

# Governance

# Corporate Governance System

## Corporate Governance System at a Glance

Format	Audit and Supervisory Board system
Reason for adoption of format	Based on the view that this system enables directors to make prompt, optimal management decisions amid volatile business conditions based on their wealth of expertise and experience in relation to the industry, market trends, products, merchandise, and services
Directors	9
Of whom outside directors	2
Term of directors	1 year
Incentives granted to directors	Introduction of stock option system
Individual disclosure of directors' compensation	Disclosure only for directors with total compensation of ¥100 million or more
Audit and Supervisory Board members	4
Of whom outside Audit and Supervisory Board members	3
Independent directors	5 (2 outside directors, 3 outside Audit and Supervisory Board members)
Independent auditors	KPMG AZSA LLC
Term of auditing contracts	Renewed annually
Adoption of executive officer system	Yes

### Basic Stance

SEGA SAMMY HOLDINGS and the SEGA SAMMY Group regard corporate governance as the most important foundation of corporate activities. Therefore, we have set forth Basic Policies on Corporate Governance consisting of three major corporate management tenets: enhance efficiency, secure a sound corporate organization, and increase transparency. These policies form the basis for addressing such important management issues as selecting Board candidates, deciding compensation for directors, implementing management oversight, and deciding compensation for Audit and Supervisory Board members.

### Enhancing Efficiency

The Group will maximize corporate value by establishing prompt and appropriate decision-making processes and by raising management efficiency, returning the resulting profit to shareholders and other stakeholders.

### Securing a Sound Corporate Organization

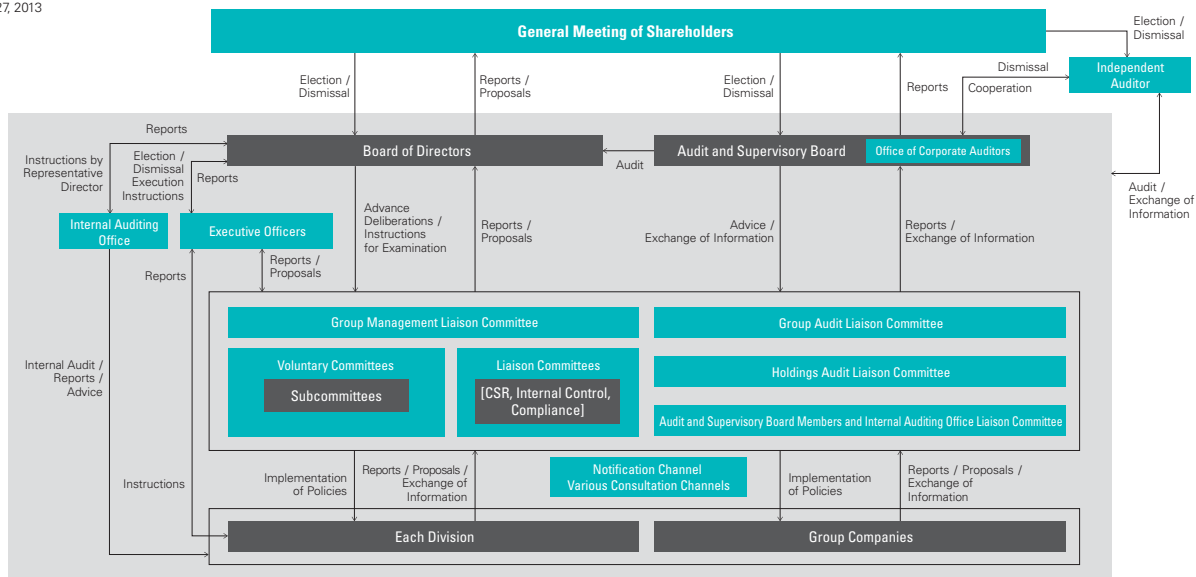
We will maximize corporate value amid volatile business conditions by identifying and managing diverse risks. Also, we will ensure a sound organization by establishing compliance systems that enable us to respond appropriately in light of ethical and social norms, including statutory laws and regulations; their underlying social values; and changes to these values.

### Increasing Transparency

Given the increasing importance of corporate disclosure, we are committed to being accountable to shareholders and other stakeholders. Accordingly, we will heighten the transparency of business management by increasing and improving disclosure through stepped-up investor relations (IR) initiatives.

## Corporate Governance System

As of June 27, 2013



The Company and the Group regard corporate social responsibility (CSR) activities as enabling the Group's sustained value creation and the ongoing advancement of stakeholders. To respond appropriately as a good corporate citizen to a wide range of social needs and expectations, the Group has established the Group CSR Coordination Meeting to organize and mobilize its CSR activities as well as the Group CSR Promotion Office, which is dedicated to such activities. Furthermore, we have established the Group Management Philosophy, the Group CSR Charter, and the Group Code of Conduct, which are the foundations for our CSR activities. In addition, we establish or revise various in-house rules and manuals, which directly regulate and guide specific types of operational duties. Based on these structures, the whole Group develops CSR activities voluntarily and actively to build favorable relationships with its stakeholders.

### **Operational and Management Structure**

The SEGA SAMMY Group has adopted an Audit and Supervisory Board member system to enable directors to make prompt, optimal decisions amid volatile business conditions based on their wealth of expertise and experience in relation to the industry, market trends, products, merchandise, and services. At the same time, we have appointed outside directors and strengthened our executive officer system and internal auditing system, thereby reinforcing corporate governance with respect to operational management and oversight.

### **Coordination among Corporate Bodies to Enhance Operational Implementation, Auditing, and Oversight**

The Group enhances operational implementation, auditing, and oversight primarily through the following meetings.

#### **Board of Directors**

Comprising nine directors, the Board of Directors strives for agile business management. It convenes once a month in principle, holding extraordinary sessions as required. Furthermore, the Board of Directors makes decisions and receives reports on certain significant management matters of Group companies.

#### **Audit and Supervisory Board**

Meeting once a month and holding extraordinary sessions as required and comprising four members, the Audit and Supervisory Board thoroughly examines and analyzes specific issues.

#### **Group Management Liaison Committee**

Meeting as required, the Group Management Liaison Committee builds consensus in the Group through information sharing and rigorous discussion. The committee comprises the Company's directors, Audit and Supervisory Board members, and executive officers, and the directors of SEGA CORPORATION and Sammy Corporation.

#### **Voluntary Committees**

The Board of Directors establishes voluntary committees as required to examine and discuss specific issues related to the Group's business management, the results of which are reported back to the Board of Directors. Moreover, these committees establish subcommittees to examine and discuss more specialized issues.

#### **Liaison Committees**

Liaison committees are bodies that examine, discuss, and coordinate the Group's corporate governance policies. Currently, there are three committees: the Group Internal Control Liaison Committee, the Group CSR Liaison Committee, and the Group Compliance Liaison Committee. The Group Internal Control Liaison Committee and Group CSR Liaison Committee, which meet quarterly in principle, comprise managers responsible for internal control and CSR at the Company, SEGA, and Sammy. The Group Compliance Liaison Committee, which convenes every six months in principle, comprises the compliance officers of the Company, SEGA, Sammy, TAIYO ELEC Co., Ltd., Sammy NetWorks Co., Ltd., SEGA TOYS CO., LTD., TMS ENTERTAINMENT, LTD., and Phoenix Resort Co., Ltd.

#### **Group Audit Liaison Committee**

The Group Audit Liaison Committee comprises standing Audit and Supervisory Board members from Group companies. They convene as required to share information on timely issues for the Company and the Group, such as revisions in statutory laws and regulations, and to establish close collaboration among the standing Audit and Supervisory Board members of Group companies.

#### **Holdings Audit Liaison Committee**

The Holdings Audit Liaison Committee comprises standing Audit and Supervisory Board members from the Company, SEGA, and Sammy; executives responsible for the accounting divisions of the three companies; and representatives of the Company's independent auditor, KPMG AZSA LLC. Meeting monthly in principle, committee members exchange opinions from their respective standpoints and enhance accounting compliance.

#### **Audit and Supervisory Board Members and Internal Auditing Office Liaison Committee**

The Auditors and Internal Auditing Office Liaison Committee comprises standing Audit and Supervisory Board members from the Company, SEGA, and Sammy as well as members of the Company's Internal Auditing Office. The committee meets every month in principle with the purpose of ensuring the soundness of business management by sharing information between the said standing Audit and Supervisory Board members and the Company's Internal Auditing Office.

## Systems for Assuring Objective Business Management

The Company has nine directors, of whom two are outside directors, as well as four Audit and Supervisory Board members, of whom three are outside Audit and Supervisory Board members. The outside directors provide advice on raising the corporate value of the Company and the Group from an external perspective, based on their extensive expertise and experience. Aiming to enable oversight of directors' implementation of operations, we appoint outside directors from among attorneys and business executives.

We appoint outside Audit and Supervisory Board members with extensive expertise and experience in a wide range of areas because we appreciate the important role outside Audit and Supervisory Board members perform in realizing corporate governance by heightening the impartiality and independence of the auditing system. Also, we aim to ensure the soundness of business management through auditing from an objective standpoint.

At the various meetings that they attend, outside directors and outside Audit and Supervisory Board members provide guidance and advice based on their abundant experience and highly specialized knowledge. Regarding the independence of outside directors and outside Audit and Supervisory Board members, we deem that persons satisfying the requirements of the Enforcement Rules for Securities Listing Regulations of the Tokyo Stock Exchange (the "Listing Regulations") do not have conflicts of interest with general shareholders. Therefore, we appoint persons that are not subject to additional disclosure requirements pursuant to rule 211, paragraph 4, item 5, and rule 226, paragraph 4, item 5 of the Listing Regulations. Moreover, we determine items that are "significant" or "significant amounts" with reference to the publicly announced standard model for appointing independent directors. The Company has adopted a policy of appointing all outside directors and outside Audit and Supervisory Board members that are not subject to the above-mentioned additional disclosure requirements as independent directors. Accordingly, we have designated all currently serving outside directors and outside Audit and Supervisory Board members as independent directors.

To support the activities of outside directors, we have established secretariats for executive meetings to facilitate appropriate information distribution and ensure that outside directors have sufficient time to examine the details of proposals and other information related to the meetings they attend. To support the work of outside Audit and Supervisory Board members, we have established the Office of the Audit and Supervisory Board, which is under the direct control of the Audit and Supervisory Board. In accordance with Audit and Supervisory Board members' orders, the office's personnel assist Audit and Supervisory Board members in their duties. Furthermore, to ensure the independence of the office from the Board of Directors, the Audit and Supervisory Board must approve the appointment, transfer, and evaluation of the office's personnel. Furthermore, we have secretariats for executive meetings, the Office of Audit and Supervisory Board Members, the Internal Auditing Office, and the Internal Control Department to facilitate appropriate information distribution and to ensure that outside Audit and Supervisory Board members have sufficient time to examine the details of proposals and other information related to the meetings they attend.

Outside directors	Reason for appointment
Yuji Iwanaga	To reflect Mr. Iwanaga's perspective as an international attorney and extensive expertise in relation to business management of global corporations in the Company's business management
Takeshi Natsuno	To reflect Mr. Natsuno's wealth of experience and extensive expertise as a business executive in the Company's business management
Outside Audit and Supervisory Board members	Reason for appointment
Tomio Kazashi	To reflect Mr. Kazashi's wealth of experience and expertise in business and as an Audit and Supervisory Board member in the Company's auditing
Toshio Hirakawa	To reflect Mr. Hirakawa's wealth of experience and expertise in business and as an Audit and Supervisory Board member in the Company's auditing
Mineo Enomoto	To reflect Mr. Enomoto's expert perspective as an attorney and extensive expertise in relation to business management in the Company's auditing

## Compensation of Directors

Consultations among representative directors whom a resolution of the Board of Directors has commissioned and other directors with responsibility determine the compensation of each director based on consideration of their responsibilities and performance and the limit the Ordinary General Meeting of Shareholders has approved for compensation\*1. In addition, aiming to raise morale as well as heighten motivation to increase corporate value further, advance business management in light of an awareness of shareholders and share prices, and improve the Group's business results, the Group grants directors stock options in the form of subscription rights to shares as compensation for the execution of duties.

Consultations among Audit and Supervisory Board members determine the compensation of each Audit and Supervisory Board member based on consideration of their responsibilities and the limit the Ordinary General Meeting of Shareholders has approved for compensation\*2.

\*1 A resolution of the Ordinary General Meeting of Shareholders in June 2012 set the limit for directors' compensation at ¥1 billion.

\*2 A resolution of the Ordinary General Meeting of Shareholders of Sammy Corporation and a resolution of the Ordinary General Meeting of Shareholders of SEGA CORPORATION in June 2004 set the limit for Audit and Supervisory Board members' compensation at ¥50 million.

## Internal Control

In addition, an internal control project launched in fiscal 2006 established an assessment and reporting framework for internal control in accordance with the stipulations of Japan's Financial Instruments and Exchange Act, which requires "Management Assessment and Audit concerning Internal Control Over Financial Reporting" (J-SOX). Also, the Company has rectified deficiencies that the project identified. As a result, systems to ensure the reliability of financial reports have become firmly established in the Group. We believe that internal controls operated effectively in relation to the financial reports the Group issued for fiscal 2013. As we continue to ensure the reliability of financial reports, we will maintain and build internal control systems to increase efficiency and ensure soundness. Furthermore, based on Japan's Companies Act, SEGA SAMMY HOLDINGS has determined a basic policy on the establishment of internal control systems and is developing systems accordingly.

<http://www.segasammy.co.jp/english/ir/management/governance.html>

## Auditing of Accounts

Based on Japan's Companies Act and Financial Instruments and Exchange Act, independent auditor KPMG AZSA LLC audits the accounts of the Company. There are no special interests between the Company and this independent auditor or personnel of the independent auditor who execute duties. Furthermore, none of the independent auditor's personnel who execute duties have been auditing the Company for more than seven years. In addition, the Company receives advice from the independent auditor on accounting treatment from an accounts auditing perspective not only in relation to audits at fiscal year-ends but also as required during fiscal years.

## Compliance

Based on the Group Code of Conduct, the SEGA SAMMY Group is undertaking a variety of initiatives to ensure that all employees are aware of compliance and to enable them to act appropriately. Furthermore, having identified loss risks within and outside the scope of its business management and clarified the tasks it should address, the Group implements operations and takes measures to reduce loss, minimize the loss of management resources, and prevent recurrence.

### Compliance Promotion Structure

Established in fiscal 2010 to strengthen initiatives throughout the Group, the Group Compliance Liaison Committee spearheads efforts to build internal structures that enable sound management in accordance with statutory laws and regulations and social norms.

Also, the Company is developing and implementing Groupwide initiatives. These include continuation of Compliance Advancement Initiatives, which it began in fiscal 2010, and informing employees about the whistleblower system to ensure operational duties are performed appropriately.

### Informing Employees about the Group Code of Conduct

The Group complies rigorously with corporate ethics and statutory laws and regulations by ensuring all employees of the Group understand the Group CSR Charter and by providing guidance on conduct consistent with the spirit of this charter in the Group Code of Conduct.

Because inculcating the Group Code of Conduct among employees is important to our compliance program, we distribute a CSR guidebook to employees that includes the Group Code of Conduct, the Group Management Philosophy, and the Group CSR Charter. Employees can also view these on the Company's intranet.

### Nurturing and Spreading Compliance Awareness

To nurture and spread compliance awareness, the Group holds compliance seminars for Group companies as needed and all employees can view a compliance handbook on the intranet, which provides specific, readily understandable concrete examples of situations employees may encounter in everyday duties. In addition, the Group encourages compliance awareness by including articles incorporating comic strips and other reader-friendly formats.

We will share instructive examples from Group companies with other Group companies to generate synergistic benefits and thereby maintain and enhance compliance.

### Strengthening Compliance with Subcontractor Payment Act

The Group is strengthening compliance with the Subcontractor Payment Act by conducting periodic compliance audits. Moreover, legal affairs

divisions educate and provide guidance on subcontractor-related issues to all divisions. Furthermore, to strengthen compliance, internal audit divisions instruct divisions to conduct self-monitoring continuously and share monitoring results with the internal audit, legal affairs, and internal control divisions.

### Whistleblower System

Consistent with the spirit of the Group CSR Charter, the Group has established a whistleblower system to enable self-correction within the Group and the Company and prevent scandals due to illegal or unfair practices. Each Group company has established a whistleblower system and a contact point at an external law office. The Group investigates reported matters, rectifies them, and takes measures to prevent recurrence. Also, the Group has established a system that protects whistleblowers.

The importance of the whistleblower system as the primary means of discovering compliance violations is increasing. Accordingly, the Group is completely revising this system to enhance its effectiveness, make it easier for employees to use, and ensure its trustworthiness.

## Basic Policy on Intellectual Properties

Regarding intellectual properties as important for enhancing the Group's competitiveness and a significant resource supporting business management, the Group has set out policies for each Group company.

At SEGA, in addition to establishing an intellectual properties promotion committee in each division, the company conducts wide-ranging initiatives for each project's on-site managers and other managers aimed at heightening awareness of and providing education about intellectual properties. These activities aim to prevent the infringement of third-party intellectual property rights while ensuring appropriate management of the company's intellectual property rights to protect and expand businesses. Furthermore, the SEGA SAMMY Group is implementing anti-counterfeit initiatives to protect and enhance the SEGA brand.

Sammy conducts thorough risk assessments through technological investigations at each stage of R&D. Also, the company raises employee awareness through regular training related to intellectual property and a dedicated intranet site with a wealth of information about intellectual property.

## IR Activities

The Company strives to ensure fair and timely disclosures to shareholders and investors. Accordingly, it holds briefings for institutional investors and analysts on full-year and interim financial results and makes the briefing information available on its web site. For overseas investors, we hold roadshows in Asia, Europe, and the United States as required. Furthermore, the Company's representative directors and IR managers participate in conferences that securities companies organize.

In addition, the Company continuously takes measures to further investors' understanding of its business activities. For example, we are increasing and improving the IR-related materials available on our web site. Moreover, our web site has a section for individual investors that includes readily understandable explanations of the Group.

Furthermore, the Company endeavors to heighten the objectivity of its business management by reflecting valuable opinions and requests received from shareholders and investors in its business management.

## Main Activities and Compensation in Fiscal 2013

Board of Directors	Meeting attendance
Board of Directors convened	20 times
Outside directors	
Yuji Iwanaga	Attended 18 of 20 meetings (including 9 of 11 ordinary Board of Directors' meetings)
Takeshi Natsuno	Attended 20 of 20 meetings (including 11 of 11 ordinary Board of Directors' meetings)
Outside directors' attendance	95.0%
Outside Audit and Supervisory Board members	
Tomio Kazashi	Attended 20 of 20 meetings (including 11 of 11 ordinary Board of Directors' meetings)
Toshio Hirakawa	Attended 20 of 20 meetings (including 11 of 11 ordinary Board of Directors' meetings)
Mineo Enomoto	Attended 19 of 20 meetings (including 10 of 11 ordinary Board of Directors' meetings)
Outside Audit and Supervisory Board members' attendance	98.3%
Principle decisions	Details
Establishment of SEGA Networks, Ltd.	Company split involving main functions of SEGA CORPORATION's network business
Establishment of SEGA ENTERTAINMENT Co., Ltd.	Company split involving SEGA CORPORATION's amusement center operations
Establishment of joint venture with the Paradise Group	Development of integrated resorts including casinos
Participation in development of resort complex in Busan, South Korea	Development and management of resort complex comprising a hotel, entertainment facilities, and commercial facilities
Acquisition of THQ Canada Inc., now Relic Entertainment, Inc., and intellectual properties related to titles under development	PC online game business
Acquisition of treasury stock	Total treasury stock acquired: 10,000,000 shares Total acquisition amount: ¥16,192,991,300

## Compensation of Directors

Compensation of directors and Audit and Supervisory Board members for fiscal 2013 is as follows.

Position	Directors / Audit and Supervisory Board members	Total compensation (¥ million)	Total compensation by type (¥ million)			
			Basic compensation	Bonus	Stock options	
Directors	Internal	5	598	446	130	21
	Outside	2	31	31	—	—
Audit and Supervisory Board members	Internal	—	—	—	—	—
	Outside	2	23	21	1	—

The compensation paid to directors who received ¥100 million or more in consolidated compensation for fiscal 2013 is as follows.

Name	Position	Total consolidated compensation, etc. (¥ million)	Company	Total consolidated compensation by type (¥ million)		
				Basic compensation	Bonus	Stock options
Hajime Satomi	Director	593	The Company	276	100	7
			Sammy	—	200	—
Keishi Nakayama	Director	154	The Company	90	10	4
			Sammy	—	50	—

## Compensation for Auditing of Accounts and Auditing

In the fiscal year under review, the names of the certified public accountants who executed duties and the classification of those assisting auditing duties were as follows.

Names of the certified public accountants that executed duties

Partners who executed duties

Satoshi Nakaizumi, Naoya Miyaki, Hiroyuki Nakamura

Millions of yen	Fiscal 2012		Fiscal 2013	
	Compensation for audit and attestation duties	Compensation other than for audit and attestation duties	Compensation for audit and attestation duties	Compensation other than for audit and attestation duties
The Company	109	0	122	0
Consolidated subsidiaries	182	8	147	14
Total	291	9	269	14

## Main IR Activities in Fiscal 2013

Financial results briefings	2
Quarterly financial results briefings (telephone conferences)	2
Small-scale roundtable meetings	1
One-on-one meetings (domestic investors)	327
One-on-one meetings (overseas investors)	110
Overseas roadshows	3 (North America 1, Asia 1, Europe 1)
Conferences	4

# Directors, Audit and Supervisory Board Members, and Executive Officers

As of June 27, 2013

## Directors



**HAJIME SATOMI**

Chairman of the Board and Chief Executive Officer

- 1980 President and Representative Director of Sammy Industry Co., Ltd. (currently Sammy Corporation)
- 2003 Chairman and Director of Sammy NetWorks Co., Ltd. (current position)
- 2004 Chairman and Representative Director of SEGA CORPORATION Chairman, Representative Director, and Chief Executive Officer of Sammy Corporation Chairman, Representative Director, and Chief Executive Officer of SEGA CORPORATION Chairman of the Board and Chief Executive Officer of the Company (current position)
- 2005 Chairman and Director of SEGA TOYS CO., LTD. (current position) Chairman and Director of TMS ENTERTAINMENT, LTD. (current position)
- 2007 President, Representative Director, Chief Executive Officer, and Chief Operating Officer of SEGA CORPORATION
- 2008 Chairman, Representative Director, and CEO of SEGA CORPORATION (current position)
- 2012 Outside Director of Phoenix Resort Co., Ltd. Chairman of Sammy Corporation Director of Phoenix Resort Co., Ltd. Chairman and Director of Phoenix Resort Co., Ltd. (current position) Director of SEGA Networks, Ltd. (current position)
- 2013 Chairman, Representative Director, and Chief Executive Officer of Sammy Corporation (current position)



**KEISHI NAKAYAMA**

Director

- 1989 Entered into Sammy Industry Co., Ltd. (currently Sammy Corporation), as General Manager of the General Affairs Division
- 2004 Senior Managing Director of the Company
- 2005 Director of Sammy Corporation Director of Sammy NetWorks Co., Ltd. Director of SEGA TOYS CO., LTD. Executive Vice President and Director of the Company
- 2007 Executive Vice President and Representative Director of the Company
- 2008 President, Representative Director, and Chief Operating Officer of Sammy Corporation
- 2011 Director of Sammy NetWorks Co., Ltd.
- 2012 Vice Chairman, Representative Director, and Chief Executive Officer of Sammy Corporation Director of Phoenix Resort Co., Ltd.
- 2013 Director of the Company (current position)



**AKIRA SUGANO**

Director

- 1998 Manager of Business Planning Office of Sega Enterprises, Ltd. (currently SEGA CORPORATION)
- 2004 Executive Officer of the Company
- 2008 Director and General Manager of Corporate Division of SEGA CORPORATION
- 2009 Senior Managing Director, General Manager of Corporate Department of SEGA TOYS CO., LTD. Executive Vice President and Director, General Manager of Corporate Department, General Manager of Business Planning Office of SEGA TOYS CO., LTD.
- 2010 Executive Vice President and Representative Director, General Manager of Business Control Department of SEGA TOYS CO., LTD.
- 2013 Senior Executive Officer of the Company Director of SEGA TOYS CO., LTD. (current position) Director of Sammy Corporation (current position) Director of SEGA CORPORATION (current position) Director of the Company, Administrations Division, Group Corporate Social Responsibility Promotion Office, Group-Related Business Office (current position)



**HARUKI SATOMI**

Director

- 2004 Joined Sammy Corporation
- 2005 Joined SEGA CORPORATION
- 2009 Vice President of Digital Business of Sega of America, Inc.
- 2011 Senior Vice President of Digital Business of Sega of America, Inc. Director of Sammy NetWorks Co., Ltd.
- 2012 President, Representative Director, and Chief Executive Officer of Sammy NetWorks Co., Ltd. (current position) Director of Sega of America, Inc. (current position) Director of Sega Europe Ltd. (current position) Director of SEGA CORPORATION (current position) Director of the Company (current position) President, Representative Director, and Chief Executive Officer of SEGA Networks, Ltd. (current position)



**NAOYA TSURUMI**

Director

- 1992 Joined Sega Enterprises, Ltd. (currently SEGA CORPORATION)
- 2005 CEO of Sega Publishing Europe Ltd.
- 2006 CEO and President of Sega Holdings U.S.A., Inc. Chairman of Sega of America, Inc. Chairman of Sega Publishing America, Inc.
- 2008 Director of SEGA CORPORATION
- 2009 Managing Director of SEGA CORPORATION Chairman of Sega Europe Ltd.
- 2010 CEO of Sega Amusements Europe Ltd.
- 2012 President, Representative Director, and Chief Operating Officer of SEGA CORPORATION (current position) CEO and President of Sega Holdings Europe Ltd. (current position) Director of the Company (current position) Director of SEGA Networks, Ltd. (current position)

## GOVERNANCE

### Directors, Audit and Supervisory Board Members, and Executive Officers

## Directors



**HISAO OGUCHI**

Director and Chief Creative Officer (CCO)

- 1984 Entered into Sega Enterprises, Ltd. (currently SEGA CORPORATION)
- 2003 President and Representative Director of SEGA CORPORATION
- 2004 President, Representative Director, and Chief Operating Officer of SEGA CORPORATION  
Vice Chairman and Director of the Company
- 2005 Chief Executive Officer of Sega Holdings Europe Ltd.
- 2006 Chairman of Sega Holdings U.S.A., Inc.
- 2007 Executive Vice President and Representative Director of SEGA CORPORATION
- 2008 Representative Director of SEGA CORPORATION  
Director of SEGA CORPORATION, Director of Sammy Corporation,  
Director and Chief Creative Officer of SEGA CORPORATION  
Director and Chief Creative Officer of the Company (current position)  
Director and Chief Creative Officer of Sammy Corporation
- 2009 Senior Managing Director of Sammy Corporation
- 2011 Representative Director and Senior Managing Director of Sammy Corporation
- 2012 Executive Vice President and Representative Director of Sammy Corporation



**SHIGERU AOKI**

Director

- 2005 Joined SEGA CORPORATION as Head Councilor  
Corporate Officer and General Manager of Office of China and Asia  
Business Management of SEGA CORPORATION
- 2006 President of Sega Networks (China) Co., Ltd.
- 2008 Executive Officer and General Manager of Business Administration  
Department of Sammy Corporation  
Executive Officer and General Manager of Corporate Division of  
Sammy Corporation
- 2009 Director and General Manager of Corporate Division of Sammy  
Corporation
- 2011 Managing Director and General Manager of Corporate Division of  
Sammy Corporation
- 2012 President, Representative Director, and Chief Operating Officer of  
Sammy Corporation (current position)
- 2013 Director of the Company (current position)

## Outside Directors



**YUJI IWANAGA<sup>1</sup>**

Outside Director

- 1981 Registered with The Japan Federation of Bar Associations  
(current position)
- 1984 Partner of Lillick McHose and Charles Law Office  
(currently Pillsbury Winthrop Shaw Pittman LLP) (current position)  
Registered with the State Bar of California
- 2003 Outside Director of Manufacturers Bank
- 2005 Outside Director of JMS North America Corporation (current position)
- 2006 Outside Director of TAIYO YUDEN Co., Ltd. (current position)
- 2007 Outside Director of the Company (current position)



**TAKESHI NATSUNO<sup>1</sup>**

Outside Director

- 2005 Senior Vice President, Managing Director, Multimedia Services  
Department of NTT DoCoMo, Inc.
- 2008 Guest Professor, Media and Governance of Keio University  
Outside Director of the Company (current position)  
Director of PIA CORPORATION (current position)  
Outside Director of transcocos inc. (current position)  
Director of NTT Resonant Inc. (current position)  
Director of SBI Holdings, Inc.  
Director of DWANGO Co., Ltd. (current position)
- 2009 Outside Director of DLE Inc. (current position)  
Outside Director of GREE, Inc. (current position)
- 2010 Outside Director of bitWallet, Inc. (currently Rakuten Edy, Inc.)  
(current position)  
Director of U-NEXT, Inc. (current position)
- 2011 Outside Director of CUUSOO SYSTEM CO., LTD. (current position)
- 2012 Director of SEGA Networks, Ltd. (current position)
- 2013 Guest Professor, Faculty of Environment and Information Studies of  
Keio University (current position)



## Audit and Supervisory Board Members



**TOMIO KAZASHI<sup>2</sup>**

Standing Audit and Supervisory Board Member

- 1990 Director of Cosmo Securities Co., Ltd.
- 1996 Managing Director of Cosmo Securities Co., Ltd.
- 1999 Managing Director of Cosmo Investment Management Co., Ltd.
- 2005 Standing Audit and Supervisory Board member of Sammy NetWorks Co., Ltd.
- 2008 Substitute Audit and Supervisory Board member of the Company
- 2009 Audit and Supervisory Board member of Sammy NetWorks Co., Ltd. (current position)  
Audit and Supervisory Board member of SEGA TOYS CO., LTD. (current position)  
Standing Audit and Supervisory Board member of the Company (current position)
- 2012 Audit and Supervisory Board member of SEGA Networks, Ltd. (current position)



**TOSHIO HIRAKAWA<sup>2</sup>**

Audit and Supervisory Board Member

- 1994 Director of Marusan Securities Co., Ltd.
- 1996 Managing Director of Marusan Securities Co., Ltd.
- 2001 President and Representative Director of Marusan Finance Co., Ltd.
- 2004 Standing Audit and Supervisory Board member of Sammy Corporation (current position)  
Audit and Supervisory Board member of the Company (current position)
- 2005 Audit and Supervisory Board member of TMS ENTERTAINMENT, LTD. (current position)



**HISASHI MIYAZAKI**

Audit and Supervisory Board Member

- 1984 Entered into Sega Enterprises, Ltd. (currently SEGA CORPORATION)
- 2001 General Manager of Accounting Dept. of SEGA CORPORATION
- 2006 General Manager of Finance Dept. of SEGA CORPORATION
- 2007 Standing Audit and Supervisory Board member of SEGA CORPORATION (current position)  
Audit and Supervisory Board member of the Company (current position)
- 2009 Audit and Supervisory Board member of SEGA Bee LINK Co., LTD. (currently SEGA Entertainment CO., Ltd.) (current position)
- 2012 Audit and Supervisory Board member of SEGA Networks, Ltd.



**MINEO ENOMOTO<sup>2</sup>**

Audit and Supervisory Board Member

- 1978 Registered with The Japan Federation of Bar Associations
- 2000 Established Enomoto Law Office (current position)
- 2004 Audit and Supervisory Board member of Sammy NetWorks Co., Ltd.  
Audit and Supervisory Board member of SEGA CORPORATION (current position)
- 2005 Substitute Audit and Supervisory Board member of the Company
- 2006 Audit and Supervisory Board member of Nippon Koei Co., Ltd. (current position)
- 2007 Audit and Supervisory Board member of the Company (current position)

## Executive Officers



**KOICHI FUKAZAWA**  
Senior Executive Officer



**SHUNICHI SHIMIZU**  
Senior Executive Officer



**KOICHIRO UEDA**  
Executive Officer



**SEIICHIRO KIKUCHI**  
Executive Officer



**HIROSHI ISHIKURA**  
Executive Officer



**TAKATOSHI AKIBA**  
Executive Officer

<sup>1</sup> Qualified external directors as provided in Paragraph 2, Clause 15 of the Companies Act of Japan.

<sup>2</sup> Qualified external auditors as provided in Paragraph 2, Clause 16 of the Companies Act of Japan.