

July 13, 2016

(Translation)

Dear Sirs,

Name of Company: SEGA SAMMY HOLDINGS INC.

Name of Representative: Hajime Satomi  
Chairman of the Board  
and CEO and COO

(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 Transfer of Noncurrent Assets and Recording of  
Extraordinary Gain by Our Consolidated Subsidiary

It is hereby notified that SEGA SAMMY HOLDINGS INC. (the “Company”) has determined at its Board of Directors meeting, held on July 13, 2016, to transfer noncurrent assets at SEGA Holdings Co., Ltd., its subsidiary.

## Description

## 1. Details of the subsidiary

(1) Name	SEGA Holdings Co., Ltd.
(2) Head office	Canal Side-Bldg, 1-39-9, Higashi-Shinagawa, Shinagawa-ku, Tokyo
(3) Title and name of representative	President, Representative Director (COO) : Hideki Okamura
(4) Business description	Management of its Group as the Holding Company of SEGA Group and all businesses appertaining thereto
(5) Capital	44,092,921,265 yen

## 2. Reasons for the transfer

The Company set “improve profitability” and “improve capital efficiency” as the mid-term management goal, and aims to realize the ratio of consolidated operating income of 15% and consolidated ROA of 5% by the fiscal year ending March 2020. Transfer of the concerned noncurrent assets was decided in order to further improve financial structure toward realizing the mid-term management goal.

## 3. Detail of the transferred assets

Name and Location of the Assets	Transfer Price (million yen)	Book Value (million yen)	Gain from Transfer (million yen)	Current Status
Land and building (Chuo-ku, Osaka-shi, Osaka)	Approximately 12,000	2,518	Approximately 9,400	Shinsaibashi GIGO (Amusement Facility)

#### 4. Overview of the transferee

The transferee is a limited liability company established by the investment company in Tokyo. However, due to the transferee's request, no detail is disclosed. Also, there are no capital relationships, personal relationships, business relationships between transferee and the Company, and the transferee is not a related party of the Company.

#### 5. Schedule

(1) Resolution at the Board of Directors meeting	July 13, 2016
(2) Conclusion of transfer agreement	July 13, 2016
(3) Date of the transfer	September 27, 2016 (tentative)

#### 6. Future outlook

Due to the transfer of a noncurrent assets mentioned above, approximately 9.4billion yen of gain on sales of noncurrent assets is scheduled to be recorded as extraordinary gain in the consolidated operating results for the second quarter of the fiscal year ending March 31, 2017.

Furthermore, this matter has not been factored into the forecast of consolidated operating results for the year ending March 31, 2017 announced on May 13, 2016. Forecast of consolidated operating results for the year ending March 31, 2017 with the impact factored in is currently under close examination. The Company will announce the forecast as soon as it becomes clear.

(For reference)

Forecast of consolidated operating results for the current period (announced on May 13, 2016) and actual consolidated results of the previous period are as follows

(Unit: million yen unless otherwise indicated)

	Net sales	Operating income	Ordinary income	Profit attributable to owners of parent
Forecasts for the current year (FY ending March, 2017)	380,000	20,000	20,000	10,000
Results for the previous year (FY ended March, 2016)	347,981	17,617	16,409	5,369

(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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