

N E W S R E L E A S E

(Translation)

March, 2017

SEGA SAMMY HOLDINGS INC.

**Joint Project by Sega Sammy Group and South Korean Paradise Group
South Korea's First Integrated Resort (IR) Facility in the Area Adjacent to
Incheon International Airport**

PARADISE CITY

Opening on April 20, 2017 (Thursday)



(Architectural rendering)

PARADISE SEGASAMMY Co., Ltd. (Representative Director: Jung Yeon Soo; hereafter “PARADISE SEGASAMMY”), a joint venture company which SEGA SAMMY HOLDINGS INC. (headquarters: Minato-ku, Tokyo; Chairman and Representative Director: Hajime Satomi; hereafter “SEGA SAMMY”) established with Paradise Co., Ltd. (Chairman: Phil-Lip Chun; hereafter “Paradise”), will open South Korea's first integrated resort (IR) “PARADISE CITY” on April 20, 2017 (Thursday).

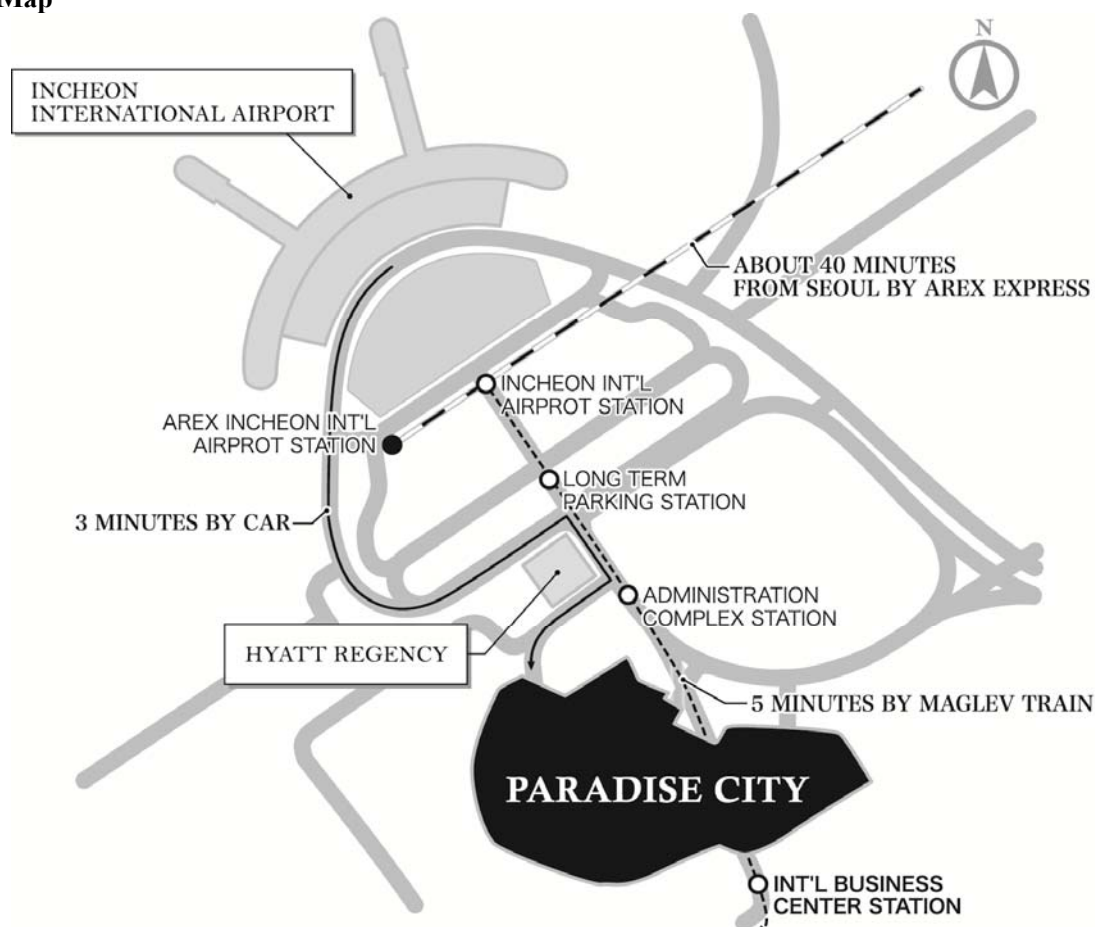
The development project for PARADISE CITY was launched in 2012, with an aim to create South Korea's first integrated resort (IR) facility which people of all ages including adults and children will be able to enjoy, by constructing a luxury hotel, boutique hotel, casino, commercial facilities, convention halls, a premium spa, etc. on a site of 330,000 m². With the opening at this time, the luxury hotel with 711 guestrooms as well as South Korea's largest foreigners-only casino and convention halls will begin operation. All facilities under the first project development are scheduled to be completed in 2018.

PARADISE CITY will deliver a best-ever resort experience to every visitor with highly sophisticated spaces integrating art and entertainment, and world-class hospitality.

■ PARADISE CITY Overview

| | | |
|----------------------|---|--------------------------------------|
| Facility name | PARADISE CITY | |
| Operating company | PARADISE SEGASAMMY Co.,Ltd. | |
| Facility address | 186, Yeongjonghaeannam-ro 321-gil, Jung-gu, Incheon, Republic of Korea | |
| Site area | 330,000 m ² | |
| Investment amount | Approx. 1,300 billion KRW (amount invested by SEGA SAMMY: 232.9 billion KRW; shareholding ratio: 45%) | |
| Facility composition | Hotel | Open on April 20, 2017 |
| | Casino | |
| | Convention hall (banquet hall) | |
| | Commercial facility, cultural center | *Plans to open in first half of 2018 |
| | Premium spa (hot bath facility) | |
| | Club, entertainment facility | |
| | Boutique hotel | |
| Opening | April 20, 2017 | |
| Official website | http://www.p-city.com/ | |

* Announcement of starting date and time of hotel reservation will be made at the official website.

■ Map


■ Overview of facilities beginning operation upon opening on April 20

| | |
|-------------------|--|
| Hotel | <p>Luxury hotel with 711 guestrooms. Different room types including suite, pool villa and deluxe are available to meet various needs and requests.</p> <p>The hotel offers a wide range of facilities such as restaurants (Japanese, Chinese, Italian, buffet), an entertainment bar, spa & sauna, fitness, indoor/outdoor pools and a kids' zone.</p> |
| Casino | <p>Casino facility with one of the largest facility floor spaces in South Korea.</p> <p>The casino is equipped with 154 game tables, 281 slot machines and 4 (62 seats) electronic table games (ETG). Furthermore, there are restaurants and bars in the casino facility so that visitors can enjoy their time in a pleasant environment.</p> |
| Convention | <p>Comprised of a grand ballroom, two medium-sized party rooms and five meeting rooms, the convention halls provide facilities that can accommodate various needs; from international conferences and events to weddings.</p> |

■ Hotel (accommodation facility)

● Suite



● Pool villa



■ Restaurants and bars in the hotel

● Premium buffet restaurant “On The Plate”

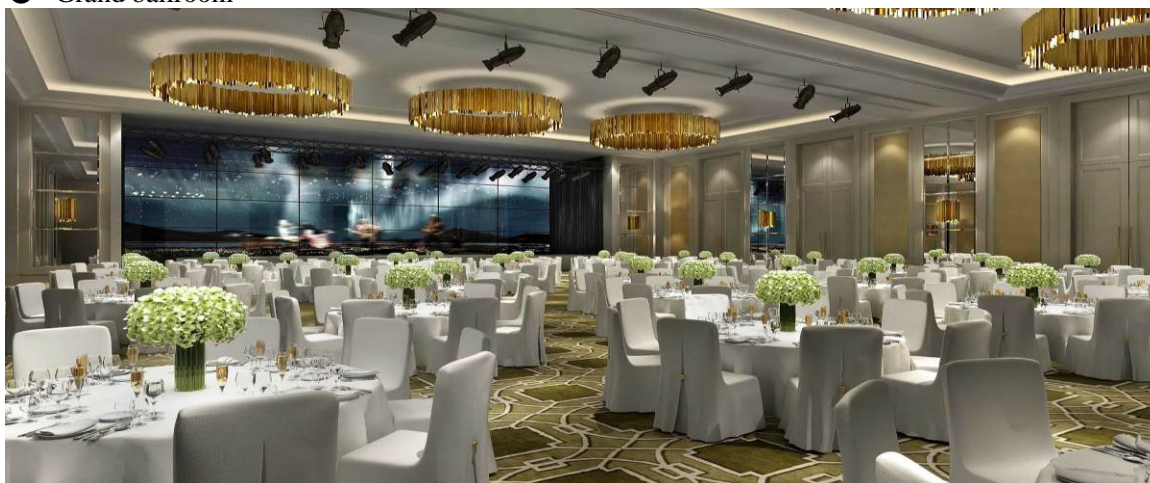


● Entertainment bar “RUBIK”



■ Convention halls (Convention/party halls)

● Grand ballroom



■ Casino facility

● Casino floor



● Entertainment bar “21”



*The images on this press release are for illustrative purposes only.

■ PARADISE SEGASAMMY: Company Overview

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|--------------------|---|
| Business name | PARADISE SEGASAMMY Co., Ltd. |
| Address | 186, Yeongjonghaeannam-ro 321-gil, Jung-gu, Incheon, Republic of Korea |
| Capital | 240.6 billion KRW |
| Incorporated | 2012 |
| Representative | Jung Yeon Soo |
| Principal business | Tourism business development, tourist hotel accommodation business, leisure industry, casino business, etc. |

■ Paradise Co., Ltd.: Company Overview

| | |
|--------------------|---|
| Business name | Paradise Co., Ltd. |
| Address | Dongho-ro 268, Jung-gu, Seoul, Republic of Korea |
| Capital | 47 billion KRW |
| Incorporated | 1972 |
| Representative | Park Pyung Yong Jung Yeon Soo |
| Principal business | Casino operation business “Paradise Walkerhill” etc., facility operation business (hotels, spas, etc.), travel agency business, construction business, etc. |

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