

# FY 2011 Full Year Results Presentation



May 16th, 2011  
SEGA SAMMY HOLDINGS INC.

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The contents of this material and comments made during the questions and answers etc of this briefing session are the judgment and projections of the Company's management based on currently available information.

These contents involve risk and uncertainty and the actual results may differ materially from these contents/comments.

## 【FY 2011 Full Year Results】

FY 2011 Highlights	3
Major Business Measures	4
Consolidated Income Statements	5
Consolidated tax return system / Comprehensive Income	6
Operating Income	7
Primary Factors behind Fluctuations	7
Extraordinary Loss / Impact of the Earthquake	8
Cost and Expenses	9
Consolidated Balance Sheet	10
Consolidated Cash Flows	11
<u>Segment Results</u>	
<u>Segment results:</u> Pachislot and Pachinko Machines	14
<u>Segment results:</u> Amusement Machine Sales	18
<u>Segment results:</u> Amusement Center Operations	20
<u>Segment results:</u> Consumer Business	22

## 【FY 2012 Full Year Projections】

Consolidated Income Statements	27
Operating Income	28
Primary Factors behind Fluctuations	28
Major Business Measures	29
Costs and Expenses Projections	30
<u>Segment Projections</u>	
(Pachislot / Pachinko Market Forecast)	31
<u>Segment Projections:</u> Pachislot and Pachinko Machines	32
<u>Segment Projections:</u> Amusement Machine Sales	35
<u>Segment Projections:</u> Amusement Center Operations	37
<u>Segment Projections:</u> Consumer Business	38
Appendix	42

# FY 2011 Full Year Results



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<b>Net Sales / Profits</b>		<ul style="list-style-type: none"> <li>▪ Net sales: 396.7 billion yen, Operating income 68.7 billion yen, Net income 41.5 billion yen</li> <li>▪ Year-on-year, sales and profits increased</li> <li>▪ Posted total extraordinary losses of 14.3 billion yen ⇒Extraordinary losses from the Great East Japan Earthquake amounted to 1.2 billion yen</li> </ul>
<b>Segment breakdown</b>	<b>Pachislot and Pachinko Machines</b>	<ul style="list-style-type: none"> <li>▪ Year-on-year, sales and profits increased</li> <li>▪ Pachislot unit sales significantly exceeded results of the previous fiscal year</li> <li>▪ Pachinko unit sales decreased compared to the results of the previous fiscal year</li> <li>▪ Posted extraordinary losses for a pachislot machine during the 4th Quarter</li> </ul>
	<b>Amusement Machine Sales</b>	<ul style="list-style-type: none"> <li>▪ Year-on-year, sales and profits increased</li> <li>▪ Strong distribution of earnings due to utilization of revenue sharing model</li> </ul>
	<b>Amusement Center Operations</b>	<ul style="list-style-type: none"> <li>▪ Decreased sales year-on-year, but return to profitability due to a reduction of operating expenses</li> <li>▪ SEGA domestic same-store sales performed at a lower level year-on-year</li> <li>▪ Temporarily closed businesses of some facilities due to the impact of the Great East Japan Earthquake</li> <li>▪ Decided to sell amusement center operations business in the U.S.</li> </ul>
	<b>Consumer Business</b>	<ul style="list-style-type: none"> <li>▪ Year-on-year, sales and profits decreased</li> <li>▪ Strong domestic sales of game software, but weak sales of new titles overseas</li> <li>▪ Began full-fledged supplies of contents for new platforms</li> <li>▪ Postponed the launching of some game titles to the next fiscal year due to the impact of the Great East Japan Earthquake</li> </ul>



(March 15, 2011)

- ◆ Completed acquisition of treasury stocks  
(4th Quarter)

- Total number of shares acquired: 14,000,000 shares
- Total acquisition costs: 24,287,800,000 yen
- Acquisition period: From December 2, 2010 through  
March 15, 2011

(December 1, 2010)

- ◆ Converted three listed subsidiaries  
to wholly owned subsidiaries  
(3rd Quarter)

- Converted Sammy NetWorks (333 SEGA SAMMY shares per share of Sammy NetWorks), SEGA TOYS (0.33 SEGA SAMMY shares per share of SEGA TOYS) and TMS ENTERTAINMENT (0.26 SEGA SAMMY shares per share of TMS ENTERTAINMENT) to wholly owned subsidiaries through share exchange  
⇒ Used 13,977,737 shares in treasury stocks

(December 10, 2010)

- ◆ Cancellation of Treasury Stocks  
(3rd Quarter)

- Cancelled 17,000,000 treasury stocks  
⇒ Total number of issued and outstanding shares:  
266,229,476 shares (as of March 31, 2011. )

# Consolidated Income Statements



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		FY 2010		FY 2011			
		Results through 2Q	Full Year Results	Results through 2Q	Revised Full Year Projections (on Sep 30)	Full Year Results	YoY Change
(JPY billion)							
Breakdown	Net Sales	154.3	384.6	217.8	410.0	396.7	+3.1%
	Pachislot and Pachinko Machines	68.3	160.3	134.2	215.0	212.0	+32.3%
	Amusement Machine Sales	17.9	45.1	19.6	53.0	47.2	+4.7%
	Amusement Center Operations	28.9	54.7	23.6	45.0	45.6	-16.6%
	Consumer Business	37.6	121.5	38.7	94.0	88.8	-26.9%
	Other	1.5	2.8	1.5	3.0	2.8	-
Breakdown	Operating Income	-0.3	36.7	46.8	65.0	68.7	+87.2%
	Pachislot and Pachinko Machines	10.8	29.5	47.6	58.5	64.2	+117.6%
	Amusement Machine Sales	-0.7	7.0	1.9	6.5	7.3	+4.3%
	Amusement Center Operations	0.2	-1.3	1.1	-0.5	0.3	-
	Consumer Business	-8.1	6.3	-1.3	6.0	1.9	-69.8%
	Other	0.2	0.3	0.1	0.0	0.0	-
	Eliminations	-2.7	-5.2	-2.7	-5.5	-5.1	-
	Operating Income Margin	-	9.5%	21.5%	15.9%	17.3%	+7.8pt
Ordinary Income		-0.7	35.9	46.0	64.0	68.1	+89.7%
Extraordinary Gain		1.9	3.1	2.8	-	3.7	-
Extraordinary Loss		2.5	11.9	3.6	-	14.3	-
Net Income		-6.3	20.2	24.3	37.5	41.5	+105.4%
Dividend Per Share (JPY)		15	30	20	40	40	-
Earning Per Share (JPY)		-25.10	80.46	96.66	147.44	163.19	-
Net Assets Per Share (JPY)		841.80	937.80	1,031.45	-	1,093.23	-



## Impact of adopting consolidated tax return system

	(JPY billions)
Income before income taxes and minority interests	<b>57.4</b>
Income taxes-current	<b>27.4</b>
Income taxes-deferred	<b>(14.1)</b>
Income before minority interests	<b>44.1</b>
Minority interests in income	<b>2.6</b>
Net income	<b>41.5</b>

Effect of adopting consolidated tax return system :  
-12.1 billion yen

## Comprehensive Income

	(JPY billions)	
Net income	<b>41.5</b>	
Minority interests in income	<b>2.6</b>	
Income before minority interests	<b>44.1</b>	<b>A</b>
Valuation difference on available-for-sale securities	<b>10.9</b>	
Foreign currency translation adjustment	<b>(1.6)</b>	
Other comprehensive income	<b>9.2</b>	<b>B</b>
Comprehensive income	<b>53.4</b>	<b>A+B</b>

Comprehensive income increased by 11.9 billion yen compared to net income

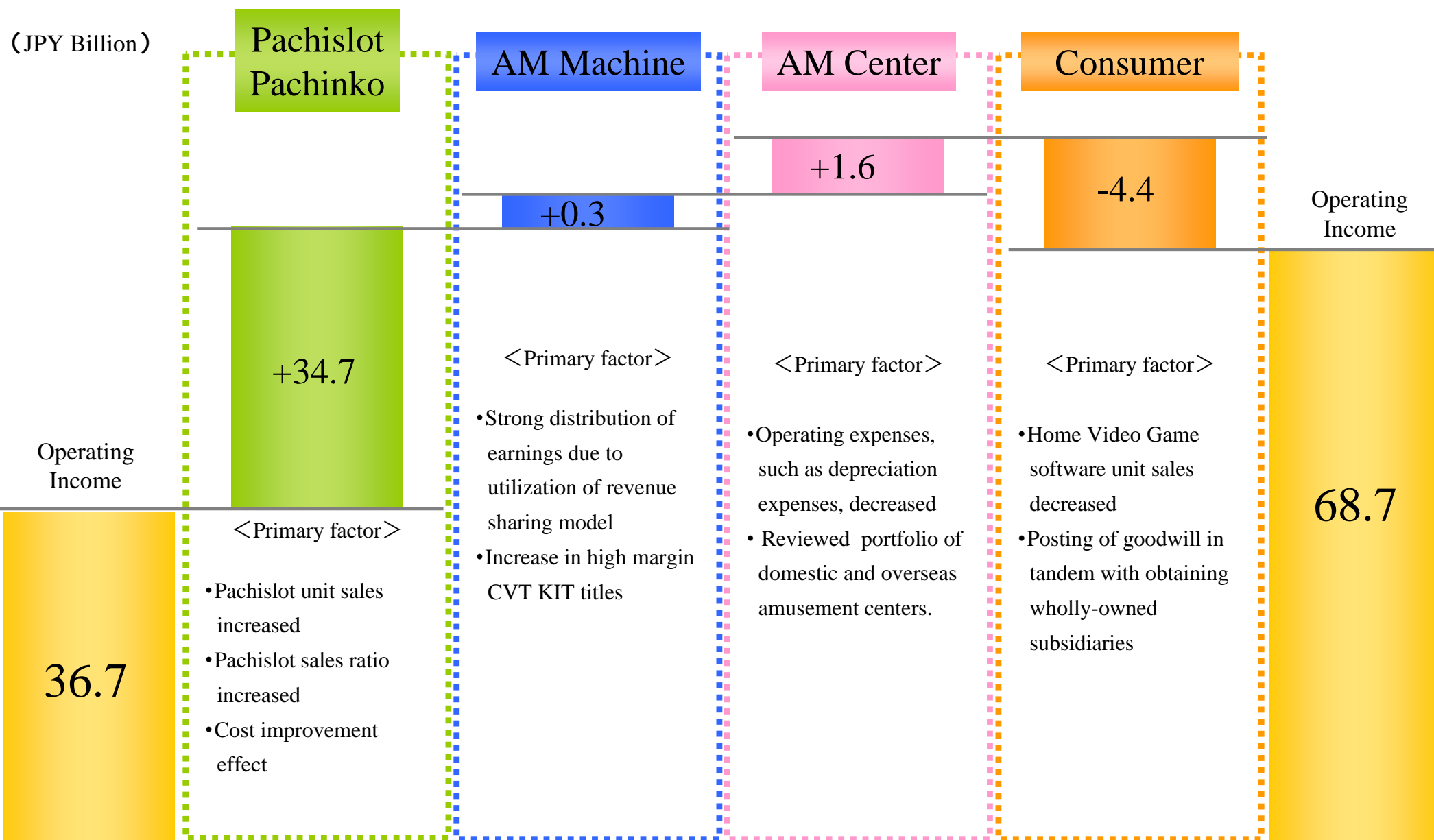
# Operating Income

– Primary Factors behind Fluctuations (Major Causes)



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FY 2010  
Results

**Consolidated Operating Income : +32.0 Billion yen**

FY 2011  
Results





## FY 2010 Full Year Results

Impairment loss	¥3.8 billion
Loss on revaluation of investment in securities	¥2.4 billion
Loss on liquidation of subsidiary	¥1.6 billion
Loss on facility closures	¥0.8 billion
Loss on sales of stocks of subsidiaries and affiliates	¥0.6 billion
Loss on disposal of fixed assets	¥0.4 billion
Other	¥2.3 billion
<b>Total extraordinary losses</b>	<b>¥11.9 billion</b>

## FY 2011 Full Year Results

Cost of product compensation related	¥5.2billion
Impairment loss	¥1.5billion
Loss on liquidation of subsidiaries	¥1.4billion
Loss on valuation of investment securities	¥1.3billion
Loss on disaster	¥1.2billion
Loss on adjustment for changes of accounting standard for asset retirement obligations	¥1.1billion
Other	¥2.6billion
<b>Total extraordinary losses</b>	<b>¥14.3billion</b>

## Major Impact of the Great East Japan Earthquake

- ◆ Posted extraordinary losses pertaining to the Great East Japan Earthquake amounting to 1.2 billion yen
- ◆ Temporarily closed businesses of some amusement centers
- ◆ Shortened business hours (until March 31) of amusement centers located within areas covered by Tohoku Electric Power and Tokyo Electric Power Company
- ◆ Postponed the launching of the home video game software, “Ryu ga Gotoku OF THE END” to the next fiscal year



(JPY billion)	FY 2010		FY 2011			
	Results through 2Q	Full Year Results	Results through 2Q	Revised Full Year Projections (on Sep 30)	Full Year Results	YoY Change
R&D expense / Content Production Expense	22.9	41.5	18.6	43.4	41.1	-1.0%
Cap-ex	6.3	16.1	6.5	18.9	19.6	+21.7%
Depreciation	7.3	17.1	7.3	17.8	15.9	-7.0%
Advertising	7.8	20.7	7.3	19.7	15.1	-27.1%

# Consolidated Balance Sheet



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(JPY billion) 【 Assets 】				【 Liabilities and Net Assets 】			
Account	End of previous fiscal year	End of this fiscal year	Change	Account	End of previous fiscal year	End of this fiscal year	Change
Cash and Deposits	101.3	149.0	+47.7	Accounts Payable	37.3	37.5	+0.2
Accounts Receivable	67.0	56.4	-10.6	Corporate Bond	20.6	11.8	-8.8
Securities	73.4	42.4	-31.0	Short Term Borrowings	3.4	2.8	-0.6
Inventories	36.7	36.3	-0.4	Other	31.5	56.9	+25.4
Other	20.3	31.4	+11.1				
				<b>Total Current Liabilities</b>	<b>92.8</b>	<b>109.0</b>	<b>+16.2</b>
<b>Total Current Assets</b>	<b>298.7</b>	<b>315.5</b>	<b>+16.8</b>	Corporate Bond	41.5	29.6	-11.9
Tangible Fixed Assets	59.0	57.1	-1.9	Long Term Debt	6.1	5.3	-0.8
Intangible Fixed Assets	13.3	22.7	+9.4	Other	25.9	29.2	+3.3
Investment Securities	28.6	44.1	+15.5				
Other	23.5	19.1	-4.4	<b>Total Noncurrent Liabilities</b>	<b>73.5</b>	<b>64.1</b>	<b>-9.4</b>
				<b>Total Liabilities</b>	<b>166.3</b>	<b>173.1</b>	<b>+6.8</b>
				Shareholders Equity	259.4	289.0	+29.6
				Total accumulated other comprehensive income	-23.2	-13.8	+9.4
				Warrants	1.1	0.4	-0.7
				Minority Interest	19.3	9.8	-9.5
<b>Total Noncurrent Assets</b>	<b>124.4</b>	<b>143.0</b>	<b>+18.6</b>	<b>Total Net Assets</b>	<b>256.7</b>	<b>285.4</b>	<b>+28.7</b>
<b>Total Assets</b>	<b>423.1</b>	<b>458.6</b>	<b>+35.5</b>	<b>Total Liabilities and Net Assets</b>	<b>423.1</b>	<b>458.6</b>	<b>+35.5</b>

## Summary of Full Year Results (JPY billion)

- ◆ Current Assets: Up 16.8 billion yen, primarily to the review of realizability of deferred tax assets associated with the introduction of filing the consolidated tax return scheduled from the fiscal year ending March 31, 2012
- ◆ Fixed Assets: Up 18.6 billion yen, primarily to the increase of the value of the investment securities etc  
⇒ Total Assets: 458.6 billion yen increased by 35.5 billion yen
- ◆ Current ratio: 289.4% (-32.4pt)
- ◆ Equity ratio: 60.0% (+4.2pt)

(JPY billion)	End of previous fiscal year	End of this fiscal year	Difference
<b>Total assets</b>	<b>423.1</b>	<b>458.6</b>	<b>+35.5</b>
<b>Net assets</b>	<b>256.7</b>	<b>285.4</b>	<b>+28.7</b>
<b>Equity ratio</b>	<b>55.8%</b>	<b>60.0%</b>	<b>+4.2pt</b>
<b>Current ratio</b>	<b>321.8%</b>	<b>289.4%</b>	<b>-32.4pt</b>

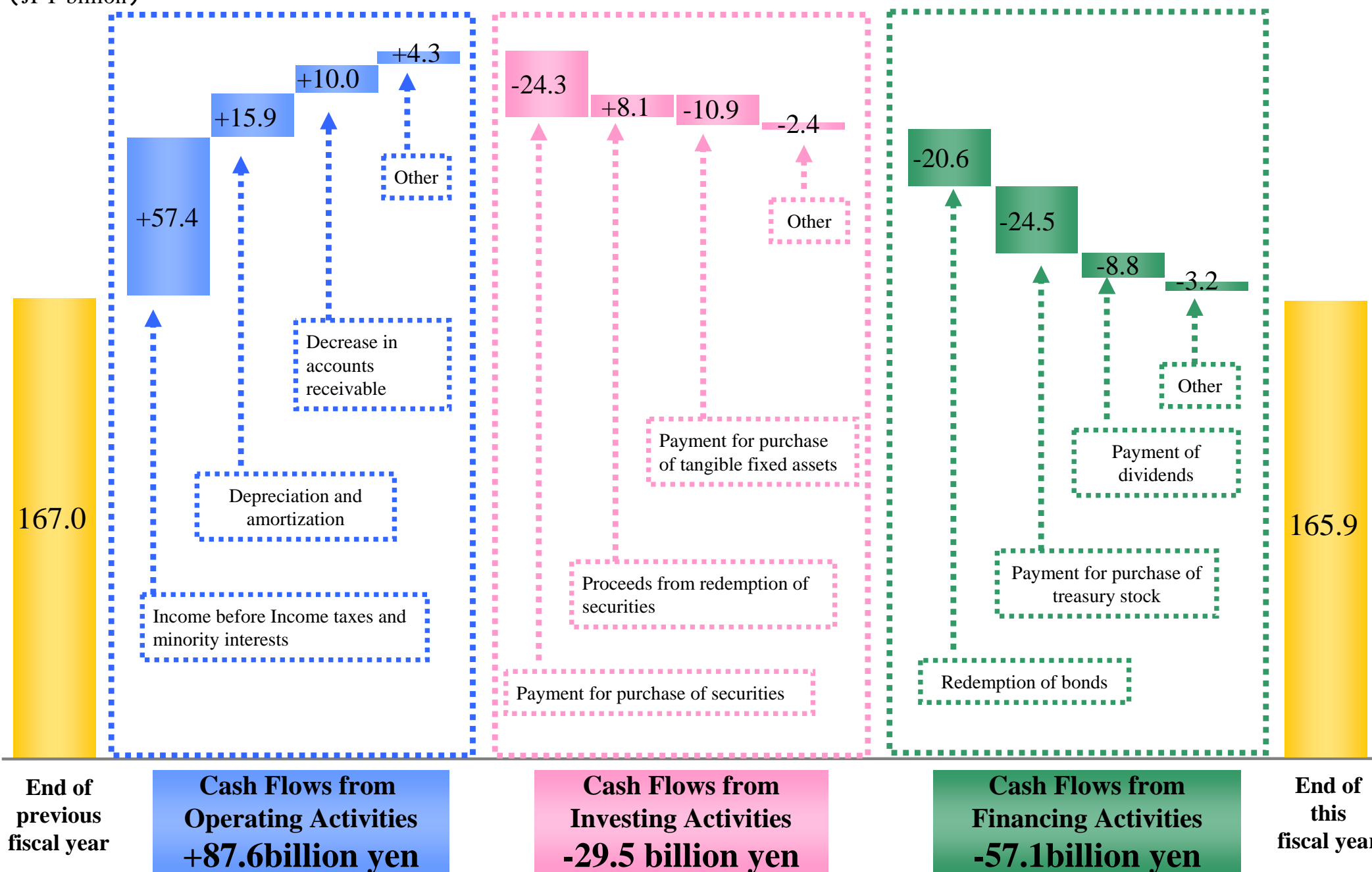
# Consolidated Cash Flows



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(JPY billion)





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# Segment results: Pachislot and Pachinko Machines



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(JPY billion)	FY 2010		FY 2011			
	Results through 2Q	Full Year Results	Results through 2Q	Revised Full Year Projections (on Sep 30)	Full Year Results	YoY Change
<b>Net Sales</b>	<b>68.3</b>	<b>160.3</b>	<b>134.2</b>	<b>215.0</b>	<b>212.0</b>	<b>+32.3%</b>
Pachislot	18.2	51.7	65.9	95.4	94.9	+83.6%
Pachinko	47.1	103.1	67.0	116.7	113.9	+10.5%
Other	3.0	5.5	1.3	2.9	3.2	-41.8%
<b>Operating Income</b>	<b>10.8</b>	<b>29.5</b>	<b>47.6</b>	<b>58.5</b>	<b>64.2</b>	<b>+117.6%</b>
Operating Income Margin	15.8%	18.4%	35.5%	27.2%	30.3%	+11.9pt
<b>Unit Sales (Pachislot)</b>	<b>57,038</b>	<b>162,932</b>	<b>201,402</b>	<b>300,000</b>	<b>302,270</b>	<b>+85.5%</b>
<b>Unit Sales (Pachinko)</b>	<b>167,715</b>	<b>360,171</b>	<b>198,230</b>	<b>360,000</b>	<b>343,188</b>	<b>-4.7%</b>

## Summary of Full-Year Results

Overall	<ul style="list-style-type: none"> <li>◆ Year-on-year, sales and profits increased</li> <li>◆ Cost improvement through the reuse especially of liquid crystal displays</li> </ul>
Pachislot	<ul style="list-style-type: none"> <li>◆ Unit sales increased significantly year-on-year</li> <li>◆ The sales of several titles was robust and was a significant factor in leading the recovery of the pachislot market ⇒ The sales of both Sammy “Pachislot SOUTEN-NO-KEN” and Rodeo “Pachislot Shin Onimusha” exceeded over 90,000 units on a cumulative basis</li> <li>◆ Posted extraordinary losses amounting to 5.2 billion yen for Sammy “Pachislot Sakura Wars 3”</li> </ul>
Pachinko	<ul style="list-style-type: none"> <li>◆ Year-on-year unit sales decreased due to the impact of postponing the launching of some titles to the next fiscal year</li> <li>◆ Sammy “Pachinko CR Hokuto No Ken Kenshiro,” which we sold as a mainstay middle type during the 4th Quarter, sold well</li> </ul>

# Segment results: Pachislot



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## Shipment Data: Pachislot

\* Number of titles reflects products which begin sales in the period

Pachislot	FY 2010		FY 2011		
	Results through 2Q	Full Year Results	Results through 2Q	Revised Full Year Projections (on Sep 30)	Full Year Results
<b>Sammy</b>	3titles	6titles	2titles	-	5titles
	53,898units	121,677units	116,407units	-	144,884units
<b>RODEO</b>	0title	2titles	1title	-	3titles
	65units	29,734units	49,976units	-	120,719units
<b>TAIYO ELEC</b>	1title	2titles	1title	-	2titles
	1,806units	9,257units	35,019units	-	36,667units
<b>GINZA</b>	0title	0title	-	-	-
	27units	27units	-	-	-
Unit Supply	1title	2titles	-	-	-
	1,242units	2,237units	-	-	-
Total	5titles	12titles	4titles	9titles	10titles
	57,038units	162,932units	201,402units	300,000units	302,270units



“Pachislot SOUTEN-NO-KEN”  
(Sammy)

©2001 Tetsuo Hara & Buronson, Approved No.SAH-310

©Sammy



“Pachislot Shin Onimusha”  
(Rodeo)

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## Major Titles / Pachislot

\* Unit Supply includes the supply of parts to other makers

Brand	Title	Total Sales	Installed From
<b>Sammy</b>	Pachislot SOUTEN-NO-KEN	92,781units	May
<b>RODEO</b>	Pachislot Shin Onimusha	62,285units	Previous Fiscal Year
<b>RODEO</b>	Oreno Sora～Spirit of Young Justice～	38,062units	December
<b>TAIYO ELEC</b>	Ring ni Kakero 1 -Golden Japan Jr. Series-	36,039units	September
<b>Sammy</b>	Pachislot SPIDER-MAN 3	22,533units	September

\*Aggregated sales of “Shin Onimusha” as of the end of December since previous fiscal year : 90,456units )



# Segment results: Pachinko



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## Shipment Data: Pachinko

\* Number of titles reflects products which begin sales in the period

Pachinko	FY 2010		FY 2011		
	Results through 2Q	Full Year Results	Results through 2Q	Revised Full Year Projections (on Sep 30)	Full Year Results
<b>Sammy</b>	4titles	6titles	6titles	-	9titles
	105,764units	274,578units	169,874units	-	297,411units
<b>TAIYO ELEC</b>	3titles	6titles	2titles	-	3titles
	48,653units	72,295units	28,356units	-	45,777units
<b>GINZA</b>	1title	1title	-	-	-
	13,298units	13,298units	-	-	-
<b>Total</b>	8titles	13titles	8titles	13titles	12titles
	167,715units	360,171units	198,230units	360,000units	343,188units
Board+Frame	58,504units	111,140units	137,649units	244,500units	245,442units
Board	109,211units	249,031units	60,581units	115,500units	97,746units



“Pachinko CR Hokuto No Ken Kenshiro”  
(Sammy)

©Buronson&Tetsuo Hara/NSP1983,  
©NSP 2007 Approved No.YKN-101 ©Sammy

## Major Titles / Pachinko

Brand	Title	Total Sales	Installed From
<b>Sammy</b>	Pachinko CR Hokuto No Ken Raoh Series	123,939units	July / September
<b>Sammy</b>	Pachinko CR Hokuto No Ken Kenshiro	78,018units	March
<b>Sammy</b>	Pachinko CR Juoh	33,691units	December
<b>Sammy</b>	Pachinko CR GATCHAMAN UNMEI-NO-KIZUNA Series	21,097units	August / January
<b>TAIYO ELEC</b>	CR SAMURAI CHAMPLOO 2 Series	17,028units	January / March



“ CR SAMURAI CHAMPLOO 2 ”  
(TAIYO ELEC)

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(JPY billion)	FY 2010		FY 2011			
	Results through 2Q	Full Year Results	Results through 2Q	Revised Full Year Projections (on Sep 30)	Full Year Results	YoY Change
<b>Net Sales</b>	<b>17.9</b>	<b>45.1</b>	<b>19.6</b>	<b>53.0</b>	<b>47.2</b>	<b>+4.7%</b>
Domestic	<b>14.8</b>	<b>38.9</b>	<b>17.7</b>	<b>44.5</b>	<b>42.7</b>	<b>+9.8%</b>
Overseas	<b>3.1</b>	<b>6.2</b>	<b>1.9</b>	<b>8.5</b>	<b>4.5</b>	<b>-27.4%</b>
<b>Operating Income</b>	<b>-0.7</b>	<b>7.0</b>	<b>1.9</b>	<b>6.5</b>	<b>7.3</b>	<b>+4.3%</b>
Operating Income Margin	<b>-</b>	<b>15.5%</b>	<b>9.7%</b>	<b>12.3%</b>	<b>15.5%</b>	<b>-</b>
<b>R&amp;D expense / Content Production Expense</b>	<b>4.3</b>	<b>7.8</b>	<b>3.7</b>	<b>8.5</b>	<b>9.1</b>	<b>+16.7%</b>

\*The kids card game business, which had been included in the Amusement Center Operations segment, was transferred to the Amusement Machine Sales segment starting from the fiscal year ending March 31, 2011.

## Summary of Full-Year Results

- ◆ Increased sales and profits year-on-year
- ◆ The distribution of earnings through utilization of revenue sharing models showed a strong performance throughout the year
- ◆ Sold CVT kits for “INITIAL D ARCADE STAGE 6 AA” in the 4th Quarter
- ◆ Began amusement machine sales business in China starting from the 4th Quarter



## Major Titles

Title		Sales
SENGOKU TAISEN	Trading Card Game	6.4billion yen
WORLD CLUB Champion Football Intercontinental Clubs Series	Trading Card Game	3.8billion yen
SANGOKUSHI WAR 3 Series	Trading Card Game	2.6billion yen
BORDER BREAK	Video Game	2.5billion yen
StarHorse2 Series	Medal Game	2.0billion yen

\*Sales figures include consumable sales such as cards and sales of revenue share model machine according to utilization.



**“SENGOKU TAISEN”**  
(Trading Card Game)

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# Segment results : Amusement Center Operations



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(JPY billion)		FY 2010		FY 2011			
		Results through 2Q	Full Year Results	Results through 2Q	Revised Full Year Projections (on Sep 30)	Full Year Results	YoY Change
Net Sales		28.9	54.7	23.6	45.0	45.6	-16.6%
	(Overseas)	2.8	5.4	1.5	3.0	3.1	-42.6%
Operating Income		0.2	-1.3	1.1	-0.5	0.3	-
	Operating Income Margin	0.7%	-	4.7%	-	0.7%	-
SEGA Same Store Sales Comparisons		92.3%	91.7%	99.9%	100.0%	99.3%	-
Domestic Facilities		277facilities	260facilities	252facilities	253facilities	249facilities	-11facilities
SEGA	Opened	1facility	4facilities	1facility	2facilities	2facilities	-
	Closed	44facilities	61facilities	7facilities	9facilities	13facilities	-
	Total	231facilities	217facilities	211facilities	210facilities	206facilities	-11facilities
Other	Opened	0facility	0facility	1facility	3facilities	4facilities	-
	Closed	2facilities	5facilities	3facilities	3facilities	4facilities	-
	Total	46facilities	43facilities	41facilities	43facilities	43facilities	-
Overseas Facilities		21facilities	14facilities	11facilities	11facilities	10facilities	-4facilities
Cap-ex		2.5	7.7	1.9	6.6	7.7	-
Depreciation		3.4	8.2	2.6	6.9	6.1	-25.6%

## Summary of Full-Year Results

- ◆ Despite decreased sales year-on-year, we posted a surplus in balance due to an decrease of operating expenses
- ◆ SEGA Domestic Same Store Sales Comparison: Full Year Result: 99.3% (January: 96.7%; February: 103.4%; March: 88.8%)
- ◆ Domestic Facilities: End of the fiscal year: 249 facilities (opening of 6 facilities and closing of 17 facilities)
  - ⇒ Temporarily closed businesses of some facilities due to the earthquake
  - ⇒ Shortened business hours of facilities located within areas covered by Tohoku Electric Power and Tokyo Electric Power Company starting from the day after the earthquake until March 31
- ◆ Decided to sell all facilities in the U.S. (7 facilities)

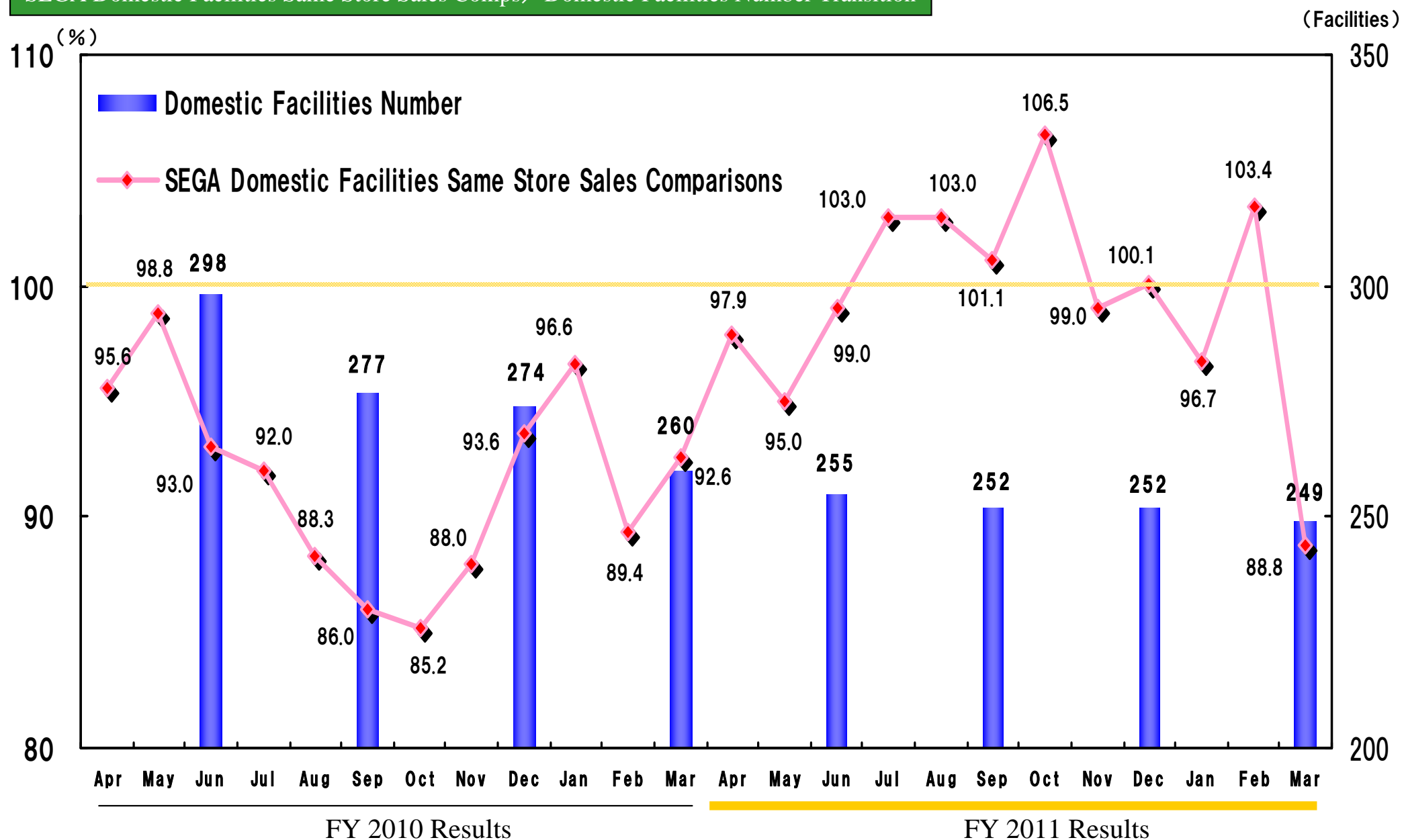
# Segment results : Amusement Center Operations



SEGA-SAMMY  
HOLDINGS

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SEGA Domestic Facilities Same Store Sales Comps / Domestic Facilities Number Transition





# Segment results : Consumer Business



**SEGA-SAMMY**  
HOLDINGS

**SEGA-SAMMY**  
GROUP

(JPY billion)	FY 2010		FY 2011			
	Results through 2Q	Full Year Results	Results through 2Q	Revised Full Year Projections (on Sep 30)	Full Year Results	YoY Change
<b>Net Sales</b>	<b>37.6</b>	<b>121.5</b>	<b>38.7</b>	<b>94.0</b>	<b>88.8</b>	<b>-26.9%</b>
Game Contents	23.8	94.4	27.8	70.5	67.1	-28.9%
Toy	8.7	17.1	6.2	13.5	12.0	-29.8%
Animation	4.6	9.7	5.3	11.3	10.9	+12.4%
Other / Elimination	0.5	0.3	-0.6	-1.3	-1.2	-
<b>Operating Income</b>	<b>-8.1</b>	<b>6.3</b>	<b>-1.3</b>	<b>6.0</b>	<b>1.9</b>	<b>-69.8%</b>
<b>Operating Income Margin</b>	<b>-</b>	<b>5.2%</b>	<b>-</b>	<b>6.4%</b>	<b>2.1%</b>	<b>-3.1pt</b>
<b>Units Sales (Thousands)</b>	<b>5,400</b>	<b>26,750</b>	<b>6,600</b>	<b>16,000</b>	<b>18,710</b>	<b>-30.1%</b>
<b>R&amp;D expense /</b>	<b>11.2</b>	<b>19.6</b>	<b>8.0</b>	<b>18.1</b>	<b>18.1</b>	<b>-7.7%</b>

## Summary of Full-Year Results

Overall	<ul style="list-style-type: none"> <li>◆ Decreased sales and profits year-on-year</li> <li>◆ Reduced R&amp;D costs and content production expenses (This fiscal year: 18.1 billion yen; Results of last fiscal year: 19.6 billion yen)</li> </ul>
Game Contents	<ul style="list-style-type: none"> <li>◆ Home Video Game software unit sales decreased year-on-year</li> <li>◆ Strong domestic sales, but sales of new titles overseas slumped</li> <li>◆ Launched “SHOGUN 2: Total War” (overseas) and “Phantasy Star Portable 2 Infinity” (domestic) during the 4th Quarter ⇒ Postponed the launching of “Ryu ga Gotoku OF THE END” (domestic) to the next fiscal year due to the impact of the earthquake</li> <li>◆ Began full-fledged supplies of contents for new platforms, including smartphones and SNS</li> <li>◆ Pay-per-use service for “Sammy 777 Town” (for mobile phones) was solid</li> </ul>
Toy	<ul style="list-style-type: none"> <li>◆ Solid domestic sales of “BAKUGAN”, “Anpanman Series” and “HOMESTAR”</li> </ul>
Animation	<ul style="list-style-type: none"> <li>◆ Distribution of earnings from “Detective Conan” and royalty revenue from domestic and overseas sales of “BAKUGAN” were strong</li> </ul>

# Segment results : Consumer Business



**SEGA-SAMMY**  
HOLDINGS

**SEGA-SAMMY**  
GROUP

## Sales Results (Home video game software)

\* Number of titles reflects products which begin sales in the period  
(Number of titles by platform is based on SKU)

Breakdown by Region	FY 2010				FY 2011					
	Results through 2Q		Full Year Results		Results through 2Q		Revised Full-Year Projections (on Sep 30)		Full Year Results	
	# of titles (SKU)	Unit Sales (Thousands)	# of titles (SKU)	Unit Sales (Thousands)	# of titles (SKU)	Unit Sales (Thousands)	# of titles (SKU)	Unit Sales (Thousands)	# of titles (SKU)	Unit Sales (Thousands)
Japan / Other	8 (8)	1,090	17 (21)	3,820	5 (5)	1,240	-	3,000	15 (17)	2,630
US	8 (12)	2,300	24 (40)	10,550	7 (14)	3,200	-	6,200	16 (24)	7,830
Europe	7 (10)	2,000	25 (44)	12,380	8 (14)	2,150	-	6,800	20 (30)	8,230
Total	23 (30)	5,400	66 (105)	26,750	20 (33)	6,600	-	16,000	51 (71)	18,710

Breakdown by Platform	FY 2010				FY 2011					
	Results through 2Q		Full Year Results		Results through 2Q		Revised Full-Year Projections (on Sep 30)		Full Year Results	
	SKU	Unit Sales (Thousands)	SKU	Unit Sales (Thousands)	SKU	Unit Sales (Thousands)	SKU	Unit Sales (Thousands)	SKU	Unit Sales (Thousands)
PS3	2	350	20	3,560	5	620	-	-	9	1,350
Wii	11	1,100	23	5,740	6	340	-	-	9	1,600
Xbox360	2	210	16	2,300	5	580	-	-	13	1,780
NDS	9	620	24	4,290	4	410	-	-	9	1,590
3DS	-	-	-	-	-	-	-	-	3	360
PSP	2	210	8	1,310	9	1,130	-	-	13	2,030
PC	4	40	14	1,490	4	130	-	-	15	1,620
Catalogue	-	2,850	-	8,040	-	3,350	-	-	-	8,340
Total	30	5,400	105	26,750	33	6,600	-	16,000	71	18,710



## Major Titles / Home Video Game Software

Title (Region)	Platform	Sales Results (thousand units)	Sold From
Sonic Colors (Japan / Europe / US)	Wii, NDS	2,180	November
IRON MAN 2 (Europe / US)	PS3, Xbox360, Wii, PSP, NDS	1,540	EU : April / US : May
VANQUISH (Japan / Europe / US)	PS3, Xbox360	830	October
SHOGUN 2: Total War (Europe / US)	PC	600	March
Phantasy Star Portable 2 Infinity (Japan)	PSP	370	February



“Sonic Colors”

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“Phantasy Star Portable 2 Infinity”

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## Major Titles / Other Game Contents

Titles		Platform	Time of release and service starts
Kingdom Conquest	Download (Charging for specific items)	iOS	Overseas : November Japan : January
Sonic The Hedgehog 4 Episode I	Download (Title sales)	iOS	October
SEGA PLAY! Baseball	SNS	Facebook	Traditional Chinese : November English : February
Ryu ga Gotoku Mobile for GREE	SNS	GREE	February

## Registered Users for Major Services / Other Game Contents (Sammy NetWorks)

Title		Registered Users (in thousands)
Sammy 777 Town	Mobile Phones	920
777 Town.net	PC	173

# FY 2012 Forecast



SEGA-SAMMY  
HOLDINGS

# Consolidated Income Statements



**SEGA-SAMMY**  
HOLDINGS

SEGA-SAMMY  
GROUP

(JPY billion)		FY 2011		FY 2012		
		Results through 2Q	Full Year Results	Projections through 2Q	YoY Change	Full Year Projections
Breakdown	<b>Net Sales</b>	<b>217.8</b>	<b>396.7</b>	<b>165.0</b>	<b>-24.2%</b>	<b>450.0</b>
	Pachislot and Pachinko Machines	134.2	212.0	82.0	-38.9%	235.0
	Amusement Machine Sales	19.6	47.2	17.5	-10.7%	50.0
	Amusement Center Operations	23.6	45.6	22.0	-6.8%	42.0
	Consumer Business	38.7	88.8	42.0	+8.5%	120.0
	Other	1.5	2.8	1.5	-	3.0
Breakdown	<b>Operating Income</b>	<b>46.8</b>	<b>68.7</b>	<b>1.5</b>	<b>-96.8%</b>	<b>60.0</b>
	Pachislot and Pachinko Machines	47.6	64.2	11.5	-75.8%	59.0
	Amusement Machine Sales	1.9	7.3	-1.5	-	4.0
	Amusement Center Operations	1.1	0.3	-0.1	-	-1.6
	Consumer Business	-1.3	1.9	-5.0	-	4.5
	Other	0.1	0.0	0.1	-	0.1
	Eliminations	-2.7	-5.1	-3.5	-	-6.0
	Operating Income Margin	21.5%	17.3%	0.9%	-20.6pts	13.3%
<b>Ordinary Income</b>		<b>46.0</b>	<b>68.1</b>	<b>1.0</b>	<b>-97.8%</b>	<b>59.0</b>
<b>Extraordinary Gain</b>		<b>2.8</b>	<b>3.7</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Extraordinary Loss</b>		<b>3.6</b>	<b>14.3</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Income</b>		<b>24.3</b>	<b>41.5</b>	<b>-3.0</b>	<b>-</b>	<b>33.0</b>
<b>Dividend Per Share (JPY)</b>		<b>20</b>	<b>40</b>	<b>20</b>	<b>-</b>	<b>40</b>
<b>Earning Per Share (JPY)</b>		<b>96.66</b>	<b>163.19</b>	<b>-11.92</b>	<b>-</b>	<b>131.10</b>
<b>Net Assets Per Share (JPY)</b>		<b>1,031.45</b>	<b>1,093.23</b>	<b>-</b>	<b>-</b>	<b>-</b>

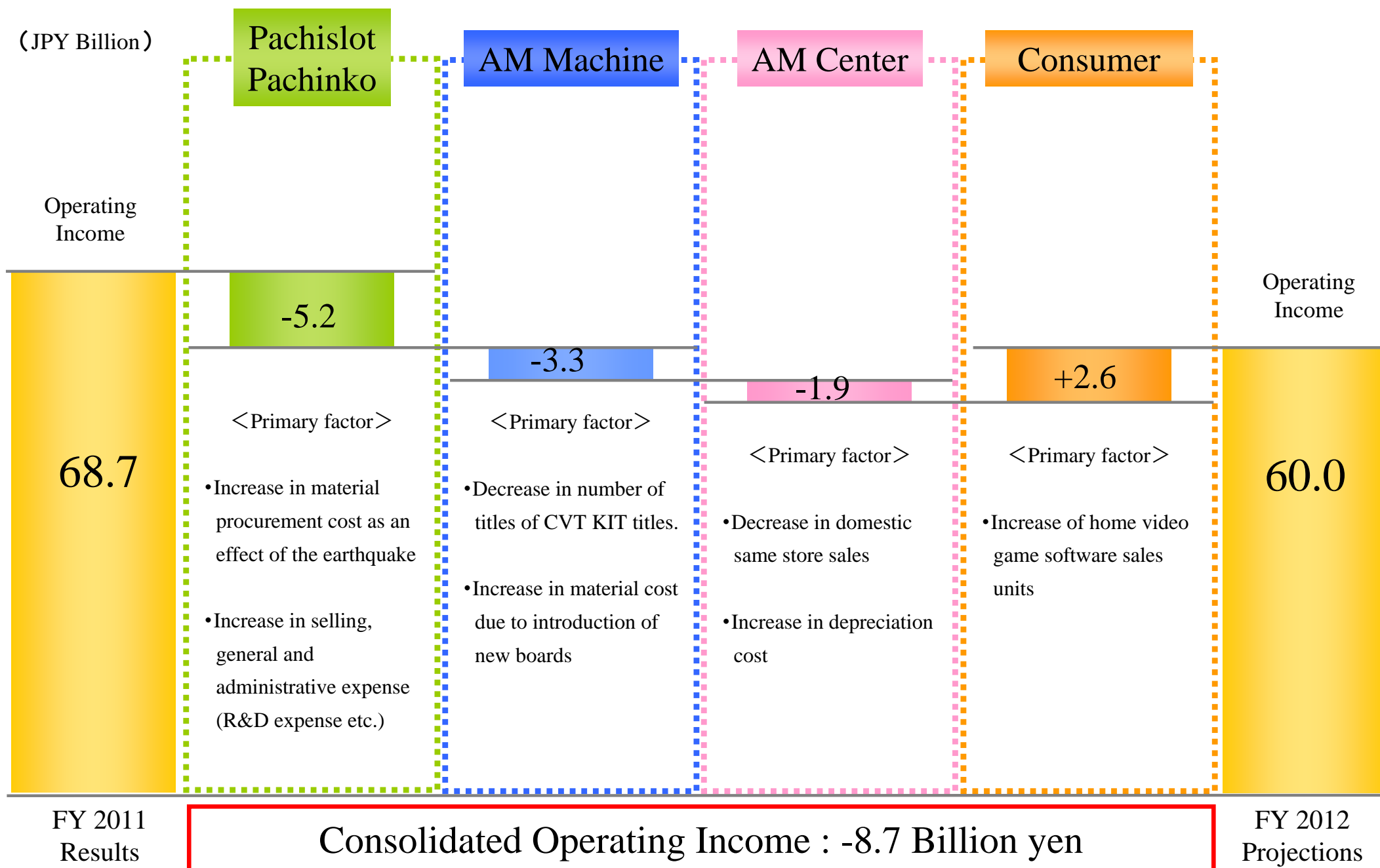
# Operating Income

– Primary Factors behind Fluctuations (Major Causes)



SEGA-SAMMY  
HOLDINGS

SEGA-SAMMY  
GROUP



## Conversion of TAIYO ELEC into a Wholly Owned Subsidiary of Sammy

(SEGA SAMMY HOLDINGS)

◆ Disposal of Treasury Stocks to Sammy Corporation	<u>(1) Disposal Date</u>	May 30, 2011
	<u>(2) Number of Shares Disposed of</u>	4,423,660 shares of common stock
	<u>(3) Disposal Amount</u>	1,583 yen per share
	<u>(4) Funds Procured</u>	7,002,653,780 yen
	<u>(5) Subscription or Disposal Method</u>	Disposal by way of third-party allotment
	<u>(6) Allottee</u>	Sammy Corporation
	<u>(7) Other</u>	Number of treasury stock after disposal: 10,081,002 shares

(Sammy Corporation)

- |  |  |
|--|--|
| ◆ Conversion of TAIYO ELEC into a Wholly Owned Subsidiary in consideration of common stock of SEGA SAMMY | <ul style="list-style-type: none"> <li>▪ Effective date of the share exchange : August 1, 2011 (tentative)</li> <li>▪ Convert TAIYO ELEC to wholly owned subsidiary through share exchange.                             <ul style="list-style-type: none"> <li>⇒ Sammy will furnish 0.40 shares of common stock of SEGA SAMMY per share of common stock of TAIYO ELEC</li> <li>⇒ Common stock of SEGA SAMMY to be used : 4,423,660 shares (tentative)</li> </ul> </li> </ul> |
|--|--|

# Costs and Expenses Projections



**SEGA-SAMMY**  
HOLDINGS

SEGA-SAMMY  
GROUP

(JPY billion)	FY 2011		FY 2012			
	Results through 2Q	Full Year Results	Projections through 2Q	YoY Change	Full Year Projections	YoY Change
<b>R&amp;D Expense / Content Production Expense</b>	<b>18.6</b>	<b>41.1</b>	<b>22.6</b>	<b>+21.5%</b>	<b>47.5</b>	<b>+15.6%</b>
<b>Cap-ex</b>	<b>6.5</b>	<b>19.6</b>	<b>10.4</b>	<b>+60.0%</b>	<b>20.6</b>	<b>+5.1%</b>
<b>Depreciation</b>	<b>7.3</b>	<b>15.9</b>	<b>6.4</b>	<b>-12.3%</b>	<b>16.2</b>	<b>+1.9%</b>
<b>Advertising</b>	<b>7.3</b>	<b>15.1</b>	<b>9.3</b>	<b>+27.4%</b>	<b>21.9</b>	<b>+45.0%</b>

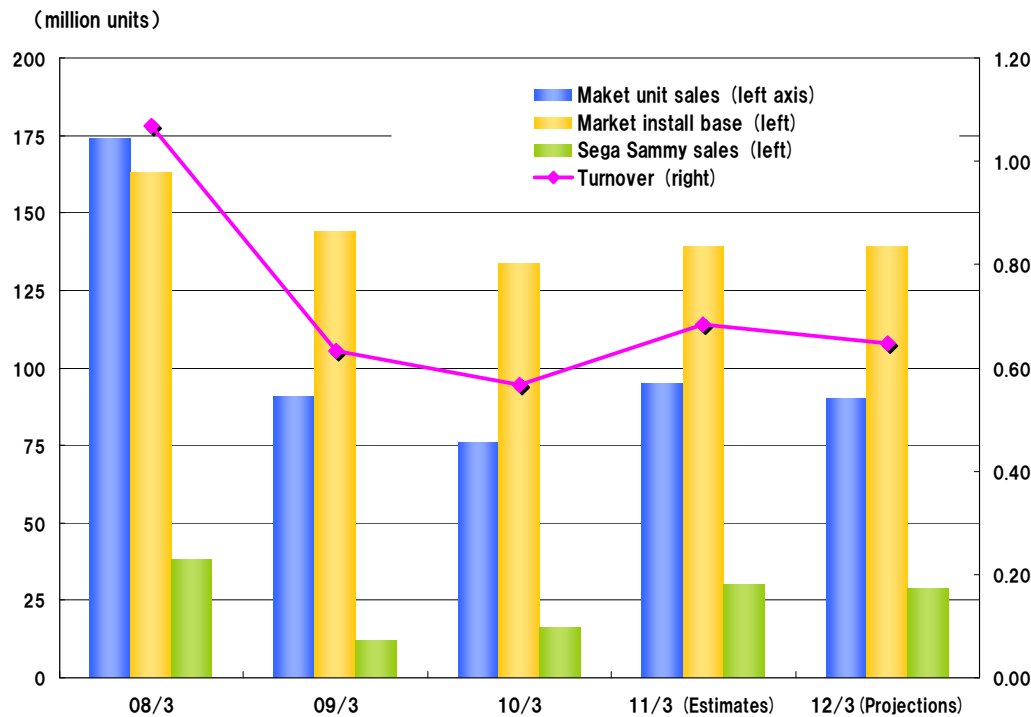
# (Pachislot / Pachinko Market Forecast)



SEGA-SAMMY  
HOLDINGS

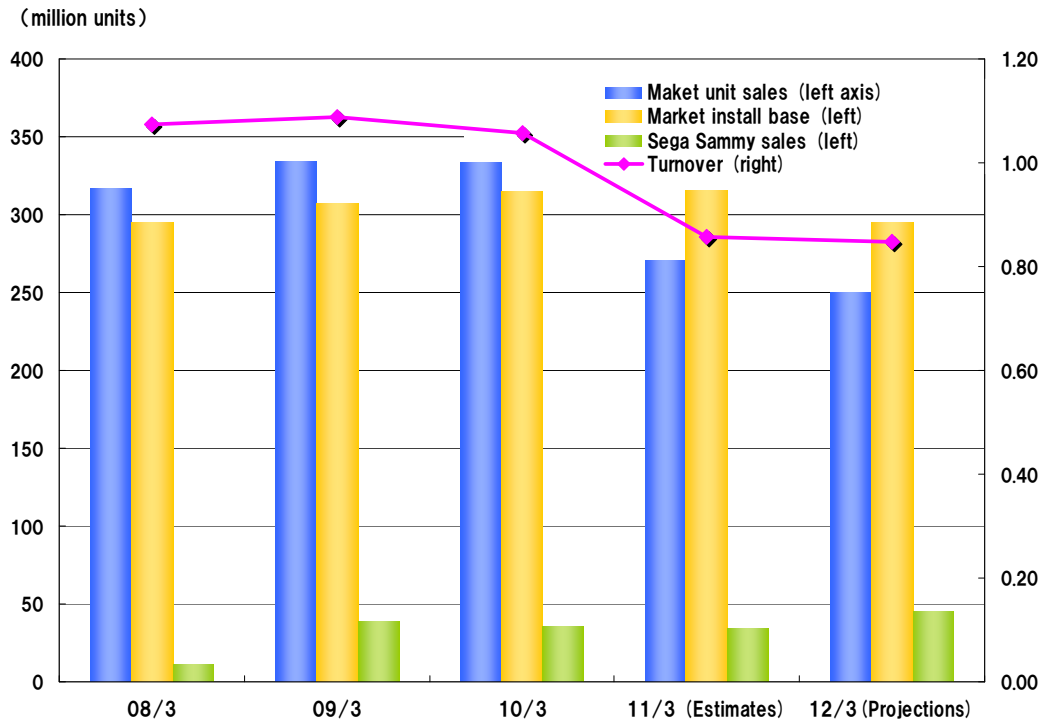
SEGA-SAMMY  
GROUP

## Pachislot Machine



Pachislot	08/03 Results	09/03 Results	10/03 Results	11/03 Estimate	12/03 Projections
Market Unit Sales (million)	1.74	0.91	0.76	0.95	0.90
Market Installed Base (million)	1.63	1.44	1.34	1.39	1.39
Turnover (Sales/Installation)	1.07	0.63	0.57	0.68	0.65
Sega Sammy's Unit Sales (thousand)	380	123	162	302	290

## Pachinko Machine



Pachinko	08/03 Results	09/03 Results	10/03 Results	11/03 Estimate	12/03 Projections
Market Unit Sales (million)	3.17	3.34	3.33	2.71	2.50
Market Installed Base (million)	2.95	3.07	3.15	3.16	2.95
Turnover (Sales/Installation)	1.07	1.09	1.06	0.86	0.85
Sega Sammy's Unit Sales (thousand)	108	391	360	343	455

Source: National Police Agency, Yano Research Institute Ltd., Japan Productivity Center for Socio-Economic Development

\* The data for 11/03 and 12/03, which have not been publicized yet, are our estimates and projections.





(JPY billion)		FY 2011		FY 2012		
		Projections through 2Q	Full Year Results	Projections through 2Q	YoY Change	Full Year Projections
<b>Net Sales</b>		<b>134.2</b>	<b>212.0</b>	<b>82.0</b>	<b>-38.9%</b>	<b>235.0</b>
	Pachislot	<b>65.9</b>	<b>94.9</b>	<b>10.2</b>	<b>-84.5%</b>	<b>91.8</b>
	Pachinko	<b>67.0</b>	<b>113.9</b>	<b>70.0</b>	<b>+4.5%</b>	<b>138.6</b>
	Other	<b>1.3</b>	<b>3.2</b>	<b>1.8</b>	<b>+38.5%</b>	<b>4.6</b>
<b>Operating Income</b>		<b>47.6</b>	<b>64.2</b>	<b>11.5</b>	<b>-75.8%</b>	<b>59.0</b>
	Operating Income Margin	<b>35.5%</b>	<b>30.3%</b>	<b>14.0%</b>	<b>-21.5pt</b>	<b>25.1%</b>
<b>Unit Sales (Pachislot)</b>		<b>201,402</b>	<b>302,270</b>	<b>42,000</b>	<b>-79.1%</b>	<b>290,000</b>
<b>Unit Sales (Pachinko)</b>		<b>198,230</b>	<b>343,188</b>	<b>235,000</b>	<b>+18.5%</b>	<b>455,000</b>

## FY 2012 Projections

Overall	<ul style="list-style-type: none"> <li>◆ Projecting increased sales but decreased profits year-on-year</li> <li>◆ Increase in material procurement cost due to an effect of the earthquake</li> <li>◆ Increase of selling, general and administrative expense (R&amp;D expense etc.)</li> </ul>
Pachislot	<ul style="list-style-type: none"> <li>◆ Unit sales projected to decrease year-on-year by 13,000 units to 290,000 units (Expected new unit sales in overall market: 900,000 units)</li> <li>◆ Planning introduction of 13 titles for the whole period, including major titles</li> <li>◆ Titles planned to be sold in 1Q: Sammy "Pachislot ARMORED TROOPER VOTOMS" and "Pachislot ALIYAN BEGINS"</li> </ul>
Pachinko	<ul style="list-style-type: none"> <li>◆ Unit sales projected to increase year-on-year by 111,000 units to 455,000 units (Expected new unit sales in overall market: 2,500,000 units)</li> <li>◆ Planning introduction of 15 titles for the whole period, including multiple mainstay titles</li> <li>◆ Titles planned to be sold in 1Q: Sammy "Pachinko CR Ring ni Kakero 1 -Golden Japan Jr. Series-" , "Pachinko CR Sengoku Ranbu KOMPEKI NO SOZIN" and TAIYO ELEC "CR BLACK LAGOON"</li> </ul>

## Pachislot Sales Projections

\* Number of titles reflects products which begin sales in the period

Pachislot	FY 2011		FY 2012	
	Results through 2Q	Full Year Results	Projectons through 2Q	Full Year Projections
<b>Sammy</b>	2titles	5titles	1title	6titles
	116,407units	144,884units	5,000units	210,000units
<b>RODEO</b>	1title	3titles	2titles	3titles
	49,976units	120,719units	30,000units	60,000units
<b>TAIYO ELEC</b>	1title	2titles	2titles	4titles
	35,019units	36,667units	7,000units	20,000units
<b>Total</b>	4titles	10titles	5titles	13titles
	201,402units	302,270units	42,000units	290,000units

## 1Q Major Title / Pachislot

Brand	Title	Installed from
<b>Sammy</b>	Pachislot ARMORED TROOPER VOTOMS	April
<b>Sammy</b>	Pachislot ALIYAN BEGINS	June



“Pachislot ARMORED TROOPER VOTOMS”  
(Sammy)

©SUNRISE ©Sammy

# Segment Projections: Pachinko





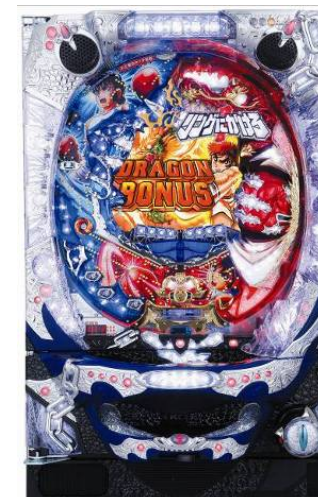
SEGA-SAMMY  
HOLDINGS

SEGA-SAMMY  
GROUP

## Pachinko Sales Projections

\* Number of titles reflects products which begin sales in the period

Pachinko	FY 2011		FY 2012	
	Results through 2Q	Full Year Results	Projectons through 2Q	Full Year Projections
	6titles	9titles	6titles	9titles
	169,874units	297,411units	190,000units	370,000units
	2titles	3titles	4titles	6titles
	28,356units	45,777units	45,000units	85,000units
Total	8titles	12titles	10titles	15titles
	198,230units	343,188units	235,000units	455,000units
Board + Frame	137,649units	245,442units	87,500units	178,500units
Board	60,581units	97,746units	147,500units	276,500units



“Pachinko CR Ring ni Kakero 1  
-Golden Japan Jr. Series-”  
(Sammy)




©Masami Kurumada/Shueisha, Toei Animation ©Sammy



“CR BLACK LAGOON”  
(TAIYO ELEC)

©REI HIROE•SHOGAKUKAN/BLACK LAGOON PROJECT

## 1Q Major Title / Pachinko

Brand	Title	Installed from
	Pachinko CR Ring ni Kakero 1 -Golden Japan Jr. Series-	May
	Pachinko CR Sengoku Ranbu KOMPEKI NO SOZIN	June
	CR BLACK LAGOON	June



(JPY billion)	FY 2011		FY 2012			
	Results through 2Q	Full Year Results	Projections Through 2Q	Y on Y Change	Full Year Projections	Y on Y Change
<b>Net Sales</b>	<b>19.6</b>	<b>47.2</b>	<b>17.5</b>	<b>-10.7%</b>	<b>50.0</b>	<b>+5.9%</b>
Domestic	17.7	42.7	15.8	-10.7%	41.8	-2.1%
Overseas	1.9	4.5	1.7	-10.5%	8.2	+82.2%
<b>Operating Income</b>	<b>1.9</b>	<b>7.3</b>	<b>-1.5</b>	—	<b>4.0</b>	<b>-45.2%</b>
Operating Income Margin	9.7%	15.5%	—	—	8.0%	-7.5pt
<b>R&amp;D expense / Content Production Expense</b>	<b>3.7</b>	<b>9.1</b>	<b>3.9</b>	<b>+5.4%</b>	<b>7.9</b>	<b>-13.2%</b>

## FY 2012 Projections

- ◆ Projecting increased sales and decreased profits year-on-year
- ◆ Numbers of CVT KIT titles decreases compare to previous fiscal year due to product development cycle
  - ⇒Planned Mainstay titles : “StarHorse3 Season I A NEW LEGEND BEGINS.” and “SEGA NETWORK MAHJONG MJ5”
- ◆ Increase in material cost due to a change of boards
- ◆ The contribution of earnings through utilization of revenue sharing models
- ◆ Continue progress on activities to start full-fledged sales in China



## Major Titles

Title		To be installed from
StarHorse3 Season I A NEW LEGEND BEGINS.	Medal Game	Autumn in 2011
StarBoat (CVT KIT)	Medal Game	Autumn in 2011
SEGA NETWORK MAHJONG MJ5	Video Game	Summer in 2011
Let's GO ISLAND 3D	Video Game	Summer in 2011



“StarHorse3 Season I A NEW LEGEND BEGINS.”

©SEGA



“SEGA NETWORK MAHJONG MJ5”

©SEGA



# Segment Projections: Amusement Center Operations



**SEGA-SAMMY**  
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(JPY billion)		FY 2011		FY 2012			
		Results through 2Q	Full Year Results	Projections through 2Q	Y on Y Change	Full Year Projections	Y on Y Change
Net Sales		23.6	45.6	22.0	-6.8%	42.0	-7.9%
	(Overseas)	1.5	3.1	0.5	-66.7%	0.8	-74.2%
Operating Income		1.1	0.3	-0.1	—	-1.6	-
	Operating Income Margin	4.7%	0.7%	—	—	—	-
SEGA Same Store Sales Comparisons		99.9%	99.3%	95.7%	—	96.3%	-
Domestic Facilities		252facilities	249facilities	243facilities	—	238facilities	-11facilities
SEGA	Opened	1 facility	2facilities	2facilities	—	5facilities	-
	Closed	7facilities	13facilities	5facilities	—	13facilities	-
	Total	211facilities	206facilities	203facilities	—	198facilities	-8facilities
Other	Opened	1 facility	4facilities	0facilities	—	1 facilities	-
	Closed	3facilities	4facilities	3facilities	—	4facilities	-
	Total	41facilities	43facilities	40facilities	—	40facilities	-3facilities
Overseas Facilities		11facilities	10facilities	3facilities	—	3facilities	-7facilities
Cap-ex		1.9	7.7	3.1	+63.2%	9.2	+19.5%
Depreciation		2.6	6.1	2.7	+3.8%	6.9	+13.1%

## FY 2012 Projections

- ◆ Projecting decreased sales and profits year-on-year
- ◆ Projected SEGA Domestic Same Store Sales Comparison : 96.3%
- ◆ Have temporarily closed businesses of some domestic facilities due to the impact of the earthquake (as of May 13: 9 facilities)
- ◆ Domestic facilities: Planning opening of 6 facilities and closure of 17 facilities

⇒ Number of domestic AM facilities as of the end of FY2012: 238 facilities

# Segment Projections : Consumer Business



**SEGA-SAMMY**  
HOLDINGS

**SEGA-SAMMY**  
GROUP

(JPY billion)	FY 2011		FY 2012			
	Results through 2Q	Full Year Results	Projections through 2Q	Y on Y Change	Full Year Projections	Y on Y Change
<b>Net Sales</b>	<b>38.7</b>	<b>88.8</b>	<b>42.0</b>	<b>+8.5%</b>	<b>120.0</b>	<b>+35.1%</b>
Game Contents	27.8	67.1	31.5	+13.3%	94.5	+40.8%
Toy	6.2	12.0	6.0	-3.2%	14.5	+20.8%
Animation	5.3	10.9	5.0	-5.7%	11.5	+5.5%
Others / Elimination	-0.6	-1.2	-0.5	-	-0.5	-
<b>Operating Income</b>	<b>-1.3</b>	<b>1.9</b>	<b>-5.0</b>	<b>-</b>	<b>4.5</b>	<b>+136.8%</b>
Operating Income Margin	-	2.1%	-	-	3.8%	+1.7pt
<b>Units Sales (Thousands)</b>	<b>6,600</b>	<b>18,710</b>	<b>6,690</b>	<b>+1.4%</b>	<b>23,290</b>	<b>+24.5%</b>
<b>R&amp;D expense / Content Production Expense</b>	<b>8.0</b>	<b>18.1</b>	<b>9.0</b>	<b>+12.5%</b>	<b>22.1</b>	<b>+22.1%</b>

FY 2012 Projections	
Overall	<ul style="list-style-type: none"> <li>◆ Projecting increased sales and profits year-on-year</li> <li>◆ Increase in operating expenses such as amortization on goodwill etc.</li> </ul>
Game Contents	<ul style="list-style-type: none"> <li>◆ Home video game software unit sales projected to increase year-on-year by 4,580,000 units to 23,290,000 units due to sales of large-scale titles</li> <li>◆ Game software planned to be sold in 1Q: "Ryu ga Gotoku OF THE END" (domestic) and "Virtua Tennis™ 4" (overseas/domestic)</li> <li>◆ Planning to begin a new service of pachislot and pachinko games for smartphones</li> <li>◆ Planning to begin services for the online game, "Football Manager Online," in South Korea (Autumn 2011)</li> </ul>
Toy	<ul style="list-style-type: none"> <li>◆ Strengthen activities of mainstay products such as "BAKUGAN", "Zoobles", "Anpanman Series" and "HOMESTAR"</li> </ul>
Animation	<ul style="list-style-type: none"> <li>◆ Projecting production of several new titles ⇒ "Battle Girls: Time Paradox" for TV and new movies for theaters.</li> </ul>

# Segment Projections : Consumer Business



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## Sales Projections (Home video game software)

\* Number of titles reflects products which begin sales in the period  
(Number of titles by platform is based on SKU)

Breakdown by Region	FY 2011				FY 2012			
	Results through 2Q		Full Year Results		Projections through 2Q		Full Year Projections	
	# of titles (SKU)	Unit Sales (Thousands)	# of titles (SKU)	Unit Sales (Thousands)	# of titles (SKU)	Unit Sales (Thousands)	# of titles (SKU)	Unit Sales (Thousands)
Japan / Other	5 (5)	1,240	15 (17)	2,630	7 (8)	1,180	19 (25)	3,360
US	7 (14)	3,200	16 (24)	7,830	8 (18)	2,430	17 (32)	9,240
Europe	8 (14)	2,150	20 (30)	8,230	8 (19)	3,070	17 (34)	10,680
Total	20 (33)	6,600	51 (71)	18,710	23 (45)	6,690	53 (91)	23,290

Breakdown by Platform	FY 2011				FY 2012			
	Results through 2Q		Full Year Results		Projections through 2Q		Full Year Projections	
	SKU	Unit Sales (Thousands)	SKU	Unit Sales (Thousands)	SKU	Unit Sales (Thousands)	SKU	Unit Sales (Thousands)
PS3	5	620	9	1,350	8	1,420	23	4,620
Wii	6	340	9	1,600	8	630	11	3,600
Xbox360	5	580	13	1,780	10	1,230	18	3,080
NDS	4	410	9	1,590	7	460	7	610
3DS	-	-	3	360	9	500	20	4,150
PSP	9	1,130	13	2,030	2	380	6	1,080
PC	4	130	15	1,620	1	40	6	1,140
Catalogue	-	3,350	-	8,340	-	2,010	-	4,950
Total	33	6,600	71	18,710	45	6,690	91	23,290



## Major Titles (Home video game software)

Title (Region)	Platform	To Be Sold From
Mario & Sonic at the London 2012 Olympic Games™ (Europe / US)	Wii, 3DS	-
Sonic Generations (Japan / Europe / US)	PS3, Xbox360, 3DS, PC	Winter in 2011
Binary Domain (Japan / Europe / US)	PS3, Xbox360	-
Ryu ga Gotoku OF THE END (Japan)	PS3	June
Virtua Tennis™ 4 (Japan / Europe / US)	PS3, Xbox360, Wii, PC	EU : April / US : May / Japan : June



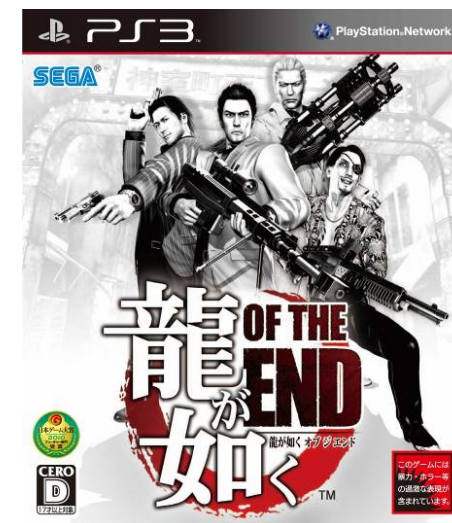
“Mario & Sonic at the London 2012 Olympic Games™”

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“Virtua Tennis™ 4”

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“Ryu ga Gotoku OF THE END”

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# Appendix



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# Company Overview



**SEGA-SAMMY  
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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	29,953 million yen
Listing	Tokyo Stock Exchange 1 <sup>st</sup> Section (6460)
Number of Shares Outstanding	266,229,476shares

Chairman of the Board and Chief Executive Officer (CEO)	Hajime Satomi
Executive Vice President and Representative Director	Keishi Nakayama
Director	Okitane Usui
Director and CCO(*)	Hisao Oguchi
Director	Yuji Iwanaga
Director	Takeshi Natsuno

(※)CCO : Chief Creative Officer

Major Shareholders		Equity Shares	% of Voting
1	Hajime Satomi	43,569,338	17.48%
2	Mellon Bank, NA Treaty Clients Omnibus	18,128,563	7.27%
3	SEGA SAMMY HOLDINGS INC.	14,504,662	-
4	FSC Co., Ltd.	14,172,840	5.68%
5	Japan Trustee Services Bank, Ltd. (As Trustee)	10,454,100	4.19%
6	The Master Trust Bank of Japan, Ltd. (As Trustee)	7,998,300	3.21%
7	State Street Bank West Pension Fund Clients Exempt	4,448,554	1.78%
8	Japan Trustee Services Bank, Ltd. (As Trustee9)	3,283,800	1.31%
9	MORGAN STANLEY & CO. INC	2,945,886	1.18%
10	Mellon Bank, N. A. as Agent for its Client Mellon Omnibus US Pension	2,938,041	1.17%

Shareholder Data		
Type	% of Shares	% by Number of Shareholders
Financial Institutions	14.63%	0.06%
Securities Companies	0.96%	0.06%
Other Companies	7.34%	0.79%
Foreign Institutions and Individuals	36.60%	0.59%
Japanese Individuals and Other	35.03%	98.48%
Treasury stock	5.45%	0.00%

Shareholders
94,703

Data as of March 31<sup>th</sup>, 2011

## ◆ Pachislot Installed Base / Unit Sales / Market Scale

	2005	2006	2007	2008	2009	2010
Number of Pachislot Machines installed (Units)	1,936,470	2,003,482	1,635,860	1,448,773	1,347,176	1,390,492
Number of Pachislot Machines sold annually (Units)	1,786,292	1,647,759	1,744,308	913,053	765,924	-
Pachislot Machine Market Size (JPY Million)	536,539	490,959	502,501	247,860	225,860	-

## ◆ Pachinko Installed Base / Unit Sales / Market Scale

	2005	2006	2007	2008	2009	2010
Number of Pachinko Machines installed (Units)	2,960,939	2,932,952	2,954,386	3,076,421	3,158,799	3,163,650
Number of Pachinko Machines sold annually (Units)	4,047,999	3,837,960	3,173,725	3,349,146	3,332,984	-
Pachinko Machine Market Size (JPY Million)	869,940	898,646	868,623	918,514	978,937	-

## ◆ Pachinko Pachislot Market Installed Base / Unit Sales / Market Scale

	2005	2006	2007	2008	2009	2010
Number of Machines installed (Units)	4,897,409	4,936,434	4,590,246	4,525,194	4,505,975	4,554,142
Number of Machines sold annually (Units)	5,834,291	5,485,719	4,918,033	4,262,199	4,098,908	—
Total Machine Market Size (JPY Million)	1,406,479	1,389,605	1,371,124	1,166,374	1,204,797	—

	2005	2006	2007	2008	2009	2010
Total Number of Pachinko Halls	15,165	14,674	13,585	12,937	12,652	12,479
Number of Halls with pachinko and pachislot machines installed	13,163	12,588	12,039	11,800	11,722	11,576
Number of Halls with only pachislot machines installed	2,002	2,086	1,546	1,137	930	903

Source: National Police Agency, Yano Research Institute Ltd., Japan Productivity Center for Socio-Economic Development.

\*Number of pachinko halls with pachinko machines installed includes halls that combine installations of pachinko machines, pachislot machines.



## ◆ Share of Annual Pachislot Machine Sales

	2006			2007			2008			2009		
Rank	Manufacturer	Units Sold	Share	Manufacturer	Units Sold	Share	Manufacturer	Units Sold	Share	Manufacturer	Units Sold	Share
1	<b>Sammy</b>	<b>523,422</b>	<b>31.8%</b>	<b>Sammy</b>	<b>380,688</b>	<b>21.8%</b>	Y Company	172,000	18.8%	<b>Sammy</b>	<b>162,932</b>	<b>21.3%</b>
2	D Company	200,000	12.1%	U Company	192,000	11.0%	S Company	133,673	14.6%	S Company	104,266	13.6%
3	H Company	180,000	10.9%	S Company	169,239	9.7%	<b>Sammy</b>	<b>123,286</b>	<b>13.5%</b>	U Company	100,000	13.1%
4	Y Company	173,000	10.5%	D Company	152,000	8.7%	H Company	68,000	7.5%	Y Company	73,000	9.5%
5	K Company	155,000	9.4%	Y Company	152,000	8.7%	K Company	59,000	6.5%	K Company	60,000	7.8%

## ◆ Share of Annual Pachinko Machine Sales

	2006			2007			2008			2009		
Rank	Manufacturer	Units Sold	Share	Manufacturer	Units Sold	Share	Manufacturer	Units Sold	Share	Manufacturer	Units Sold	Share
1	S Company	887,000	23.1%	S Company	820,000	25.8%	S Company	810,000	24.2%	S Company	600,000	18.0%
2	K Company	804,000	21.0%	S Company	725,819	22.9%	S Company	451,941	13.5%	S Company	572,464	17.2%
3	S Company	640,186	16.7%	K Company	510,000	16.1%	<b>Sammy</b>	<b>391,831</b>	<b>11.7%</b>	K Company	426,000	12.8%
4	N Company	253,000	6.6%	N Company	204,000	6.4%	K Company	350,000	10.5%	N Company	395,000	11.9%
5	D Company	195,947	5.1%	D Company	168,000	5.3%	N Company	349,000	10.4%	<b>Sammy</b>	<b>360,171</b>	<b>10.8%</b>
6	H Company	186,000	4.9%	H Company	165,000	5.2%	F Company	194,443	5.8%	H Company	170,000	5.1%
7	F Company	180,006	4.7%	F Company	146,134	4.6%	S Company	177,000	5.3%	D Company	165,000	5.0%
8	<b>Sammy</b>	<b>132,981</b>	<b>3.5%</b>	<b>Sammy</b>	<b>108,184</b>	<b>3.4%</b>	D Company	122,000	3.6%	F Company	156,545	4.7%

Source: Yano Research Institute Ltd.



## ◆ Amusement Machine and Amusement Center Operations Markets Scale

(JPY billion)

	2005	2006	2007	2008	2009	2010
Amusement Machines Net Sales	199.2	223.3	219.0	196.1	169.6	-
Amusement Facilities Operations Net Sales	682.4	702.8	678.0	573.1	504.2	-
Market Size of Amusement	881.6	926.2	897.0	769.2	673.8	-

	2005	2006	2007	2008	2009	2010
Number of Amusement Facilities (Facilities)	9,515	9,091	8,652	8,137	7,662	7,137
Number of Amusement Machine units installed (Units)	445,025	460,031	474,808	486,582	484,804	473,601
Number of Amusement Machine units installed per center (Units)	46.8	50.6	54.9	59.8	63.3	66.4

Source: JAMMA, AOU, CESA, National Police Agency

## ◆ Home Video Game Software Market Scale

	2005	2006	2007	2008	2009	2010
Japan	290.8	363.9	360.5	332.1	326.2	-
Europe	546.7	604.0	888.3	948.5	874.5	-
US	711.7	750.4	991.9	1179.3	1071.2	-

Source: Famitsu Game White Paper 2010

# Past Operating Results



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From FY 2007 to FY 2011

\* Number of titles reflects products which begin sales in the period (Numbers shown in parentheses are based on SKU)

\* The data in this page can be downloaded from following URL. ([http://www.segasammy.co.jp/english/ir/library/pdf/settlement/2011/e\\_201103\\_4qtransition.xls](http://www.segasammy.co.jp/english/ir/library/pdf/settlement/2011/e_201103_4qtransition.xls))

(JPY billion)		FY 2007	FY 2008	FY 2009	FY 2010		FY 2011			
		Full Year Results	Full Year Results	Full Year Results	Results through 2Q	Full Year Results	Results through 1Q	Results through 2Q	Results through 3Q	Full Year Results
Breakdown	Net Sales	528.2	458.9	429.1	154.3	384.6	91.3	217.8	310.1	396.7
	Pachislot and Pachinko Machines	211.5	145.5	161.6	68.3	160.3	48.9	134.2	167.9	212.0
	Amusement Machines Sales	75.4	71.0	61.9	17.9	45.1	9.7	19.6	38.4	47.2
	Amusement Center Operations	103.8	91.2	71.3	28.9	54.7	11.1	23.6	34.5	45.6
	Consumer Business	119.5	141.7	131.3	37.6	121.5	20.7	38.7	66.9	88.8
	Other	17.8	9.3	2.9	1.5	2.9	0.7	1.5	2.2	2.8
Breakdown	Operating Income	76.5	-5.8	8.3	-0.3	36.7	14.9	46.8	62.9	68.7
	Pachislot and Pachinko Machines	71.1	8.4	14.5	10.8	29.5	15.1	47.6	54.6	64.2
	Amusement Machines Sales	11.6	7.1	6.8	-0.7	7.0	1.3	1.9	8.4	7.3
	Amusement Center Operations	0.1	-9.8	-7.5	0.2	-1.3	0.1	1.1	0.8	0.3
	Consumer Business	1.7	-5.9	-0.9	-8.1	6.3	-0.6	-1.3	2.8	1.9
	Other	-1.3	0.0	0.3	0.2	0.3	0.0	0.1	0.1	0.0
	Eliminations	-6.7	-5.5	-4.9	-2.7	-5.2	-1.1	-2.7	-3.9	-5.1
	Operating Margin	14.5%	-	1.9%	-	5.2%	16.6%	21.5%	20.3%	17.3%
Ordinary Income		81.2	-8.2	6.6	-0.7	35.9	14.6	46.0	62.3	68.1
Ordinary Income Margin		15.4%	-	1.5%	-	9.3%	16.0%	21.1%	20.1%	17.2%
Net Income		43.4	-52.4	-22.8	-6.3	20.2	7.0	24.3	36.8	41.5
Net Income Margin		8.2%	-	-	-	5.3%	7.7%	11.2%	11.9%	10.5%
R&D expense / content production expense		52.1	65.3	59.6	22.9	41.5	9.5	18.6	28.8	41.1
Cap-ex		36.6	50.4	26.6	6.3	16.1	3.3	6.5	12.1	19.6
Depreciation		28.0	45.6	26.6	7.3	17.1	3.4	7.3	11.3	15.9
Advertising		22.2	22.8	20.7	7.8	20.7	3.3	7.3	11.2	15.1
# of pachislot titles		17 titles	22 titles	19 titles	5 titles	12 titles	2 titles	4 titles	6 titles	10 titles
Unit sales		523,422 units	380,688 units	123,286 units	57,038 units	162,932 units	109,621 units	201,402 units	268,470 units	302,270 units
# of pachinko titles		14 titles	9 titles	12 titles	8 titles	13 titles	6 titles	8 titles	11 titles	12 titles
Unit sales		132,981 units	108,184 units	391,831 units	167,715 units	360,171 units	49,240 units	198,230 units	241,374 units	343,188 units
SEGA Same Store Sales Comparisons		95.8%	89.0%	92.4%	92.3%	91.7%	97.2%	99.9%	100.5%	99.3%
Domestic Facilities		449 facilities	363 facilities	322 facilities	277 facilities	260 facilities	255 facilities	252 facilities	252 facilities	249 facilities
# of game software titles		- (140)	80 (138)	78 (122)	23 (30)	66 (105)	7 (19)	20 (33)	37 (56)	51 (71)
Sales (Thousand units)		21,270	26,990	29,470	5,400	26,750	3,290	6,600	13,630	18,710



# Support Activities for the Great East Japan Earthquake



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SEGA SAMMY HOLDINGS INC. extends its deepest condolences to all those who have become victims of the Great East Japan Earthquake and its deepest sympathies to all those who have suffered, their families and parties concerned. We pray for the swift reconstruction of the affected areas.

SEGA SAMMY Group and its group companies will continue supportive activities.

(As of May 16, 2011)

Company Name	Key Efforts
<b>SEGA SAMMY Group</b>	<ul style="list-style-type: none"> <li>◆ Donation of 200 million yen through NGO Japan Platform</li> <li>◆ Donation through Hachioji City by implementing street fundraising</li> <li>◆ Implement fundraising activities to collect money from SEGA SAMMY Group employees</li> </ul>
<b>SEGA CORPORATION</b>	<ul style="list-style-type: none"> <li>■ Donate part of the company's sales of four arcade game machines under the revenue sharing model</li> <li>■ Donate part of sales at all amusement facilities and theme parks operated by the company</li> <li>■ Donation by SEGA and its U.S. and European subsidiaries through Red Cross all profits from purchases of some game titles provided to iPhone/iPod touch/iPad in Japan and overseas during the campaign period [USD \$250,000 (approximately 20 million yen: calculated with USD=80yen) ]</li> <li>■ Implement fundraising through sales of exclusive items, etc. for 10 titles subject to various online title services</li> </ul>
<b>Sammy Networks, Co., Ltd.</b>	<ul style="list-style-type: none"> <li>■ Implement fundraising using services for online games for PCs, "777 Town.net" and mobile phones, "Sammy 777 Town"</li> </ul>
<b>TAIYO ELEC Co., Ltd.</b>	<ul style="list-style-type: none"> <li>■ Donation of 10 million yen through Japanese Red Cross Society</li> </ul>
<b>SEGA Bee LINK Co., LTD.</b>	<ul style="list-style-type: none"> <li>■ Donate part of sales at all facilities operated by the company</li> <li>■ Install donation boxes at dining/entertainment facilities (Bee, KABURA,BeeRUSH) nationwide</li> </ul>
<b>DARTSLIVE Co., Ltd. DARTSLIVE GAMES Co., Ltd. DARTSLIVE ASIA Ltd.</b>	<ul style="list-style-type: none"> <li>■ Donation of 10 million yen through Japanese Red Cross Society</li> </ul>
<b>SEGA SAMMY GOLF ENTERTAINMENT INC.</b>	<ul style="list-style-type: none"> <li>■ Donate part of sales at The North Country Golf Club (Chitose City, Hokkaido Prefecture) between April 4, 2011 through may 31, 2011</li> <li>■ Charity golf competition to support affected areas in April 16, 2011 and May 21, 2011</li> <li>■ Install donation boxes from April 9, 2011 to May 5, 2011 at the clubhouse</li> </ul>
<b>REALUS INC.</b>	<ul style="list-style-type: none"> <li>■ Implement fundraising using points on Web service "yosoo.net" for donation to Japanese Red Cross Society</li> <li>■ Implement fundraising using points on Web service "Point-Box"</li> </ul>
<b>OASIS PARK Co., Ltd.</b>	<ul style="list-style-type: none"> <li>■ Install donation boxes at its Oasis Park facility (Kakamigahara City, Gifu Prefecture)</li> </ul>
<b>Shigeki Maruyama (Professional golfer sponsored by SEGA SAMMY)</b>	<ul style="list-style-type: none"> <li>■ Fundraising for donations</li> <li>■ Set up water stations and opened public bath house free of charge at 58 Golf Club (Yaita City, Tochigi Prefecture)</li> </ul>



【MEMO】



**[Disclaimer]**

The contents in this material and comments made during the questions and answers etc. of this briefing session are the judgment and projections of the Company's management based on the currently available information. These contents involve risk and uncertainty, and the actual results may differ materially from these contents/comments.

<http://www.sammy.co.jp/> (Sammy)

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