

FY Ending March 2016 3rd Quarter Results Presentation



February 8th, 2016
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 projections 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.

【FY Ending March 2016 3rd Quarter Results / Full Year Forecasts】

Consolidated Income Statements (Summary)	3
Results Highlights	4
Major Business Measures	5
Major Structure Reform Initiatives	6
Costs and Expenses Results	7
Consolidated Balance Sheet (Summary)	8
<u>Segment Results / Forecasts</u>	
<u>Segment Results: Pachislot and Pachinko Machines</u>	9
<u>Segment Results: Entertainment Contents Business</u>	12
<u>Segment Results: Resort Business</u>	18
Appendix	
Appendix: Market Information	22
Appendix: Company's Business	29

Consolidated Income Statements (Summary)



SEGA-SAMMY
GROUP

New Segment

(Reference) Former Segment

(JPY Billion)	FY Ended March 2015		FY Ending March 2016				
	Results Through 3Q	Full Year Results	Results Through 3Q	YoY Change	Full Year Forecast (announced on May 11)	Revised Full Year Forecasts (announced on Dec 4)	YoY Change
Sales	267.7	366.8	245.0	-8%	420.0	355.0	-3%
Pachislot and Pachinko Machines	108.9	152.1	90.4	-17%	167.0	133.0	-13%
Entertainment Contents	147.9	199.6	143.0	-3%	235.0	205.5	+3%
Resort	10.8	14.9	11.5	+6%	18.0	16.5	+11%
Operating Income	10.8	17.4	12.1	+12%	25.0	10.0	-43%
Pachislot and Pachinko Machines	15.3	25.7	15.4	+1%	23.0	16.5	-36%
Entertainment Contents	2.0	0.0	2.4	+20%	11.5	2.0	-
Resort	-1.7	-2.3	-1.3	-	-3.5	-2.8	-
Other / Elimination	-4.8	-6.0	-4.4	-	-6.0	-5.7	-
Operating Income Margin	4.0%	4.7%	4.9%	+0.9pt	6.0%	2.8%	-1.9pt
Ordinary Income	10.7	16.8	12.6	+18%	25.0	9.0	-46%
Extraordinary Gain	0.8	1.0	1.0	-	0.0	-	-
Extraordinary Loss	5.6	15.9	2.5	-	1.0	-	-
Income before income taxes	6.0	1.9	11.2	+87%	24.0	-	-
Profit attributable to owners of parent	-2.7	-11.3	6.4	-	19.0	2.0	-
Dividends per share (JPY)	20	40	20	-	40	40	-
Earnings per share (JPY)	-11.33	-46.70	27.71	-	80.02	8.53	-
Net Assets per share (JPY)	1,384.84	1,336.54	1,294.99	-	-	-	-

(JPY Billion)	FY Ended March 2015	
	Results Through 3Q	Full Year Results
Net Sales	267.5	354.9
Pachislot and Pachinko Machines	115.3	149.1
Amusement Machine Sales	28.9	39.6
Amusement Center Operations	30.9	41.4
Consumer Business	82.1	111.0
Other	10.0	13.6
Operating Income	16.2	17.6
Pachislot and Pachinko Machines	20.6	25.7
Amusement Machine Sales	0.4	-2.5
Amusement Center Operations	-0.5	-0.9
Consumer Business	2.2	4.0
Other	-1.4	-2.0
Eliminations	-5.1	-6.5
Operating Income Margin	6.1%	5.0%
Ordinary Income	16.2	16.9
Extraordinary Gain	0.8	1.0
Extraordinary Loss	5.6	15.9
Income before income taxes and minority interests	11.5	2.0
Net Income	-0.0	-11.2
Dividends per share (JPY)	20	40
Earnings per share (JPY)	-0.10	-46.22
Net Assets per share (JPY)	1,396.48	1,337.46

*Sales of new segment is changed to gross basis.

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

<p style="text-align: center;">Net Sales/Profits Other</p>	<ul style="list-style-type: none"> • Sales decreased and profits increased year-on-year ⇒ Revised full-year forecasts downward on December 4 ⇒ Improvement was seen compared to same period last year in net income attributable to shareholders of parent company since corporate tax, etc. was smaller compared to the previous period when part of deferred tax assets were reversed 	
<p style="text-align: center;">Segment breakdown</p>	<p style="text-align: center;">Pachislot and Pachinko Machines</p>	<ul style="list-style-type: none"> • Sales decreased and profits increased year-on-year • “Pachislot Onimusha3 Jikuu Tenshou” and “Pachinko CR Hokuto No Ken 6 Tenshou Hyakuretsu” were sold • Unit sales of Pachislot increased year-on-year, but unit sales of Pachinko decreased year-on-year with the rebound from the same period last year when a major title was sold • Work to improve costs such as by reusing parts
	<p style="text-align: center;">Entertainment Contents Business</p>	<ul style="list-style-type: none"> • Sales decreased and profits increased year-on-year • In the digital game software field, advertising costs have increased and asset value of some titles have been reviewed • There were no sales of mainstay titles in the packaged game software field but performed strong due to strong sales of repeat titles • The amusement center operations area performed strongly
	<p style="text-align: center;">Resort Business</p>	<ul style="list-style-type: none"> • Sales increased year-on-year and loss decreased • As for domestic resort facilities, “Phoenix Seagaia Resort,” improve average sales per customer • As for other domestic facilities, the indoor theme park “TOKYO JOYPOLIS” performed strong

(announced November 27, 2015)

① Transfer of shares of Index Corporation

<Date of transfer of shares>

Conclusion of share transfer agreement	December 1, 2015
Date of the share transfer	December 1, 2015

<Overview of transfer of shares>

Name of subsidiary	Index Corporation
Business description	Contents and solutions business (contents delivery, system development, internet advertising, etc.) and all incidental business
Transferee of shares	Sawada Holdings Co. Ltd.

(announced January 29, 2016)

② Corporate split and shares transfer for the dining darts bar business

<Date of corporate split>

Conclusion of Absorption-type Corporate Split Agreement	January 29, 2016
Effective date (tentative date)	March 1, 2016

<Date of transfer of shares>

Conclusion of share transfer agreement	January 29, 2016
Date of the share transfer (tentative date)	April 1, 2016

<Overview of transfer of shares>

Name of subsidiary	Be Re-inc
Business description	Planning/operation of dining entertainment facilities and restaurant facilities, sale of darts accessories, etc.
Transferee of shares	Matahari Co., Ltd.

⇒ Actions for review of business portfolio in the structure reform and initiatives for further business reorganization

<Structure reform initiatives>

(Initiatives since the fiscal year ended March 2015)

■ Purpose: Review the earnings structure of the entire Group from a medium- to long-term perspective

- Transition from cost structure reform, which has been pressed ahead with focus on reduction of fixed expenses, to business structure reform.
- Improvement of earnings structure through reviewing business portfolio of the entire Group

(Initiatives in the fiscal year ending March 2016)

■ Content: Initiatives for structure reform in this fiscal year aim at improving the Group's business portfolio

- All businesses are categorized into growth, maintain or withdraw/downsize fields based on their profitability, etc. after discussing improvement measures for the business process of each business, and then actions suitable for each field will be taken as soon as practicably possible

■ Implementation of structure reform in the pachislot and pachinko machines business

(announced September 30, 2015)

⇒ Efficiency in production/development structures and solicitation of voluntary retirement

■ Implementation of structure reform in the entertainment contents business

⇒ Sale of Index Corporation (announced November 27, 2015)

⇒ Sale of dining darts bar business (announced January 29, 2016)

We will continue to advance discussions targeting all businesses and announce an overall summary when full-year financial results for the fiscal year ending March 2016 are announced (scheduled for May 2016)

Costs and Expenses Results

(JPY Billion)	FY Ended March 2015		FY Ending March 2016				
	Results Through 3Q	Full Year Results	Results Through 3Q	YoY Change	Full Year Forecast (announced on May 11)	Revised Full Year Forecasts (announced on Dec 4)	YoY Change
R&D Expense / Content Production Expense	48.8	67.6	40.3	-17%	69.4	-	-
Pachislot and Pachinko Machines	16.5	22.3	14.5	-12%	21.2	-	-
Entertainment Contents	32.3	45.7	25.5	-21%	48.0	-	-
Resort	0.1	0.2	0.4	+300%	0.1	-	-
Other / Elimination	-0.1	-0.6	-0.1	-	0.1	-	-
Cap-ex	20.5	28.7	21.0	+2%	34.4	-	-
Pachislot and Pachinko Machines	5.1	6.9	3.6	-29%	8.1	-	-
Entertainment Contents	13.8	19.5	14.6	+6%	18.7	-	-
Resort	1.6	2.1	2.6	+63%	7.4	-	-
Other / Elimination	0.0	0.2	0.2	-	0.2	-	-
Depreciation	12.8	17.6	12.5	-2%	16.8	-	-
Pachislot and Pachinko Machines	4.6	6.4	4.7	+2%	6.7	-	-
Entertainment Contents	6.9	9.6	6.6	-4%	8.1	-	-
Resort	0.7	0.9	0.6	-14%	1.2	-	-
Other / Elimination	0.6	0.7	0.6	-	0.8	-	-
Advertising	14.5	19.1	13.6	-6%	24.5	-	-
Pachislot and Pachinko Machines	1.7	2.1	1.2	-29%	3.1	-	-
Entertainment Contents	10.7	14.5	10.7	-	19.1	-	-
Resort	0.6	0.8	0.5	-17%	0.7	-	-
Other / Elimination	1.5	1.7	1.2	-	1.6	-	-

Consolidated Balance Sheet (Summary)

(JPY billion) 【 Assets 】				【 Liabilities and Net Assets 】			
Account	As of end of March 2015	As of end of December 2015	Change	Account	As of end of March 2015	As of end of December 2015	Change
Cash and Deposits	102.2	81.2	-21.0	Accounts Payable	26.9	32.3	+5.4
Accounts Receivable	38.5	43.2	+4.7	Corporate Bonds	1.6	14.2	+12.6
Securities	97.2	80.4	-16.8	Short Term Borrowings	13.8	13.6	-0.2
Inventories	29.2	37.0	+7.8	Other	44.4	35.7	-8.7
Other	30.9	20.7	-10.2	Total Current Liabilities	86.7	95.8	+9.1
Total Current Assets	298.0	262.5	-35.5	Corporate Bonds	56.2	52.8	-3.4
Tangible Fixed Assets	100.2	101.2	+1.0	Long Term Debt	32.9	25.6	-7.3
Intangible Fixed Assets	29.0	27.9	-1.1	Other	30.3	27.5	-2.8
Investment Securities	70.0	87.5	+17.5	Total Noncurrent Liabilities	119.4	105.9	-13.5
Other	31.4	31.3	-0.1	Total Liabilities	206.2	201.8	-4.4
				Shareholders Equity	298.6	289.2	-9.4
				Total accumulated other comprehensive income	18.7	14.3	-4.4
				Warrants	0.8	0.8	-
				Non-controlling interests	4.2	4.3	+0.1
Total Noncurrent Assets	230.6	247.9	+17.3	Total Net Assets	322.4	308.6	-13.8
Total Assets	528.6	510.4	-18.2	Total Liabilities and Net Assets	528.6	510.4	-18.2

Summary of Results Through 3Q

■ Current Assets: Down 35.5 billion yen as cash and deposits, and securities (short-term fund management) decreased though accounts receivable increased

■ Noncurrent Assets: Up 17.3 billion yen primarily due to the increase in investment securities

⇒ Total Assets : 510.4 billion yen (decreased by 18.2 billion yen)

■ Equity ratio : 59.5% (-0.5pt)

■ Current ratio : 273.9% (-69.8pt)

(JPY billion)	As of end of March 2015	As of end of December 2015	Change
Total Assets	528.6	510.4	-18.2
Net Assets	322.4	308.6	-13.8
Equity ratio	60.0%	59.5%	-0.5pt
Current ratio	343.7%	273.9%	-69.8pt

(JPY Billion)	FY Ended March 2015		FY Ending March 2016				
	Results Through 3Q	Full Year Results	Results Through 3Q	YoY Change	Full Year Forecast (announced on May 11)	Revised Full Year Forecasts (announced on Dec 4)	YoY Change
Sales	108.9	152.1	90.4	-17%	167.0	133.0	-13%
Pachislot	35.8	73.8	52.7	+47%	97.0	-	-
Pachinko	69.2	73.2	34.0	-51%	65.7	-	-
Other / Elimination	3.9	5.1	3.7	-	4.3	-	-
Operating Income	15.3	25.7	15.4	+1%	23.0	16.5	-36%
Operating Income Margin	14.0%	16.9%	17.0%	+3.0pt	13.8%	12.4%	-4.5pt
Unit Sales (Pachislot)	96,111	207,830	121,645	+27%	265,000	154,000	-26%
Unit Sales (Pachinko)	224,519	241,425	115,396	-49%	220,000	203,000	-16%

Summary of Results Through 3Q

Full Year Forecasts

Overall

- Sales decreased and profits increased year-on-year
- Unit sales of Pachislot increased year-on-year, but unit sales of Pachinko decreased year-on-year
- Profits increased as a result of efforts to improve costs such as by reusing parts

- Revised full-year forecasts downward on December 4
- Order of recent mainstay titles are generally strong

Pachislot

- “Pachislot Onimusha3 Jikuu Tenshou” and “Pachislot Ryu ga Gotoku OF THE END” were released and unit sales increased year-on-year
- Major titles launched in 3Q
⇒ Sammy “Pachislot Onimusha3 Jikuu Tenshou,”
⇒ TAIYO ELEC “Pachislot Ryu ga Gotoku OF THE END,” etc.

- Plan to release “Pachislot Nisemonogatari”
- Major titles to be launched in 4Q
⇒ Sammy “Pachislot Nisemonogatari,” etc.

Pachinko

- Even though mainstay titles such as “Pachinko CR Hokuto No Ken 6 Tenshou Hyakuretsu” and “Pachinko CR HARLOCK:SPACE PIRATE” were released, unit sales decreased year-on-year due to the rebound from major titles
- Major titles launched in 3Q
⇒ Sammy “Pachinko CR Hokuto No Ken 6 Tenshou Hyakuretsu,”
“Pachinko CR HARLOCK:SPACE PIRATE,” etc.

- Plan to release several titles including the mainstay title “Pachinko CR Shin Hokuto Muso”
- Major titles to be launched in 4Q
⇒ Sammy “Dejihane CR Hokuto No Ken 6 Jibo,” “Pachinko CR Shin Hokuto Muso,” etc.

Segment Results: Pachislot

Delivery Data: Pachislot

Pachislot	FY Ended March 2015		FY Ending March 2016		
	Results Through 3Q	Full Year Results	Results Through 3Q	Full Year Forecast (announced on May 11)	Revised Full Year Forecasts (announced on Dec 4)
Sammy	2 titles	3 titles	4 titles	7 titles	-
	83,516 units	155,695 units	116,305 units	240,000 units	-
TAIYO ELEC	2 titles	2 titles	2 titles	2 titles	-
	9,569 units	9,569 units	5,340 units	25,000 units	-
GINZA RODEO	1 title	1 title	-	-	-
	3,026 units	42,566 units	-	-	-
Total	5 titles	6 titles	6 titles	9 titles	-
	96,111 units	207,830 units	121,645 units	265,000 units	154,000 units

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

Major Titles (Results)/ Pachislot

Brand	Title	Total sales	Installed From
Sammy	Pachislot Onimusha3 Jikuu Tenshou	25,966 units	November
TAIYO ELEC	Pachislot Ryu ga Gotoku OF THE END	4,759 units	November

* Main pachislot titles and number of units sold.



“Pachislot Onimusha3 Jikuu Tenshou” (Sammy)
©CAPCOM CO., LTD. ALL LIGHTS RESERVED. ©Sammy



“Pachislot Ryu ga Gotoku OF THE END” (TAIYO ELEC)
©SEGA ©Sammy

Segment Results: Pachinko

Delivery Data: Pachinko

Pachinko	FY Ended March 2015		FY Ending March 2016		
	Results Through 3Q	Full Year Results	Results Through 3Q	Full Year Forecast (announced on May 11)	Revised Full Year Forecasts (announced on Dec 4)
Sammy	4 titles	5 titles	4 titles	5 titles	
	196,357 units	206,775 units	97,499 units	165,000 units	
TAIYO ELEC	4 titles	5 titles	3 titles	6 titles	
	28,162 units	34,650 units	17,897 units	55,000 units	
Total	8 titles	10 titles	7 titles	11 titles	
	224,519 units	241,425 units	115,396 units	220,000 units	203,000 units
Board + Frame	61,469 units	64,476 units	21,906 units	127,500 units	
Board	163,050 units	176,949 units	93,490 units	92,500 units	

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

Major Titles (Results)/ Pachinko

Brand	Title	Total Sales	Installed From
Sammy	Pachinko CR Hokuto No Ken 6 Tenshou Hyakuretsu	20,594 units	October
Sammy	Pachinko CR HARLOCK:SPACE PIRATE	8,573 units	December

* Main pachinko titles and number of units sold.



“Pachinko CR Hokuto No Ken 6 Tenshou Hyakuretsu” (Sammy)
©Buronson & Tetsuo Hara/NSP 1983,©NSP 2007 Approved No.YTK-805 ©Sammy



“Pachinko CR HARLOCK:SPACE PIRATE” (Sammy)
©LEIJI MATSUMOTO/CAPTAIN HARLOCK FILM PARTNERS ©Sammy

Segment Results: Entertainment Contents Business



SEGA-SAMMY
GROUP

(JPY Billion)	FY Ended March 2015		FY Ending March 2016				
	Results Through 3Q	Full Year Results	Results Through 3Q	YoY Change	Full Year Forecast (announced on May 11)	Revised Full Year Forecasts (announced on Dec 4)	YoY Change
Sales	147.9	199.6	143.0	-3%	235.0	205.5	+3%
Digital Games	41.4	55.1	39.3	-5%	87.0	-	-
Packaged Games	34.8	47.4	28.9	-17%	44.5	-	-
Amusement Machine Sales	28.5	39.3	29.8	+5%	45.0	-	-
Amusement Center Operations	27.5	36.0	28.2	+3%	36.5	-	-
Animation / Toy	14.4	19.9	15.7	+9%	20.0	-	-
Other / Elimination	1.3	1.9	1.1	-	2.0	-	-
Operating Income	2.0	0.0	2.4	+20%	11.5	2.0	-
Digital Games	6.3	8.0	-0.5	-	11.5	-	-
Packaged Games	-2.9	-2.7	0.5	-	1.3	-	-
Amusement Machine Sales	-0.7	-3.9	-0.1	-	0.0	-	-
Amusement Center Operations	0.6	0.9	1.9	+217%	0.3	-	-
Animation / Toy	-0.7	-1.7	0.7	-	0.2	-	-
Other / Elimination	-0.6	-0.6	-0.1	-	-1.8	-	-
Operating Income Margin	1.4%	-	1.7%	+0.3pt	4.9%	1.0%	-
Sales in Units (Thousands)	8,910	12,280	6,120	-31%	7,140	-	-
Same Store Sales Comparisons	100.1%	100.1%	101.7%	+1.6pt	97.3%	-	-
Domestic Facilities	198	198	198	-	199	-	-

Summary of Results Through 3Q

Overall		<ul style="list-style-type: none"> As for digital games, although existing titles were solid, advertising costs have increased and asset value of some titles have been reviewed that were unable to gain market reception There were no sales of mainstay titles in the packaged game software field but performed strong due to strong sales of repeat titles The amusement center operations area was solid
Breakdown	Digital Games	<ul style="list-style-type: none"> Existing titles such as “CHAIN CHRONICLE – Kizuna no Shintairiku” and “Puyopuyo!! Quest” were strong Asset values were reviewed with the delay of overseas operation and because some PC and mobile titles, including “Football Manager Online” operated in South Korea, were not evaluated as favorably as initially expected and increase in expenses such as advertising costs associated with large-scale updates, etc. ⇒ Number of titles under service in Japan (Free-to-play only): 50 at the end of 3Q ⇒ Major newly launched titles up to 3Q: “Hortensia SAGA,” “Monster Gear,” “Sen-no-kaizoku,” “Fortisia SEGA × LINE *”, etc. *Not Official English Title
	Packaged Games	<ul style="list-style-type: none"> Although “Football Manager 2016” and repeat sales were strong, sales of packaged games decreased due to the rebound from launching mainstay titles in the same period last year Turned to profit as, conversely, R&D and advertising costs decreased
	Amusement Machines	<ul style="list-style-type: none"> Sales increased as sales of CVT kits and new music game “CHUNITHM” remained strong Loss decreased due to the impact of fixed expenses being reduced and recording of operating expenses were delayed until the fourth quarter or later
	Amusement Center Operations	<ul style="list-style-type: none"> Due to the prize category performing well, favorable same-store sales stood at 101.7% year-on-year, sales and profits increased in the same period of last fiscal year
	Animation/ Toy	<ul style="list-style-type: none"> In the animation business, sold TV series “LUPIN THE 3rd PART4,” recorded license revenue from TV series “Yowamushi Pedal” and its product sales revenue; Conducted sales focusing on services for regular/mainstay products in the toy business

Full Year Forecasts

<ul style="list-style-type: none"> Revised full-year forecasts downward on December 4 Hold various events and implement updates in the digital game software field
<ul style="list-style-type: none"> Further development of lineup through offering new titles Advance overseas operation of existing domestic titles through localization Holding events, major updating to enhance game element and other measures for existing titles ⇒ Large-scale update of mainstay titles: “PHANTASY STAR ONLINE 2 – Reborn: EPISODE 4” January “CHAIN CHRONICLE – Kizuna no Shintairiku” -Shokanoichizoku-hen- Planned for February “Hortensia SAGA The Successors” February ⇒ Upcoming new major titles: “Sanrio Characters: Fantasy Theater” * January “Liberasion of azure” * Planned for March etc. *Not Official English Title
<ul style="list-style-type: none"> Launch of new titles such as mainstay title “Ryu ga Gotoku Kiwami” ⇒ Major new titles: “Ryu ga Gotoku Kiwami,” “Shin Megami Tensei IV FINAL,” etc.
<ul style="list-style-type: none"> Launch of new product “THE MEDAL TOWER OF BABEL”
<ul style="list-style-type: none"> Enforce streamlining existing-store operations On the other hand, as an effort for new concept stores, hold “Sega Collaboration Café Love Live!” at Club Sega Akihabara Shop
<ul style="list-style-type: none"> Develop business focusing on services for regular/mainstay products

TOP 3 Titles (Digital Game)



“PHANTASY STAR ONLINE 2”
©SEGA



“CHAIN CHRONICLE – Kizuna no Shintairiku”
© SEGA



“Puyopuyo!! Quest”
©SEGA

Major Index / Digital Games (Digital Overall)

*Sales top three title In the period of October-December 2015

		FY Ended March 2015				FY Ending March 2016		
		1Q Results	2Q Results	3Q Results	4Q Results	1Q Results	2Q Results	3Q Results
Domestic	Average MAU(Thousands, 3 months average)*1	6,690	5,750	5,510	5,430	5,490	7,340	6,150
	ARPM AU (JPY) *2	1,225	1,928	1,757	1,761	1,625	1,491	1,552
	Share of sales for top 3 titles *3	47.6%	52.8%	47.6%	45.4%	42.2%	40.2%	42.9%
Accumulated Downloads (Thousands)	Domestic *4	48,560	55,430	61,740	68,020	75,240	79,650	84,660
	Overseas *4	81,980	118,890	138,010	160,000	179,670	200,890	240,190
	Total	130,540	174,320	199,740	228,020	254,910	280,530	324,850
Ratio of advertising expense to net sales *5		12.6%	8.8%	7.1%	8.8%	16.0%	16.8%	14.4%
Noah Pass*8 KPI	Total number of users (Thousands) *6	51,930	58,960	82,600	94,730	100,750	118,370	129,330
	Average MAU(Thousands, 3 months average)*7	4,810	7,300	9,180	10,540	11,020	11,400	12,940
(Composition ratio of overseas sales)		9.4%	8.0%	6.3%	10.4%	11.8%	8.5%	14.9%

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.)

*1.Average of MAU within each quarter

*2.Calculated from dividing quarter digital sales (gross basis) by average MAU

*3.Sales percentage for top 3 titles against total digital sales (gross basis) of each quarter

*4.As of the last day of each quarter

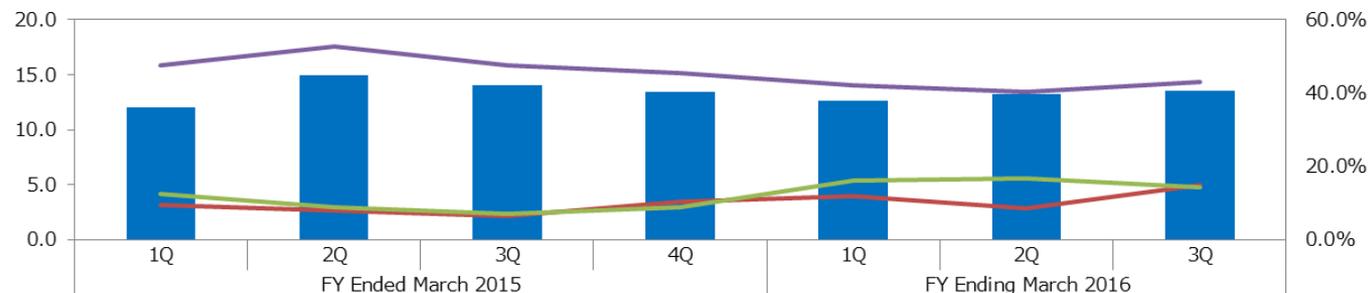
*5.Advertising expense percentage for total digital sales of each quarter

*6.As of the last day of each quarter

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

*8.Noah Pass refers to a marketing support tool for smart devices.

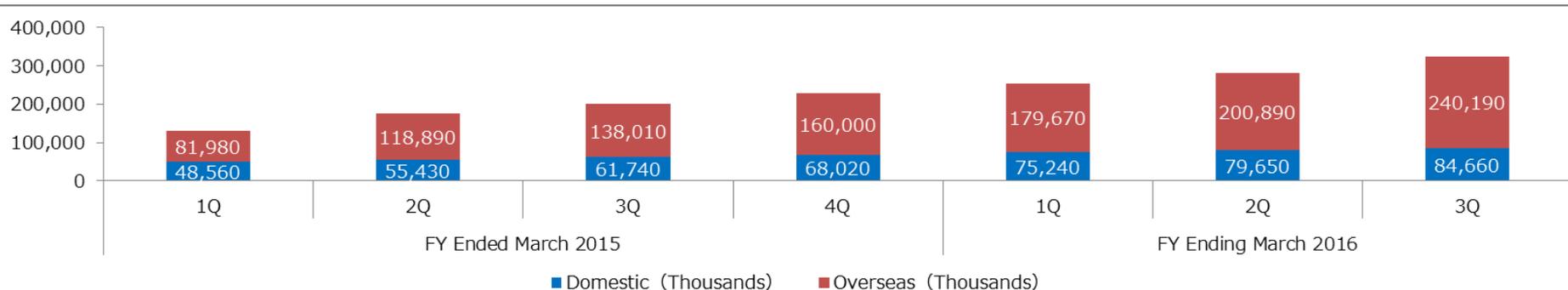
Major Index / Digital Games (Digital Overall)



Quarterly Sales (JPY billion) (left)	12.0	14.9	14.0	13.4	12.6	13.2	13.5
Composition ratio of overseas sales (%) (right)	9.4%	8.0%	6.3%	10.4%	11.8%	8.5%	14.9%
Ratio of advertising expense to net sales (%) (right)	12.6%	8.8%	7.1%	8.8%	16.0%	16.8%	14.4%
Share of sales for top 3 titles (%) (right)	47.6%	52.8%	47.6%	45.4%	42.2%	40.2%	42.9%

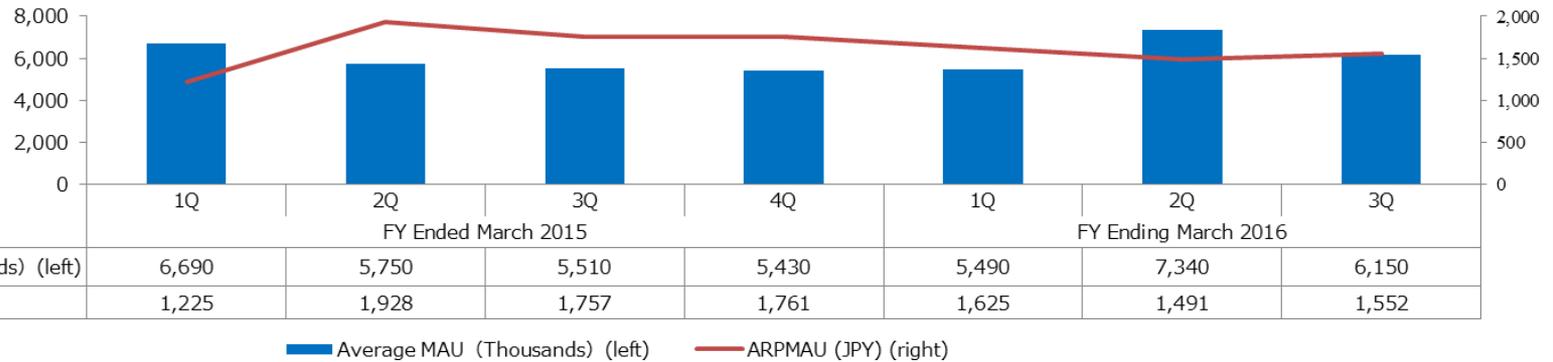
- Share of sales for top 3 titles increased due to strong performance of mainstay titles
- As with the first half of the fiscal year, invested advertising costs in new and existing titles while sales increased, and so the ratio of advertising expense to net sales decreased

Accumulated download numbers



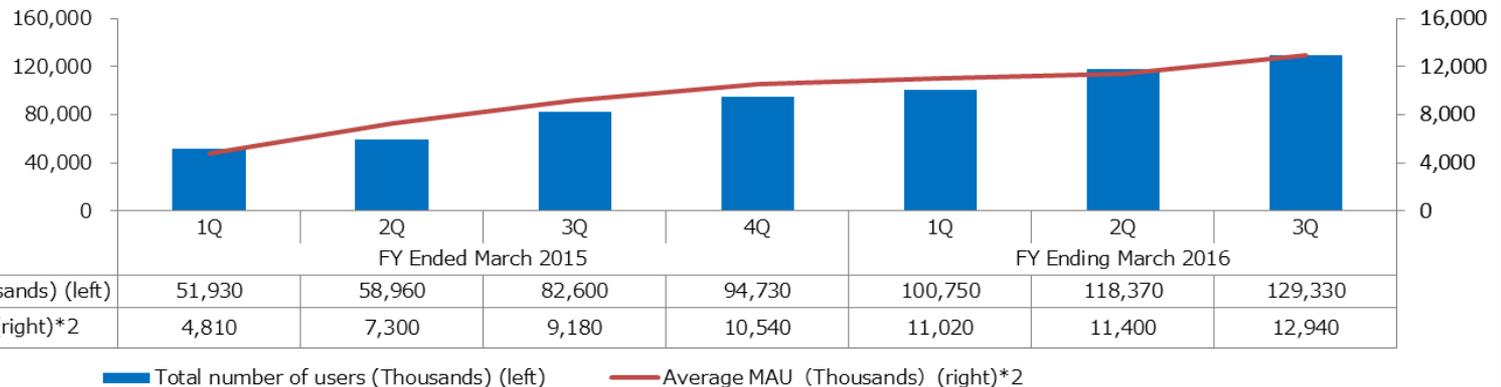
- Number of downloads continue to be on a growing trend due to the launch of new titles targeting overseas

Major Index / Domestic titles



There were fewer releases of new titles in 3Q compared to 2Q and so MAU decreased slightly; On the other hand, ARPMAU was strong

Major Index / Noah Pass *1



*1. Noah Pass refers to a marketing support tool for smart devices. *2. The counting method has been changed since FY 2016 2Q.

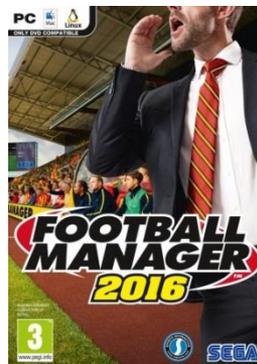
- The total number of Noah Pass users surpassed 120 million
- Works to gain profits with an advertisement profit business model going forward

Delivery Data / Plan: Packaged Games

*Number of titles reflects products which begin sales in the period

Breakdown by Region		FY Ended March 2015		FY Ending March 2016		
		Results Through 3Q	Full Year Results	Results Through 3Q	Full Year Forecast (announced on May 11)	Revised Full Year Forecasts (announced on Dec 4)
Domestic	# of titles	12	15	9	14	-
	# of titles(SKU)	15	19	13	21	-
	Unit Sales(Thousands)	1,410	2,120	830	2,660	-
Overseas	# of titles	13	15	15	20	-
	# of titles(sku)	29	31	18	24	-
	Unit Sales(Thousands)	7,500	10,160	5,290	4,480	-
Total	# of titles	25	30	24	34	-
	# of titles(sku)	44	50	31	45	-
	Unit Sales(Thousands)	8,910	12,280	6,120	7,140	-

“Football Manager 2016”
(November)



© Sports Interactive Limited 2016. Published by SEGA Publishing Europe Limited. Developed by Sports Interactive Limited. SEGA and the SEGA logo are either registered trademarks or trademarks of SEGA Holdings Co., Ltd. or its affiliates. SEGA is registered in the U.S. Patent and Trademark Office. Football Manager, the Football Manager logo, Sports Interactive and the Sports Interactive logo are either registered trademarks or trademarks of Sports Interactive Limited. All rights reserved. All other company names, brand names and logos are property of their respective owners.

(JPY Billion)		FY Ended March 2015		FY Ending March 2016				
		Results Through 3Q	Full Year Results	Results Through 3Q	YoY Change	Full Year Forecast (announced on May 11)	Revised Full Year Forecasts (announced on Dec 4)	YoY Change
Sales		10.8	14.9	11.5	+6%	18.0	16.5	+11%
Operating Income		-1.7	-2.3	-1.3	-	-3.5	-2.8	-
Operating Income Margin		-	-	-	-	-	-	-
Phoenix Seagaia Resort	Number of visitors (Thousands)	474	643	424	-11%	580	-	-
	Average sales per customer (JPY) *1	14,339	14,468	15,753	+10%	16,383	-	-
Tokyo Joypolis	Number of visitors (Thousands)	466	614	528	+13%	622	-	-
	Average sales per customer (JPY)	3,406	3,426	3,510	+3%	3,413	-	-
Orbi Yokohama	Number of visitors (Thousands)	323	400	260	-20%	384	-	-
	Average sales per customer (JPY)	2,309	2,283	2,345	+2%	2,236	-	-
Paradise Casino Incheon *2	Casino sales (Billion KRW)	80	109	65	-19%	-	-	-
	Number of visitors (Thousands)	44	58	36	-18%	-	-	-

*1. We've made a correction to the results of Phoenix Seagaia Resort due to error in counting.

*2. 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 3Q

Full Year Forecasts

Domestic

- Visitors to **“Phoenix Seagaia Resort”** decreased 11% year-on-year
⇒ The number of visitors increased 9% when the data of closed facilities is excluded such as **“Phoenix Bowl”** and **“Sun Hotel Phoenix”**
⇒ Average sale per customer increased 10% mainly due to the increase of visitors to **“Sheraton Grande Ocean Resort”**
- Visitors to **“TOKYO JOYPOLIS”** increased 13% year-on-year
⇒ Average sale per customer increased 3%
- Visitors to **“Orbi Yokohama”** decreased 20% year-on-year
⇒ Average sale per customer increased 2%

- For **“Phoenix Seagaia Resort,”** implement sales measures in line with the camp seasons of 3 professional baseball teams and 3 J. League clubs
⇒ The number of visitors is expected to decrease due to the closure of **“Sun Hotel Phoenix”**
- For **“TOKYO JOYPOLIS,”** work to strengthen operating capability by collaborating with well-recognized contents, etc.
⇒ Hold experience-based escape game **“Persona 3” The Movie** (January through March)
- For **“Orbi Yokohama,”** work to improve the number of visitors
- Open **“Orbi Osaka,”** the first licensing out facility in Japan (January)

Overseas

- Net sales of **“Paradise Casino Incheon,”** a casino facility in Incheon, South Korea, decreased 19% year-on-year due to the influence of MERS and such
- Held the event **“Qingdao JOYPOLIS x SNH48 Winter Meeting”** and other events at **“QINGDAO JOYPOLIS”** in an effort to enhance operating capabilities

- Work on the construction of the integrated resort **“PARADISE CITY,”** scheduled to open in the first half of 2017
- Grand opening of **“SHANGHAI JOYPOLIS,”** the first licensing out facility in China (planned for February)



“Phoenix Seagaia Resort”

Summary of Results Through 3Q



- To hold “Dunlop Phoenix Tournament 2015”.
- To hold “Countdown Fireworks” on New Year’s Eve.

Full Year Forecasts



- To implement bridal fair celebrating the announcement of “**Tenku no Banquet Hall**” scheduled to open in the summer
- To hold “**Ultimate Meat Journey in Seagaia**” food fair where Miyazaki beef can be enjoyed



“Tokyo Joypolis”



- To strengthen contents production capability through collaborating with “**Tokyo Ghoul × JOYPOLIS**”.
- To hold an event “**SID**”.



- To implement experience-based escape game “**Persona 3**” The Movie
- Opening of first licensing out facility in China, “**SHANGHAI JOYPOLIS**”



“Orbi Yokohama”



- To hold various Halloween programs and “**Aurora**” events in winter holiday.
- To develop kids, birthday and party plan.



- Limited revival of theater program “**Ice World**”
- Opening of first licensing out facility in Japan, “**Orbi Osaka**”

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

<Construction progress (as of December 31, 2015)>

<Image after completion >
(scheduled to open in the first half of 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: 388 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 (103 rooms; additional facilities: fitness center)
Opening	Scheduled for First half of 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 (currently under trial operation)
- Also a 5-minute drive from Incheon IC on the expressway

Appendix

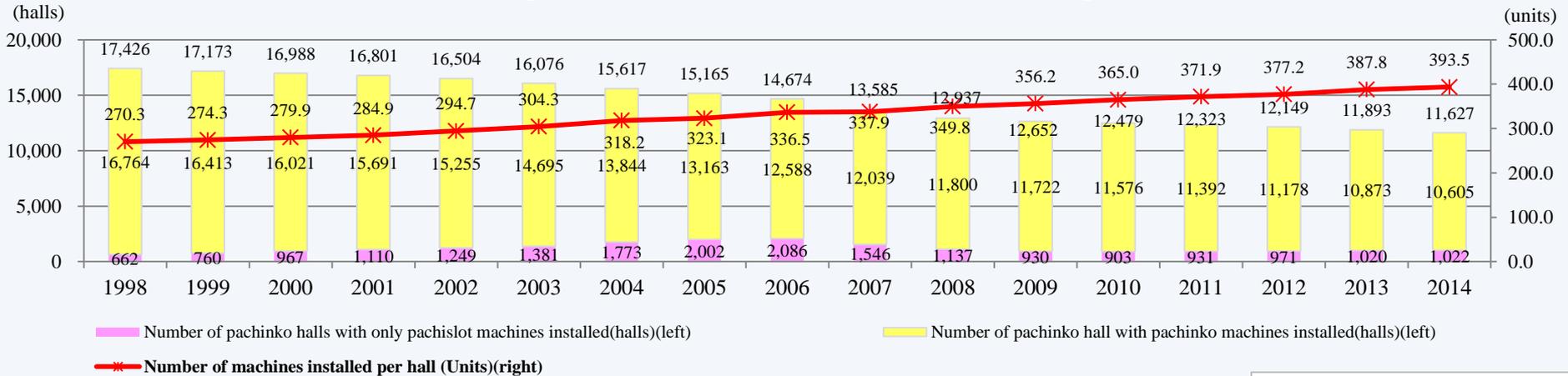


1. Supplementary Information on the Market



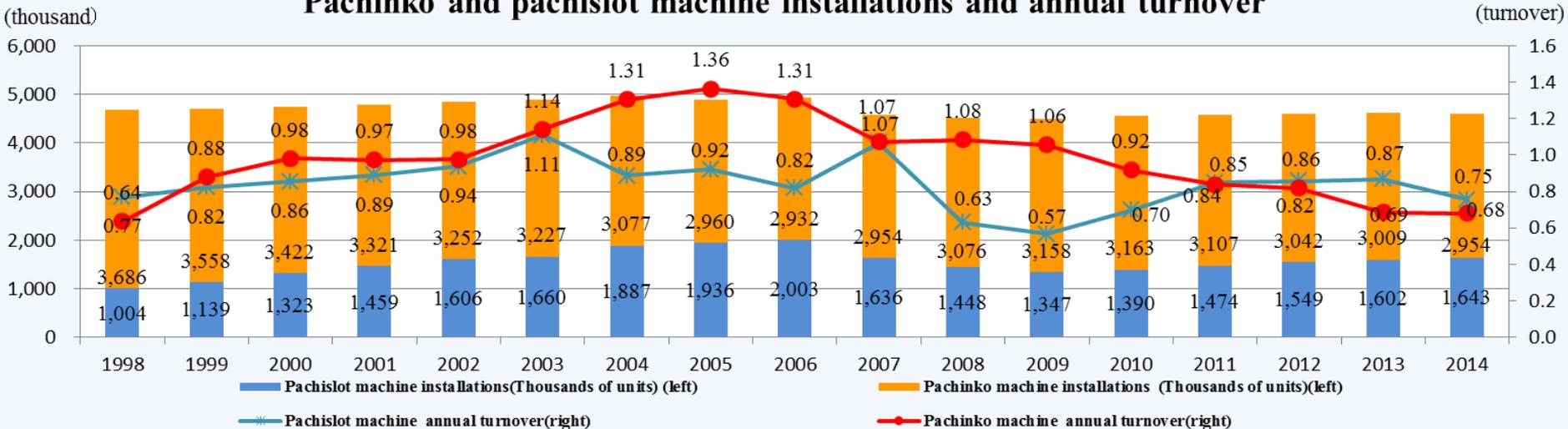
SEGA-SAMMY
HOLDINGS

Number of pachinko hall and number of machines installed per hall



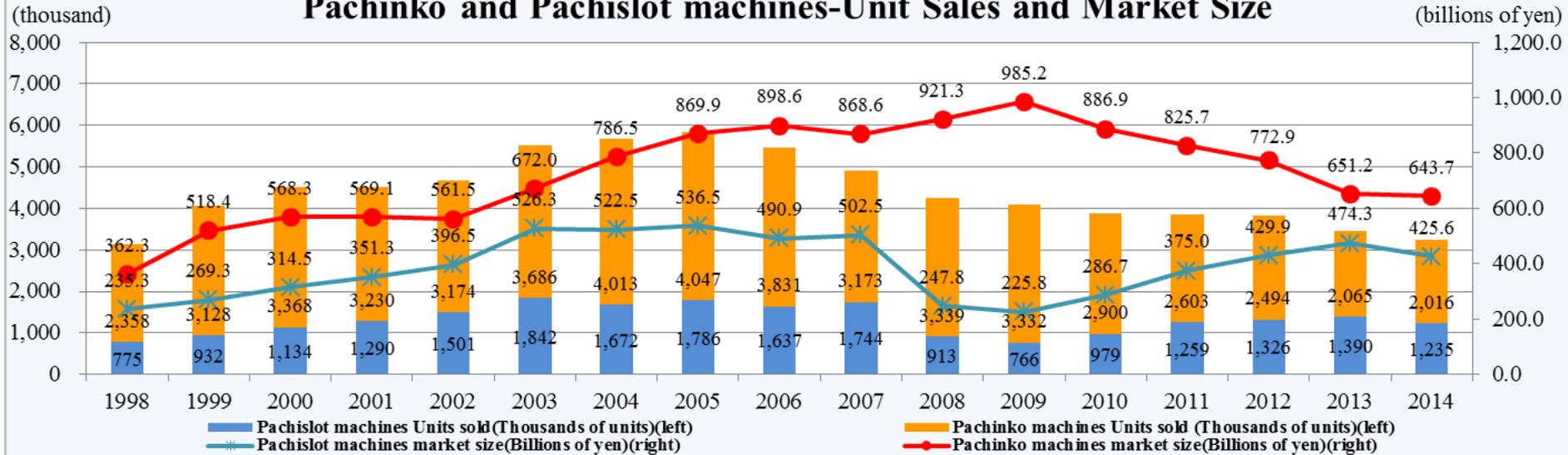
Sources : National Police Agency

Pachinko and pachislot machine installations and annual turnover



Sources: National Police Agency and Yano research Institute Ltd.

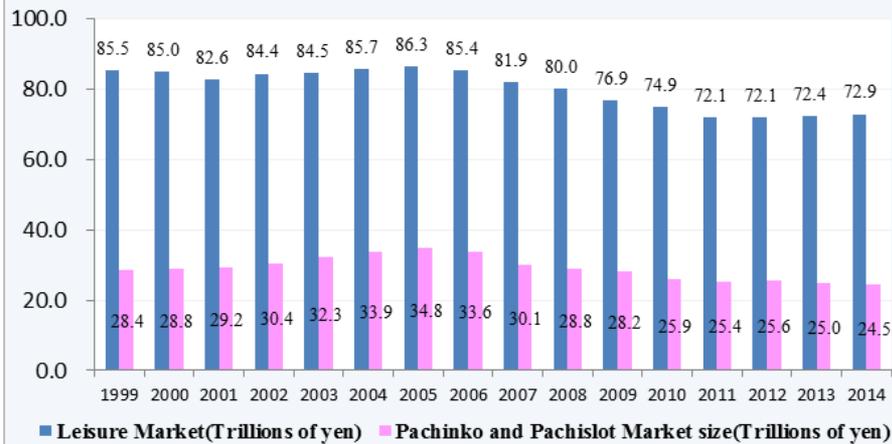
Pachinko and Pachislot machines-Unit Sales and Market Size



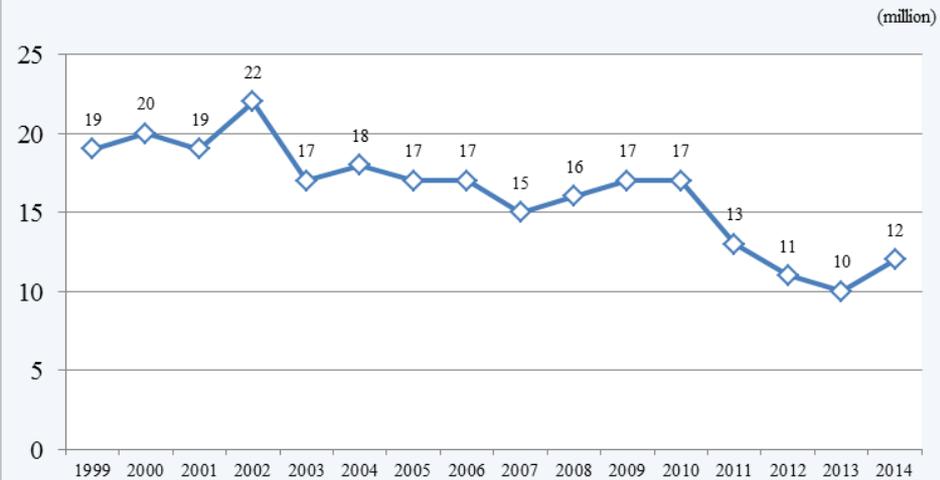
Sources: Yano research Institute Ltd.

(Trillions of yen)

Market size results

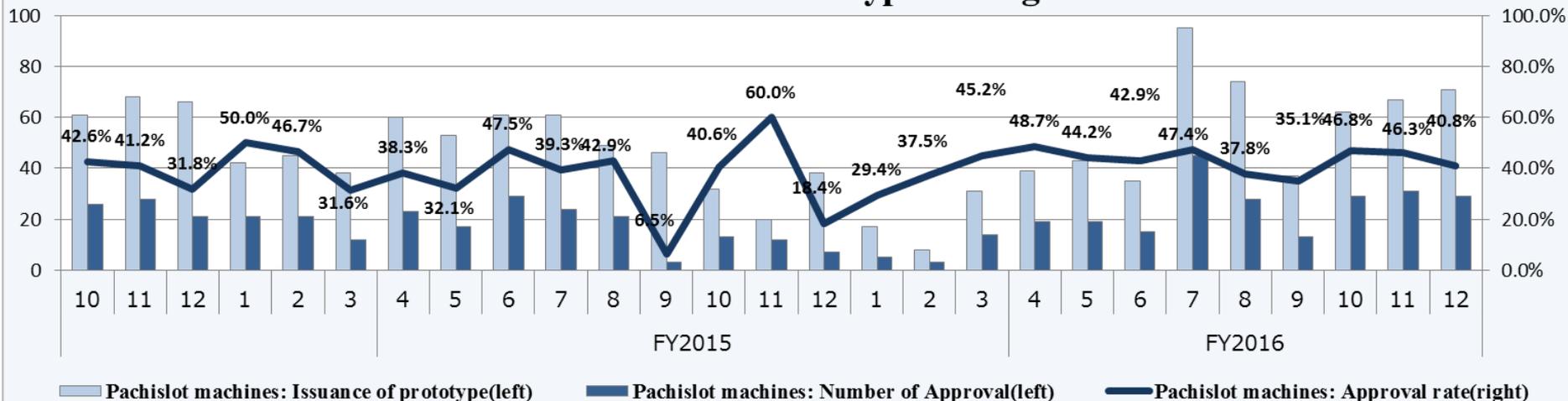


Number of players (million)

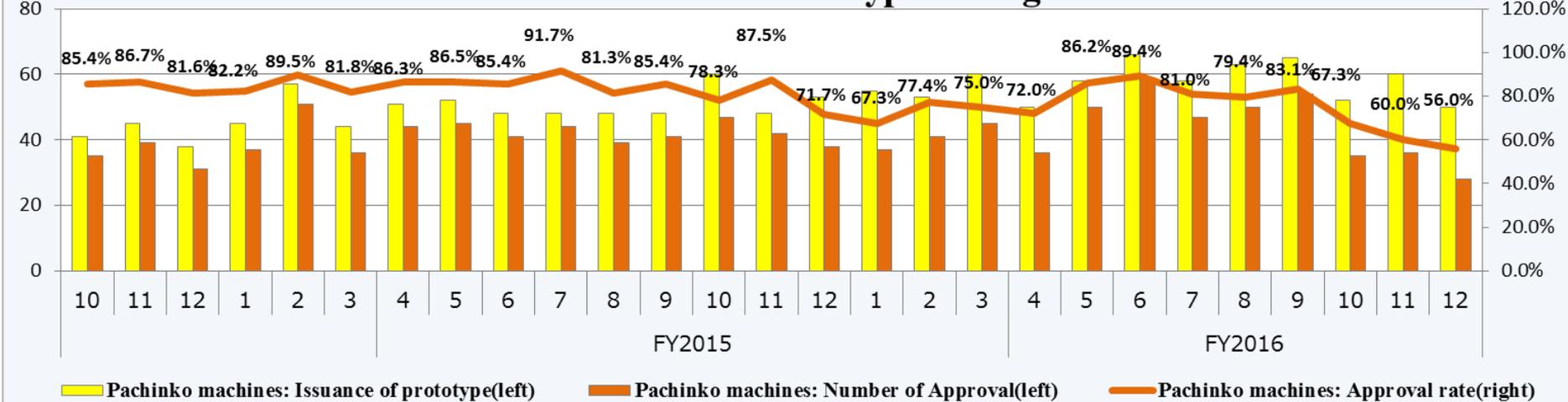


Sources : White Paper on Leisure Industry 2015, Japan Productivity Center

Pachislot machines: Prototype testing results



Pachinko machines: Prototype testing results



Sources: Security Communications Association

Share of Annual Pachislot Machine Sales

Rank	2010			2011			2012			2013			2014		
	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%
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%
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%
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%
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%

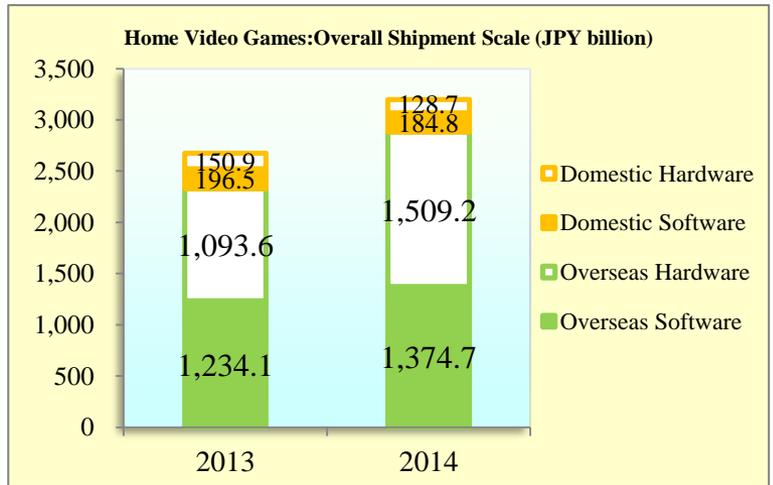
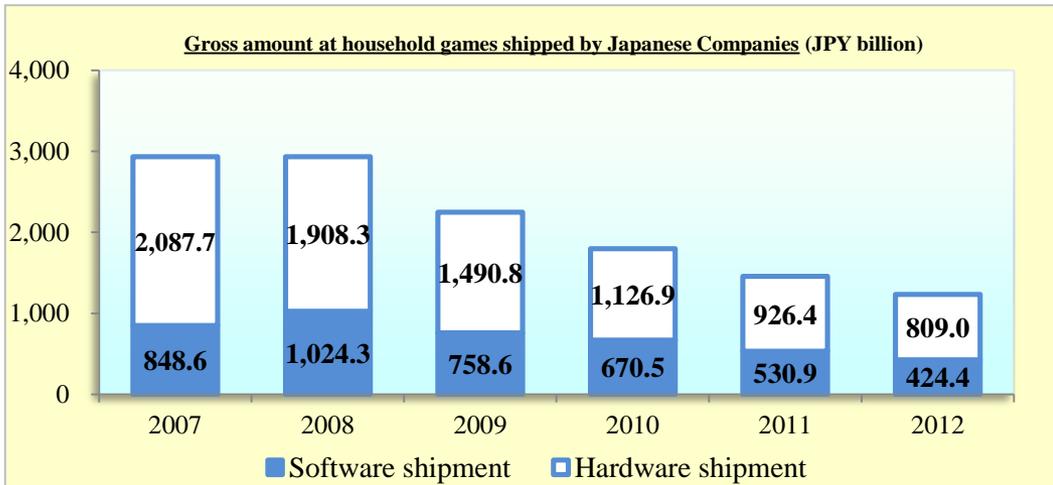
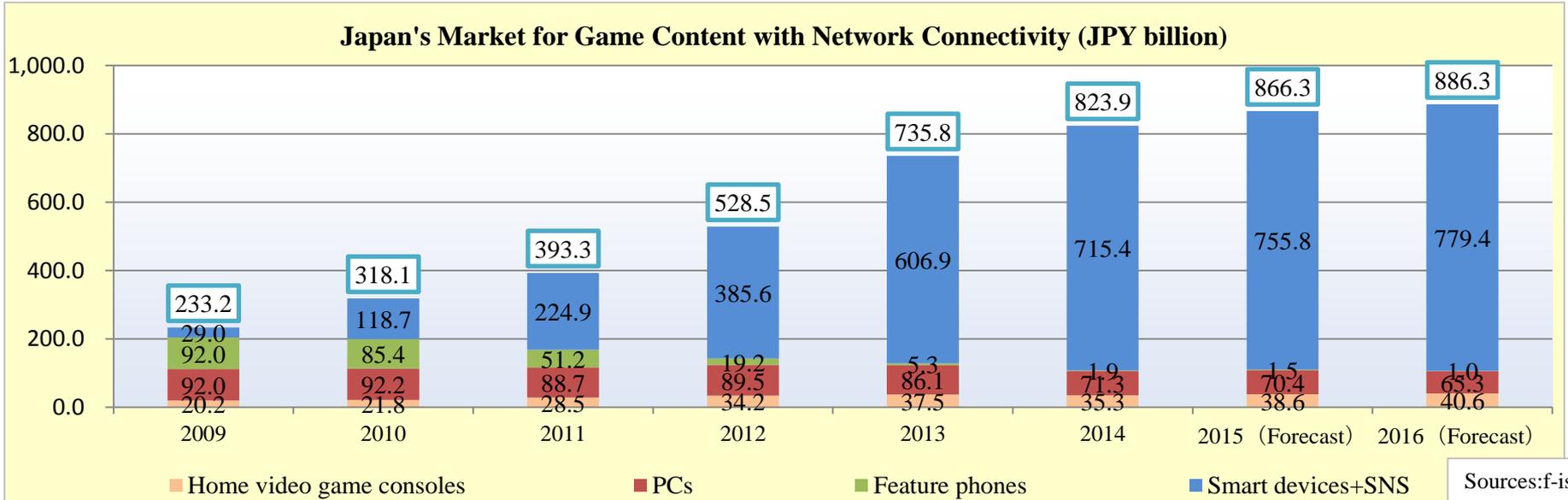
Share of Annual Pachinko Machine Sales

Rank	2010			2011			2012			2013			2014		
	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%
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%
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%
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%
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%

Source: Yano Research Institute Ltd.

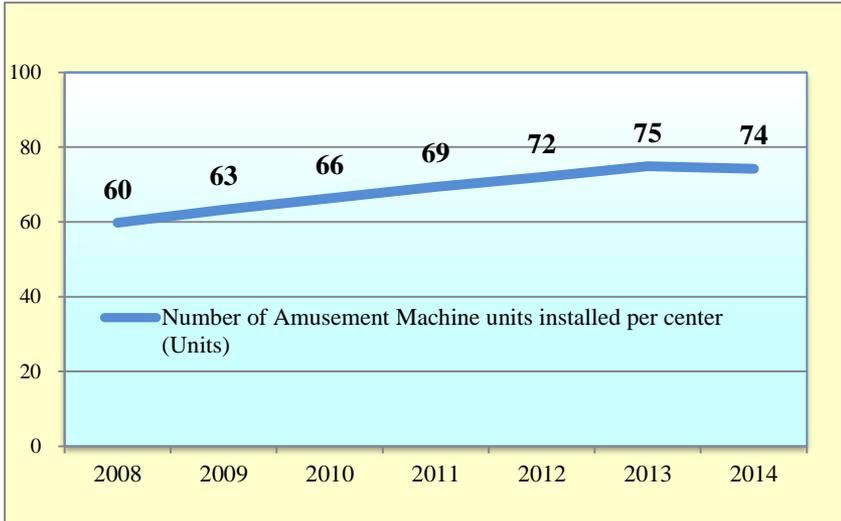
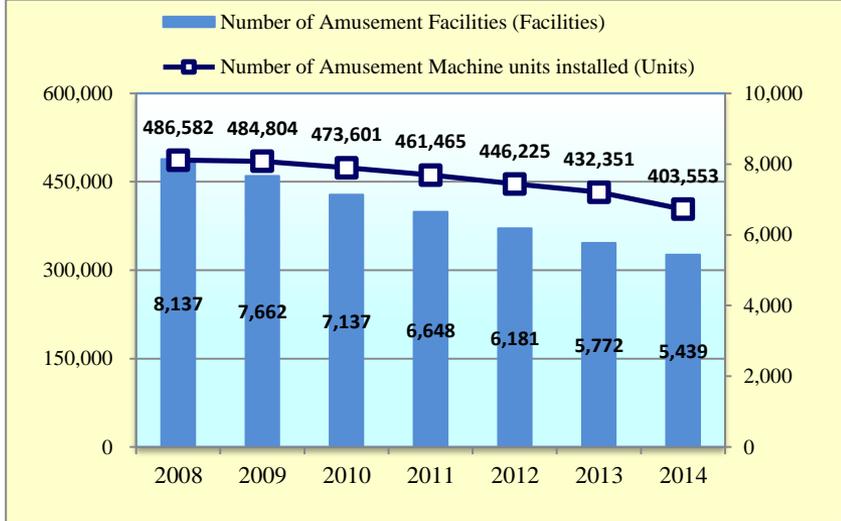
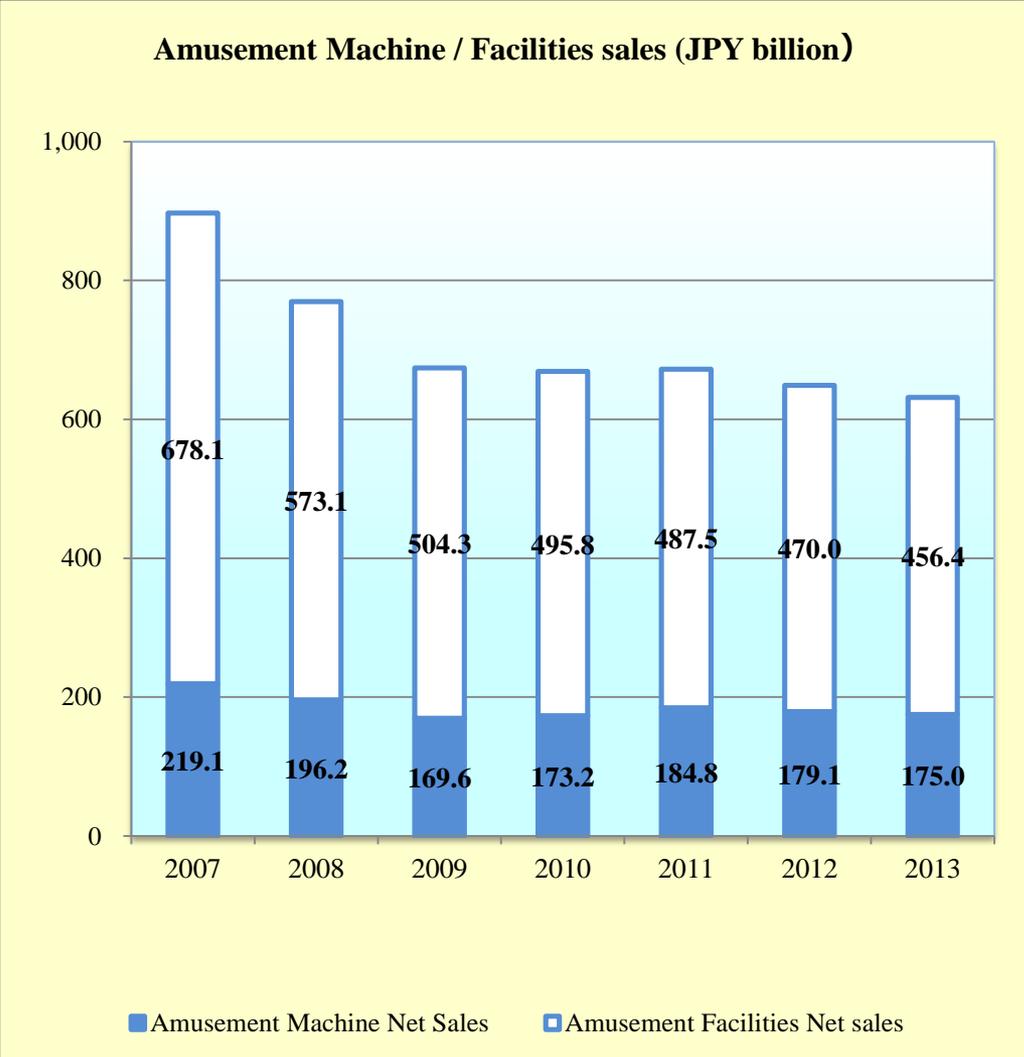
*Estimated by Yano Research Institute Ltd. with fiscal years from July of each year through June the following year as criteria

Home Video Game and Online Game Markets Scale



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



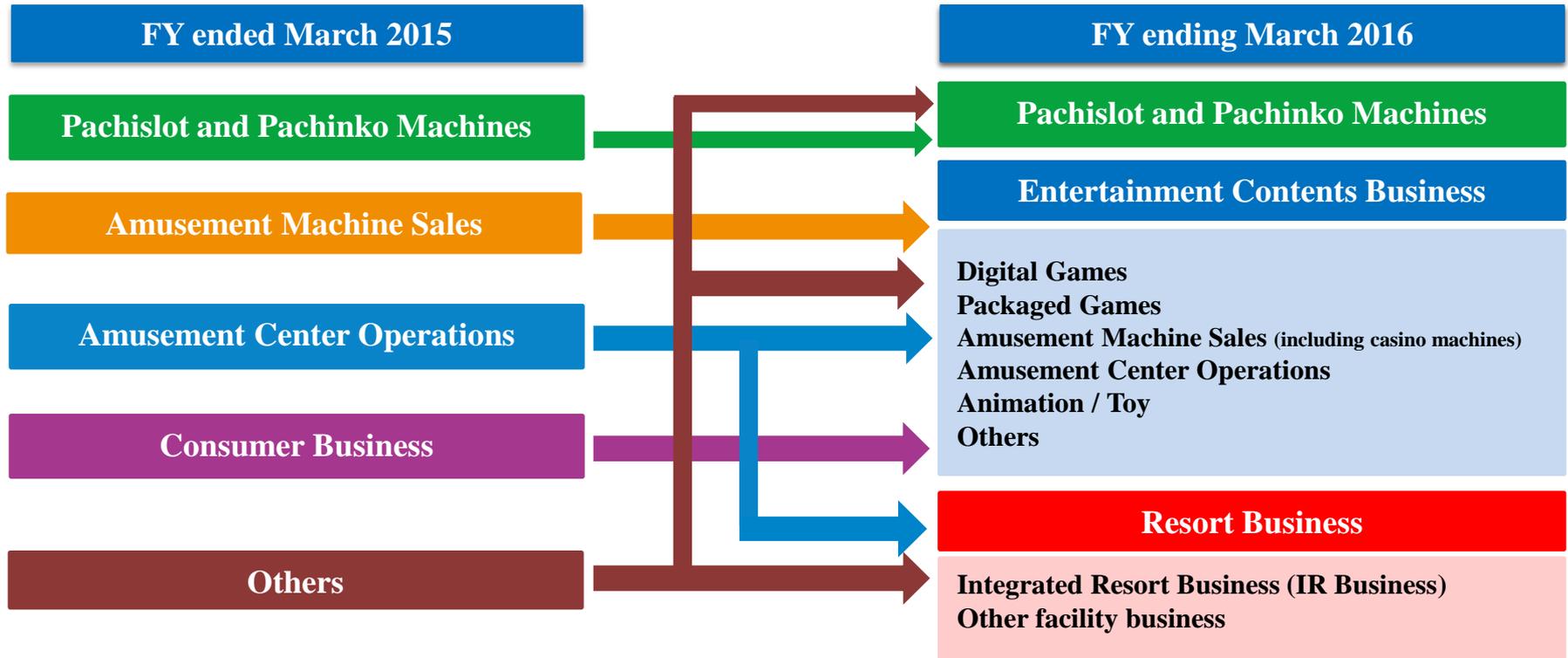
Source: JAIA, National Police Agency

2. Supplementary Information on the Business



SEGA-SAMMY
HOLDINGS

(1) Change to Business segment

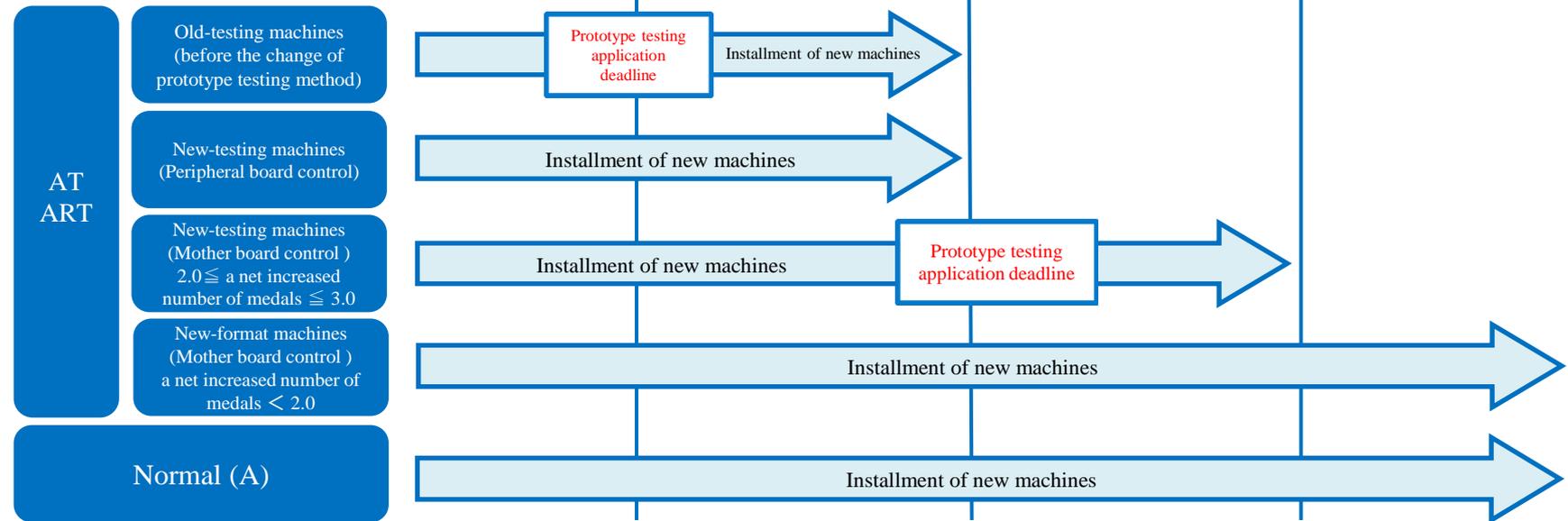


(2) Change to Accounting policy (From FY ending March 2016)

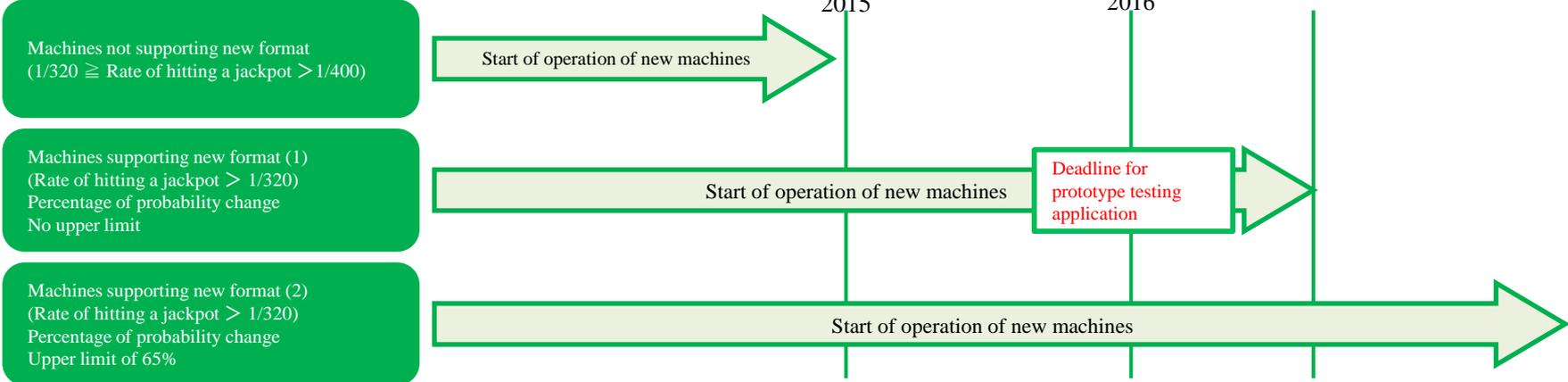
Recording of net sales has been changed from net basis to gross basis.

Recording of net sales has been changed from shipment basis to delivery basis.

■ Pachislot



■ Pachinko



■ Pachislot

	Normal (A)	A+ART (Combined)	AT+ART
Market Share	Sales: Approx. 16.7% Installment: Approx. 33.4%	Sales: Approx. 7.7% Installment: Approx. 5.9%	Sales: Approx. 75.9% Installment: Approx. 60.7%
Features	Machine type that increases put-out medals only with bonus	Combined machine type that increases put-out medals with both bonus and ART	Machine type that increases put-out medals only with AT and ART
Our company's products (launch year)	Pachislot ALIYAN BEGINS (2011)	Pachislot Psalms of Planets Eureka SeveN (2009)	Pachislot ALADDINA II (2015)

■ Pachinko

	Max	Middle	Light-middle	Light/Easy-to-win, etc.
Market Share	Sales: Approx. 54.4% Installment: Approx. 33.9%	Sales: Approx. 6.5% Installment: Approx. 14.4%	Sales: Approx. 14.3% Installment: Approx. 12.7%	Sales: Approx. 24.8% Installment: Approx. 39.0%
Approximate probability of hitting a jackpot	Approx. 1/400 ~ 1/370	Approx. 1/370 ~ 1/260	Approx. 1/260 ~ 1/180	Approx. 1/180 ~
Features	Probability of hitting the jackpot is lowest, but can win more ball pay-out than other types.	Probability of hitting the jackpot is higher than that with Max, but cannot win as many balls pay-out as Max type.	Probability of hitting the jackpot is higher than that with Middle, but cannot win as many balls pay-out as Middle type.	Probability of hitting the jackpot is high, but cannot win many balls pay-out
Our company's products (launch year)	CR Hokuto No Ken 6 Ken-ou (2014)	Pachinko CR Bakemonogatari (2014)	CR GAMERA (2015)	Dejihane CR Bakemonogatari (2015)

*Sales share is calculated using our company's estimates for January 2015 to the end of September 2015 and installment share is calculated using that for September 30, 2015.

*AT=Assist Time ART=Assist Replay Time

Digital Games	Packaged Games	Amusement Machine Sales	Amusement Center Operations	Animation / Toy
<ul style="list-style-type: none"> • Planning / development / operation of PC online games • Planning / development / operation of games for smart devices 	<ul style="list-style-type: none"> • Planning / development / sales of game software for home video game consoles 	<ul style="list-style-type: none"> • Development / production / sales, etc. of amusement machines • Development / production / sales of casino machines 	<ul style="list-style-type: none"> • Planning / development / operation of amusement centers and darts bars 	<ul style="list-style-type: none"> • Production / sales / distribution / export of animation works • Planning / production / sales of toys
 <p>“PHANTASY STAR ONLINE 2” ©SEGA</p>  <p>“CHAIN CHRONICLE – Kizuna no Shintairiku” © SEGA</p>	 <p>“Ryu ga Gotoku 0: Chikai no Basho” ©SEGA</p>  <p>“Sonic Boom Series” ©SEGA</p>	 <p>“UFO Catcher 9” ©SEGA</p>  <p>『StarHorse3 Season III CHASE THE WIND』 © SEGA</p>	 <p>“SEGA LaLaport FUJIMI” ©SEGA ENTERTAINMENT Co. Ltd.</p>  <p>“KidsBee “ ©SEGA ENTERTAINMENT Co. Ltd.</p>	 <p>“LUPIN THE 3rd” Original comic books created by Monkey Punch © Monkey Punch All rights reserved © TMS All rights reserved</p>  <p>“Jewel Watch” ©’08, ’15 SANRIO / SEGA TOYS S•S / TX•JLPC</p>

Major initiatives taken in the Resort Business

- Facility name: Phoenix Seagaia Resort
- Location: Miyazaki prefecture (Miyazaki City)
- Operating company: PHOENIX RESORT CO.,LTD.
- Overview: Resort facility which holds accommodation facilities such as “Sheraton Grande Ocean Resort,” a world-class convention center with maximum capacity of 5,000 people and sports facilities including one of Japan’s most renowned golf course “Phoenix Country Club”

- Facility name: JOYPOLIS
- Location: Tokyo (Odaiba), Osaka (Umeda) , Qingdao (China), Shanghai (China)
- Operating company: SEGA LIVE CREATION Inc.
- Overview: One of the largest indoor theme parks in Japan produced under the concept of “DigitaReal” meaning fusion of “digital” and “real”

- Facility name: Orbi
- Location: Yokohama (Minato Mirai) , Osaka (EXPOCITY)
- Operating company: SEGA LIVE CREATION Inc.
- Overview: Various scenes on the earth are recreated by combining footage of BBC EARTH and SEGA’s entertainment technologies. Completely new type of museum where visitors can feel the mystery of nature throughout their bodies

- Facility name: Paradise Casino Incheon / PARADISE CITY
- Location: South Korea (Incheon)
- Operating company: PARADISE SEGASAMMY Co., Ltd.
- Overview: Operation of Paradise Casino Incheon, South Korea’s first casino exclusively for foreigners which opened in 1967, and development of PARADISE CITY, South Korea’s first full-fledged integrated resort which is scheduled to open in the first half 2017

- Facility name: (to be determined)
- Location: South Korea (Busan Metropolitan City)
- Operating company: SEGASAMMY Busan Inc.
- Overview: Development and operation of large resort complex facility comprised of a hotel, entertainment and commercial facilities, etc., in Busan Metropolitan City, South Korea



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/2015/e_201503_4q_transition.xls)

※The counting rules for the number of facilities have been changed from fiscal year ending March 2014

(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	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	64.2	29.5	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/2016/e_201603_3q_transition.xls)

(JPY billion)		FY Ended March 2015				FY Ending March 2016		
		Results Through 1Q	Results Through 2Q	Results Through 3Q	Full Year Results	Results Through 1Q	Results Through 2Q	Results Through 3Q
Breakdown	Net Sales	90.0	158.1	267.7	366.8	52.9	154.3	245.0
	Pachislot and Pachinko Machines	47.2	61.1	108.9	152.1	7.6	56.6	90.4
	Entertainment Contents	39.9	90.3	147.9	199.6	41.8	90.2	143.0
	Resort	2.8	6.6	10.8	14.9	3.4	7.4	11.5
Breakdown	Operating Income	8.9	2.7	10.8	17.4	-9.4	5.7	12.1
	Pachislot and Pachinko Machines	12.5	7.0	15.3	25.7	-6.7	8.5	15.4
	Entertainment Contents	-1.3	0.6	2.0	0.0	-0.7	1.5	2.4
	Resort	-0.7	-1.4	-1.7	-2.3	-0.5	-1.2	-1.3
	Other / Elimination	-1.4	-3.5	-4.8	-6.0	-1.3	-3.1	-4.4
	Operating Margin	9.9%	1.7%	4.0%	4.7%	-	3.7%	4.9%
	Ordinary Income	9.6	2.6	10.7	16.8	-8.7	5.8	12.6
	Ordinary Income Margin	10.7%	1.6%	4.0%	4.6%	-	3.8%	5.1%
	Profit attributable to owners of parent	5.1	-2.8	-2.7	-11.3	-7.9	0.9	6.4
	Net Income Margin	5.7%	-	-	-	-	0.6%	2.6%
	R&D expense / content production expense	12.4	28.4	48.8	67.6	12.8	24.7	40.3
	Cap-ex	6.9	14.7	20.5	28.7	6.8	12.5	21.0
	Depreciation	4.0	8.1	12.8	17.6	4.1	8.2	12.5
	Advertising	4.1	10.0	14.5	19.1	3.9	9.3	13.6
	# of pachislot titles	3 titles	4 titles	5 titles	6 titles	-	2 titles	6 titles
	Unit sales	82,791 units	93,045 units	96,111 units	207,830 units	102 units	70,260 units	121,645 units
	# of pachinko titles	5 titles	5 titles	8 titles	10 titles	2 titles	6 titles	7 titles
	Unit sales	47,711 units	82,955 units	224,519 units	241,425 units	22,362 units	79,604 units	115,396 units
	Same Store Sales Comparisons	99.4%	98.7%	100.1%	100.1%	101.4%	102.2%	101.7%
	Domestic Facilities	201 facilities	198 facilities	198 facilities	198 facilities	198 facilities	198 facilities	198 facilities
	# of game software titles	3	6	25	30	5	12	24
	# of game software titles (sku)	5	14	44	50	6	14	31
	Sales (Thousand units)	1,700	4,100	8,910	12,280	1,830	3,280	6,120

*Sales of new segment is changed to gross basis.

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



<http://www.segasammy.com/>

[Disclaimer]

- The contents in 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 the currently available information.
- These contents involve risk and uncertainty, and the actual results may differ materially from these contents/comments.

Please visit below websites for products and service information.

<http://www.sega.jp/> (SEGA Group)

<http://www.sammy.co.jp/> (Sammy)

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