



# Appendix





# Company Profile

Company Name	<b>Sega Sammy Holdings, Inc.</b>
Head Office	<b>Shiodome Sumitomo Building, 1-9-2 Higashi Shimbashi, Minato-ku, Tokyo 105-0021, Japan</b>
Established	<b>October 1, 2004</b>
Capital	<b>29.9billion</b>
Number of Shares Outstanding	<b>283,229,476 shares</b>

Major Shareholders		Equity Shares	%(Voting)	Composition	%(Total)
1	Hajime Satomi	43,569,338	17.47	Financial Institutions	14.06
2	Sega Sammy Holdings	31,254,693	-	Securities Companies	1.04
3	FSC Co., Ltd.	14,172,840	5.68	Other Companies	7.02
4	The Chase Manhattan Bank, N.A. London	13,311,247	5.34	Foreign Institutions and Individuals	35.50
5	State Street Bank and Trust Company	13,215,490	5.30	Japanese Individuals and Other	31.34
6	Japan Trustee Services Bank, Ltd.	10,317,300	4.13	Treasury stock	11.04
7	The master Trust Bank of Japan, Ltd.	9,068,100	3.63		
8	Morgan Stanley & Co.	4,407,622	1.76		
9	State Street Bank and Trust Company 505103	3,965,682	1.59		
10	The Chase Manhattan Bank, N.A. London Omnibus Account	3,909,919	1.56		

(As of March 31, 2006)

# Company Profile (Subsidiaries)

Subsidiary	Listed on:	Main operations	Shares held by the Company (Percentage of voting rights)
Sammy NetWorks Co., Ltd. 	TSE Mothers Securities code: 3745	<u>&lt;Consumer&gt;</u> Distribution of music related content and game related content through mobile phones and the Internet.	24,804 shares (56.3%)
SEGA TOYS, LTD. 	JASDAQ Securities code: 7842	<u>&lt;Consumer&gt;</u> Design, development and sales of toys	11,250,000 shares (52.6%)
TMS Entertainment Ltd. 	NSE 2 <sup>nd</sup> Section Securities code: 3585	<u>&lt;Consumer · Amusement Facilities&gt;</u> Planning, production, sales and export of animation films, and amusement businesses	22,519,000 shares (53.1%)
NISSHO INTER LIFE CO., LTD. 	JASDAQ Securities code: 1986	<u>&lt;Other&gt;</u> Planning, design, management and construction of displays and commercial facilities	7,714,400 shares (51.3%)

(As of March 31, 2006)

# Costs and Expenses

(JPY Billion)	FY 2006			FY 2007		
	1Q	1H	FY	1Q	1H Plan	FY
<b>R&amp;D</b>	7.6	16.4	36.3	11.0	26.4	54.2
<b>Capex</b>	10.1	14.3	37.6	11.7	25.9	45.4
<b>Depreciation</b>	4.3	8.7	21.8	5.0	11.5	25.6
<b>Selling and Marketing</b>	2.6	7.5	18.9	3.9	10.1	25.1

# Pachinko/Pachislot Market Data

Number of pachinko halls

(Number of pachinko halls with pachinko machines installed includes facilities that combine installations of pachinko machines and pachislot machines.)

	2000	2001	2002	2003	2004	2005
Number of pachinko halls with pachinko machines installed	16,021	15,691	15,255	14,695	13,844	12,913
Number of pachinko halls with pachislot machines installed	967	1,110	1,249	1,381	1,773	2,252
Total	16,988	16,801	16,504	16,076	15,617	15,165

Numbers of pachinko/pachislot machines sold and installed/Market size

		2000	2001	2002	2003	2004	2005
Pachinko	Units sold	3,368,839	3,230,489	3,174,079	3,686,677	4,012,901	4,047,427
	Units installed	3,431,130	3,326,583	3,252,241	3,227,239	3,077,537	2,960,939
	Market size (millions of yen)	568,362	569,129	561,506	672,055	786,413	867,209
Pachislot	Units sold	1,134,341	1,290,719	1,501,894	1,842,392	1,675,049	1,804,292
	Units installed	1,323,729	1,459,233	1,606,123	1,660,839	1,887,239	1,936,476
	Market size (millions of yen)	314,599	351,344	396,566	526,354	524,882	543,049

Source: National Police Agency (numbers of halls and machines installed) and Yano Research Institute Ltd. (machine sales and market size)

# Pachinko/Pachislot Sales Share

Share of annual pachislot machine sales												
Rank	2001			2002			2003			2004		
	Manufacturer	Share	Units sold	Manufacturer	Share	Units sold	Manufacturer	Share	Units sold	Manufacturer	Share	Units sold
1	<b>Sammy</b>	<b>32.8</b>	<b>423,481</b>	<b>Sammy</b>	<b>31.1</b>	<b>466,501</b>	<b>Sammy</b>	<b>32.1</b>	<b>591,754</b>	<b>Sammy</b>	<b>40.4</b>	<b>676,933</b>
2	Yamasa	17.8	230,000	Yamasa	20.0	300,000	Olympia	18.5	340,000	Olympia	16.4	275,000
3	Aruze	16.2	208,643	Aruze	19.7	296,481	Aruze	13.6	250,559	Yamasa	9.0	150,000
4	Olympia	8.5	110,000	Olympia	11.7	175,000	Yamasa	11.9	220,000	Daito Giken	7.9	132,000
5	Pioneer	5.0	65,000	Pioneer	3.7	55,000	Daito Giken	4.9	90,000	Aruze	4.6	77,881

For reference Sammy sold 607,106 units in 2005 (FY ending March 2006)

Share of annual pachinko machine sales												
Rank	2001			2002			2003			2004		
	Manufacturer	Share	Units sold	Manufacturer	Share	Units sold	Manufacturer	Share	Units sold	Manufacturer	Share	Units sold
1	Sanyo Bussan	18.9	610,000	Sanyo Bussan	16.4	520,000	Sanyo Bussan	25.2	930,000	Sanyo Bussan	22.9	920,000
2	SANKYO	17.2	557,120	SANKYO	14.8	469,178	SANKYO	16.4	605,589	SANKYO	21.2	849,911
3	Heiwa	10.8	349,492	Heiwa	10.0	318,808	Daiichi	9.5	350,546	Heiwa	8.7	350,184
4	Daiichi	10.3	332,591	Kyoraku	8.1	257,000	Heiwa	7.1	260,894	Daiichi	7.7	308,173
5	Kyoraku	7.6	245,000	Daiichi	7.9	250,834	<b>Sammy</b>	<b>6.7</b>	<b>248,533</b>	Newgin	6.9	278,000
	<b>Sammy</b>	<b>2.8</b>	<b>90,141</b>	<b>Sammy</b>	<b>2.6</b>	<b>82,025</b>				<b>Sammy</b>	<b>5.8</b>	<b>233,049</b>

For reference Sammy sold 288,895 units in 2005 (FY ending March 2006)

Source: Yano Research Institute Ltd.

# Amusement & Game Machines Market Data

AM machines net sales, operations net sales and home videogame related market (hardware & software)

(Millions of yen)

		FY2001	FY2002	FY2003	FY2004	FY2005
AM machines net sales		140,802	154,528	177,889	180,550	-
AM facilities operations net sales		590,294	605,521	637,744	649,223	-
Number of amusement centers		12,742 centers	11,499 centers	10,759 centers	10,109 centers	9,515 centers
Number of game machine units installed		456,327 units	439,937 units	428,358 units	438,986 units	445,025 units
Number of game machine units installed per center		35.8 units	38.3 units	39.8 units	43.4 units	46.8 units
Home videogame	Hardware net sales	998,144	790,767	631,481	425,143	-
	Software net sales	504,233	475,875	437,975	494,840	-

Source: JAMMA, AOU and NSA (net sales figures), and National Police Agency (Figures other than net sales are on a calendar year basis)



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