

# Results through 3Q of FY 2010



February 8th, 2010  
SEGA SAMMY HOLDINGS INC.

**[Disclaimer]**

The contents of this material and comments made during the questions and answers etc of this briefing session are the judgment and projections of the Company's management based on currently available information. These contents involve risk and uncertainty and the actual results may differ materially from these contents/comments.

\* Numbers of plan for the year ended March 31, 2010 on this documents are based on the numbers publicized on May 13, 2009

## [Results through 3Q of FY 2010 / Full Year Outlook]

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<b>Net Sales / Profits</b>		<ul style="list-style-type: none"> <li>▪ Net sales: ¥285.3 billion, Operating income: ¥28.8 billion (¥24.1 billion), Net income: ¥16.9 billion (¥12.2billion)</li> <li>*Numbers shown in parentheses are reference values based on previous accounting policy (unaudited)</li> <li>▪ Posted extraordinary loss of ¥7.4 billion, which included impairment loss and loss on liquidation of subsidiary</li> <li>▪ Decreased sales year-on-year, but returned to profitability</li> <li>▪ No change in full year plan</li> </ul>
<b>Segment Overview</b>	<b>Pachislot Pachinko</b>	<ul style="list-style-type: none"> <li>▪ Increased sales and profits year-on-year</li> <li>▪ Year-on-year, pachislot unit sales decreased but pachinko unit sales increased</li> <li>▪ Gross margin ratio increased due to such factors as a review of unit prices, increase in pachinko board sales ratio and decrease in parts procurement costs</li> </ul>
	<b>Amusement Machines</b>	<ul style="list-style-type: none"> <li>▪ Decreased sales and profits year-on-year compared to previous fiscal year, when big titles were introduced</li> <li>▪ Strong utilization of “BORDER BREAK,” introduced through revenue sharing model</li> <li>▪ Strong sales of CVT kits for major titles</li> </ul>
	<b>Amusement Facilities</b>	<ul style="list-style-type: none"> <li>▪ Decreased sales year-on-year due to reduction in number of facilities</li> <li>▪ Profitability improved due to review of facility portfolio and reduction in operating expenses</li> <li>▪ SEGA domestic same-store sales performed at a lower level in year-on-year terms</li> </ul>
	<b>Consumer</b>	<ul style="list-style-type: none"> <li>▪ Sales decreased year on year, but profitability improved</li> <li>▪ Strong overall domestic sales of game software but overseas sales below our expectations</li> <li>▪ Postponed a part of title to next fiscal year</li> </ul>

# Consolidated Income Statements



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(JPY Billion)	FY 2009		FY 2010			
	Results through 3Q	FY Results	Results through 3Q	YoY Change	FY Plan	YoY Change
<b>Net Sales</b>	<b>309.0</b>	<b>429.1</b>	<b>285.3</b>	<b>-7.7%</b>	<b>420.0</b>	<b>-2.1%</b>
Pachinko Pachislot	106.2	161.6	125.6	+18.3%	186.0	+15.1%
Amusement Machines	49.9	61.9	33.1	-33.7%	43.0	-30.5%
Amusement Facilities	54.4	71.3	41.4	-23.9%	52.0	-27.1%
Consumer	96.0	131.3	82.9	-13.6%	136.0	+3.6%
Other	2.3	2.9	2.2	-4.3%	3.0	+3.4%
<b>Operating Income</b>	<b>-2.7</b>	<b>8.3</b>	<b>28.8 (24.1)</b>	<b>-</b>	<b>27.0 (22.0)</b>	<b>+225.3% (+165.1%)</b>
Pachinko Pachislot	5.2	14.5	26.9	+417.3%	22.0	+51.7%
Amusement Machines	6.2	6.8	4.7 (3.8)	-24.2% (-38.7%)	2.5 (2.0)	-63.2% (-70.6%)
Amusement Facilities	-4.9	-7.5	-0.6	-	-1.0	-
Consumer	-5.6	-0.9	1.4 (-2.3)	-	8.5 (4.0)	-
Other	0.2	0.3	0.3	+50.0%	0.0	-
Eliminations	-3.9	-4.9	-3.9	-	-5.0	-
<b>Ordinary Income</b>	<b>-5.0</b>	<b>6.6</b>	<b>27.6 (22.9)</b>	<b>-</b>	<b>26.0 (21.0)</b>	<b>+293.9% (+218.2%)</b>
Extraordinary Gain	2.1	3.5	2.3	-	-	-
Extraordinary Loss	5.9	30.2	7.4	-	-	-
<b>Net Income</b>	<b>-10.8</b>	<b>-22.8</b>	<b>16.9 (12.2)</b>	<b>-</b>	<b>15.0 (10.0)</b>	<b>-</b>
<b>Dividend per share (JPY)</b>	<b>-</b>	<b>30</b>	<b>-</b>	<b>-</b>	<b>30</b>	<b>-</b>
<b>Earning per share (JPY)</b>	<b>-43.03</b>	<b>-90.83</b>	<b>67.27</b>	<b>-</b>	<b>59.54</b>	<b>-</b>
<b>Net Assets per share (JPY)</b>	<b>929.90</b>	<b>882.47</b>	<b>917.74</b>	<b>-</b>	<b>-</b>	<b>-</b>

\* Numbers shown in parentheses are based on previous accounting policy (reference)

(JPY Billion)	FY 2009		FY 2010			
	Results through 3Q	FY Results	Results through 3Q	YoY Change	FY Plan	YoY Change
R&D expense / Content Production expense	43.4	59.6	32.7 (37.4)	-24.7% (-13.8%)	51.2 (56.2)	-14.1% (-5.7%)
Cap-ex	20.1	26.6	11.4	-43.3%	16.9	-36.5%
Depreciation	18.9	26.6	12	-36.5%	18.2	-31.6%
Advertising	16.7	20.7	14.3	-14.4%	22.5	+8.7%

\*Numbers shown in parentheses are reference values based on previous accounting policy (unaudited)

## Summary of Results through 3Q

- Cap-ex and depreciation expenses decreased significantly year-on-year, mainly due to decrease in amusement facilities
- R&D costs and content production expenses decreased year-on-year, mainly due to reduction in the amusement machine segment and consumer segment, as well as cost deferrals in consumer segment in accordance with postponement of introduction of some titles
- Advertising costs decreased year-on-year, mainly due to decrease in consumer business

# Consolidated Balance Sheets

(JPY Billion) 【 Assets 】				【 Liabilities and Net Assets 】			
Account	Prior	Current	Change	Account	Prior	Current	Change
Cash and Cash Equivalents	106.4	97.9	-8.5	Accounts Payable	51.2	52.8	1.5
Accounts Receivable	80.4	85.9	5.5	Corporate Bond	3.2	18.6	15.3
Securities	26.7	56.6	29.8	Short Term Borrowings	5.4	6.1	0.7
Inventories	41.5	42.5	1.0	Other	37.1	33.8	-3.2
Other	31.4	25.7	-5.7				
				<b>Total Current Liabilities</b>	<b>97.1</b>	<b>111.6</b>	<b>14.4</b>
<b>Total Current Assets</b>	<b>286.7</b>	<b>308.9</b>	<b>22.2</b>	Corporate Bond	52.8	45.5	-7.3
Tangible Fixed Assets	65.1	62.2	-2.9	Long Term Debt	6.7	6.6	-0.1
Intangible Fixed Assets	13.2	13.4	0.2	Other	24.6	24.6	0.0
Investment Securities	27.7	28.5	0.8				
Others	31.1	25.9	-5.1	<b>Total Long-term Liabilities</b>	<b>84.2</b>	<b>76.8</b>	<b>-7.3</b>
				<b>Total Liabilities</b>	<b>181.4</b>	<b>188.4</b>	<b>7.0</b>
				Shareholders Equity	246.7	256.1	9.3
				Valuation/Translation Adjustments	-24.4	-24.9	-0.5
				Warrants	1.2	1.2	0.0
				Minority Interest	18.9	18.2	-0.6
<b>Total Fixed Assets</b>	<b>137.1</b>	<b>130.1</b>	<b>-7.0</b>	<b>Total Net Assets</b>	<b>242.5</b>	<b>250.6</b>	<b>8.1</b>
<b>Total Assets</b>	<b>423.9</b>	<b>439.1</b>	<b>15.2</b>	<b>Total Liabilities and Net Assets</b>	<b>423.9</b>	<b>439.1</b>	<b>15.1</b>

## Summary of Results through 3Q

Compared to the end of the previous consolidated accounting year, while securities increased by 29.8 billion yen due to such factors as the purchase of negotiable securities of deposit, fixed assets decreased by 7.0 billion yen due to such factors as a decrease in tangible fixed assets as well as a decrease in lease and guarantee deposits. As a result, total assets at the end of the third quarter consolidated accounting period came to 439.1 billion yen, up 15.1 billion yen from the end of the previous consolidated accounting year.

(JPY Billion)	Prior	Current	Change
<b>Total Assets</b>	423.9	439.1	+15.1
<b>Net Assets</b>	242.5	250.6	+8.1
<b>Equity ratio</b>	52.4%	52.6%	+0.2pt
<b>Current ratio</b>	295.0%	276.8%	-18.2pt

(JPY Billion)	FY 2009		FY 2010			
	Results through 3Q	FY Results	Results through 3Q	YoY Change	FY Plan	YoY Change
<b>Net Sales</b>	<b>106.2</b>	<b>161.6</b>	<b>125.6</b>	<b>+18.3%</b>	<b>186.0</b>	<b>+15.1%</b>
Pachislot	29.4	33.8	25.6	-12.9%	51.4	+52.1%
Pachinko	68.4	116.5	95.1	+39.0%	128.1	+10.0%
Other	8.4	11.2	4.9	-41.7%	6.4	-42.9%
<b>Operating Income</b>	<b>5.2</b>	<b>14.5</b>	<b>26.9</b>	<b>+417.3%</b>	<b>22.0</b>	<b>+51.7%</b>
Operating Income Margin	4.9%	9.0%	21.4%	+16.5pt	11.8%	+2.9pt
<b>Unit Sales (Pachislot)</b>	<b>108,500</b>	<b>123,286</b>	<b>79,243</b>	<b>-27.0%</b>	<b>180,000</b>	<b>+46.0%</b>
<b>Unit Sales (Pachinko)</b>	<b>237,288</b>	<b>391,831</b>	<b>329,850</b>	<b>+39.0%</b>	<b>450,000</b>	<b>+14.8%</b>

## Summary of results through 3Q

<b>Pachislot</b>	<ul style="list-style-type: none"> <li>■ Unit sales decreased year-on-year due to no new releases of major titles in 3Q</li> <li>■ Continued strong sales of Sammy's "Pachislot Psalms of Planets Eureka Seven," which was introduced in 2Q (Aggregate order receipts: 55 thousand units *As of end of January)</li> </ul>
<b>Pachinko</b>	<ul style="list-style-type: none"> <li>■ Unit sales increased year-on-year</li> <li>■ Review of unit prices and increase in board sales ratio</li> <li>■ Reduction in parts procurement costs centered on liquid crystal display</li> <li>■ Strong sales of multiple mainstay titles</li> </ul>

## Full Year Outlook

<b>Pachislot</b>	<ul style="list-style-type: none"> <li>■ Multiple mainstay titles with innovative game features to be introduced               <ul style="list-style-type: none"> <li>⇒ Strong sales of Sammy branded "Pachislot TOMORROW's Joe" (Aggregated order receipt: 37 thousand units *As of end of January)</li> <li>⇒ Sammy "Pachislot POPEYE BRID"</li> <li>⇒ Rodeo "Shin Onimusya"</li> <li>⇒ TAIYO ELEC "BLOOD+"</li> </ul> </li> </ul>
<b>Pachinko</b>	<ul style="list-style-type: none"> <li>■ Multiple new titles to be introduced               <ul style="list-style-type: none"> <li>⇒ Sammy "Pachinko CR Sakura Taisen2"</li> <li>⇒ TAIYO ELEC "CR Hikaru Genji", "CR Shin Honnoujino hen ~ Yumemaboroshi no Gotoku ~"</li> </ul> </li> <li>■ Reduction in parts procurement costs centered on liquid crystal display</li> </ul>

# Segment: Pachislot

## Sales Breakdown / Pachislot

\* Number of titles reflects products which began sales in period

	FY 2009		FY 2010	
	Results through 3Q	FY Results	Results through 3Q	FY Plan
<b>Sammy</b>	5 titles	6 titles	4 titles	6 titles
	52,139 units	58,184 units	74,005 units	100,000 units
<b>RODED</b>	4 title	4 titles	1 title	3 titles
	29,056 units	30,073 units	1,563 units	60,000 units
<b>TAIYO ELEC</b>	2 titles	2 titles	1 title	3 titles
	6,268 units	6,268 units	1,806 units	20,000 units
<b>GINZA</b>	3 titles	5 titles	0 title	-
	12,083 units	19,657 units	27 units	-
<b>Unit Supply</b>	2 titles	2 titles	2 titles	-
	8,954 units	9,104 units	1,842 units	-
<b>Total</b>	16 titles	19 titles	8 titles	12 titles
	108,500 units	123,286 units	79,243 units	180,000 units

\* Unit Supply includes the supply of parts to other makers.

## Major Titles / Pachislot

Brand	Title	Sales Results through 3Q	Installed From
<b>Sammy</b>	Pachislot Psalms of Planets Eureka SeveN	49,790 units	September
<b>Sammy</b>	Pachislot Urusei Yatsura 2	16,843 units	July



“Pachislot Psalms of Planets Eureka Seven”  
(Sammy)

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“Pachislot Urusei Yatsura 2”  
(Sammy)

© Rumiko Takahashi / Shogakukan Inc. © Sammy

## Sales Breakdown / Pachinko

\* Number of titles reflects products which began sales in period

	FY 2009		FY 2010	
	Results through 3Q	FY Results	Results through 3Q	FY Plan
<b>Sammy</b>	3 titles 198,445 units	4 titles 307,263 units	5 titles 262,541 units	5 titles 330,000 units
<b>TAIYO ELEC</b>	3 titles 30,944 units	5 titles 44,491 units	4 titles 54,011 units	6 titles 100,000 units
<b>GINZA</b>	2 titles 7,899 units	3 titles 40,077 units	1 title 13,298 units	1 title 20,000 units
<b>Total</b>	8 titles 237,288 units	12 titles 391,831 units	10 titles 329,850 units	12 titles 450,000 units
<b>Board + Frame</b>	210,113 units	350,689 units	102,135 units	202,500 units
<b>Board</b>	27,175 units	41,142 units	227,715 units	247,500 units



“Pachinko CR Soten no Ken”  
(Sammy)

© 2001 Buroson & Tetsuo Hara, Approved No. SAG-309



“Pachinko CR Sengoku Ranbu  
Aoki Dokugan”  
(Sammy)

© Sammy

## Major Titles / Pachinko

Brand	Title	3Q Sales	Installed From
<b>Sammy</b>	Pachiko CR Soten no Ken	94,880 units	December
<b>Sammy</b>	Pachinko CR Sengoku Ranbu Aoki Dokugan	53,908 units	October



(MEMO)

(JPY Billion)	FY 2009		FY 2010			
	Results through 3Q	FY Results	Results through 3Q	YoY Change	FY Plan	YoY Change
<b>Net Sales</b>	<b>49.9</b>	<b>61.9</b>	<b>33.1</b>	<b>-33.7%</b>	<b>43.0</b>	<b>-30.5%</b>
Domestic	43.0	53.2	28.6	-33.5%	35.9	-32.5%
Overseas	7.0	8.7	4.5	-35.7%	7.1	-18.4%
<b>Operating Income</b>	<b>6.2</b>	<b>6.8</b>	<b>4.7 (3.8)</b>	<b>-24.2% (-38.7%)</b>	<b>2.5 (2.0)</b>	<b>-63.2% (-70.6%)</b>
Operating Income Margin	12.4%	11.0%	14.2% (11.5%)	+1.8pt (-0.9pt)	5.8% (4.7%)	-5.2pt (-6.3pt)
<b>R&amp;D expense / Content Production</b>	<b>8.3</b>	<b>11.4</b>	<b>6.0 (6.9)</b>	<b>-27.7% (-16.9%)</b>	<b>8.9 (9.4)</b>	<b>-21.9% (-17.5%)</b>

\*Numbers shown in parentheses are reference values based on previous accounting policy (unaudited)

## Summary of Results through 3Q

- Decreased sales and profits compared to last fiscal year, which had introductions of major titles
- Strong utilization of “BORDER BREAK,” introduced through revenue sharing model
- Steady sales of CVT kits for major titles
- Cost reductions due to such factors as introducing a common reusable chassis and a new circuit board, as well as a review of parts procurement costs
- Reduction of R&D costs and content production expenses  
⇒ Actual results of same period the previous year : ¥8.3 billion  
⇒ Actual aggregated results for 3Q of this fiscal year:  
¥6.0 billion + Recorded assets: ¥900 million

## Full Year Outlook

- Sales of CVT kits for “SEGA Network Mar-jang MJ4”
- Continued contribution to profits by revenue sharing titles
- Reduction of R&D costs and content production expenses  
⇒ Actual results of same period the previous year: ¥11.4 billion  
⇒ Full year plan of this fiscal year:  
¥8.9 billion + Recorded assets: ¥500 million

## Major Titles

Title		Sales Results through 3Q		Installed From
<b>BORDER BREAK</b>	Video Game	Satellite	<b>2,988 units</b>	September
<b>Shining Force CROSS</b>	Video Game	Satellite	<b>2,389 units</b>	December
<b>StarHorse2 FIFTH EXPANSION</b>	Medal Game	Main CVT Satellite CVT	<b>851 units</b> <b>9,806 units</b>	November
<b>WORLD CLUB Champion Football Intercontinental Clubs 2008-2009</b>	Trading Card Game	Satellite CVT (8P) Satellite CVT (4P)	<b>690 sets</b> <b>168 sets</b>	November



**“BORDER BREAK”**  
(Video Game)

©SEGA



**“Shining Force CROSS”**  
(Video Game)

©SEGA



(JPY Billion)	FY 2009		FY 2010				
	Results through 3Q	FY Results	Results through 3Q	YoY Change	FY Plan	YoY Change	
Net Sales	54.4	71.3	41.4	-23.9%	52.0	-27.1%	
(Overseas)	6.6	8.6	4.1	-37.9%	6.0	-30.2%	
Operating Income	-4.9	-7.5	-0.6	-	-1.0	-	
Operating Income Margin	-	-	-	-	-	-	
SEGA Same Store Sales Comps	92.1%	92.4%	91.3%	-	93.6%	-	
Domestic Facilities	347 facilities	322 facilities	274 facilities	-	246 facilities	-76 facilities	
SEGA	Opened	3 facilities	3 facilities	3 facilities	-	6 facilities	-
	Closed	22 facilities	47 facilities	49 facilities	-	82 facilities	-
	<b>Total</b>	<b>299 facilities</b>	<b>274 facilities</b>	<b>228 facilities</b>	-	<b>198 facilities</b>	-
Bee / TMS	Opened	3 facilities	3 facilities	0 facility	-	0 facility	-
	Closed	0 facility	0 facility	2 facilities	-	0 facility	-
	<b>Total</b>	<b>48 facilities</b>	<b>48 facilities</b>	<b>46 facilities</b>	-	<b>48 facilities</b>	-
Overseas Facilities	22 facilities	22 facilities	21 facilities	-	20 facilities	-2 facilities	
Cap-ex	12.3	14.8	5.8	-52.8%	8.7	-41.2%	
Depreciation	11.4	15.9	5.6	-50.9%	7.8	-50.9%	

## Summary of Results through 3Q

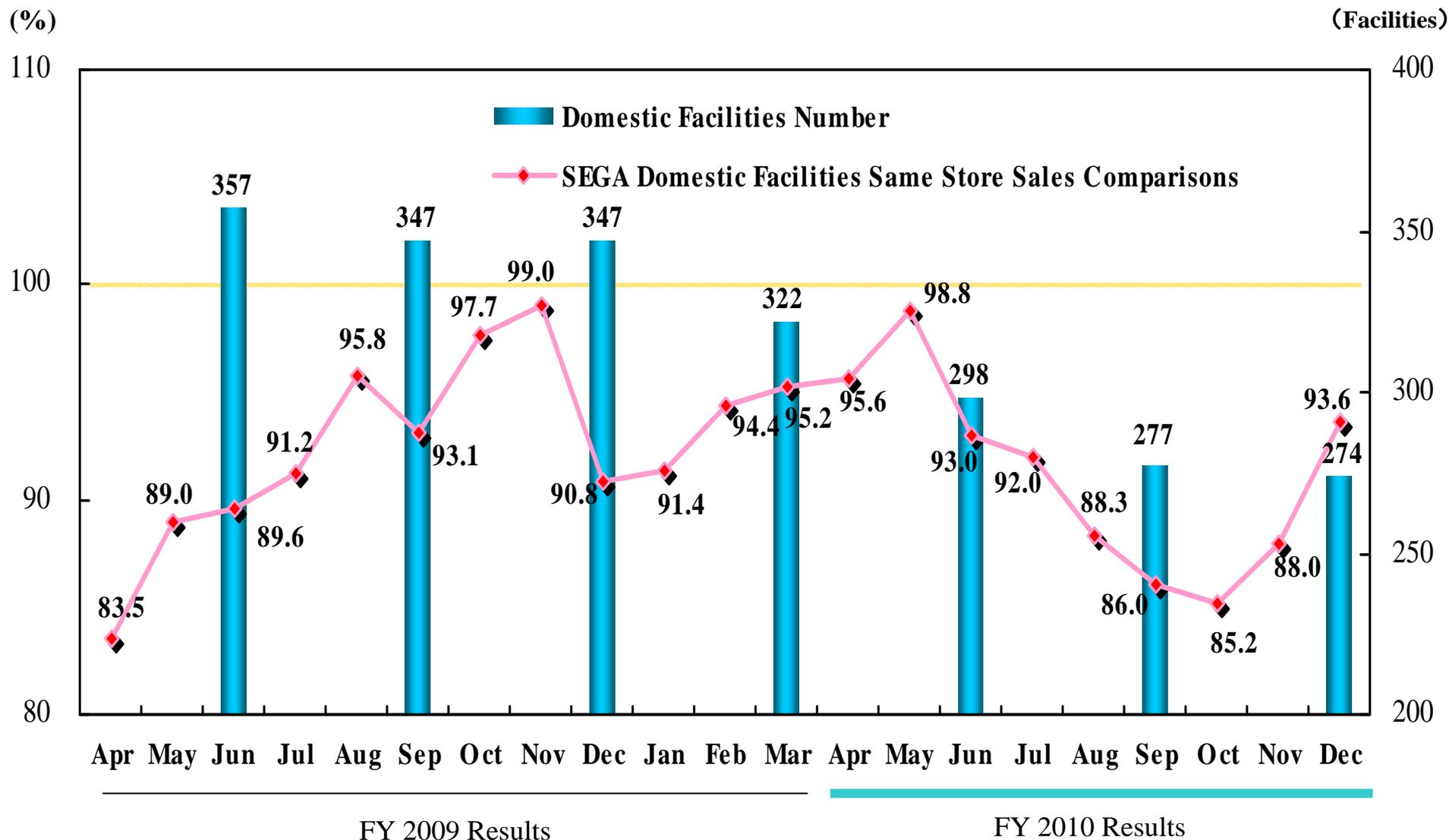
- Decreased sales year-on-year due to measures to decrease number of amusement facilities
- Profitability improved thanks to review of facility portfolio and reduction in operating expenses
- SEGA domestic same-store sales comparisons  
Oct: 85.2%, Nov: 88.0%, Dec: 93.6%, Aggregate results for 3Q: 91.3%
- Domestic amusement facility number as of end of 3Q: 274 facilities  
(3Q aggregate: Closed: 51)

\* "Bee" is an entertainment facility (Darts bar) produced by SEGA Bee LINK Co., LTD

## Full Year Outlook

- SEGA domestic same-store sales comparison: Full-year plan 93.6%  
⇒ Expect improvement in store revenue in accordance with penetration and expansion of mainstay titles and strengthening of operation for medal game, prize game etc.
- To continue with planned closures or sales of facilities that have low profitability and low future potential

## SEGA Domestic Facilities Same Store Sales Comps / Domestic Facilities Number Transition



(JPY Billion)	FY 2009		FY 2010			
	Results through 3Q	FY Results	Results through 3Q	YoY Change	FY Plan	YoY Change
<b>Net Sales</b>	<b>96.0</b>	<b>131.3</b>	<b>82.9</b>	<b>-13.6%</b>	<b>136.0</b>	<b>+3.6%</b>
Entertainment Software	59.7	82.1	49.3	-17.4%	84.7	+3.2%
Network / Other	36.3	49.2	33.6	-7.4%	51.3	+4.3%
<b>Operating Income</b>	<b>-5.6</b>	<b>-0.9</b>	<b>1.4(-2.3)</b>	-	<b>8.5 (4.0)</b>	-
Operating Margin	-	-	1.7%(-)	-	6.3% (2.9%)	-
<b>Units Sales (Thousands)</b>	<b>21,090</b>	<b>29,470</b>	<b>16,730</b>	<b>-20.7%</b>	<b>29,700</b>	<b>+0.8%</b>
<b>R&amp;D expense / Content Production expense</b>	<b>23.4</b>	<b>32.8</b>	<b>16.0(19.7)</b>	<b>-31.6% (-15.8%)</b>	<b>24.7 (29.2)</b>	<b>-24.7% (-11.0%)</b>

\*Numbers shown in parentheses are reference values based on previous accounting policy (unaudited)

## Summary of Results through 3Q

## Full Year Outlook

<b>Software</b>	<ul style="list-style-type: none"> <li>■ Steady software sale for Japanese market and weak sales for overseas market</li> <li>■ Improved profits due to narrowing down titles for Japanese market</li> <li>■ Launch of some titles postponed to next period</li> <li>■ Reduction of R&amp;D costs and content production expenses ⇒ Actual results of same period the previous year: ¥23.4 billion ⇒ Actual aggregated results for 3Q of this fiscal year: ¥16.0 billion + Recorded assets: ¥3.7 billion</li> </ul>
	<ul style="list-style-type: none"> <li>■ TOY: Continued strong sales of “BAKUGAN” overseas</li> <li>■ Mobile phone and PC content: Continued strong sales centered on AM Online</li> <li>■ Animation: Revenue from production decreased year-on-year but revenue from sales was strong, buoyed “BAKUGAN” overseas and others</li> </ul>

<b>Software</b>	<ul style="list-style-type: none"> <li>■ To introduce multiple mainstay titles “BAYONETTA” (Europe / US)” “Aliens vs. Predator” (Europe / US)” “Ryu Ga Gotoku 4 Densetsu wo Tsugumono” (Japan)</li> <li>■ Reduction of R&amp;D costs and content production expenses ⇒ Actual results of same period the previous year: ¥32.8 billion ⇒ Full year plan: ¥24.7 billion + Recorded assets: ¥4.5 billion</li> </ul>
	<ul style="list-style-type: none"> <li>■ TOY: Domestic re-introduction of “BAKUGAN” and deployment of “Zhu Zhu Pets” (April 3 launch)</li> <li>■ Mobile phone and PC content: Introduction of killer titles and expansion of pay-as-you-go service</li> <li>■ Animation: Focus on further expansion of “BAKUGAN”</li> </ul>

## Sales Results

\* Number of titles reflects products which began sales in the period  
(Number of titles by platform in based on SKU)

Breakdown by Region	FY 2009				FY 2010			
	Results through 3Q		FY Results		Results through 3Q		FY Plan	
	# of titles (SKU)	Unit Sales (Thousands)	# of titles (SKU)	Unit Sales (Thousands)	# of titles (SKU)	Unit Sales (Thousands)	# of titles (SKU)	Unit Sales (Thousands)
Japan / Other	30 (31)	3,130	36 (39)	4,230	12 (15)	2,470	17 (22)	3,570
US	15 (31)	8,820	22 (41)	12,490	15 (25)	6,090	22 (43)	11,630
Europe	13 (31)	9,130	20 (42)	12,730	12 (22)	8,160	21 (42)	14,500
<b>Total</b>	<b>58 (93)</b>	<b>21,090</b>	<b>78 (122)</b>	<b>29,470</b>	<b>39 (62)</b>	<b>16,730</b>	<b>60 (107)</b>	<b>29,700</b>

Breakdown by Platform	FY 2009				FY 2010			
	Results through 3Q		FY Results		Results through 3Q		FY Plan	
	SKU	Unit Sales (Thousands)	SKU	Unit Sales (Thousands)	SKU	Unit Sales (Thousands)	SKU	Unit Sales (Thousands)
PS2	10	1,550	10	1,780	0	0	0	0
PS3	15	2,010	21	3,130	8	1,120	20	4,630
Wii	15	2,220	23	3,920	18	4,650	22	7,300
Xbox360	11	1,610	16	2,120	8	790	19	3,460
NDS	26	2,660	30	3,170	15	3,130	21	4,610
PSP	6	1,240	7	1,420	7	1,070	9	1,260
PC	10	940	15	1,980	6	730	16	1,770
Catalogue	-	8,870	-	11,920	-	5,210	-	6,640
<b>Total</b>	<b>93</b>	<b>21,090</b>	<b>122</b>	<b>29,470</b>	<b>62</b>	<b>16,730</b>	<b>107</b>	<b>29,700</b>

## Major Titles

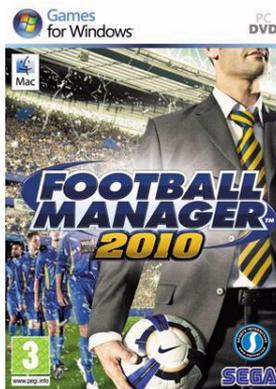
Title (Region)	Platform	Sales Results through 3Q (Thousands)	Sold From
Mario & Sonic at the Olympic Winter Games™ (Europe / US)	Wii, NDS	5,670	October
BAYONETTA (Europe / US / Japan)	PS3, Xbox360	1,100	Japan: October * Europe / US: January
Football Manager 2010 (Europe / US)	PC, PSP	740	October
Phantasy Star Portable 2 (Japan)	PSP	540	December

\* Unit sales of “BAYONETTA” includes December shipments for overseas markets



“Mario & Sonic at the Olympic Winter Games™”

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 SONIC THE HEDGEHOG characters ©SEGA.



“Football Manager 2010”

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“Phantasy Star Portable 2”

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(MEMO)

# Listed Subsidiaries Results / Outlook



**\* Numbers of listed subsidiaries plan for the year ended March 31, 2010 on this document are the latest numbers of each company's announcement.**

## Sammy NetWorks

(JPY Billion)	FY 2009		FY 2010			
	Results through 3Q	FY Results	Results through 3Q	YoY Change	FY Plan	YoY Change
Net Sales	8.12	11.07	8.01	-1.4%	11.50	+3.9%
Operating Income	1.64	2.24	1.72	+4.9%	2.40	+7.1%
Operating Margin	20.2%	20.2%	21.4%	+1.2pt	20.9%	+0.7pt

## Sammy NetWorks

<b>Results through 3Q</b>	<ul style="list-style-type: none"> <li>Year-on-year, net sales decreased by 1.4% to 8.01 billion yen and operating income increased by 4.9% to 1.72 billion yen</li> <li>Continued strong sales of AM segment, the Company's core business, centered on "777Town.net"</li> <li>Began full-fledged introduction of pay-as-you-go service for the high priority business "Yosoo.net Mobile"</li> </ul>
<b>Full Year Outlook</b>	<ul style="list-style-type: none"> <li>Introduction of killer titles in AM segment and expansion of pay-as-you-go service</li> <li>Focus on gaining more members for "Yosoo.net Mobile," whose membership topped one million in first half</li> <li>Strengthen services of new "uchico" and "Girls DECO" businesses to make them profitable</li> </ul>



『Yosoo.net Mobile』



『uchico』



『Girls DECO』



(JPY Billion)	FY 2009		FY 2010			
	Results through 3Q	FY Results	Results through 3Q	YoY Change	FY Plan	YoY Change
Net Sales	10.06	14.17	9.30	-7.6%	13.20	-6.9%
Operating Income	0.08	0.29	0.002	-97.5%	0.31	+6.9%
Operating Margin	0.8%	2.1%	0.0%	-0.8pt	2.3%	+0.2pt

## TMS Entertainment

### Results through 3Q

- Year-on-year, net sales decreased by 7.6% to 9.3 billion yen and operating income decreased by 97.5% to 2 million yen
- Animation: Decreased revenue from production year-on-year but strong revenue from sales, buoyed by sales of “BAKUGAN” overseas and the “Detective Conan” animated film
- Amusement Facility: Level of same-store sales fell year-on-year but, operating income slightly increased.

### Full Year Outlook

- Animation: TV production and video sales are on a declining trend, but will stop decreasing by increasing overseas sales as well as sales of merchandising rights. Lessen burden of amortization expenses by limiting number of productions such as TV series while focusing on development of Japan Post image characters “Posties” and further expansion of “BAKUGAN.” Regarding “BAKUGAN,” TMS will also contribute as a licensor of “Bakugan LLP,” which was established through a joint investment of five SEGA SAMMY Group companies. We will focus on launching these new projects, which will lead to an expansion in profits in the medium term.
- Amusement Facility: Aim to heighten competitiveness of stores and reduce costs by fortifying operations



『Detective Conan the Raven Chaser』

© GOSHO AOYAMA / DETECTIVE CONAN COMMITTEE



『Bakugan Battle Brawlers New Vestroia』

©SEGA TOYS / SPIN MASTER / BAKUGAN 2 PROJECT



	FY 2009		FY 2010			
	Results through 3Q	FY Results	Results through 3Q	YoY Change	FY Plan	YoY Change
Net Sales	15.08	18.94	13.98	-7.3%	18.00	-5.0%
Operating Income	0.21	-0.08	-0.11	-	-0.18	-
Operating Margin	1.4%	-	-	-	-	-

## SEGA TOYS

### Results through 3Q

- Net sales decreased by 7.3% to 13.98 billion yen year-on-year and posted operating loss of 0.11 billion yen
- Strong domestic sales of the “Anpanman” series, “Tsukitate Omochi Kururin Mochi,” “Spray Art” and others
- Continued strong overseas sales of the “BAKUGAN” character toy for boys

### Full Year Outlook

- Transition to new management structure and implement reform of internal organization
- Domestic re-introduction of “BAKUGAN”  
⇒ Strengthen Group efforts centered on “Bakugan LLP.” Begin broadcast of new animation series in March 2010.
- Obtain domestic sales rights for “Zhu Zhu Pets,” which has been tremendously popular throughout the U.S. (April 3 launch)



『Tsukitate Omochi Kururin Mochi』



『BAKUGAN』

(c)SEGA TOYS/SPIN MASTER/BAKUGAN 2 PROJECT



『Zhu Zhu Pets』

(c)2009 Cepia LLC.

(JPY Billion)	FY 2009		FY 2010			
	Results through 3Q	FY Results	Results through 3Q	YoY Change	FY Plan	YoY Change
Net Sales	10.55	14.30	17.33	+64.3%	34.8	+143.4%
Operating Income	-0.11	0.40	2.28	-	4.3	+975.0%
Operating Margin	-	2.8%	13.2%	-	12.4%	+9.6pt

## TAIYO ELEC

### Results through 3Q

- Year-on-year, net sales increased by 64.3% to 17.33 billion yen and operating income increased by 2.4 billion to 2.28 billion yen
- As for pachinko machines, continued sales of “CR BLOOD+,” which was introduced in the first half, as well as launch of “CR GOLD RUSH.” Sales of certain specs in the “CR GOLD RUSH” series has been postponed. Pachinko unit sales through the 3Q totaled 54 thousand units.
- As for pachislot machines, launch of new “The Rose of Versailles” title manufactured by Sammy. Sales period for pachislot “BLOOD+” postponed to 4Q. Pachislot unit sales through the 3Q totaled 4 thousand units.

### Full Year Outlook

- Aim to expand sales in 4Q by introducing new pachinko titles such as “CR Hikaru Genji” and “CR Shin Honnoujinohen ~Yumemaboroshi no Gotoku~” and new pachislot titles such as “Blood+”
- Aim to improve profit margin by continuously procuring appropriate quantity of parts and reducing expenses



『Pachinko CR GOLD RUSH』

(C)TAIYO ELEC



『Pachislot The Rose of Versailles』

© Ikeda Riyoko Production © Sammy

# Appendix



SEGA-SAMMY  
HOLDINGS

# Company Overview



SEGA-SAMMY  
HOLDINGS

SEGA-SAMMY  
GROUP

Company Name	Sega Sammy Holdings, Inc.	Chairman President and Representative Director (CEO)	Hajime Satomi
Head Office	Shiodome Sumitomo Building, 1-9-2 Higashi Shimbashi Minato-ku, Tokyo 105-0021, Japan	Executive Vice President and Representative Director	Keishi Nakayama
Established	October 1, 2004	Director	Okitane Usui
Capital	29,953 million yen	Director and CCO(*) (*):CCO : Chief Creative Officer	Hisao Oguchi
Listing	Tokyo Stock Exchange 1 <sup>st</sup> Section (6460)	Director	Yuji Iwanaga
Number of Shares Outstanding	283,229,476 shares	Director	Takeshi Natsuno

Major Shareholders		Equity Shares	% of Voting
1	Hajime Satomi	43,569,338	17.44%
2	SEGA SAMMY HOLDDINGS INC.	31,311,138	-
3	Mellon Bank, NA Treaty Clients Omnibus	18,274,461	7.31%
4	FSC Co., Ltd.	14,172,840	5.67%
5	The Master Trust Bank of Japan, Ltd. (As Trustee)	13,248,600	5.30%
6	The Bank of New York Mellon Depository Bank for Depository Receipt Holders	12,583,234	5.03%
7	Japan Trustee Services Bank, Ltd. (As Trustee)	8,561,600	3.42%
8	State Street Bank and Trust Company	8,030,604	3.21%
9	State Street Bank and Trust Company 505225	5,020,021	2.00%
10	Mellon Bank, NA as Agent for It's Clients Mellon Omnibus US Pension	2,773,056	1.11%

Shareholder Data		
Type	% of Shares	% by Number of Shareholders
Financial Institutions	15.85%	0.06%
Securities Companies	0.68%	0.05%
Other Companies	6.58%	0.79%
Foreign Institutions and Individuals	33.56%	0.52%
Japanese Individuals and Other	32.25%	98.56%
Treasury stock	11.06%	0.00%

Shareholders
90,496

Data as of September 30<sup>th</sup>, 2009



Subsidiary	Listed on:	Major Operation	Share held by Sega Sammy (Share holding ratio)
<p><b>Sammy NetWorks Co., Ltd.</b>  <a href="http://www.sammy-net.jp/english/">http://www.sammy-net.jp/english/</a>  </p>	<p>TSE Mothers                      Securities code:                      3745</p>	<p><u>&lt;Consumer&gt;</u>                      Distribution of music related content and game related content through mobile phones and the Internet.</p>	<p>24,804 shares                      (56.26%)</p>
<p><b>SEGA TOYS, LTD.</b>  <a href="http://www.segatoys.co.jp/english/">http://www.segatoys.co.jp/english/</a>  </p>	<p>JASDAQ                      Securities code:                      7842</p>	<p><u>&lt;Consumer&gt;</u>                      Design, development and sales of toys</p>	<p>11,250,000 shares                      (52.24%)</p>
<p><b>TAIYO ELEC Co., Ltd.</b>  <a href="http://www.taiyoelec.co.jp/english/">http://www.taiyoelec.co.jp/english/</a>  </p>	<p>JASDAQ                      Securities code:                      6429</p>	<p><u>&lt;Pachinko Pachislot&gt;</u>                      Design, development and sales of Pachinko and Pachislot machine</p>	<p>(*)11,623,100 shares                      (51.24%)</p>
<p><b>TMS Entertainment Ltd.</b>  <a href="http://www.tms-e.com/english/">http://www.tms-e.com/english/</a>  </p>	<p>NSE 2<sup>nd</sup> Section                      Securities code:                      3585</p>	<p><u>&lt;Consumer / Amusement Facilities&gt;</u>                      Planning, production, sales and export of animation films, and amusement businesses</p>	<p>23,549,000 shares                      (60.39%)</p>

(\*) Sammy, 100% subsidiary of SEGA SAMMY HOLDINGS, holds the shares of TAIYO ELEC

Data as of December 31<sup>th</sup>, 2009



## Pachislot Installed Base / Unit Sales / Market Scale

	2003	2004	2005	2006	2007	2008
Number of Pachislot Machines installed (Units)	1,660,839	1,887,239	1,936,470	2,003,482	1,635,860	1,448,773
Number of Pachislot Machines sold annually (Units)	1,842,392	1,672,049	1,786,292	1,647,759	1,744,308	913,053
Pachislot Machine Market Size (JPY Million)	526,354	522,582	536,539	490,959	500,998	242,331

## Pachinko Installed Base / Unit Sales / Market Scale

	2003	2004	2005	2006	2007	2008
Number of Pachinko Machines installed (Units)	3,227,239	3,077,537	2,960,939	2,932,952	2,954,386	3,076,421
Number of Pachinko Machines sold annually (Units)	3,686,677	4,013,153	4,047,999	3,837,960	3,173,725	3,331,278
Pachinko Machine Market Size (JPY Million)	672,055	786,535	869,940	898,646	856,400	900,558

## Pachinko Pachislot Market Installed Base / Unit Sales / Market Scale

	2003	2004	2005	2006	2007	2008
Number of Machines installed (Units)	4,888,078	4,964,776	4,897,409	4,936,434	4,590,246	4,525,194
Number of Machines sold annually (Units)	5,529,069	5,685,202	5,834,291	5,485,719	4,918,033	4,244,331
Total Machine Market Size (JPY Million)	1,198,409	1,309,117	1,406,479	1,389,605	1,357,398	1,142,889

	2003	2004	2005	2006	2007	2008
Total Number of Pachinko Halls	16,076	15,617	15,165	14,674	13,585	12,937
Number of Pachinko Halls with pachinko and pachislot machines installed	14,695	13,844	13,163	12,588	12,039	11,800
Number of Pachinko Halls with pachislot machines installed	1,381	1,773	2,002	2,086	1,546	1,137

Source: National Police Agency, Yano Research Institute Ltd., Japan Productivity Center for Socio-Economic Development

## Share of Annual Pachislot Machine Sales

Rank	2005			2006			2007			2008		
	Manufacture	Units Sold	Share									
1	<b>Sammy</b>	<b>607,106</b>	<b>34.0%</b>	<b>Sammy</b>	<b>523,422</b>	<b>31.8%</b>	<b>Sammy</b>	<b>380,688</b>	<b>21.8%</b>	Y Company	172,000	18.8%
2	D Company	236,000	13.2%	D Company	200,000	12.1%	A Company	192,000	11.0%	S Company	133,673	14.6%
3	H-O Company	187,000	10.5%	H-O Company	180,000	10.9%	S Company	169,239	9.7%	<b>Sammy</b>	<b>123,286</b>	<b>13.5%</b>
4	Y Company	150,000	8.4%	Y Company	173,000	10.5%	D Company	152,000	8.7%	H-O Company	68,000	7.5%
5	S Company	111,659	6.3%	K Company	155,000	9.4%	Y Company	152,000	8.7%	K Company	59,000	6.5%

## Share of Annual Pachinko Machine Sales

Rank	2005			2006			2007			2008		
	Manufacture	Units Sold	Share									
1	S Company	1,000,000	24.7%	S Company	887,000	23.1%	S Company	820,000	25.8%	S Company	810,000	24.3%
2	S Company	740,320	18.3%	K Company	804,000	21.0%	S Company	725,819	22.9%	S Company	451,941	13.6%
3	K Company	390,000	9.6%	S Company	640,186	16.7%	K Company	510,000	16.1%	<b>Sammy</b>	<b>391,831</b>	<b>11.8%</b>
4	N Company	320,000	7.9%	N Company	253,000	6.6%	N Company	204,000	6.4%	K Company	350,000	10.5%
5	<b>Sammy</b>	<b>288,895</b>	<b>7.1%</b>	D Company	195,947	5.1%	D Company	168,000	5.3%	N Company	349,000	10.5%
6	H Company	242,276	6.0%	H Company	186,000	4.9%	H Company	165,000	5.2%	F Company	194,443	5.8%
7	F Company	185,572	4.6%	F Company	180,006	4.7%	F Company	146,134	4.6%	S Company	177,000	5.3%
8	D Company	172,123	4.3%	<b>Sammy</b>	<b>132,981</b>	<b>3.5%</b>	<b>Sammy</b>	<b>108,184</b>	<b>3.4%</b>	D Company	122,000	3.7%

Source: Yano Research Institute Ltd.

## AM Machines / Operations Net Sales

(JPY Billion)

	2003	2004	2005	2006	2007	2008
Amusement Machines Net Sales	177.8	180.5	199.2	223.3	219.0	196.1
Amusement Facilities Operations Net Sales	637.7	649.2	682.4	702.8	678.0	573.1
Market Size of Amusement	815.5	829.7	881.6	926.2	897.0	769.2

	2003	2004	2005	2006	2007	2008
Number of Amusement Facilities (Facilities)	10,759	10,109	9,515	9,091	8,652	8,137
Number of Amusement Machine units installed (Units)	428,358	438,986	445,025	460,031	474,808	486,582
Number of Amusement Machine units installed per center (Units)	39.8	43.4	46.8	50.6	54.9	59.8

## Home Videogame related Market Scale

	2003	2004	2005	2006	2007	2008
Hardware shipment	704.5	440.7	872.7	958.1	2,087.7	1,908.3
Software shipment	429.8	468.4	487.1	674.1	848.6	1,024.3
Market Size of Home Videogame	1,134.3	909.1	1,359.8	1,632.3	2,936.4	2,932.6

## Total Market Size of Amusement and Game

	2003	2004	2005	2006	2007	2008
Total Market Size of Amusement / Game	1,885.0	1,749.7	2,246.4	2,752.6	3,916.0	3,676.9

Source: JAMMA, AOU, CESA, National Police Agency

# Past Operating Results

## From FY 2006 to Results through 3Q in FY 2010

\* Numbers shown in parentheses are based on previous accounting policy (reference)

\* Number of titles reflects products which begin sales in the period (Numbers shown in parentheses are based on SKU)

\* The data in this page can be downloaded from following URL. ([http://www.segasammy.co.jp/english/ir/library/excel/201003\\_3q\\_transition.xls](http://www.segasammy.co.jp/english/ir/library/excel/201003_3q_transition.xls))

(JPY Billion)	FY 2006	FY 2007	FY 2008		FY 2009				FY 2010		
	FY Results	FY Results	Interim Results	FY Results	1Q Results	Interim Results	Results through 3Q	FY Results	1Q Results	Interim Results	Results through 3Q
<b>Net Sales</b>	553.2	528.2	231.0	458.9	74.6	200.4	309.0	429.1	60.4	154.3	285.3
Breakdown											
Pachislot Pachinko	265.6	211.5	99.7	145.5	12.0	65.2	106.2	161.6	19.6	68.3	125.6
Amusement Machines	71.5	75.4	34.3	71.0	13.7	34.4	49.9	61.9	7.8	17.9	33.1
Amusement Facilities	106.2	103.8	47.9	91.2	17.4	37.1	54.4	71.3	14.1	28.9	41.4
Consumer	90.3	119.5	41.2	141.7	30.5	61.9	96.0	131.3	18.0	37.6	82.9
Other	19.4	17.8	7.7	9.3	0.8	1.6	2.3	2.9	0.7	1.5	2.2
<b>Operating Income</b>	119.1	76.5	-4.3	-5.8	-10.2	-7.5	-2.7	8.3	-7.8 (-8.5)	-0.3 (-2.3)	28.8 (24.1)
Breakdown											
Pachislot Pachinko	99.8	71.1	12.1	8.4	-4.3	-1.0	5.2	14.5	-1.0	10.8	26.9
Amusement Machines	12.1	11.6	1.8	7.1	0.7	4.6	6.2	6.8	-1.0 (-1.2)	-0.7 (-1.2)	4.7 (3.8)
Amusement Facilities	9.2	0.1	-2.2	-9.8	-1.5	-2.8	-4.9	-7.5	-0.1	0.2	-0.6
Consumer	1.9	1.7	-12.5	-5.9	-4.1	-5.9	-5.6	-0.9	-4.5 (-5.0)	-8.1 (-9.6)	1.4 (-2.3)
Other	-1.7	-1.3	-0.2	0.0	0.0	0.2	0.2	0.3	0.1	0.2	0.3
Eliminations	-2.3	-6.7	-3.4	-5.5	-1.0	-2.6	-3.9	-4.9	-1.1	-2.7	-3.9
Operating Margin	21.5%	14.5%	-	-	-	-	-	1.9%	-	-	10.1% (8.4%)
<b>Ordinary Income</b>	119.5	81.2	-3.9	-8.2	-9.8	-8.4	-5.0	6.6	-8.0 (-8.7)	-0.7 (-2.7)	27.6 (22.9)
Ordinary Income Margin	21.6%	15.4%	-	-	-	-	-	1.5%	-	-	9.7% (8.0%)
<b>Net Income</b>	66.2	43.4	-20.2	-52.4	-10.5	-9.5	-10.8	-22.8	-10.2 (-10.9)	-6.3 (-8.3)	16.9 (12.2)
Net Income Margin	12.0%	8.2%	-	-	-	-	-	-	-	-	5.9% (4.3%)
<b>R&amp;D expense / Content Production expense</b>	36.3	52.1	29.8	65.3	16.6	30.4	43.4	59.6	11.8 (12.5)	22.9 (24.9)	32.7 (37.4)
<b>Cap-ex</b>	38.5	36.6	34.9	50.4	6.5	14.5	20.1	26.6	2.7	6.3	11.4
<b>Depreciation</b>	21.8	28.0	29.5	45.6	5.4	11.9	18.9	26.6	3.5	7.3	12.0
<b>Advertising</b>	18.9	22.2	9.0	22.8	4.1	11.2	16.7	20.7	2.7	7.8	14.3

# of pachislot titles	14 titles	17 titles	16 titles	22 titles	4 titles	9 titles	16 titles	19 titles	1 title	5 titles	8 titles
Unit sales	607,106 units	523,422 units	310,496 units	380,688 units	15,048 units	55,102 units	108,500 units	123,286 units	5,111 units	57,038 units	79,243 units

# of pachinko titles	8 titles	14 titles	2 titles	9 titles	3 titles	6 titles	8 titles	12 titles	2 titles	8 titles	10 titles
Unit sales	288,895 units	132,981 units	56,641 units	108,184 units	19,704 units	154,950 units	237,288 units	391,831 units	53,748 units	167,715 units	329,850 units

SEGA Same Store Sales Comparisons	103.3%	95.8%	88.9%	89.0%	87.3%	90.6%	92.1%	92.4%	96.0%	92.3%	91.3%
Domestic Facilities	462 facilities	449 facilities	433 facilities	363 facilities	357 facilities	347 facilities	347 facilities	322 facilities	298 facilities	277 facilities	274 facilities

# of game software titles	- (122)	- (140)	22 (32)	80 (138)	14 (37)	36 (61)	58 (93)	78 (122)	11 (17)	23 (30)	39 ( )
Sales (Thousands)	16,400	21,270	4,910	26,990	6,890	12,760	21,090	29,470	2,650	5,400	16,730



<http://www.segasammy.com/>

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