

Results through 1st Quarter of Fiscal Year 2011



August 2nd, 2010
SEGA SAMMY HOLDINGS INC.

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These contents involve risk and uncertainty and the actual results may differ materially from these contents/comments.



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<p>Net Sales / Profits</p>		<ul style="list-style-type: none"> ▪ Net sales: 91.3 billion yen, Operating income: 14.9 billion yen, Net income: 7.0 billion yen ▪ Increased sales year-on-year, returned to profitability ▪ Posted total extraordinary losses of 1.2 billion yen, which included asset retirement obligations ▪ Upward revision of projections through 2Q <p>=>Plan to review full-year projections based on the results of business operation in 2Q</p>
<p>Segment Overview</p>	<p>Pachislot and Pachinko Machines</p>	<ul style="list-style-type: none"> ▪ Increased sales year-on-year, returned to profitability ▪ Pachislot unit sales largely exceeded results of the previous fiscal year ▪ Pachinko unit sales decreased compared to the previous fiscal year ▪ Gross margin ratio increased due to such factors as decrease in parts procurement costs centered on liquid crystal panel, and reuse of components
	<p>Amusement Machine Sales</p>	<ul style="list-style-type: none"> ▪ Increased sales year-on-year, returned to profitability ▪ Solid distribution of earnings due to utilization of revenue sharing model ▪ Strong sales of CVT kits for mainstay titles and consumables such as cards
	<p>Amusement Center Operations</p>	<ul style="list-style-type: none"> ▪ Decreased sales year-on-year, but returned to profitability ▪ SEGA domestic same-store sales performed at a lower level year-on-year ▪ Closure or sale of 6 domestic facilities
	<p>Consumer Business</p>	<ul style="list-style-type: none"> ▪ Increased sales year-on-year, reduced losses ▪ As for sales of game software, sluggish sales of new titles overseas due to severe market environment ▪ As for game software, we will introduce multiple mainstay titles mainly in the fiscal second half

Consolidated Income Statement



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(JPY billion)		FY 2010			FY 2011				
		Results through 1Q	Results through 2Q	Full Year Results	Results through 1Q	YoY Change	Initial Projections through 2Q	Revised Projections through 2Q	Full Year Projections
Breakdown	Net Sales	60.4	154.3	384.6	91.3	+51.2%	190.0	205.0	400.0
	Pachislot Pachinko Machines	19.6	68.3	160.3	48.9	+149.5%	108.5	125.0	200.0
	Amusement Machine Sales	7.8	17.9	45.1	9.7	+24.4%	19.0	19.5	53.0
	Amusement Center Operations	14.1	28.9	54.7	11.1	-21.3%	22.0	22.5	44.0
	Consumer Business	18.0	37.6	121.5	20.7	+15.0%	39.0	36.5	100.0
	Other	0.7	1.5	2.8	0.7	0.0%	1.5	1.5	3.0
Breakdown	Operating Income	-7.8	-0.3	36.7	14.9	-	14.5	34.0	40.0
	Pachislot Pachinko Machines	-1.0	10.8	29.5	15.1	-	20.5	39.5	35.0
	Amusement Machine Sales	-1.0	-0.7	7.0	1.3	-	0.1	0.6	5.5
	Amusement Center Operations	-0.1	0.2	-1.3	0.1	-	-0.7	-0.2	-1.5
	Consumer Business	-4.5	-8.1	6.3	-0.6	-	-2.0	-2.5	7.0
	Other	0.1	0.2	0.3	0.0	-	0.0	0.0	0.0
	Eliminations	-1.1	-2.7	-5.2	-1.1	-	-3.4	-3.4	-6.0
	Operating Margin	-	-	9.5%	16.3%	-	7.6%	16.6%	10.0%
Ordinary Income	-8.0	-0.7	35.9	14.6	-	14.0	33.5	39.0	
Extraordinary Gain	0.5	1.9	3.1	0.3	-	-	-	-	
Extraordinary Loss	1.2	2.5	11.9	1.2	-	-	-	-	
Net Income	-10.2	-6.3	20.2	7.0	-	5.5	17.0	22.0	
Earning per share (JPY)	-40.86	-25.10	80.46	27.93	-	21.83	67.48	87.33	
Net Assets per share (JPY)	837.05	841.80	937.80	948.47	-	-	-	-	

Revised Projections through 2Q



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(JPY billion)		FY 2011 Projections		Difference		Major reasons for the upward revision to the initial projections
		Initial Projections through 2Q (A)	Revised Projections through 2Q (B)	(A)-(B)	(A)/(B) %	
Net Sales		190.0	205.0	15.0	7.9%	
Breakdown	Pachislot Pachinko Machines	108.5	125.0	16.5	15.2%	【Pachislot and Pachinko Machines】
	Amusement Machine Sales	19.0	19.5	0.5	2.6%	Both pachinko and pachislot machine sales volume were revised due to the review of the pachinko sales schedule and strong pachislot sales.
	Amusement Center Operations	22.0	22.5	0.5	2.3%	
	Consumer Business	39.0	36.5	-2.5	-6.4%	⇒ Pachinko machine: 200,000 units (initial plan: 230,000 units)
	Other	1.5	1.5	-	-	⇒ Pachislot machine: 180,000 units (initial plan: 100,000 units)
Operating Income		14.5	34.0	19.5	134.5%	
Breakdown	Pachislot Pachinko Machines	20.5	39.5	19.0	92.7%	Profit margin improved due to better than expected sales volume of pachislot machines, which have a higher profit margin, a decrease in costs due to reuse of parts and reduction of parts procurement costs, and a review of pricing strategy
	Amusement Machine Sales	0.1	0.6	0.5	500.0%	
	Amusement Center Operations	-0.7	-0.2	0.5	-71.4%	
	Consumer Business	-2.0	-2.5	-0.5	25.0%	【Consumer Business】
	Other	0.0	0.0	0.0	-	Game software sales volume was revised due to weak sales of new titles in overseas markets
	Eliminations	-3.4	-3.4	0.0	-	⇒ 5,000,000 units (initial plan: 6,320,000 units)
Operating Margin		7.6%	16.6%	+9.0pt	-	
Ordinary Income		14.0	33.5	19.5	139.3%	
Net Income		5.5	17.0	11.5	209.1%	Amusement machine sales and amusement center operations are generally performing within expectations
Earning per share (JPY)		21.83	67.48	-	-	



(JPY billion)	FY 2010			FY 2011				
	Results through 1Q	Results through 2Q	Full Year Results	Results through 1Q	YoY Change	Initial Projections through 2Q	Revised Projections through 2Q	Full Year Projections
R&D costs and contents production expenses	11.8	22.9	41.5	9.5	-19.5%	19.5	-	43.4
Cap-ex	2.7	6.3	16.1	3.3	+22.2%	10.1	-	18.9
Depreciation	3.5	7.3	17.1	3.4	-2.9%	7.5	-	17.8
Advertising	2.7	7.8	20.7	3.3	+22.2%	10.1	-	19.7

Consolidated Balance Sheet



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(JPY billion) 【 Assets 】				【 Liabilities and Net Assets 】			
Account	Prior	Current	Change	Account	Prior	Current	Change
Cash and Cash Equivalents	101.3	117.9	16.6	Accounts Payable	37.3	38.6	1.2
Accounts Receivable	67.0	45.9	-21.0	Corporate Bond	20.6	10.6	-10.0
Securities	73.4	67.5	-5.8	Short Term Borrowings	3.4	2.9	-0.4
Inventories	36.7	42.4	5.7	Other	31.3	29.4	-1.9
Other	20.2	19.0	-1.1				
				Total Current Liabilities	92.8	81.6	-11.1
Total Current Assets	298.7	292.8	-5.8	Corporate Bond	41.5	39.7	-1.8
Tangible Fixed Assets	59.0	58.8	-0.1	Long Term Debt	6.1	5.7	-0.4
Intangible Fixed Assets	13.3	13.1	-0.1	Other	25.8	28.2	2.3
Investment Securities	28.6	27.7	-0.8				
Others	23.4	22.0	-1.3	Total Long-term Liabilities	73.5	73.7	0.2
				Total Liabilities	166.3	155.4	-10.9
				Shareholders Equity	259.4	262.7	3.2
				Valuation/Translation Adjustments	-23.2	-23.7	-0.5
				Warrants	1.1	1.1	0.0
				Minority Interest	19.3	19.2	-0.1
Total Fixed Assets	124.4	121.9	-2.5	Total Net Assets	256.7	259.3	2.5
Total Assets	423.1	414.8	-8.3	Total Liabilities and Net Assets	423.1	414.8	-8.3

Summary of 1Q Results

◆ Current Assets: Down 5.8 billion yen, due to expenses for the redemption of bonds, etc.

◆ Fixed Assets: Down 2.5 billion yen, due to a decrease in lease deposits, etc.

⇒ Total Assets : 414.8 billion yen decreased by 8.3 billion yen

◆ Current ratio : 358.6% (+36.8pt) ◆ Equity ratio : 57.6% (+1.8pt)

(JPY billion)	March 31, 2010	June 30, 2010	difference
Total assets	423.1	414.8	-8.3
Net assets	256.7	259.3	+2.5
Equity ratio	55.8%	57.6%	+1.8pt
Current ratio	321.8%	358.6%	+36.8pt



(JPY billion)	FY 2010			FY 2011				
	Results through 1Q	Results through 2Q	Full Year Results	Results through 1Q	YoY Change	Initial Projections through 2Q	Revised Projections through 2Q	Full Year Projections
Net Sales	19.6	68.3	160.3	48.9	+149.5%	108.5	125.0	200.0
Pachislot	1.6	18.2	51.7	34.4	+2050.0%	30.5	-	63.5
Pachinko	16.0	47.1	103.1	13.8	-13.8%	75.0	-	129.5
Other	2.0	3.0	5.5	0.7	-65.0%	3.0	-	7.0
Operating Income	-1.0	10.8	29.5	15.1	-	20.5	39.5	35.0
Operating Income Margin	-	15.8%	18.4%	30.9%	-	18.9%	31.6%	17.5%
Sales in Unit (Pachislot)	5,111	57,038	162,932	109,621	+2044.8%	100,000	180,000	210,000
Sales in Unit (Pachinko)	53,748	167,715	360,171	49,240	-8.4%	230,000	200,000	410,000

Results through 1Q

Pachislot

- ◆ Increase in unit sales significantly year-on-year
- ◆ Strong sales of several titles
 - ⇒ Sammy **“Pachislot SOUTEN-NO-KEN”**
 - ⇒ Rodeo **“Pachislot Shin Onimusha”, “Pachislot GAMERA”**
- ◆ Effects from reuse centered on liquid crystal

Pachinko

- ◆ Decrease in unit sales year-on-year
- ◆ Release of mainstay titles for current year are in the second quarter and later
- ◆ Reduction of parts procurement cost centered on liquid crystal display

1st Half Outlook

Pachislot

- ◆ Unit sales through 2Q: Revised projections of 180,000 units
- ◆ To introduce several mainstay titles
 - ⇒ Sammy **“Pachislot SPIDER-MAN 3”** (September)
 - TAIYO ELEC **“Ring ni Kakero -Golden Japan Jr. Series-”**
- ◆ Effects from reuse centered on liquid crystal

Pachinko

- ◆ Unit sales through 2Q: Revised projections of 200,000 units
- ◆ Strong sales of several titles
 - ⇒ Sammy **“Pachinko CR GATCHAMAN UNMEI-NO-KIZUNA”** (July)
 - “Pachinko CR HOKUTO-NO-KEN RAOH”** (July)
- ◆ Transfer to new chassis from **“Pachinko CR HOKUTO-NO-KEN RAOH”**



Shipment Data: Pachislot

* Number of titles reflects products which began sales in the period
* Unit Supply includes the supply of parts to other makers

Pachislot	FY 2010			FY 2011			
	Results through 1Q	Results through 2Q	Full Year Results	Results through 1Q	Initial Projections through 2Q	Revised Projections through 2Q	Full Year Projections
Sammy	0 title	3 titles	6 titles	1 title	2 titles	-	5 titles
	3,777 units	53,898 units	121,677 units	74,884 units	50,000 units	-	115,000 units
RODEO	0 title	0 title	2 titles	1 title	2 titles	-	4 titles
	65 units	65 units	29,734 units	34,485 units	25,000 units	-	60,000 units
TAIYO ELEC	0 title	1 title	2 titles	0 title	2 titles	-	4 titles
	0 unit	1,806 units	9,257 units	252 units	25,000 units	-	35,000 units
GINZA	0 title	0 title	0 title	-	-	-	-
	27 units	27 units	27 units	-	-	-	-
Unit Supply	1 title	1 title	2 titles	-	-	-	-
	1,242 units	1,242 units	2,237 units	-	-	-	-
Total	1 title	5 titles	12 titles	2 titles	6 titles	-	13 titles
	5,111 units	57,038 units	162,932 units	109,621 units	100,000 units	180,000 units	210,000 units



“Pachislot SOUTEN-NO-KEN”

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“Pachislot Shin Onimusha”
(Rodeo)

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Pachislot Major Titles

Brand	Title	Total Sales	Installed From
Sammy	Pachislot SOUTEN-NO-KEN	71,936 units	May
RODEO	Pachislot Shin Onimusha	20,909 units	Previous fiscal year
RODEO	Pachislot GAMERA	13,576 units	June

Shipment Data: Pachinko

Pachinko	FY 2010			FY 2011			
	Results through 1Q	Results through 2Q	Full Year Results	Results through 1Q	Initial Projections through 2Q	Revised Projections through 2Q	Full Year Projections
Sammy	1 title	4 titles	6 titles	5 titles	3 titles	-	6 titles
	19,263 units	105,764 units	274,578 units	35,774 units	190,000 units	-	320,000 units
TAIYO ELEC	1 title	3 titles	6 titles	1 title	3 titles	-	6 titles
	34,248 units	48,653 units	72,295 units	13,466 units	40,000 units	-	90,000 units
GINZA	0 title	1 title	1 title	-	-	-	-
	237 units	13,298 units	13,298 units	-	-	-	-
Total	2 titles	8 titles	13 titles	6 titles	6 titles	-	12 titles
	53,748 units	167,715 units	360,171 units	49,240 units	230,000 units	200,000 units	410,000 units
Board+ Frame	38,278 units	58,504 units	111,140 units	10,541 units	170,000 units	-	285,400 units
Board	15,470 units	109,211 units	249,031 units	38,699 units	60,000 units	-	124,600 units

*Number of titles reflects products which began selling in the period

Pachinko Major Titles

Brand	Title	Total Sales	Installed From
Sammy	Dejihane CR SOUTEN-NO-KEN	16,186 units	April
TAIYO ELEC	CR Cinderella Boy 2	11,721 units	May
Sammy	Pachinko CR Club Moon	10,218 units	May



“Dejihane CR SOUTEN-NO-KEN”
(Sammy)

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“CR Cinderella Boy 2”
(TAIYO ELEC)

©2003 MonkeyPunch/Cinderella Boy Project



	FY 2010			FY 2011				
	Results through 1Q	Results through 2Q	Full Year Results	Results through 1Q	YoY Change	Initial Projections through 2Q	Reviaws Projections through 2Q	Full Year Projections
Net Sales	7.8	17.9	45.1	9.7	+24.4%	19.0	19.5	53.0
Domestic	6.3	14.8	38.9	8.7	+38.1%	16.3	-	43.3
Overseas	1.5	3.1	6.2	1.0	-33.3%	2.7	-	9.7
Operating Income	-1.0	-0.7	7.0	1.3	-	0.1	0.6	5.5
Operating Income Margin	-	-	15.5%	13.4%	-	0.5%	3.1%	10.4%
R&D expense / Content Production expense	2.2	4.3	7.8	1.8	-18.2%	3.5	-	8.5

*The kids card game business, which had been included in the amusement facilities segment, was transferred to the amusement machine segment starting from the plan for fiscal year ending March 31, 2011.

Results through 1Q

- ◆ Increased sales year-on-year, returned to profitability
- ◆ Solid distribution of earnings due to utilization of revenue sharing model
 - ⇒ Launched “HATSUNE MIKU Project DIVA Arcade” in 1Q
 - ⇒ Utilization of “BORDER BREAK” released in the previous fiscal year continued strong
- ◆ Strong sales of CVT kits for “SANGOKUSHI WAR 3 WAR BEGINS”

1st Half Outlook

- ◆ Continued contribution to profit from revenue sharing
- ◆ Planned introduction of this period’s mainstay title in 3Q
 - ⇒ “SENGOKU TAISEN” (Trading Card Game)

Major Titles

Title		Sales
SANGOKUSHI WAR 3 Series	Trading Card Game	¥1.5 billion
BORDER BREAK	Video Game	¥0.6 billion
WORLD CLUB Champion Football Intercontinental Clubs Series	Trading Card Game	¥0.5 billion

*Sales figures include consumable sales such as cards and sales of revenue share model machine according to utilization.



“HATSUNE MIKU Project DIVA Arcade”
(Video Game)

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 VOCALOID is a trademark or a registered trademark of Yamaha Corporation, Japan.
 Hatsune Miku is a computer software by singing synthesis.



“SANGOKUSHI WAR 3 WAR BEGINS”
(Trading Card Game)

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(JPY billion)		FY 2010			FY 2011					
		Results through 1Q	Results through 2Q	Full Year Results	Results through 1Q	YoY Change	Initial Projections through 2Q	Revised Projections through 2Q	Full Year Projections	
Net Sales		14.1	28.9	54.7	11.1	-21.3%	22.0	22.5	44.0	
(Overseas)		1.5	2.8	5.4	0.8	-46.7%	1.6	-	3.3	
Operating Income		-0.1	0.2	-1.3	0.1	-	-0.7	-0.2	-1.5	
Operating Income Margin		-	0.7%	-	0.9%	-	-	-	-	
SEGA Same Store Sales Comparisons		96.0%	92.3%	91.7%	97.2%	-	91.7%	-	95.8%	
Domestic Facilities		298 facilities	277 facilities	260 facilities	255 facilities	-	249 facilities	-	248 facilities	
Breakdown	SEGA	Opened	1 facility	1 facility	4 facilities	0 facility	-	2 facilities	-	3 facilities
		Closed	24 facilities	44 facilities	61 facilities	5 facilities	-	12 facilities	-	13 facilities
		Total	251 facilities	231 facilities	217 facilities	212 facilities	-	207 facilities	-	207 facilities
	(*)Bee / TMS	Opened	0 facility	0 facility	0 facility	1 facility	-	1 facility	-	2 facilities
		Closed	1 facility	2 facilities	5 facilities	1 facility	-	2 facilities	-	4 facilities
		Total	47 facilities	46 facilities	43 facilities	43 facilities	-	42 facilities	-	41 facilities
Overseas Facilities		21 facilities	21 facilities	14 facilities	11 facilities	-	13 facilities	-	13 facilities	
Cap-ex		1.1	2.5	7.7	0.5	-54.5%	2.2	-	6.6	
Depreciation		1.6	3.4	8.2	1.2	-25.0%	2.8	-	6.9	

※“Bee” is an entertainment facility (Darts bar) produced by SEGA Bee LINK Co., LTD

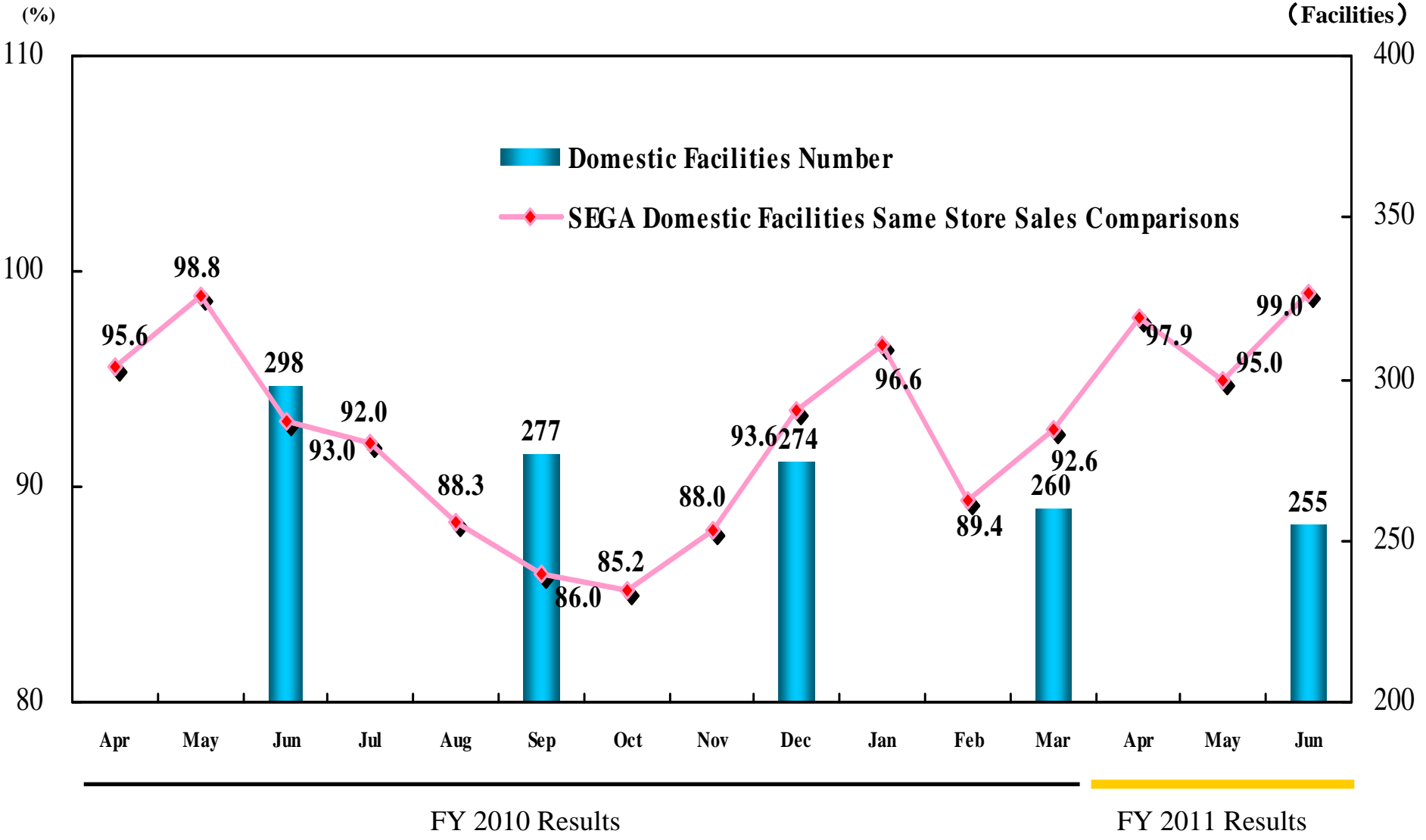
Results through 1Q

- ◆ Decreased sales year-on-year, but returned to profitability
- ◆ SEGA domestic same-store sales comparisons:
1Q: 97.2% (Apr: 97.9%, May: 95.0%, Mar: 99.0%)
- ◆ Number of facilities as of end of 1Q: 255 facilities
(Closures: 6 facilities, Openings: 1 facility)

1st Half Outlook

- ◆ Domestic same-store sales comparison:
1st half: 91.7% (projected)
- ◆ Strengthening of operating capabilities of individual facilities and regional competitiveness centered on mainstay titles

SEGA Domestic Facilities Same Store Sales Comparisons / Domestic Facilities Number Transition





(JPY billion)	FY 2010			FY 2011				
	Results through 1Q	Results through 2Q	Full Year Results	Results through 1Q	YoY Change	Initial Projections through 2Q	Revised Projections through 2Q	Full Year Projections
Net Sales	18.0	37.6	121.5	20.7	+15.0%	39.0	36.5	100.0
Home Video Game Software	8.3	15.7	77.5	10.6	+27.7%	19.7	-	52.9
Network / Other	9.7	21.9	44.0	10.1	+4.1%	19.3	-	47.1
Operating Income	-4.5	-8.1	6.3	-0.6	-	-2.0	-2.5	7.0
Operating Income Margin	-	-	5.2%	-	-	-	-	7.0%
Sales (Thousand units)	2,650	5,400	26,750	3,290	24.2%	6,320	5,000	16,960
R&D expense / Content Production expense	5.8	11.2	19.6	4.4	-24.1%	7.3	-	18.1

Results through 1Q

Home Video Game Software	<ul style="list-style-type: none"> ◆ Increased sales and decreased loss year-on-year ◆ Sluggish sales of new titles overseas due to severe market environment ◆ Reduction of R&D costs and content production expenses <ul style="list-style-type: none"> ⇒ Previous period: 5.8 billion yen ⇒ This period: 4.4 billion yen
Network / Other	<ul style="list-style-type: none"> ◆ Strong performance of the 3 mainstay domestic businesses “BAKUGAN”, “Zhu Zhu Pets” and “Jewelpet” ◆ Continued strong sales of AM Business, the company’s core business, centered on “777Town.net” (for PCs). ◆ Strong revenue from “Detective Conan” animated film for theater under revenue sharing and royalty revenue for overseas sales of “BAKUGAN”

1st Half Outlook

Home Video Game Software	<ul style="list-style-type: none"> ◆ Unit sales through 2Q: Revised projections of 5 million units ◆ Main titles to be launched in 2Q <ul style="list-style-type: none"> ⇒ “HATSUNE MIKU -Project DIVA- 2nd” (July), “Kurohyo: Ryu ga Gotoku Shinsyo” (September) ◆ Projected launch of several mainstay titles in second half <ul style="list-style-type: none"> ⇒ “Sonic Colors” (winter of 2010), “VANQUISH” (October) ◆ Reduction of R&D costs and content production expenses
Network / Other	<ul style="list-style-type: none"> ◆ Continued to focus on expanded sales of main products in domestic market ◆ Continue to introduce mainstay titles and expand “pay-per-use” service in mobile phone and PC content business ◆ Projected to continue to exhibit strength in distribution of earnings from “Detective Conan” and overseas royalty revenue from overseas sales of “BAKUGAN”

Sales Results / Sales Plan

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

Breakdown by Region	FY 2010						FY 2011							
	Results through 1Q		Results through 2Q		Full Year Results		Results through 1Q		Initial Projections through 2Q		Revised Projections through 2Q		Full Year Projections	
	# of titles (SKU)	Sales (Thousands)	# of titles (SKU)	Sales (Thousands)	# of titles (SKU)	Sales (Thousands)	# of titles (SKU)	Sales (Thousands)	# of titles (SKU)	Sales (Thousands)	# of titles (SKU)	Sales (Thousands)	# of titles (SKU)	Sales (Thousands)
Japan / Other	4 (4)	530	8 (8)	1,090	17 (21)	3,820	1 (1)	270	5 (5)	970	-	980	18 (20)	3,380
US	3 (6)	990	8 (12)	2,300	24 (40)	10,550	3 (9)	1,680	6 (12)	3,060	-	2,130	17 (25)	6,290
Europe	4 (7)	1,120	7 (10)	2,000	25 (44)	12,380	3 (9)	1,330	9 (15)	2,290	-	1,890	21 (30)	7,280
Total	11 (17)	2,650	23 (30)	5,400	66 (105)	26,750	7 (19)	3,290	20 (32)	6,320	-	5,000	56 (75)	16,960

Breakdown by Platform	Results through 1Q		Results through 2Q		Full Year Results		Results through 1Q		Initial Projections through 2Q		Revised Projections through 2Q		Full Year Projections	
	# of titles (SKU)	Sales (Thousands)	# of titles (SKU)	Sales (Thousands)	# of titles (SKU)	Sales (Thousands)	# of titles (SKU)	Sales (Thousands)	# of titles (SKU)	Sales (Thousands)	# of titles (SKU)	Sales (Thousands)	# of titles (SKU)	Sales (Thousands)
PS3	2	310	2	350	20	3,560	4	590	4	970	-	-	11	2,520
Wii	6	550	11	1,100	23	5,740	4	260	6	470	-	-	11	1,550
Xbox360	2	200	2	210	16	2,300	4	560	4	1,050	-	-	15	2,660
NDS	3	180	9	620	24	4,290	3	320	4	480	-	-	10	1,570
PSP	2	110	2	210	8	1,310	2	160	9	930	-	-	14	1,930
PC	2	20	4	40	14	1,490	2	90	5	260	-	-	14	1,900
Catalogue	-	1,260	-	2,850	-	8,040	-	1,290	-	2,140	-	-	-	4,790
Total	17	2,650	30	5,400	105	26,750	19	3,290	32	6,320	-	5,000	75	16,960

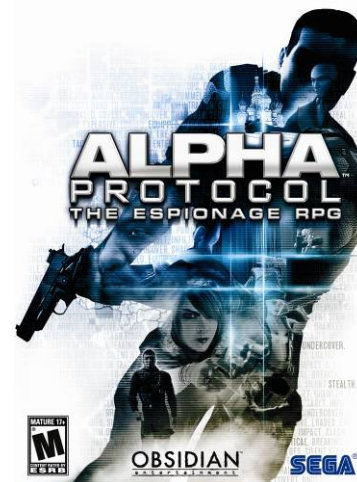
FY2010 1Q period Major Releases

Title (Region)	Platform	Unit Sales (Thousands)	Sold from
IRON MAN 2 (US, Europe)	PS3, Xbox360, Wii, PSP, NDS	1,120	Europe : April / US : May
Alpha Protocol (US, Europe)	PS3, Xbox360, PC	700	Europe : May / US : June



『IRON MAN 2』

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『Alpha Protocol』

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【MEMO】

Listed Subsidiaries Results and 1st half outlook



*Figures for projections of listed subsidiaries in the present period are the latest figures announced by each company.

(JPY billion)	FY 2010			FY 2011			
	Results through 1Q	Results through 2Q	Full Year Results	Results through 1Q	YoY Change	Projections through 2Q	Full Year Projections
Net Sales	2.71	5.26	10.76	2.79	+3.0%	6.06	13.00
Operating Income	0.61	1.04	2.60	0.81	+32.8%	1.40	3.10
Operating Income Margin	22.5%	19.8%	24.2%	29.0%	+6.5pt	23.1%	23.8%

Sammy NetWorks

Results through 1Q

- ◆ Year-on-year, net sales increased by 3.0% to 2.79 billion yen, and operating income increased by 32.8% to 0.81 billion yen.
- ◆ Continued strong sales of Amusement Business, the company's core business, centered on "777Town.net" (for PCs).
- ⇒ Introduced "Pachislot SOUTEN-NO-KEN"
- ◆ Strong sales of mainstay title "Pachislot Shin Onimusha" for "Sammy 777Town" (for mobile phones)

1st Half Outlook

- ◆ Continue to introduce mainstay titles and expand "pay-per-use" service in the in the core AM Business (PCs and mobile phones).



777Town.net
"Pachislot
SOUTEN-NO-KEN"

©H&B/NSP 2001, PGF-119



Sammy 777Town "Pachislot SOUTEN-NO-KEN" ©H&B/NSP 2001, PGE-119

(JPY billion)	FY 2010			FY 2011			
	Results through 1Q	Results through 2Q	Full Year Results	Results through 1Q	YoY Change	Initial Full Year Projections	Revised Full Year Projections
Net Sales	3.02	8.75	17.13	3.25	+7.6%	5.10	6.10
Operating Income	-0.33	-0.24	-0.39	0.00	-	-0.32	-0.05
Operating Income Margin	-	-	-	-	-	-	-

*The current period is an irregular six-month fiscal period, due to the change in fiscal periods implemented in the current period to run for one year from October 1 to September 30

*Revised full year projections were publicized on July 29, 2010

SEGA TOYS

Results through 1Q	<ul style="list-style-type: none"> ◆ Year-on-year, net sales increased by 7.6% to 3.25 billion yen, and as for income, an operating loss of 900 thousand yen was recorded, up 0.33 billion yen from 0.33 billion yen in the previous fiscal year ◆ Strong performance of the 3 mainstay domestic businesses “BAKUGAN”, “Zhu Zhu Pets” and “Jewelpet” ◆ Release and solid sales of edutainment toy “Anpanman Oshaberi Ippai! Kotoba Zukan” ⇒ Won Grand Prize for “Educational Toys” at the “Japan Toy Awards 2010” hosted by the Japan Toy Association ◆ Started overseas sales of “Jewelpet”
1st Half Outlook	<ul style="list-style-type: none"> ◆ Continued to focus on expanded sales for 3 mainstay products in domestic market ◆ Promoted cross media development of “BAKUGAN” contents centered on Bakugan LLP. and continued strong overseas sales of “BAKUGAN” is also expected



“Anpanman Oshaberi Ippai! Kotoba Zukan”

© TAKASHI YANASE/FREEBELKAN · TMS · NTV



“Zhu Zhu Pets”

©Cepia LLC



“Jewelpet”

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(JPY billion)	FY 2010			FY 2011			
	Results through 1Q	Results through 2Q	Full Year Results	Results through 1Q	YoY Change	Projections through 2Q	Full Year Projections
Net Sales	10.61	15.34	24.19	4.04	-61.9%	18.05	34.10
Operating Income	2.49	3.02	3.77	0.00	-99.8%	1.63	3.86
Operating Income Margin	23.5%	19.7%	15.6%	0.1%	-23.4pt	9.0%	11.3%

TAIYO ELEC

Results through 1Q	<ul style="list-style-type: none"> ◆ Year-on-year, net sales decreased by 61.9% to 4.04 billion yen, and operating income decreased by 99.8% to 4 million yen ◆ Sold 13,000 units of pachinko machine including “CR Cinderella Boy 2” ◆ Strategically postponed the launch of mainstay pachislot title “Ring ni Kakero -Golden Japan Jr. Series-” to 2Q
1st Half Outlook	<ul style="list-style-type: none"> ◆ Aims to strengthen Taiyo Elec brand by selling mainstay machines and implementing effective promotions ◆ Aim to achieve target by introducing new titles including “Ring ni Kakero -Golden Japan Jr. Series-”, mainstay title in 2Q



“CR Cinderella Boy 2”
(TAIYO ELEC)

©2003 MonkeyPunch/Cinderella Boy Project



“Ring ni Kakero -Golden Japan Jr. Series-”
(TAIYO ELEC)

©Masami Kurumada/Shueisha, Toei Animation ©Sammy

(JPY billion)	FY 2010			FY 2011			
	Results through 1Q	Results through 2Q	Full Year Results	Results through 1Q	YoY Change	Revised Projections through 2Q	Full Year Projections
Net Sales	3.24	6.43	13.29	3.47	+7.1%	6.67	13.78
Operating Income	-0.07	-0.02	0.32	0.08	-	0.15	0.34
Operating Income Margin	-	-	2.4%	2.3%	-	2.2%	2.5%

*Revised projections through 2Q were publicized on July 28, 2010

TMS Entertainment

Results through 1Q	<ul style="list-style-type: none"> ◆ Year-on-year, net sales increased by 7.1% to 3.47 billion yen, and operating income increased by 0.15 billion yen to 82 million yen ◆ Animation Business : <ul style="list-style-type: none"> • Strong revenue from the hit of the 14th “Detective Conan” animated film for theater under revenue sharing and royalty revenue for overseas sales of “BAKUGAN” • Strong sales of animation production work and sales of licenses for pachislot and pachinko machines ◆ Amusement Center Operations : <ul style="list-style-type: none"> • Year-on-year, domestic same-store sales was strong, exceeding projections
1st Half Outlook	<ul style="list-style-type: none"> ◆ In the animation business, the Sega Sammy Group “BAKUGAN” projected to remain strong, and projected to continue to exhibit strength in distribution of earnings from “Detective Conan” and overseas royalty revenue from overseas sales of “BAKUGAN” ◆ In the amusement center operations, aim for continued strength by maintaining operating capabilities of each facility



“BAKUGAN BATTLE BRAWLERS:NEW VESTROIA”

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



“Detective Conan :The Lost Ship in The Sky”

(C) 2010 Goshō Aoyama/DETECTIVE CONAN COMMITTEE

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 st 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	17.43%
2	SEGA SAMMY HOLDDINGS INC.	31,315,801	-
3	Mellon Bank, NA Treaty Clients Omnibus	18,280,322	7.31%
4	FSC Co., Ltd.	14,172,840	5.67%
5	The Bank of New York Mellon Depository Bank for Depository Receipt Holders	12,465,860	4.99%
6	The Master Trust Bank of Japan, Ltd. (As Trustee)	12,251,700	4.90%
7	Japan Trustee Services Bank, Ltd. (As Trustee)	10,002,900	4.00%
8	Japan Trustee Services Bank, Ltd. (As Trustee9)	4,174,100	1.67%
9	State Street Bank and Trust Company	3,055,936	1.22%
10	State Street Bank and Trust Company 505225	2,850,921	1.14%

Shareholder Data		
Type	% of Shares	% by Number of Shareholders
Financial Institutions	16.65%	0.06%
Securities Companies	0.96%	0.06%
Other Companies	6.55%	0.78%
Foreign Institutions and Individuals	32.73%	0.54%
Japanese Individuals and Other	32.04%	98.55%
Treasury stock	11.06%	0.00%

Shareholders
89,355

Data as of March 31th, 2010
(Management information as of June 23th, 2010)



Subsidiary	Listed on:	Major Operation	Share held by Sega Sammy (Share holding ratio)
<p>Sammy NetWorks Co., Ltd. http://www.sammy-net.jp/english/</p> 	<p>TSE Mothers Securities code: 3745</p>	<p><u><Consumer></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>SEGA TOYS, LTD. http://www.segatoys.co.jp/english/</p> 	<p>JASDAQ Securities code: 7842</p>	<p><u><Consumer></u> Design, development and sales of toys</p>	<p>11,250,000 shares (52.24%)</p>
<p>TAIYO ELEC Co., Ltd. http://www.taiyoelec.co.jp/english/</p> 	<p>JASDAQ Securities code: 6429</p>	<p><u><Pachinko Pachislot></u> Design, development and sales of Pachinko and Pachislot machine</p>	<p>(※)11,623,100 shares (51.24%)</p>
<p>TMS Entertainment Ltd. http://www.tms-e.com/english/</p> 	<p>NSE 2nd Section Securities code: 3585</p>	<p><u><Consumer / Amusement Facilities></u> Planning, production, sales and export of animation films, and amusement businesses</p>	<p>23,549,000 shares (60.40%)</p>

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

Data as of June 30th, 2010



Pachislot Installed Base / Unit Sales / Market Scale

	2004	2005	2006	2007	2008	2009
Number of Pachislot Machines installed (Units)	1,887,239	1,936,470	2,003,482	1,635,860	1,448,773	1,347,176
Number of Pachislot Machines sold annually (Units)	1,672,049	1,786,292	1,647,759	1,744,308	913,053	765,924
Pachislot Machine Market Size (JPY Million)	522,582	536,539	490,959	502,501	247,860	225,860

Pachinko Installed Base / Unit Sales / Market Scale

	2004	2005	2006	2007	2008	2009
Number of Pachinko Machines installed (Units)	3,077,537	2,960,939	2,932,952	2,954,386	3,076,421	3,158,799
Number of Pachinko Machines sold annually (Units)	4,013,153	4,047,999	3,837,960	3,173,725	3,349,146	3,332,984
Pachinko Machine Market Size (JPY Million)	786,535	869,940	898,646	868,623	918,514	978,937

Pachinko Pachislot Market Installed Base / Unit Sales / Market Scale

	2004	2005	2006	2007	2008	2009
Number of Machines installed (Units)	4,964,776	4,897,409	4,936,434	4,590,246	4,525,194	4,505,975
Number of Machines sold annually (Units)	5,685,202	5,834,291	5,485,719	4,918,033	4,262,199	4,098,908
Total Machine Market Size (JPY Million)	1,309,117	1,406,479	1,389,605	1,371,124	1,166,374	1,204,797

	2004	2005	2006	2007	2008	2009
Total Number of Pachinko Halls	15,617	15,165	14,674	13,585	12,937	12,652
Number of Halls with pachinko and pachislot machines installed	13,844	13,163	12,588	12,039	11,800	11,722
Number of Halls with only pachislot machines installed	1,773	2,002	2,086	1,546	1,137	930

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



Share of Annual Pachislot Machine Sales

Rank	2006			2007			2008			2009		
	Manufacture	Units Sold	Share	Manufacture	Units Sold	Share	Manufacture	Units Sold	Share	Manufacture	Units Sold	Share
1	Sammy	523,422	31.8%	Sammy	380,688	21.8%	Y Company	172,000	18.8%	Sammy	162,932	21.3%
2	D Company	200,000	12.1%	A Company	192,000	11.0%	S Company	133,673	14.6%	S Company	104,266	13.6%
3	H-O Company	180,000	10.9%	S Company	169,239	9.7%	Sammy	123,286	13.5%	U Company	100,000	13.1%
4	Y Company	173,000	10.5%	D Company	152,000	8.7%	H-O Company	68,000	7.5%	Y Company	73,000	9.5%
5	K Company	155,000	9.4%	Y Company	152,000	8.7%	K Company	59,000	6.5%	K Company	60,000	7.8%

Share of Annual Pachinko Machine Sales

Rank	2006			2007			2008			2009		
	Manufacture	Units Sold	Share	Manufacture	Units Sold	Share	Manufacture	Units Sold	Share	Manufacture	Units Sold	Share
1	S Company	887,000	23.1%	S Company	820,000	25.8%	S Company	810,000	24.2%	S Company	600,000	18.0%
2	K Company	804,000	21.0%	S Company	725,819	22.9%	S Company	451,941	13.5%	S Company	572,464	17.2%
3	S Company	640,186	16.7%	K Company	510,000	16.1%	Sammy	391,831	11.7%	K Company	426,000	12.8%
4	N Company	253,000	6.6%	N Company	204,000	6.4%	K Company	350,000	10.5%	N Company	395,000	11.9%
5	D Company	195,947	5.1%	D Company	168,000	5.3%	N Company	349,000	10.4%	Sammy	360,171	10.8%
6	H Company	186,000	4.9%	H Company	165,000	5.2%	F Company	194,443	5.8%	H Company	170,000	5.1%
7	F Company	180,006	4.7%	F Company	146,134	4.6%	S Company	177,000	5.3%	D Company	165,000	5.0%
8	Sammy	132,981	3.5%	Sammy	108,184	3.4%	D Company	122,000	3.6%	F Company	156,545	4.7%

Source: Yano Research Institute Ltd.

AM Machines / Operations Net Sales

(JPY billion)

	2004	2005	2006	2007	2008	2009
Amusement Machines Net Sales	180.5	199.2	223.3	219.0	196.1	-
Amusement Facilities Operations Net Sales	649.2	682.4	702.8	678.0	573.1	-
Market Size of Amusement	829.7	881.6	926.2	897.0	769.2	-

	2004	2005	2006	2007	2008	2009
Number of Amusement Facilities (Facilities)	10,109	9,515	9,091	8,652	8,137	7,662
Number of Amusement Machine units installed (Units)	438,986	445,025	460,031	474,808	486,582	484,804
Number of Amusement Machine units installed per center (Units)	43.4	46.8	50.6	54.9	59.8	63.3

Home Videogame related Market Scale

	2004	2005	2006	2007	2008	2009
Hardware shipment	440.7	872.7	958.1	2,087.7	1,908.3	-
Software shipment	468.4	487.1	674.1	848.6	1,024.3	-
Market Size of Home Videogame	909.1	1,359.8	1,632.3	2,936.4	2,932.6	-

Total Market Size of Amusement and Game

	2004	2005	2006	2007	2008	2009
Total Market Size of Amusement / Game	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



SEGA-SAMMY
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From FY 2007 to Results through 1Q of FY 2011

* 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/201103_1q_transition.xls)

(JPY billion)	FY 2007	FY 2008	FY 2009				FY 2010				FY 2011
	Full Year Results	Full Year Results	Results through 1Q	Results through 2Q	Results through 3Q	Full Year Results	Results through 1Q	Results through 2Q	Results through 3Q	Full Year Results	Results through 1Q
Net Sales	528.2	458.9	74.6	200.4	309.0	429.1	60.4	154.3	285.3	384.6	91.3
Breakdown											
Pachislot Pachinko	211.5	145.5	12.0	65.2	106.2	161.6	19.6	68.3	125.6	160.3	48.9
Amusement Machines	75.4	71.0	13.7	34.4	49.9	61.9	7.8	17.9	33.1	45.1	9.7
Amusement Facilities	103.8	91.2	17.4	37.1	54.4	71.3	14.1	28.9	41.4	54.7	11.1
Consumer	119.5	141.7	30.5	61.9	96.0	131.3	18.0	37.6	82.9	121.5	20.7
Other	17.8	9.3	0.8	1.6	2.3	2.9	0.7	1.5	2.2	2.8	0.7
Operating Income	76.5	-5.8	-10.2	-7.5	-2.7	8.3	-7.8	-0.3	28.8	36.7	14.9
Breakdown											
Pachislot Pachinko	71.1	8.4	-4.3	-1.0	5.2	14.5	-1.0	10.8	26.9	29.5	15.1
Amusement Machines	11.6	7.1	0.7	4.6	6.2	6.8	-1.0	-0.7	4.7	7.0	1.3
Amusement Facilities	0.1	-9.8	-1.5	-2.8	-4.9	-7.5	-0.1	0.2	-0.6	-1.3	0.1
Consumer	1.7	-5.9	-4.1	-5.9	-5.6	-0.9	-4.5	-8.1	1.4	6.3	-0.6
Other	-1.3	0.0	0.0	0.2	0.2	0.3	0.1	0.2	0.3	0.3	0.0
Eliminations	-6.7	-5.5	-1.0	-2.6	-3.9	-4.9	-1.1	-2.7	-3.9	-5.2	-1.1
Operating Margin	14.5%	-	-	-	-	1.9%	-	-	10.1%	5.2%	16.6%
Ordinary Income	81.2	-8.2	-9.8	-8.4	-5.0	6.6	-8.0	-0.7	27.6	35.9	14.6
Ordinary Income Margin	15.4%	-	-	-	-	1.5%	-	-	9.7%	9.3%	16.0%
Net Income	43.4	-52.4	-10.5	-9.5	-10.8	-22.8	-10.2	-6.3	16.9	20.2	7.0
Net Income Margin	8.2%	-	-	-	-	-	-	-	5.9%	5.3%	7.7%
R&D expense / Content Production expense	52.1	65.3	16.6	30.4	43.4	59.6	11.8	22.9	32.7	41.5	9.5
Cap-ex	36.6	50.4	6.5	14.5	20.1	26.6	2.7	6.3	11.4	16.1	3.3
Depreciation	28.0	45.6	5.4	11.9	18.9	26.6	3.5	7.3	12.0	17.1	3.4
Advertising	22.2	22.8	4.1	11.2	16.7	20.7	2.7	7.8	14.3	20.7	3.3
# of pachislot titles	17 titles	22 titles	4 titles	9 titles	16 titles	19 titles	1 title	5 titles	8 titles	12 titles	2 titles
Unit sales	523,422 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	162,932 units	109,621 units
# of pachinko titles	14 titles	9 titles	3 titles	6 titles	8 titles	12 titles	2 titles	8 titles	10 titles	13 titles	6 titles
Unit sales	132,981 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	360,171 units	49,240 units
SEGA Same Store Sales Comparisons	95.8%	89.0%	87.3%	90.6%	92.1%	92.4%	96.0%	92.3%	91.3%	91.7%	97.2%
Domestic Facilities	449 facilities	363 facilities	357 facilities	347 facilities	347 facilities	322 facilities	298 facilities	277 facilities	274 facilities	260 facilities	255 facilities
# of game software titles	- (140)	80 (138)	14 (37)	36 (61)	58 (93)	78 (122)	11 (17)	23 (30)	39 (62)	66 (105)	7 (19)
Sales (Thousand units)	21,270	26,990	6,890	12,760	21,090	29,470	2,650	5,400	16,730	26,750	3,290



SEGA-SAMMY HOLDINGS

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

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Please visit below websites for products and service information.

<http://sega.jp/> (SEGA)

<http://www.sammy.co.jp/> (Sammy)

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