

Fiscal Year Ended March 2021 Full Year Results Appendix

May 13, 2021

[Disclaimer]

Market forecasts, operating results forecast, and other information contained in these materials are based on judgements and projections of the Company's managements from currently available information. Therefore, please understand that the contents herein involve risks and uncertainties and that actual results could differ materially depending on various factors.

Market and business environment for the FY2021/3

	2020						2021					
	Apr.	May.	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.
Consumer	• Growth in sales due to spending from staying at home			• Spending from staying at home has stabilized, but repeat and other sales continued to be strong								
Amusement Machine Sales	• Revenue from rev. sharing model and machine sales decreased due to closure and declined store utilization			• Sales conditions improved gradually as utilization of facilities recovered								
Amusement Center Operations	• Take measures of temporary closure of stores sequentially.			• Facilities utilization is recovering								
	• Sales of existing stores YoY: 27.4%			• Sales of existing stores YoY: 61.4% (Through Dec.)								
Animation / Toys	• Significant decrease in production and allocated revenues due to postponement of theatrical release, etc.						• Recovered gradually due to the resumption of operation at theatres, etc.					
Pachislot and Pachinko machines	• Halls suspended operation			• Utilization has been recovering since resumption of operations			• Utilization is stable at about 70-80 percent					
	• Deadline for removal extended			• Expecting that the recovery of purchasing motivation of pachinko halls take a while as the deadline for removal extended								
PHOENIX Resort	• Temporary closure of all facilities			• Utilization recovering gradually • The number of users continuously declined			• Personal demand increased due to “Go To Travel Campaign,” and utilization of facilities recovered			• Travel demand declined due to temporary suspension of “Go To Travel Campaign.”		
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 July 1								

Consolidated Income Statements (Summary)

(JPY Billion)	2020/3				2021/3				2022/3
	1Q	Through 2Q	Through 3Q	Through 4Q	1Q	Through 2Q	Through 3Q	Through 4Q	Full Year Forecast
Sales	72.7	165.5	280.8	366.5	48.3	110.2	210.1	277.7	312.0
Entertainment Contents	53.0	115.7	186.1	247.6	45.1	97.0	167.6	217.8	213.0
Pachislot and Pachinko Machines	17.1	44.2	86.3	108.5	2.7	10.7	37.3	53.1	89.0
Resort	2.4	5.5	8.2	10.4	0.4	2.2	4.8	6.3	9.5
Other / Elimination	0.0	0.0	0.0	0.0	0.1	0.3	0.4	0.5	0.5
Operating Income	3.4	14.6	28.0	27.6	-3.8	-3.0	13.5	6.5	20.0
Entertainment Contents	5.2	13.2	17.0	16.5	8.1	14.9	29.9	27.9	23.0
Pachislot and Pachinko Machines	1.0	7.3	19.9	23.2	-8.4	-12.0	-8.2	-10.6	9.0
Resort	-0.8	-1.5	-2.3	-3.6	-1.7	-2.6	-3.1	-4.1	-3.0
Other / Elimination	-2.0	-4.4	-6.6	-8.5	-1.8	-3.3	-5.1	-6.7	-9.0
Non-operating income	0.8	1.3	1.8	3.2	0.6	3.2	5.6	2.8	3.0
Non-operating expenses	1.9	3.3	4.0	5.5	0.8	3.7	6.5	7.6	3.0
Ordinary Income	2.3	12.6	25.8	25.2	-4.0	-3.5	12.5	1.7	20.0
Entertainment Contents	4.9	12.8	16.0	16.2	8.2	16.8	33.1	27.9	25.0
Pachislot and Pachinko Machines	0.9	7.2	19.4	22.7	-8.5	-12.4	-8.7	-11.3	9.0
Resort	-1.6	-3.1	-3.3	-5.3	-2.1	-4.6	-6.6	-8.9	-5.0
Other / Elimination	-1.9	-4.3	-6.3	-8.4	-1.6	-3.3	-5.3	-6.0	-9.0
Ordinary Income Margin	3.2%	7.6%	9.2%	6.9%	-	-	5.9%	0.6%	6.4%
Extraordinary income	0.0	0.0	3.0	3.1	0.2	1.5	10.3	28.8	-
Extraordinary losses	0.1	0.1	0.5	1.2	2.5	21.1	31.8	40.3	-
Income before income taxes	2.2	12.5	28.3	27.1	-6.4	-23.1	-8.8	-9.8	20.0
Profit attributable to owners of parent	1.7	9.8	22.9	13.7	-3.3	-21.7	-6.2	1.2	14.0
ROE	-	-	-	4.6%	-	-	-	0.4%	-
Dividends per share (JPY)	-	20.00	20.00	40.00	-	10.00	10.00	30.00	40.00
Earnings per share (JPY)	7.32	42.05	97.92	58.65	-14.04	-92.38	-26.54	5.42	59.55
Net Assets per share (JPY)	1,259.70	1,276.36	1,318.14	1,251.02	1,219.49	1,149.63	1,181.27	1,236.82	-

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

Costs and Expenses

(JPY Billion)	2020/3				2021/3				2022/3
	1Q	Through 2Q	Through 3Q	Through 4Q	1Q	Through 2Q	Through 3Q	Through 4Q	Full Year Forecast
R&D Expense / Content Production Expense	17.1	33.5	56.4	76.5	14.7	28.3	43.5	61.9	74.1
Entertainment Contents	12.8	24.7	42.3	58.6	9.2	19.0	30.8	45.5	57.9
Pachislot and Pachinko Machines	4.3	8.9	14.3	18.1	5.4	9.3	12.6	16.3	16.2
Resort	0.0	0.0	0.1	0.1	0.0	0.0	0.1	0.2	0.0
Other / Elimination	0.0	-0.1	-0.3	-0.3	0.1	0.0	0.0	-0.1	0.0
Cap-ex	5.1	10.5	16.1	22.8	3.6	7.2	11.4	14.5	16.1
Entertainment Contents	4.0	8.3	12.9	18.2	2.2	5.0	8.5	10.4	7.5
Pachislot and Pachinko Machines	0.9	1.8	2.5	3.5	1.1	1.8	2.5	3.3	7.2
Resort	0.0	0.1	0.1	0.2	0.0	0.0	0.1	0.1	0.5
Other / Elimination	0.2	0.3	0.6	0.9	0.3	0.4	0.3	0.7	0.9
Depreciation	3.6	7.3	10.9	14.8	3.6	7.3	9.5	12.1	8.8
Entertainment Contents	2.1	4.2	6.4	8.9	2.2	4.5	5.2	6.7	3.5
Pachislot and Pachinko Machines	1.0	1.9	2.8	3.6	0.8	1.7	2.6	3.4	3.5
Resort	0.2	0.5	0.8	1.1	0.2	0.4	0.7	0.9	0.8
Other / Elimination	0.3	0.7	0.9	1.2	0.4	0.7	1.0	1.1	1.0
Advertising	3.6	8.5	12.9	17.4	2.0	5.6	9.5	13.6	21.9
Entertainment Contents	3.0	6.4	10.2	14.1	1.7	4.5	7.8	11.5	16.7
Pachislot and Pachinko Machines	0.2	0.8	1.2	1.5	0.1	0.7	1.0	1.2	3.0
Resort	0.1	0.2	0.3	0.4	0.0	0.1	0.2	0.2	0.4
Other / Elimination	0.3	1.1	1.2	1.4	0.2	0.3	0.5	0.7	1.8

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

Consolidated Balance Sheet (Summary)

(Billion yen)				【Assets】				【Liabilities and Net Assets】			
Account	As of end of March 2020	As of end of March 2021	Change	Account	As of end of March 2020	As of end of March 2021	Change	Account	As of end of March 2020	As of end of March 2021	Change
Cash and Deposits	159.0	154.9	-4.1	Accounts Payable	17.8	16.9	-0.9	Accounts Payable	17.8	16.9	-0.9
Accounts Receivable	40.4	38.1	-2.3	Corporate Bonds	10.0	-	-10.0	Corporate Bonds	10.0	-	-10.0
Short term investment securities	5.3	0.7	-4.6	Short Term Loans Payable	13.3	-	-13.3	Short Term Loans Payable	13.3	-	-13.3
Inventories	47.0	52.9	+5.9	Other	45.0	42.8	-2.2	Other	45.0	42.8	-2.2
Other	17.2	29.6	+12.4	Total Current Liabilities	86.1	59.7	-26.4	Total Current Liabilities	86.1	59.7	-26.4
Total Current Assets	268.9	276.2	+7.3	Corporate Bonds	10.0	10.0	-	Corporate Bonds	10.0	10.0	-
Tangible Fixed Assets	86.6	61.6	-25.0	Long Term Loans Payable	42.0	42.0	-	Long Term Loans Payable	42.0	42.0	-
Intangible Fixed Assets	17.9	14.9	-3.0	Other	23.2	18.5	-4.7	Other	23.2	18.5	-4.7
Investment Securities	55.0	38.3	-16.7	Total Noncurrent Liabilities	75.2	70.5	-4.7	Total Noncurrent Liabilities	75.2	70.5	-4.7
Other	29.7	30.5	+0.8	Total Liabilities	161.4	130.3	-31.1	Total Liabilities	161.4	130.3	-31.1
				Shareholders Equity	301.2	294.9	-6.3	Shareholders Equity	301.2	294.9	-6.3
				Total accumulated other comprehensive income	-7.1	-4.2	2.9	Total accumulated other comprehensive income	-7.1	-4.2	2.9
				Subscription rights to shares	0.8	-	-0.8	Subscription rights to shares	0.8	-	-0.8
				Non-controlling intesrests	1.9	0.4	-1.5	Non-controlling intesrests	1.9	0.4	-1.5
Total Noncurrent Assets	189.2	145.3	-43.9	Total Net Assets	296.8	291.2	-5.6	Total Net Assets	296.8	291.2	-5.6
Total Assets	458.2	421.5	-36.7	Total Liabilities and Net Assets	458.2	421.5	-36.7	Total Liabilities and Net Assets	458.2	421.5	-36.7

Segment Results: Entertainment Contents Business

(Billion yen)	2020/3				2021/3				2022/3
	1Q	Through 2Q	Through 3Q	Through 4Q	1Q	Through 2Q	Through 3Q	Through 4Q	Full Year Forecast
Sales	53.0	115.7	186.1	247.6	45.1	97.0	167.6	217.8	213.0
Consumer	26.7	55.8	90.2	125.5	32.4	61.4	102.4	135.7	140.0
Amusement Machine Sales	10.1	24.6	41.1	51.0	5.4	13.6	25.6	35.7	43.0
Amusement Center Operations	10.4	22.0	32.2	41.9	3.4	11.8	20.6	21.0	-
Animation / Toy	5.0	11.7	20.3	26.2	3.4	9.0	17.1	23.2	26.5
Other / Elimination	0.6	1.6	2.2	2.9	0.4	1.2	1.9	2.2	3.5
Operating Income	5.2	13.2	17.0	16.5	8.1	14.9	29.9	27.9	23.0
Consumer	5.3	9.7	12.1	14.7	12.5	20.3	30.9	31.4	21.0
Amusement Machine Sales	-0.4	0.7	1.1	-0.6	-1.6	-1.9	-0.1	-1.6	1.7
Amusement Center Operations	0.7	1.9	1.7	1.4	-2.0	-2.7	-1.4	-1.4	-
Animation / Toy	0.3	1.7	2.9	2.7	-0.0	0.2	2.1	2.1	1.8
Other / Elimination	-0.7	-0.9	-0.9	-1.7	-0.8	-1.0	-1.6	-2.6	-1.5
Non-operating income	0.3	0.3	0.3	1.3	0.2	2.5	4.7	0.9	2.4
Non-operating expenses	0.6	0.8	1.3	1.6	0.1	0.6	1.4	1.0	0.4
Ordinary Income	4.9	12.8	16.0	16.2	8.2	16.8	33.1	27.9	25.0
Ordinary Income Margin	9.2%	11.1%	8.6%	6.5%	18.2%	17.3%	19.7%	12.8%	11.7%
No. of domestic amusement centers	191	192	195	192	195	193	193	-	-
YoY sales rate comparison of existing amusement centers	109.0%	103.6%	100.7%	97.7%	27.4%	50.1%	61.4%	-	-

*As the breakdown of sub-segment, Digital Games area and Packaged Games area have been integrated into 1 sub-segment and changed the name to Consumer area from FY2021/3.

*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 and Pachinko Machines Business segment.

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

Segment Results: Entertainment Contents Business

Consumer Area (KPI)

<Sales by Business Model>

(Billion yen)	2020/3				2021/3				2022/3
	1Q	Through 2Q	Through 3Q	Through 4Q	1Q	Through 2Q	Through 3Q	Through 4Q	Full Year Forecast
Sales	26.7	55.8	90.2	125.5	32.4	61.4	102.4	135.7	140.0
Domestic	12.9	27.0	45.9	64.2	12.4	27.9	48.7	64.6	65.0
Overseas	13.9	29.0	45.4	63.9	19.6	33.4	54.3	72.4	75.0
Overseas sales ratio	52.1%	52.0%	50.3%	50.9%	60.5%	54.4%	53.0%	53.4%	53.6%
Other / Elimination	-0.1	-0.2	-1.2	-2.6	0.2	0.1	-0.6	-1.3	0.1
Full Game	11.5	19.4	37.8	57.0	14.4	25.2	42.6	55.1	55.0
New titles	7.3	11.3	25.6	39.1	2.0	5.2	13.8	19.9	27.5
Japan	0.2	0.6	7.5	12.5	0.0	0.1	1.8	2.1	-
Asia	0.4	0.5	1.1	3.5	0.7	1.0	1.2	1.7	-
North America / Europe	6.6	10.1	16.9	22.9	1.2	4.1	10.6	16.0	-
Repeat titles	4.2	8.1	12.1	17.8	12.3	19.9	28.8	35.2	27.5
Japan	0.5	1.1	1.5	2.7	1.7	2.7	3.7	4.5	-
Asia	0.3	0.8	1.1	1.7	0.5	1.1	1.5	2.2	-
North America / Europe	3.3	6.1	9.4	13.3	9.9	16.1	23.5	28.5	-
Download sales ratio	65.9%	58.6%	48.4%	46.0%	66.5%	67.7%	62.8%	63.8%	68.6%
F2P	9.1	18.1	27.6	38.1	11.1	25.5	41.0	54.1	63.5
Japan	8.4	16.9	25.8	35.3	9.1	21.5	35.5	47.2	-
Asia	0.0	0.0	0.1	0.3	0.0	0.1	0.2	0.2	-
North America / Europe	0.6	1.1	1.6	2.4	1.9	3.9	5.2	6.6	-
Other	6.1	18.4	25.8	33.0	6.5	10.6	19.4	27.7	21.5

Full Game = Mainly physical sales and download sales of full game for home video game consoles and PCs. (Additional download content sales are not included.)

F2P = Mainly sales of contents offering free basic play and microtransaction for smartphones and PCs.

Other = Sales of additional downloadable contents, consignment sales of 3rd party titles, revenue from consignment development, transfer of titles, offering of titles in batches to 1st parties, sales of products other than game software, etc.

	2020/3				2021/3				2022/3
	1Q	Through 2Q	Through 3Q	Through 4Q	1Q	Through 2Q	Through 3Q	Through 4Q	Full Year Forecast
Full Game: Number of Titles	9 titles	13 titles	26 titles	36 titles	4 titles	6 titles	15 titles	18 titles	26 titles
Japan	2 titles	3 titles	9 titles	11 titles	0 title	0 title	2 titles	2 titles	5 titles
Asia	3 titles	3 titles	6 titles	12 titles	1 title	1 title	4 titles	6 titles	9 titles
North America / Europe	4 titles	7 titles	11 titles	13 titles	3 titles	5 titles	9 titles	10 titles	12 titles
Full Game: Unit sales (Thousands)	6,490	12,100	20,570	28,570	12,980	19,080	34,200	41,770	37,870
Total New titles	2,300	3,550	7,460	11,480	790	1,180	3,770	6,020	9,640
Japan	60	170	1,180	1,910	10	20	370	430	660
Asia	130	130	300	780	150	200	260	360	410
North America / Europe	2,110	3,240	5,970	8,790	620	960	3,130	5,220	8,570
Total Repeat titles	4,180	8,550	13,110	17,090	12,190	17,900	30,420	35,750	28,230
Japan	210	440	580	880	460	690	990	1,230	930
Asia	110	280	380	580	240	510	700	1,000	650
North America / Europe	3,860	7,820	12,140	15,620	11,480	16,690	28,730	33,510	26,650

*Unit sales don't include the figure for free download
*Numbers of titles and unit sales of Full Game in FY2020/3 results were revised due to the change of subsegment classifications
*As for Numbers of Titles above, for the same title released in multiple regions, the title number is counted 1 per each sales region (Japan, Asia and NA/EU).

FY2021/3 Major Titles

Titles	Release	Platform	Launched region
Persona 5 Strikers (Western version)	2021/2	Switch™ / PlayStation®4 / PC	North America / Europe
Football Manager 2021	2020/11	PC	Japan / Asia / North America / Europe
YAKUZA : LIKE A DRAGON (Western Version)	2020/11	Xbox Series XIS / PC	North America / Europe

Repeat titles	Platform	Launched region
Sonic series	Multi-platform	Japan / Asia / North America / Europe
Total War series	PC	Japan / Asia / North America / Europe
Football Manager series	PC	Japan / Asia / North America / Europe

Consumer Area (KPI)

<Sales breakdown of F2P>

(Billion yen)	2020/3				2021/3				2022/3
	1Q	Through 2Q	Through 3Q	Through 4Q	1Q	Through 2Q	Through 3Q	Through 4Q	Full Year Forecast
Sales	9.1	18.1	27.6	38.1	11.1	25.5	41.1	54.1	63.4
Titles in or before FY2018/3	6.5	12.7	18.2	24.5	5.1	11.4	16.4	20.6	14.9
Titles released in FY2019/3	2.4	4.7	7.0	9.1	2.2	5.2	7.3	8.2	5.4
Titles released in FY2020/3	0.0	0.6	2.3	4.4	2.1	4.8	7.2	9.7	5.6
Titles released in FY2021/3	-	-	-	-	1.5	4.1	10.2	15.6	20.4
Titles release in FY2022/3	-	-	-	-	-	-	-	-	17.1

<Numbers of titles for F2P>

	2020/3				2021/3				2022/3
	1Q	Through 2Q	Through 3Q	Through 4Q	1Q	Through 2Q	Through 3Q	Through 4Q	Full Year Forecast
No. of new titles launched	1	4	4	4	2	4	5	5	5
No. of titles in operation	20	21	20	19	20	22	22	22	27
No. of titles ended services	-4	-6	-7	-8	-1	-1	-2	-2	1

*As for Numbers of Titles above, for the same title released in multiple regions, the title number is counted 1 per each sales region (Japan, Asia and NA/EU).

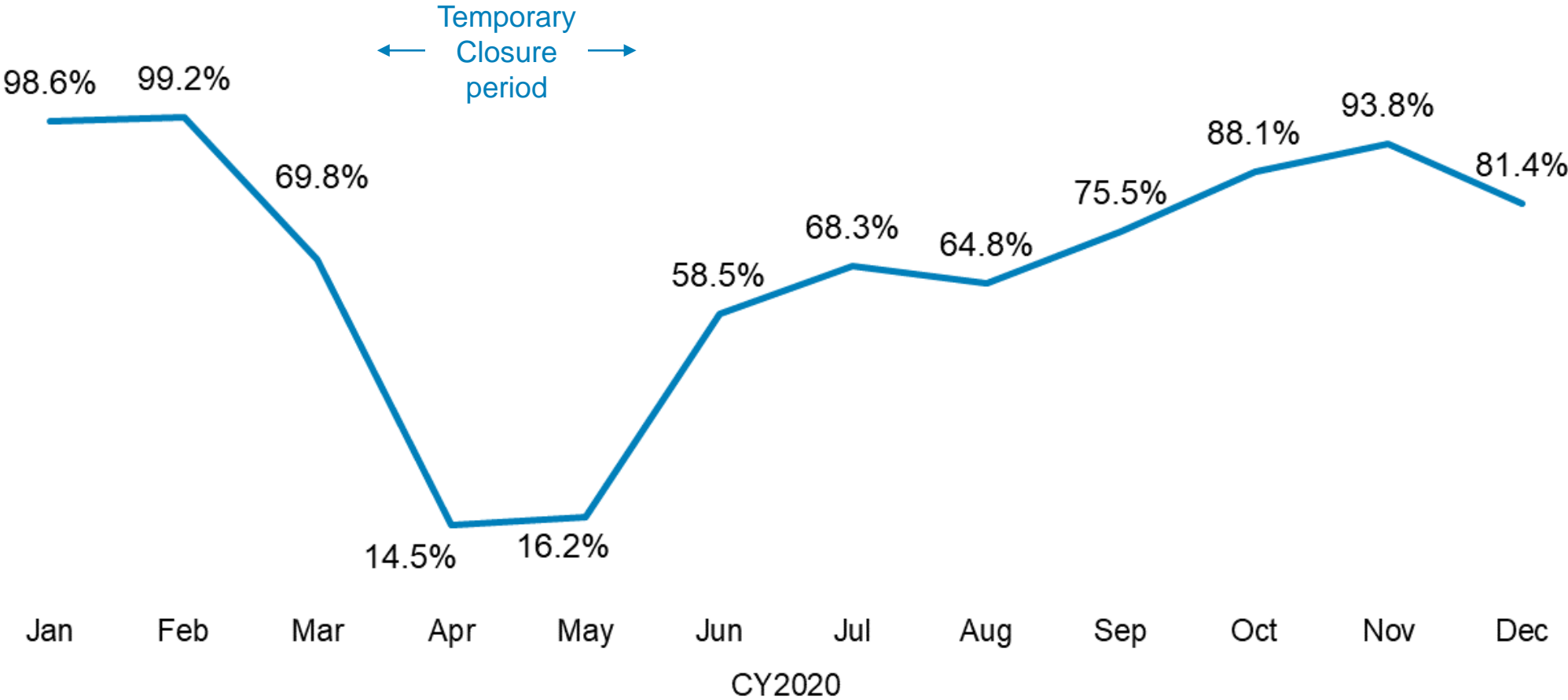
Top 3 titles in sales for F2P

*Top three titles in the period of Jan.-Mar. 2021

Title name	Release
1. Project SEKAI COLORFUL STAGE! feat. Hatsune Miku	2020/9
2. FIST OF THE NORTH STAR LEGENDS ReVIVE	2019/9
3. Re: ZERO -Starting Life in Another World- Lost in Memories	2020/9

Amusement Center Area (KPI)

■ YoY comparison of monthly sales of existing stores of amusement facilities of our Group



Segment Results: Pachislot and Pachinko Machines

(JPY Billion)	2020/3				2021/3				2022/3 Full Year Forecast
	1Q	Through 2Q	Through 3Q	Through 4Q	1Q	Through 2Q	Through 3Q	Through 4Q	
Sales	17.1	44.2	86.3	108.5	2.7	10.7	37.3	53.1	89.0
Pachislot	7.0	11.1	46.2	54.1	0.2	2.0	4.8	13.9	40.5
Pachinko	5.4	23.8	26.8	37.4	0.0	3.7	24.6	28.5	42.7
Other / Elimination	4.7	9.3	13.3	17.0	2.5	5.0	7.9	10.7	5.8
Operating Income	1.0	7.3	19.9	23.2	-8.4	-12.0	-8.2	-10.6	9.0
Non-operating income	0.1	0.2	0.4	0.7	0.1	0.2	0.3	0.6	0.1
Non-operating expenses	0.1	0.3	0.8	1.1	0.2	0.6	0.9	1.2	0.1
Ordinary Income	0.9	7.2	19.4	22.7	-8.5	-12.4	-8.7	-11.3	9.0
Ordinary Income Margin	5.3%	16.3%	22.5%	20.9%	-	-	-	-	10.1%

Pachislot									
Number of Titles	0 title	1 title	3 titles	5 titles	0 title	1 title	3 titles	5 titles	9 titles
Unit Sales (units)	17,930	28,360	105,860	123,336	485	4,885	12,487	35,273	101,000
Pachinko									
Number of Titles	2 titles	4 titles	5 titles	7 titles	0 title	2 titles	3 titles	4 titles	5 titles
Unit Sales (units)	16,212	66,140	75,094	104,581	177	11,342	59,359	69,013	103,000
Board + Frame	8,020	15,850	18,878	33,056	54	1,187	46,574	53,641	69,500
Board	8,192	50,290	56,216	71,525	123	10,155	12,785	15,372	33,500

*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 and Pachinko Machines Business segment.

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

Segment Results: Resort Business

(JPY Billion)	2020/3				2021/3				2022/3 Full Year Forecast
	1Q	Through 2Q	Through 3Q	Through 4Q	1Q	Through 2Q	Through 3Q	Through 4Q	
Sales	2.4	5.5	8.2	10.4	0.4	2.2	4.8	6.3	9.5
Operating Income	-0.8	-1.5	-2.3	-3.6	-1.7	-2.6	-3.1	-4.1	-3.0
Non-operating income	0.1	0.2	0.2	0.2	0.0	0.0	0.0	0.0	0.0
Non-operating expenses	0.9	1.7	1.2	1.9	0.3	2.0	3.5	4.8	2.0
Ordinary Income	-1.6	-3.1	-3.3	-5.3	-2.1	-4.6	-6.6	-8.9	-5.0
Ordinary Income Margin	-	-	-	-	-	-	-	-	-

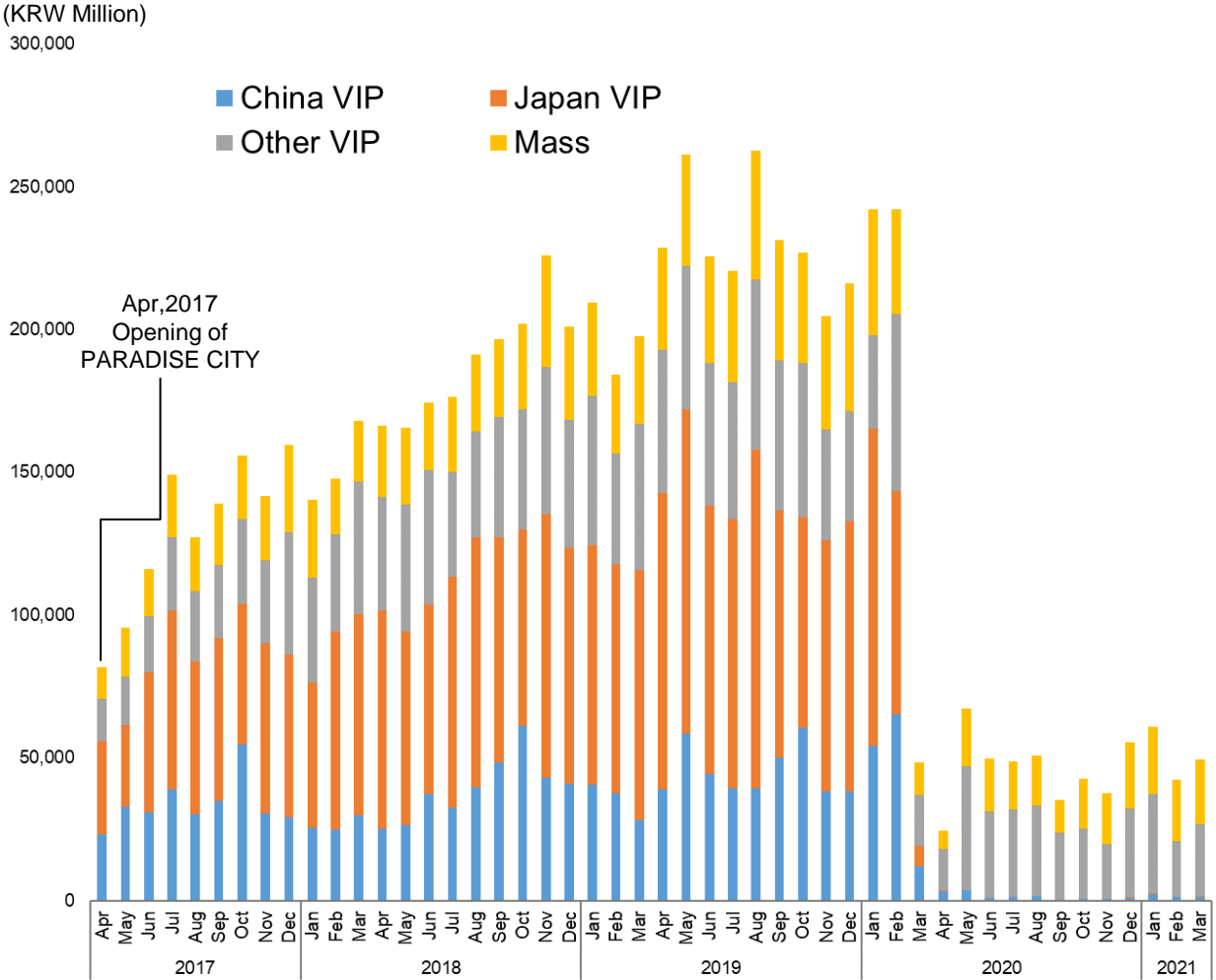
<PHOENIX RESORT>

No. of facility users (Thousands)	189	454	658	839	44	211	430	552	856
3 accommodation facilities	75	194	283	359	12	78	177	223	373
2 golf courses	25	46	70	92	9	31	57	75	95
Other facilities	89	214	305	388	23	102	196	254	388

Segment Results: Resort Business (PARADISE SEGASAMMY)

Transition of Drop amounts* at PARADISE CITY

*Drop amounts: Purchased amount of chips by customers at the table



* PARADISE SEGASAMMY Co., Ltd. is an equity method affiliate
 * Figures for PARADISE SEGASAMMY Co., Ltd. are recorded with three months delay
 * Local accounting standards

(KRW Billion)		FY2020 4Q Results	FY2021 4Q Results
Sales		463.3	177.5
	Casino	375.5	126.8
	Hotel	69.2	44.4
	Other	18.4	6.3
Cost of sales		391.2	216.0
	Casino	210.4	95.2
	Hotel	118.2	85.4
	Other	62.4	35.3
Gross profit		72.1	-38.5
	SG&A	52.1	28.1
Operating profit		19.9	-66.7
EBITDA		84.4	-7.7
Net profit		-22.5	-106.2
Number of casino visitors (Thousands)		382	174

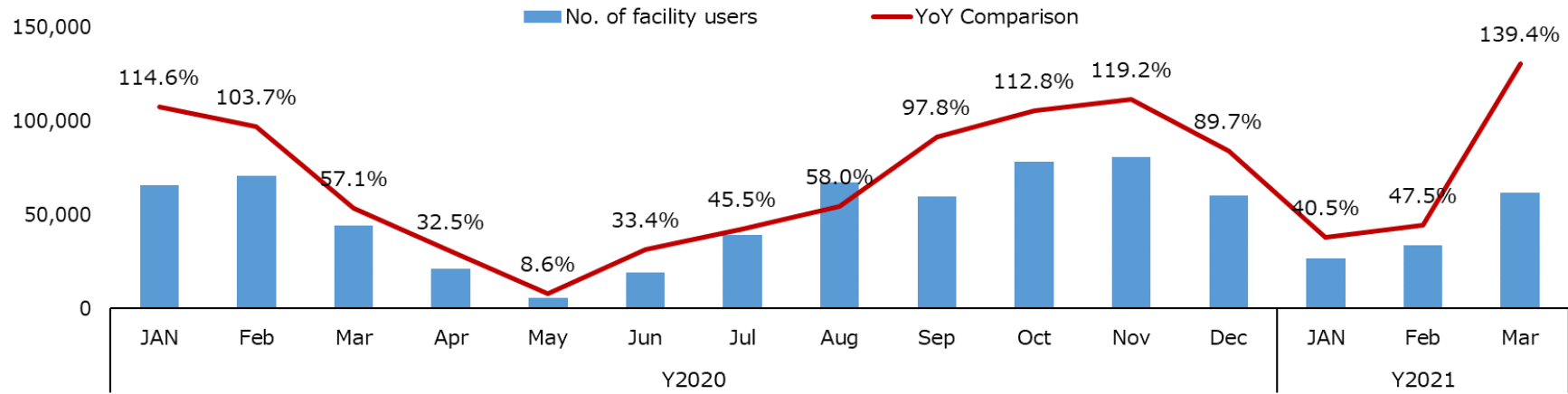
Source: Paradise IR

SEGASAMMY Equity method acquisition amount (Billion yen)	-1.6	-4.7
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Segment Results: Resort Business

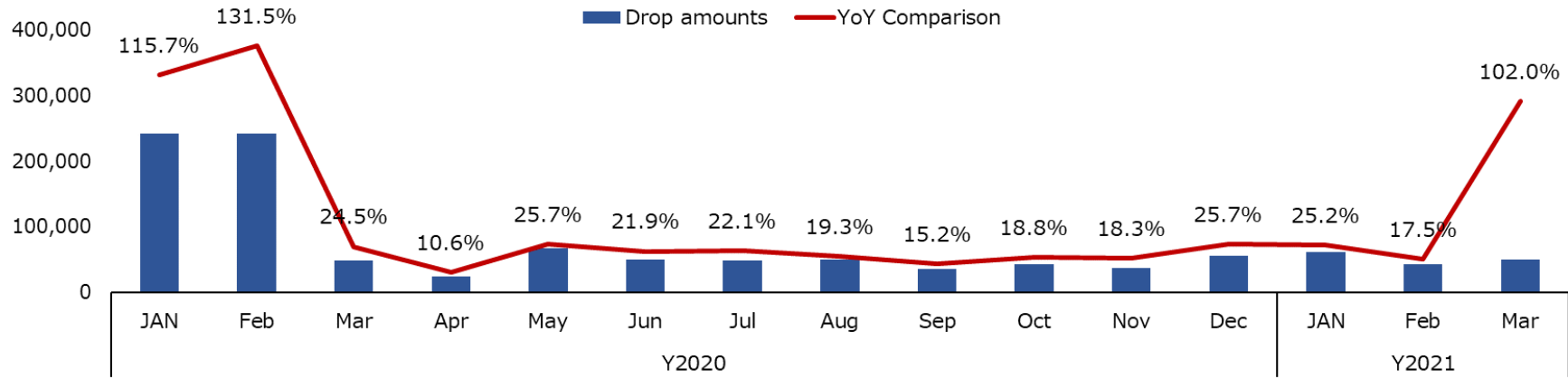
■ PHENIX RESORT

Number of facility users and YoY comparison (Users)



■ PARADISE CITY

Drop amounts and YoY comparison (KRW Million)





■Exterior



■Golf Course

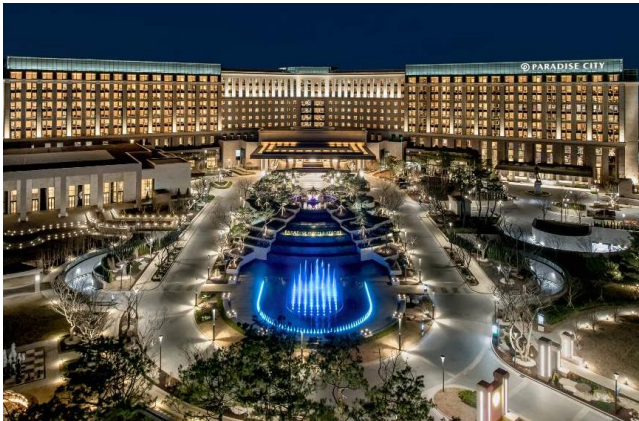


■Convention Center

<Overview>

Facility name	Phoenix Seagaia Resort	
Operating company	Phoenix Resort Co., Ltd.	
Facility address	3083 Aza Hamayama, O-Aza Shioji, Miyazaki City, Miyazaki Prefecture	
Access	■Miyazaki Airport: 20-minute by car ■JR Miyazaki train station: Approx. 25-minute by public bus(chargeable) 15-minute by car ■Express way: Approx. 25-minute drive from Miyazaki Interchange	
Number of employees	744 (as of March 31, 2021) (including, concurrent officers, full-time employees, seconded employees, contract employees and part-time employees)	
Site area	2,511,144m ²	
Facility composition	Hotels	950 rooms (Sheraton Grande Ocean Resort, Luxze Hitotsuba and Cottage HIMUKA)
	Golf Courses	45 holes (Phoenix Country Club, Tom Watson Golf Course), Phoenix Golf Academy
	Convention Center	Approx. 5,500 m ² (capacity for approx. 5,000 people)
	Other Entertainment Facilities etc.	Spa, hot springs, tennis court, fitness club, horse riding club, and wedding halls

Segment Results: Resort Business (PARADISE CITY)



■Exterior



■Casino facility



■Lobby lounge (Hotel)

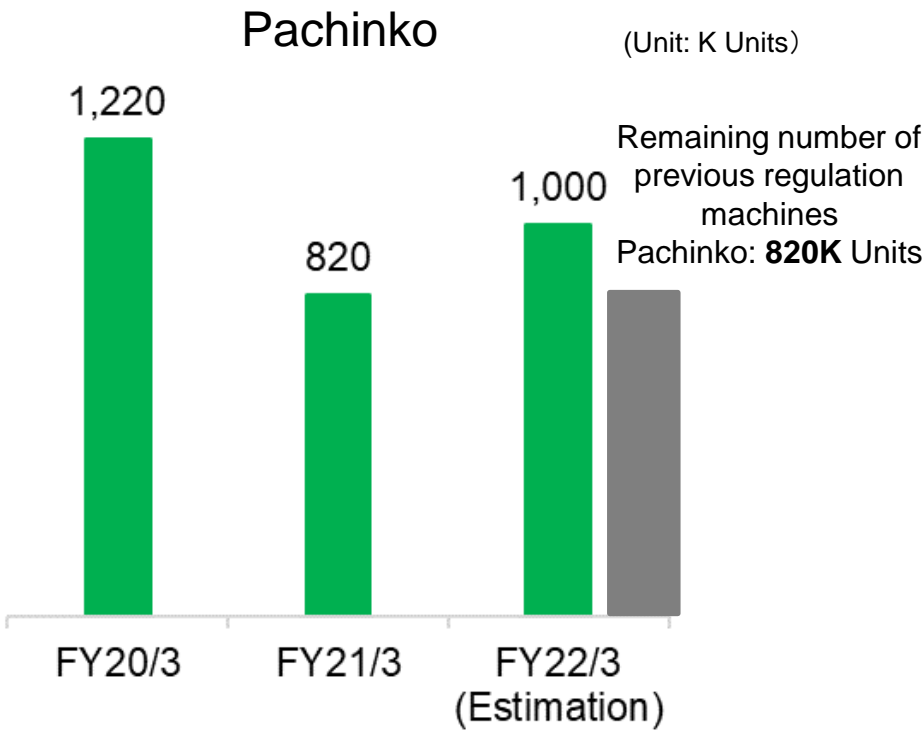
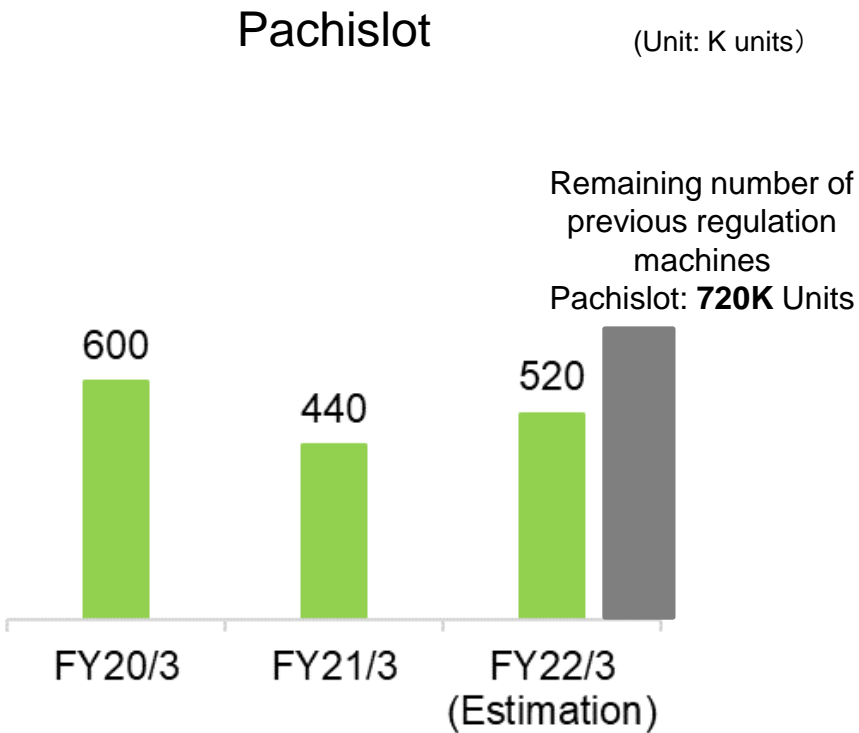
<Overview>

Facility name	PARADISE CITY
Operating company	PARADISE SEGASAMMY Co.,Ltd.
Facility address	186, Yeongjonghaeannam-ro 321-gil, Jung-gu, Incheon, Republic of Korea
Access to PARADISE CITY	<ul style="list-style-type: none"> ■3-minute drive by car or shuttle bus (free of charge) 5-minute ride on linear monorail (free of charge) and 15-minute walk from Incheon International Airport ■Also a 5-minute drive from Incheon Interchange on the expressway
Number of employees	1,610 (as of March 31, 2021) (including, concurrent officers, full-time employees, seconded employees, contract employees and part-time employees)
Site area	330,000㎡
Investment amount	Approx. 1,567.5 billion KRW (amount invested by SEGA SAMMY: 331.9 billion KRW; shareholding ratio: 45%)
Facility composition	<ul style="list-style-type: none"> • Casino (table games: 158 units, electronic table games: 4 units 62 seats, slot machines: 291 units) • Hotel (711 rooms; additional facilities: restaurant, banquet hall, indoor and outdoor pools, etc.) • Convention • PLAZA (Commercial facility / cultural center, shopping mall) <p>Facilities in temporary suspension (from July 1, 2020)</p> <ul style="list-style-type: none"> • SPA • CLUB • Boutique Hotel (58 rooms) • WONDER BOX (for families)

Casino facility		Upper limit for square measures of gaming areas within casino facility is 3% of the total floor area of IR facilities
Facility No.1:	International convention and conference facilities	Capacity of the largest international convention and conference room must be more than 1,000 people. Total capacity of whole international convention and conference facilities must be more than twice of the capacity of the largest international convention and conference room.
Facility No.2:	Exhibition facilities	<p>Square measures of exhibition facilities must meet the standards according to the below tier based on capacity of the largest international convention and conference room.</p> <p>(Capacity of the largest international convention and conference room)</p> <ul style="list-style-type: none">• More than 1,000 and less than 3,000 people ⇔ Total floor area of exhibition facilities: more than 120K m²• More than 3,000 and less than 6,000 people ⇔ Total floor area of exhibition facilities: more than 60K m²• More than 6,000 people ⇔ Total floor area of exhibition facilities: more than 20K m²
Facility No.3:	Facilities enhancing the attractiveness of tourism	Theater, entertainment hall, concert hall, stadium, cinema, museum, gallery, restaurant and other facilities that contribute enhancing the attractiveness of Japanese tourism
Facility No.4:	Facilities with customer transfer functions	Facilities satisfying below 4 conditions 1) showcase function, 2) concierge function, 3) multilingual support function, 4) sufficient facility scale
Facility No.5:	Accommodation facilities	Total square measures for floor area of all guest rooms must be more than 100K m ² and facilities must have suite rooms with appropriate square measures and certain ratio of suite rooms.
Facility No. 6	Other facilities	Facility contributing to the promotion of visit and stay of domestic and inbound tourists
Other: Restriction of casino ads		Can applies only to places where foreign travelers can stay until they complete immigration procedures at airports operating international flights and passenger terminals of ports where foreign cruise ships are in service
Other: Transaction subject to report		Cash transactions exceeding 1 million yen between casino business operators and customers

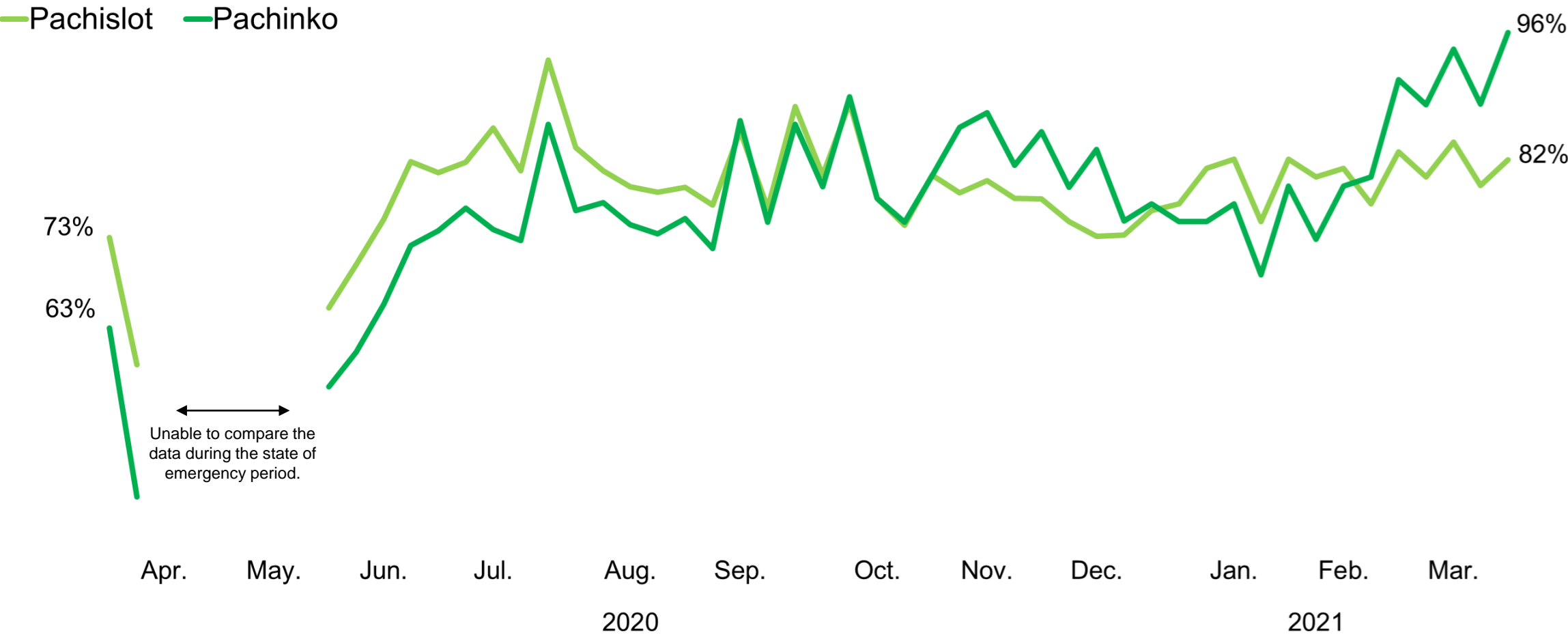
Expect recovery in unit sales in FY2022/3 compared to FY2021/3, due to the arrival of previous regulation machines' deadline for removal

■ Expectation of annual unit sales in market, remaining number of previous regulation machines



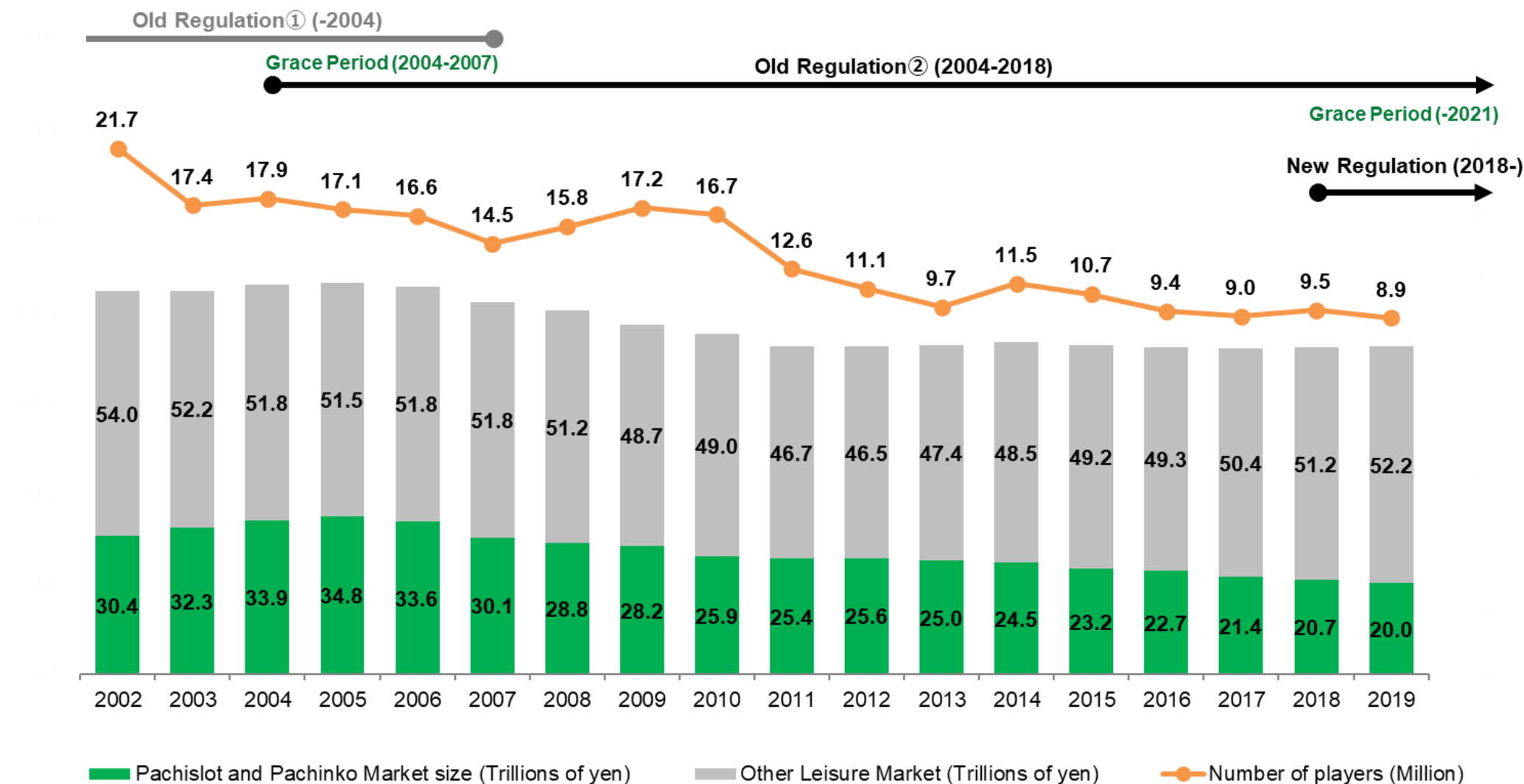
*Annual unit sales: In-house estimation
*Remaining number of previous regulation machines: In-house estimation as of April 20, 2021

■ YoY comparison of average utilization rate of Pachislot and Pachinko



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

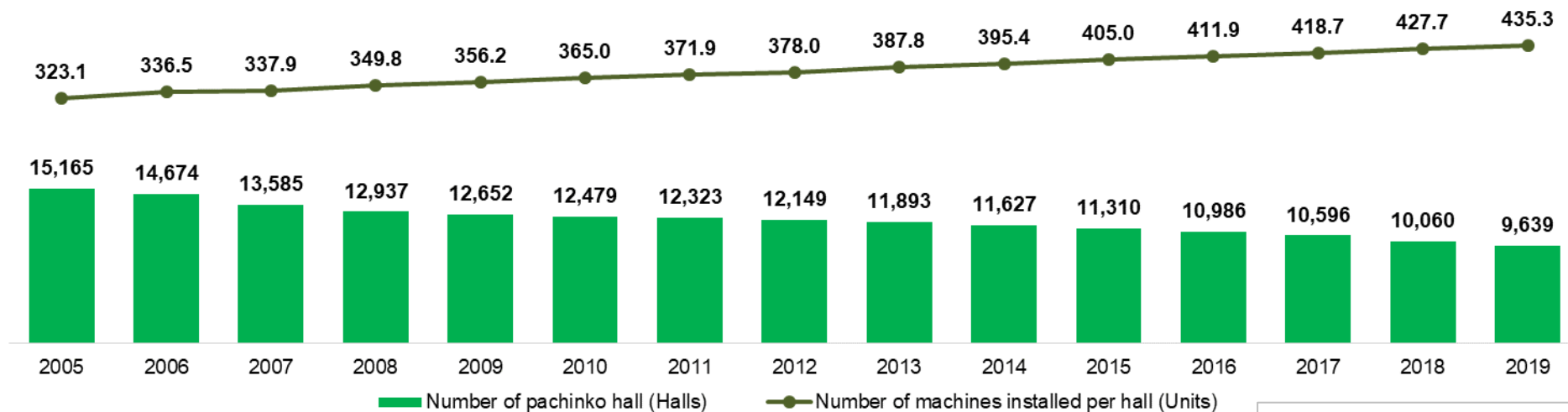
Transition of market size and number of players



Source: White Paper on Leisure Industry 2019, Japan Productivity Center

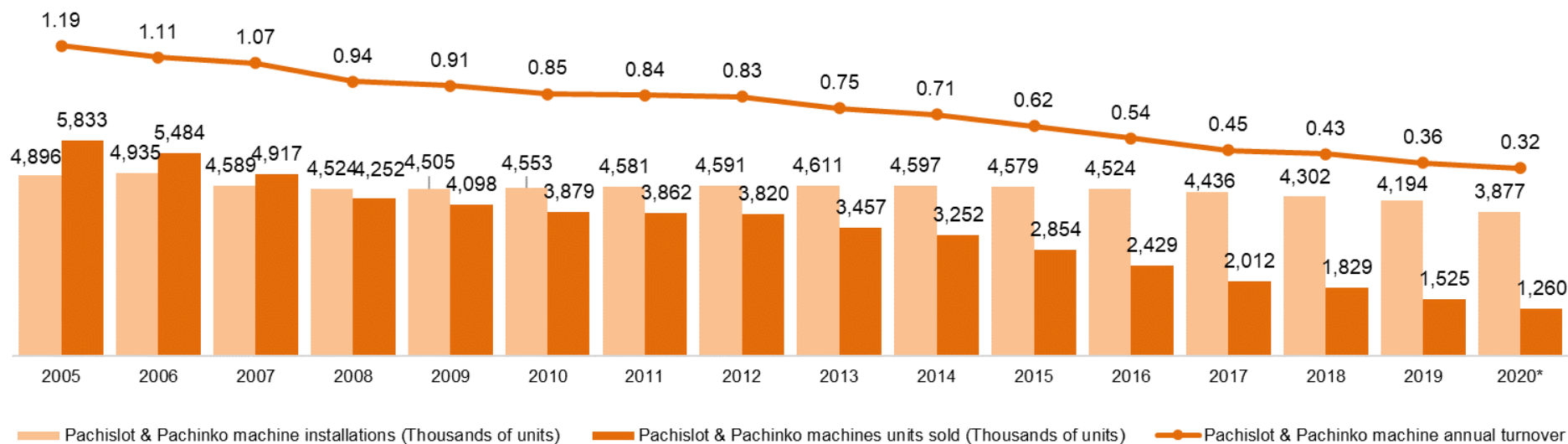
Pachislot and Pachinko Machines Market

Transition of number of pachinko halls and number of machines installed per hall



Sources : National Police Agency

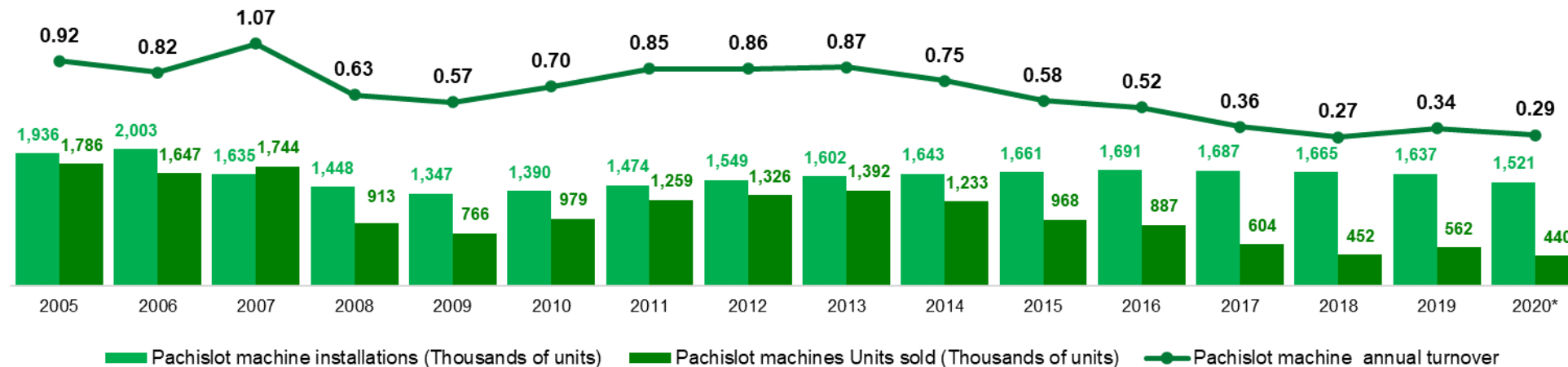
Pachislot & Pachinko machine Installations, Unit sales and Annual turnover



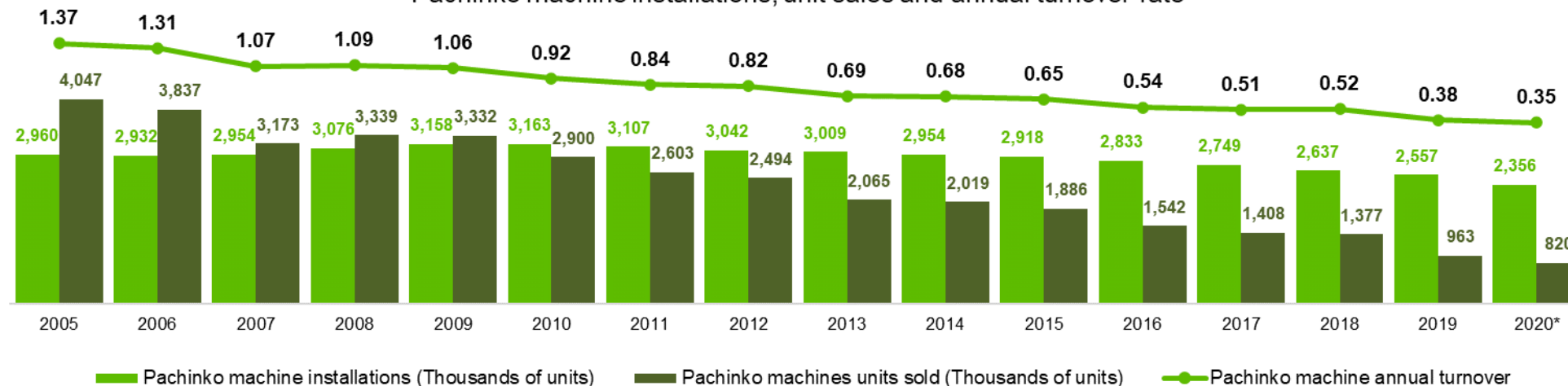
Sources: National Police Agency and Yano research Institute Ltd. (*The data for 2020 are in-house estimations)

Pachislot and Pachinko Machines Market

Pachislot machine installations, unit sales and annual turnover rate

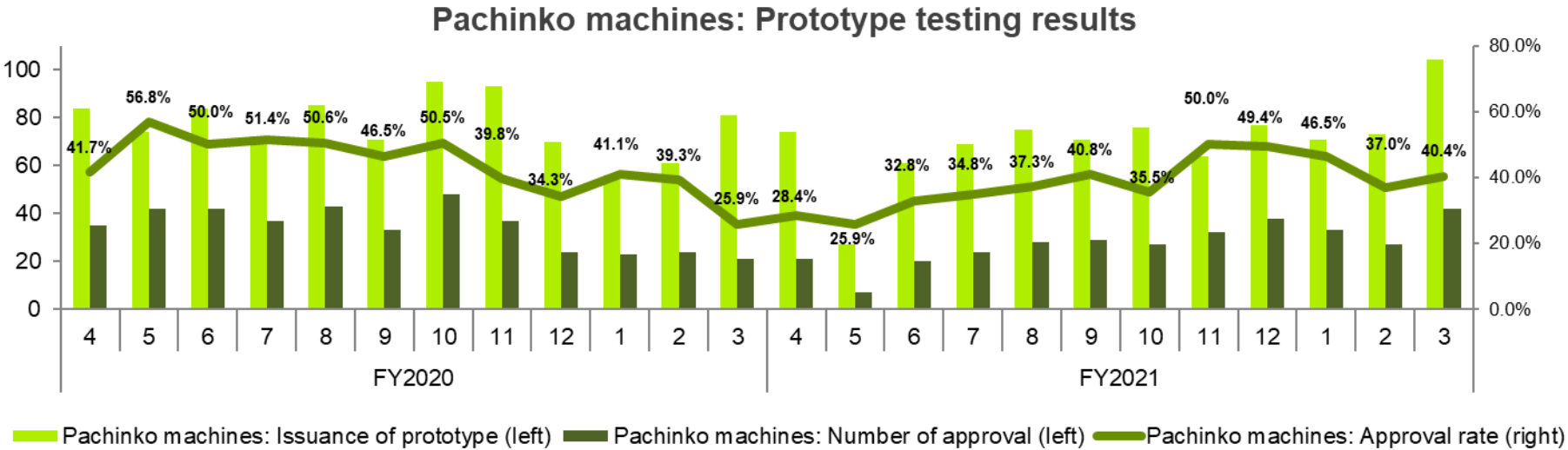
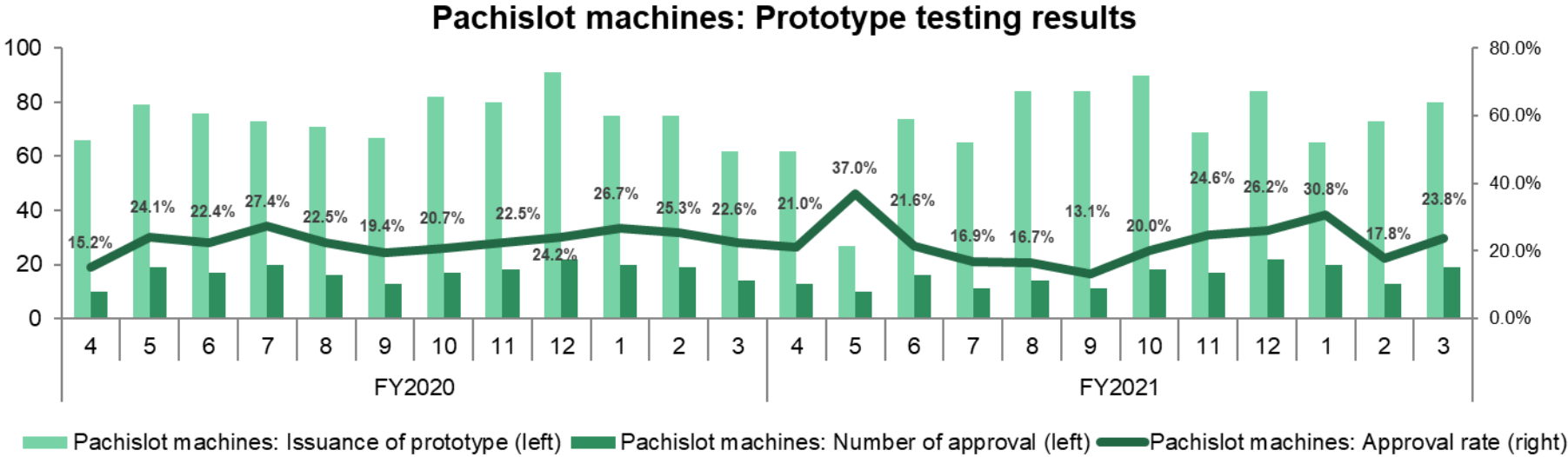


Pachinko machine installations, unit sales and annual turnover rate



Sources: National Police Agency and Yano research Institute Ltd. (*The data for 2020 are in-house estimations)

Pachislot and Pachinko Machines Market



Source: Security Communications Association

Pachislot and Pachinko Machines Sales Share

Share of Annual Pachislot Machine Sales

Rank	2014			2015			2016			2017			2018			2019		
	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	207,828	16.8%	UNIVERSAL	165,000	17.0%	Sammy	215,736	24.3%	KITA DENSHI	107,000	17.7%	D company	80,000	17.7%	Sammy	123,336	21.9%
2	UNIVERSAL	205,000	16.6%	Sammy	142,337	14.7%	UNIVERSAL	203,000	22.9%	DAITO	100,000	16.5%	K company	68,000	15.0%	D company	73,000	13.0%
3	DAITO	128,000	10.4%	HEIWA/ OLYMPIA	113,997	11.8%	KITA DENSHI	90,500	10.2%	Sammy	85,041	14.1%	Sammy	67,140	14.8%	H company	68,917	12.3%
4	YAMASA	108,000	8.8%	KITA DENSHI	100,000	10.3%	HEIWA/ OLYMPIA	80,953	9.1%	UNIVERSAL	43,000	7.1%	H company	47,244	10.4%	U company	59,143	10.5%
5	HEIWA/ OLYMPIA	92,763	7.5%	SANKYO	80,125	8.3%	Enterrise	57,000	6.4%	YAMASA	38,000	6.3%	U company	37,365	8.3%	K company	48,000	8.5%

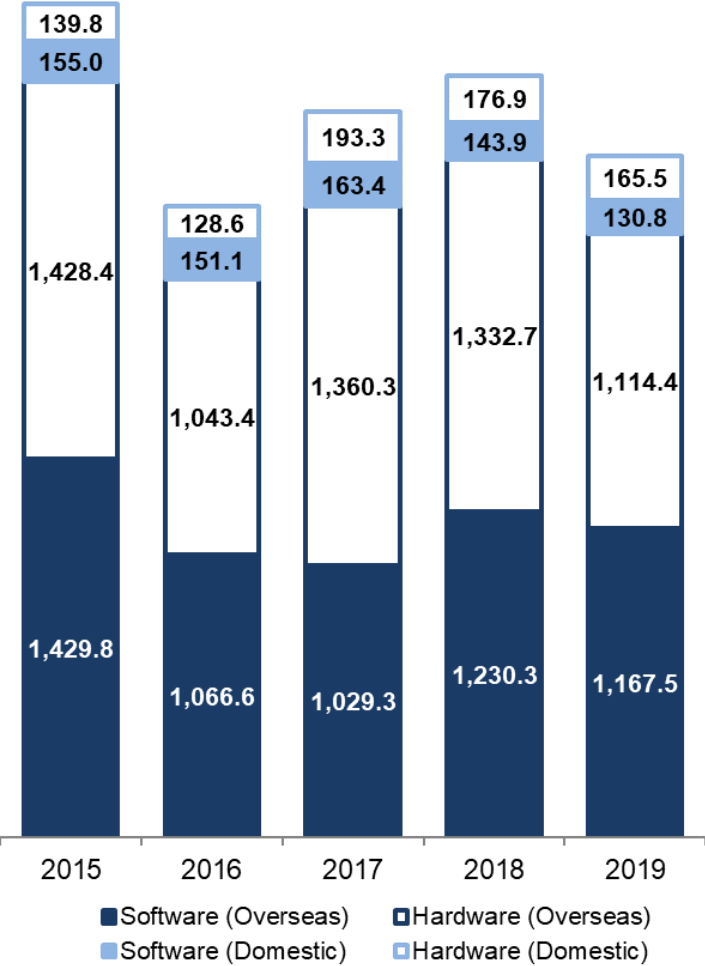
Share of Annual Pachinko Machine Sales

Rank	2014			2015			2016			2017			2018			2019		
	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	SANYO	330,000	16.3%	Sansei R&D	300,000	15.9%	SANYO	306,000	19.8%	SANYO	330,000	23.4%	S company	250,000	18.2%	S company	149,520	15.5%
2	SANKYO	329,892	16.3%	SANKYO	296,346	15.7%	Sansei R&D	209,000	13.5%	SANKYO	171,919	12.2%	S company	196,007	14.2%	N company	120,000	12.5%
3	KYORAKU	308,000	15.3%	SANYO	275,000	14.6%	HEIWA/ OLYMPIA	192,761	12.5%	Sammy	140,013	9.9%	K company	192,800	14.0%	K company	106,000	11.0%
4	HEIWA/ OLYMPIA	252,103	12.5%	HEIWA/ OLYMPIA	234,616	12.4%	SANKYO	172,954	11.2%	KYORAKU	140,000	9.9%	Sammy	159,848	11.6%	S company	106,000	11.0%
5	Sammy	241,425	12.0%	Newgin	220,000	11.7%	Newgin	160,000	10.4%	Sansei R&D	130,000	9.2%	H company	118,880	8.6%	Sammy	104,581	10.9%
6	Sammy	199,014	10.5%	Sammy	138,321	9.0%												

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

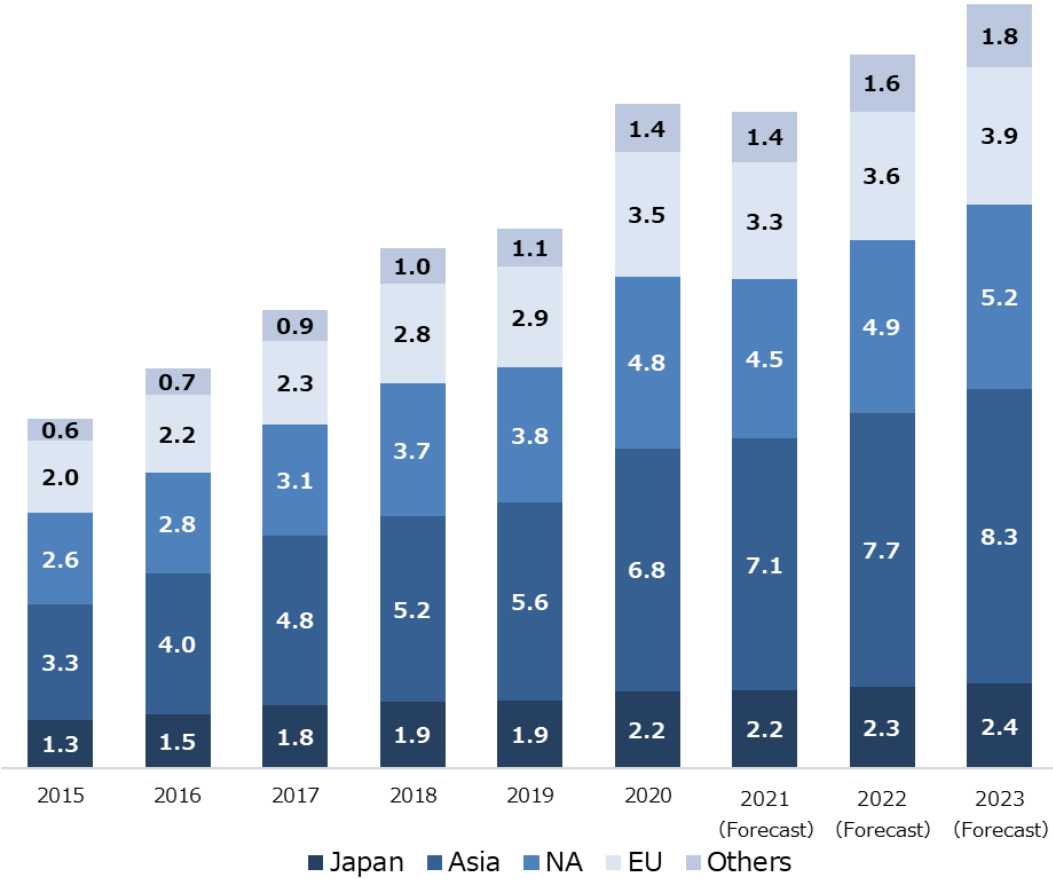
Home Video Games and Consumer Games Markets Scale

Home Video Games: Overall Shipment Scale (JPY billion)



Source: CESA Games White Paper

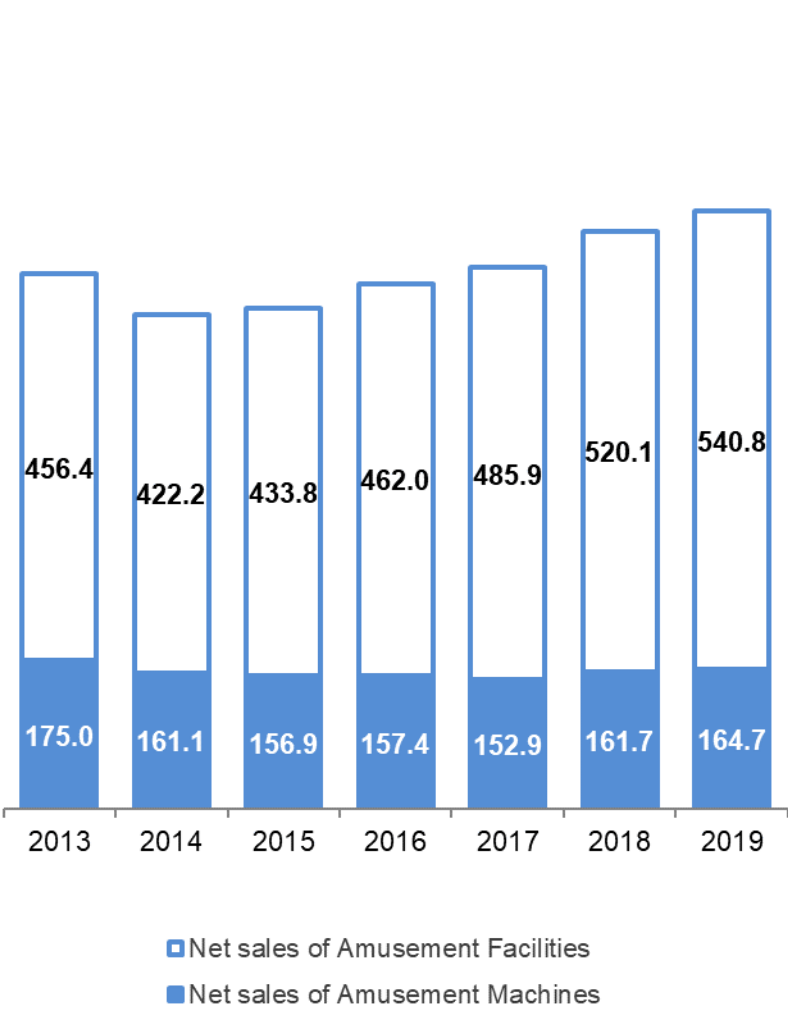
Market size trend of Consumer games (JPY trillions)



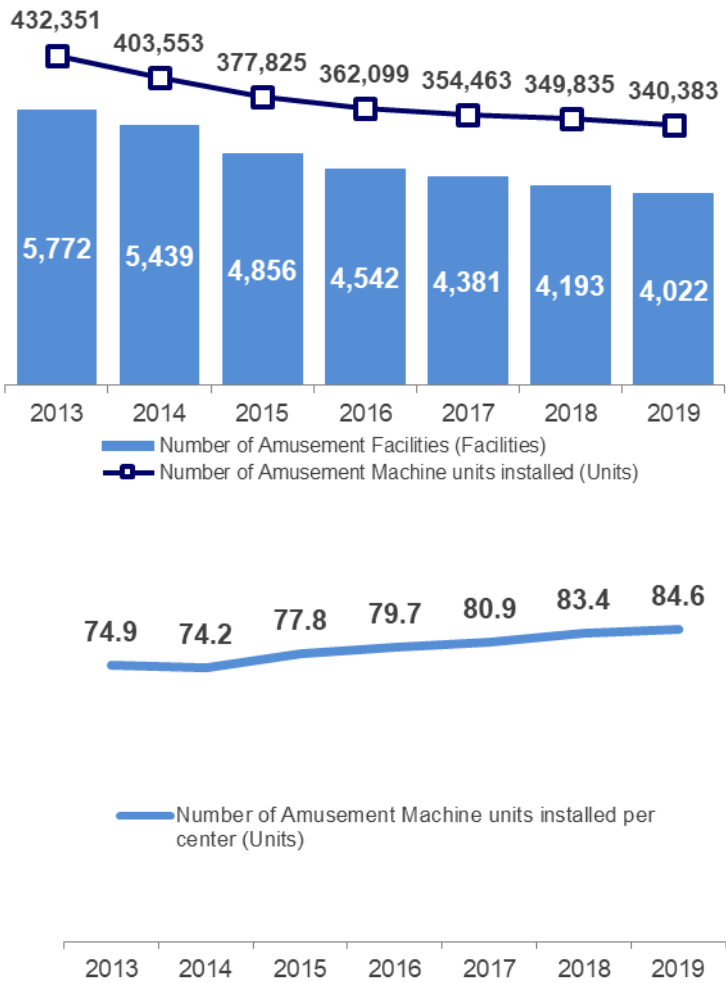
Source: In-house estimation based on data from "Newzoo Global Games Market Data January 2020" (*Exchange rate: 1 USD = 105 JPY)

Amusement Machine and Amusement Center Operations Markets Scale

Amusement Machine / Facilities sales (JPY billion)



Number of Amusement Facilities / Amusement Machine unit installed



Source: JAIA, National Police Agency

Past Operating Results①

From FY Ended March 2015~

*The data in this page can be downloaded from the following URL.
(https://www.segasammy.co.jp/english/ir/library/pdf/settlement/2020/e_202103_4q_transition.xls)

(JPY Billion)	FY Ended March 2015	FY Ended March 2016	FY Ended March 2017		FY Ended March 2018		FY Ended March 2019		FY Ended March 2020				FY Ended March 2021			
	Full Year Results	Full Year Results	Results Through 2Q	Full Year Results	Results Through 2Q	Full Year Results	Results Through 2Q	Full Year Results	Results Through 1Q	Results Through 2Q	Results Through 3Q	Full Year Results	Results Through 1Q	Results Through 2Q	Results Through 3Q	Full Year Results
Net Sales	366.8	347.9	169.5	366.9	194.7	323.6	171.0	331.6	72.7	165.5	280.8	366.5	48.3	110.2	210.1	277.7
Entertainment Contents	199.6	198.8[190.5]*	97.8	205.7	101.5	208.0	107.2	219.6	53.0	115.8[115.7]*	186.2[186.1]*	247.7[247.6]*	45.1	97.0	167.6	217.8
Pachislot and Pachinko Machines	152.1	132.7[141.0]*	64.9	148.2	88.3	105.6	58.6	101.4	17.1	44.1[44.2]*	86.2[86.3]*	108.3[108.5]*	2.7	10.7	37.3	53.1
Resort	14.9	16.3	6.7	13.0	4.7	9.9	5.1	10.5	2.4	5.5	8.2	10.4	0.4	2.2	4.8	6.3
Other / Elimination	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0	0.1	0.3	0.4	0.5
Operating Income	17.4	17.6	15.3	29.5	26.8	17.7	10.2	13.0	3.4	14.6	28.0	27.6	-3.8	-3.0	13.5	6.5
Entertainment Contents	0.0	3.6[4.2]*	9.1	11.1	10.1	14.8	6.1	9.8	4.9[5.2]*	12.7[13.2]*	16.1[17.0]*	14.8[16.5]*	8.1	14.9	29.9	27.9
Pachislot and Pachinko Machines	25.7	21.5[20.9]*	10.6	26.3	21.4	11.9	9.6	13.4	1.3[1.0]*	7.8[7.3]*	20.7[19.9]*	24.9[23.2]*	-8.4	-12.0	-8.2	-10.6
Resort	-2.3	-1.8	-1.3	-2.2	-1.2	-2.5	-1.1	-2.4	-0.8	-1.5	-2.3	-3.6	-1.7	-2.6	-3.1	-4.1
Other / Elimination	-6.0	-5.7	-3.1	-5.7	-3.4	-6.5	-4.4	-7.8	-2.0	-4.4	-6.6	-8.5	-1.8	-3.3	-5.1	-6.7
Operating Income Margin	4.7%	5.1%	9.0%	8.0%	13.8%	5.5%	6.0%	3.9%	4.7%	8.8%	10.0%	7.5%	-	-	6.4%	2.3%
Non-operating income	2.8	3.1	2.1	3.8	1.8	3.2	1.3	2.1	0.8	1.3	1.8	3.2	0.6	3.2	5.6	2.8
Entertainment Contents	-	-	-	-	-	-	-	-	0.3	0.3	0.3	1.3	0.2	2.5	4.7	0.9
Pachislot and Pachinko Machines	-	-	-	-	-	-	-	-	0.1	0.2	0.4	0.7	0.1	0.2	0.3	0.6
Resort	-	-	-	-	-	-	-	-	0.1	0.2	0.2	0.2	0.0	0.0	0.0	0.0
Non-operating expenses	3.4	4.3	2.0	4.8	3.3	6.4	2.3	7.7	1.9	3.3	4.0	5.5	0.8	3.7	6.5	7.6
Entertainment Contents	-	-	-	-	-	-	-	-	0.6	0.8	1.3	1.6	0.1	0.6	1.4	1.0
Pachislot and Pachinko Machines	-	-	-	-	-	-	-	-	0.1	0.3	0.8	1.1	0.2	0.6	0.9	1.2
Resort	-	-	-	-	-	-	-	-	0.9	1.7	1.2	1.9	0.3	2.0	3.5	4.8
Ordinary Income	16.8	16.4	15.4	28.5	25.2	14.5	9.1	7.4	2.3	12.6	25.8	25.2	-4.0	-3.5	12.5	1.7
Entertainment Contents	-	-	-	-	-	-	-	-	4.9	12.8	16.0	16.2	8.2	16.8	33.1	27.9
Pachislot and Pachinko Machines	-	-	-	-	-	-	-	-	0.9	7.2	19.4	22.7	-8.5	-12.4	-8.7	-11.3
Resort	-	-	-	-	-	-	-	-	-1.6	-3.1	-3.3	-5.3	-2.1	-4.6	-6.6	-8.9
Other / Elimination	-	-	-	-	-	-	-	-	-1.9	-4.3	-6.3	-8.4	-1.6	-3.3	-5.3	-6.0
Ordinary Income Margin	4.6%	4.7%	9.1%	7.8%	12.9%	4.5%	5.3%	2.2%	3.2%	7.6%	9.2%	6.9%	-	-	5.9%	0.6%
Profit attributable to owners of parent	-11.3	5.3	24.2	27.6	17.7	8.9	6.7	2.6	1.7	9.8	22.9	13.7	-3.3	-21.7	-6.2	1.2
Net Income Margin	-	1.5%	14.3%	7.5%	9.1%	2.8%	3.9%	0.8%	2.3%	5.9%	8.2%	3.7%	-	-	-	0.4%

*Net sales of new segment is shown in total amount bases.

*Basis for recording of sales was changed from shipping basis to delivery basis from FY2016/3.

*In line with the change of accounting policy, the figures for new segment reflect the change from FY2015/3 retrospectively.

*Some business has shifted from Entertainment Contents business to Pachislot and Pachinko business and numbers shown in [] are retroactively adjusted figures which reflect such change.

*Number of packaged titles include the number of titles in Asian territory except Japan from FY2017/3.

*Numbers of titles and unit sales of Full Game in FY2020/3 results was revised due to the change of subsegment classifications in Entertainment Contents business

Past Operating Results②

From FY Ended March 2015~

*The data in this page can be downloaded from the following URL.
(https://www.segasammy.co.jp/english/ir/library/pdf/settlement/2020/e_202103_4q_transition.xls)

(JPY Billion)	FY Ended March 2015	FY Ended March 2016	FY Ended March 2017		FY Ended March 2018		FY Ended March 2019		FY Ended March 2020				FY Ended March 2021			
	Full Year Results	Full Year Results	Results Through 2Q	Full Year Results	Results Through 2Q	Full Year Results	Results Through 2Q	Full Year Results	Results Through 1Q	Results Through 2Q	Results Through 3Q	Full Year Results	Results Through 1Q	Results Through 2Q	Results Through 3Q	Full Year Results
ROA	-2.2%	1.0%	-	5.2%	-	1.8%	-	0.6%	-	-	-	3.0%	-	-	-	0.3%
ROE	-3.4%	1.8%	-	9.2%	-	2.9%	-	0.9%	-	-	-	4.6%	-	-	-	0.4%
Equity Ratio	60.0%	55.3%	-	59.0%	-	65.0%	-	65.1%	-	-	-	64.2%	-	-	-	69.0%
Cash flows to interest bearing debt ratio	301.9%	798.8%	-	178.6%	-	334.7%	-	520.9%	-	-	-	207.2%	-	-	-	-
Interest coverage ratio	45.2 times	19.1 times	-	61.4times	-	36.5 times	-	27.3 times	-	-	-	83.6 times	-	-	-	-
R&D expense / content production expense	67.6	58.0	31.7	67.1	30.7	62.0	30.8	66.6	17.1	33.5	56.4	76.5	14.7	28.3	43.5	61.9
Cap-ex	28.7	28.0	13.8	27.0	10.3	24.1	17.8	34.4	5.1	10.5	16.1	22.8	3.6	7.2	11.4	14.5
Depreciation	17.6	16.6	7.6	16.3	8.2	16.2	7.4	14.5	3.6	7.3	10.9	14.8	3.6	7.3	9.5	12.1
Advertising	19.1	17.9	7.6	14.8	7.8	15.4	8.4	16.0	3.6	8.5	12.9	17.4	2.0	5.6	9.5	13.6
# of game software titles	30 titles	29 titles	21 titles	42 titles	16 titles	38 titles	18 titles	31 titles	9 titles	13 titles	26 titles	36 titles	4 titles	6 titles	15 titles	18 titles
Sales (Thousand units)	12,280	9,220	4,650	10,280	8,650	17,330	11,180	23,440	6,490	12,100	20,570	28,570	12,980	19,080	34,200	41,770
# of pachislot titles	6 titles	7 titles	3 titles	10 titles	8 titles	9 titles	1 title	6 titles	0 title	1 title	3 titles	5 titles	0 title	1 title	3 titles	5 titles
Unit sales	207,830 units	142,337 units	81,895 units	215,736 units	75,380 units	85,041 units	12,853 units	67,140 units	17,930 units	28,360 units	105,860 units	123,336 units	485 units	4,885 units	12,487 units	35,273 units
# of pachinko titles	10 titles	8 titles	3 titles	9 titles	4 titles	5 titles	3 titles	7 titles	2 title	4 titles	5 titles	7 titles	0 title	2 titles	3 titles	4 titles
Unit sales	241,425 units	199,014 units	75,542 units	138,321 units	119,312 units	140,013 units	117,891 units	159,848 units	16,212 units	66,140 units	75,094 units	104,581 units	177 units	11,342 units	59,359 units	69,013 units
YoY sales comparison of existing amusement centers	100.1%	103.1%	110.8%	108.5%	101.5%	101.9%	104.5%	104.0%	109.0%	103.6%	100.7%	97.7%	27.4%	50.1%	61.4%	-
No. of domestic amusement centers	198 facilities	194 facilities	189 facilities	191 facilities	189 facilities	189 facilities	189 facilities	190 facilities	191 facilities	192 facilities	195 facilities	192 facilities	195 facilities	193 facilities	193 facilities	-

*Net sales of new segment is shown in total amount bases.

*Basis for recording of sales was changed from shipping basis to delivery basis from FY2016/3.

*In line with the change of accounting policy, the figures for new segment reflect the change from FY2015/3 retrospectively.

*Some business has shifted from Entertainment Contents business to Pachislot and Pachinko business and numbers shown in [] are retroactively adjusted figures which reflect such change.

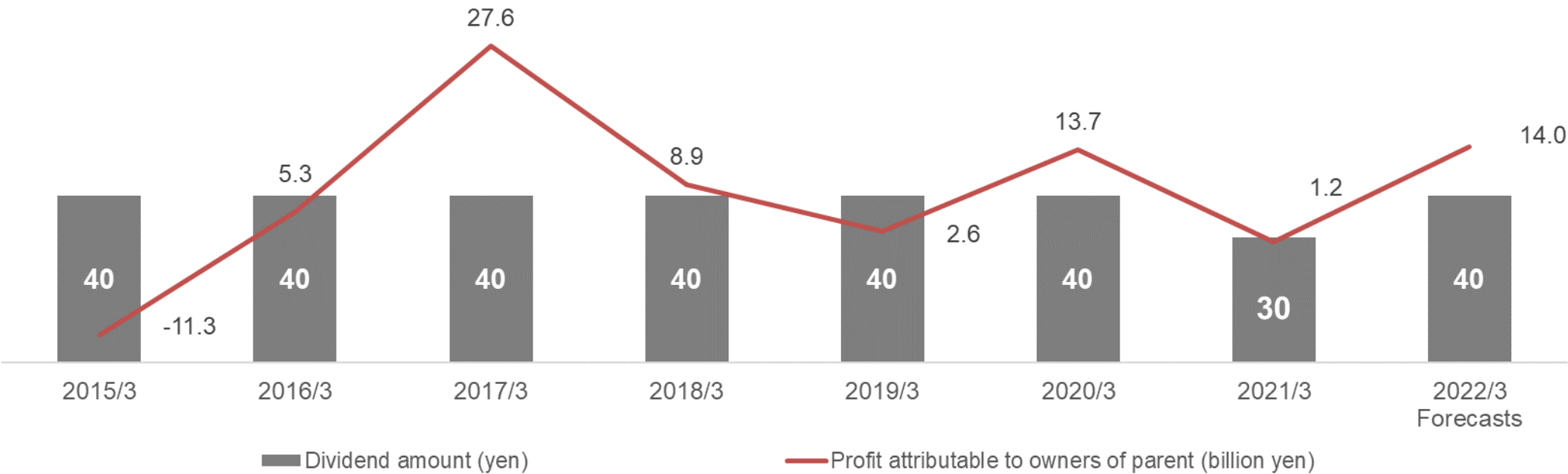
*Number of packaged titles include the number of titles in Asian territory except Japan from FY2017/3.

*Numbers of titles and unit sales of Full Game in FY2020/3 results was revised due to the change of subsegment classifications in Entertainment Contents business

Shareholder Returns

Dividend policy

Annual dividends per share for FY2022/3 is scheduled to be 40 yen.



Shareholder Benefits Program

Abolish shareholder benefits program after the delivery to the shareholders who appeared or were recorded in the shareholder register as of September 30, 2020, as a result of careful consideration of the nature of the program as part of our structural reform.

Company Profile

(As of March 31, 2021)

Company Name	SEGA SAMMY HOLDINGS INC.
Address	Sumitomo Fudosan Osaki Garden Tower, 1-1-1 Nishi-Shinagawa, Shinagawa-ku, Tokyo
Established	October 1, 2004
Capital	29.9 billion yen
Number of Employees	7,535 (Consolidated)
Stock Exchange	Tokyo Stock Exchange (Stock Code: 6460)

Managements (As of April 1, 2021)

Chairman, Representative Director	Hajime Satomi
President and Group CEO, Representative Director	Haruki Satomi
Senior Executive Vice President, Director of the Board	Naoya Tsurumi
Senior Executive Vice President and Group CFO, Director of the Board	Koichi Fukazawa
Senior Vice President, Director of the Board	Hideo Yoshizawa
Director of the Board (External)	Takeshi Natsuno
Director of the Board (External)	Kohei Katsukawa
Director of the Board (External)	Melanie Brock
Standing Audit & Supervisory Board Member	Shigeru Aoki
Audit & Supervisory Board Member	Yukito Sakaue
Audit & Supervisory Board Member (External)	Mineo Enomoto
Audit & Supervisory Board Member (External)	Kazutaka Okubo

Information on Outstanding Shares

(As of March 31, 2021)

Number of shares authorized for issuance	800,000,000 shares
Total number of shares issued and outstanding	266,229,476 shares
Number of Shareholders	63,903

■Major Shareholders

Name of Shareholder	Shares Held	Shareholding Ratio (%)
HS Company	35,308,000	13.26
SEGA SAMMY HOLDINGS INC.	31,142,581	11.69
The Master Trust Bank of Japan, Ltd. (Trust account)	15,314,700	5.75
FSC Co., Ltd.	13,682,840	5.13
Custody Bank of Japan, Ltd. (Trust account)	8,380,000	3.14

■Distribution of Shareholders

Financial Institutions	15.83%
Securities Companies	2.07%
Other Companies	20.99%
Foreign Institutions and Individuals	31.54%
Japanese Individuals and Other	17.88%
Treasury Stock	11.70%

*Including the number of share less than 1 unit



<https://www.segasammy.co.jp/english/ir/>

Please visit below websites for products and service information.

<https://www.segasammy.co.jp/english/pr/corp/group/list.html>

(SegaSammy Group Website list)

*** Company / product names in this document are trademarks or registered trademarks of the respective companies.**

Cautionary Statement for Investors and Shareholders with Respect to Nevada Gaming Statutes and Regulations

SEGA SAMMY HOLDINGS INC. ("the Company") is registered with the Nevada Commission as a publicly traded corporation and has been found suitable to directly or indirectly own the stock of SEGA SAMMY CREATION INC., and Sega Sammy Creation USA, Inc., both of which are subsidiaries that have been licensed as manufacturers and distributors of gaming devices in Nevada. Pursuant to Nevada law, the Company's shareholders are subject to the rules and regulations of the Nevada Gaming Authorities. A detailed explanation of Nevada gaming statutes and regulations can be found on the Company's corporate website:

<https://www.segasammy.co.jp/english/ir/stock/regulation/>