

May 11, 2018

(Translation)

Dear Sirs,

Name of Company: SEGA SAMMY HOLDINGS INC.

Name of Representative: Haruki Satomi,  
President and Group 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 Expected Incurrence of Operating Expenses Associated with  
Consolidation of Group Headquarters Functions

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SEGA SAMMY HOLDINGS INC. hereby announces that operating expenses are expected to be incurred as follows in the fiscal year ending March 2019, as a result of the consolidation of Group head office functions.

Description

1. Incurrence of operating expenses

In the fiscal year ending March 2019, operating expenses of around 7.5 billion yen are expected to be incurred as one-off expenses for the payment of overlap rent, purchase of fixtures and fittings and other costs associated with the consolidation of head office functions planned in the fiscal year ending March 2019.

\*See “Consolidation of Group Headquarters Functions (Detailed Information) and Introduction of Sideline Job System (JOB+)” released on May 10, 2018 for further details of Group headquarters consolidation.

2. Future outlook

The effect of this matter has been factored into the forecast of consolidated operating results for the fiscal year ending March 2019 announced today.

(For reference)

Forecast of consolidated operating results for FY ending March, 2019 (announced on May 11, 2018)

(Unit: million yen unless otherwise indicated)

	Net sales	Operating income	Ordinary income	Profit attributable to owners of parent
FY ending March, 2019 (Forecast)	390,000	21,000	16,000	12,000
FY ended March, 2018	323,664	17,720	14,578	8,930

(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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