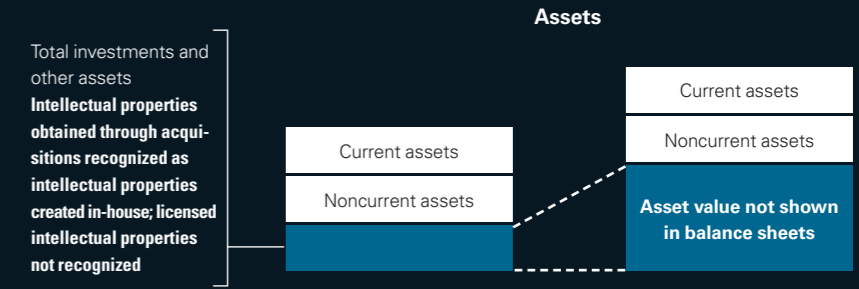


Management Resources Creating Entertainment Value

Intellectual Properties

The SEGA SAMMY Group boasts diverse intellectual properties, which such operating companies as SEGA and Sammy have created during their long histories. These intellectual properties have transcended generations and earned strong endorsement worldwide. We have ensured our intellectual properties create long-term entertainment value through multifaceted rollouts catering to current needs.

Entertainment companies recognize intellectual properties obtained through the acquisition of companies in investment securities and goodwill. However, they do not recognize intellectual properties they have created in-house or licensed as assets. Therefore, if such intangible assets were taken into account, asset values would be higher than financial statements show.



Intellectual Property Creation, Acquisition, and Development

We build our intellectual property portfolio based on a flexible approach that incorporates intellectual properties created in-house, intellectual properties obtained through mergers and acquisitions (M&As), and major intellectual properties licensed from third parties. At the same time, we advance multifaceted rollouts of intellectual properties to increase points of contact with users and the value of intellectual properties continuously.

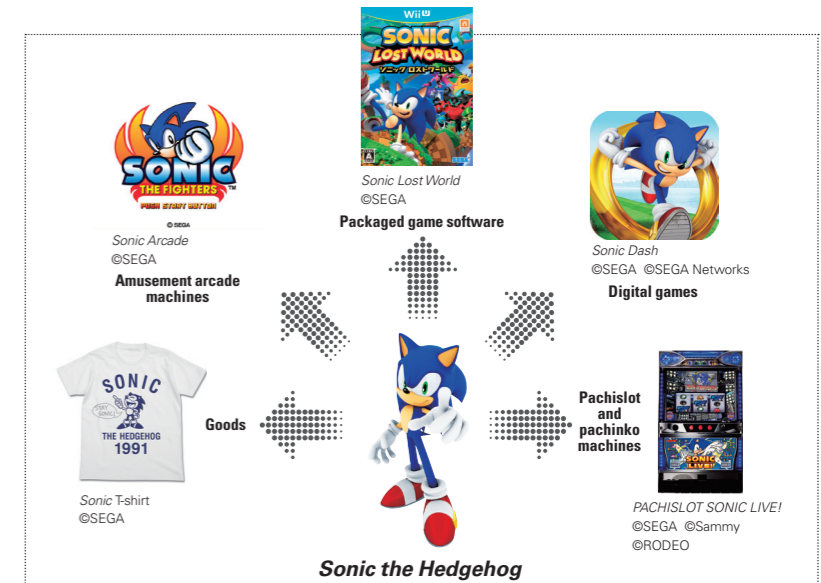
the PAST

the PRESENT

Multifaceted rollout

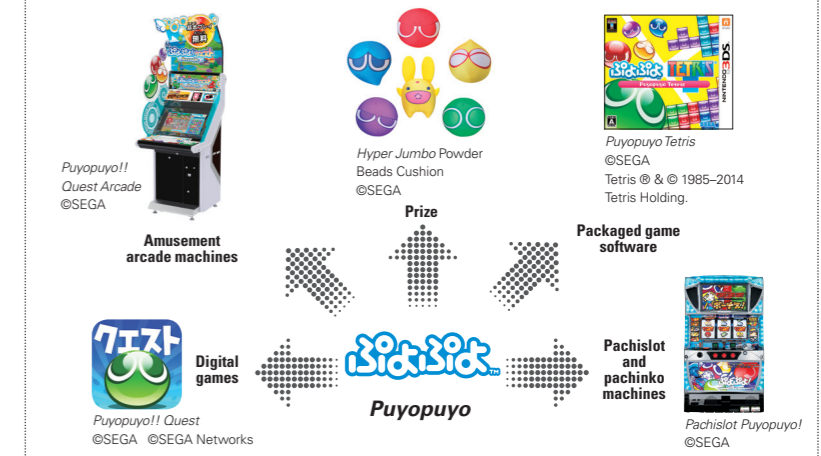
Intellectual property title	First appearance	Pachislot and pachinko machines	Packaged game software	Digital game	Amusement arcade machines	Toys	Total editions	Cumulative unit sales / downloads
Examples of intellectual properties developed in-house	Sonic the Hedgehog series	●	●	●	●	●	—	Approx. 150 million (units / downloads) (packaged and digital total)
	Puyopuyo series	●	●	●	●	●	—	Approx. 13.5 million (units / downloads) (packaged and digital total)
	Ryu ga Gotoku series	●	●	●			33	Approx. 7.8 million (units / downloads) (packaged and digital total)
	Aladdin series	●	●	●			13	Approx. 490,000 units (pachislot and pachinko machines and amusement arcade machines total)
	Juoh series	●	●	●	●		13	Approx. 450,000 units (pachislot and pachinko machines and amusement arcade machines total)
Examples of acquired intellectual properties	Megami Tensei series	●	●	●			28	Approx. 7.0 million units (packaged total)
	Persona series	●	●	●			10	Approx. 6.2 million units (packaged total)
	Etrian Odyssey series		●	●			5	Approx. 1.2 million units (packaged total)
Examples of intellectual properties licensed from third parties	SEGA feat. HATSUNE MIKU Project series		●	●	●	●	24	Approx. 4.5 million (units / downloads) (packaged and digital total)
	Hokuto No Ken series	●	●	●	●	●	24	Approx. 2.35 million units (pachislot and pachinko machines and amusement arcade machines total)
	SOUTEN-NO-KEN series	●	●	●			8	Approx. 390,000 units (pachislot and pachinko machines and amusement arcade machines total)

* SEGA acquired the rights in 1998. Total unit sales are only for titles launched after SEGA acquired the rights.



Sonic the Hedgehog

Since its launch in 1991 as home video game software for the Mega Drive platform, known as GENESIS in the United States, Sonic the Hedgehog has remained extremely popular thanks to thrilling gameplay speed and the main character's charisma. By rolling out this intellectual property through various game consoles, animation series for television, and a host of other media, we have made Sonic the Hedgehog a favorite among children worldwide.



Puyopuyo

The first edition of Puyopuyo was launched in 1991. The combination of falling pieces, puzzle and battle game features, and unique characters made it a runaway success, with versions for amusement arcade machines and the Mega Drive (GENESIS) platform coming out in 1992. Since acquiring the intellectual property rights in 1998, SEGA has rolled out Puyopuyo for many different formats, from home video game consoles through to apps. Furthermore, we have embarked on the multifaceted marketing of goods and other related products.