

(Translation)

September 29, 2005

Dear Sirs,

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 Adjustment to the Forecast of Operating Results  
for the Interim Period of the Year Ending March 31, 2006

It is hereby notified that SEGA SAMMY HOLDINGS INC. (the "Company") has made adjustment to the forecast of operating results for the interim period of the year ending March 31, 2006 (from April 1, 2005 to March 31, 2006) publicized on May 24, 2005, as described below:

1. Forecast of operating results (consolidated) for the interim period of the year ending March 31, 2006 (from April 1, 2005 to September 30, 2005):

(million JPY)

	Net Sales	Ordinary Income	Net Income
Previous forecast (A)	240,000	28,000	9,000
Adjusted forecast (B)	243,000	42,000	18,000
Amount of increase or decrease (B -A)	3,000	14,000	9,000
Rate of increase or decrease	2%	50%	100%
(For reference)			
Interim period for the year ended March 31, 2005	-	-	-

<Reasons for the adjustment>

Net sales for the interim period of the year ending March 31, 2006, which have increased favorably in all business segments in general, are expected to slightly exceed the previous forecast thereof.

With regard to profits, in the pachislot machine business, the component ratio of high-margin Sammy-brand pachislot machines has increased and in the pachinko machine business, sales administrative expenses have decreased due to an increase in the number of units sold directly by Sammy Corporation ("Sammy"), specifically. In the amusement equipment business, favorable sales of high-value added products, including large medal game machines *Star Horse 2 New Generation*, have generated higher profit margins. As a result, ordinary income and net income are expected to increase by JPY 14,000 million and JPY 9,000 million in comparison with the initial projections to amount to JPY 42,000 million and JPY 18,000 million, respectively.

2. Forecast of operating results (non-consolidated) for the interim period of the year ending March 31, 2006 (from April 1, 2005 to September 30, 2005):

No adjustment has been made to the non-consolidated operating results for the interim period of the year ending March 31, 2006.

3. Forecast of operating results (consolidated and non-consolidated) for the year ending March 31, 2006 (from April 1, 2005 to March 31, 2006):

Good sales of Sammy-brand pachislot machines *Ultraman Club ST* scheduled for shipment at the end of September and the sales plan of a successor machine to Sammy's historical hit title *Aladdin* during the third quarter of the year in the pachislot machine business, favorable sales of high-value added products in the amusement equipment business and bumper sales of *The King of Beetle "MUSHIKING"* and *Oshare Majo Love and Berry* cards in the amusement facility business are expected to contribute to operating results for the second period of the year ending March 31, 2006. By taking into consideration these factors as well as the operating results for the interim period of the year, the Company has also reviewed the forecast of operating results (consolidated and non-consolidated) for the year ending March 31, 2006 (from April 1, 2005 to March 31, 2006), which will be publicized at the time of publication of the interim financial statements for the year ending March 31, 2006 to be given toward the end of November 2005.

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