

February 19, 2019

(Translation)

Dear Sirs or Madams,

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: 03-6864-2400)

Notice of Transfer of Noncurrent Assets and Recording of
 Extraordinary Gain by Our Consolidated Subsidiary

It is hereby notified that SEGA SAMMY HOLDINGS INC. (the "Company") has determined at its Board of Directors meeting, held on February 19, 2019, to transfer noncurrent assets at SEGA Holdings Co., Ltd., its subsidiary.

Description

1. Details of the subsidiary

(1) Name	SEGA Holdings Co., Ltd.
(2) Head office	Sumitomo Fudosan Osaki Garden Tower 1-1-1 Nishi-Shinagawa, Shinagawa-ku, Tokyo
(3) Title and name of representative	President, Representative Director (COO): Hideki Okamura
(4) Business description	Management of its Group as the Holding Company of SEGA Group and all businesses appertaining thereto
(5) Capital	44,092,921,265 yen

2. Reasons for the Transfer

With the relocation of its head office, the SEGA SAMMY Group has been consolidating the headquarters functions of each of its group companies since August 2018 as part of its efforts aimed at further growth. As a result, the Company decided to transfer the concerned noncurrent assets.

3. Details of the transferred assets

Name and Location of the Assets		Transfer Price (million yen) *1	Book Value (million yen) *1	Gain from Transfer (million yen)	Current Status
I.	Land and building (Haneda, Ota-ku, Tokyo)	—	—	Approx. 5,218	Group company's office
II.	Land and building (Haneda, Ota-ku, Tokyo)	—	—		Group company's office

*1: The transfer price and book value are undisclosed as per the request of the transferee.

4. Overview of the transferee

- I. The transferee of the above asset "I." is a group company of a domestic listed company. However, details are undisclosed as per the will of the transferee. There are no capital relationships, personal relationships or business relationships between the transferee and the Company, and the transferee is not a related party of the Company.
- II. The transferee of the above asset "II." is a domestic listed company. However, details are undisclosed as per the will of the transferee. There are no capital relationships, personal relationships or business relationships between the transferee and the Company, and the transferee is not a related party of the Company.

5. Schedule

(1) Resolution at the Board of Directors meeting	February 19, 2019
(2) Conclusion of transfer agreement	February 20, 2019 (planned)
(3) Date of the transfer	March 22, 2019 (planned)

6. Future outlook

Due to the transfer of noncurrent assets mentioned above, approximately 5.2 billion yen of gain on sale of noncurrent assets is scheduled to be recorded as extraordinary gain in the consolidated operating results for the fiscal year ending March 31, 2019.

Furthermore, this matter has not been factored into the forecast of consolidated operating results for the year ending March 31, 2019 announced on February 5, 2019. The forecast of consolidated operating results for the year ending March 31, 2019 with the impact factored in will be announced promptly if there is a need to amend the forecast upon assessment of the status of respective business operations, emergence status of various expenses, etc.

(For reference) Forecast of consolidated operating results for the current business period (announced on February 5, 2019) and actual consolidated results of the previous business period are as follows

(Unit: million yen unless otherwise indicated)

	Consolidated Net Sales	Consolidated Operating Income	Consolidated Ordinary Income	Profit attributable to owners of parent
Forecasts for the current business period (FY ending March 2019)	337,000	13,000	7,500	(1,500)
Results for the previous business period (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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