



February 7, 2025

(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,
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Executive Officer,
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Notice of Revision of Operating Results Forecast

SEGA SAMMY HOLDINGS INC. (the “Company”) hereby notifies that it has revised its full year consolidated operating results forecast announced on May 10, 2024, as follows.

Description

Revisions to full year consolidated operating results forecast for the fiscal year ending March 2025 (April 1, 2024 to March 31, 2025)

(Unit: million yen unless otherwise indicated)

	Net sales	Operating income	Ordinary income	Profit attributable to owners of parent	Adjusted EBITDA	Net income per share (Yen)
Previously announced forecast (A)	445,000	45,000	48,000	39,000	62,000	180.54
Revised forecast this time (B)	425,000	46,000	51,500	37,500	60,700	174.35
Amount of increase or decrease (B-A)	-20,000	1,000	3,500	-1,500	-1,300	-
Rate of increase or decrease (%)	-4.5%	2.2%	7.3%	-3.8%	-2.1%	-
(Reference) Operating results for the previous fiscal year (Fiscal year ended March 31, 2024)	468,925	57,865	59,778	33,055	54,753	150.75

■ Reasons for revision of full year consolidated operating results forecast

Due to the strong performance mainly in the Consumer area and the Animation area in the Entertainment Contents Business, we expect an increase in profit up to ordinary income level for the fiscal year ending March 2025 compared to the previous forecast. On the other hand, as a result of recording of loss on business restructuring associated with the transfer of Amplitude Studios SAS, an overseas development studio, through a management buyout (MBO), as an extraordinary loss in the second quarter, the adjusted EBITDA, which is one of the Company's management indicators, is expected to fall below the previous forecast.

Since it is difficult to calculate a reasonable tax rate at this stage, profit attributable to owners of parent is calculated at a simplified tax rate of 30% and we expect profit attributable to owners of parent in this fiscal year to fall below the previous forecast.

(Reference: Per segment breakdown of full year consolidated operating results forecast for the fiscal year ending March 2025)

(Unit: million yen)

Segment		Previously announced forecast (A)	Revised forecast this time (B)	Amount of increase or decrease (B-A)
Net sales	Total	445,000	425,000	-20,000
	Breakdown			
	Entertainment Contents Business	335,000	320,000	-15,000
	Pachislot & Pachinko Machines Business	105,000	96,000	-9,000
	Gaming Business	3,000	4,500	1,500
	Others/Eliminations, etc.	2,000	4,500	2,500
Ordinary income	Total	48,000	51,500	3,500
	Breakdown			
	Entertainment Contents Business	40,000	44,000	4,000
	Pachislot & Pachinko Machines Business	23,500	20,000	-3,500
	Gaming Business	-1,500	0	1,500
	Others/Eliminations, etc.	-14,000	-12,500	1,500
Adjusted EBITDA	Total	62,000	60,700	-1,300
	Breakdown			
	Entertainment Contents Business	50,000	49,500	-500
	Pachislot & Pachinko Machines Business	26,500	23,300	-3,200
	Gaming Business	-1,500	-900	600
	Others/Eliminations, etc.	-13,000	-11,200	1,800

The status by business segment is as follows.

(Entertainment Contents Business)

In the Consumer area, sales are expected to fall below the previous forecast due to the cancellation of development of the new title of Full Game *Football Manager 25* and the delay in the launch of two new titles of F2P. On the other hand, ordinary income is expected to exceed the previous forecast due to factors such as the high level of repeat sales in Full Game, strong sales of downloadable content, and the strong performance in the Animation area. In addition,

adjusted EBITDA is expected to fall below the previous forecast, due to the recording of loss on business restructuring associated with the transfer of Amplitude Studios SAS through MBO as an extraordinary loss, as written above.

(Pachislot & Pachinko Machines Business)

All sales, ordinary income, and adjusted EBITDA are expected to fall below of the previous forecast, as we revised the unit sales forecast for pachislot to 86,000 units (previous forecast: 107,000 units) and pachinko to 97,000 units (previous forecast: 115,000 units), etc. due to the postponement of the launch of mainstay titles, etc., which were scheduled for Q4, to the next fiscal year or later to improve product competitiveness.

(Gaming Business)

Sales are expected to exceed the previous forecast as the sales of video slot machines in North America are strong in gaming machine sales. In addition, both casino and hotel sales remain strong at PARADISE CITY in South Korea. As we expect the contribution to profits in equity-method earnings as a result of this, we also expect ordinary income and adjusted EBITDA to exceed the previous forecast.

(Reference: Per sub-segment breakdown of Entertainment Contents Business)

(Unit: million yen)

Sub-segments			Previously announced forecast (A)	Revised forecast this time (B)	Amount of increase or decrease (B-A)
Net sales	Breakdown	Total	335,000	320,000	-15,000
		Consumer area	235,000	216,500	-18,500
		Animation area	23,500	28,000	4,500
		AM* & TOY area	76,500	75,500	-1,000
Operating income	Breakdown	Total	38,000	41,000	3,000
		Consumer area	27,500	29,000	1,500
		Animation area	4,500	9,000	4,500
		AM & TOY area	6,000	3,000	-3,000

*AM = Amusement Machine

*The operating results forecast and other figures contained in this document are made based on information available as of the date of publication of this document. Actual results may differ from the projected figures due to various factors going forward.

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