

“Road to 2020”

Summary of Performance in FY Ended March 2018 and
Priority Measures in FY Ending March 2019

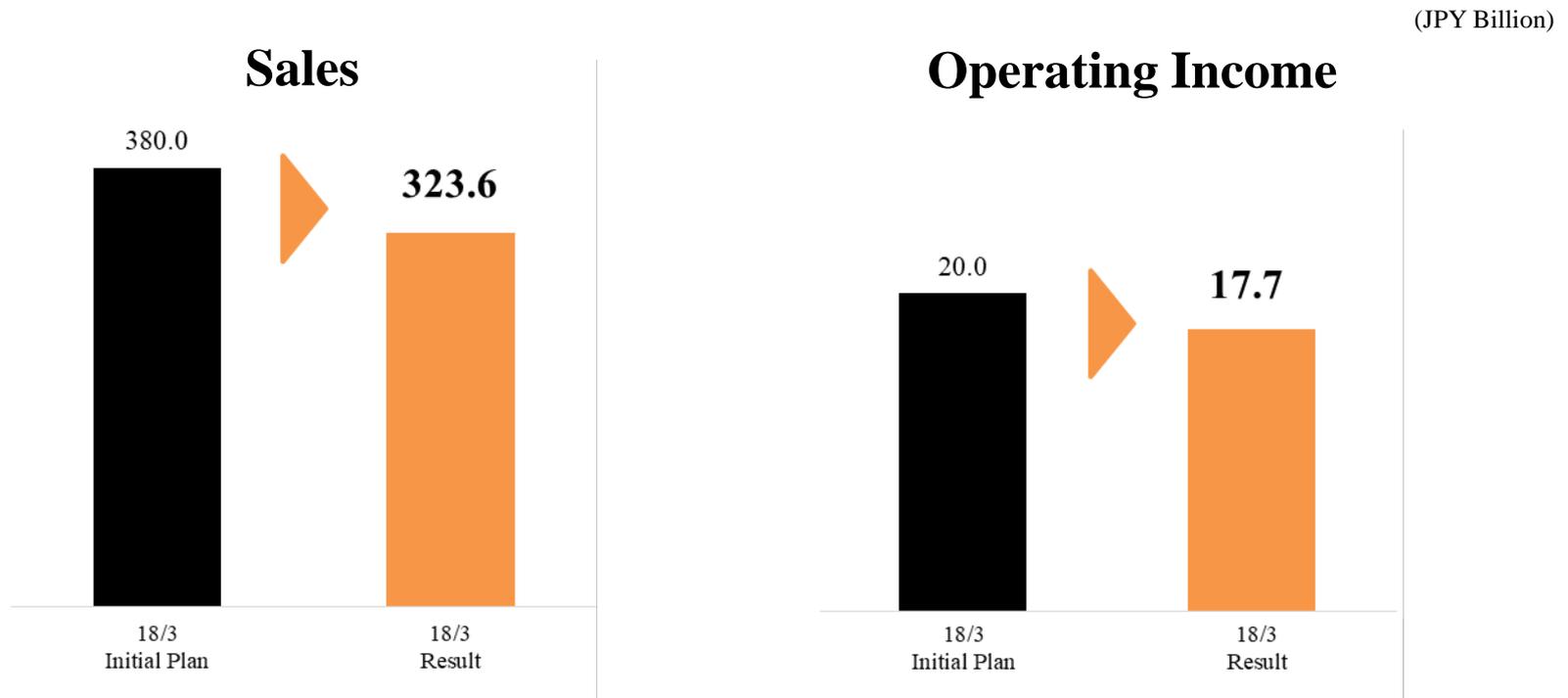


Summary of Performance in FY Ended March 2018



【 Results fell short of initial plan 】

- Significant revisions were made to Pachislot and Panchinko machine sales schedule
- Launches of new digital game titles were delayed



【 Key Achievements in FY Ended March 2018】

- ✓ **Increase of earnings in Entertainment Contents Business for 3 consecutive years.**
- ✓ **Opening of “Paradise City”**
- ✓ **Acquisition of Nevada gaming machine licenses**

**【 Pachislot and Panchinko machines :
Results fell short of the initial plan 】**

- ✓ Significant revisions were made to sales schedule due to the impact of change to the regulation
- ✓ Titles including using ZEEG-made cabinet were pushed back
- ✓ Strategies under “Road to 2020” were implemented steadily.
(measures to promote the reuse of parts from used machines, improvement of development efficiency, etc.)

【 Entertainment Contents Business : Results were strong】

- ✓ Performance in areas such as packaged games, amusement machine sales and operations were strong
- ✓ However, launches of new digital game titles were delayed

✓ Packaged games was strong

Persona5 Release of the version for Europe and America. Sales of 2.2 million units around the world

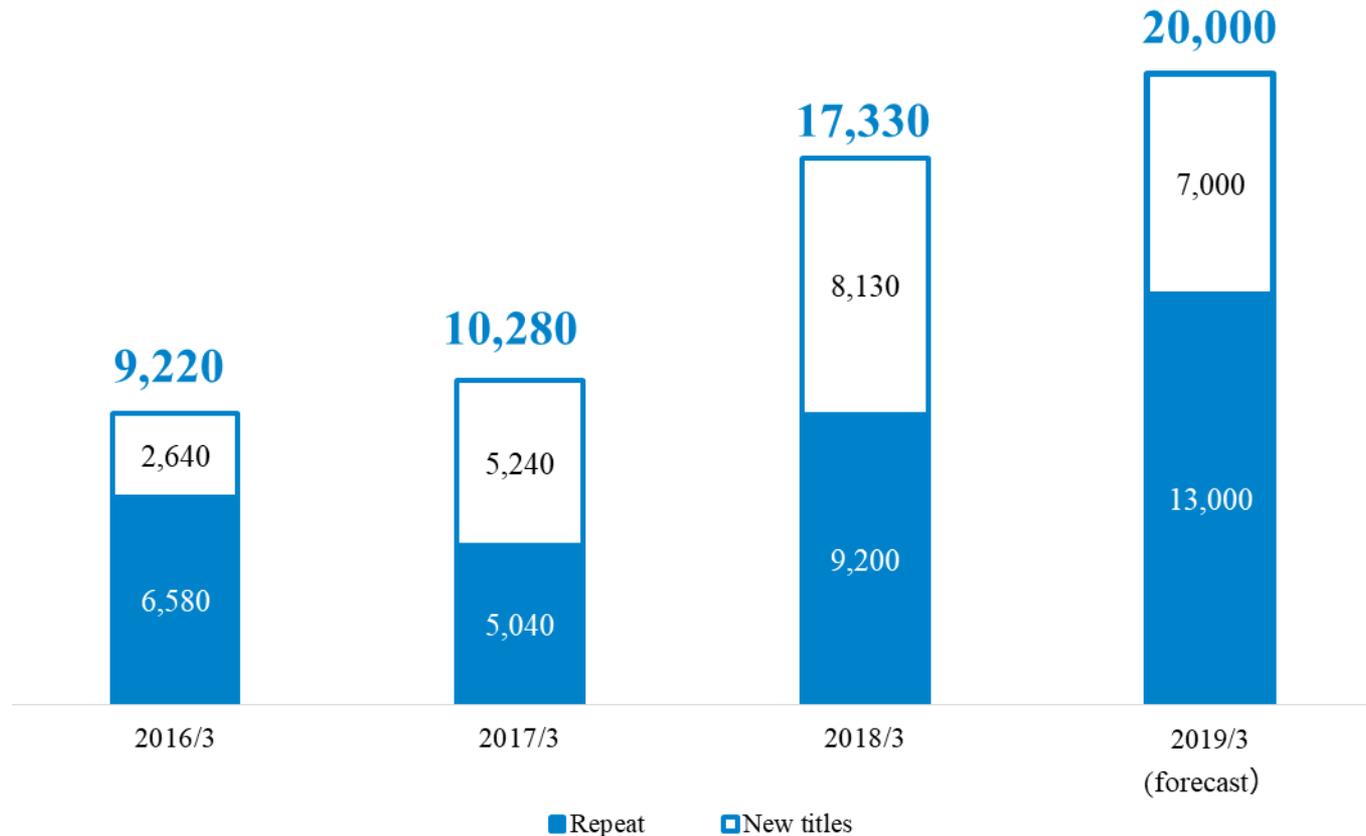
SONIC series “SONIC MANIA”, “SONIC FORCES” performed strongly

Total War “Total War: WARHAMMER” series performed strongly



✓ Repeat sales pushed up total sales in units (Packaged Games)

(Thousands)



【 Resort Business : Progressed favorably 】

- ✓ 1-1 phase of Paradise City was opened (April 2017)
- ✓ Acquired gaming machine licenses in Nevada

<Paradise City>

Appearance



Casino



Priority Measures in FY Ending March 2019



“Road to 2020” Target

**Operating income
margin of
at least 15%**

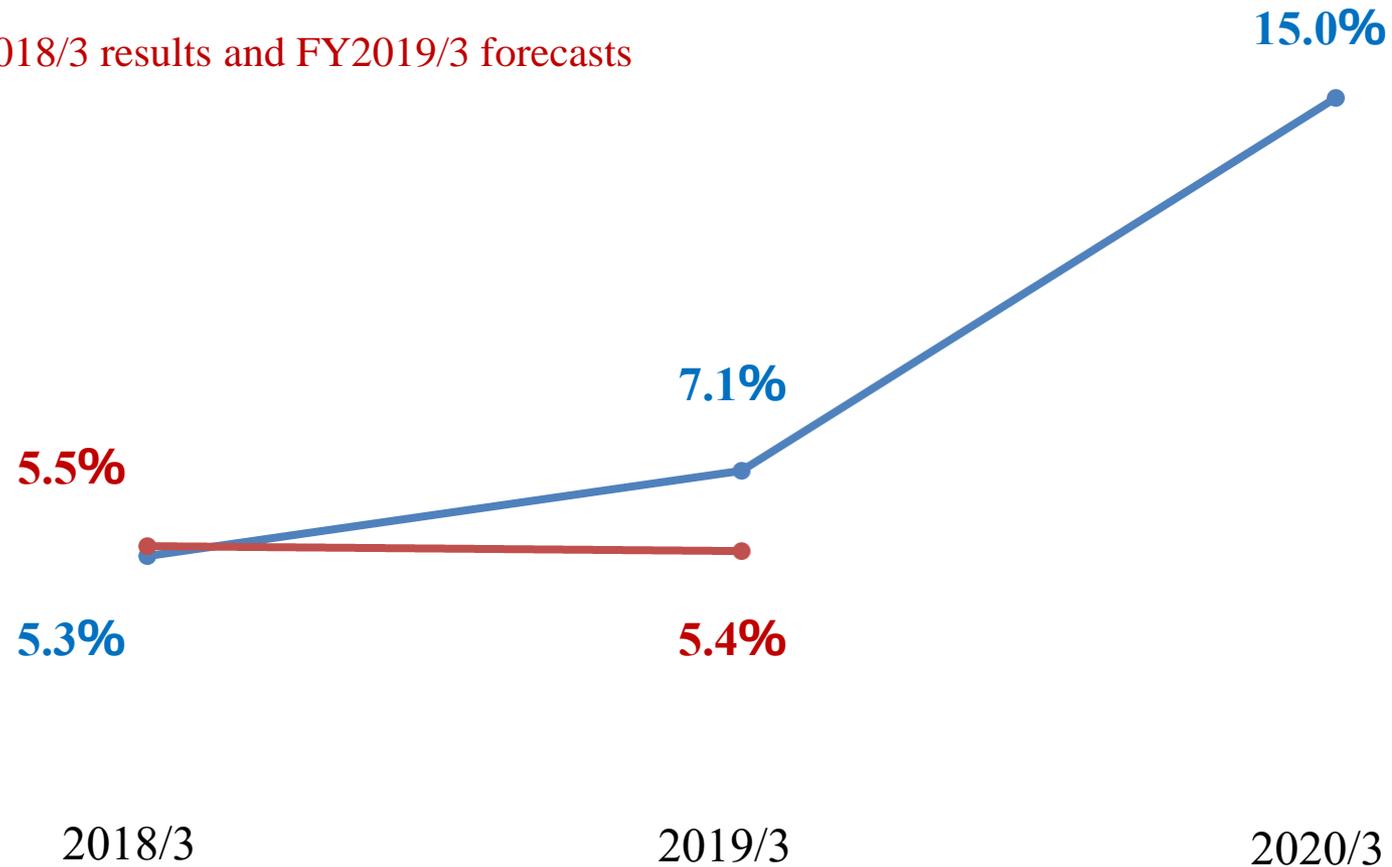
**ROA
of at least 5%**

RT2020

- ✓ Operating income margin for 19/3 is expected to be lower than initially assumed due to the influence of changes to the regulation for the Pachislot and Pachinko Machine business —

Planned numbers in RT2020 as of May 2017

— FY2018/3 results and FY2019/3 forecasts



Pachislot and Panchinko machine

Priority Measures in FY Ending March 2019

Launch type-6 Pachislot Machine

Launch ZEEG-made Machine Cabinet

Sale of previous regulation pachinko machines

Type-6 Pachislot Machine

**Removal of limit of net increase of medals
per game**

Enhancement of game characteristics

Sammy... the wellspring of new ideas!

ZEEG™



© ZEEG



© ZEEG

Sale of previous regulation pachinko machines



and more...

Entertainment Contents Business

Priority Measures in FY Ending March 2019

Launch new digital game titles

Utilize IP

Launch new digital game titles



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Utilize IP (Existing IP)

SONIC	Currently preparing new titles. Start movie production (2019/11)
Ryu ga Gotoku	Distribution of PC version and mobile version “Ryu ga Gotoku ONLINE”
Sakatsuku	Start of distribution of “Pro Soccer Club wo Tsukurou! Road to World”
BORDER BREAK	Distribution of PlayStation®4 version (F2P)
Megami Tensei	Overseas expansion of smartphone version, new title for Nintendo Switch™ in pipeline
Total War	“Total War THREE KINGDOMS”, “Total War: ARENA” in pipeline



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Utilize IP (Revival IP)

Sakura Wars

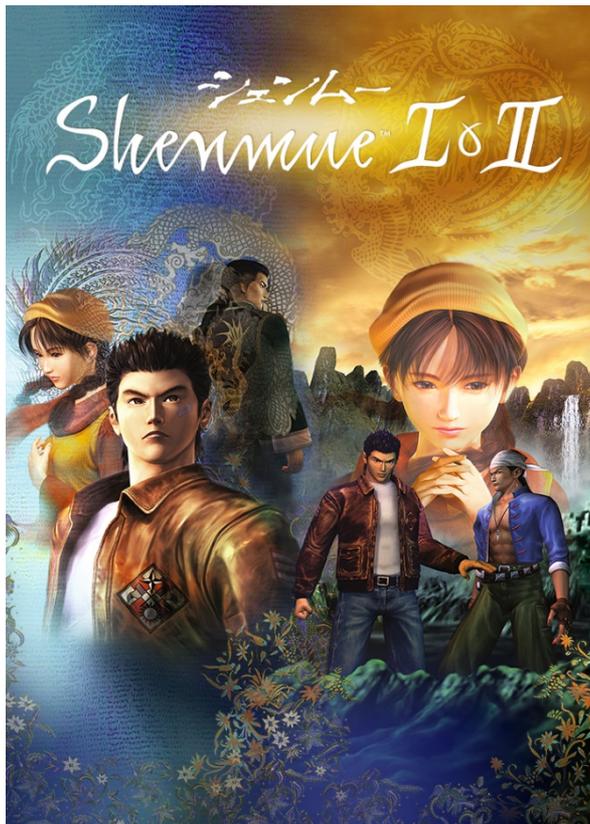
“New Sakura Wars (working title)” project begins

Shenmue

Launch “Shenmue I&II” (2018)

Mega Drive

Launch “Mega Drive mini (tentative name)” (2018)



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(tentative image)

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Utilize IP (Outside IP)

Hokuto ga Gotoku

“Hokutonoken” × “Ryu ga Gotoku”

Total War: WARHAMMER 2

“Total War” × “WARHAMMER”

PoPoLoCRoIS～Narcia’s
tears & the Fairy’s flute

“PoPoLoCRoIS” latest offering, RPG for smartphones

Fate/Grand Order Arcade

“Fate/Grand Order Arcade” available with amusement devices



©TYPE-MOON / FGO ARCADE PROJECT



©Yohsuke Tamori ©SEGA

Utilize IP (New IP)

Kotodaman

Start of distribution of “kotodaman”

WONDER GRAVITY ~BEST BUDDY: PINO & GRAVITOR~

Product for smartphones by f4samurai

Readyyy! Project

Nurturing IDOL Game application for woman

13 Sentinels: Aegis Rim

Launch of new title by ATLUS/ Vanillaware (2018)

(Unannounced new title)

Unannounced new title by Ryu ga Gotoku Studio in pipeline



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Resort Business

Priority Measures in FY Ending March 2019

“PARADISE CITY”1-2 Phase scheduled to open (2018)

Initiatives toward Japanese IR



PARADISE CITY

1-2 Phase scheduled to open in 2018



Image after completion



Taken in March 2018

Measures currently taken by SEGA SAMMY Group (part)



**Extract necessary elements
for casino**

**Assess feasibility of operation
by in-house resources**

Action

118 items

Value Chain Analysis

Promote Work Style Reforms

**Consolidation of Group Headquarters
Functions**

Renewal of Group Brand Logo

Promote Work Style Reforms

Sideline Job System (JOB+)

Consolidation of Group Headquarters Functions



Enhancing management efficiency

Enhancing interaction between personnel



Enhancing stronger business cooperation

Creation of ideas



Consolidation of Group Headquarters Functions

Total: 20 companies

Approximately 6,500 people* in Osaka area

*including part-time employees



Consolidation of Group Headquarters Functions

The one of the largest floor spaces in Tokyo
(Start relocation from August)



Overview of New Office

Relocated office	Sumitomo Fudosan Osaki Garden Tower
Leased floors	12 floors in total: 3F-13F, 24F (Exclusive area: 64,702.15 m ²)
Companies to be relocated	Total: 20 companies SEGA SAMMY HOLDINGS INC., Sammy Corporation, SEGA Holdings Co., Ltd., SEGA Games Co., Ltd., SEGA Interactive Co., Ltd., ATLUS. CO., LTD., Sammy Networks Co., Ltd., DARTSLIVE Co., Ltd., etc.
Number of employees	Approximately 6,500 (including part-time employees)
Functions	Operating space, conference hall (auditorium), staff canteen, café, bar, library, convenience store, massage room, co-working space, etc.

SEGA Sammy

The logo features the text "SEGA Sammy" in a bold, black, sans-serif font. The word "SEGA" is in all caps, while "Sammy" is in title case. Below the text is a horizontal bar composed of two segments: a blue segment on the left and a green segment on the right. The bar is slightly slanted upwards at both ends.