

January 27, 2020
SEGA SAMMY HOLDINGS INC.

SEGA SAMMY's Integrated Resort Initiative (1) SEGA SAMMY Concludes Production Agreement with KYOTO KITCHO

~ Developing Plans for the Authentic, Luxury Japanese and Inn at IR Facilities ~

It is hereby notified that SEGA SAMMY HOLDINGS INC. (headquarters: Shinagawa-ku, Tokyo; President and Group COO (Representative Director): Haruki Satomi; "SEGA SAMMY") has concluded a production agreement (the "Agreement") with KYOTO KITCHO Co., Ltd. (Kyoto-shi, Kyoto; President and CEO: Kunio Tokuoka; "KYOTO KITCHO"), which operates among other restaurants the KYOTO KITCHO Arashiyama, regarded as one of the greatest restaurants for Japanese cuisine, as part of SEGA SAMMY's initiative to enter into the integrated resort ("IR") business in Japan. With the conclusion of the Agreement, SEGA SAMMY will work in collaboration with KYOTO KITCHO to design and develop the authentic, luxury Japanese and inn at future IR facility developments in Japan.



With the Agreement, SEGA SAMMY and KYOTO KITCHO will endeavor to design and produce restaurants and inns where people can enjoy classic Japanese cuisine in elegant spaces that accentuate the four seasons as core facilities that promote attractiveness, a requirement for Japanese-style IR. In addition to an authentic, luxury Japanese restaurant and accommodations, the facility will house a Japanese garden outfitted with tea-ceremony rooms and *Noh* stages. The plan is to develop the facility in a way that enables overnight guests to maintain their privacy, all the while allowing other guests to partake in the Japanese culture of harmony.

With an aim to enter the IR business in Japan, SEGA SAMMY has continued to garner operational knowhow from the facility operations of Paradise City, an IR in Incheon City, South Korea. Simultaneous to this, it has formed a planning team at its headquarters in Japan, which has conducted surveys, and plans on entering the IR business in Japan. At the moment, the team is working steadily towards entry by submitting proposals to private businesses that are soliciting concept proposals in Yokohama.

The year 2020 will mark 90 years since the founding of “Kitcho.” KYOTO KITCHO has preserved the traditional style and passion of “Kitcho,” which created *kaiseki ryori* (tea-ceremony dishes), and is a famous restaurant that combines tradition and innovation, evolving with the times and customers’ desires. Continuing its multifaceted approach to food with a goal to preserve tradition while staying abreast with trends, KYOTO KITCHO has colorfully displayed and offered suggestions to Japanese cuisine, and has worked towards improving and adding nuance to Japanese cuisine. KYOTO KITCHO is not only famous in Japan, but is renowned throughout the world. With the idea that “beautiful Japanese cuisine should be enjoyed by as people as possible around the world,” Head Chef Kunio Tokuoka has continued to roll out various events and activities in Japan and abroad. Working to promote Japanese cuisine, Tokuoka hopes that Japanese cuisine will constantly evolve. He does his fair share to make this happen with his tireless and curious heart that is not bound by tradition.

If SEGA SAMMY were to construct an IR facility that could only be found in Japan, it was believed that creating a center of activity for Japanese cuisine that utilizes the beauty of Japanese nature and seasonal ingredients to satisfy peoples’ sight, taste, and hearts would be essential. Accordingly, on this occasion, SEGA SAMMY reached out to KYOTO KITCHO and decided to develop facilities together. SEGA SAMMY and KYOTO KITCHO will endeavor to design and develop a facility that will enable visitors from around the world to have special experiences that could only be had at a Japanese IR.

SEGA SAMMY will maximize the knowledge and knowhow that it has acquired through the entertainment business to realize a world-renowned IR facility, in order to contribute to Japanese economic revitalization and the enhancement of international competitiveness in the tourism industry.

□ **Comments from Kunio Tokuoka, President and CEO of KYOTO KITCHO**

I believe that Japanese people have a temperament that allows them to live vigorously while coexisting with nature. As we welcome our 90th anniversary this year, Kitcho is often called an “long-established restaurant.” However, we do not simply preserve old traditions. We evolve to keep up with the times, and are constantly creating new things by combining

traditions with the present. On this occasion, in cooperating SEGA SAMMY and its cutting-edge technology, we hope to create a real platform that will open new networks and communication.

□ **Comments by Haruki Satomi, President and Group COO (Representative Director) of SEGA SAMMY**

On this occasion, we are extremely honored to be able to participate in the Yokohama IR event together with KYOTO KITCHO. While it goes without saying that KYOTO KITCHO is a famous Japanese restaurant, we believe that its desire to pass on the skills and worldview that underpin its traditions and formal codes, combined with its disposition to push Japanese cuisine forward constantly with their tireless and curious hearts, is precisely the form that Japan's IRs should take. Utilizing "tradition and innovation" we hope to share mutually our wisdom to create a facility where people from around the world can encounter the true beauty of Japan.