



# 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)
1	Hajime Satomi	43,569,338	17.47%
2	Sega Sammy Holdings	31,265,871	-
3	The Chase Manhattan Bank, N.A. London	20,548,836	8.24%
4	FSC Co., Ltd.	14,172,840	5.68%
5	State Street Bank and Trust Company	11,041,165	4.42%
6	Japan Trustee Services Bank, Ltd. (As Trustee)	9,526,900	3.82%
7	The Master Trust Bank of Japan, Ltd. (As Trustee)	8,665,200	3.47%
8	State Street Bank and Trust Company 505103	5,803,812	2.32%
9	The Chase Manhattan Bank, N.A. London Omnibus Account	3,802,247	1.52%
10	Mellon Bank, N.A> as agent for its client. Mellon Omnibus US Pension	3,205,298	1.28%





Shareholder Data		
Type	% of Shares	% by numbers of Shareholders
Financial Institutions	13.3%	0.13%
Securities Companies	2.47%	0.08%
Other Companies	6.93%	0.85%
Foreign Institutions and Individuals	35.11%	0.52%
Japanese Individuals and Other	31.16%	98.43%
Treasury stock	11.04%	0.00%

## Number of Shareholders

96,650

Data as of September 30<sup>th</sup> 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 2005	FY 2006		FY 2007	
	Full Year Results	Interim Results	Full Year Results	Interim Results	Full Year Forecast
<b>R&amp;D Costs</b>	<b>41.5</b>	<b>16.4</b>	<b>36.3</b>	<b>23.0</b>	<b>50.9</b>
<b>Capital Expenditures</b>	<b>32.4</b>	<b>14.3</b>	<b>37.6</b>	<b>23.6</b>	<b>36.9</b>
<b>Depreciation</b>	<b>17.7</b>	<b>8.7</b>	<b>21.8</b>	<b>11.5</b>	<b>25.6</b>
<b>Sales and Marketing</b>	<b>11.8</b>	<b>7.5</b>	<b>18.9</b>	<b>10.2</b>	<b>25.3</b>

# 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	2002			2003			2004			2005		
	Manufacturer	Share	Units sold	Manufacturer	Share	Units sold	Manufacturer	Share	Units sold	Manufacturer	Share	Units sold
1	<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>	<b>Sammy</b>	<b>33.6</b>	<b>607,106</b>
2	Yamasa	20.0	300,000	Olympia	18.5	340,000	Olympia	16.4	275,000	Daito Giken	13.1	236,000
3	Aruze	19.7	296,481	Aruze	13.6	250,559	Yamasa	9.0	150,000	Olympia	10.4	187,000
4	Olympia	11.7	175,000	Yamasa	11.9	220,000	Daito Giken	7.9	132,000	Yamasa	8.3	150,000
5	Pioneer	3.7	55,000	Daito Giken	4.9	90,000	Aruze	4.6	77,881	SANKYO	6.2	111,659

Share of Annual Pachinko Machine Sales

Rank	2002			2003			2004			2005		
	Manufacturer	Share	Units sold	Manufacturer	Share	Units sold	Manufacturer	Share	Units sold	Manufacturer	Share	Units sold
1	Sanyo Bussan	16.4	520,000	Sanyo Bussan	25.2	930,000	Sanyo Bussan	22.9	920,000	Sanyo Bussan	24.7	1,000,000
2	SANKYO	14.8	469,178	SANKYO	16.4	605,589	SANKYO	21.2	849,911	SANKYO	18.3	740,320
3	Heiwa	10.0	318,808	Daiichi	9.5	350,546	Heiwa	8.7	350,184	Kyoraku	9.6	390,000
4	Kyoraku	8.1	257,000	Heiwa	7.1	260,894	Daiichi	7.7	308,173	Newgin	7.9	320,000
5	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>7.1</b>	<b>288,895</b>
	<b>Sammy</b>	<b>2.6</b>	<b>82,025</b>				<b>Sammy</b>	<b>5.8</b>	<b>233,049</b>			

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	199,227
AM facilities operations net sales		590,294	605,521	637,744	649,223	682,458
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	862,163
	Software net sales	504,233	475,875	437,975	494,840	502,579

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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