

(Translation)

November 30, 2017

Dear Sirs,

Name of Company: SEGA SAMMY HOLDINGS INC.
Name of Representative: Haruki Satomi,
President and COO
(Representative Director)

(Code No. 6460, Tokyo Stock Exchange 1st Section)

Further Inquiry: Yoichi Owaki,
Vice President,
Senior Executive Officer
Managing Director of
Finance & Accounting Division
(TEL: 03-6215-9955)

Notice of Adjustment of Full-Year Consolidated Operating Results Forecast

It is hereby notified that SEGA SAMMY HOLDINGS INC., in consideration of the recent development of its business performance, has made an adjustment to the forecast of its consolidated operating results for the year ending March 31, 2018 publicized on May 12, 2017, as described below.

Description

Adjustment to the forecast of full-year consolidated operating results for the year ending March 31, 2018
(from April 1, 2017 to March 31, 2018). (Unit: million yen unless otherwise indicated)

	Net sales	Operating income	Ordinary income	Profit attributable to owners of parent	Net income per share (yen)
Previously publicized forecast (A)	380,000	20,000	16,000	11,000	46.93
Adjusted forecast (B)	330,000	13,000	10,000	5,000	21.33
Amount of increase or decrease (B-A)	(50,000)	(7,000)	(6,000)	(6,000)	—
Rate of increase or decrease (%)	(13.2)	(35.0)	(37.5)	(54.5)	—
(For reference) Operating results for the same period of the previous year (from April 1, 2016 to March 31, 2017)	366,939	29,527	28,542	27,607	117.79

[Reasons for the adjustment]

Concerning the Pachislot and Pachinko Machines Business, “Rules for Partial Revision of the Act on Control and Improvement of Amusement Business, etc. and Rules of Certification, Prototype Testing, etc. of Pachislot and Pachinko Machines (No. 9 of the Rules of the National Public Safety Commission of 2017)” was promulgated on September 4, 2017 to take effect on February 1, 2018. As a result of substantial review of our sales schedule for the second half and onward in light of the revision, the number of new pachislot titles to be released in the fiscal period under review will be revised to 10 (previous forecast: 11) and that of new pachinko titles to be released to 5 (previous forecast: 7), as well as unit sales of pachislot machines to 89,000 (previous forecast: 158,000) and that of pachinko machines to 136,000 (previous forecast: 203,000). Accordingly, the operating results for the Pachislot and Pachinko Machines Business are expected to fall below the previous forecast.

As to the Entertainment Contents Business, strong performance is evidenced by operating income as of the end of the first half surpassing the previous full year forecast and such. Although launch of new titles for Digital Games field might delay compare to initial plan, several new titles include mainstay titles are scheduled to be released in Packaged Games and Amusement Machine Sales field of the Entertainment Contents Business in the second half, operating income is expected to surpass the previous forecast.

As a result of the above, consolidated net sales of 330,000 million yen (down 50,000 million yen from the previously publicized forecast), operating income of 13,000 million yen (down 7,000 million yen from the previously publicized forecast), ordinary income of 10,000 million yen (down 6,000 million yen from the previously publicized forecast) and profit attributable to owners of parent of 5,000 million yen (down 6,000 million yen from the previously publicized figure) is projected.

Meanwhile, there is no change in the forecast of year-end cash dividends at 20 yen per share and annual dividends at 40 yen per share.

(For reference: segment breakdown)

Forecast of full-year operating results for the year ending March 31, 2018 (from April 1, 2017 to March 31, 2018).
(Unit: million yen)

Segment		Previously publicized forecast (A)	Adjusted forecast (B)	Amount of increase or decrease (B-A)
Net sales	Total	380,000	330,000	(50,000)
	Pachislot and Pachinko Machines	150,000	105,000	(45,000)
	Entertainment Contents	220,000	215,000	(5,000)
	Resort	10,000	10,000	—
Operating income	Total	20,000	13,000	(7,000)
	Pachislot and Pachinko Machines	20,000	8,500	(11,500)
	Entertainment Contents	10,000	14,000	4,000
	Resort	(3,000)	(3,000)	—
	Other/Elimination	(7,000)	(6,500)	500

(Note) The above forecasts of operating results are made based on information available to management as of the date hereof. In the future, actual results may differ from the projected figures owing to various factors.

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