

# FY Ending March 2013 3<sup>rd</sup> Quarter Results Presentation



February 6th, 2013

SEGA SAMMY HOLDINGS INC.

**[Disclaimer]**

**The contents of this material and comments made during the questions and answers etc of this briefing session are the judgment and forecasts of the Company's management based on currently available information.**

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

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<b>Net Sales / Profits Other</b>		<ul style="list-style-type: none"> <li>▪ Net sales <b>207</b> billion yen, Operating income <b>7</b> billion yen, Net Income <b>3</b> billion yen</li> <li>▪ Year-on-year, sales and profits decreased</li> <li>▪ Downward adjustment of full year forecast on February 5<sup>th</sup></li> </ul>
<b>Segment breakdown</b>	<b>Pachislot and Pachinko Machines</b>	<ul style="list-style-type: none"> <li>▪ Year-on-year, sales and profits decreased</li> <li>▪ Pachislot unit sales decreased compared to the previous fiscal year</li> <li>▪ Pachinko unit sales decreased compared to the previous fiscal year</li> </ul>
	<b>Amusement Machine Sales</b>	<ul style="list-style-type: none"> <li>▪ Year-on-year, sales and profits decreased</li> <li>▪ Stable distribution of earnings due to the utilization of revenue sharing model</li> </ul>
	<b>Amusement Center Operations</b>	<ul style="list-style-type: none"> <li>▪ Year-on-year, sales and profits decreased</li> <li>▪ SEGA domestic same-store sales dropped compared to the previous fiscal year</li> </ul>
	<b>Consumer Business</b>	<ul style="list-style-type: none"> <li>▪ Sales decreased year-on-year but returning to profit</li> <li>▪ Unit of the game software decreased year-on-year due to the reduction of the number of titles.</li> </ul>
	<b>Other</b>	<ul style="list-style-type: none"> <li>▪ Sales increased year-on-year due to the conversion of Phoenix Resort Co.,Ltd. into a wholly owned subsidiary</li> </ul>



(Disclosed on January 4<sup>th</sup>, 2013)

## ◆ Development of Complex in Busan Metropolitan City, South Korea

### ◆ Overview

<b>Name of Developer</b>	Sega Sammy Busan (Tentative)
<b>Site (planned)</b>	1502 U-dong, Haeundae-gu, Busan Metropolitan City, South Korea
<b>Business Description</b>	Development of a complex comprised of hotel, entertainment facilities, commercial facilities, etc.
<b>Site area</b>	9,911.20m <sup>2</sup>
<b>Total Floor Space</b>	148,879.34 m <sup>2</sup>
<b>Investment amount</b>	391.5 billion KRW (amount for land acquisition: 119.3 billion KRW, assumed investment amount for buildings: 272.2 billion KRW)

### ◆ Schedule

<b>January 3, 2013</b>	Announcement of public bidding result
<b>April, 2013</b>	Conclusion of site sales contract (planned)
<b>October, 2013</b>	Construction start (planned)
<b>June, 2016</b>	Construction complete (planned)
<b>September, 2016</b>	Opening (plan)

(Disclosed on January 25<sup>th</sup>, 2013)

## ◆ Acquisition of THQ Canada Inc. and some IPs owned by THQ Inc.

### ◆ Overview

<b>Name of Company</b>	THQ Canada Inc.
<b>Address</b>	Vancouver, British Columbia, Canada
<b>Business Description</b>	Development and provision of PC game titles
<b>Number of employees</b>	117
<b>Main Titles</b>	“Company of Heroes” “Warhammer 40k Dawn of War”
<b>Value of acquisition</b>	USD \$26.6mil

# Consolidated Income Statements (Summary)



SEGA-SAMMY  
HOLDINGS

SEGA-SAMMY  
GROUP

(JPY billion)		FY Ended March 2012		FY Ending March 2013				
		Results Through 3Q	Full Year Results	Results Through 3Q	YoY Change	Initial Full Year Forecast on May 11th	Revised Full Year Forecast on February 5th	YoY Change
Breakdown	<b>Net Sales</b>	<b>311.6</b>	<b>395.5</b>	<b>207.0</b>	<b>-33.6%</b>	<b>470.0</b>	<b>320.0</b>	<b>-19.1%</b>
	Pachislot and Pachinko Machines	177.5	212.1	74.0	-58.3%	286.5	143.0	-32.6%
	Amusement Machine Sales	34.0	49.9	30.6	-10.0%	40.5	38.5	-22.8%
	Amusement Center Operations	33.9	44.6	32.0	-5.6%	44.5	42.5	-4.7%
	Consumer Business	63.5	85.6	60.3	-5.0%	85.0	83.0	-3.0%
	Other	2.4	3.0	9.8	+308.3%	13.5	13.0	+333.3%
Breakdown	<b>Operating Income</b>	<b>64.3</b>	<b>58.3</b>	<b>7.0</b>	<b>-89.1%</b>	<b>66.0</b>	<b>15.0</b>	<b>-74.3%</b>
	Pachislot and Pachinko Machines	67.4	71.0	7.7	-88.6%	70.0	21.5	-69.7%
	Amusement Machine Sales	5.0	7.4	2.6	-48.0%	1.3	0.5	-93.2%
	Amusement Center Operations	1.2	0.3	0.9	-25.0%	1.0	0.0	-
	Consumer Business	-5.5	-15.1	0.5	-	0.5	0.0	-
	Other	0.2	0.2	-0.2	-	-0.5	-0.5	-
	Eliminations	-4.2	-5.4	-4.5	-	-6.3	-6.5	-
	Operating Income Margin	20.6%	14.7%	3.4%	-17.2pt	14.0%	4.7%	-10.0pt
<b>Ordinary Income</b>	<b>63.4</b>	<b>58.1</b>	<b>8.4</b>	<b>-86.8%</b>	<b>65.0</b>	<b>16.0</b>	<b>-72.5%</b>	
Extraordinary Gain	1.4	3.3	2.2	-	-	-	-	
Extraordinary Loss	5.9	18.5	3.9	-	-	-	-	
<b>Net Income</b>	<b>34.3</b>	<b>21.8</b>	<b>3.0</b>	<b>-91.3%</b>	<b>40.0</b>	<b>12.5</b>	<b>-42.7%</b>	
<b>Dividend Per Share (JPY)</b>	-	<b>40</b>	-	-	<b>40</b>	<b>40</b>	-	
<b>Earnings Per Share (JPY)</b>	<b>136.58</b>	<b>86.73</b>	<b>12.54</b>	-	<b>164.20</b>	<b>51.24</b>	-	
<b>Net Assets Per Share (JPY)</b>	<b>1,234.03</b>	<b>1,167.59</b>	<b>1,117.82</b>	-	-	-	-	

# Costs and Expenses



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(JPY billion)	FY Ended March 2012		FY Ending March 2013				
	Results Through 3Q	Full Year Results	Results Through 3Q	YoY Change	Initial Full Year Forecast on May 11th	Revised Full Year Forecast on February 5th	YoY Change
<b>R&amp;D Expense / Content Production Expense</b>	<b>31.5</b>	<b>53.3</b>	<b>32.7</b>	<b>+3.8%</b>	<b>45.2</b>	-	-
<b>Cap-ex</b>	<b>27.8</b>	<b>36.1</b>	<b>27.3</b>	<b>-1.8%</b>	<b>41.0</b>	-	-
<b>Depreciation</b>	<b>10.7</b>	<b>16.1</b>	<b>12.3</b>	<b>+15.0%</b>	<b>18.9*</b>	-	-
<b>Advertising</b>	<b>12.5</b>	<b>17.2</b>	<b>9.2</b>	<b>-26.4%</b>	<b>18.3</b>	-	-

\*Depreciation has been corrected from the initial forecast due to the error of the calculation.

# Consolidated Balance Sheet (Summary)



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HOLDINGS

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(JPY billion) 【 Assets 】				【 Liabilities and Net Assets 】			
Account	End of Previous Fiscal Year	End of 3Q	Change	Account	End of Previous Fiscal Year	End of 3Q	Change
Cash and Deposits	127.7	131.1	+3.4	Accounts Payable	59.9	39.8	-20.1
Accounts Receivable	73.5	48.5	-25.0	Corporate Bond	23.5	11.4	-12.1
Securities	66.5	9.2	-57.3	Short Term Borrowings	10.1	14.8	+4.7
Inventories	34.5	48.5	+14.0	Other	38.8	33.5	-5.3
Other	25.4	34.0	+8.6				
				<b>Total Current Liabilities</b>	<b>132.3</b>	<b>99.5</b>	<b>-32.8</b>
<b>Total Current Assets</b>	<b>327.6</b>	<b>271.3</b>	<b>-56.3</b>	Corporate Bond	11.9	15.1	+3.2
Tangible Fixed Assets	78.1	87.5	+9.4	Long Term Debt	25.0	35.4	+10.4
Intangible Fixed Assets	21.3	21.8	+0.5	Other	31.7	33.8	+2.1
Investment Securities	52.7	52.5	-0.2				
Other	17.7	24.7	+7.0	<b>Total Noncurrent Liabilities</b>	<b>68.6</b>	<b>84.3</b>	<b>+15.7</b>
				<b>Total Liabilities</b>	<b>201.0</b>	<b>183.8</b>	<b>-17.2</b>
				Shareholders Equity	298.4	276.4	-22.0
				Total accumulated other comprehensive income	-5.3	-6.3	-1.0
				Warrants	0.9	1.1	+0.2
				Minority Interest	2.2	2.7	+0.5
<b>Total Noncurrent Assets</b>	<b>169.8</b>	<b>186.5</b>	<b>+16.7</b>	<b>Total Net Assets</b>	<b>296.3</b>	<b>274.0</b>	<b>-22.3</b>
<b>Total Assets</b>	<b>497.4</b>	<b>457.8</b>	<b>-39.6</b>	<b>Total Liabilities and Net Assets</b>	<b>497.4</b>	<b>457.8</b>	<b>-39.6</b>

## Summary of Results Through 3Q

- ◆ Current Assets: **Down 56.3 billion yen**, primarily due to the decrease of accounts receivable and securities etc.
- ◆ Non Current Assets: **Up 16.7 billion yen**, primarily due to a construction of Sammy's new plant etc.  
- Total Assets: **457.8 billion yen decreased by 39.6 billion yen**
- ◆ Current ratio: **272.7% (+25.2pt)**
- ◆ Equity ratio: **59.0% (+0.1pt)**

(JPY billion)	End of Previous Fiscal Year	End of 3Q	Difference
Total assets	497.4	457.8	-39.6
Net assets	296.3	274.0	-22.3
Equity ratio	58.9%	59.0%	+0.1pt
Current ratio	247.5%	272.7%	+25.2pt

# Segment Results: Pachislot and Pachinko Machines



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(JPY billion)	FY Ended March 2012		FY Ending March 2013				
	Results Through 3Q	Full Year Results	Results Through 3Q	YoY Change	Initial Full Year Forecast on May 11th	Revised Full Year Forecast on February 5th	YoY Change
<b>Net Sales</b>	<b>177.5</b>	<b>212.1</b>	<b>74.0</b>	<b>-58.3%</b>	<b>286.5</b>	<b>143.0</b>	<b>-32.6%</b>
Pachislot	83.4	104.3	44.0	-47.2%	143.9	-	-
Pachinko	89.7	101.8	25.3	-71.8%	137.5	-	-
Other	4.4	6.0	4.7	+6.8%	5.1	-	-
<b>Operating Income</b>	<b>67.4</b>	<b>71.0</b>	<b>7.7</b>	<b>-88.6%</b>	<b>70.0</b>	<b>21.5</b>	<b>-69.7%</b>
Operating Income Margin	38.0%	33.5%	10.4%	-27.6pt	24.4%	15.0%	-18.5pt
<b>Unit Sales (Pachislot)</b>	<b>228,646</b>	<b>300,866</b>	<b>130,590</b>	<b>-42.9%</b>	<b>473,000</b>	<b>214,000</b>	<b>-28.9%</b>
<b>Unit Sales (Pachinko)</b>	<b>287,722</b>	<b>332,288</b>	<b>89,188</b>	<b>-69.0%</b>	<b>450,000</b>	<b>213,000</b>	<b>-35.9%</b>

## Summary of Results Through 3Q

<b>Overall</b>	<ul style="list-style-type: none"> <li>◆ Year-on-year, sales and profits decreased</li> <li>◆ A portion of sales-related expense did not occur due to change in the release date of new titles</li> <li>◆ Construction of new factory and new logistics center of Sammy Corporation</li> </ul>
<b>Pachislot</b>	<ul style="list-style-type: none"> <li>◆ Number of titles and units sold up to the third quarter decreased year-on-year due to the change of the release date for some titles</li> <li>◆ Solid sales of new titles                             <ul style="list-style-type: none"> <li>- Sammy <b>“Pachislot GHOST IN THE SHELL -S.A.C.-”</b></li> </ul> </li> </ul>
<b>Pachinko</b>	<ul style="list-style-type: none"> <li>◆ Units sales remained sluggish due to the market trend on the preference for major titles</li> <li>◆ Release of the several titles                             <ul style="list-style-type: none"> <li>- Sammy <b>“Pachinko CR Shin-Juoh”</b></li> <li>- TAIYO ELEC <b>“CR Kome Kome Club”</b></li> </ul> </li> </ul>

## Full Year Forecast

<b>Overall</b>	<ul style="list-style-type: none"> <li>◆ Downward adjustment of full year forecast on February 5<sup>th</sup> due to the slippage of the Pachislot key title, “Hokuto No Ken” to the next fiscal year</li> </ul>
<b>Pachislot</b>	<ul style="list-style-type: none"> <li>◆ The launch of “Hokuto No Ken” is slipped to the next fiscal year</li> <li>◆ Several titles including major titles will be released in February and March                             <ul style="list-style-type: none"> <li>- Rodeo <b>“Pachislot Sakigake Otokojuku”</b> (February)</li> </ul> </li> </ul>
<b>Pachinko</b>	<ul style="list-style-type: none"> <li>◆ Major title, “Hokuto No Ken” series to be released.                             <ul style="list-style-type: none"> <li>- Sammy <b>“Pachinko CR Hokuto No Ken 5 Hasha”</b> (February)</li> </ul> </li> </ul>

# Segment Results: Pachislot



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## Shipment Data / Pachislot

\*Number of titles reflects products launched in the period

Pachislot	FY Ended March 2012		FY Ending March 2013		
	Results Through 3Q	Full Year Results	Results Through 3Q	Initial Full Year Forecast on May 11th	Revised Full Year Forecast on February 5th
Sammy	3 titles	4 titles	4 titles	8 titles	-
	193,323units	204,687units	88,479units	336,000units	-
RODEO	2 titles	3 titles	0 title	3 titles	-
	25,608units	82,474units	38,663units	133,000units	-
TAIYO ELEC	2 titles	4 titles	1 title	2 titles	-
	9,715units	13,705units	3,448units	4,000units	-
Total	7 titles	11 titles	5 titles	13 titles	-
	228,646units	300,866units	130,590units	473,000units	214,000units

PACHISLOT  
攻殻機動隊  
STAND ALONE COMPLEX



## Major Title / Pachislot

Brand	Title	Total Sales	Installed from
Sammy	Pachislot GHOST IN THE SHELL -S.A.C.-	18,875Units	January

“Pachislot GHOST IN THE SHELL -S.A.C.-”  
(Sammy)

Based on the manga “KOUKAKUKIDOUTAI” by Shirow Masamune originally serialized in the Weekly Young Magazine published by KODANSHA LTD.

# Segment Results: Pachinko



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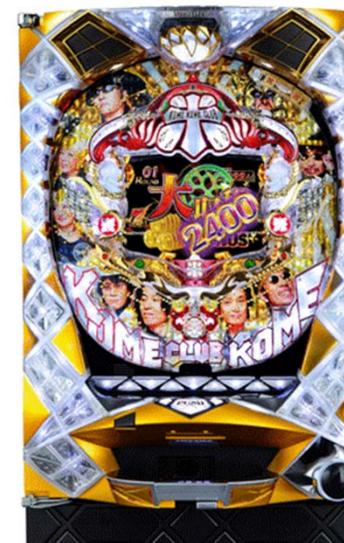
## Shipment Data / Pachinko

\*Number of titles reflects products launched in the period

Pachinko	FY Ended March 2012		FY Ending March 2013		
	Results Through 3Q	Full Year Results	Results Through 3Q	Initial Full Year Forecast on May 11th	Revised Full Year Forecast on February 5th
<b>Sammy</b>	6 titles	9 titles	6 titles	8 titles	-
	235,425units	276,617units	68,456units	342,000units	-
<b>TAIYO ELEC</b>	5 titles	5 titles	6 titles	7 titles	-
	52,297units	55,671units	20,732units	108,000units	-
<b>Total</b>	11 titles	14 titles	12 titles	15 titles	-
	287,722units	332,288units	89,188units	450,000units	213,000units
<b>Board + Frame</b>	155,637units	158,266units	33,823units	309,500units	-
<b>Board</b>	132,085units	174,022units	55,365units	140,500units	-



“Pachinko CR Shin-Juoh”  
(Sammy)  
©Sammy



“CR Kome Kome Club”  
(TAIYO ELEC)

©KOME GROUND ©TAIYO ELEC

## Major Titles / Pachinko

Brand	Title	Total sales	Installed from
<b>Sammy</b>	Pachinko CR Shin-Juoh	22,037 Units	December
<b>TAIYO ELEC</b>	CR Kome Kome Club	5,092 Units	January



(JPY billion)	FY Ended March 2012		FY Ending March 2013				
	Results Through 3Q	Full Year Results	Results Through 3Q	YoY Change	Initial Full Year Forecast on May 11th	Revised Full Year Forecast on February 5th	YoY Change
<b>Net Sales</b>	<b>34.0</b>	<b>49.9</b>	<b>30.6</b>	<b>-10.0%</b>	<b>40.5</b>	<b>38.5</b>	<b>-22.8%</b>
Domestic	30.3	43.9	26.4	-12.9%	35.1	-	-
Overseas	3.7	6.0	4.2	+13.5%	5.4	-	-
<b>Operating Income</b>	<b>5.0</b>	<b>7.4</b>	<b>2.6</b>	<b>-48.0%</b>	<b>1.3</b>	<b>0.5</b>	<b>-93.2%</b>
Operating Income Margin	14.7%	14.8%	8.5%	-6.2pt	3.2%	1.3%	-13.5pt
<b>R&amp;D expense / Content Production</b>	<b>6.6</b>	<b>9.3</b>	<b>5.9</b>	<b>-10.6%</b>	<b>8.3</b>	<b>-</b>	<b>-</b>

## Summary of Results Through 3Q

- ◆ Sales and profit decreased year-on-year
- ◆ The sales of the major new titles were absent
- ◆ Solid sales of CVT KITs, including “**WORLD CLUB Champion Football Series**”, “**SENGOKU-TAISEN**”
- ◆ Strong distribution of earnings due to utilization of revenue sharing model of several titles

## Full Year Forecast

- ◆ Downward adjustment of the full year forecast on February 5<sup>th</sup>
- ◆ No major new titles are released in 4Q.
- ◆ CVT KITs titles, “**SEGA NETWORK MAHJONG MJ5 EVOLUTION**” are planned in 4Q.
- ◆ Contribution of earnings due to utilization of revenue sharing model



## Major Titles

Title		Sales
WORLD CLUB Champion Football Series	Trading Card Game	2.8 billion Yen
SENGOKU-TAISEN	Trading Card Game	1.9 billion Yen
StarHorse3 Season I A NEW LEGEND BEGINS.	Medal Game	1.6 billion Yen

\*Sales figures include expendable such as cards.



“WORLD CLUB Champion Football Series”

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The game is made by Sega in association with Panini.



“SENGOKU-TAISEN”

©SEGA

# Segment Results : Amusement Center Operations



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(JPY billion)	FY Ended March 2012		FY Ending March 2013				
	Results Through 3Q	Full Year Results	Results Through 3Q	YoY Change	Initial Full Year Forecast on May 11th	Revised Full Year Forecast on February 5th	YoY Change
<b>Net Sales</b>	<b>33.9</b>	<b>44.6</b>	<b>32.0</b>	<b>-5.6%</b>	<b>44.5</b>	<b>42.5</b>	<b>-4.7%</b>
<b>Operating Income</b>	<b>1.2</b>	<b>0.3</b>	<b>0.9</b>	<b>-25.0%</b>	<b>1.0</b>	<b>0.0</b>	<b>-</b>
Operating Income Margin	3.5%	0.7%	2.8%	-0.7pt	2.2%	-	-
<b>SEGA Same Store Sales Comparisons</b>	<b>100.5%</b>	<b>100.5%</b>	<b>93.7%</b>	<b>-</b>	<b>99.0%</b>	<b>-</b>	<b>-</b>
<b>Domestic Facilities</b>	<b>247 facilities</b>	<b>241 facilities</b>	<b>237 facilities</b>	<b>-10 facilities</b>	<b>237 facilities</b>	<b>-</b>	<b>-</b>
SEGA*	Opened	3 facilities	3 facilities	1 facility	-	6 facilities	-
	Closed	5 facilities	10 facilities	5 facilities	-	9 facilities	-
	<b>Total</b>	<b>204 facilities</b>	<b>199 facilities</b>	<b>195 facilities</b>	<b>-9 facilities</b>	<b>196 facilities</b>	<b>-</b>
Other*	Opened	2 facilities	2 facilities	0 facility	-	1 facility	-
	Closed	1 facility	2 facilities	0 facility	-	2 facilities	-
	<b>Total</b>	<b>43 facilities</b>	<b>42 facilities</b>	<b>42 facilities</b>	<b>-1 facility</b>	<b>41 facilities</b>	<b>-</b>
<b>Overseas Facilities</b>	<b>3 facilities</b>	<b>3 facilities</b>	<b>3 facilities</b>	<b>-</b>	<b>3 facilities</b>	<b>-</b>	<b>-</b>
<b>Cap-ex</b>	<b>5.9</b>	<b>8.3</b>	<b>6.2</b>	<b>+5.1%</b>	<b>9.7</b>	<b>-</b>	<b>-</b>
<b>Depreciation</b>	<b>3.9</b>	<b>6.1</b>	<b>3.3</b>	<b>-15.4%</b>	<b>4.3*</b>	<b>-</b>	<b>-</b>

\*Number of facilities for AG Square brand and Bee Brand are included in "Other". (Number of Sega brand facilities are included in "SEGA".)

\*Depreciation has been corrected from the initial forecast due to the error of the calculation.

## Summary of Results Through 3Q

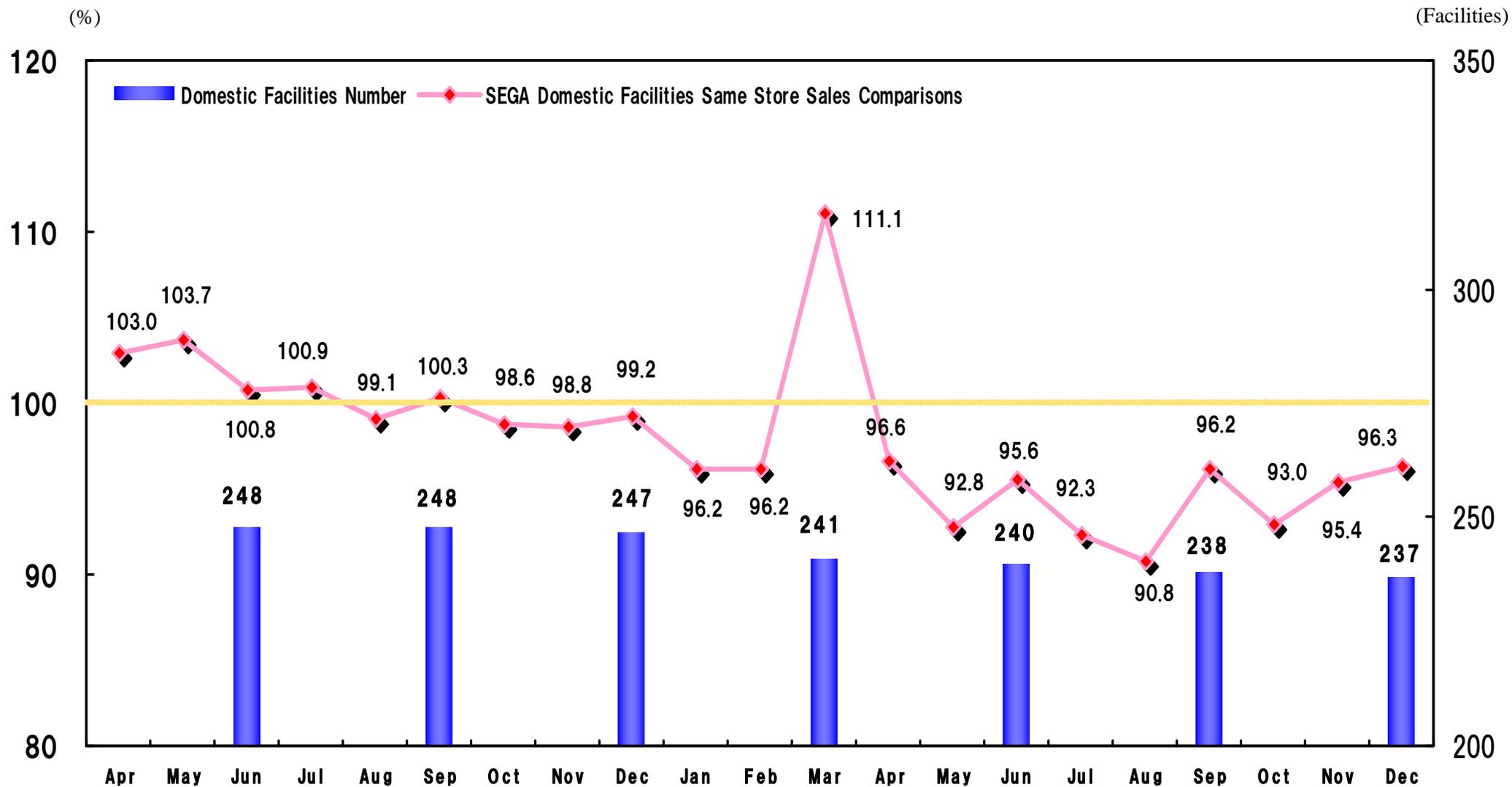
- ◆ Year on year, sales and profits decreased due to the sluggish sales of prize category
- ◆ Sega Entertainment Corp. was established on Oct 1<sup>st</sup>.
  - Consolidated the amusement center operations of group companies (Sega, AG Square, Sega Beelink)
- ◆ SEGA domestic same-store sales comparison: 3Q Cumulative Results **93.7%** (Oct:**93.0%**, Nov:**95.4%**, Dec:**96.3%**)
- ◆ Domestic Facilities : End of 3Q **237** (Opening : 1 , Closures : 5)

## Full Year Forecast

- ◆ Year-on-year sales and profit will be decreased due to the downward adjustment of the full year forecast on February 5<sup>th</sup>



## SEGA Domestic Facilities Same Store Sales Comps / Domestic Facilities Number Transition



FY Ended March  
2012 Results

FY Ending March 2013  
3Q Results

# Segment Results : Consumer Business



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HOLDINGS

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(JPY billion)	FY Ended March 2012		FY Ending March 2013				
	Results Through 3Q	Full Year Results	Results Through 3Q	YoY Change	Initial Full Year Forecast on May 11th	Revised Full Year Forecast on February 5th	YoY Change
<b>Net Sales</b>	<b>63.5</b>	<b>85.6</b>	<b>60.3</b>	<b>-5.0%</b>	<b>85.0</b>	<b>83.0</b>	<b>-3.0%</b>
Packaged Games			26.3	-	32.2	-	-
Digital Games	49.0	66.4	20.5	-	32.2	-	-
Toy	7.6	8.9	6.7	-11.8%	9.4	-	-
Animation	7.0	10.4	7.1	+1.4%	10.8	-	-
Others / Elimination	-0.1	-0.1	-0.3	-	0.4	-	-
<b>Operating Income</b>	<b>-5.5</b>	<b>-15.1</b>	<b>0.5</b>	-	<b>0.5</b>	<b>0.0</b>	-
Operating Income Margin	-	-	0.8%	-	0.6%	-	-
<b>Unit Sales (Thousands)</b>	<b>12,600</b>	<b>17,240</b>	<b>6,940</b>	<b>-44.9%</b>	<b>8,940</b>	-	-
<b>R&amp;D / Content Production</b>	<b>14.1</b>	<b>29.3</b>	<b>13.5</b>	<b>-4.3%</b>	<b>16.9</b>	-	-
<b>Cap-ex</b>	<b>9.3</b>	<b>10.7</b>	<b>6.8</b>	<b>-26.9%</b>	<b>9.6</b>	-	-
<b>Depreciation</b>	<b>2.6</b>	<b>4.0</b>	<b>3.9</b>	<b>+50.0%</b>	<b>6.5</b>	-	-

Summary of Results Through 3Q	
Overall	◆ Year-on-year sales decreased but returning to profit
Package	◆ Overseas : Solid sales of the key titles ; <b>“Sonic &amp; All-Stars Racing Transformed”, “Football Manager 2013”</b> ◆ Domestic : Solid sales of <b>“Ryu ga Gotoku 5: Yume, Kanaeshimono”</b> ◆ Unit sales of packaged games dropped compared to the previous year, due to the impact of reducing the number of titles as a measure of structural reform in the U.S. and Europe.
Digital	◆ Focused on full-scale digital content development - Strong in service of main title of this fiscal year <b>“Phantasy Star Online 2”</b> (1.7 million registered IDs as of December 31, 2012) - Solid sales of the smartphone titles, e.g. <b>“Dragon Coins”</b> (hit 500,000 download) and <b>“Kingdom Conquest Series”</b> ◆ Enforcement of the expansion of the game website of pachinko, pachislot for iPhone
Toy	◆ Solid sales of the key product , <b>“Jewelpod Diamond”</b>
Animation	◆ Solid distribution of earnings from the <b>“ANPANMAN: Revive Banana Island!”</b>

Full Year Forecast
◆ Downward adjustment of the full year forecast on February 5 <sup>th</sup>
◆ Overseas : Launch of key titles , <b>“Aliens™: Colonial Marines”</b> ◆ Domestic : Various new titles plan to be released in 4Q. <b>” Shining Ark”, “Hatsune Miku -Project DIVA- F”</b> etc
◆ Focus on full-scale digital content development - Cross-platform development of Phantasy Star Online 2 to PSV in February, Smartphone within 2013. - To launch the new smartphone titles e.g. <b>“Demon Tribe”</b> (iOS) in 4Q
◆ Reinforcement of expansion of the game website pachinko, pachislot for iPhone
◆ Expansion of key products sales such as <b>“Jewelpod Diamond”</b>
◆ Improvement in profitability due to the production income from TV series <b>“ROMAN”, “Suraj - The Rising Star”</b> (Remake of Japanese anime series “Star of the Giants”) and improvement of the production efficiency.

# Segment Results : Consumer Business



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## Sales Results (Home video game software)

\*Number of titles reflects products which begin sales in the period  
(Number of titles by platform is based on SKU)

Breakdown by Region	FY Ended March 2012				FY Ending March 2013					
	Results through 3Q		Full Year Results		Results through 3Q		Initial Full Year Forecast on May 11th		Revised Full Year Forecast on February 5th	
	# of titles (SKU)	Unit Sales (Thousands)	# of titles (SKU)	Unit Sales (Thousands)	# of titles (SKU)	Unit Sales (Thousands)	# of titles (SKU)	Unit Sales (Thousands)	# of titles (SKU)	Unit Sales (Thousands)
Japan	9 (16)	1,830	16 (24)	2,800	9 (10)	1,570	11 (13)	2,060	-	-
US	11 (23)	4,390	14 (29)	6,140	5 (10)	2,430	7 (13)	2,850	-	-
Europe	12 (27)	6,370	15 (33)	8,290	5 (12)	2,940	6 (14)	4,020	-	-
<b>Total</b>	<b>32 (66)</b>	<b>12,600</b>	<b>45 (86)</b>	<b>17,240</b>	<b>19 (32)</b>	<b>6,940</b>	<b>24 (40)</b>	<b>8,940</b>	-	-

Breakdown by Platform	FY Ended March 2012				FY Ending March 2013					
	Results through 3Q		Full Year Results		Results through 3Q		Initial Full Year Forecast on May 11th		Revised Full Year Forecast on February 5th	
	# of titles (SKU)	Unit Sales (Thousands)	# of titles (SKU)	Unit Sales (Thousands)	# of titles (SKU)	Unit Sales (Thousands)	# of titles (SKU)	Unit Sales (Thousands)	# of titles (SKU)	Unit Sales (Thousands)
PS3	13	1,920	19	2,450	10	1,440	12	2,430	-	-
Wii	11	2,810	11	3,050	0	0	0	0	-	-
Wii U	-	-	-	-	2	260	-	-	-	-
Xbox360	13	1,300	16	1,540	6	610	7	1,540	-	-
NDS	7	340	7	370	0	0	0	0	-	-
3DS	13	620	18	1,790	1	10	3	380	-	-
PSP	5	710	7	1,110	1	20	2	250	-	-
PSV	1	10	3	150	7	390	8	600	-	-
PC	3	700	5	950	5	770	8	1,560	-	-
Catalogue	-	4,140	-	5,800	-	3,400	-	2,180	-	-
<b>Total</b>	<b>66</b>	<b>12,600</b>	<b>86</b>	<b>17,240</b>	<b>32</b>	<b>6,940</b>	<b>40</b>	<b>8,940</b>	-	-



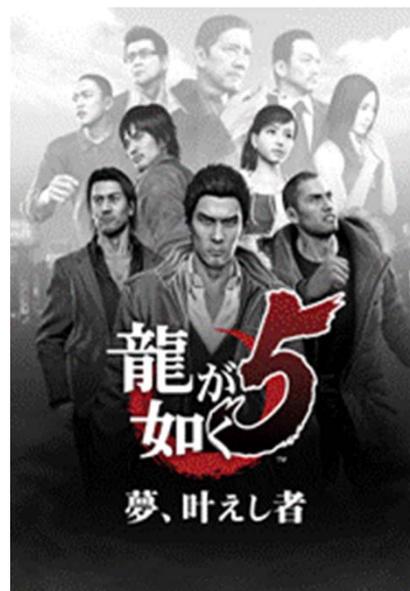
## Major Titles / Packaged Games

Title (Region)	Platform	Sales Results (thousand units)	Sold From
Sonic & All Stars Racing Transformed (Europe / US)	PS3, X360, PSV, Wii U	930.0	November /December
Football Manager 2013 (Europe / US)	PC, PSP	730.0	October
Ryu ga Gotoku 5: Yume,Kanaeshimono (Japan)	PS3	580.0	December



“Sonic & All-Stars Racing Transformed”

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“Ryu ga Gotoku 5: Yume,Kanaeshimono”

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## Major Titles / Digital Games

Titles	Platform	Time of release and service starts
Phantasy Star Online 2	PC	July (PSV : February / Smartphone : CY2013)
Dragon Coins	iOS	November
Kingdom Conquest II	iOS, Android	December



Phantasy Star Online 2

©SEGA



Dragon Coins

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“Kingdom Conquest II”

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# Appendix



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## ◆ Pachislot Installed Base / Unit Sales / Market Scale

	2006	2007	2008	2009	2010	2011
Number of Pachislot Machines installed (Units)	2,003,482	1,635,860	1,448,773	1,347,176	1,390,492	1,474,838
Number of Pachislot Machines sold annually (Units)	1,647,759	1,744,308	913,094	766,094	979,794	1,259,924
Pachislot Machine Market Size (JPY Million)	490,959	502,501	247,860	225,869	286,700	375,054

## ◆ Pachinko Installed Base / Unit Sales / Market Scale

	2006	2007	2008	2009	2010	2011
Number of Pachinko Machines installed (Units)	2,932,952	2,954,386	3,076,421	3,158,799	3,163,650	3,107,688
Number of Pachinko Machines sold annually (Units)	3,837,960	3,173,725	3,339,146	3,332,984	2,900,286	2,602,760
Pachinko Machine Market Size (JPY Million)	898,646	868,623	921,338	985,227	886,914	825,714

## ◆ Pachinko Pachislot Market Installed Base / Unit Sales / Market Scale

	2006	2007	2008	2009	2010	2011
Number of Machines installed (Units)	4,936,434	4,590,246	4,525,194	4,505,975	4,554,142	4,582,526
Number of Machines sold annually (Units)	5,485,719	4,918,033	4,252,240	4,099,078	3,880,080	3,862,684
Total Machine Market Size (JPY Million)	1,389,605	1,371,124	1,169,198	1,211,096	1,173,614	1,200,768

	2006	2007	2008	2009	2010	2011
Total Number of Pachinko Halls	14,674	13,585	12,937	12,652	12,479	12,323
Number of Halls with pachinko and pachislot machines installed	12,588	12,039	11,800	11,722	11,576	11,392
Number of Halls with only pachislot machines installed	2,086	1,546	1,137	930	903	931

\*Number of pachinko halls with pachinko machines installed includes halls that combine installations of pachinko machines, pachislot machines.



## ◆ Share of Annual Pachislot Machine Sales

2008			2009			2010			2011		
Manufacturer	Units Sold	Share									
Y Company	172,000	18.8%	<b>Sammy</b>	<b>162,932</b>	<b>21.3%</b>	<b>Sammy</b>	<b>302,270</b>	<b>30.9%</b>	<b>Sammy</b>	<b>300,866</b>	<b>23.9%</b>
S Company	133,714	14.6%	S Company	104,266	13.6%	D Company	117,000	11.9%	D Company	200,000	15.9%
<b>Sammy</b>	<b>123,286</b>	<b>13.5%</b>	U Company	100,000	13.1%	S Company	116,424	11.9%	Y Company	196,000	15.6%
H Company	68,000	7.4%	Y Company	73,000	9.5%	H Company	111,000	11.3%	U Company	172,000	13.7%
K Company	59,000	6.5%	K Company	60,000	7.8%	U Company	103,000	10.5%	S Company	96,158	7.6%

## ◆ Share of Annual Pachinko Machine Sales

2008			2009			2010			2011		
Manufacturer	Units Sold	Share									
S Company	810,000	24.3%	S Company	600,000	18.0%	S Company	653,000	22.5%	K Company	485,000	18.6%
S Company	451,941	13.5%	S Company	572,464	17.2%	S Company	424,533	14.6%	S Company	360,805	13.9%
<b>Sammy</b>	<b>391,831</b>	<b>11.7%</b>	K Company	426,000	12.8%	<b>Sammy</b>	<b>343,188</b>	<b>11.8%</b>	<b>Sammy</b>	<b>332,288</b>	<b>12.8%</b>
N Company	349,000	10.5%	N Company	395,000	11.9%	K Company	322,000	11.1%	S Company	332,000	12.8%
K Company	340,000	10.2%	<b>Sammy</b>	<b>360,171</b>	<b>10.8%</b>	N Company	296,000	10.2%	N Company	255,000	9.8%

Source: Yano Research Institute Ltd.



## ◆ Amusement Machine and Amusement Center Operations Markets Scale

(JPY billion)

	2006	2007	2008	2009	2010	2011
Amusement Machines Net Sales	223.4	219.1	196.2	169.6	173.2	184.8
Amusement Facilities Operations Net Sales	702.9	678.1	573.1	504.3	495.8	487.5
Market Size of Amusement	926.2	897.2	769.3	673.9	668.9	672.3

	2006	2007	2008	2009	2010	2011
Number of Amusement Facilities (Facilities)	9,091	8,652	8,137	7,662	7,137	6,648
Number of Amusement Machine units installed (Units)	460,031	474,808	486,582	484,804	473,601	461,465
Number of Amusement Machine units installed per center (Units)	50.6	54.9	59.8	63.3	66.4	69.4

Source: JAIA, National Police Agency

## ◆ Home Video Game Market Scale

(JPY billion)

	2006	2007	2008	2009	2010	2011
Software shipment	674.1	848.6	1,024.3	758.5	670.5	531.0
Hardware shipment	958.1	2,087.7	1,908.3	1,490.8	1,126.9	926.5
Total Home Video Game Market Scale	1,632.2	2,936.3	2,932.6	2,249.3	1,797.4	1,457.5

Source: 2012CESA Games White Paper

# Past Operating Results



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## From FY Ended March 2009 to 3Q FY Ending March 2013

\*Number of titles reflects products which begin sales in the period (Numbers shown in parentheses are based on SKU)

\* The data in this page can be downloaded from following URL. ([http://www.segasammy.co.jp/english/ir/library/pdf/settlement/2013/e\\_201303\\_3qtransition.xls](http://www.segasammy.co.jp/english/ir/library/pdf/settlement/2013/e_201303_3qtransition.xls))

(JPY billion)	FY Ended March 2009	FY Ended March 2010	FY Ended March 2011		FY Ended March 2012			FY Ending March 2013			
	Full Year Results	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
<b>Net Sales</b>	429.1	384.6	217.8	396.7	65.3	152.6	311.6	395.5	69.9	136.5	207.0
Breakdown											
Pachislot and Pachinko Machines	161.6	160.3	134.2	212.0	29.9	74.8	177.5	212.1	33.7	54.3	74.0
Amusement Machines Sales	61.9	45.1	19.6	47.2	7.6	19.3	34.0	49.9	8.3	18.7	30.6
Amusement Center Operations	71.3	54.7	23.6	45.6	10.9	23.2	33.9	44.6	10.0	21.7	32.0
Consumer Business	131.3	121.5	38.7	88.8	16.0	33.4	63.5	85.6	14.9	35.3	60.3
Other	2.9	2.8	1.5	2.8	0.7	1.6	2.4	3.0	2.8	6.3	9.8
<b>Operating Income</b>	8.3	36.7	46.8	68.7	2.9	15.1	64.3	58.3	5.4	7.8	7.0
Breakdown											
Pachislot and Pachinko Machines	14.5	29.5	47.6	64.2	7.1	20.6	67.4	71.0	7.8	10.4	7.7
Amusement Machines Sales	6.8	7.0	1.9	7.3	0.1	1.5	5.0	7.4	0.2	0.8	2.6
Amusement Center Operations	-7.5	-1.3	1.1	0.3	0.6	1.6	1.2	0.3	0.4	0.8	0.9
Consumer Business	-0.9	6.3	-1.3	1.9	-3.8	-6.0	-5.5	-15.1	-1.5	-0.7	0.5
Other	0.3	0.3	0.1	0.0	0.0	0.2	0.2	0.2	-0.1	-0.1	-0.2
Eliminations	-4.9	-5.2	-2.7	-5.1	-1.1	-2.9	-4.2	-5.4	-1.3	-3.2	-4.5
Operating Margin	1.9%	9.5%	21.5%	17.3%	4.4%	9.9%	20.6%	14.7%	7.7%	5.7%	3.4%
<b>Ordinary Income</b>	6.6	35.9	46.0	68.1	3.2	14.7	63.4	58.1	4.6	7.2	8.4
Ordinary Income Margin	1.5%	9.3%	21.1%	17.2%	4.9%	9.6%	20.3%	14.7%	6.6%	5.3%	4.1%
<b>Net Income</b>	-22.8	20.2	24.3	41.5	-2.2	3.9	34.3	21.8	2.5	3.8	3.0
Net Income Margin	-	5.3%	11.2%	10.5%	-	2.6%	11.0%	5.5%	3.6%	2.8%	1.4%
R&D expense / content production expense	59.6	41.5	18.6	41.1	11.0	19.7	31.5	53.3	9.2	19.1	32.7
Cap-ex	26.6	16.1	6.5	19.6	4.4	9.4	27.8	36.1	11.1	21.6	27.3
Depreciation	26.6	17.1	7.3	15.9	2.9	6.4	10.7	16.1	3.2	7.4	12.3
Advertising	20.7	20.7	7.3	15.1	3.1	7.6	12.5	17.2	2.2	5.6	9.2
# of pachislot titles	19 titles	12 titles	4 titles	10 titles	1 title	4 titles	7 titles	11 titles	2 titles	3 titles	5 titles
Unit sales	123,286 units	162,932 units	201,402 units	302,270 units	7,633 units	52,769 units	228,646 units	300,866 units	80,906 units	108,604 units	130,590 units
# of pachinko titles	12 titles	13 titles	8 titles	12 titles	4 titles	7 titles	11 titles	14 titles	5 titles	9 titles	12 titles
Unit sales	391,831 units	360,171 units	198,230 units	343,188 units	82,394 units	181,589 units	287,722 units	332,288 units	23,764 units	57,749 units	89,188 units
SEGA Same Store Sales Comparisons	92.4%	91.7%	99.9%	99.3%	102.5%	101.2%	100.5%	100.5%	94.6%	93.8%	93.7%
Domestic Facilities	322 facilities	260 facilities	252 facilities	249 facilities	248 facilities	248 facilities	247 facilities	241 facilities	240 facilities	238 facilities	237 facilities
# of game software titles	78 (122)	66 (105)	20 (33)	51 (71)	9 (21)	16 (36)	32 (66)	45 (86)	7 (12)	9 (14)	19 (32)
Sales (Thousand units)	29,470	26,750	6,600	18,710	2,330	4,840	12,600	17,240	1,340	2,760	6,940

