mindsets】

- Changing mindsets of group executives and employees (Redefining values and sharing missions)



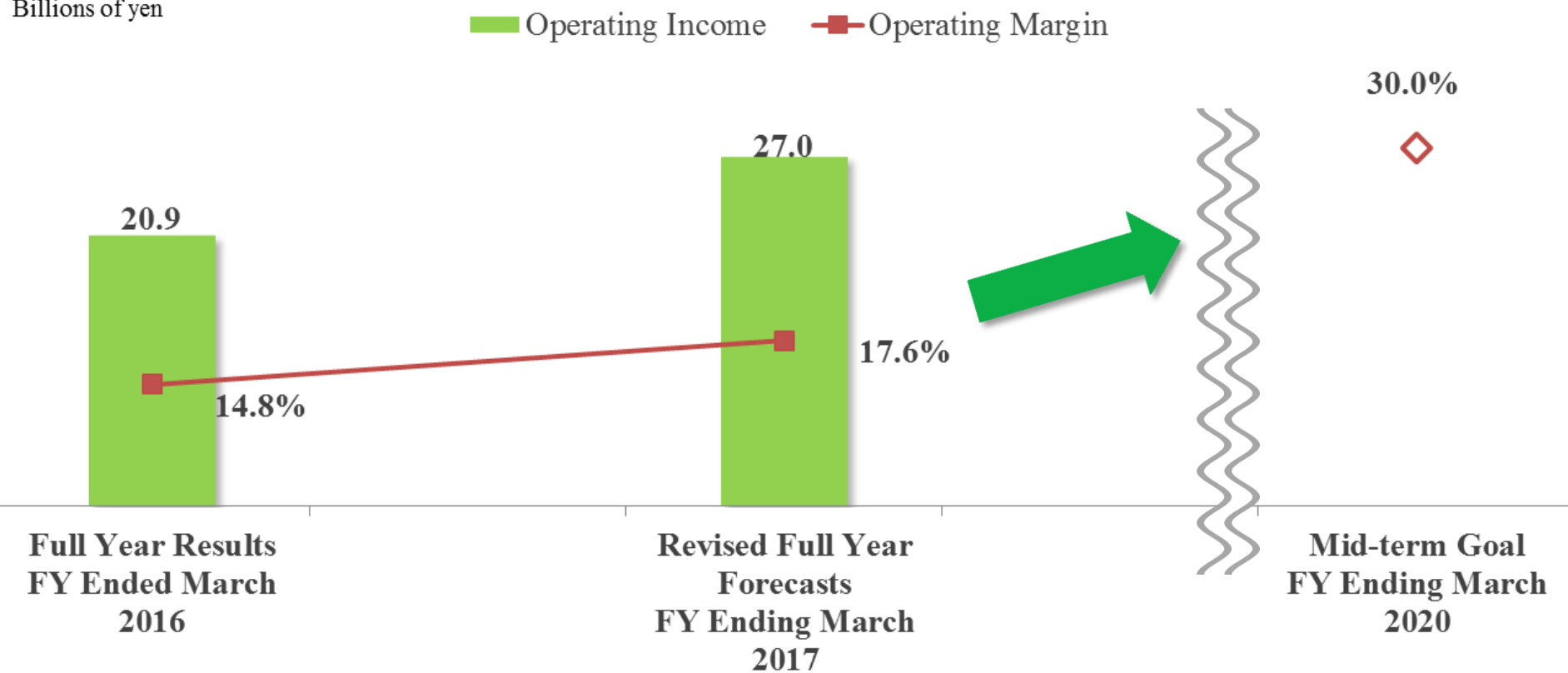
Current state and future measures in main businesses

■ About forecasts : Pachislot and Pachinko Machines Business

■ Toward the Mid-term Segment Goal of “Operating Income Margin of 30% or More”

Margin improvement is progressing,
with a steady start to the mid-term segment goal

Billions of yen



■ Key Future Initiatives : Pachislot and Pachinko Machines Business

**Strengthen
collaboration with
industry peers**

- ✓ **Begin introduction of ZEEG hardware
(Planned for 2018 onward)**

**Revise Multi-brand
strategy**

- ✓ **Concentrate resources in the main brand of Sammy
(Higher efficiency in development, production, and sales)**

**Screen
the number of titles**

- ✓ **Screen the number of development titles to improve
development efficiency and sales efficiency**

Promote reuse

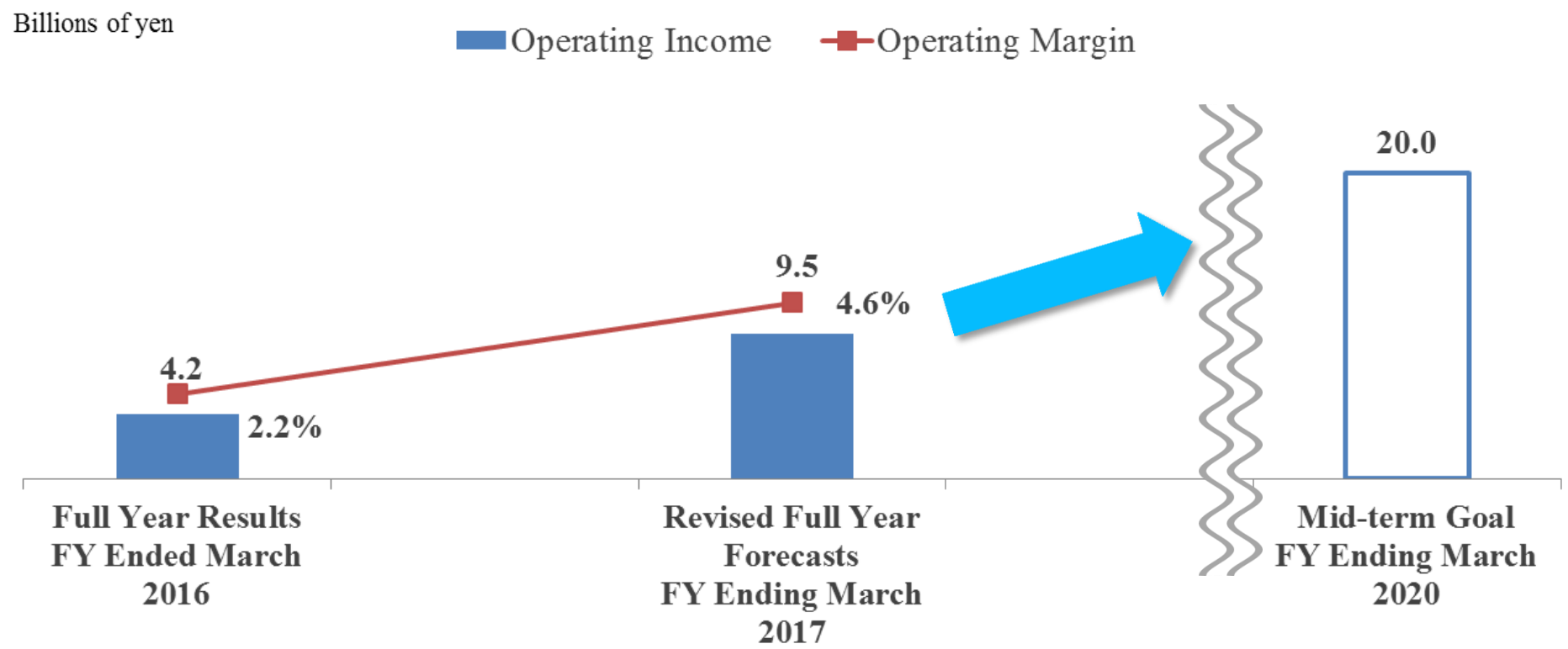
- ✓ **Undertake development under the premise of reuse
from the design stage**
- ✓ **Prolong component use period**

Current state and future measures in main businesses

■ About forecasts : Entertainment Contents Business

■ Toward the Mid-term Segment Goal of “Operating Income of 20.0 Billion Yen or More”

Earnings structures in existing business sectors have improved



Current state and future measures in main businesses

■ Key Future Initiatives : Entertainment Contents Business

Stabilize earnings of existing domestic titles
(Digital games)

- ✓ Establish stable earnings structures, centered on existing titles
- ✓ Expand non-game businesses such as “Noah Pass”

Proactive investment in overseas emerging markets
(Digital games)

- ✓ Continue to launch and promote global game publishing and platform businesses centered on Southeast Asia (goPlay, etc.)

Achieve profitability in an early stage of casino machines
(Amusement machine sales)

- ✓ Begin sales expansion in regions where licenses have been acquired
⇒”SICBO BONUS JACKPOT”, “Exciting Baccarat”

Maximize contacts to customers
(Digital game/
Amusement machine sales)

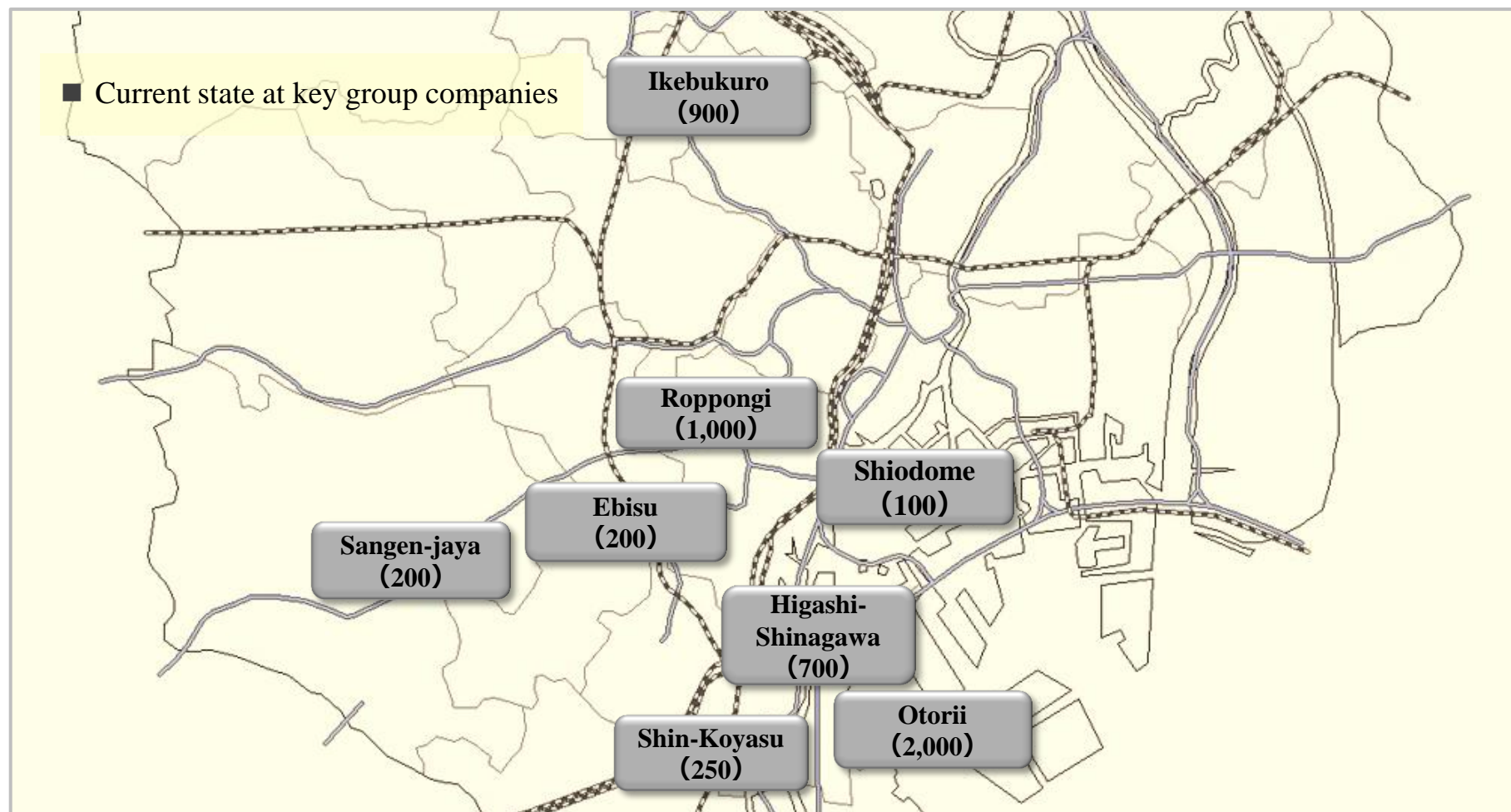
- ✓ As a “Multi-device × One Service ” strategy, begin linking arcades and smartphones, beginning with smartphone titles featuring arcade game IPs

Activate amusement center facilities
(Amusement machine sales/
Amusement center operations)

- ✓ Prepare e-money infrastructure for amusement through cooperation with competitors

“Aggregation of Office” × “Workstyle Reform” Scheduled in 2018

(approximate figure of employees at each offices)



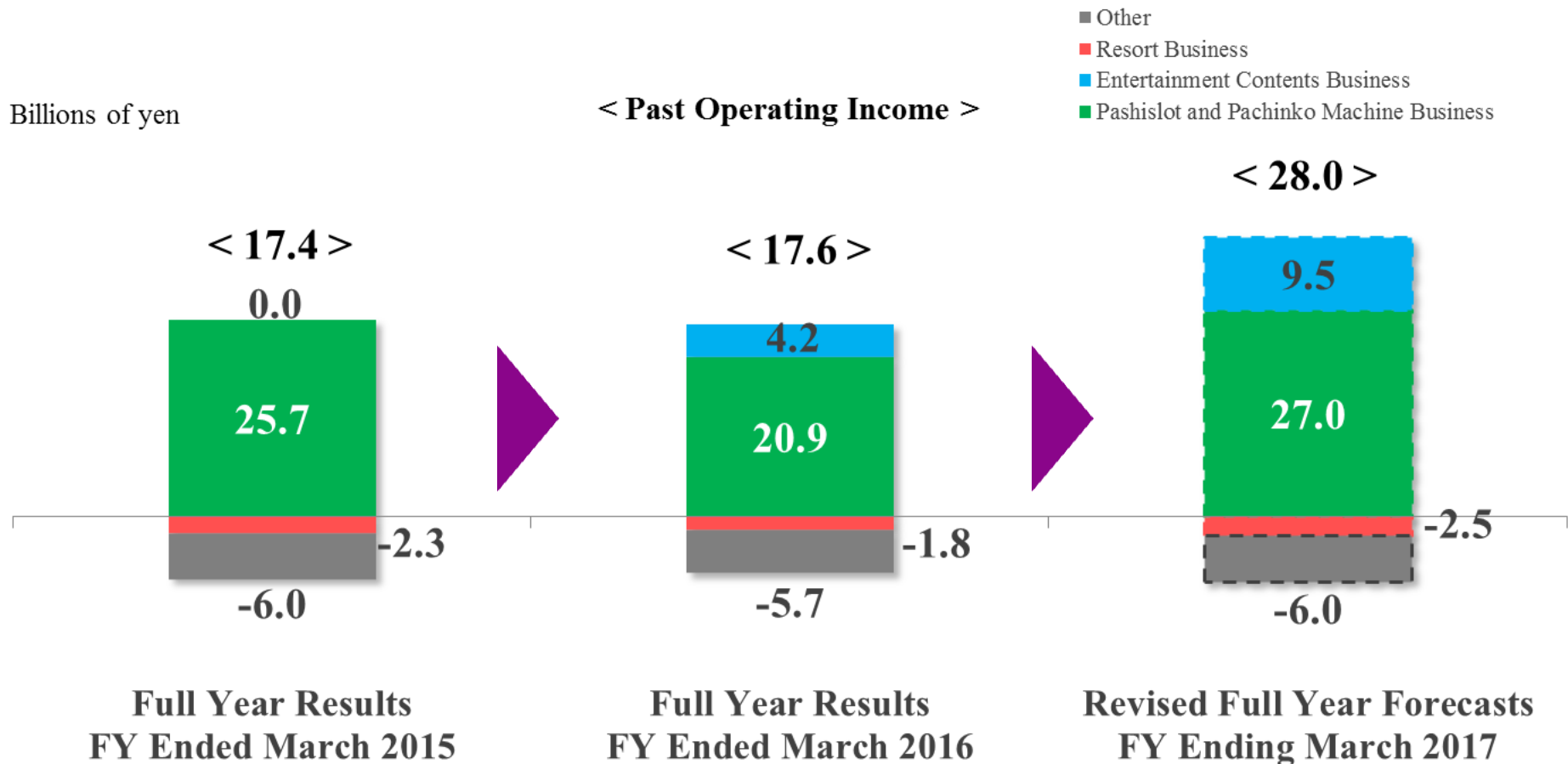
1. Current state and future measures in main businesses

2. Progress and future measures in structural reforms

Progress and future measures in structural reforms

■ Review of Recent Operating Results

- ✓ After launching structural reforms, profitability improved in the Entertainment Contents Business
- ✓ Balance of profit across the group improved



■ Execution Status of Structural Reform Initiatives for FY Ending March 2017

- ✓ Secured investment funds through sale of some businesses and noncurrent assets, etc.
- ✓ Meanwhile, promoted investment in growth sectors

< Withdraw/Downsize >

Sale of land and buildings in Shinsaibashi
(Sale of Shinsaibashi GIGO)

Sale of indoor theme park
(Sale of Joypolis)

< Investment in Growth >

Acquisition of French PC game
development company
(Acquisition of Amplitude Studios)

Continue Considering Further Initiative Execution Toward Achieving Mid-term Management Goal

Goal to FY Ending March 2020

Operating Margin : 15%

ROA* : 5%

* ROA = Profit attributable to owners of parent / Total assets



SEGA SAMMY
GROUP

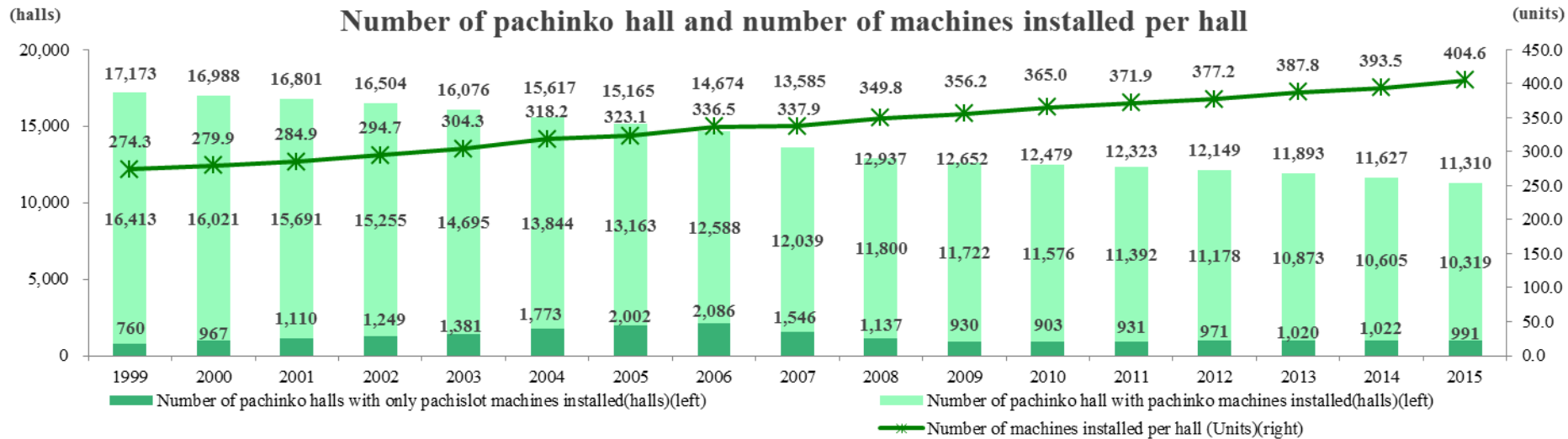
Strengthen
cooperation
across the
group

Accelerate further growth by concentrating group power

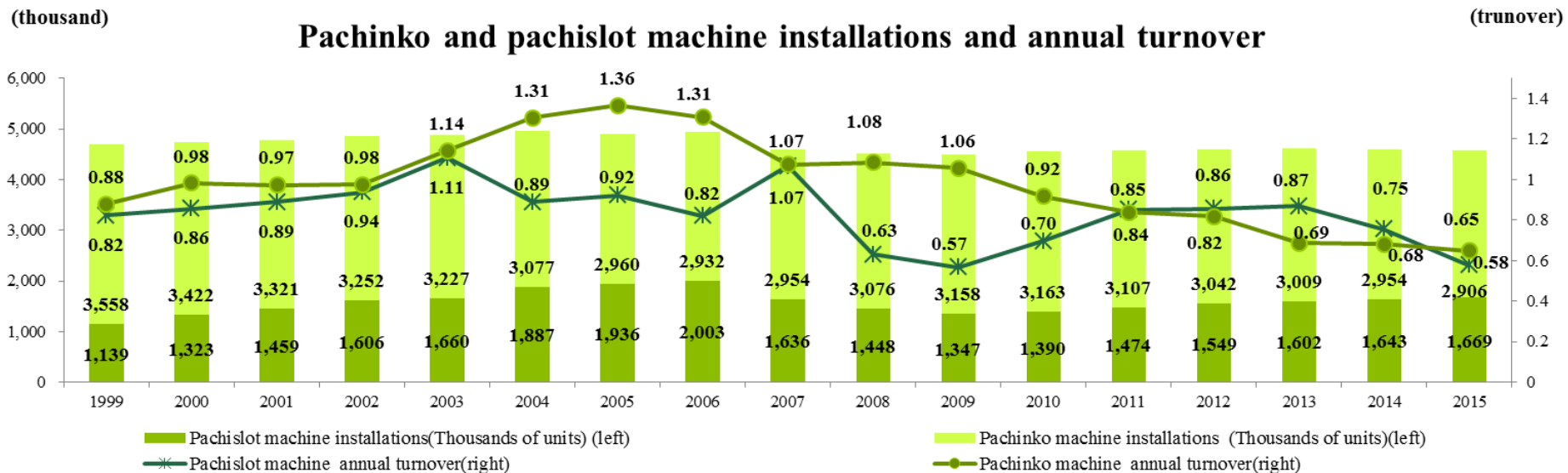
Improve
business
efficiency

Workstyle
reform

4. Supplementary Information on the Market

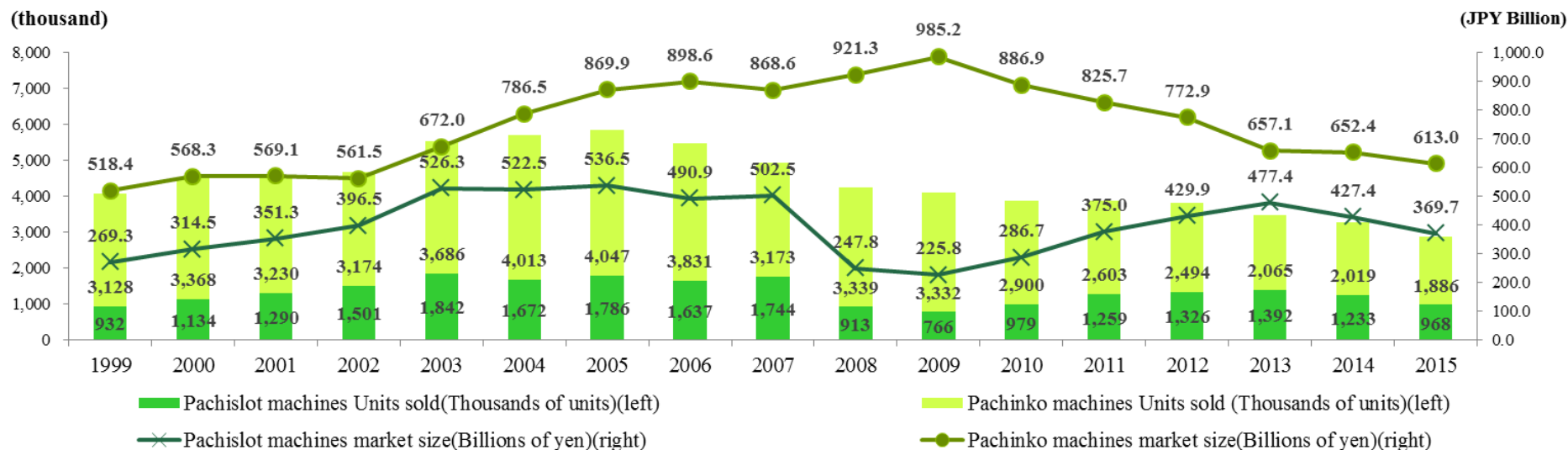


Sources : National Police Agency



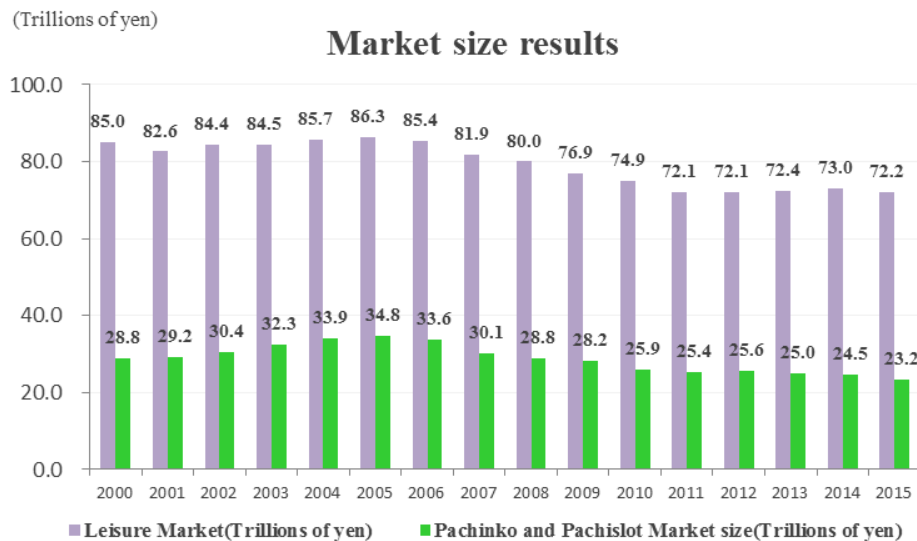
Sources: National Police Agency and Yano research Institute Ltd.

Pachinko and Pachislot machines-Unit Sales and Market Size

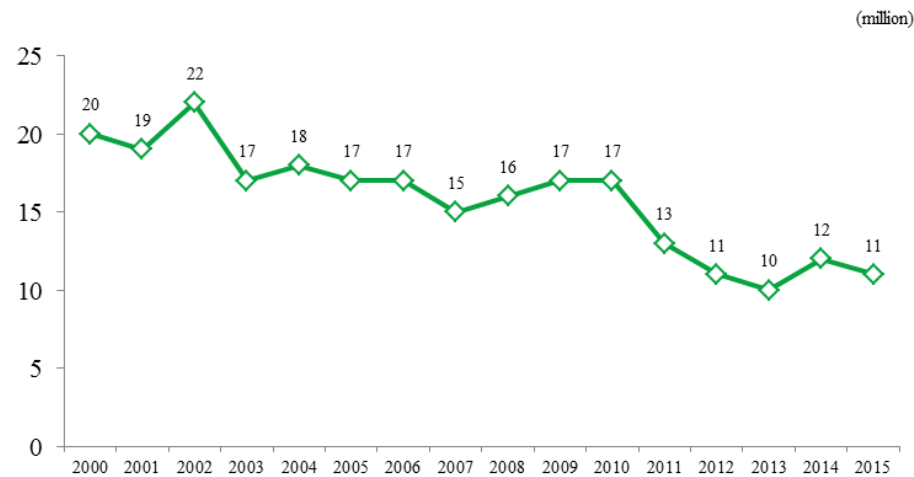


Sources:Yano research Institute Ltd.

Market size results

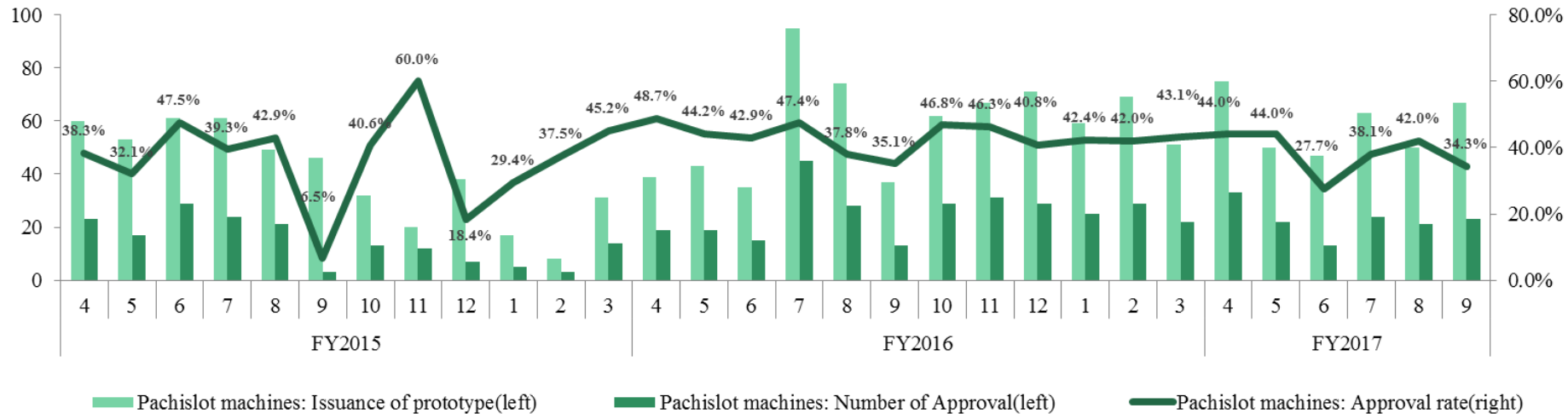


Number of players (million)

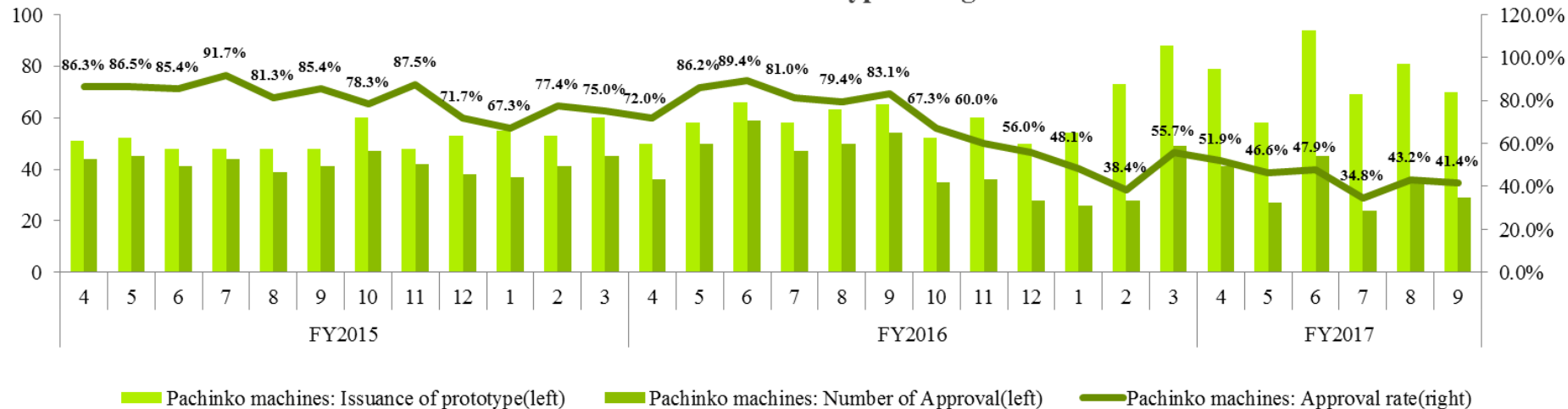


Sources : White Paper on Leisure Industry 2015, Japan Productivity Center

Pachislot machines: Prototyping testing results



Pachinko machines: Prototyping testing results



Sources: Security Communications Association

Share of Annual Pachislot Machine Sales

Rank	2010			2011			2012			2013			2014			2015		
	Manufacturer	Units sold	Share	Manufacturer	Units sold	Share	Manufacturer	Units sold	Share	Manufacturer	Units sold	Share	Manufacturer	Units sold	Share	Manufacturer	Units sold	Share
1	Sammy	302,270	30.9%	Sammy	300,866	23.9%	U Company	236,000	17.8%	Sammy	301,575	21.7%	Sammy	207,828	16.8%	U Company	165,000	17.0%
2	D Company	117,000	11.9%	D Company	200,000	15.9%	Sammy	202,221	15.3%	U Company	215,000	15.5%	U Company	205,000	16.6%	Sammy	142,337	14.7%
3	S Company	116,424	11.9%	Y Company	196,000	15.6%	Y Company	193,000	14.6%	H Company	120,000	8.6%	D Company	128,000	10.4%	H Company	113,997	11.8%
4	H Company	111,000	11.3%	U Company	172,000	13.7%	D Company	186,000	14.0%	S Company	116,291	8.4%	Y Company	108,000	8.7%	K Company	100,000	10.3%
5	U Company	103,000	10.5%	S Company	96,158	7.6%	K Company	110,000	8.3%	D Company	102,000	7.3%	H Company	92,763	7.5%	S Company	80,125	8.3%

Share of Annual Pachinko Machine Sales

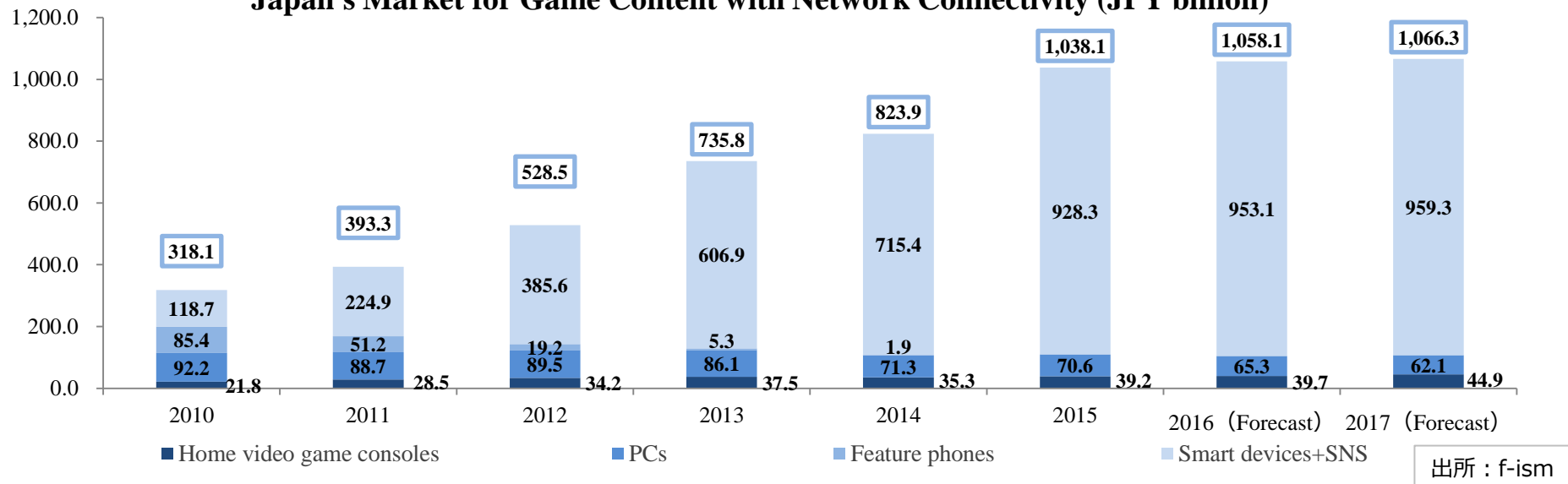
	2010			2011			2012			2013			2014			2015		
Rank	Manufacturer	Units sold	Share	Manufacturer	Units sold	Share	Manufacturer	Units sold	Share	Manufacturer	Units sold	Share	Manufacturer	Units sold	Share	Manufacturer	Units sold	Share
1	S Company	653,000	22.5%	K Company	485,000	18.6%	S Company	544,000	21.8%	K Company	349,000	17.0%	S Company	330,000	16.4%	S Company	300,000	15.9%
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%	S Company	329,892	16.4%	S Company	296,346	15.7%
3	Sammy	343,188	11.8%	Sammy	332,288	12.8%	H Company	252,000	10.1%	S Company	291,967	14.3%	K Company	308,000	15.3%	S Company	275,000	14.6%
4	K Company	322,000	11.1%	S Company	332,000	12.8%	N Company	250,000	10.0%	Sammy	200,225	9.8%	H Company	252,103	12.5%	H Company	234,616	12.4%
5	N Company	296,000	10.2%	N Company	255,000	9.8%	Sammy	216,860	8.7%	H Company	197,000	9.6%	Sammy	242,847	12.0%	N Company	220,000	11.7%
															6	Sammy	199,014	10.5%

Source: Yano Research Institute Ltd.

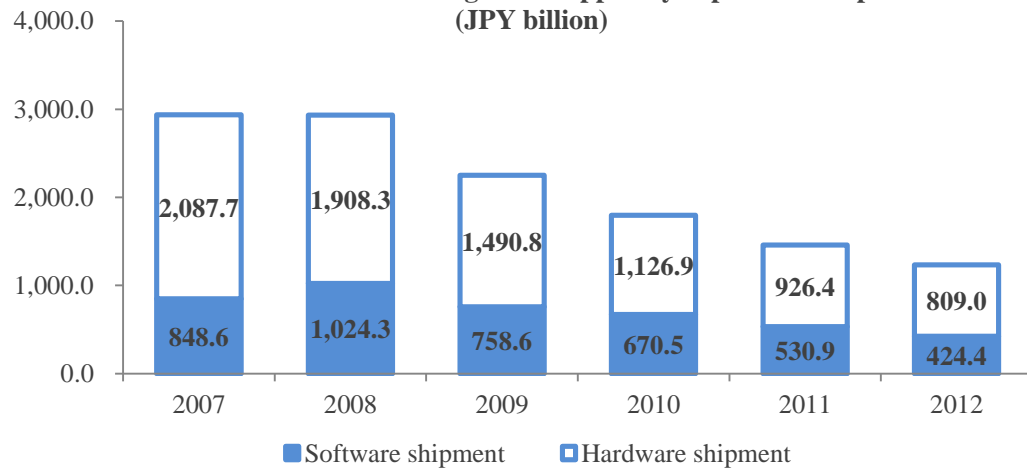
*Estimated by Yano Research Institute Ltd. with fiscal years from July of each year through June the following year as criteria

Home Video Game and Online Game Markets Scale

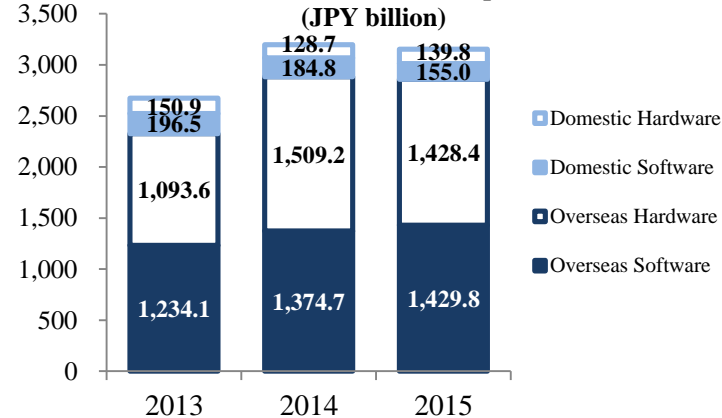
Japan's Market for Game Content with Network Connectivity (JPY billion)



Gross amount at household games shipped by Japanese Companies (JPY billion)



Home Video Games: Overall Shipment Scale (JPY billion)

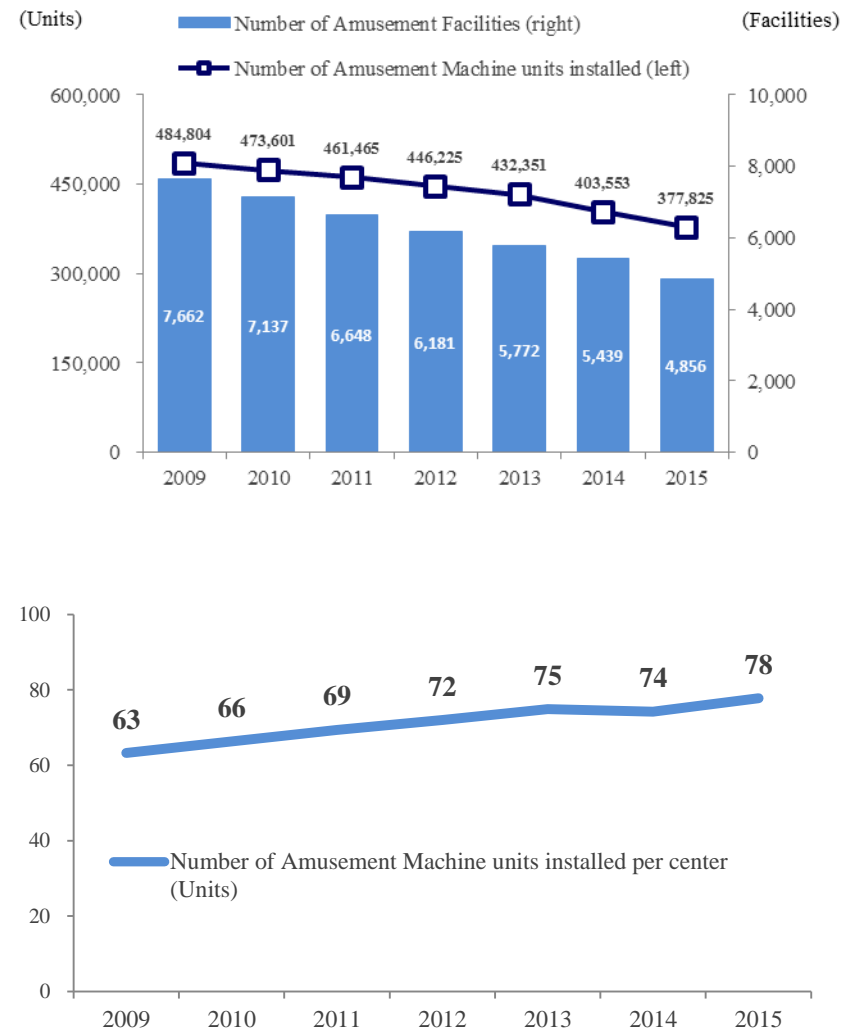
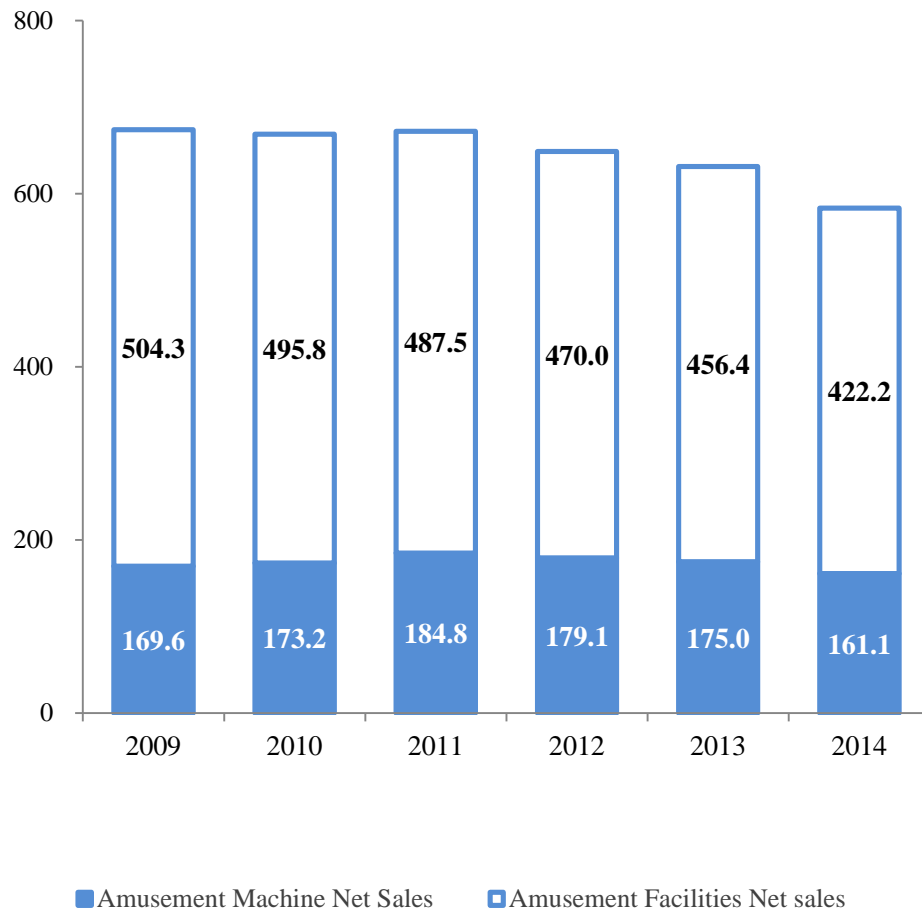


Source: CESA Games White Paper *Chart is separated from 2013 due to the change of collection method of the data.



Amusement Machine and Amusement Center Operations Markets Scale

Amusement Machine / Facilities sales (JPY billion)

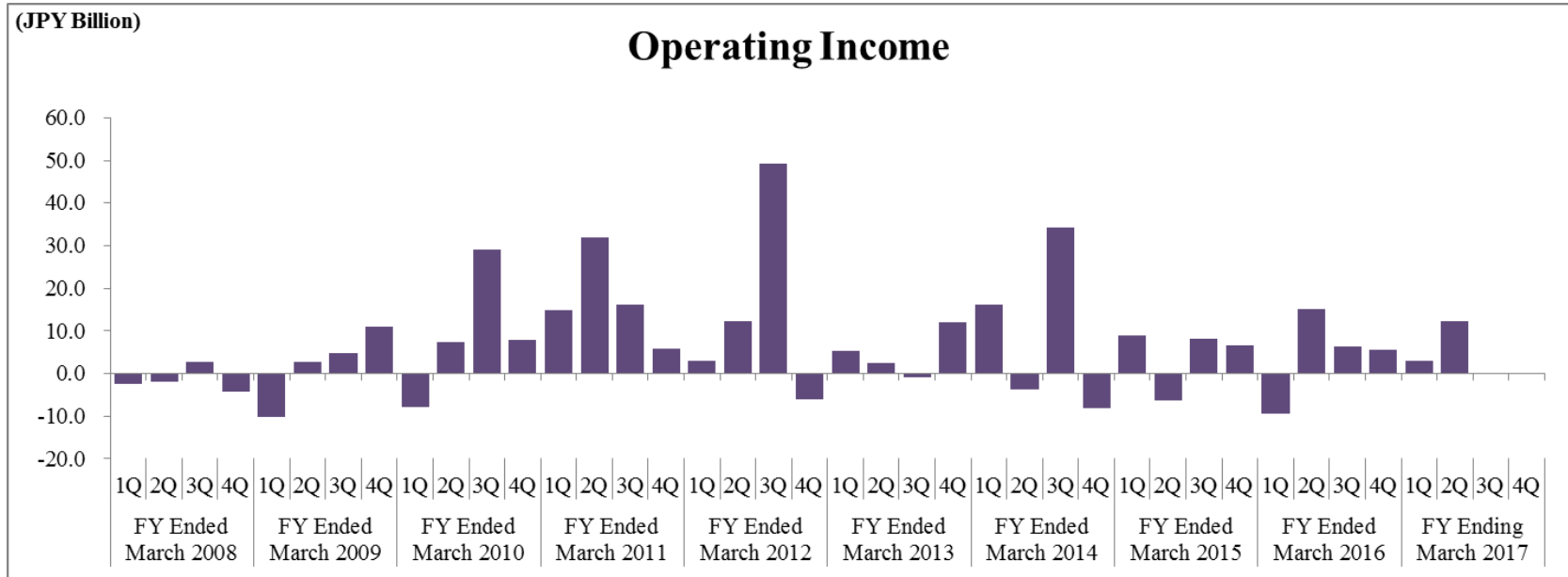
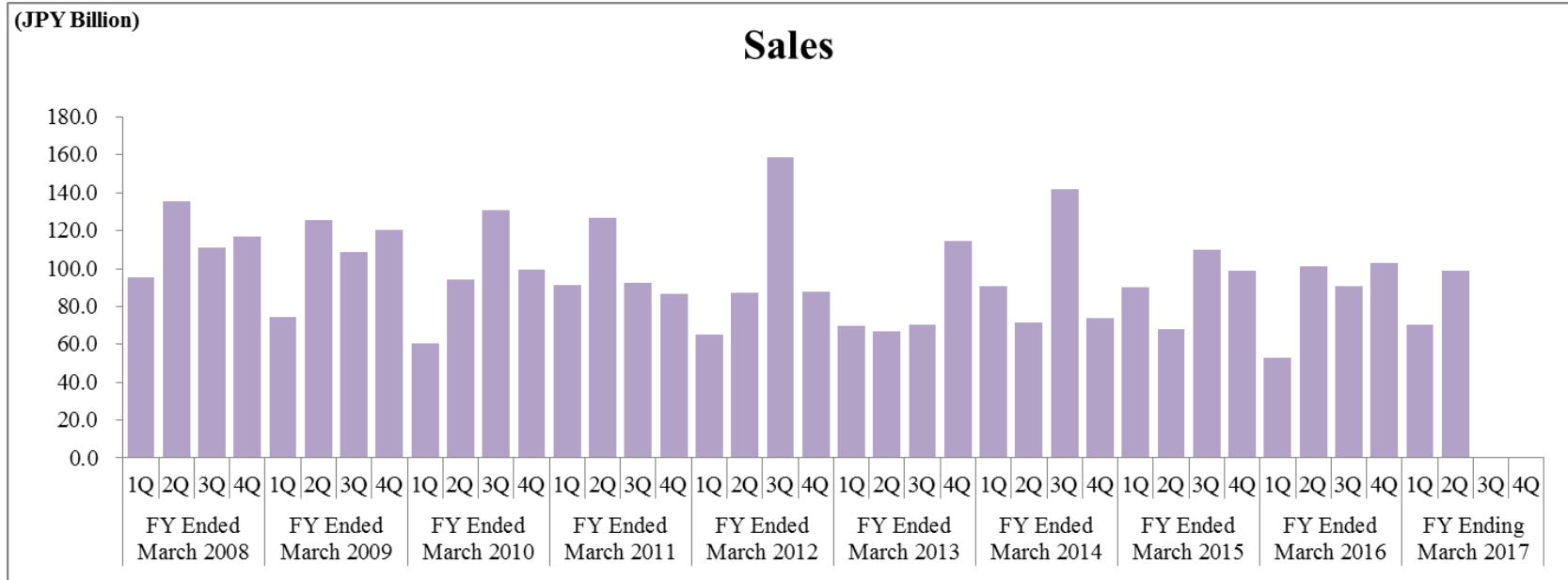


Source: JAIA, National Police Agency

5. Past Operating Results

Past Operating Results

<Quarterly Performance Q on Q>



Past Operating Results (Former Segment basis)

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/2016/e_201603_4q_transition.xls)

(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
Breakdown	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
	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
	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
	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
	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
	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
Breakdown	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
	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
	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
	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
	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
	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
	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 (For reference, unaudited)

* 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.)

Past Operating Results (New Segment basis)

From 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/2017/e_201703_2q_transition.xls)

(JPY Billion)		FY Ended March 2015				FY Ended March 2016				FY Ending March 2017	
		Results Through 1Q	Results Through 2Q	Results Through 3Q	Full Year Results	Results Through 1Q	Results Through 2Q	Results Through 3Q	Full Year Results	Results Through 1Q	Results Through 2Q
Breakdown	Net Sales	90.0	158.1	267.7	366.8	52.9	154.3	245.0	347.9	70.6	169.5
	Pachislot and Pachinko Machines	47.2	61.1	108.9	152.1	7.6[9.8]*	56.6[60.9]*	90.4[96.7]*	132.7[141.0]*	21.2	64.9
	Entertainment Contents	39.9	90.3	147.9	199.6	41.8[39.6]*	90.2[85.9]*	143.0[136.6]*	198.8[190.5]*	46.7	97.8
	Resort	2.8	6.6	10.8	14.9	3.4	7.4	11.5	16.3	2.6	6.7
Breakdown	Operating Income	8.9	2.7	10.8	17.4	-9.4	5.7	12.1	17.6	3.0	15.3
	Pachislot and Pachinko Machines	12.5	7.0	15.3	25.7	-6.7[-6.7]*	8.5[8.4]*	15.4[15.0]*	21.5[20.9]*	0.3	10.6
	Entertainment Contents	-1.3	0.6	2.0	0.0	-0.7[-0.6]*	1.5[1.7]*	2.4[2.8]*	3.6[4.2]*	4.9	9.1
	Resort	-0.7	-1.4	-1.7	-2.3	-0.5	-1.2	-1.3	-1.8	-0.8	-1.3
	Other / Elimination	-1.4	-3.5	-4.8	-6.0	-1.3	-3.1[-3.2]*	-4.4	-5.7	-1.4	-3.1
	Operating Margin	9.9%	1.7%	4.0%	4.7%	-	3.7%	4.9%	5.1%	4.2%	9.0%
Ordinary Income		9.6	2.6	10.7	16.8	-8.7	5.8	12.6	16.4	2.9	15.4
Ordinary Income Margin		10.7%	1.6%	4.0%	4.6%	-	3.8%	5.1%	4.7%	4.1%	9.1%
Profit attributable to owners of parent		5.1	-2.8	-2.7	-11.3	-7.9	0.9	6.4	5.3	4.1	24.2
Net Income Margin		5.7%	-	-	-	-	0.6%	2.6%	1.5%	5.8%	14.3%
R&D expense / content production expense		12.4	28.4	48.8	67.6	12.8	24.7	40.3	58.0	13.9	31.7
Cap-ex		6.9	14.7	20.5	28.7	6.8	12.5	21.0	28.0	6.1	13.8
Depreciation		4.0	8.1	12.8	17.6	4.1	8.2	12.5	16.6	3.9	7.6
Advertising		4.1	10.0	14.5	19.1	3.9	9.3	13.6	17.9	3.1	7.6
# of pachislot titles		3 titles	4 titles	5 titles	6 titles	-	2 titles	6 titles	7 titles	2 titles	3 titles
Unit sales		82,791 units	93,045 units	96,111 units	207,830 units	102 units	70,260 units	121,645 units	142,337 units	29,902 units	81,895 units
# of pachinko titles		5 titles	5 titles	8 titles	10 titles	2 titles	6 titles	7 titles	8 titles	1 titles	3 titles
Unit sales		47,711 units	82,955 units	224,519 units	241,425 units	22,362 units	79,604 units	115,396 units	199,014 units	20,525 units	75,542 units
Same Store Sales Comparisons		99.4%	98.7%	100.1%	100.1%	101.4%	102.2%	101.7%	103.1%	111.2%	110.8%
Domestic Facilities		201 facilities	198 facilities	198 facilities	198 facilities	198 facilities	198 facilities	198 facilities	194 facilities	193 facilities	189 facilities
# of game software titles		3	6	25	30	5	12	24	29	5	14
# of game software titles (sku)		5	14	44	50	6	14	31	38	9	19
Sales (Thousand units)		1,700	4,100	8,910	12,280	1,830	3,280	6,120	9,220	2,410	4,650

*Sales of new segment is changed to gross basis.

*Basis for recording net sales was changed from shipment to delivery starting in FY ended March 2016.

*In line with the change of accounting policy, contents of retroactive processing have been reflected on new segments since FY ended March 2015.

*Part of Entertainment Contents Business has been transferred to Pachislot and Pachinko Machines Business since forecast for FY ending March 2017.

*Numbers shown in parentheses for FY 2016 results are retroactively adjusted values of estimates after changing the breakdown.



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