

(Translation)

July 30, 2010

Dear Sirs,

Name of Company: SEGA SAMMY HOLDINGS INC.
 Name of Representative: Hajime Satomi,
 Chairman of the Board and Chief Executive Officer
 (Code No. 6460, Tokyo Stock Exchange 1st Section)
 Further Inquiry: Koichiro Ueda,
 General Manager of Group Communications Office
 (TEL: 03-6215-9955)

Notice of Adjustment to the Forecasts of First-Half Consolidated
Operating Results for the Year Ending March 31, 2011

It is hereby notified that SEGA SAMMY HOLDINGS INC. (the “Company”), in consideration of the recent development of its business performance, has made an adjustment to the forecast of its first-half consolidated operating results for the year ending March 31, 2011 publicized on May 14, 2010 as described below.

Description

Adjustment to the forecast of first-half consolidated operating results for the year ending March 31, 2011 (from April 1, 2010 to September 30, 2010)

(Unit: million yen unless otherwise indicated)

	Net sales	Operating income	Ordinary income	Net income	Net income per share (yen)
Previously publicized forecast (A)	190,000	14,500	14,000	5,500	21.83
Adjusted forecast (B)	205,000	34,000	33,500	17,000	67.48
Amount of increase or decrease (B-A)	15,000	19,500	19,500	11,500	—
Rate of increase or decrease (%)	7.9%	134.5%	139.3%	209.1%	—
(For reference) Operating results for the previous year (from April 1, 2009 to September 30, 2009)	154,395	(318)	(729)	(6,323)	(25.10)

[Reasons for the adjustment]

Due to such factors as the review of the sales schedule in accordance with the change in specifications of mainstay pachinko machines, the pachinko machine sales volume for the first half

of the year ending March 31, 2011 is forecast to be around 200,000 units (against 230,000 units in the previously publicized forecast). On the other hand, pachislot machine sales volume is forecast to be 180,000 units (against 100,000 units in the previously publicized forecast), thanks to robust sales of Group products amid recovery in pachislot machine operations. In the consumer business, sales of new titles have been weak in overseas markets, and thus we expect the game software sales volume to be 5,000,000 units (against 6,320,000 units in the previously publicized forecast). Amusement machine sales and amusement center operations are generally performing within expectations. As a result of the above, consolidated net sales for the first half of the year ending March 31, 2011 is projected to be 205,000 million yen, an increase of 15,000 million yen from the previously publicized forecast.

Operating income, ordinary income and net income are expected to largely exceed previously publicized forecasts, mainly due to improvement in the profit margin of the pachislot and pachinko machine business. The profit margin of the pachislot and pachinko machine business improved due to better than expected sales volume of pachislot machines, which have a higher profit margin compared to pachinko machines, a decrease in costs due to reuse of parts and reduction of parts procurement costs, and a review of pricing strategy. As a result of the above, the Company expects to report operating income of 34,000 million yen (up 19,500 million yen from the previously publicized forecast), ordinary income of 33,500 million yen (up 19,500 million yen from the previously publicized forecast) and net income of 17,000 million yen (up 11,500 million yen from the previously publicized forecast).

As for the forecasts of whole-year consolidated operating results for the year ending March 31, 2011, the Company plans to review such based on the progression of operating results in the first half. The Company will promptly announce new forecasts of whole-year consolidated operating results after verifying the lineup of products that are slated to go on sale in the third quarter and later as well as their sales schedules, etc.

(Note) The above forecasts of operating results are made based on information available to management as of the date hereof. In the future, actual results may differ from the projected figures due to various factors.

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