

Press Release

For Immediate Release

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SEGA AMUSEMENTS USA'S GRAND OPENING SPREADS THE SPIRIT An Industry-wide Celebration of a New Home, New Company & New Product

<u>Elk Grove Village, IL, March 31, 2006</u> – Sega Amusements USA, Inc. (SAU) hosted a celebratory Open House event in their new location on March 15th. Industry members were welcomed in to enjoy great company, words of thanks and direction by top principals, and an energetic array of coin-op games.



The story dates back to the beginning of 2005 when Sega Amusements USA decided to relocate and revamp their office, in conjunction with a revitalizing merger between Sammy and Sega Corporations. Executives found a deeper meaning to the office move than the already significant goals to modernize the space and expand for future growth of the company. The idea was to consolidate the unique and bright qualities of each entity and unify them into one cohesive team, under a common roof. This meant bringing the former Sega Service department to Elk Grove, housing all warehouse operations onsite, and creating a brighter

corporate image with a newly organized operation and atmosphere.

While planning the relocation lasted for many months, the official move-in landed on January 16th, 2006. The Sega Amusements team, lead in this effort by Executive Vice President Jim Miskell, had successfully packed up boxes of files and office equipment as well as a 30,000 sq. ft. warehouse, and transferred to the new location at 800 Arthur. Sega is quite proud of their state-of-the-art, young building, which was renovated entirely to the company's liking. The overall space of the building is 70,000 square feet, composed of a comfortable 15,000 sq. ft. office floor and an abundant 55,000 sq. ft., 12 dock warehouse. At the Open House event, President and COO of SAU, Mr. Rick Rochetti, expressed his appreciation for his Elk Grove staff and acknowledged that this project "could not have been done without teamwork and dedication."

The company had decided to share its pride and excitement for their new digs, and would best do this by hosting an Open House Celebration. On the 15th of March, the company welcomed industry members and

several guests from parent company, Sega Corporation of Tokyo, Japan, totaling an impressive 300 in attendance. The day began beautifully with guests convening in the clean and spacious warehouse after following an informative office tour guided by Sega staff members. Once in the warehouse, the attendees could view a neat layout and vivid collection of Sega coin-op games, put in place by the hard work of the production and parts teams led by Kiyo Nishimura, Vice President of Production, and Operations Director Jerry Korbecki. The games on display included Metal Slug 6, Virtua Tennis 3, Derby Owners Club – World Edition – EX, House of the Dead 4, Virtua Striker 4 – 2006, SpongeBob Squarepants, and Kids Trading Card Games: MushiKing, Dinosaur King, and Love & Berry...





Rick Rochetti, President/COO Sega Amusements USA, Inc.

However, the fun did not stop there. Guests were hugely impressed by three of Sega's newest attractions, its latest hunting game and first online title, Extreme Hunting Tournament Edition linked by ALL.Net, the alluring SEGA UFO Catcher crane game decorated with colorful Disney plush provided by Sega of Japan, and a very gigantic display of the House of the Dead – 4 Special, a simulated experience of the zombie crushing game. Both Extreme Hunting Tournament Edition and SEGA UFO Catcher are scheduled for a Summer release, just following the debut of Sega's first licensed plush line (to be announced soon!). The release of House of the Dead - 4 Special is to be determined, but the game exposed great potential as customers lined up to learn more about it.

In addition to a vibrant layout, Sega Amusements conducted a much anticipated presentation by top company principals of the company. Guests gathered in silence as our first speaker, President and COO of SAU, Mr. Rick Rochetti, took center court. His speech began with a sincere 'thank you' to the industry as well as the top Sega principals, whom have all been "very true and faithful" to the former Sammy and Sega Amusement organizations. Rochetti also discussed the company's hiring spree, success of the "cutting-edge" Lindbergh



Hardware System, his excitement for the U.K. creation, Ford Racing Full Blown, and his commitment to the New Business Division, focusing on trading card games that market to children 6 to 12 years old. He also pointed out the power of ALL.Net, the online network that has reached 7 titles, 45,000 linked boards, and 2800 locations in Japan. SAU will be introducing it to the American market in June on the all-new Extreme Hunting Tournament Edition. Rochetti concluded his grateful speech by emphasizing his pride in the company and support it has achieved, as well as Sega's commitment to "exceptional product, customer service and innovations."

Left to Right: Masao Yoshimoto, Mieko Satomi, Yukio Sugino, Hajime Satomi, Hisao Oguchi, Hiroshi Yagi, and Yuji Sugimori in front of House of the Dead – 4 Special.

Next to speak was a man of 40 years in the coin-op industry, who instills dedication and high standards in his businesses, Mr. Hajime Satomi, Chairman and CEO of Sega Sammy Holdings, Inc. Greeted with a very powerful round of applause, Satomi took the podium with strong conviction, and delivered many positive and direct messages regarding the merger. The Chairman opened by stating, "Two strong leaders in the amusement entertainment business joined forces for one goal. That goal is to become the world's number one entertainment company." He went on to announce his investment in reorganization and placing the right people in the right jobs to enhance the group's organizational strength. Satomi explained the merger also brought about the financial backing that Sega had been missing, which has enabled the new company to "convert (great) ideas into solid business opportunities." Additionally, the former Sammy now offers a stronger product appeal by its inheritance of Sega's "premium-quality content and advanced technological development capabilities." He announced a significant boost in the company's market competitiveness by now meeting the demands of a wider customer base. This is a result of the marriage between Sega's high-end product background and Sammy's lower cost, child geared products. Lastly, Satomi proclaimed his commitment to the diverse needs of all their overseas industries, and assured he is actively investing in effort to "construct an unassailable market position."



Last to the podium to conduct a toast was President and COO of Sega Corporation, Mr. Hisao Oguchi. As the creator of Crazy Taxi, Jurassic Park and Derby Owners Club, Oguchi is a force to be reckoned with at Sega and was the perfect end speaker to the company's well-done presentation. Bringing with him his lively spirit, Oguchi reiterated that business is good all-around, especially in amusement machine sales. He then directed a very spirit-filled toast to the industry, which ended with a strong "Cheers!"

The presentation portion buttoned up with a photo-esque ribbon cutting celebration in front of the Sega Amusements building, which was nicely accented with abnormally sunny, winter weather. Top dignitaries of the U.S. and abroad companies lined up and placed a hand on the ribbon, as the perfect metaphor for their contributions to Sega Amusements. Representing the city of Elk Grove Village, Mayor Craig Johnson stood center stage and spoke many kind words of the company's loyalty to the city. Taking the scissors to his left was Mr. Satomi who proceeded in cutting the ribbon. The slice was well done and signified good luck and success in Sega's many years to follow.



Center to Right: Rick Rochetti, President/COO SAU, Mayor of Elk Grove Village, Craig Johnson, Hajime Satomi, Chairman/CEO, Hisao Oguchi, President/COO Sega Corporation.

The commencement of the event was positively portrayed with great attendance to the very end. The sales team, consisting of Vince Moreno, Tom Keil, Katie Healy, and Director of Sales, Ron Malinowski, along with Merchandise staff, Laurie Jezuit, Daria Szpiczakowska, Candice Lozano, and Katherine Braun, led by Vice President of Merchandise, Dave Cane, had their hands full all day meeting with customers and providing detailed product presentations. With the assistance of support teams from Sega Corporation, the staff did an excellent job bringing forth the most important aspect to the business, the product.

Sega Amusements USA is very grateful for not only those that attended the celebration, but for the overall encouragement from the coin-op industry as a whole. Sega has ambitions and goals in these steps ahead and it relies on members of the trade for further cooperation. In closing, Sega proposes Oguchi's toast once again for the success of our common business and "to everyone's good health and prosperity in the Amusement industry. Ladies and gentlemen...Cheers!"



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A special thank you to the following individuals:

Sega Sammy Holdings

Hajime Satomi, Chairman and CEO

Masakimi Hotta, Executive Officer, President Office

Haruki Satomi, Corporate Director, SAU, SOA, SEUI Masahiro Kurosaki, Corporate Director, SAU, SOA, SEUI

Sega Corporation

Hisao Oguchi, President and COO

Keiji Mori, Corporate Director, Overseas Amusement Business Division

Yoshiharu Suzuki, Managing Director, Amusement Business Division

Yukio Sugino, Corporate Officer, Amusement R&D Division

Hiroshi Yagi, Corporate Officer, Amusement R&D Division

Masao Yoshimoto, R&D Creative Officer, Amusement Related R&D Group

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Takashi Uchijima, Vice President

Tristan Higgins-Goodell, Senior Legal Counsel, SAU & SEUI

Mayor Craig Johnson, Mayor of Elk Grove Village

Sega Amusements USA staff:

Rick Rochetti, President and COO Jim Miskell, Executive Vice President Takeshi Inoue, Executive Vice President Kiyo Nishimura, Vice President of Production Dave Cane, Vice President of Merchandise Tad Nagamatsu, General Manager

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Administration: Annalisa Golowacz

About Sega Amusements USA, Inc.

Serving the North and South American markets, Sega Amusements USA, Inc. is a wholly owned subsidiary of Sega Corporation, Japan. Sega Amusements USA, Inc. is an industry leader in creating state-of-the-art interactive video, self contained merchandising, and redemption game play experiences through the utilization of complementary technologies and devices to enhance player enjoyment and loyalty. Products include single-player upright video games, self-contained merchandisers, and multi-player attendant operated simulators.