

May 12, 2026

(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)

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Managing Director of  
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**Notice of Recording of Extraordinary Losses (Impairment Losses)  
and the Differences between the Operating Results Forecast and the Actual Results**

SEGA SAMMY HOLDINGS INC. (the “Company”) hereby notifies that it has recognized extraordinary losses (impairment losses) for the fiscal year ending March 2026. It also notifies that the differences have arisen between the consolidated operating results forecast for the fiscal year ended March, 2026, announced on February 13, 2026, and the actual results for the same period announced today.

Description

1. Recording of extraordinary losses (impairment losses)

As stated in the “Notice of Recording of an Extraordinary Losses (Impairment Losses) and Revision of Operating Results Forecast” disclosed on February 13, 2026, regarding Stakelogic B.V. (“Stakelogic”), the acquisition of which was announced in 2024, the business environment in the Netherlands, which was its primary market, has deteriorated at a faster pace than anticipated due to stricter regulations, resulting in lower profitability than originally projected at the time of the acquisition.

Considering these circumstances, the Company recognized an impairment loss of approximately ¥0.7 billion in the fiscal year ended March 2026, associated with the downsizing of the operations in the Netherlands. In addition, based on an assessment of future recoverability in accordance with the “Accounting Standard for Impairment Losses on Fixed Assets,” the Company also recognized impairment losses of approximately ¥18.0 billion which is the total amount of goodwill and other fixed assets. As a result of the above, impairment losses totaling approximately ¥18.7 billion were recognized.

2. Details of differences between the consolidated operating results forecast and the actual results for the fiscal year ended March, 2026 (from April 1, 2025 to March 31, 2026)

(Unit: million yen unless otherwise indicated)

	Previously announced forecast (A)	Actual results (B)	Amount of increase or decrease (B-A)	Rate of increase or decrease (%)	(Reference) Operating results for the previous fiscal year (Fiscal year ended March, 2025)
Net sales	490,000	487,542	-2,458	-0.5%	428,948
Operating income	40,000	47,128	7,128	17.8%	48,124
Ordinary income	43,500	54,205	10,705	24.6%	53,114
Profit attributable to owners of parent	-13,000	-5,756	7,244	—	45,051
Adjusted EBITDA	10,000	16,656	6,656	66.6%	62,283
Net income per share (Yen)	-61.87	-27.36	34.51	—	209.79

■ Reasons for the Differences

Although sales were generally in line with the previously announced forecast, operating income exceeded the previous forecast due to lower-than-expected operating expenses in the Entertainment Contents Business and the Pachislot & Pachinko Machines Business as well as the reversal of stock-based compensation expenses and other factors. Ordinary income also exceeded the previous forecast due to factors such as recording of foreign exchange gains.

Furthermore, while the impairment losses of approximately ¥18.7 billion related to Stakelogic, as described in “1. Recording of extraordinary losses (impairment losses)” exceeded the approximately ¥15.0 billion assumed in the previous forecast, following a careful review of the recoverability of deferred tax assets, the Company recorded a deferred tax adjustments of approximately negative ¥12.8 billion (negative indicates a gain). As a result, net loss attributable to owners of parent was smaller than the previous forecast.

For details on the consolidated financial results for the fiscal year ended March 2026, please refer to the “Consolidated Financial Results for the Fiscal Year Ended March 31, 2026 (Japanese GAAP)” released today.

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