HEADLINES

Consolidated Business Highlights

- **Net sales**: ¥331.6 billion, Up 2% year on year
- **Operating income margin**: 3.9%
- **Operating income**: ¥13.0 billion, Down 1.6 pts. year on year
- **ROA***: 0.6%, Down 1.2 pts. year on year

Results by Business Segment

- **Pachislot and Pachinko Machines Business**
  - Net sales: ¥101.4 billion, Down 4% year on year
  - Operating income: ¥13.4 billion, Up 13% year on year

- **Entertainment Contents Business**
  - Net sales: ¥219.6 billion, Up 6% year on year
  - Operating income: ¥9.8 billion, Down 34% year on year

- **Resort Business**
  - Net sales: ¥10.5 billion, Up 6% year on year
  - Operating loss: ¥2.4 billion, — year on year

*ROA = Profit attributable to owners of parent ÷ Total assets
**Football Manager 2019 Arrives**

November 2, 2018, saw the latest installment in our football management simulation game series, which has been meeting fans’ expectations every year since debuting in 2005. Our latest game is the first title with an official license from the Bundesliga, Germany’s premier football league.

**WONDERBOX Holds Grand Opening**

In PARADISE CITY, South Korea’s first integrated resort, we have unveiled WONDERBOX, an indoor family entertainment park. It is based on the concept of a night-time fun fair, where visitors enjoy dynamic attractions and fantastic performances.

**Rieko Kodama of SEGA Games Received Pioneer Award**

In March, at the Game Developers Choice Awards 2019 in the U.S. city of San Francisco, Rieko Kodama of SEGA Games Co., Ltd., received the Pioneer Award. Ms. Kodama is the third Japanese game developer to win this award and the first woman to do so. The award recognizes her trailblazing role among female game developers as well as a long and impressive record in game development.

**Main Titles Developed by Rieko Kodama**

- PHANTASY STAR series
- Sonic the Hedgehog
- Eternal Arcadia, etc.

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Sammy's second No. 6 model machine, *Pachislot SOUTEN-NO-KEN PONYOU*, has arrived in pachinko halls. For the first time, this series is using a ZEEG machine cabinet, featuring an exterior design that adds even more excitement to the world of SOUTEN-NO-KEN. As well as fully resurrecting the legendary BATTLE BONUS feature—which the previous No. 5.9 model machines were unable to do—this offering incorporates new visual effects and a host of other novel elements. Please try this new model.
In pursuing sustained growth of corporate value, the SEGA SAMMY Group (the Group) has taken a medium-to-long-term management perspective. Accordingly, in fiscal year 2018 we established Road to 2020, which shows the direction the Group should follow, and we have been moving forward based on it since then. Unfortunately, however, we were unable to reach targets in the second year of Road to 2020, fiscal year 2019. Although reaching the final fiscal year’s targets has also become challenging, we will identify issues and take firm steps to tackle strategic issues.

Further, Japan is accelerating initiatives in which integrated resorts are being viewed as a driver of the country’s evolution into a major travel destination. In the current fiscal year, the ordinances of the Act on the Establishment of Specified Integrated Resort Areas, enacted in 2018, are being enforced in stages. Aiming to make integrated resorts a mainstay of its growth going forward, the Group is steadily advancing a range of preparations with a view to participation in the integrated resort business. Our basic strategy is to invest in growth while continuing to provide shareholders with stable dividends.

The Group will earn the trust of many different types of stakeholders by continuing to strengthen corporate governance and ensuring rigorous compliance. At the same time, the Group will continue to create unique moving experiences to help realize a happy and rich society. Based on this management stance, we will forge ahead with the long-term, sustained enhancement of corporate value while helping to realize the Sustainable Development Goals (SDGs).

As we develop, I would like to ask our shareholders and other stakeholders for their continued support.
Preparation for Entry into Japan’s Integrated Resort Business

- **Acquired all shares of PHOENIX RESORT CO., LTD.**

- **Established joint venture PARADISE SEGASAMMY Co., Ltd., with the PARADISE GROUP**

- **Began building PARADISE CITY, South Korea’s first integrated resort**

- **Began sending employees to PARADISE SEGASAMMY Co., Ltd.**

- **Opened PARADISE CITY**
  - In addition to the aim of becoming the premier integrated resort facility in Northeast Asia through the provision of a high-quality atmosphere and services, we are promoting the accumulation of development and management know-how with the intention of entering the integrated resort business in Japan.

- **Acquired Nevada State Gaming Machine Manufacture and Distribution License**
  - Meeting the world’s most rigorous licensing standards and eligibility criteria is a major strategic advance that also demonstrates the Group’s capability to engage in the integrated resort business in Japan.

- **Launched Research on Addiction Countermeasures with Kyoto University**
  - We began joint research with Kyoto University’s Kokoro Research Center on the onset mechanism of gambling addiction. We aim to establish a system that detects players exhibiting early signs of addiction and then prevents escalation.

**Key Dates**

- **March 2012**: Established joint venture PARADISE SEGASAMMY Co., Ltd., with the PARADISE GROUP.
- **April 2014**: Began sending employees to PARADISE SEGASAMMY Co., Ltd.
- **April 2017**: Opened PARADISE CITY.
- **2019~**: Taking on the challenge of entering Japan’s integrated resort business.

**Number of Participants in the Incheon Project**

- **57**
  - (As of March 31, 2019)
FISCAL 2019 REPORT FROM THE COO

Haruki Satomi
President and Group COO (Representative Director)
SEGA SAMMY HOLDINGS INC.

Since fiscal year 2018, the SEGA SAMMY Group (the Group) has been advancing initiatives under Road to 2020 (Pages 7–8), which ends in fiscal year 2020. I regret to report that in its second fiscal year we fell far short of targets, with revenues rising and earnings declining year over year.

In the Pachislot and Pachinko Machines Business, with respect to pachislot machines, the business segment began introducing No. 6 model machines and machine cabinets built by ZEEG Co. Ltd. as well as selling No. 5.9 model machines. In prototype testing, however, we acquired fewer approvals than expected, leading to a decline in title numbers and unit sales. Meanwhile, we achieved solid results for pachinko machines by focusing on the sale of machines which conformed to previous regulations. Nonetheless, the Pachislot and Pachinko Machines Business as a whole recorded a 4% decrease in revenues. However, as a result of measures to improve various types of profitability, which we have set out as key measures under the Road to 2020 initiative, earnings have risen 13%.

In the digital games area of the Entertainment Contents Business, although we marketed multiple new titles, results were below initial projections. This was attributable to such factors as new titles not being as well received as hoped for, postponements, and cancellations in the development of new titles. On the other hand, we performed steadily in the packaged games area. Viewing the penetration of the current generation of platforms and the expansion of the PC game market as business opportunities, we rolled out multiple new titles. In addition, repeat sales of existing titles were favorable overseas.

As for the amusement machine sales area, we grew revenues through sales of new amusement machines and prize game machines, but still, losses accompanying the suspension of the operations of certain titles and relocation expenses associated with the relocation of headquarters resulted in a significant decrease in earnings. The amusement center operations area performed solidly, with existing domestic amusement centers posting higher sales year over year and the animation and toy sales area achieved firm results due to such factors as the release of the latest installment in the Detective Conan movie theater animation series. As a result of the aforementioned factors, the Entertainment Contents Business grew revenues 6%, however, its earnings were down 34%, which mainly reflected the losses recognized in the digital games area.

In the Resort Business, Phoenix Seagaia Resort increased revenue 6% and reduced losses through steady growth in accommodation usage and a rise in visitor numbers. Meanwhile, successful promotions at South Korea’s first integrated resort, PARADISE CITY, attracted numerous visitors from Japan.

As a result of the aforementioned factors, net sales rose 2% year over year. Operating income decreased 27% compared with that of the previous fiscal year due to the circumstances of respective businesses and relocation expenses associated with
the relocation of headquarters of ¥4.9 billion. Due to the recognition of impairment loss on certain fixed assets in the digital games area, profit attributable to owners of parent decreased 71% year over year.

In fiscal year 2020, the Pachislot and Pachinko Machines Business is likely to continue experiencing tough regulatory and operating environments. For example, the level of approval acquisition in the prototype testing of pachislot machines remains low. Moreover, the holding of the G20 Summit and other factors are expected to result in voluntary control of pachinko and pachislot machine replacement. However, with our sights set on an increase in replacement demand mainly in the second half of the current fiscal year as the deadline for the removal of machines conforming to the previous regulations approaches, we will market new titles for new-format machines. Further, by continuing reuse measures and other profitability improvement measures, we will work to enhance profitability significantly year over year.

In the Entertainment Contents Business, we will right-size the scale of titles under development and operation to improve profitability in the digital games area. Also, we will reallocate resources to the packaged games and other areas. At the same time, we will maximize the value of the Group’s intellectual property (IP) assets by stepping up IP rollouts across multiple regions, devices, and platforms.

As for the Resort Business, Phoenix Seagaia Resort will continue measures aimed at attracting more visitors. In conjunction with these efforts, we will continue acquisition of development and management know-how through PARADISE CITY with a view to participation in integrated resorts in Japan.

In light of the aforementioned factors, in fiscal year 2020 we expect net sales of ¥390.0 billion and operating income of ¥27.0 billion. At the outset, Road to 2020 set medium-term performance targets of 15% for the operating income margin and 5% for ROA*. While it will be a challenge, we will make sincere efforts to reach the fiscal year 2020 targets.

By leveraging consolidation of the head office functions of Group companies, the Group will further strengthen its cohesiveness, create collaborative and synergistic benefits among businesses, and reform work styles. These improvements will help us to forge ahead with the creation of moving experiences and sustain growth in corporate value.

---

### Performance Forecast

<table>
<thead>
<tr>
<th></th>
<th>Year ended March 31, 2019 Results</th>
<th>Year ending March 31, 2020 (Plan) (Figures as of April 26, 2019)</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net sales</td>
<td>331.6</td>
<td>390.0</td>
<td>+18%</td>
</tr>
<tr>
<td>Operating income</td>
<td>13.0</td>
<td>27.0</td>
<td>+108%</td>
</tr>
<tr>
<td>Operating income margin</td>
<td>3.9%</td>
<td>6.9%</td>
<td>+3.0 pts.</td>
</tr>
<tr>
<td>Ordinary income</td>
<td>7.4</td>
<td>23.0</td>
<td>+211%</td>
</tr>
<tr>
<td>Profit attributable to owners of parent</td>
<td>2.6</td>
<td>15.0</td>
<td>+477%</td>
</tr>
<tr>
<td>ROA*</td>
<td>0.6%</td>
<td>—</td>
<td>—</td>
</tr>
</tbody>
</table>

* ROA = Profit attributable to owners of parent ÷ Total assets
Review

Operating income was below our targets for two consecutive fiscal years, mainly due to the effect of regulatory revisions on the Pachislot and Pachinko Machines Business and insufficient hit titles in the digital games area of the Entertainment Contents Business.

Road to 2020 / Goal (Specific targets)

<table>
<thead>
<tr>
<th></th>
<th>Company</th>
<th>Road to 2020 Progress</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating income margin</td>
<td>At least 15%</td>
<td>2018: 5.5% 2019: 7.1%</td>
</tr>
<tr>
<td>ROA*1: At least 5%</td>
<td></td>
<td>2020: 6.9%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Business</th>
<th>Sales:</th>
<th>Operating income:</th>
<th>Operating income margin:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pachislot and Pachinko Machines Business</td>
<td>At least ¥300.0 billion</td>
<td>At least ¥30.0 billion</td>
<td>At least 10%</td>
</tr>
<tr>
<td>Entertainment Contents Business</td>
<td>At least ¥300.0 billion</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Resort Business</td>
<td>Succeed in IR businesses</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Enhance brand value</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*1 ROA = Profit attributable to owners of parent ÷ Total assets
*2 Operating income margin of the Pachislot and Pachinko Machines Business excluding other and eliminations

Pachislot and Pachinko Machines Business

- Due to regulatory revisions, the percentage of approvals acquired in prototype testing decreased. Consequently, the sales market stagnated significantly, and initial targets were not reached.
- Meanwhile, measures to improve the operating income margin progressed steadily.

Entertainment Contents Business

Digital games area

- Results were significantly below initial projections due to such factors as deterioration of the business environment and insufficient hit titles.

Packaged games area

- Results exceeded initial targets thanks to higher than initially expected overseas sales and repeat sales.

Promotion of Work-Style Reform

We are implementing a range of measures to ensure diversity and enhance productivity with the aim of recruiting and developing talented personnel who will support our businesses.

- Consolidation of the Group’s head office functions
- Reduction of long overtime work hours
- Introduction of the Job Plus (JOB+) side job system
- Implementation of flextime, telework, etc.

Opening of the SEGA SAMMY Soramori Nursery School

On April 1, 2019, we opened an in-house nursery school, the SEGA SAMMY Soramori Nursery School. The new nursery school will help to facilitate diverse work styles, make it easier for employees who have just completed maternity leave or childcare leave to return to work, and create workplaces where employees who have children can work with vitality.
**Approach in Fiscal 2020**

We will improve the percentage of approvals acquired in prototype testing in the Pachislot and Pachinko Machines Business, develop pachislot machines that reflect market trends, rightsize the scale of titles under development and operation in the digital games area, and reallocate resources to promising areas.

**Pachislot and Pachinko Machines Business**

*Market environment*
- Increase in demand accompanying the removal of machines conforming to the previous regulations due to the expiration of certification
- Voluntary control of replacement due to G20 Summit, etc.

*Objectives going forward*
- Improve approval ratio
  - Submit multiple specifications for both pachislot and pachinko machines
- Develop pachislot machines reflecting market trends
  - Machines with the number of obtainable medals per game set at a higher range
  - Machines with payouts that reflect players’ skill
  - Effective use of major existing IPs

**Entertainment Contents Business**

*Market environment*
- Overseas packaged games market and digital games for video game consoles and PCs market expanding
- Domestic market stagnating

*Reconsider focus area*

**At time of Road to 2020 announcement**
- Domestic mobile and digital

**Strategy going forward**

Rightsize the scale of titles under development and operation in the digital games area
- Narrow down the number of new titles under development
- Adjust the number of titles under direct operation
- Line-up centered on existing IP titles

Leverage distinctive characteristics of IPs in rollouts across multiple regions, devices, and platforms

*From fiscal 2020 onward*
- Overseas packaged games and digital games for video game consoles and PCs

**Resort Business**

Preparation for Entry into Japan’s Integrated Resort Business (Page 4)
In February 2018, we introduced a shareholder benefits program to thank shareholders for their support and to encourage them to try our services. Recently, we have enhanced the shareholder benefits program in light of feedback received from shareholders since its introduction. For example, in response to shareholders who informed us that there were no amusement arcades with *UFO CATCHER* prize game machines in their neighborhood, we have introduced *SEGA Catcher Online*\(^1\), which can be played via the Internet. Further, shareholders with at least 3,000 shares can now experience even more services. We would like as many shareholders as possible to experience a wider range of our services and to support us going forward.

### Guide to Enhanced Shareholder Benefits

**Record dates**
March 31 and September 30 (twice a year)

<table>
<thead>
<tr>
<th>Shares held</th>
<th>①</th>
<th>②</th>
<th>③</th>
<th>④</th>
</tr>
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<tbody>
<tr>
<td>100–999 shares</td>
<td>¥1,000 (value)</td>
<td>—</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>1,000–2,999 shares</td>
<td>¥1,000 (value)</td>
<td>¥10,000 (value)</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>3,000–4,999 shares</td>
<td>¥1,000 (value)</td>
<td>¥20,000 (value)</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>5,000– shares</td>
<td>¥1,000 (value)</td>
<td>¥20,000 (value)</td>
<td>1 voucher</td>
<td>1 voucher</td>
</tr>
</tbody>
</table>

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\(^1\) *SEGA Catcher Online* is a service that enables online control and play of *UFO CATCHER* via smartphones, tablet computers, and PCs. For details on how to play, please see page 10.

\(^2\) Vouchers are only usable at amusement arcades with *UFO CATCHER* prize game machines. Vouchers are not usable at *TOKYO JOYPOLIS*, *Sannomiya Sanx*, or the game corner in Shinagawa Prince Hotel.

\(^3\) The room type is deluxe twin. Further, the vouchers are not usable during busy periods, such as the Golden Week, Bon, and the New Year holidays.

\(^4\) The room type is deluxe. Further, the vouchers are not usable during local busy periods, such as certain periods in summer and the New Year holidays.
Try SEGA Catcher Online!

SEGA Catcher Online is an online game service that enables players to operate UFO CATCHER remotely via PCs, smartphones, and other devices. UFO CATCHER can now be enjoyed by those who want to play the game but do not have amusement arcades nearby.

Here, we explain how to play SEGA Catcher Online.

**STEP 1**
Register
To register as members, PC users visit the website below, while smartphone users download the SEGA Catcher Online app.
https://segacatcher.com/login
(in Japanese only)

**STEP 2**
Choose the prize you want from the prize list.

**STEP 3**
First press the “move to the side” button and then the “move to the back” button.

After pressing the “PLAY START” button, first press the “move to the side” button and then the “move to the back” button. While a button is being pressed, the arms continue to move. Take care because when a button is released the arms stop.

**STEP 4**
Win a prize! Or try again!
If a prize drops into the outlet, the player wins the prize! If prize delivery has been requested, the prize is delivered to the player’s home*. Please begin by requesting delivery at the website’s “your account” section.

*Cannot be shipped overseas

If you cannot win a prize, you can try again by pressing the “CONTINUE” button on the bottom right of the screen.

Beginners can practice.
In each era, the SEGA SAMMY Group has provided moving experiences that exceed customers’ expectations. Episode 5 of our series focuses on the early days of DISC UP, which triggered a new trend in the pachinko and pachislot machine industry, and provides insights on the development of the latest title in the series.

2000  Early Days, DISC UP

Launched in 2000, DISC UP was the first pachislot machine in the industry to incorporate an “assist replay time” function. This enabled players to enjoy normal game stages while increasing the payout, which was an unprecedented type of gameplay. A further feature of the pachislot machine was that the payouts reflected playing skill.

Subsequently, other companies also included the “assist replay time” function in numerous pachislot machines. This led to the creation of the “A+ assist replay time” function, a major pachislot machine category that is a firm favorite among players. In this way, DISC UP was not only a hit product but had an important influence on the emergence of this category. Also, it is the title in which Sammy’s original ALIYAN character appeared for the first time under the name “Uchujin.”

2018  Latest Title, Pachislot DISC UP

We released the latest title in the series, Pachislot DISC UP, in June 2018. In developing the title, we sought to create a highly appealing game that provides plenty of playing enjoyment even within the format of a No. 5.9 model machine. Payouts that reflected playing skill were a distinctive feature of the first title. We emphasized this element to the utmost, and I think we have created a game that players will find repays good play.

Personnel with a particular interest and expertise in this type of pachislot machine led development. Although time was limited, I was impressed by how much the team members seemed to be enjoying the work.

We hope you will look forward to the future of DISC UP as the series continues to evolve!

Satoshi Sawada
Chief Producer,
PS Section 2, PS Research & Development Division,
Research & Development Group Division,
Sammy Corporation
The third SEGA FES was held on March 30–31, 2019. We asked the event organizers how they communicated the appeal of SEGA and encouraged a liking for the brand not only among SEGA fans but also among those less familiar with the brand.

Making the Event Enjoyable for Everyone
A goal of SEGA FES 2019 was to increase the number of SEGA fans. With this in mind, we spent roughly half a year making preparations so that we could offer moving experiences to even more people. There were many aspects of the event on which we focused particular attention to get them just right. These included choosing Akihabara so that the location had good access, displaying contents under a different theme on each floor, and placing the SEGA logo in eye-catching positions. We focused particular efforts on MEGA UFO CATCHER, installed on the first floor (outside). We gave a lot of thought to making the event fun for a wide range of age groups and ensuring the enjoyment of those playing as well as of those watching.

Creating Affection for the Brand
As members of the Advertising Department, we normally prepare plans to promote the sale of products. In planning SEGA FES, however, our first priority was to express our gratitude to SEGA fans. This element of the event made the work very satisfying. At the event, we are able to see fans’ enthusiasm for our IP first-hand and get feedback from fans. We got an immediate sense of their expectations, which was pleasing. This kind of feedback strengthens our determination to heighten brand power by continuing to exceed expectations. We will keep taking on ambitious initiatives, such as SEGA FES, to create an even greater affection for the SEGA brand.
NEWS

Releasing *Mega Drive Mini* on September 19, 2019!

We will launch *Mega Drive Mini*, a miniaturized form game terminal that reproduces the *Mega Drive* home video game console released by SEGA in 1988. As well as reproducing the original console's sleek design in a compact form, the terminal will include 42 video games. Players will be able to choose from an extensive menu of famous titles that includes action and shooting games through to puzzles, role-playing games (RPGs), and simulation games.

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The Official Video Games of the Olympic Games Tokyo 2020, Starting Summer 2019!

SEGA Holdings and SEGA Group will release its official Olympic Games Tokyo 2020 titles beginning in summer 2019 through 2020. The development for these titles is in full swing and will bring the joy of the Olympic Games to everyone around the world! Please stay tuned for more news regarding releases in the West.

**Title information**
- *Olympic Games Tokyo 2020 - The Official Video Game™*
- *Mario & Sonic at the Olympic Games Tokyo 2020™*
- *Mario & Sonic at the Olympic Games Tokyo 2020 - Arcade Edition™*
- *Sonic at the Olympic Games Tokyo 2020™*

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23rd Installment of the *Detective Conan* Series Becomes Another Major Hit!

Jointly produced by TMS ENTERTAINMENT CO., LTD., and five other companies and released on April 12, 2019, the latest installment in the *Detective Conan* Japanese animation for movie theaters, *Detective Conan: The Fist of Blue Sapphire*, has become a major hit, with audience numbers surpassing 5.9 million just 25 days after release. The first movie in the series set overseas, the 23rd installment is a Singapore-based action adventure mystery with three interwoven story lines.

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Developing Diversity Initiatives

The SEGA Sammy Group is a rich and diverse global organisation that supports employees from all walks of life regardless of race, gender or sexual identity. Our progressive work environment means there is a place for everyone to feel comfortable and appreciated and we offer diversity training materials to all of our employees. To underline our commitment to diversity, we participated in the Tokyo Rainbow Pride 2019 event, held in April, with many SEGA employees taking part to champion the rights of the LGBT community.
GROUP INFORMATION

Company Profile  (As of March 31, 2019)

Company Name  SEGA SAMMY HOLDINGS INC.
Address  Sumitomo Fudosan Osaki Garden Tower, 1-1-1 Nishi-Shinagawa, Shinagawa-ku, Tokyo 141-0033, Japan
Established  October 1, 2004
Capital  ¥29.9 billion
Number of Employees  7,993 (Consolidated)
Stock Exchange  The First Section of the Tokyo Stock Exchange (Stock Code: 6460)

Directors and Audit & Supervisory Board Members

Hajime Satomi  Chairman and Group CEO (Representative Director)
Haruki Satomi  President and Group COO (Representative Director)
Naoya Tsurumi  Senior Executive Vice President (Director of the Board)
Koichi Fukazawa  Executive Vice President and Group CFO (Director of the Board)
Hideki Okamura  Executive Vice President (Director of the Board)
Takeshi Natsuno  Director of the Board (External)
Kohei Katsukawa  Director of the Board (External)
Hiroshi Onishi  Director of the Board (External)
Shigeru Aoki  Standing Audit & Supervisory Board Member
Yukito Sakaue  Audit & Supervisory Board Member
Tomio Kazashi  Audit & Supervisory Board Member (External)
Mineo Enomoto  Audit & Supervisory Board Member (External)

Information on Outstanding Shares  (As of March 31, 2019)

Number of Shares Authorized for Issuance  800,000,000 shares
Total Number of Shares Issued and Outstanding  266,229,476 shares
Number of Shareholders  77,599

Principal Shareholders

<table>
<thead>
<tr>
<th>Name of shareholder</th>
<th>Shares held (Shares)</th>
<th>Shareholding ratio (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>HS Company</td>
<td>35,308,000</td>
<td>13.26</td>
</tr>
<tr>
<td>Company's Tr. Stock</td>
<td>31,493,927</td>
<td>11.82</td>
</tr>
<tr>
<td>FSC Co., Ltd.</td>
<td>13,562,840</td>
<td>5.09</td>
</tr>
<tr>
<td>The Master Trust Bank of Japan, Ltd. (Trust account)</td>
<td>11,474,000</td>
<td>4.30</td>
</tr>
<tr>
<td>Japan Trustee Services Bank, Ltd. (Trust account)</td>
<td>10,244,800</td>
<td>3.84</td>
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Breakdown of Shareholders

<table>
<thead>
<tr>
<th>Category</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financial institutions</td>
<td>16.9%</td>
</tr>
<tr>
<td>Securities companies</td>
<td>20.9%</td>
</tr>
<tr>
<td>Other companies</td>
<td>28.3%</td>
</tr>
<tr>
<td>Foreign institutions and individuals</td>
<td>21.0%</td>
</tr>
<tr>
<td>Japanese individuals and other</td>
<td>11.8%</td>
</tr>
</tbody>
</table>

Shareholder Memo  (As of March 31, 2019)

Stock Code  6460
Trading Unit  100 shares
Fiscal Year  From April 1 to March 31 of the following year
Ordinary General Meeting of Shareholders  June
Date of Record for Dividends  March 31 (September 30 for interim periods, if paid)
Advance public notice is given when required for other dividend payments.
Method of Public Notice  Electronic public notices
Notification URL  https://www.segasammy.co.jp/japanese/etc/notice
If electronic notification is not available due to unavoidable circumstances, the Company will post the notice in the Nihon Keizai Shimbun.
Transfer Agent  Mitsubishi UFJ Trust and Banking Corporation
Administrative Office of Transfer Agent  Securities Agent Department, Mitsubishi UFJ Trust and Banking Corporation, 1-1, Nikkocho, Fuchu-shi, Tokyo 183-0044, Japan
Phone: +81-3-5683-5111
Agencies  Mitsubishi UFJ Trust and Banking Corporation branches in Japan

The website of Mitsubishi UFJ Trust and Banking Corporation, the Company's transfer agent, provides information on share registration, purchase or additional purchase of shares in fractional lots, and other stock-related procedures. If you use the storage transfer system for share certificates, etc., please contact the securities company that handles the transactions.

Mitsubishi UFJ Trust and Banking Corporation website: https://www.tr.mufg.jp/daikou/
As part of its ongoing enrichment of investor engagement, the SEGA SAMMY Group has responded to shareholder feedback by providing a window on its operations through the Business Report.

**SEGA SAMMY HOLDINGS INC.**
**IR Information Center**

For inquiries about questionnaires, share information, corporate information, and other related information, please contact the phone number below. (Our telephone number has changed due to the relocation of our head office.) Please note that the IR Information Center is closed on Saturdays, Sundays, national holidays, and Company holidays.

Phone: +81-3-6864-2404

Business hours: Monday through Friday, 9:00 a.m.—6:00 p.m.

**IR Calendar**
Schedule of activities for shareholders and investors:

- **July**  Announcement of results for the three months ending June 30, 2019
- **October**  Announcement of results for the six months ending September 30, 2019
- **December**  Release of Interim Business Report for the six months ending September 30, 2019

**Cautionary Statement with Respect to Forward-Looking Statements**

Statements in this document regarding the plans, estimates, beliefs, management strategies, perceptions, and other aspects of SEGA SAMMY HOLDINGS INC. (“the Company”) and SEGA SAMMY Group companies (“the Group”) are forward-looking statements based on the information currently available to the Company. Forward-looking statements include, but are not limited to, those statements using words such as “believe,” “expect,” “plans,” “strategy,” “prospects,” “forecast,” “estimate,” “project,” “anticipate,” “aim,” “may,” and “might,” and words of similar meaning in connection with a discussion of future operations, financial performance, events, or conditions.

From time to time, oral or written forward-looking statements may also be included in other materials released to the public. These statements are based on management’s assumptions and beliefs in light of the information currently available to management. The Company cautions you that a number of important risks and uncertainties could cause actual results to differ materially from those discussed in the forward-looking statements, and therefore undue reliance should not be placed on them.

Also, it should not be assumed that the Company has any obligation to update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise. The Company disclaims any such obligation. Actual results may vary significantly from the Company’s forecasts due to various factors. Factors that could influence actual results include, but are not limited to, economic conditions, especially trends in consumer spending, as well as currency exchange rate fluctuations, changes in laws and government systems, pressure from competitors’ pricing and product strategies, declines in the marketability of the Group’s existing and new products, disruptions to production, violations of the Group’s intellectual property rights, rapid advances in technology, and unfavorable verdicts in major litigation.