

May 10, 2024

(Translation)

Dear all,

Name of Company: SEGA SAMMY HOLDINGS INC.
Name of Representative: Haruki Satomi,
President and Group CEO,
Representative Director

(Code No. 6460, Tokyo Stock Exchange Prime)

Further Inquiry: Makoto Takahashi,
Executive Vice President,
Executive Officer,
Managing Director of
Corporate Planning Division
(TEL: 03-6864-2400)

Notice of Determination of Dividends from Retained Earnings and Acquisition of Treasury Stock
(Acquisition of Treasury Stock Based on Articles of Incorporation
Pursuant to Article 165 Paragraph 2 of the Companies Act of Japan)

SEGA SAMMY HOLDINGS INC. (the Company) hereby notifies that it has decided the dividends from retained earnings (year-end dividends) and the matter related to the acquisition of treasury stocks at Board of Directors meeting today as described below.

1. Dividends from Retained Earnings (year-end dividends)

1) Details of year-end dividends for the fiscal year ended March, 2024

	Determined amount	Most recent dividend forecast (Announced on Apr. 28, 2023)	Results for previous fiscal year (Fiscal year ended March, 2023)
Record date	March 31, 2024	Same as left	March 31, 2023
Cash dividends per share	27.00 yen	24.00 yen	39.00 yen
Total dividend amount	5,832 million yen	-	8,609 million yen
Effective date	June 5, 2024	-	June 2, 2023
Dividend Source	Retained earnings	-	Retained earnings

2) Reasons for dividends

With the return policy described below, for the dividends from retained earnings for the fiscal year ended March 2024, we have paid the interim dividends for 23 yen per share and we determined the year-end dividend for 27 yen per share, an increase of 4 yen from interim dividends.

3) About shareholder return policy

We set DOE (Dividend on equity ratio) 3% or more, or the total return ratio of 50% or more, whichever is higher as the basis for shareholder return and return through dividends or share buybacks. In accordance with this policy, we have decided to pay annual dividend of 50 yen (of which, 23 yen for interim and 27 yen for year-end), and in addition, we have decided to acquire our treasury stocks with the upper limit of 10.0 billion yen for the fiscal year ended March 2024. As a result, total shareholder returns were approximately 20.9 billion yen (breakdown: approximately 10.9 billion yen for dividends and the upper limit of 10.0 billion yen for acquisition of treasury stocks) and a total return ratio was approximately 63.3% for the fiscal year ended March 2024.

Since the initial dividend forecast is provisionally calculated based on a DOE 3%, the annual dividend forecast for the fiscal year ending March 2025 is expected to be 50 yen (of which, 25 yen for interim and 25 yen for year-end) which is expected to result in shareholder return amounts of approximate 10.7 billion yen.

For reference, if return will be calculated with total return ratio of 50%, as the net income attributable to owners of parent in the operating results forecast for the fiscal year ending March 31 2025 announced today is 39.0 billion yen, the return amount in this case would be approximately 19.5 billion yen.

*The actual amount of shareholder returns, and the method of return may change depending on the progress of business performance and other factors.

2. Acquisition of Treasury Stock (Acquisition of Treasury Stock Based on Articles of Incorporation Pursuant to Article 165 Paragraph 2 of the Companies Act of Japan)

At the Board of Directors meeting today, the Company has resolved the matter related to the acquisition of treasury stocks, pursuant to the provisions of Article 156 of the Companies Act of Japan as applied by replacing the provisions stipulated in Article 165 Paragraph 3 of the same law.

1) Reasons for the acquisition of treasury stock

We have cleared our way for future improvements in profitability in the Consumer area by addressing management issues centered on our Europe studios by implementing structural reform, in the fiscal year ended March 2024. In pursuing initiatives for further growth and enhancement of corporate value under our new medium-term plan “WELCOME TO THE NEXT LEVEL!” announced today, we have decided to acquire our treasury stock, taking into consideration of overall factors including the future business growth on the premise of the new medium-term plan and the recent stock price level of the Company.

2) Details of the acquisition of treasury stock

- (1) Type of shares to be acquired: Common shares
- (2) Total number of shares to be acquired: 7 million shares (upper limit)
Ratio to total number of shares outstanding (excluding treasury stocks): 3.24%
- (3) Total cost of acquisition: 10.0 billion yen (upper limit)
- (4) Acquisition period: From May 13, 2024 to March 31, 2025
- (5) Acquisition method: Market purchase on the Tokyo Stock Exchange

(Reference) Break down of annual shareholder return amounts (billion yen)

Record date	Total dividends	Amount for share buyback	Amount of shareholder returns	Total return ratio
Results for FY2024/3	10.91	10.00	20.91	63.3%
Results for FY2023/3	13.02	9.99	23.02	50.1%

Number of treasury stocks held as of March 31, 2024

Total number of shares outstanding (excluding treasury stocks): 216,014,688 shares

Total number of treasury stocks: 25,214,788 shares

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