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[Sega Posts Losses and Falling Revenue Numbers](#)



Not looking good

Hopes for better times

Sega Sammy, the somewhat funnily named parent company of [Sega](#), is not out of the financial woods yet. The results that it posted for the 2008 financial year, that ended on March 31, 2008, are marked by smaller than expected revenues and a significant loss. When compared to the fiscal year of 2007, yearly revenues of Sammy Sega were down by 13% percent on average, to some 4.45 billion dollars, and the loss suffered by the company was of around half a billion dollars. This is bad news indeed, considering the fact that the previous year saw the company report around 400 million dollars in profits. The consumer software division of Sega Sammy reported slightly better numbers than the company itself, with smaller losses, of only around 50 million dollars, but with increased revenue. The main reason for the results, which are definitely not going to please shareholders, can be found in the financial troubles that hit Japan and the entire world in the last semester of fiscal 2008, troubles that led to less spending and to [significant reductions](#) in the ability of the company to promote its products. Even if the company saw an increase on the markets in North America and Europe, the decline in Japan could not be offset, while the trend of decreasing sales could also continue well into the next financial year. The bosses at Sega Sammy are still confident that 2009 will bring a change in the fortunes of the company. The videogame [Mario & Sonic](#) at the Olympic Games is one of the star products of the company, mainly because of its strong sales numbers registered on all markets, with North America coming first. The Ryu Ga Gotoku Kenzan! also known as Yakuza 3, on which high hopes had been pinned especially for the Japanese market, was a disappointment, with only modest sales. With the videogame industry growing despite the worldwide recession, it could make for a good business move on the part of Sega to divert more resources towards exploiting its significant videogame assets.