

(Translation)

August 26, 2002

Dear Sirs,

Name of Company: Sammy Corporation  
Name of Representative: Hajime Satomi,  
President and Representative  
Director (Chief Executive  
Officer)

(Code No. 6426, Tokyo Stock Exchange 1st Section)

Further Inquiry: Yasuhiro Katayama,  
Executive Officer and Division  
Manager, Administration  
Division  
(TEL: 03-5950-3790)

Notice of Appeal to Tokyo High Court Filed

Notice is hereby given that with regard to the action against Sammy Corporation (the "Company") for infringement of patents filed with the Tokyo District Court by Aruze Corp. and in respect of which a judgment completely in favor of the Company was delivered as of June 25, 2002, the Company was today notified that an appeal was filed with the Tokyo High Court as of July 5, 2002, as described below:

Description

1. Appellant

- (1) Name: Aruze Corp.
- (2) Location: 1-25, Ariake 3-chome, Koto-ku, Tokyo
- (3) Representative: Kazuo Okada, President and Representative Director

2. Background

Aruze Corp. filed this action with the Tokyo District Court against the Company as of February 22, 2000, alleging that a drum-rotating game machine "Kamen Rider V3" of the Company infringed the patent rights of Aruze Corp. and claimed damages of ¥1,500,000,000 therefor. The following judgment was delivered as of June 25, 2002:

- (a) The plaintiff's claim shall be dismissed.

(b) The plaintiff shall bear the cost of the action.

3. Future prospects

The Company believes that as found in the court of first instance, it has not infringed any patent right and intends to claim its legitimacy to defend itself in court.

The course of the action may impact business results of the Company. At present, however, the impact is expected to be insignificant.

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