

November 1, 2021

(Translation)

Dear all,

Name of Company: SEGA SAMMY HOLDINGS INC.
Name of Representative: Haruki Satomi,
President and Group CEO,
Representative Director

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

Further Inquiry: Makoto Takahashi,
Senior Vice President,
Executive Officer,
Managing Director of
Corporate Planning Division
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Notice regarding the agreement between
SEGA and Microsoft to Explore Strategic Alliance

SEGA SAMMY HOLDINGS INC. (the Company) hereby notifies that SEGA Corporation, a subsidiary of the Company (SEGA) and Microsoft Corporation (Microsoft) have agreed in principal, a strategic alliance that explores ways for SEGA to produce large-scale, global games in a next-generation development environment built on Microsoft's Azure cloud platform. The alliance would form a key part of SEGA's mid to long-term strategy, allowing the business to move forward with "Super Game", a new initiative for developing new and innovative titles where the key focuses are "Global", "Online", "Community" and "IP utilization".

For further information, please refer to attached press release from SEGA.

Attached material: Press Release of SEGA,
"SEGA and Microsoft to Explore Strategic Alliance to create New Strategic Titles for SEGA and establish a Next-Generation Development Environment"



-PRESS RELEASE -



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Sega Corporation

SEGA and Microsoft to Explore Strategic Alliance to create New Strategic Titles for SEGA and establish a Next-Generation Development Environment

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With the world now more connected than ever following the widespread deployment of 5G and cloud services in recent years, consumers can more easily enjoy high-quality entertainment content at any time. Within this highly connected environment, the ecosystem surrounding the games industry continues to evolve and expand as more sophisticated tools and technologies become available. As such, video games continue to grow as a major medium for gamers globally, with access to a vast range of gaming experiences and communities becoming more diverse and attainable. This proposed alliance represents SEGA looking ahead, and by working with Microsoft to anticipate such trends as they accelerate further in future, the goal is to optimise development processes and continue to bring high-quality experiences to players using Azure cloud technologies.

Microsoft and SEGA have agreed upon the foundation for this alliance and through mutual cooperation, will look to build further technological evolutions with areas such as the network infrastructure and communication tools required for global online services being a key priority. Additionally, by shifting to a next-generation development platform, SEGA can effectively adapt to diversifying work styles and potential infrastructural changes.

Comments from Yukio Sugino, President and COO, SEGA Corporation



We are very pleased to announce today that we are considering a strategic alliance with Microsoft to help develop SEGA's new "Super Game" initiative as well as build a next-generation game development environment. By considering a strategic partnership with Microsoft, we seek to further advance our game development so that our titles can be enjoyed by fans all over the world; in this regard, we aim to build an alliance that utilizes both SEGA's powerful game development capabilities and Microsoft's cutting-edge technology and development environment.

Comments from Sarah Bond, CVP, Microsoft Corporation



SEGA has played such an iconic role in the gaming industry and has been a tremendous partner over the years. We look forward to working together as they explore new ways to create unique gaming experiences for the future using Microsoft cloud technologies. Together we will reimagine how games get built, hosted, and operated, with a goal of adding more value to players and SEGA alike.
