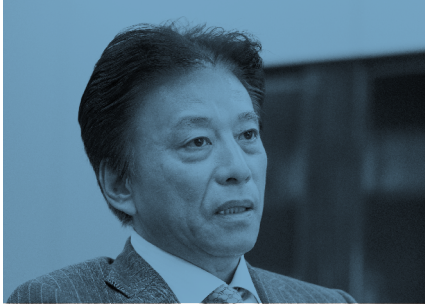


A Message from the President of SEGA Holdings Co., Ltd.



By continuing to create moving experiences, we will realize corporate growth.

Hideki Okamura

President, Representative Director, and Chief Operating Officer
SEGA Holdings Co., Ltd.

Adapting to Change Rapidly

The SEGA Group’s task is to establish systems that generate profits. In other words, we have to increase the frequency with which we produce hit products—the core of any content business. As part of the recent restructuring effort, we rebuilt and optimized the value chain of each business from the planning and development of contents and services through to marketing and publishing. This has created foundations that expedite management decision making and promote efficient management of organizations. As a result, we are able to produce quality content and services while adapting quickly to rapidly changing conditions.

In addition, reorganization has brought together operating companies that have diverse business models but which have creating outstanding entertainment contents as a common goal. This combination promises to create synergy benefits through increased cooperation between businesses as well as create new businesses.

Aiming for Corporate Growth

The SEGA Group is launching initiatives to realize growth.

In contrast to the digital game area’s focus on existing titles in fiscal 2014, we have been rolling out mainstay titles, such as *MONSTER*

GEAR, since the beginning of fiscal 2015. Furthermore, we will exploit a powerful marketing support tool, the *Noah Pass* system, to enhance our standing as one the industry’s leading digital game providers.

As for the packaged game software area, we will release new titles centered on mainstay intellectual properties. At the same time, we will improve profitability through reorganization of the North American business, which is a task we need to address.

Regarding the amusement business, although Japan’s amusement center operations market is said to be contracting, it accounted for sales of ¥400 billion in 2013. The market still offers plenty of scope for generating earnings, if we create hit titles consistently. In the amusement machine sales area, as the industry leader we will embark upon a range of initiatives to invigorate the market while offering our richest product lineup of recent years. It will include *Kancolle Arcade* and *The King of Beetles “MUSHIKING”*, the trailblazer of kids’ card games.

The amusement center operations area is securing earnings even in difficult conditions. Net sales of our existing amusement centers improved 0.1% year on year, one of the best performances in the industry. Furthermore, we are taking on formats that incorporate other business categories. One example is the dining

and darts business *Bee*, which we have been operating for some time. Net sales of this business are growing steadily. In April 2015, we opened *KidsBee*, which is themed on “three generations” and includes dining. The new business format has made a promising start. Through such initiatives—by developing and improving formats that incorporate other business categories and rolling them out laterally—we will expand our earnings base.

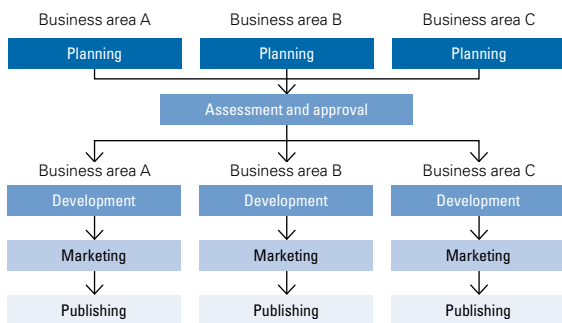
In the toy sales and animation areas, animation production generates steady earnings. Based on these robust foundations, we aim to grow earnings by achieving an appropriate balance between investment in CG animation production and efforts to turn around earnings in the toy sales area.

Continuing to Create Moving Experiences

We have set out *continuing to create moving experiences* as the SEGA Group’s mission. All of the group’s personnel are developing businesses with a shared awareness that, rather than simply creating content and services, creating moving experiences for the customers that use them is important. We will continue creating new entertainment and acting as a *Game Changer* in people’s lives.

Building Optimized Value Chains in Each Business Area and Adapting to Change Rapidly (Conceptual Image)

Before



After restructuring

