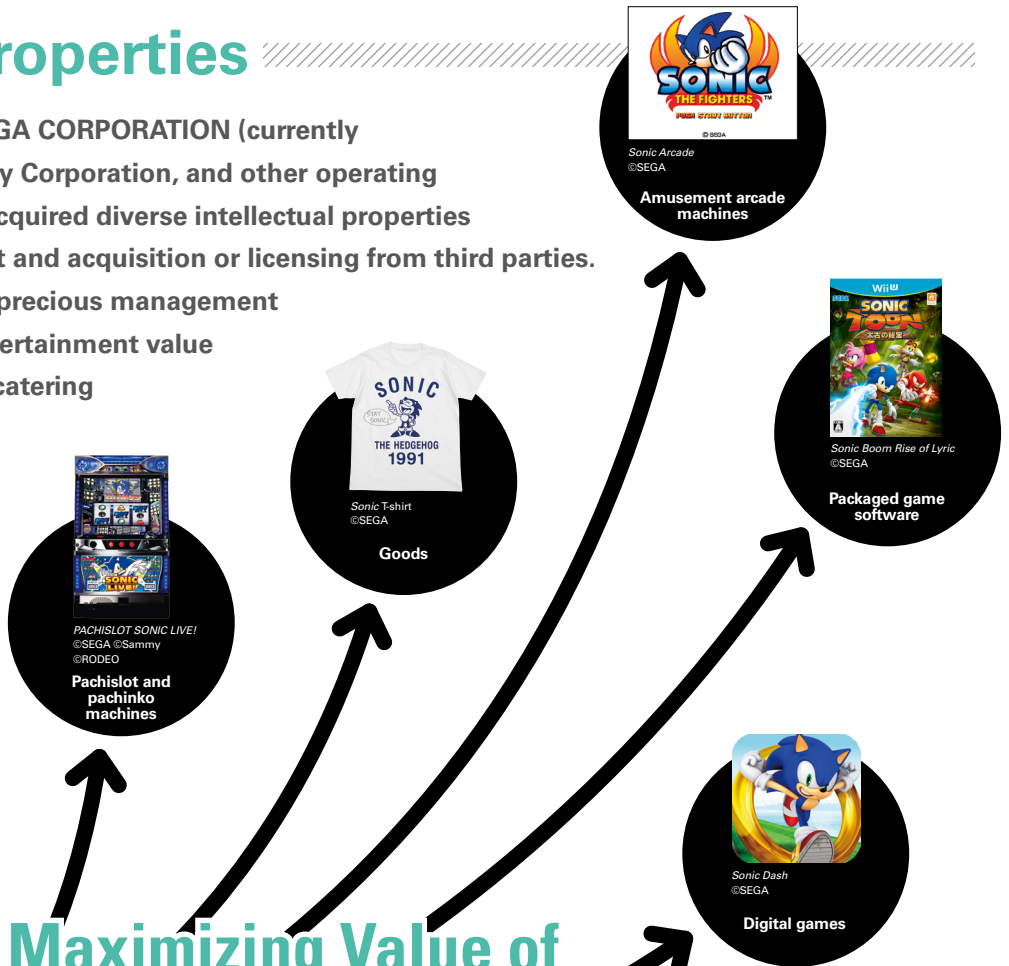


Management Resources Creating Entertainment Value

Intellectual Properties

During their long histories, SEGA CORPORATION (currently SEGA Games Co., Ltd.), Sammy Corporation, and other operating companies have created and acquired diverse intellectual properties through in-house development and acquisition or licensing from third parties. The Group ensures that these precious management resources create long-term entertainment value through multifaceted rollouts catering to current needs.

Sonic the Hedgehog



Maximizing Value of Intellectual Properties through Multifaceted Rollouts

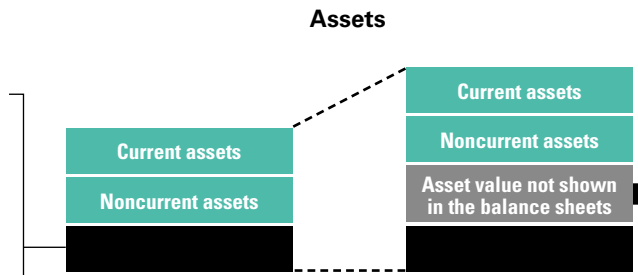
Sonic the Hedgehog

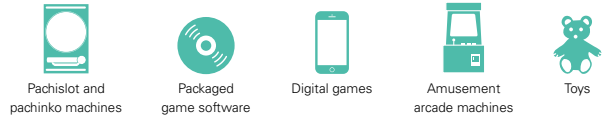
Since its launch in 1991 as home video game software for the *Mega Drive* platform, known as *GENESIS* in the United States, *Sonic the Hedgehog* has remained extremely popular thanks to thrilling gameplay speed and the main character's charisma. By rolling out this intellectual property through various game consoles, animation series for television, and a host of other media, we have made Sonic the Hedgehog a favorite among children worldwide.

Intangible Assets

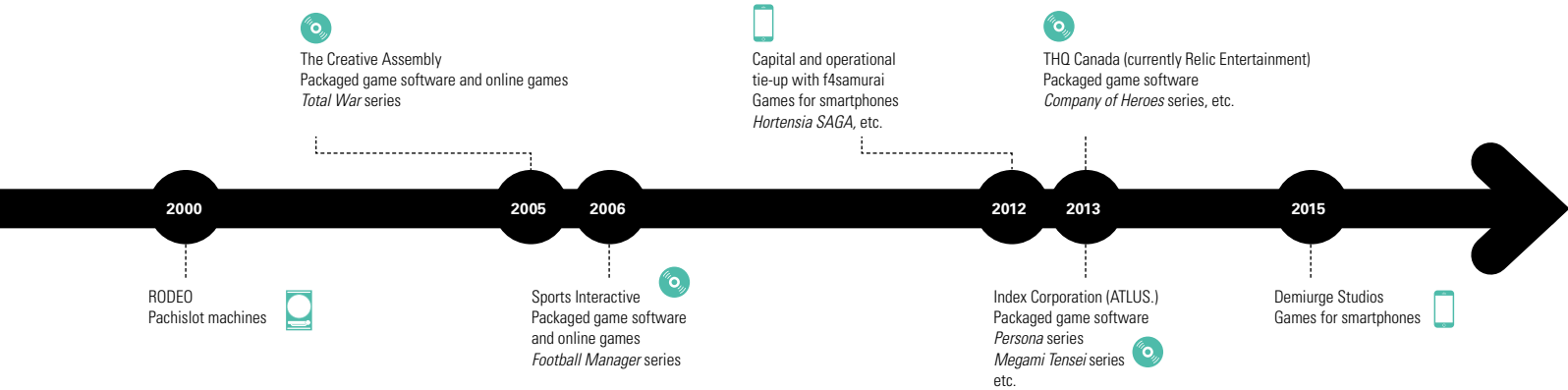
Entertainment companies recognize intellectual properties obtained through the acquisition of companies in investment securities and goodwill. However, they do not recognize intellectual properties they have created in-house or licensed from third parties as assets. This means such intellectual properties are intangible assets that are not recognized in financial statements.

Total investments and other assets
Intellectual properties obtained through acquisitions recognized.
Intellectual properties created in-house and licensed intellectual properties not recognized.





Examples of Intellectual Properties Acquired through M&As



Examples of acquired intellectual properties

Intellectual property title	First appearance	Multifaceted rollout				Total editions	Cumulative unit sales / downloads
<i>Megami Tensei</i> series	1987					28	Approx. 7.0 million units (packaged total)
<i>Persona</i> series	1996					10	Approx. 6.2 million units (packaged total)
<i>Etrian Odyssey</i> series	2007					5	Approx. 1.2 million units (packaged total)

Examples of intellectual properties developed in-house

Intellectual property title	First appearance	Multifaceted rollout				Total editions	Cumulative unit sales / downloads
<i>Sonic the Hedgehog</i> series	1991						— Approx. 335 million (units / downloads) (packaged and digital total)
<i>Puyopuyo</i> series	1991*						— Approx. 16.0 million (units / downloads) (packaged and digital total)
<i>Ryu ga Gotoku</i> series	2005					56	Approx. 8.6 million (units / downloads) (packaged, digital, and mobile members total)
<i>ALADDIN</i> series	1989					14	Approx. 570,000 units (pachislot and pachinko machines and amusement arcade machines total)
<i>Juoh</i> series	2001					13	Approx. 450,000 units (pachislot and pachinko machines and amusement arcade machines total)

* SEGA CORPORATION acquired the rights in 1998. Figures for cumulative unit sales are the totals for titles that SEGA sold after acquiring the rights.

Examples of intellectual properties licensed from third parties

SEGA feat. <i>HATSUNE MIKU Project</i> series	2009						36	Approx. 4.5 million (units / downloads) (packaged and digital total)
<i>Hokuto No Ken</i> series	2002						27	Approx. 2.5 million units (pachislot and pachinko machines and amusement arcade machines total)
<i>SOUTEN-NO-KEN</i> series	2009					8	Approx. 390,000 units (pachislot and pachinko machines and amusement arcade machines total)	