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N E W S R E L E A S E

May 2018

To the press and whom it may concern,

SEGA SAMMY HOLDINGS INC.

- Initiative towards Further Growth of Sega Sammy Group -
Consolidation of Group Headquarters Functions (Detailed
Information) and Introduction of Sideline Job System (JOB+)

SEGA SAMMY HOLDINGS INC. (headquarters: Minato-ku, Tokyo; President and Group COO (Representative Director): Haruki Satomi; hereafter “SEGA SAMMY”) will consolidate the headquarter functions of SEGA SAMMY and each Group company, which are currently dispersed at various locations in Tokyo, in Sumitomo Fudosan Osaki Garden Tower (hereafter “Osaki Garden Tower”) in August 2018, as an initiative towards further growth of the Group going forward. Also, we hereby report that we have introduced a new sideline job system (name of system: JOB+) in April 2018, with the aim of promoting diverse work methods among employees and improving each individual employee’s capabilities.

At SEGA SAMMY, by developing measures in both tangible and intangible aspects such as environmental improvement and institutionalization, the entire Group is implementing new work methods to adapt to changes in society and lifestyles in the near future, which will lead to business growth and improvement in the Group’s corporate value going forward, and represents the continuous pursuit of the Group mission: “Continuing to create moving experiences.”

■ Consolidation of Group Headquarters Functions

Striving for efficient Group management, and aiming for stronger cooperation and the creation of synergy between businesses through the encouragement of interaction between personnel, SEGA SAMMY will consolidate the headquarters functions scattered among SEGA SAMMY and our Group companies at a new office. From August 2018, we will gradually proceed with relocation, and about 6,500 employees from 20 companies will engage in business activities at the new office.

The relocated office, Osaki Garden Tower, is a 24-storey office building located in Osaki Garden City, a large-scale mixed-use development area at the southern area of Osaki Station. Boasting one of the largest floor spaces in Tokyo, it is equipped with a spacious and comfortable office space, as well as a safe and secure office environment that strives for stronger BCP measures. Under this cutting-edge office environment, besides removing the disconnect between Group companies due to a physical distance, by encouraging interaction between personnel through providing shared functions such as a staff canteen, we will create an environment that can create business cooperation and synergies.

● Main Features of the New Office

1. Main entrance that exemplifies the SEGA SAMMY Group’s worldview

We will establish a main reception desk for the Group at the entrance of the new office. With the concept of “Journey (an endlessly fascinating SEGA SAMMY adventure),” by designing the interiors and installing furniture based on the image of a passenger ship, we will create an atmosphere that evokes the thought of a journey’s beginning, and the excitement for a new journey and the feeling of hospitality will be expressed throughout the entire space.

Image of main entrance



2. Introduction of staff canteen to promote interaction between Group employees

By creating an area which not only satisfies the dietary needs of employees, but also provides a creative space that is always open to facilitate interaction between Group employees and comfortable, and that raises intellectual curiosity, the staff canteen will be a multipurpose space where meetings and interactive events, etc. can be held.

- A large-scale staff canteen with a seating capacity of 2,000 people will be installed
- Except during the lunch peak period, the space can be used for café work or as an open meeting space
- A café and a bar will be opened to meet the diverse needs of employees, providing breakfast and dinner in addition to lunch; alcoholic drinks will be provided at night to encourage interaction between employees
- A library will be established as a place for the sharing and exchange of intellect, and to raise the sensitivity to information

Image of staff canteen



3. Installation of large and small meeting rooms and community spaces that respond to various usage needs

An open office where walls between departments are removed as much as possible

- To maximize usage of the feature of having approximately 5,289 m² space on each floor, one of the largest in Tokyo, walls between departments will be removed as much as possible, and communication across departments will be encouraged

- A passageway will be installed to allow one to rotate around the floor in the core portion; plenty of passageways will also be installed between desks, to create natural and coincidental meetings between employees
- Officers will move from individual offices to open spaces in order to encourage interaction between officers and employees

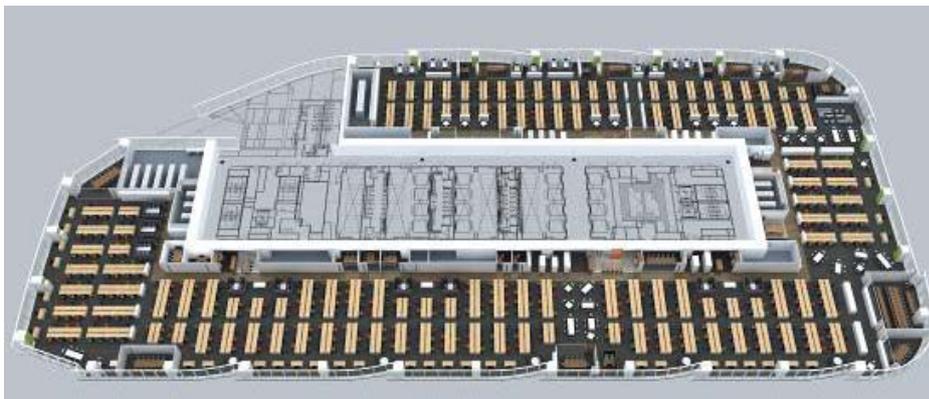
Conference hall (auditorium) that can meet the needs of internal company events and external events

- A large meeting room with a maximum capacity of 500 people will be installed
- Layout can be changed via movable walls, adaptable to various types of meetings and events
- Internal company events and external events, including company meetings and training courses, general shareholder meetings and financial results briefings, and game events where customers are invited, are also planned to take place

Adjoining Facilities

- Childcare facilities within the business premises (Pending review)
- Massage room
- Convenience stores, etc.

Image of office area and layout



4. Creation of a place for generating new ideas and businesses (co-working space)

We will establish a co-working space of approximately 1,322 m² in the office, where we will provide support for businesses, including startup businesses and individual entrepreneurs. Installing a co-working space within the company not only promotes investment activities that SEGA SAMMY conducts in new business fields, but also leads to the creation of new businesses and ideas for SEGA SAMMY by creating opportunities for the company’s employees to directly come into contact with external talents.

- An open lounge, members-only lounge, meeting room, office, etc. will be installed in the co-working space
- The Silicon Valley venture capital “Fenox Venture Capital” that we jointly operate will be permanently stationed at the new premises
- The co-working space will be located adjacent to the SEGA SAMMY Group main reception desk; it can also be used by people outside the company (based on a registration system)
- Registered members can also use the SEGA SAMMY shared facilities including the staff canteen and café space
- Interaction between Group employees, the venture capital, and users of the space will be promoted by a designated communication manager

Image of co-working space and layout



5. State-of-the-art ICT* environment aimed at further improvement in productivity

Leveraging the advantages of scale of the Group through office consolidation, we will introduce the latest ICT environment on a reasonable scale. Besides removing obstructing walls between companies and departments in the office space, by removing obstructing walls as much as possible, access to any location from any location in the office will be possible while maintaining a high level of security for our systems. In addition to aiming for improvements in operational efficiency and productivity, by constructing an ICT environment that is adaptable to a diverse range of work methods not limited to place and style, we will strongly support both business promotion and the reform of work methods.

*Abbreviation of Information and Communication Technology

● Overview of New Office

Relocated office	Sumitomo Fudosan Osaki Garden Tower
Leased floors	12 floors in total: 3F-13F, 24F (Exclusive area: 64,702.15 m ²)
Companies to be relocated	Total: 20 companies
	SEGA SAMMY HOLDINGS INC., Sammy Corporation, SEGA Holdings Co., Ltd., SEGA Games Co., Ltd., SEGA Interactive Co., Ltd., ATLUS. CO., LTD., Sammy Networks Co., Ltd., DARTSLIVE Co., Ltd., Play Heart, Inc., TAIYO ELEC Co., Ltd., RODEO Co., Ltd., GINZA Corporation, Sammy Facility Service Co., Ltd., Butterfly Corporation, Sammy Digital Security Co., Ltd., ZEEG Co. Ltd., Joint Master, Inc., PLUS SEVEN inc., JMS-United Co., Ltd., SEGA SAMMY BUSINESS SUPPORT INC.
Number of employees	Approximately 6,500 (including part-time employees)
Date of relocation of head office	August 6, 2018
Relocation period	Progressively from August 2018
Functions	Operating space, conference hall (auditorium), staff canteen, café, bar, library, convenience store, massage room, co-working space, etc.

● Overview of Sumitomo Fudosan Osaki Garden Tower

Location	1-1-1 Nishi-Shinagawa, Shinagawa-ku, Tokyo
Transportation	6-minute walk from Osaki Station (JR Line, Rinkai Line) 13-minute walk from Oimachi Station (JR Line, Tokyu Oimachi Line, Rinkai Line)
Opening	March 2018
Business owner	Nishi-Shinagawa 1-Chome Regional Redevelopment Group/ Sumitomo Realty & Development
Design	Nikken Sekkei Ltd
Construction	TAISEI CORPORATION
Structure	Steel structure (CFT structure for some pillars), reinforced concrete and seismic isolation structure (column capital seismic isolation on basement 1)
Number of levels	2 basement levels, 24 levels above ground, 1 rooftop level
Site area	19,927.70 m ²
Total floor space	178,141.49 m ²

■ Sideline Job System (JOB+)

SEGA SAMMY will remove the restriction on sideline jobs, aiming to improve the Group's corporate value and to bring about the creation of new innovation, through the improvement of individual capabilities and self-actualization of employees. This system will be named JOB+, and is applicable to employees who have continuously worked in the company for at least three years. Those who wish to have sideline jobs may do so outside of working hours and on days off if they apply for and obtain approval from the company. Some Group companies have begun the introduction of this system in April 2018. Going forward, we are considering the possibility of applying this system to the entire Group.

SEGA SAMMY believes that the creation of an environment where employees, each with different types of work and lifestyles, can work with enthusiasm and maximize their potential will become the foundation that will lead to future growth of the Group. In line with the relocation to a new office, we will actively introduce new measures including this sideline job system, and continue to work on work style reforms in the entire Group.