

Summary of Full Year Results for FY Ended March 2015
Fiscal Year Ended March 2015 Full Year Results
Consolidated Income Statements (Summary)

(JPY Billion)	FY Ended March 2014		FY Ended March 2015				
	Results Through 2Q	Full Year Results	Results Through 2Q	YoY Change	Revised Full Year Forecasts (announced on Feb 12)	Full Year Results	YoY Change
Net Sales	162.2	378.0	154.2	-5%	352.5	354.9	-6%
Operating Income	12.3	38.5	3.4	-72%	16.0	17.6	-54%
Ordinary Income	14.2	40.5	3.3	-77%	15.0	16.9	-58%
Income before income taxes and minority interests	17.4	47.5	0.0	-	1.0	2.0	-96%
Net Income	11.3	30.7	-2.0	-	-13.0	-11.2	-
Dividends per share (JPY)	20.00	40.00	20.00	-	40.00	40.00	-
Earnings per share (JPY)	46.76	126.42	-8.52	-	-53.25	-46.22	-
Net Assets per share (JPY)	1,401.90	1,409.27	1,387.64	-	-	1,337.46	-

<Full Year Results >

- Sales and profits decreased year-on-year mainly due to the decrease in the unit sales of pachislot machines caused by the decreased number of newly released titles
- Recorded net loss due to recording of extraordinary loss including the structure reform related cost etc.

Costs and Expenses

(JPY Billion)	FY Ended March 2014		FY Ended March 2015				
	Results Through 2Q	Full Year Results	Results Through 2Q	YoY Change	Revised Full Year Forecasts (announced on Feb 12)	Full Year Results	YoY Change
R&D Expense / Content Production Expense	25.1	59.2	28.4	+13%	64.0	67.6	+14%
Cap-ex	22.6	38.1	14.7	-35%	28.7	28.7	-25%
Depreciation	7.5	16.1	8.1	+8%	17.5	17.6	+9%
Advertising	7.6	16.0	10.0	+32%	20.0	19.1	+19%

Consolidated Balance Sheet (Summary)

(JPY billion)	【 Assets 】			【 Liabilities and Net Assets 】			
	Account	As of end of March 2014	As of end of March 2015	Change	Account	As of end of March 2014	As of end of March 2015
Total Current Assets	318.4	298.2	-20.2	Total Current Liabilities	91.0	86.7	-4.3
Total Noncurrent Assets	224.4	230.6	+6.2	Total Noncurrent Liabilities	103.5	119.4	+15.9
				Total Liabilities	194.6	206.2	+11.6
				Total Net Assets	348.2	322.6	-25.6
Total Assets	542.9	528.8	-14.1	Total Liabilities and Net Assets	542.9	528.8	-14.1
				Account	As of end of March 2014	As of end of March 2015	Change
				Equity ratio	63.2%	60.0%	-3.2pt
				Current ratio	349.7%	343.9%	-5.8pt

- Current Assets: Down 20.2 billion yen as accounts receivable and securities (short-term fund management) decreased
- Noncurrent Assets: Up 6.2 billion yen primarily due to the increase in investment securities
- Noncurrent Liabilities: Up 15.9 billion yen primarily due to the issuance of corporate bonds
- Total Assets : 528.8 billion yen decreased by 14.1 billion yen
- Equity ratio : 60.0% (-3.2pt)
- Current ratio : 343.9% (-5.8pt)

Pachislot and Pachinko Machines

(JPY Billion)	FY Ended March 2014		FY Ended March 2015				
	Results Through 2Q	Full Year Results	Results Through 2Q	YoY Change	Revised Full Year Forecasts (announced on Feb 12)	Full Year Results	YoY Change
Net Sales	71.2	181.8	60.6	-15%	149.0	149.1	-18%
Pachislot	52.2	112.7	34.6	-34%	73.7	74.0	-34%
Pachinko	16.9	63.5	25.3	+50%	74.0	73.9	+16%
Other	2.1	5.6	0.7	-67%	1.3	1.2	-79%
Operating Income	15.1	45.2	7.3	-52%	25.0	25.7	-43%
Operating Income Margin	21.2%	24.9%	12.0%	-9.2pt	16.8%	17.2%	-7.7pt
Unit Sales (Pachislot)	143,171	301,575	92,998	-35%	207,000	207,828	-31%
Unit Sales (Pachinko)	54,955	200,225	86,453	+57%	242,000	242,847	+21%

<Full Year Results >
[Overall]

- Sales and profits decreased year-on-year

[Pachislot]

- Unit sales decreased year-on-year due to the decrease in the number of released Pachislot new titles in line with the change in the operation of prototype testing method, although mainstay titles “**Pachislot SOUTEN-NO-KEN 2**” and “**Pachislot ALADDINA II**” were released
- Main titles launched
 - ⇒ Sammy “**Pachislot SOUTEN-NO-KEN 2**,” Sammy “**Pachislot ALADDINA II**,” RODEO “**Salaryman Kintaro**,” TAIYO ELEC “**Pachislot Virtua Fighter**” etc.

[Pachinko]

- Unit sales increased year-on-year due to strong sales of mainstay titles such as “**CR Hokuto No Ken 6 series**” and “**Pachinko CR Bakemonogatari**”
- Main titles launched
 - ⇒ Sammy “**CR Hokuto No Ken 6 series**”, Sammy “**Pachinko CR Bakemonogatari**,” Sammy “**Dejihane CR Hokuto No Ken 5 Jibo**,” TAIYO ELEC “**CR BLACK LAGOON 2**,” etc.

Amusement Machine Sales

(JPY Billion)	FY Ended March 2014		FY Ended March 2015				
	Results Through 2Q	Full Year Results	Results Through 2Q	YoY Change	Revised Full Year Forecasts (announced on Feb 12)	Full Year Results	YoY Change
Net Sales	18.0	38.6	18.0	-	39.0	39.6	+3%
Domestic	15.5	32.6	14.9	-4%	-	31.7	-3%
Overseas	2.5	6.0	3.1	+24%	-	7.9	+32%
Operating Income	-0.0	-1.2	0.1	-	-1.6	-2.5	-
Operating Income Margin	-	-	0.6%	-	-	-	-

<Full Year Results >

- Loss increased year-on-year due to sluggish sales of new titles
- Launched CVT kits for mainstay titles
⇒ “WORLD CLUB Champion Football,” “StarHorse3 Season III CHASE THE WIND,” etc.
- Posted distribution of earnings from revenue sharing model
(Mainstay titles under revenue sharing models)
⇒ “BORDER BREAK Series”, “SEGA NETWORK MAHJONG MJ5 EVOLUTION,” “CODE OF JOKER,” etc.
- In order to win a broad range of users, launched titles that can meet diverse users’ needs
⇒ “Wonderland Wars” etc.

Amusement Center Operations

(JPY Billion)	FY Ended March 2014		FY Ended March 2015				
	Results Through 2Q	Full Year Results	Results Through 2Q	YoY Change	Revised Full Year Forecasts (announced on Feb 12)	Full Year Results	YoY Change
Net Sales	21.9	43.2	20.8	-5%	41.0	41.4	-4%
Operating Income	0.2	0.0	- 0.2	-	- 0.8	- 0.9	-
Operating Income Margin	0.9%	-	-	-	-	-	-
Same Store Sales Comparisons	95.0%	96.1%	98.7%	-	99.1%	100.1%	-
Domestic Facilities	202 facilities	198 facilities	198 facilities	-	199 facilities	198 facilities	-
Overseas Facilities	2 facilities	2 facilities	2 facilities	-	2 facilities	2 facilities	-

<Full Year Results >

- Sales decreased and loss recorded year-on-year due to the impact of the consumption tax hike although same-store sales remained solid
- Domestic same store sales year-on-year comparison: Full year result 100.1% (January: 97.8%, February: 104.1%, March: 98.5%)
- Domestic facilities: End of the fiscal year: 198 facilities (Opening of 6 facilities and closing of 6 facilities)

Consumer Business

(JPY Billion)	FY Ended March 2014		FY Ended March 2015				
	Results Through 2Q	Full Year Results	Results Through 2Q	YoY Change	Revised Full Year Forecasts (announced on Feb 12)	Full Year Results	YoY Change
Net Sales	43.8	99.8	48.2	+10%	110.0	111.0	+11%
Packaged Games	16.2	38.9	15.3	-6%	43.8	44.8	+15%
Digital Games	17.6	40.0	21.9	+24%	44.4	44.7	+12%
Toy	4.9	8.4	3.5	-29%	6.2	6.2	-26%
Animation	5.1	12.1	6.6	+29%	13.9	14.0	+16%
Other / Elimination	-0.1	0.4	0.8	-	1.7	1.3	+225%
Operating Income	1.1	2.0	0.9	-18%	2.7	4.0	+100%
Operating Income Margin	2.5%	2.0%	1.9%	-0.6pt	2.5%	3.6%	+1.6pt
Sales in Units (Thousands)	3,230	8,730	4,100	+27%	11,060	12,300	+41%

<Full Year Results >

【Overall】

- Sales and profits increased year-on-year due to strong performance of the digital game field although the packaged game field and toy sales business remained weak.

【Packaged Games】

- As sales of repeat titles remained stable, units sales increased year-on-year, but performance of sales of new titles remained weak.
- Mainstay titles: “**Alien: Isolation**,” “**Football Manager 2015**,” “**Sonic Boom Series**” and “**Ryu ga Gotoku 0: Chikai no Basho**”

【Digital Games】

- Strong due to profit contribution by existing titles as well as mainstay titles
Mainstay titles ⇒ “**PHANTASY STAR ONLINE 2**,” “**Puyopuyo!! Quest**,” “**CHAIN CHRONICLE – Kizuna no Shintairiku**,” etc.
Existing titles ⇒ “**Ange Vierge**,” “**SAKATSUKU Shoot !**,” etc.
- Number of titles under service at end of the fiscal year: 117 (Pay-to-play 65, Free-to-play 52)
- In pachinko and pachislot games for mobile phones and PCs, strengthened activities of “**777TOWN**” for smartphones and “**Moba7**” for DeNA

【Toy】

- Toy sales business as a whole remained weak although sales were conducted centering on products from “**Anpanman Series**,” “**Jewelpod Series**,” etc.

【Animation】

- Distribution revenue from the movie “**Detective Conan: Dimensional Sniper**” and license revenue, product sales revenue, etc. from TV series “**Yowamushi Pedal**” remained robust

Review of Structure Reform

■ Established Group Structure Reform Division (on May 9, 2014)

- Chairman: Hajime Satomi, President & CEO

■ Announcement of Group Structure Reform Policy (on October 31, 2014)

- Restructuring into three business groups
- Policy for reduction of fixed expense
- Appointment of personnel in charge of structure reform in SEGA CORPORATION

■ Implementation of Structure Reform in SEGA CORPORATION (on January 30, 2015)

- Enhancing efficiency in domestic businesses
- Soliciting voluntary retirement
- Enhancing efficiency in overseas businesses

■ Implementation of Group Structure Reform (on February 12, 2015)

- Implementation of restructuring the group subsidiaries as of April 1, 2015
- To promote further business reorganization, organizational restructuring within the group will be determined.

■ Implementation Status of Structure Reform (Fiscal year ended March 2015)

- Clarification of core businesses→Restructuring into three business groups
(Pachislot and Pachinko Machines, Entertainment Contents Business, Resort Business)
- Fundamental review of unprofitable, less profitable business
→Discontinuance of independent film production, withdrew from other unprofitable businesses, projects, soliciting voluntary retirement
- Established basis for business portfolio operation→Speed up decision making by delegating authority of each business level
Consolidate the basis for further business restructuring
- Optimal deployment of human resources→Adjusted absolute number of personnel to match size of profits
(Made age composition younger, shifted resources to core businesses)

■ Future Activities

- Continue implementing the structure reform
 - Bolster operation of business portfolio
 - Thorough cost management of each business
 - Consider rules for starting or exiting from businesses and projects

■ Positioning of each business

- Pachislot and Pachinko Machines•••As a main pillar of the group's revenue, improve the profitability through cost management, etc.
- Entertainment Contents Business••••As a short- to medium-term growth area, digital game area is classified as a core business
- Resort Business••••As a medium- to long-term growth area, Resort Business is created

■ Impact of structure reform implementation on operating results

Extraordinary loss in actual results for FY ended March 2015 : **Approx. 15.9 billion yen**
(included approx. 7.0 billion yen for structure reform related cost)

Effect of reduction of fixed expense in forecast for FY ending March 2016 : **Approx. 6.0 billion yen**

Fiscal Year Ending March 2016 Full Year Forecasts

Consolidated Income Statements (Summary)

(JPY Billion)	FY Ended March 2015		FY Ending March 2016			
	Results Through 2Q	Full Year Results	Forecasts Through 2Q	YoY Change	Full Year Forecasts	YoY Change
Sales	160.1	367.2	200.0	+25%	420.0	+14%
Operating Income	3.4	17.6	14.0	+312%	25.0	+42%
Ordinary Income	3.3	16.9	14.0	+324%	25.0	+48%
Income before income taxes and minority interests	0.0	2.0	14.0	-	24.0	+1100%
Profit attributable to owners of parent	-2.0	-11.2	11.0	-	19.0	-
Dividends per share (JPY)	20.00	40.00	20.00	-	40.00	-
Earnings per share (JPY)	-8.52	-46.22	46.33	-	80.02	-
Net Assets per share (JPY)	1,387.64	1,337.46	-	-	-	-

*Sales and operating income of new segment is unaudited. (approximate figure)

*Sales of new segment is changed to gross basis.

<Full Year Forecast of FY Ending March 2016>

- Restructuring into three business, such as Pachislot and Pachinko Machines, Entertainment Contents Business, Resort Business
- Consolidated net sales are forecast to 420 billion yen and operating income is forecast to 25 billion yen.

Costs and Expenses

(JPY Billion)	FY Ended March 2015		FY Ending March 2016			
	Results Through 2Q	Full Year Results	Forecasts Through 2Q	YoY Change	Full Year Forecasts	YoY Change
R&D Expense / Content Production Expense	28.4	67.6	30.0	+6%	69.4	+3%
Cap-ex	14.7	28.7	15.0	+2%	34.4	+20%
Depreciation	8.1	17.6	7.9	-2%	16.8	-5%
Advertising	10.0	19.1	12.6	+26%	24.5	+28%

*Costs and expenses of new segment for are unaudited. (approximate figure)

Pachislot and Pachinko Machines

(JPY Billion)	FY Ended March 2015		FY Ending March 2016			
	Results Through 2Q	Full Year Results	Forecasts Through 2Q	YoY Change	Full Year Forecasts	YoY Change
Sales	62.3	152.6	94.5	+52%	167.0	+9%
Pachislot	34.6	74.0	61.3	+77%	97.0	+31%
Pachinko	25.3	73.9	31.0	+23%	65.7	-11%
Other	2.4	4.7	2.2	-8%	4.3	-9%
Operating Income	7.4	25.9	22.0	+197%	23.0	-11%
Operating Income Margin	11.9%	17.0%	23.3%	+11.4pt	13.8%	-3.2pt
Unit Sales (Pachislot)	92,998	207,828	165,000	+77%	265,000	+28%
Unit Sales (Pachinko)	86,453	242,847	110,000	+27%	220,000	-9%

*Sales and operating income of new segment is unaudited. (approximate figure)

*Sales of new segment is changed to gross basis.

<Full Year Forecast of FY Ending March 2016>

【Overall】

- Increase in sales and decrease in profits are forecasted year-on-year
- Unit sales of Pachinko machines is forecast to decrease year-on-year while unit sales of Pachislot machines is forecast to increase year-on-year with release of several mainstay titles
- Profit ratio is expected to take temporarily downturn due to the impact of weak yen on parts procurement cost, the release of new devices, etc.

【Pachislot】

- Year-on-Year unit sales are planned to increase by about 60 thousand units through releasing of several new mainstay titles

【Pachinko】

- Year-on-Year unit sales are planned to decrease by about 20 thousand units due to the rebound of “CR Hokuto No Ken 6 series” released in FY ended March 2015 despite the release of several titles including “CR Aura Battler Dunbine”
- Major titles to be launched (1Q)
 - ⇒ Sammy “CR Aura Battler Dunbine” (April)
 - ⇒ TAIYO ELEC “CR GAMERA” (June)

Entertainment Contents Business

(JPY Billion)	FY Ended March 2015		FY Ending March 2016			
	Results Through 2Q	Full Year Results	Forecasts Through 2Q	YoY Change	Full Year Forecasts	YoY Change
Sales	91.0	199.6	98.5	+8%	235.0	+18%
Digital Games	26.9	54.3	34.0	+26%	87.0	+60%
Packaged Games	16.7	48.2	13.5	-19%	44.5	-8%
Amusement Machine Sales	18.5	39.4	23.0	+24%	45.0	+14%
Amusement Center Operations	17.9	36.0	18.5	+3%	36.5	+1%
Animation / Toy	10.0	19.8	8.5	-15%	20.0	+1%
Other / Elimination	1.0	1.9	1.0	-	2.0	+5%
Operating Income	0.9	0.0	-2.5	-	11.5	-
Digital Games	3.8	8.0	2.0	-47%	11.5	+44%
Packaged Games	-3.0	-2.7	-3.1	-	1.3	-
Amusement Machine Sales	0.0	-4.0	-0.4	-	0.0	-
Amusement Center Operations	0.5	0.7	0.5	-	0.3	-57%
Animation / Toy	-0.1	-1.6	-0.7	-	0.2	-
Other / Elimination	-0.3	-0.4	-0.8	-	-1.8	-
Operating Income Margin	1.0%	-	-	-	4.9%	-
Sales in Units (Thousands)	4,100	12,300	2,120	-48%	7,140	-42%
Same Store Sales Comparisons	98.7%	100.1%	99.3%	-	97.3%	-
Domestic Facilities	198	198	198	-	199	-

*Sales and operating income of new segment is unaudited. (approximate figure)

*Sales of new segment is changed to gross basis.

<Full Year Forecast of FY Ending March 2016>
【Overall】

■ Significant increase in sales and profits is forecasted year-on-year due to an increase in profits in the digital game field and an improvement in profitability by streamlining

【Digital Games】

■ Increase in sales and profits is expected year-on-year due to the securement of income from existing titles and the release of several new titles

■ Several mainstay titles are scheduled to be released mainly in the first half of the fiscal year
(Number of titles to be released in Japan during the full year: 47 (Pay-to-play 1, Free-to-play 46))

⇒ Major new titles: “**Hortensia SAGA,**” “**CHAOS DRAGON,**” “**MONSTER GEAR,**” etc.

【Packaged Games】

■ Aim to improve profitability by streamlining centering on overseas businesses

■ Though decrease in sales year-on-year, turning to profit are expected through the release of new titles centering on mainstay IP titles such as “**Persona5**”

【Amusement Machine Sales】

■ Improvement in profitability is expected in line with the implementation of measures for enhancing business efficiency

■ Increased sales and eliminating loss year-on-year are expected through the release of new products for a broad user base

【Amusement Center Operations】

■ Decrease in profit year-on-year is expected as capital investment and amortization cost will increase in order to forward development of new store styles other than game centers

【Animation / Toy】

• Turning to profit is expected with development focused on services for regular/mainstay products while working to improve profitability through streamlining

Resort Business

(JPY Billion)		FY Ended March 2015		FY Ending March 2016			
		Results Through 2Q	Full Year Results	Forecasts Through 2Q	YoY Change	Full Year Forecasts	YoY Change
Sales		6.6	14.9	7.0	+6%	18.0	+21%
Operating Income		-1.4	-2.3	-2.0	-	-3.5	-
Phoenix Seagaia Resort	Number of visitors (Thousands)	323	643	299	-7%	580	-10%
	Average sale per customer (JPY)	13,000	14,000	15,000	+15%	16,000	+14%
Tokyo Joypolis	Number of visitors (Thousands)	333	614	334	-	622	+1%
	Average sale per customer (JPY)	3,342	3,426	3,394	+2%	3,413	-
Orbi Yokohama	Number of visitors (Thousands)	240	400	233	-3%	384	-4%
	Average sale per customer (JPY)	2,264	2,283	2,253	-	2,236	-2%
Paradise Casino Incheon	Casino sales (Billion KRW)	55	109	-	-	-	-
	Number of visitors (Thousands)	29	58	-	-	-	-

*Sales and operating income of new segment is unaudited. (approximate figure)

*Sales of new segment is changed to gross basis.

*Paradise Casino Incheon is operated by PARADISE SEGASAMMY Co., Ltd., an equity method affiliate of our company.

*Figures for Paradise Casino Incheon are recorded with three months delay (Record financial results from January 2014 to December 2014)

<Full Year Forecast of FY Ending March 2016>
【Domestic】

- Efforts will be made to strengthen operation capabilities and customer attraction capabilities of Phoenix Seagaia Resort
- Efforts will be made to improve contents capabilities of theme parks such as the indoor theme park “Tokyo Joypolis” and the museum offering supercharged nature experience “Orbi Yokohama”

【Overseas】

- Construction of South Korea’s first full-fledged integrated resort PARADISE CITY was launched in Incheon, South Korea in November 2014 (scheduled to open in the first half of 2017)
- Net sales of the existing casino facility Paradise Casino Incheon are expected to remain strong
- In addition to 7 employees currently dispatched to Paradise Casino Incheon, another 5 employees of our company are scheduled to be dispatched to accumulate know-how