

(Translation)

June 30, 2005

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

Notice of Acquisition by the Company of its Own Shares

Notice is hereby given that SEGA SAMMY HOLDINGS INC. (the "Company"), at the meeting of its Board of Directors held on June 30, 2005, resolved that the Company would acquire its own shares pursuant to Article 211-3 of the Commercial Code of Japan (the "Commercial Code"), as described below:

Description

1. Reason for the acquisition by the Company of its own shares:

On October 1, 2004, the Company was established through a method of share-for-share exchange (*kyodo kabushiki iten*) by SEGA CORPORATION and Sammy Corporation ("Sammy"), as their holding company. Consequently, part of the shares of the Company have been held by its subsidiary Sammy, which shall dispose of the same pursuant to Article 211-2, paragraph 2 of the Commercial Code. Hence, taking into consideration cash flows of the Group, the Company will acquire its own shares held by Sammy pursuant to Article 211-3, paragraph 1, item 1 of the Commercial Code.

The Company will effectively utilize the shares so acquired to carry out its capital policy with agility in the future.

2. Details of the acquisition:

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| (1) Class of shares to be acquired: | Shares of common stock of the Company |
| (2) Total number of shares to be acquired: | 10,989,658 shares
(Ratio thereof to the total number of issued shares: 7.8%) |
| (3) Acquisition price: | Closing price on the market established by the Tokyo Stock Exchange as of July 1, 2005 |

- (4) Aggregate acquisition prices (estimate): ¥75,500,000,000 (based on the closing price of ¥6,870 as of June 29, 2005)
- (5) Assignor: Sammy Corporation
- (6) Method of acquisition: Negotiated transaction by concluding a stock sales contract
- (7) Date of acquisition: July 4, 2005

(For reference)

Number of its own shares held by the Company as of May 31, 2005:

Total number of issued shares:	140,627,279 shares
Own shares held by the Company:	86,862 shares

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