

(Translation)

May 15, 2008

Dear Sirs,

Name of Company: SEGA SAMMY HOLDINGS  
INC.  
Name of Representative: Hajime Satomi,  
Chairman, President and  
Representative Director (CEO)  
(Code No. 6460, Tokyo Stock Exchange 1st Section)  
Further Inquiry: Takatoshi Akiba,  
Executive Officer  
(TEL: 03-6215-9955)

**Notice of Distribution of Retained Earnings (Year-End Dividends)**

Notice is hereby given that SEGA SAMMY HOLDINGS INC. (the "Company"), at the meeting of its Board of Directors held on May 15, 2008, resolved that the Company would distribute retained earnings with the record date therefor fixed on March 31, 2008, as described below:

Description

Details of the dividends

	Amount determined	Most recent forecast for dividends
Record date	March 31, 2008	Same as on the left
Dividend per share	¥15	Same as on the left
Aggregate amount of dividends	¥3,779,062,035	-
Effective date	June 3, 2008	-
Source of dividends	Retained earnings	-

(For reference) Recent dividend payments

	Dividend per share		
Record date	Interim	Year-end	Annual
Year ended March 31, 2008	¥30.00	¥15.00	¥45.00
Year ended March 31, 2007	¥30.00	¥30.00	¥60.00

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