



# Fiscal Year Ending March 2021 3Q Results Presentation

February 12, 2021

[Disclaimer]

Market forecasts, operating results forecast, and other information contained in these materials are based on judgements and projections of the Company's managements from currently available information. Therefore, please understand that the contents herein involve risks and uncertainties, and the actual results could differ materially depending on various factors.

# 1. Fiscal Year ending Mar 2021 3Q Results and Full Year Forecasts

# Revision of operating results forecast for the full year FY2021/3

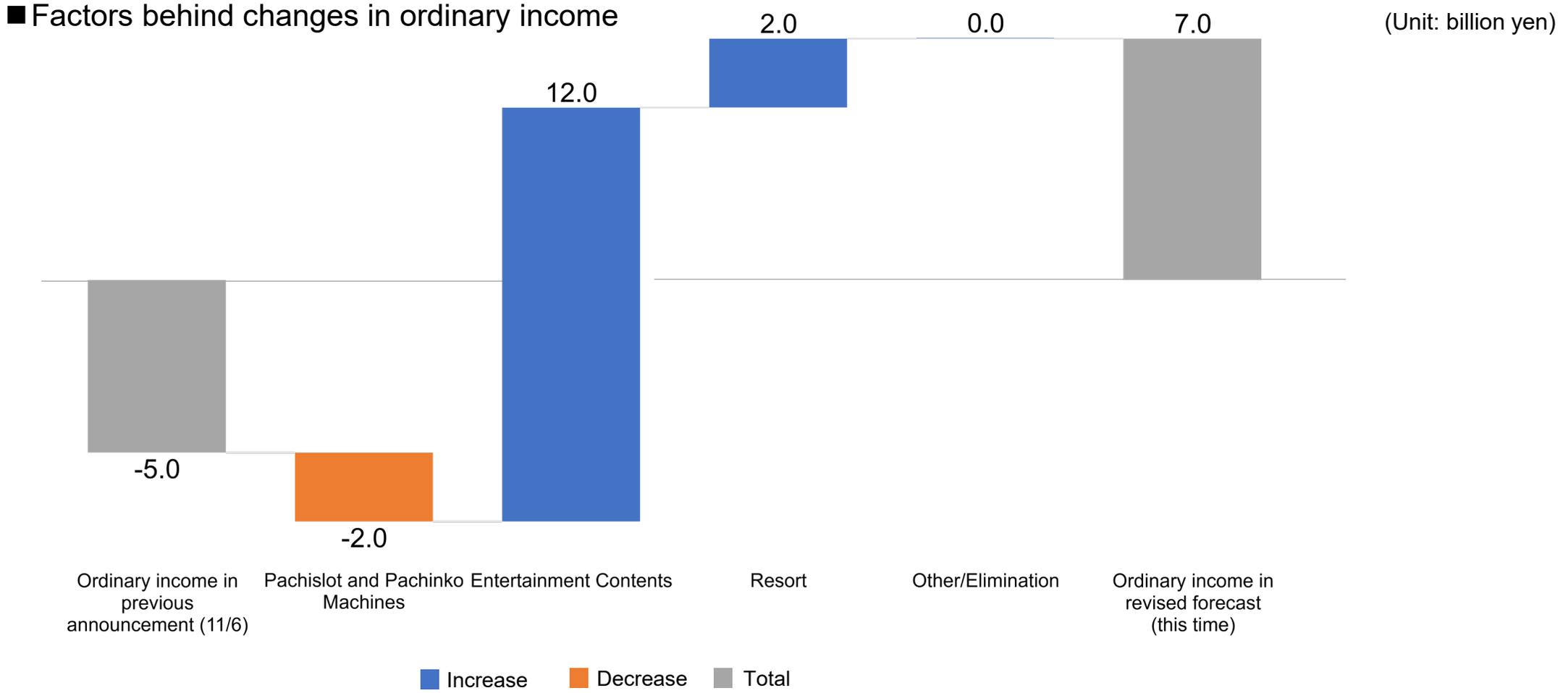
(JPY Billion)

	Full Year Forecast (announced on Nov 6)	Revised Full Year Forecast (announced on Feb 12)	Increase / Decrease
Sales	283.0	276.0	-7.0
Operating Income	-1.5	9.0	+10.5
Ordinary Income	-5.0	7.0	+12.0
Income before income taxes	-31.5	-5.0	+26.5
Profit attributable to owners of parent	-24.5	-3.0	+21.5

- ✓ Full-year forecast revised upward, driven by strong Consumer area
- ✓ Plan for year-end dividends: 20 yen (interim 10 yen)
- ✓ Implementation of each measure of "structural reform"

# Revision of operating results forecast for the full year FY2021/3

- Consumer area in Entertainment Contents Business performed well, and cost restraint progressed in each segment.



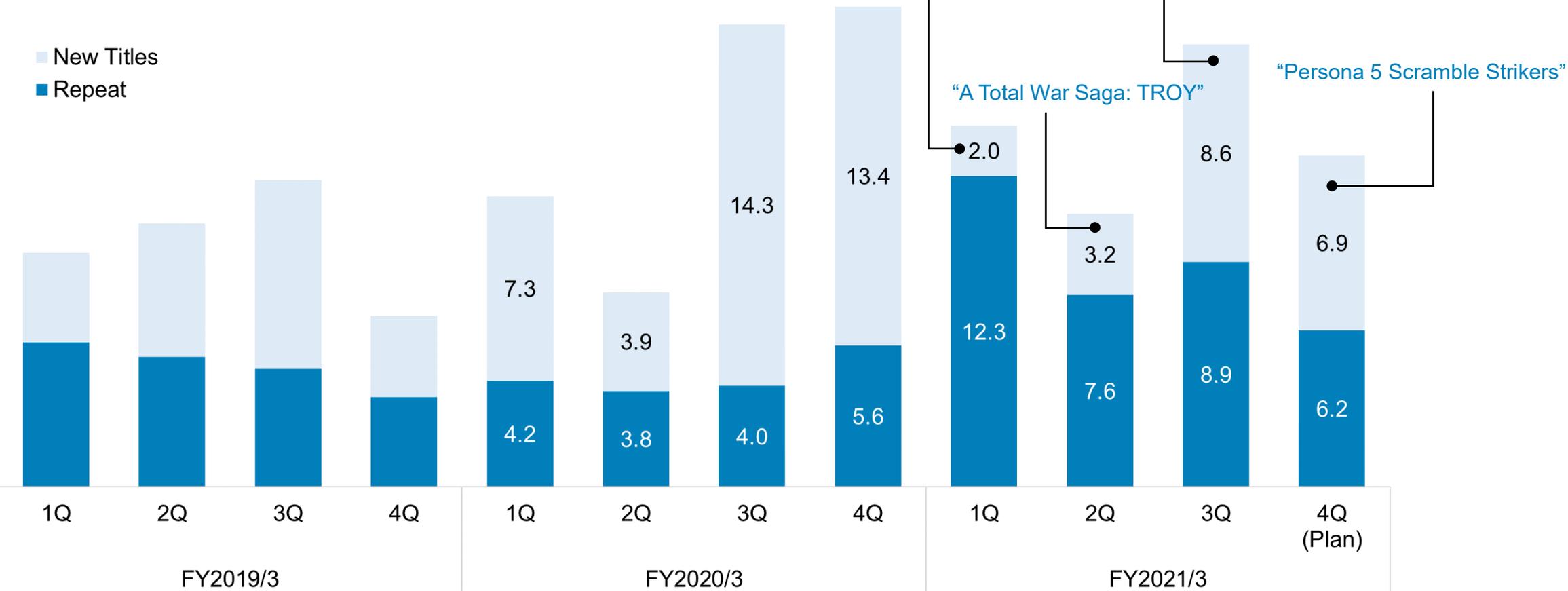
# Strong performance in Consumer area (Full Game's sales trend)



## ➤ Income expands continuously through repeat sales

“Football Manager 2021”  
 “YAKUZA : LIKE A DRAGON” (Western version)  
 “Shin Megami Tensei III NOCTURNE HD REMASTER”

(Unit: billion yen)

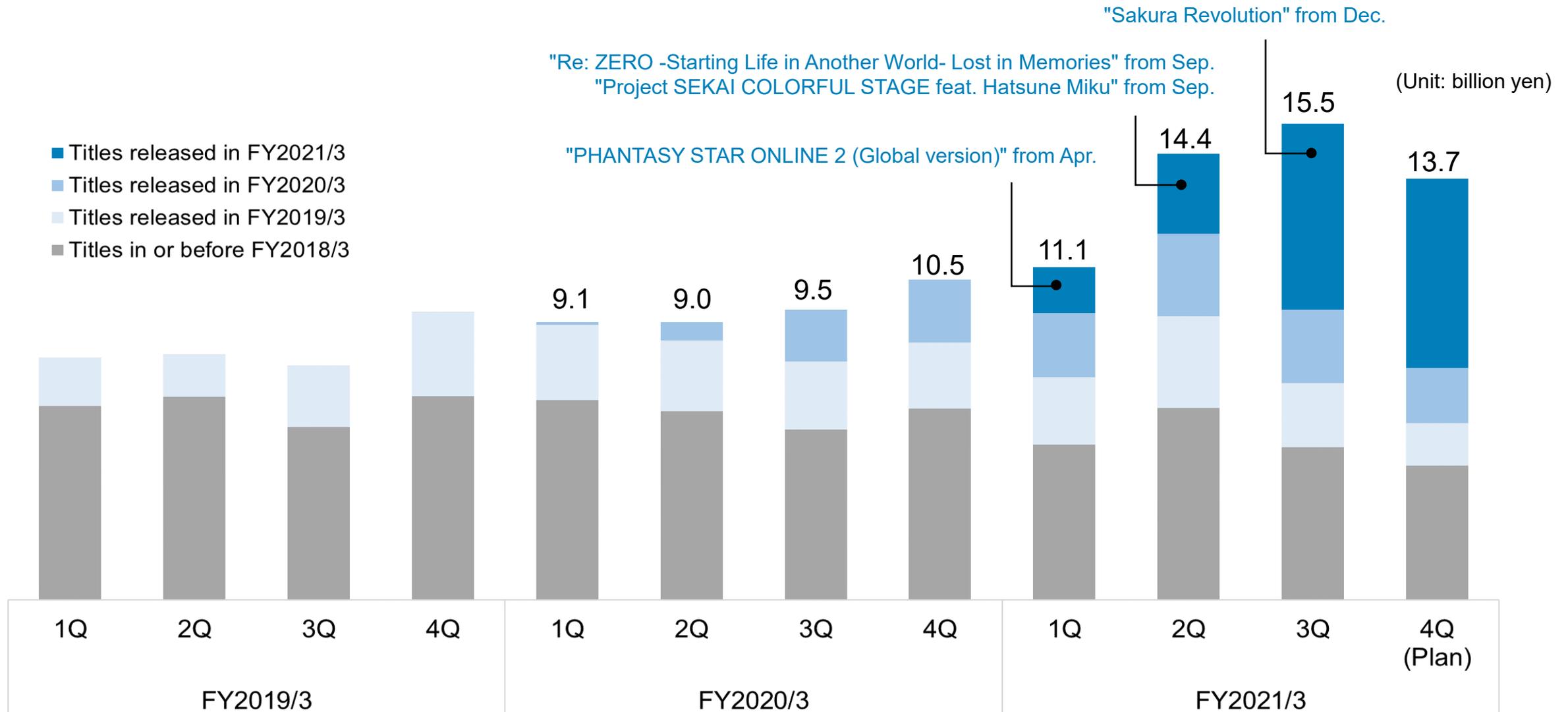


\*Repeat: Titles released in or before previous fiscal year including “SONIC” series, “Persona” series, “Total War” series, “Football Manager” series, and “YAKUZA” series, etc.

\*Figures of the fiscal year ended March 31, 2019 are reference values before segment change

# Strong performance in Consumer area (F2P sales trend)

➤ Strong performance of new titles launched this fiscal year

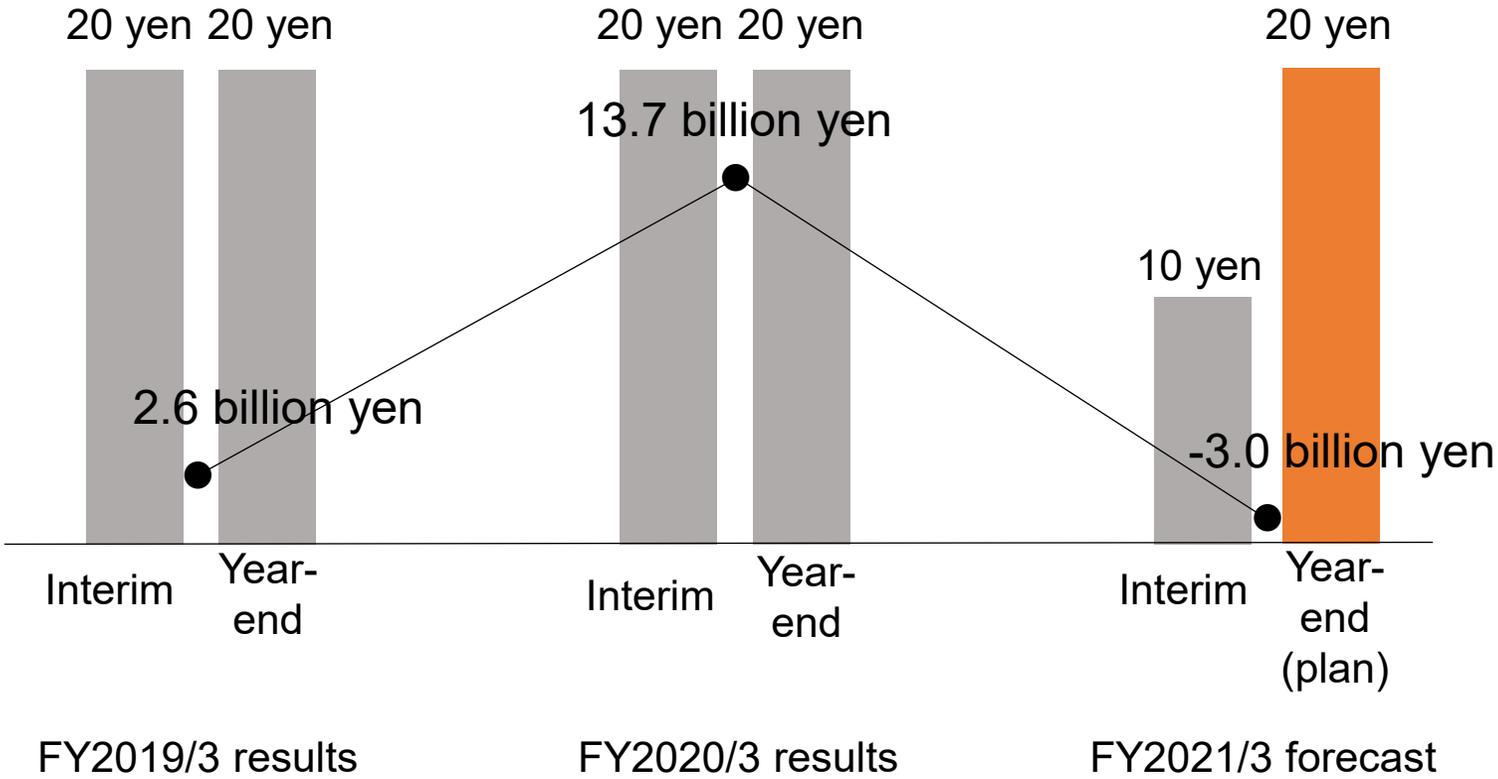


\*Portion of figures for FY2021/3 1Q have been revised

\*Figures of the fiscal year ended March 31, 2019 are reference values before segment change

## Dividend amount at end of FY2021/3: 20 yen

■ Transition of net income and dividends



## Major initiatives

[Implemented in 3Q]

- Transfer of the shares of company engaged in amusement facilities operation
- Implementation of voluntary retirement program
- Sales of investment securities (Sanrio shares, etc.)

[Scheduled to be implemented in 4Q]

- Sales of a non-business real estate

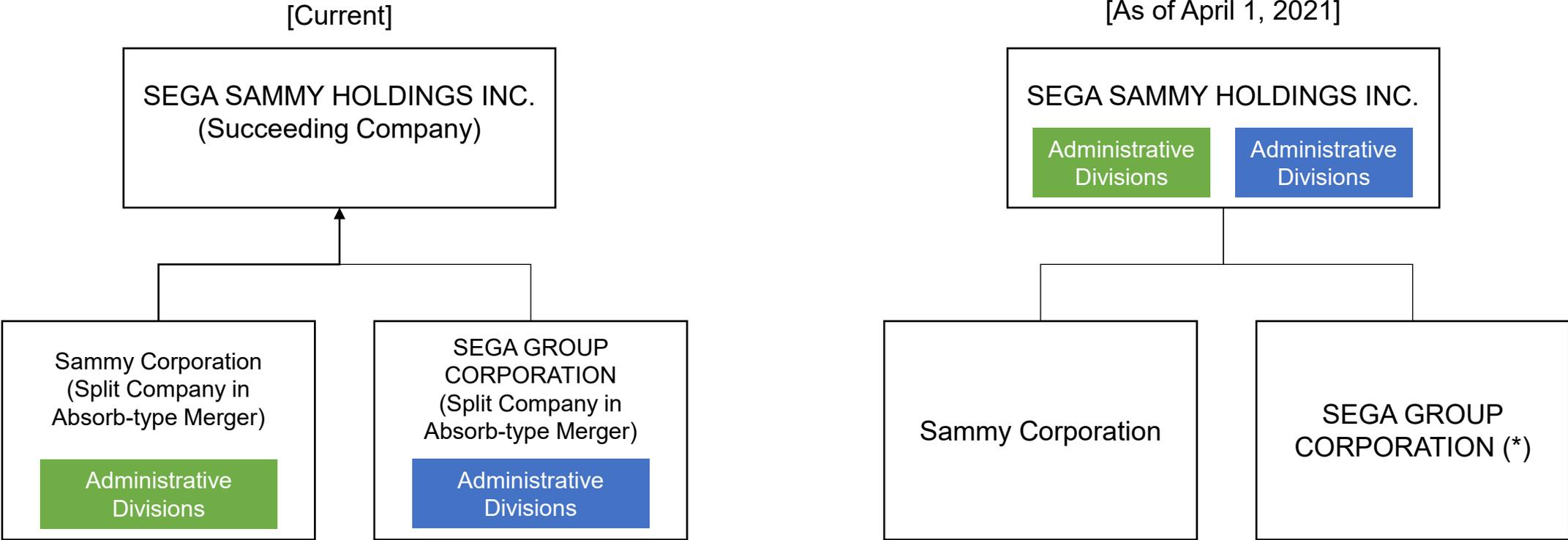
[Scheduled to be implemented in the next FY]

- Organizational restructure

# Organizational restructure

## (1) Consolidation of administrative functions in SEGA SAMMY Group

- Corporate functions and other administrative functions of Sammy Corporation and SEGA GROUP CORPORATION will be split and integrated into SEGA SAMMY HOLDINGS INC. and establish a system to drive and support the group business as a whole.

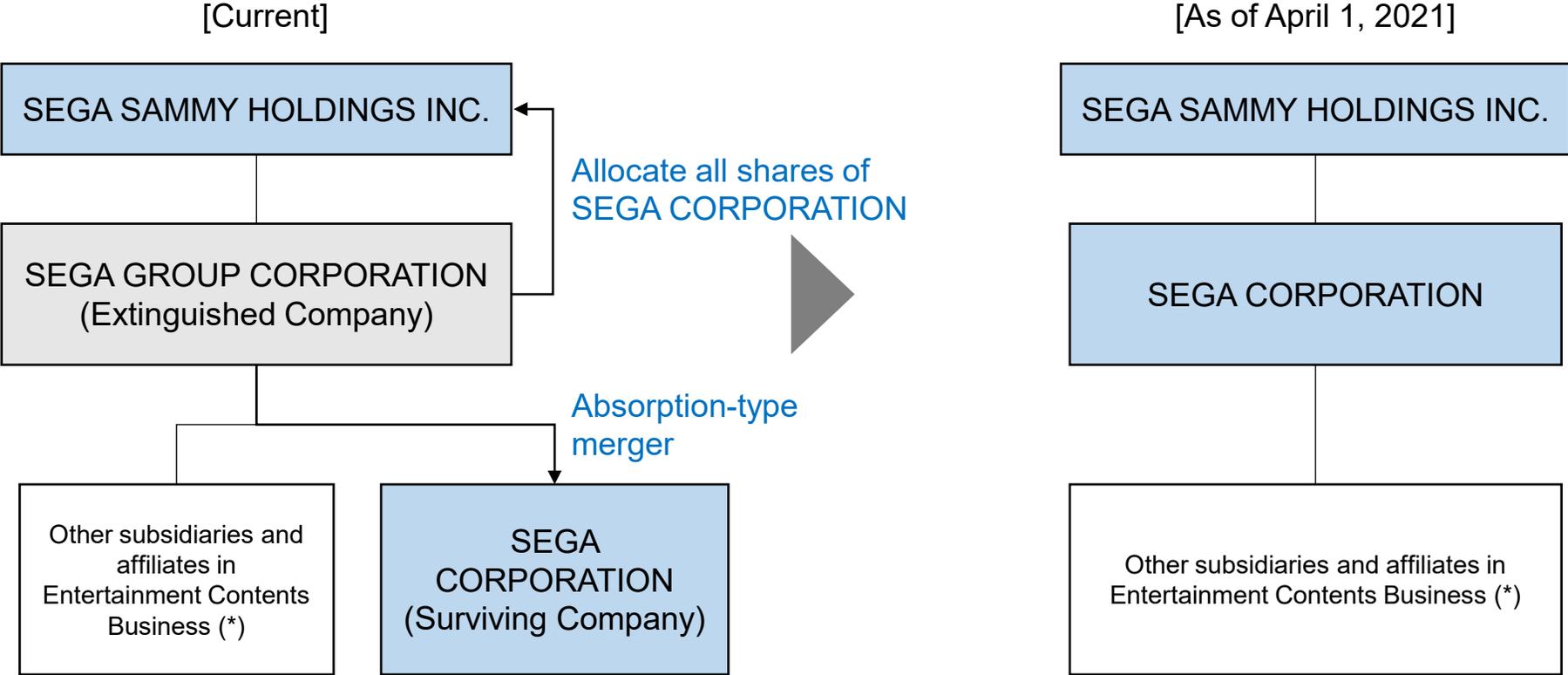


\*As of April 1, 2021, SEGA GROUP CORPORATION will become an extinguished company through an absorption-type merger by SEGA CORPORATION. (See details in next page.)

# Organizational restructure

## (2) Reorganization of group companies in Entertainment Contents Business

- Merge SEGA GROUP CORPORATION, an intermediate holding company, into SEGA CORPORATION, to accelerate global business development by streamlining the Group's structure and accelerating decision-making.



\*TMS ENTERTAINMENT Co., LTD., SEGA TOYS CO., LTD., DARTSLIVE Co., Ltd., SEGA Logistics Service Co., Ltd., and etc.

# Impact of implementation of structural reform

		PL impact for the current FY		PL improvement for the next FY
		Previous forecast	Current forecast	
<b>1. Review of Business Structure</b>	• Structural reform expenses in Amusement Center Operations area	-20 billion yen (extraordinary losses)	<b>-19.1 billion yen</b> (extraordinary losses)	<b>+3.5 billion yen</b>
	• Closure of Orbi Yokohama	-0.5 billion yen (extraordinary losses)	<b>-0.6 billion yen</b> (extraordinary losses)	
<b>2. Reduction of fixed expenses</b>	• Call for voluntary retirement and etc.	-10 billion yen (extraordinary losses)	<b>-9.2 billion yen</b> (extraordinary losses)	<b>+8.0 billion yen</b>
<b>3. Review of BS</b>	• Gain on sales of investment securities	+5.9 billion yen (extraordinary income)	<b>+8.4 billion yen</b> (extraordinary income)	-
	• Gain on sales of non-business real estate	-	<b>+15.2 billion yen (*)</b> (extraordinary income)	

\*15.2 billion yen from gain on sale of a non-business real estate is scheduled to be recorded as extraordinary income in 4Q results

Previous forecast = forecast as of 2Q result announcement  
 Current forecast = forecast as of 3Q result announcement

# FY2021/3 3Q Results, Full-year Forecast Summary

(JPY Billion)	2020/3		2021/3		
	Through 3Q	Through 4Q	Through 3Q	Full Year Forecast (announced on Nov 6)	Revised Full Year Forecast (announced on Feb 12)
<b>Sales</b>	<b>280.8</b>	<b>366.5</b>	<b>210.1</b>	<b>283.0</b>	<b>276.0</b>
Pachislot and Pachinko Machines	86.3	108.5	37.3	60.0	51.5
Entertainment Contents	186.1	247.6	167.6	216.0	218.0
Resort	8.2	10.4	4.8	6.5	6.0
Other / Elimination	0.0	0.0	0.4	0.5	0.5
<b>Operating Income</b>	<b>28.0</b>	<b>27.6</b>	<b>13.5</b>	<b>-1.5</b>	<b>9.0</b>
Pachislot and Pachinko Machines	19.9	23.2	-8.2	-10.0	-11.5
Entertainment Contents	17.0	16.5	29.9	21.5	32.0
Resort	-2.3	-3.6	-3.1	-5.5	-4.5
Other / Elimination	-6.6	-8.5	-5.1	-7.5	-7.0
Non-operating income	1.8	3.2	5.6	5.0	6.5
Non-operating expenses	4.0	5.5	6.5	8.5	8.5
<b>Ordinary Income</b>	<b>25.8</b>	<b>25.2</b>	<b>12.5</b>	<b>-5.0</b>	<b>7.0</b>
Pachislot and Pachinko Machines	19.4	22.7	-8.7	-10.5	-12.5
Entertainment Contents	16.0	16.2	33.1	24.0	36.0
Resort	-3.3	-5.3	-6.6	-11.0	-9.0
Other / Elimination	-6.3	-8.4	-5.3	-7.5	-7.5
Ordinary Income Margin	9.2%	6.9%	5.9%	-	2.5%
Extraordinary income	3.0	3.1	10.3	7.5	26.0
Extraordinary losses	0.5	1.2	31.8	34.0	38.0
<b>Income before income taxes</b>	<b>28.3</b>	<b>27.1</b>	<b>-8.8</b>	<b>-31.5</b>	<b>-5.0</b>
<b>Profit attributable to owners of parent</b>	<b>22.9</b>	<b>13.7</b>	<b>-6.2</b>	<b>-24.5</b>	<b>-3.0</b>

## FY2021/3 3Q Results

- ◆ Significant decline in sales and profit YoY, but operating income and ordinary income were well above the full-year forecast announced on November 6.
- ◆ Recorded gain on sales of investment securities in extraordinary income.
- ◆ Expenses such as extraordinary retirement allowances due to call for voluntary retirement and others were recorded in extraordinary losses.

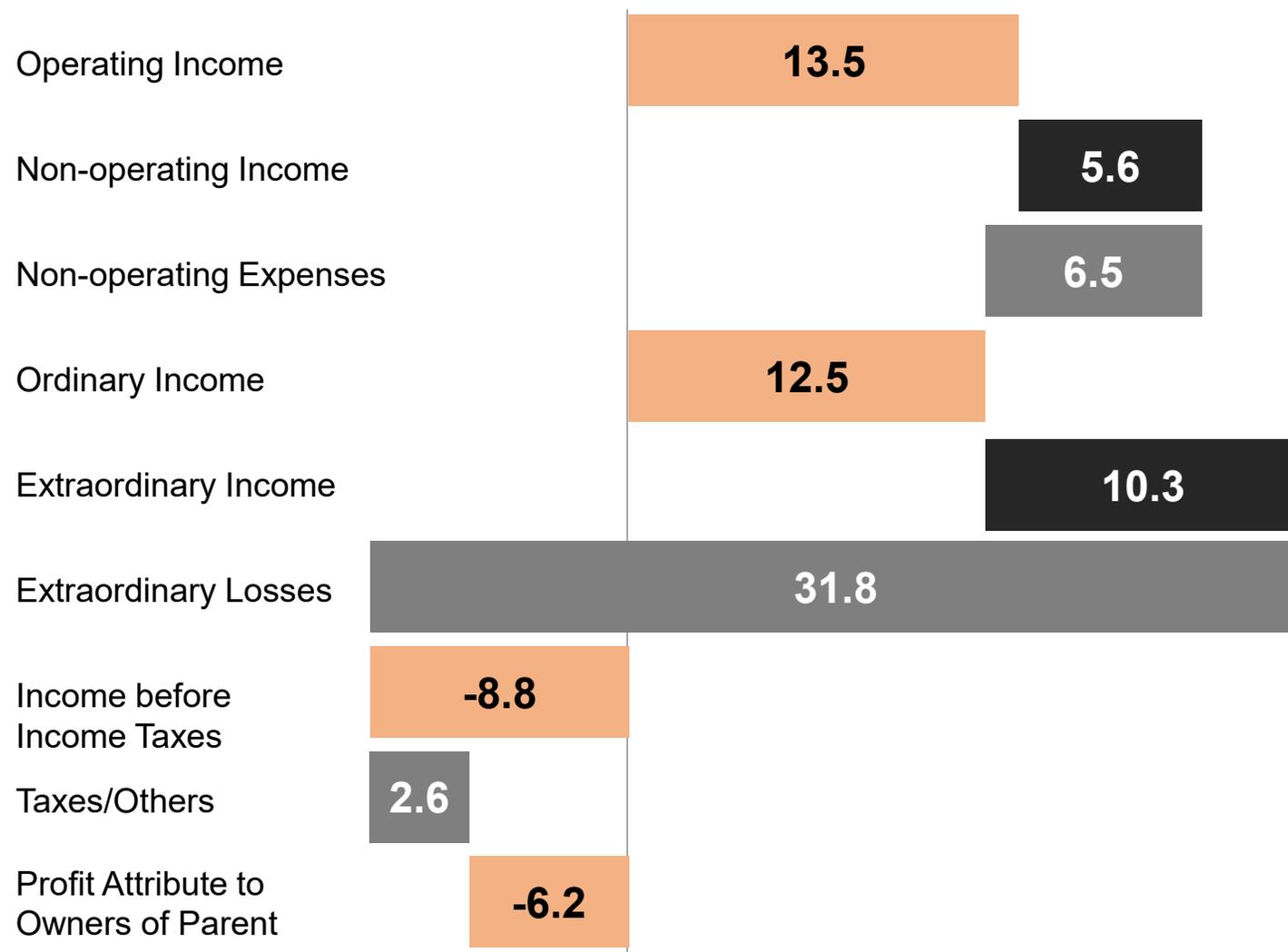
## Forecast

- ◆ Revise the full-year operating results forecast
- ◆ Scheduled year-end dividend amount: 20 yen
- ◆ Expect to record gain on sales of non-business real estate in extraordinary income.

\*The results of FY2020/3 reflect the change of segment classification retrospectively.

# Breakdown of Income (FY2021/3 3Q results)

(Unit: billion yen)



## Non-operating income/losses and extraordinary income/losses

<b>Non-operating income</b>	<b>5.6</b>
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Gain on valuation of investment securities	4.2
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Dividends income	0.3
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<b>Non-operating expenses</b>	<b>6.5</b>
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Equity in losses of affiliates	4.1
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<b>Extraordinary Income</b>	<b>10.3</b>
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Gain on sales of investment securities	8.4
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Gain on reversal of subscription rights to shares	0.8
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Subsidy income	0.6
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<b>Extraordinary losses</b>	<b>31.8</b>
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Loss on COVID-19	2.6
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Structural reform expenses (Expenses due to structural reform in Amusement Center Operations Area, and extraordinary retirement allowances and others due to call for voluntary retirement etc.)	29.0
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# Costs and Expenses

(JPY Billion)	2020/3		2021/3		
	Through 3Q	Through 4Q	Through 3Q	Full Year Forecast (announced on Nov 6)	Revised Full Year Forecast (announced on Feb 12)
<b>R&amp;D Expense / Content Production Expense</b>	<b>56.4</b>	<b>76.5</b>	<b>43.5</b>	<b>62.7</b>	<b>62.5</b>
Pachislot and Pachinko Machines	14.3	18.1	12.6	17.5	16.8
Entertainment Contents	42.3	58.6	30.8	45.2	45.5
Resort	0.1	0.1	0.1	0.0	0.1
Other / Elimination	-0.3	-0.3	0.0	0.0	0.1
<b>Cap-ex</b>	<b>16.1</b>	<b>22.8</b>	<b>11.4</b>	<b>13.9</b>	<b>14.5</b>
Pachislot and Pachinko Machines	2.5	3.5	2.5	3.6	3.6
Entertainment Contents	12.9	18.2	8.5	9.4	10.0
Resort	0.1	0.2	0.1	0.3	0.3
Other / Elimination	0.6	0.9	0.3	0.6	0.6
<b>Depreciation</b>	<b>10.9</b>	<b>14.8</b>	<b>9.5</b>	<b>13.1</b>	<b>10.9</b>
Pachislot and Pachinko Machines	2.8	3.6	2.6	2.8	2.7
Entertainment Contents	6.4	8.9	5.2	8.2	6.3
Resort	0.8	1.1	0.7	1.0	0.9
Other / Elimination	0.9	1.2	1.0	1.1	1.0
<b>Advertising</b>	<b>12.9</b>	<b>17.4</b>	<b>9.5</b>	<b>16.3</b>	<b>13.0</b>
Pachislot and Pachinko Machines	1.2	1.5	1.0	2.1	1.5
Entertainment Contents	10.2	14.1	7.8	12.8	10.3
Resort	0.3	0.4	0.2	0.3	0.3
Other / Elimination	1.2	1.4	0.5	1.1	0.9

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Main factors for increase or decrease for 3Q and revised full-year forecast

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Decreased due to the decrease of the numbers of new titles to be launched in Consumer area.

Decreased due to the restrain of investment for machines, interiors and exteriors of stores and etc. in Amusement Center Operations area.

Decreased due to the structural reform in Amusement Center Operations area.

Decreased due to the decrease of the numbers of new titles to be launched in Consumer area.

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\*The results of FY2020/3 reflect the change of segment classification retrospectively.

# Consolidated Balance Sheet Summary

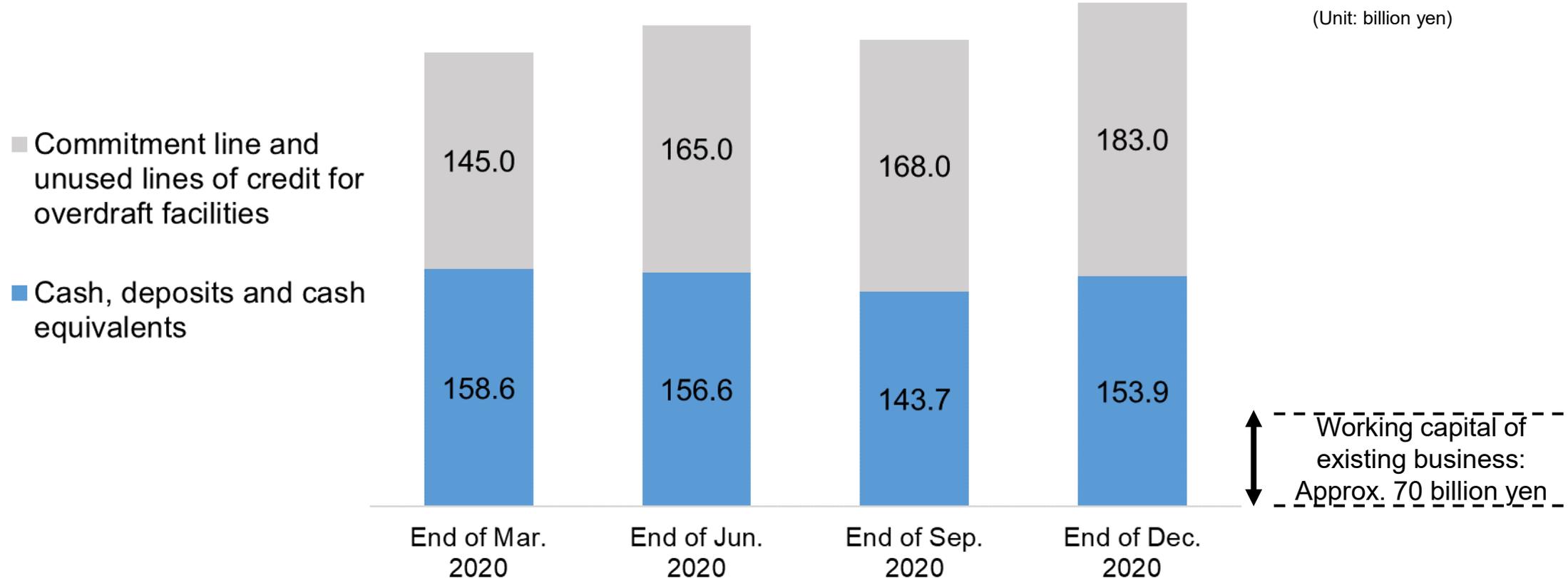
(Billion yen)	【Assets】			【Liabilities and Net Assets】			(Unit:billion yen)
	Account	As of end of March 2020	As of end of Dec 2020	Change	Account	As of end of March 2020	
Cash and Deposits	159.0	151.4	-7.6	Accounts Payable	17.8	18.1	+0.3
Accounts Receivable	40.4	51.8	+11.4	Corporate Bonds	10.0	-	-10.0
Short term investment securities	5.3	11.0	+5.7	Short Term Loans Payable	13.3	39.1	+25.8
Inventories	47.0	56.5	+9.5	Other	45.0	46.6	+1.6
Other	17.2	34.8	+17.6	<b>Total Current Liabilities</b>	<b>86.1</b>	<b>103.8</b>	<b>+17.7</b>
<b>Total Current Assets</b>	<b>268.9</b>	<b>305.5</b>	<b>+36.6</b>	Corporate Bonds	10.0	10.0	-
Tangible Fixed Assets	86.6	67.0	-19.6	Long Term Loans Payable	42.0	42.0	-
Intangible Fixed Assets	17.9	17.6	-0.3	Other	23.2	18.6	-4.6
Investment Securities	55.0	43.1	-11.9	<b>Total Noncurrent Liabilities</b>	<b>75.2</b>	<b>70.6</b>	<b>-4.6</b>
Other	29.7	19.4	-10.3	<b>Total Liabilities</b>	<b>161.4</b>	<b>174.4</b>	<b>+13.0</b>
<b>Total Noncurrent Assets</b>	<b>189.2</b>	<b>147.1</b>	<b>-42.1</b>	Shareholders Equity	301.2	287.7	-13.5
<b>Total Assets</b>	<b>458.2</b>	<b>452.7</b>	<b>-5.5</b>	Total accumulated other comprehensive income	-7.1	-10.0	-2.9
				Subscription rights to shares	0.8	-	-0.8
				Non-controlling intersests	1.9	0.5	-1.4
				<b>Total Net Assets</b>	<b>296.8</b>	<b>278.2</b>	<b>-18.6</b>
				<b>Total Liabilities and Net Assets</b>	<b>458.2</b>	<b>452.7</b>	<b>-5.5</b>

## Main factors for increase / decrease

	As of end of March 2020	As of end of Dec 2020	Change		
Cash, deposits and cash equivalents	158.6	153.9	-4.7	(Current Assets)	Trade notes and accounts receivable, and inventory assets including work in progress increased.
Interest bearing debt	75.3	91.2	+15.9	(Non-current Assets)	Decreased associated with the structural reform in Amusement Center Operations area.
Net cash	83.2	62.7	-20.5	(Liabilities)	Increased due to the borrowing of short-time loans payable, while redeemed corporate bonds at maturity.
Equity Ratio	64.2%	61.3%	-2.9pt	(Net Assets)	Decreased due to the recording of losses attribute to owners of parent for quarter and payment of dividends.

# Liquidity of Funds

- ✓ Secured 336.9 billion yen as liquidity, enabling flexible response to funding demand, such as working capital for existing business and strategic investments in the future.



## 2. Transition of results: Per segment

# Pachislot and Pachinko Machines Business

(JPY Billion)	2020/3			2021/3	
	Through 3Q	Through 4Q	Through 3Q	Full Year Forecast (announced on Nov 6)	Revised Full Year Forecast (announced on Feb 12)
<b>Sales</b>	<b>86.3</b>	<b>108.5</b>	<b>37.3</b>	<b>60.0</b>	<b>51.5</b>
Pachislot	46.2	54.1	4.8	14.9	13.5
Pachinko	26.8	37.4	24.6	35.8	28.2
Other / Elimination	13.3	17.0	7.9	9.3	9.8
<b>Operating Income</b>	<b>19.9</b>	<b>23.2</b>	<b>-8.2</b>	<b>-10.0</b>	<b>-11.5</b>
Non-operating income	0.4	0.7	0.3	0.5	0.5
Non-operating expenses	0.8	1.1	0.9	1.0	1.5
<b>Ordinary Income</b>	<b>19.4</b>	<b>22.7</b>	<b>-8.7</b>	<b>-10.5</b>	<b>-12.5</b>
Ordinary Income Margin	22.5%	20.9%	-	-	-

Pachislot					
Number of Titles	<b>3 titles</b>	<b>5 titles</b>	<b>3 titles</b>	<b>6 titles</b>	<b>5 titles</b>
Unit Sales (units)	<b>105,860</b>	<b>123,336</b>	<b>12,487</b>	<b>38,300</b>	<b>34,300</b>
Pachinko					
Number of Titles	<b>5 titles</b>	<b>7 titles</b>	<b>3 titles</b>	<b>5 titles</b>	<b>4 titles</b>
Unit Sales (units)	<b>75,094</b>	<b>104,581</b>	<b>59,359</b>	<b>89,200</b>	<b>68,300</b>
Board + Frame	18,878	33,056	46,574	63,500	52,900
Board	56,216	71,525	12,785	25,700	15,400

## FY2021/3 3Q Results

- ◆ The extent of losses decreased QonQ, due to the strong sales of mainstay pachinko “P Shin Hokuto Muso Chapter 3” and other titles.

- Ordinary income per quarter (Unit: billion yen)

	1Q	2Q	3Q
	-8.5	-3.9	3.7

## Forecast

- ◆ Due to the review of sales schedule, launch of some FY2021/3 titles will be postponed to the next fiscal year, resulting in decrease of number of titles.
- ◆ Expect to record one-off expense due to the review of inventory assets such as components.

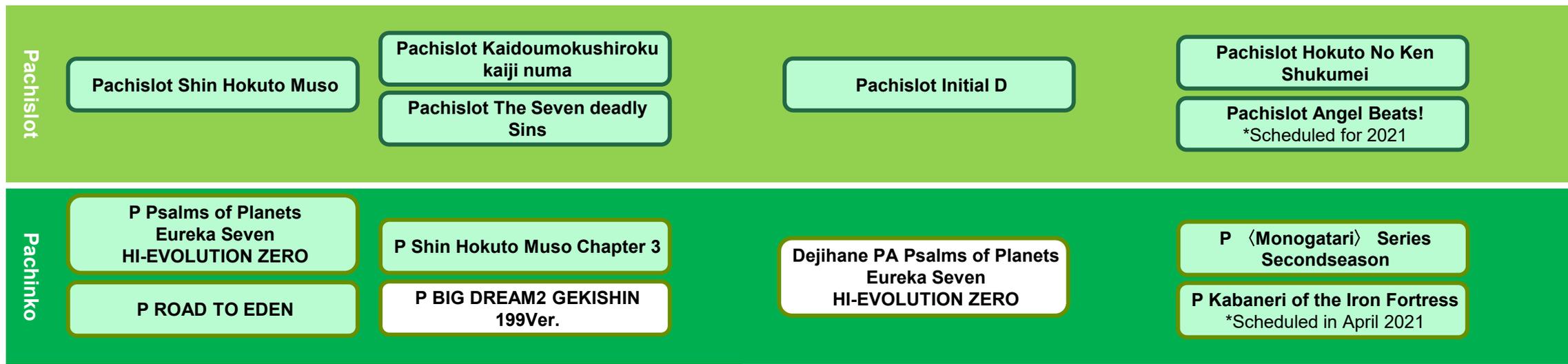
\*From FY2021/3, the gaming machine business, which develops and sells gaming machines for casino, was shifted from Amusement Machine Sales area of Entertainment Contents Business segment to Pachislot and Pachinko Machines Business segment.

\*The results of FY2020/3 reflect the change of segment classification retrospectively.

# Pachislot and Pachinko Machines Business (Sales Schedule)

New title  
Specification changed title

~ FY2021/3 3Q ~ FY2021/3 4Q ~



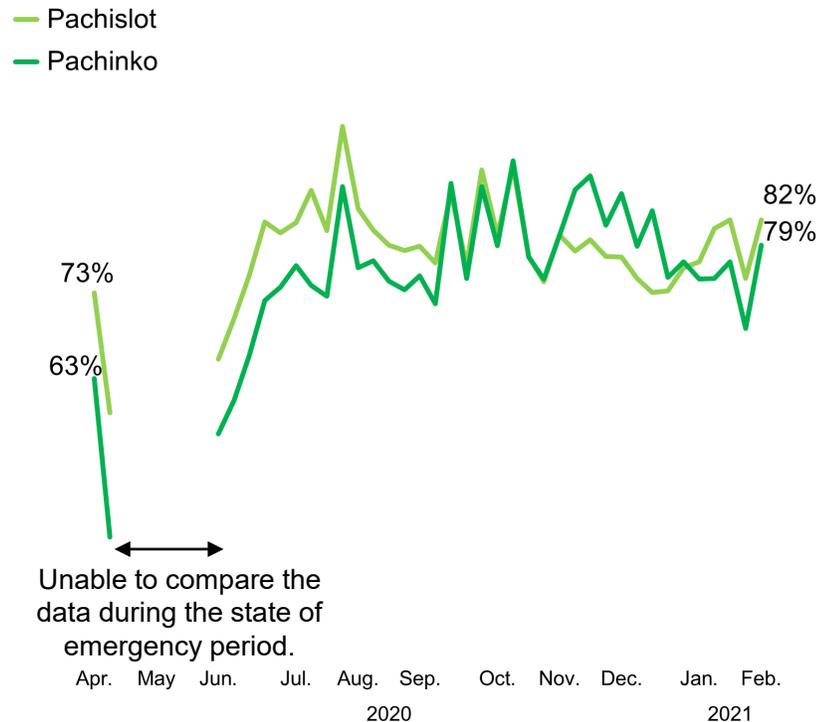
(Major titles launched before 3Q)		Installed from	Total sales	(Titles to be launched after 4Q)		Installed from
Pachislot	Pachislot The Seven deadly Sins	Nov.	6,206 Units	Pachislot	Pachislot Initial D	Jan.
	Pachislot Shin Hokuto Muso	Jul.	4,295 Units		Pachislot Hokuto No Ken Shukumei	Mar.
	Pachislot Kaidoumokuhiroku kaiji numa	Oct.	1,361 Units		Pachislot Angel Beats!	TBD
Pachinko	P Shin Hokuto Muso Chapter 3	Dec.	43,741 Units	Pachinko	Dejihane PA Psalms of Planets Eureka Seven HI-EVOLUTION ZERO	Jan.
	P Psalms of Planets Eureka Seven HI-EVOLUTION ZERO	Aug.	10,223 Units		P <Monogatari> Series Secondseason	Feb.
	P BIG DREAM2 GEKISHIN 199Ver.	Nov.	4,231 Units		P Kabaneri of the Iron Fortress	Apr.

# Reference: Pachislot and Pachinko Machines Business

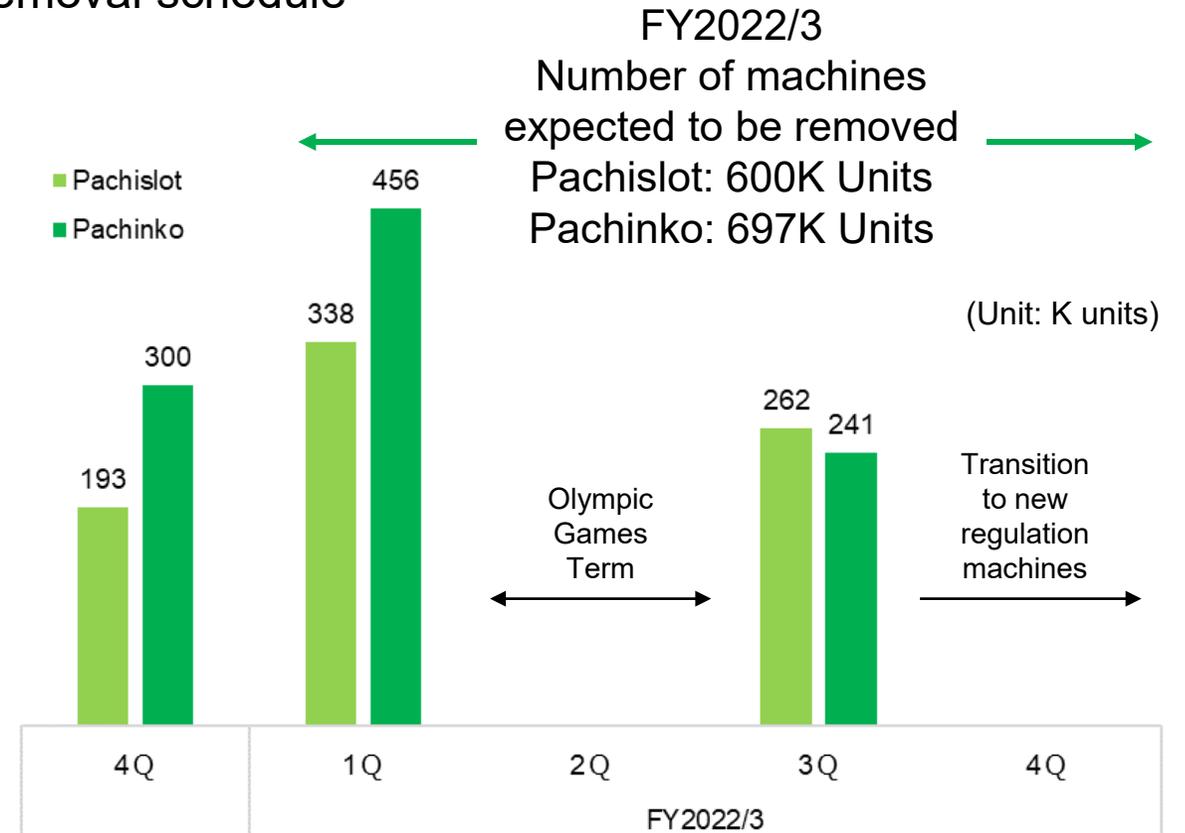
## (Transition of utilization of pachinko halls, removal schedule)

- ✓ Replacement accelerated from January 2021 due to the arrival of previous regulation machines' deadline for removal.

YoY comparison of average utilization rate of Pachislot and Pachinko



Removal schedule



\*In-house estimation based on DK-SIS data (Data for 4 yen Pachinko and 20 yen Pachislot) of Daikoku Electronic Co., Ltd

\*In-house estimation as of the end of January 2021

(JPY Billion)	2020/3			2021/3	Revised Full
	Through 3Q	Through 4Q	Through 3Q	Full Year Forecast (announced on Nov 6)	Year Forecast (announced on Feb 12)
<b>Sales</b>	<b>186.1</b>	<b>247.6</b>	<b>167.6</b>	<b>216.0</b>	<b>218.0</b>
Consumer	90.2	125.5	102.4	132.5	136.0
Amusement Machine Sales	41.1	51.0	25.6	37.5	36.0
Amusement Center Operations	32.2	41.9	20.6	20.0	21.0
Animation / Toy	20.3	26.2	17.1	24.0	23.0
Other / Elimination	2.2	2.9	1.9	2.0	2.0
<b>Operating Income</b>	<b>17.0</b>	<b>16.5</b>	<b>29.9</b>	<b>21.5</b>	<b>32.0</b>
Consumer	12.1	14.7	30.9	30.0	36.5
Amusement Machine Sales	1.1	-0.6	-0.1	-2.5	-1.5
Amusement Center Operations	1.7	1.4	-1.4	-4.5	-1.5
Animation / Toy	2.9	2.7	2.1	0.9	1.4
Other / Elimination	-0.9	-1.7	-1.6	-2.4	-2.9
Non-operating income	0.3	1.3	4.7	3.3	5.5
Non-operating expenses	1.3	1.6	1.4	0.8	1.5
<b>Ordinary Income</b>	<b>16.0</b>	<b>16.2</b>	<b>33.1</b>	<b>24.0</b>	<b>36.0</b>
Ordinary Income Margin	8.6%	6.5%	19.7%	11.1%	16.5%

## FY2021/3 3Q Results

- ◆ Significant increase in profit YoY due to contribution of Consumer area.
- ◆ Losses at Amusement Center Operation area improved as utilization of facilities exceeded the estimation and operating expenses went below the estimation.
- ◆ Recorded gain on valuation of securities held by a U.S. subsidiary as non-operating income in 3Q following 2Q.

## Forecast

- ◆ Continue to expect strong performance in Consumer area.
- ◆ Areas other than Consumer area also improving.
- ◆ Amusement Center Operations area is excluded from consolidation from 4Q.

\*From FY2021/3, digital Games area and Packaged Games area have been integrated into 1 sub-segment and changed the name to Consumer area.

\*From FY2021/3, the gaming machine business, which develops and sells gaming machines for casino, was shifted from Amusement Machine Sales area of Entertainment Contents Business segment to Pachislot and Pachinko Machines Business segment.

\*The results of FY2020/3 reflect the change of segment classification retrospectively.

## FY2021/3 3Q Results

◆ Consumer area	(Full Game) Strong performance of repeat sales continued. (F2P) Strong performance of new titles and steady performance of existing titles.
◆ Amusement Machine Sales area	Extent of losses decreased due to sales of regular products such as UFO CATCHER series machines and prizes for UFO CATCHER, as well as contents update for major titles.
◆ Amusement Center Operations area	Sales of existing stores were 61.4% YoY. Transferred the shares of the company engaged in amusement facilities operation.
◆ Animation / Toys area	Steady performance of toys in holiday shopping season.

## Forecast

◆ Consumer area	(Full Game) New titles will be launched, and expect to maintain strong repeat sales. (F2P) New titles are expected to perform steadily. For existing titles, expect the transfer of operation and decay of some titles.
◆ Amusement Machine Sales area	Mainly sell regular products such as UFO CATCHER series machines and prizes for UFO CATCHER.
◆ Amusement Center Operations area	Profit and losses will be insignificant due to the transfer of the shares of the company engaged in amusement facilities operation.
◆ Animation / Toys area	(Animation) Record revenues from animation production and distribution, etc. (Toys) Sell regular products, etc.

# Consumer area (New titles of Full Game)

## ➤ Titles that supported the strong performance

(New titles for 3Q)



**"Football Manager 2021"**

© Sports Interactive Limited 2020.  
Published by SEGA Publishing Europe Limited.



**"YAKUZA : LIKE A DRAGON"**

©SEGA  
(Western version)



**"Shin Megami Tensei III NOCTURNE HD REMASTER"**

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(4Q new titles)



**"Persona 5 Scramble Strikers"**

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(Western version)

(New titles for FY2022/3)



**"HUMANKIND™"**

© Amplitude Studios 2020.  
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\*Scheduled in April 2021



**"Shin Megami Tensei V"**

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\*Scheduled for 2021



**"Total War: WARHAMMER III"**

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Published by SEGA.  
\*Scheduled for 2021

# Consumer area (Number of Full Game sales in units by IP)

## ■ FY2021/3 3Q Results of Major titles

IP	Unit Sales	Main titles (released month)
<b>Sonic</b>	<b>Approx. 3,700K units</b>	“Mario & Sonic at the Olympic Games Tokyo 2020” (November 2019) “Team Sonic Racing” (May 2019) “Sonic Generations” (December 2011) “Sonic Mania” (August 2017), etc.
<b>Total War</b>	<b>Approx. 3,600K units</b>	“Total War: SHOGUN 2” (March 2011) “Total War: ROME II” (September 2013) “Total War: WARHAMMER 2” (September 2017) “Total War: Three Kingdoms” (May 2019), etc.
<b>Football Manager</b>	<b>Approx. 2,900K units</b>	“Football Manager 2020” (November 2019) “Football Manager 2021” (November 2020) “Football Manager 2020 Mobile” (November 2019) “Football Manager 2021 Mobile” (November 2020)
<b>Persona</b>	<b>Approx. 1,900K units</b>	“Persona 4 The Golden” (June 2020) “Persona 5 Royal” (October 2019) “Persona 5” (September 2016) “Persona 5 Scramble Strikers ” (February 2020), etc.
<b>Others</b>	—	“Alien: Isolation” (October 2014) “Endless Space2” (May 2017) “Two Point Hospital” (August 2018) “YAKUZA : LIKE A DRAGON“ (January 2020), etc.

# Consumer area (Strong F2P titles)

- Strong performance of new titles in FY2021/3 led to higher sales

## ■ Top 3 titles in sales from Oct.-Dec. 2020

(No. 1)



**"Project SEKAI COLORFUL STAGE  
feat. Hatsune Miku"**

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Release: Sep. 2020

(No. 2)



**"Re:ZERO -Starting  
Life in Another World-  
Lost in Memories"**

©Tappei Nagatsuki,KADOKAWA/  
Re:ZERO2 PARTNERS  
©SEGA

Release: Sep. 2020

(No. 3)



**"PHANTASY STAR ONLINE 2"**

©SEGA

Release: Jul. 2012

\*A major update, "PHANTASY STAR ONLINE 2 NEW GENESIS" is scheduled to be released in 2021.

# Reference: Consumer area (Transition of Full Game sales)

(JPY Billion)	2020/3				2021/3			Full Year Forecast (announced on Nov 6)	Revised Full Year Forecast (announced on Feb 12)
	1Q	Through 2Q	Through 3Q	Through 4Q	1Q	Through 2Q	Through 3Q		
<b>Sales</b>	<b>26.7</b>	<b>55.8</b>	<b>90.2</b>	<b>125.5</b>	<b>32.4</b>	<b>61.4</b>	<b>102.4</b>	<b>132.5</b>	<b>136.0</b>
Domestic	12.9	27.0	45.9	64.2	12.4	27.9	48.7	66.3	63.4
Overseas	13.9	29.0	45.4	63.9	19.6	33.4	54.3	67.6	73.6
Overseas sales ratio	52.1%	52.0%	50.3%	50.9%	60.5%	54.4%	53.0%	51.0%	54.1%
Other / Elimination	-0.1	-0.2	-1.2	-2.6	0.2	0.1	-0.6	-1.4	-1.0
<b>Full Game</b>	<b>11.5</b>	<b>19.4</b>	<b>37.8</b>	<b>57.0</b>	<b>14.4</b>	<b>25.2</b>	<b>42.6</b>	<b>48.5</b>	<b>55.7</b>
<b>New titles</b>	<b>7.3</b>	<b>11.3</b>	<b>25.6</b>	<b>39.1</b>	<b>2.0</b>	<b>5.2</b>	<b>13.8</b>	<b>17.8</b>	<b>20.7</b>
Japan	0.2	0.6	7.5	12.5	0.0	0.1	1.8	1.9	2.1
Asia	0.4	0.5	1.1	3.5	0.7	1.0	1.2	1.9	1.7
North America / Europe	6.6	10.1	16.9	22.9	1.2	4.1	10.6	13.9	16.9
<b>Repeat titles</b>	<b>4.2</b>	<b>8.1</b>	<b>12.1</b>	<b>17.8</b>	<b>12.3</b>	<b>19.9</b>	<b>28.8</b>	<b>30.7</b>	<b>35.0</b>
Japan	0.5	1.1	1.5	2.7	1.7	2.7	3.7	4.7	4.2
Asia	0.3	0.8	1.1	1.7	0.5	1.1	1.5	2.7	2.3
North America / Europe	3.3	6.1	9.4	13.3	9.9	16.1	23.5	23.3	28.3
Download sales ratio	65.9%	58.6%	48.4%	46.0%	66.5%	67.7%	62.8%	61.8%	61.8%
<b>F2P</b>	<b>9.1</b>	<b>18.1</b>	<b>27.6</b>	<b>38.1</b>	<b>11.1 *</b>	<b>25.5</b>	<b>41.0</b>	<b>58.1</b>	<b>54.7</b>
Japan	8.4	16.9	25.8	35.3	9.1 *	21.5	35.5	50.4	47.6
Asia	0.0	0.0	0.1	0.3	0.0	0.1	0.2	0.7	0.2
North America / Europe	0.6	1.1	1.6	2.4	1.9	3.9	5.2	7.0	6.8
<b>Other</b>	<b>6.1</b>	<b>18.4</b>	<b>25.8</b>	<b>33.0</b>	<b>6.5 *</b>	<b>10.6</b>	<b>19.4</b>	<b>27.3</b>	<b>26.6</b>

\*Portion of figures for FY2021/3 1Q have been revised.

- Full Game = Mainly physical sales and download sales of full game for home video game consoles and PCs. (Additional download content sales are not included.)
- F2P = Mainly sales of contents offering free basic play and microtransaction for smartphones and PCs.
- Others = Sales of additional downloadable contents, consignment sales of 3rd party titles, revenue from consignment development, transfer of titles, offering of titles in batches to 1st parties, sales of non-game software products, etc.

# Reference: Consumer area (Transition of Full Game sales in Units)



	2020/3				2021/3				
	1Q	Through 2Q	Through 3Q	Through 4Q	1Q	Through 2Q	Through 3Q	Full Year Forecast (announced on Nov 6)	Revised Full Year Forecast (announced on Feb 12)
<b>Full Game: Number of Titles</b>	<b>9 titles</b>	<b>13 titles</b>	<b>26 titles</b>	<b>36 titles</b>	<b>4 titles</b>	<b>6 titles</b>	<b>15 titles</b>	<b>22 titles</b>	<b>18 titles</b>
Japan	2 titles	3 titles	9 titles	11 titles	0 title	0 title	2 titles	2 titles	2 titles
Asia	3 titles	3 titles	6 titles	12 titles	1 title	1 title	4 titles	7 titles	6 titles
North America / Europe	4 titles	7 titles	11 titles	13 titles	3 titles	5 titles	9 titles	13 titles	10 titles
<b>Full Game: Sales in Units (Thousands)</b>	<b>6,490</b>	<b>12,100</b>	<b>20,570</b>	<b>28,570</b>	<b>12,980</b>	<b>19,080</b>	<b>34,200</b>	<b>33,040</b>	<b>40,540</b>
<b>Total New titles</b>	<b>2,300</b>	<b>3,550</b>	<b>7,460</b>	<b>11,480</b>	<b>790</b>	<b>1,180</b>	<b>3,770</b>	<b>5,580</b>	<b>6,030</b>
Japan	60	170	1,180	1,910	10	20	370	420	420
Asia	130	130	300	780	150	200	260	450	390
North America / Europe	2,110	3,240	5,970	8,790	620	960	3,130	4,720	5,200
<b>Total Repeat titles</b>	<b>4,180</b>	<b>8,550</b>	<b>13,110</b>	<b>17,090</b>	<b>12,190</b>	<b>17,900</b>	<b>30,420</b>	<b>27,460</b>	<b>34,510</b>
Japan	210	440	580	880	460	690	990	1,190	1,140
Asia	110	280	380	580	240	510	700	1,130	1,050
North America / Europe	3,860	7,820	12,140	15,620	11,480	16,690	28,730	25,130	32,310

\*Sales in units don't include the figure for free download

\*Numbers of titles and sales units of Full Game in FY2020/3 results were revised due to the change of subsegment classifications

# Entertainment Contents Business (Sales Schedule)



~ FY2021/3 3Q FY2021/3 4Q ~

Consumer	Full Game	New titles	Persona 4 Golden (PC version)	YAKUZA : LIKE A DRAGON (Western version)	Persona 5 Scramble Strikers (Western version)	Shin Megami Tensei V <small>* Scheduled for 2021</small>
		Repeat	A Total War Saga: TROY	Puyo Puyo™ Tetris® 2	HUMANKIND™ <small>*Scheduled in April 2021</small>	Total War: WARHAMMER III <small>*Scheduled for 2021</small>
			Sonic Series / Persona Series / Total War Series / Football Manager Series / YAKUZA Series, etc.			

Consumer	F2P	In or Before FY2018/3~	PHANTASY STAR ONLINE 2 / Puyo puyo!! Quest / CHAIN CHRONICLE			
		FY2019/3~	SHIN MEGAMI TENSEI Liberation D×2 / SEGA Pocket Club Manager			
		FY2020/3~	FIST OF THE NORTH STAR LEGENDS ReVIVE / Kemono Friends 3			
		FY2021/3 New titles	PHANTASY STAR ONLINE 2 (Global version)			
			Sonic at the Olympic Games – Tokyo 2020™			
			Re: ZERO -Starting Life in Another World- Lost in Memories			
			Project SEKAI COLORFUL STAGE feat. Hatsune Miku			
			Sakura Revolution			
			FY2022/3~ New titles	PHANTASY STAR ONLINE 2 NEW GENESIS <small>*Scheduled for 2021</small>		

# Entertainment Contents Business (Sales Schedule)



~ FY2021/3 3Q ~ FY2021/3 4Q ~

**Amusement Machine Sales**

**<Existing titles>** KanColle Arcade / StarHorse Series / Fate/Grand Order Arcade / WCCF FOOTISTA 2019 / SANGOKUSHI TAISEN Series  
 maimai Series / O · N · G · E · K · I / CHUNITHM Series

**<Regular titles>** UFO CATCHER series / prizes for UFO CATCHER

TRANSFORMERS SHADOWS RISING      fiz      Initial D THE ARCADE

StarHorse4 (Content Update)

**Animation / Toys**

Sonic The Hedgehog (in Japan)

Detective Conan: The Scarlet Bullet  
 \*Scheduled to be released on April 16, 2021

SOREIKE ! ANPANMAN : FUWAFUWA FUWARI TO KUMONOKUNI (Working Title)  
 \*Scheduled to be released on June 25, 2021

Disney&Disney/Pixar Characters Magical Smart Note      Fun to change mouse covers! Sumikkogurashi Personal Computer Plus

(JPY Billion)	2020/3			2021/3	
	Through 3Q	Through 4Q	Through 3Q	Full Year Forecast (announced on Nov 6)	Revised Full Year Forecast (announced on Feb 12)
<b>Sales</b>	<b>8.2</b>	<b>10.4</b>	<b>4.8</b>	<b>6.5</b>	<b>6.0</b>
<b>Operating Income</b>	<b>-2.3</b>	<b>-3.6</b>	<b>-3.1</b>	<b>-5.5</b>	<b>-4.5</b>
Non-operating income	0.2	0.2	0.0	0.2	0.0
Non-operating expenses	1.2	1.9	3.5	5.7	4.5
<b>Ordinary Income</b>	<b>-3.3</b>	<b>-5.3</b>	<b>-6.6</b>	<b>-11.0</b>	<b>-9.0</b>
Ordinary Income Margin	-	-	-	-	-

## <PHOENIX RESORT>

<b>Sales</b>	<b>7.7</b>	<b>9.9</b>	<b>4.6</b>	<b>6.1</b>	<b>6.0</b>
<b>Operating Income</b>	<b>-0.0</b>	<b>-0.2</b>	<b>-1.4</b>	<b>-2.1</b>	<b>-2.1</b>
<b>No. of facility users (Thousands)</b>	<b>658</b>	<b>839</b>	<b>430</b>	<b>539</b>	<b>533</b>
3 accommodation facilities	283	359	177	224	214
2 golf courses	70	92	57	73	74
Other facilities	305	388	196	242	245

## FY2021/3 3Q Results

◆ PHOENIX RESORT: Personal demand increased due to “Go To Travel Campaign”, and utilization of facilities was on a recovery trend.

(Number of facility users YoY: 65.3%)

■ Numbers of monthly facility users of PHOENIX RESORT (YoY comparison)

Apr.	May.	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.
32.5%	8.6%	33.4%	45.5%	58.0%	97.8%	112.8%	119.2%	89.7%

## Forecast

- ◆ Expenses for domestic IR expect to decrease from initial assumption.
- ◆ PHOENIX RESORT: Decline of travel demand is expected due to temporary suspension of “Go To Travel Campaign” nationwide, and declaration of state of emergency.
- ◆ Expect to record losses in PARADISE SEGASAMMY (non-operating expenses).

# Resort Business (PARADISE SEGASAMMY)

(KRW Billion)

(KRW Billion)		FY2020 3Q Results	FY2021 3Q Results
<b>Sales</b>		331.7	144.9
	Casino	269.0	106.9
	Hotel	49.5	32.8
	Other	13.1	5.1
<b>Cost of sales</b>		279.4	174.2
	Casino	145.5	78.1
	Hotel	87.2	67.0
	Other	46.6	29.0
<b>Gross profit</b>		52.2	-29.2
	SG&A	39.9	22.0
<b>Operating profit</b>		12.3	-51.3
<b>EBITDA</b>		60.0	-7.0
<b>Net profit</b>		-11.2	-77.1
<b>Number of casino visitors (Thousands)</b>		286	137
<b>SEGASAMMY Equity method acquisition amount (Billion yen)</b>		<b>-0.9</b>	<b>-3.4</b>

Source: Paradise IR

## FY2021/3 3Q Results

- ◆ The number of facility users declined.
  - Number of casino users YoY: 47.9%
  - Streamlined the facilities operation by suspending the operation of some facilities and reducing fixed expenses.

## Forecast

- ◆ Expecting that the restriction of foreign visitors in each country will continue.
- ◆ Expect to record losses due to a decrease in utilization of facilities.

\*PARADISE SEGASAMMY Co., Ltd. is an equity method affiliate of SEGA SAMMY HOLDINGS INC. \*Figures for PARADISE SEGASAMMY Co., Ltd. are recorded with three months delay as its settlement of accounts is December \*Local accounting standard

# Resort Business (PARADISE SEGASAMMY)



■ Transition of Drop\* amounts at PARADISE SEGASAMMY

300,000

(KRW Million)

China VIP Japan VIP Other VIP Mass

250,000

200,000

150,000

100,000

50,000

0

April 2017  
Opening of  
Paradise City

4 5 6 7 8 9 10 11 12 | 1 2 3 4 5 6 7 8 9 10 11 12 | 1 2 3 4 5 6 7 8 9 10 11 12 | 1 2 3 4 5 6 7 8 9 10 11 12

2017 2018 2019 2020

\*Drop amounts: Purchased amount of chips by customers at the table  
 \*Calculation method was changed after Jan 2018

# Reference:

## Market and business environment for the current fiscal year

	2020						2021					
	Apr.	May.	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.
Pachislot and Pachinko machines	<ul style="list-style-type: none"> <li>Halls suspended operation</li> <li>Deadline for removal extended</li> </ul>			<ul style="list-style-type: none"> <li>Utilization has been recovering since resumption of operations</li> </ul>			<ul style="list-style-type: none"> <li>Utilization is stable at about 70-80 percent, and the removal of previous regulation machines is expected to proceed from the second half of the year.</li> <li>Expecting that the recovery of purchasing motivation of pachinko halls take a while as the deadline for removal extended.</li> </ul>					
Consumer	<ul style="list-style-type: none"> <li>Growth in sales due to spending from staying at home</li> </ul>			<ul style="list-style-type: none"> <li>Spending from staying at home has stabilized, but repeat and other sales are expected to be strong continuously.</li> </ul>								
Amusement Machine Sales	<ul style="list-style-type: none"> <li>Revenue from rev. sharing model and machine sales decreased due to closure and declined store utilization.</li> </ul>			<ul style="list-style-type: none"> <li>Sales conditions are expected to improve gradually as utilization of facilities recovers.</li> </ul>								
Amusement Center Operations	<ul style="list-style-type: none"> <li>Take measures of temporary closure of stores sequentially.</li> <li>Sales of existing stores YoY: 27.4%</li> </ul>			<ul style="list-style-type: none"> <li>Facilities utilization is recovering</li> </ul>						<ul style="list-style-type: none"> <li>Sales of existing stores YoY: 61.4% (Through Dec.)</li> </ul>		
Animation / Toys	<ul style="list-style-type: none"> <li>Significant decrease in production and allocated revenues due to postponement of theatrical release, etc.</li> </ul>						<ul style="list-style-type: none"> <li>Expecting the gradual recovery from the resumption of operation at theatres, etc.</li> </ul>					
PHOENIX Resort	<ul style="list-style-type: none"> <li>Temporary closure for all facilities</li> </ul>			<ul style="list-style-type: none"> <li>Utilization recovering gradually.</li> <li>The number of users continuously decline</li> </ul>			<ul style="list-style-type: none"> <li>Personal demand increased due to "Go To Travel Campaign", and utilization of facilities recovered.</li> </ul>			<ul style="list-style-type: none"> <li>Decline of travel demand is expected due to temporary suspension of "Go To Travel Campaign".</li> </ul>		
PARADISE SEGA SAMMY	<ul style="list-style-type: none"> <li>Suspension of operations at some facilities and casino area.</li> </ul>			<ul style="list-style-type: none"> <li>Expecting that the restriction of foreign visitors will continue</li> <li>Temporary closure of some facilities from 7/1</li> </ul>								



<https://www.segasammy.co.jp/>

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<https://www.segasammy.co.jp/english/ir/stock/regulation/>

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