



Appendix

Company Profile





Company Name	Sega Sammy Holdings, Inc.
Head Office	Shiodome Sumitomo Building, 1-9-2 Higashi Shimbashi, Minato-ku, Tokyo 105-0021, Japan
Established	October 1, 2004
Capital	29.9billion
Number of Shares Outstanding	283,229,476 shares

Major Shareholders		Equity Shares	%(Voting)
1	Hajime Satomi	43,569,338	17.47
2	Sega Sammy Holdings	31,254,693	-
3	FSC Co., Ltd.	14,172,840	5.68
4	The Chase Manhattan Bank, N.A. London	13,311,247	5.34
5	State Street Bank and Trust Company	13,215,490	5.30
6	Japan Trustee Services Bank, Ltd.	10,317,300	4.13
7	The master Trust Bank of Japan, Ltd.	9,068,100	3.63
8	Morgan Stanley & Co.	4,407,622	1.76
9	State Street Bank and Trust Company 505103	3,965,682	1.59
10	The Chase Manhattan Bank, N.A. London Omnibus Account	3,909,919	1.56

Composition	%(Total)
Financial Institutions	14.06
Securities Companies	1.04
Other Companies	7.02
Foreign Institutions and Individuals	35.50
Japanese Individuals and Other	31.34
Treasury stock	11.04

(As of March 31, 2006)

Company Profile (Subsidiaries)

Subsidiary	Listed on:	Main operations	Shares held by the Company (Percentage of voting rights)
Sammy NetWorks Co., Ltd. 	TSE Mothers Securities code: 3745	<u><Consumer></u> Distribution of music related content and game related content through mobile phones and the Internet.	24,804 shares (56.3%)
SEGA TOYS, LTD. 	JASDAQ Securities code: 7842	<u><Consumer></u> Design, development and sales of toys	11,250,000 shares (52.6%)
TMS Entertainment Ltd. 	NSE 2 nd Section Securities code: 3585	<u><Consumer · Amusement Facilities></u> Planning, production, sales and export of animation films, and amusement businesses	22,519,000 shares (53.1%)
NISSHO INTER LIFE CO., LTD. 	JASDAQ Securities code: 1986	<u><Other></u> Planning, design, management and construction of displays and commercial facilities	7,714,400 shares (51.3%)

(As of March 31, 2006)

Major Product Comparison

Pachislot

FY 2005			FY 2006		
Bland	Titles	Units	Bland	Titles	Units
Sammy	Pachislot Hokuto no ken	356,820	Sammy	Aladdin 2 Evolution	148,979
Rodeo	Onimusha 3	69,341	Rodeo	Ore no Sora	100,497
Sammy	Popeye	60,191	Sammy	Ultra man club ST	77,378
Rodeo	Umematsu Paradise	36,590	Sammy	Pachislot Umi monogatari	63,924
Rodeo	Gamera Hi-grade vision	31,121	Rodeo	Onimusha 3	51,097
Unit supply	3 Titles	94,700	Unit supply	4 Titles	135,118

Pachinko

FY 2005		FY 2006	
Titles	Units	Titles	Units
CR Hakushon Daimaoh	60,089	CR Hokuto no ken	178,579
CR Popeye	41,579	CR Choro Q	30,066
CR Ore no Sora	30,245	CR Sakigake!! Otoko juku	29,309
CR Rinda no dounimo tomaranai	25,887	CR Choro Q Turbo	27,929
CR Mermaid Zaboon	20,204	CR Azumi	9,745

Entertainment software

FY 2005			FY 2006		
Platform	Titles	Units (million)	Platform	Titles	Units (million)
PS2/Xbox/GC	Sonic Heroes	1.29	PS2/Xbox/GC	Shadow the Hedgehog	1.59
PS2	Jissen Pachislot Hissho-ho! Hokuto no ken	1.15	PS2/Xbox/GC	Sonic Riders	0.93
PS2/GC	Sonic Mega Collection	0.98	GBA/NDS	Mushiking	0.89
PS2/Xbox	Sonic Mega Plus	0.61	PS2/Xbox/GC	Spartan: Total Warrior	0.64
PC	Football Manager	0.57	PC	Football Manager 2006	0.63

Management Indexes

	Indexes	FY2004	FY2005
Profitability	Operating margin	20.4%	21.5%
	Gross margin	41.0%	41.5%
	SG&A ratio	20.6%	19.9%
	Free cash flow margin	7.4%	5.2%
Reliability	Equity ratio	59.0%	60.6%
	Liquidity ratio	256.2%	241.2%
	Fixed ratio	60.4%	60.5%
Efficiency	ROE (Return on equity)	19.5%	23.0%
	ROA (Return on total assets)	23.9%	24.8%

*FCF = CF from operating activities + CF from investing activities

Costs and Expenses

(JPY Billion)	FY 2005	FY 2006	FY 2007	
	Full Year Results	Full Year Results	1st Half Plan	Full Year Plan
R&D Costs	41.5	36.3	26.4	54.2
Capital Expenditures	32.4	38.5	25.9	45.4
Depreciation	17.7	21.8	11.5	25.6
Sales and Marketing	11.8	18.9	10.1	25.1

Pachinko/Pachislot Market Data

Number of pachinko halls

(Number of pachinko halls with pachinko machines installed includes facilities that combine installations of pachinko machines and pachislot machines.)

	2000	2001	2002	2003	2004	2005
Number of pachinko halls with pachinko machines installed	16,021	15,691	15,255	14,695	13,844	12,913
Number of pachinko halls with pachislot machines installed	967	1,110	1,249	1,381	1,773	2,252
Total	16,988	16,801	16,504	16,076	15,617	15,165

Numbers of pachinko/pachislot machines sold and installed/Market size

		2000	2001	2002	2003	2004	2005
Pachinko	Units sold	3,368,839	3,230,489	3,174,079	3,686,677	4,012,901	-
	Units installed	3,431,130	3,326,583	3,252,241	3,227,239	3,077,537	2,960,939
	Market size (millions of yen)	568,362	569,129	561,506	672,055	786,413	-
Pachislot	Units sold	1,134,341	1,290,719	1,501,894	1,842,392	1,675,049	-
	Units installed	1,323,729	1,459,233	1,606,123	1,660,839	1,887,239	1,936,476
	Market size (millions of yen)	314,599	351,344	396,566	526,354	524,882	-

Source: National Police Agency (numbers of halls and machines installed) and Yano Research Institute Ltd. (machine sales and market size)

Pachinko/Pachislot Sales Share

Share of annual pachislot machine sales												
Rank	2001			2002			2003			2004		
	Manufacturer	Share	Units sold	Manufacturer	Share	Units sold	Manufacturer	Share	Units sold	Manufacturer	Share	Units sold
1	Sammy	32.8	423,481	Sammy	31.1	466,501	Sammy	32.1	591,754	Sammy	40.4	676,933
2	Yamasa	17.8	230,000	Yamasa	20.0	300,000	Olympia	18.5	340,000	Olympia	16.4	275,000
3	Aruze	16.2	208,643	Aruze	19.7	296,481	Aruze	13.6	250,559	Yamasa	9.0	150,000
4	Olympia	8.5	110,000	Olympia	11.7	175,000	Yamasa	11.9	220,000	Daito Giken	7.9	132,000
5	Pioneer	5.0	65,000	Pioneer	3.7	55,000	Daito Giken	4.9	90,000	Aruze	4.6	77,881

Share of annual pachinko machine sales												
Rank	2001			2002			2003			2004		
	Manufacturer	Share	Units sold	Manufacturer	Share	Units sold	Manufacturer	Share	Units sold	Manufacturer	Share	Units sold
1	Sanyo Bussan	18.9	610,000	Sanyo Bussan	16.4	520,000	Sanyo Bussan	25.2	930,000	Sanyo Bussan	22.9	920,000
2	SANKYO	17.2	557,120	SANKYO	14.8	469,178	SANKYO	16.4	605,589	SANKYO	21.2	849,911
3	Heiwa	10.8	349,492	Heiwa	10.0	318,808	Daiichi	9.5	350,546	Heiwa	8.7	350,184
4	Daiichi	10.3	332,591	Kyoraku	8.1	257,000	Heiwa	7.1	260,894	Daiichi	7.7	308,173
5	Kyoraku	7.6	245,000	Daiichi	7.9	250,834	Sammy	6.7	248,533	Newgin	6.9	278,000
	Sammy	2.8	90,141	Sammy	2.6	82,025				Sammy	5.8	233,049

Source: Yano Research Institute Ltd.

Amusement & Game Machines Market Data

AM machines net sales, operations net sales and home videogame related market (hardware & software)

(Millions of yen)

		FY2001	FY2002	FY2003	FY2004	FY2005
AM machines net sales		140,802	154,528	177,889	180,550	-
AM facilities operations net sales		590,294	605,521	637,744	649,223	-
Number of amusement centers		12,742 centers	11,499 centers	10,759 centers	10,109 centers	9,515 centers
Number of game machine units installed		456,327 units	439,937 units	428,358 units	438,986 units	445,025 units
Number of game machine units installed per center		35.8 units	38.3 units	39.8 units	43.4 units	46.8 units
Home videogame	Hardware net sales	998,144	790,767	631,481	425,143	-
	Software net sales	504,233	475,875	437,975	494,840	-

Source: JAMMA, AOU and NSA (net sales figures), and National Police Agency (Figures other than net sales are on a calendar year basis)



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