

(Translation)

April 28, 2016

Dear Sirs,

Name of Company: SEGA SAMMY HOLDINGS INC.

Name of Representative: Hajime Satomi,
Chairman of the Board and
Chief Executive Officer

(Code No. 6460, Tokyo Stock Exchange 1st Section)

Further Inquiry: Yoichi Owaki,
Executive Officer
Division Manager,
Finance & Accounting Division
(TEL: 03-6215-9955)

Notice of Adjustment of Full-Year Consolidated Operating Results Forecast

It is hereby notified that SEGA SAMMY HOLDINGS INC. (the "Company"), in consideration of the recent development of its business performance, has made an adjustment to the forecast of its consolidated operating results for the year ended March 31, 2016 publicized on December 4, 2015, as described below.

Description

Adjustment to the forecast of full-year consolidated operating results for the year ended March 31, 2016
(from April 1, 2015 to March 31, 2016)

(Unit: million yen unless otherwise indicated)

	Net sales	Operating income	Ordinary income	Profit attributable to owners of parent	Net income per share (yen)
Previously publicized forecast (A)	355,000	10,000	9,000	2,000	8.53
Adjusted forecast (B)	347,900	17,600	16,400	5,500	23.81
Amount of increase or decrease (B-A)	(7,100)	7,600	7,400	3,500	—
Rate of increase or decrease (%)	(2.0)	76.0	82.2	175.0	—
(For reference) Operating results for the previous year (from April 1, 2014 to March 31, 2015)	366,813	17,495	16,879	(11,375)	(46.70)

*As accounting policies were changed starting from the year ended March 2016, operating results for the previous year reflects retrospective treatment.

[Reasons for the adjustment]

In Pachislot and Pachinko Machines Business, since sales of some titles for pachislot and pachinko machines were postponed to the next fiscal year, annual unit sales of pachislot machines are expected to be approximately 142,000 units (previously announced forecast: 154,000 units) and that of pachinko machines approximately 199,000 units (previously announced forecast: 203,000 units). On the other hand, income margin is expected to significantly improve as a result of proactively promoting measures to improve income margin such as efforts to

improve costs by reusing parts and reduction of operating expenses, as well as due to solid performance, including receiving excellent response from the market, of titles launched in the fourth quarter such as “Pachislot Nisemonogatari” and “Pachinko CR Shin Hokuto Muso.”

Regarding the Entertainment Contents Business, higher-quality content has been required as the Japanese market for the digital game software field matures, resulting in a trend of even longer development lead time to continue. Under such circumstances, although the Group has been working to strengthen profitability by taking measures such as holding various events related to existing titles and conducting major updating to enhance game elements, such is not likely to be sufficient to offset the impact of the postponement of the release schedule in line with the prolonging development lead time and of recording of temporary expense due to review of asset value of some titles. On the other hand, income level in the Entertainment Contents Business is projected to surpass the figures previously announced due to solid performance of titles launched in the fourth quarter in the packaged game software field and amusement machine field, continuation of strong results shown in the same store sales comparisons in tandem with reinforced operational skills in the amusement center operations field and such.

As a result of the above, consolidated net sales of 347,900 million yen (down 7,100 million yen from the previously publicized forecast), operating income of 17,600 million yen (up 7,600 million yen from the previously publicized forecast), ordinary income of 16,400 million yen (up 7,400 million yen from the previously publicized forecast). Also, as a result of carefully examining the recouping capability of deferred tax assets, profit attributable to owners of parent of 5,500 million yen (up 3,500 million yen from the previously publicized forecast) are projected for the year ended March 31, 2016.

(For reference)

Segment breakdown are shown as below.

Forecast of full-year operating results for the year ended March 31, 2016 (from April 1, 2015 to March 31, 2016).

(Unit: million yen unless otherwise indicated)

	Net sales			Operating income		
	Previously Publicized forecast (A)	Adjusted Forecast (B)	Amount of increase or decrease (B-A)	Previously Publicized forecast (A)	Adjusted Forecast (B)	Amount of increase or decrease (B-A)
Total	355,000	347,900	(7,100)	10,000	17,600	7,600
Pachislot and Pachinko Machines	133,000	132,700	(300)	16,500	21,500	5,000
Entertainment Contents	205,500	198,800	(6,700)	2,000	3,600	1,600
Resort	16,500	16,300	(200)	(2,800)	(1,800)	1,000
Other/Elimination	—	—	—	(5,700)	(5,700)	—

(Note) The above forecasts of operating results are made based on information available to management as of the date hereof. In the future, actual results may differ from the projected figures owing to various factors.

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