

November 10, 2004

FLASH REPORT
NON-CONSOLIDATED FINANCIAL STATEMENTS
6 Months Ended September 30, 2004

Name of the Company : SEGA SAMMY HOLDINGS INC.(Portion of Sammy Corporation)
Code number : 6460
 (URL <http://www.segasammy.co.jp>)
Representative: Hajime Satomi
 Chairman & CEO
Any inquiry to : Syunichi Shimizu
 General Manager, Finance Department
 Shiodome Sumitomo Building 21F,
 1-9-2 Higashi Shimbashi, Minato-ku, Tokyo
 Tel (03) 6215 - 9955

Date of the Board of Directors meeting for the period closing November 10, 2004
 Interim dividend distribution Applicable
 Date of commencement for interim dividend payment December 10, 2004

I. RESULTS OF OPERATIONS FOR THE 6 MONHS ENDED SEPTEMBER 30, 2004

(1) RESULTS OF OPERATIONS

	Net sales		Operating income		Net income	
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%
For 6 months ended September 30, 2004	176,020	(158.4)	68,069	(197.7)	37,547	(234.4)
For 6 months ended September 30, 2003	68,131	(11.7)	22,868	(16.8)	11,227	(7.4)
For Year ended March 31, 2004	227,174	(51.0)	72,696	(40.3)	34,866	(40.6)

	Net income per share
	Yen
For 6 months ended September 30, 2004	457.81
For 6 months ended September 30, 2003	225.46
For Year ended March 31, 2004	460.89

(Note) Weighted average number of shares outstanding:

	<u>Number of shares</u>
For 6 months ended September 30, 2004	82,014,278
For 6 months ended September 30, 2003	49,799,498
For year ended March 31,2004	74,782,783

There was no significant change in the accounting policy between the periods presented.

Percentages for net sales, operating income and net income represent change from the corresponding period in the prior period.

(2) DESCRIPTION OF DIVIDENDS PAID

	Dividend paid per share for the 6 months	Total dividends paid per share (annual)
	Yen	Yen
For 6 months ended September 30, 2004	40.00	-
For 6 months ended September 30, 2003	40.00	-
For Year ended March 31, 2004	-	90.00

(3) FINANCIAL POSITION

	Total assets	Shareholders' equity	Equity ratio	Equity per share
	Millions of yen	Millions of yen	%	Yen
September 30, 2004	286,362	159,232	55.6	1,880.88
September 30, 2003	152,455	79,699	52.3	1,611.21
March 31, 2004	276,277	116,526	42.2	1,434.94

(Note)	The total numbers of shares outstanding	<u>Number of shares</u>
	For 6 months ended September 30, 2004	84,658,380
	For 6 months ended September 30, 2003	49,465,286
	For year ended March 31,2004	80,927,879
	The total number of treasury stock	<u>Number of shares</u>
	For 6 months ended September 30, 2004	50
	For 6 months ended September 30, 2003	4,399,840
	For year ended March 31,2004	6,572,839

II. PROJECTION FOR FISCAL YEAR 2004 (APRIL 1, 2004 ~ MARCH 31, 2005)

	Net sales	Operating income	Net income	Dividend paid per share for the year	
				Year-end	
Entire year	Millions of Yen 276,000	Millions of Yen 86,200	Millions of Yen 47,500	Yen 4000	Yen 8000

(Reference) Projected net income per share for the entire-year is ¥ 557.53

Note :

SEGA SAMMY HOLDINGS, Sammy's new parent company established via share swap, plans to pay a year-end dividend in the same amount

The management of the Company is required to disclose the information about Projection of results for fiscal year ended March 2005 in accordance with the regulation of Tokyo Stock Exchange.

Above estimate is made based on the information available at the date of announcement of this flash report and there may be a case that above estimate would differ from actual amount due to various reasons.

SAMMY CORPORATION
NON-CONSOLIDATED BALANCE SHEETS
AS OF SEPTEMBER 30, 2004, SEPTEMBER 30, 2003 AND MARCH 31, 2004

(Unit : Millions of Yen)

	Current period (As of September 30, 2004)		Prior period (As of September 30, 2003)		Prior year (As of March 31, 2004)	
	Amount	Percentage	Amount	Percentage	Amount	Percentage
(A s s e t s)		%		%		%
Current Assets						
Cash and deposits	80,016		28,456		53,158	
Notes receivable	31,590		17,905		36,463	
Accounts receivable-trade	24,703		25,181		46,534	
Allowance for doubtful accounts	(140)		(471)		(459)	
Inventories	19,724		19,230		16,395	
Short-term loan	3,715		4,337		2,953	
Others	17,004		13,398		18,826	
Total current assets	176,614	61.7	108,038	70.9	173,871	62.9
Non-current assets						
Property and equipment	24,907	8.7	16,754	11.0	17,495	6.4
Intangible assets	1,180	0.4	1,040	0.7	1,143	0.4
Investments and other assets						
Investment securities	18,366		16,822		19,358	
Investment and other assets	54,466		-		56,166	
Others	14,172		9,930		10,937	
Allowance for doubtful accounts	(3,344)		(132)		(2,696)	
Total investments and other assets	83,660	29.2	26,620	17.4	83,766	30.3
Total non-current assets	109,747	38.3	44,416	29.1	102,405	37.1
Total assets	286,362	100.0	152,455	100.0	276,277	100.0

(Unit : Millions of Yen)

	Current period (As of September 30, 2004)		Prior period (As of September 30, 2003)		Prior year (As of March 31, 2004)	
	Amount	Percentage	Amount	Percentage	Amount	Percentage
(Liabilities)		%		%		%
Current liabilities						
Short-term bank loans and current portion of long-term debt	900		5,000		1,800	
Notes payable	29,063		14,453		29,966	
Accounts payable	4,845		8,066		18,539	
Income taxes payable	28,794		13,017		29,549	
Accrued employees' bonus	1,588		1,105		1,233	
Others	10,443		7,467		15,525	
Total current liabilities	75,634	26.4	49,110	32.2	96,613	35.0
Non-current liabilities						
Bond	45,516		15,000		55,000	
Long-term debt, less current portion	-		900		600	
Severance and retirement allowance	1,940		1,591		1,796	
Others	4,039		6,153		5,740	
Total non-current liabilities	51,496	18.0	23,644	15.5	63,136	22.8
Total liabilities	127,130	44.4	72,755	47.7	159,750	57.8
(Shareholders' equity)						
Common stock	18,221	6.4	8,474	5.6	15,374	5.6
Capital surplus						
Additional paid-in capital	19,211		9,468		16,364	
Other capital surplus	1,826		-		-	
Sub-total	21,037	7.3	9,468	6.2	16,364	5.9
Retained earnings						
Legal reserve	310		310		310	
Retained earnings-appropriated	55,185		55,185		55,185	
-unappropriated	57,527		13,114		34,782	
Sub-total	113,023	39.5	68,610	45.0	90,278	32.7
Valuation difference for investment securities	6,949	2.4	8,704	5.7	10,024	3.6
Treasury stock	(0)	(0.0)	(15,559)	(10.2)	(15,515)	(5.6)
Total shareholders' equity	159,232	55.6	79,699	52.3	116,526	42.2
Total liabilities and shareholders' equity	286,362	100.0	152,455	100.0	276,277	100.0

SAMMY CORPORATION

NON-CONSOLIDATED STATEMENTS OF INCOME

FOR THE 6 MONTHS ENDED SEPTEMBER 30, 2004 AND 2003 AND YEAR ENDED MARCH 31, 2004

(Unit : Millions of Yen)

	Current period (From April 1, 2004 to September 30, 2004)		Prior period (From April 1, 2003 to September 30, 2003)		Prior year (From April 1, 2003 to March 31, 2004)	
	Amount	Percentage	Amount	Percentage	Amount	Percentage
	Net sales	176,020	100.0	68,131	100.0	227,174
Cost of sales	74,250	42.2	28,138	41.3	106,579	46.9
Gross profit	101,769	57.8	39,992	58.7	120,595	53.1
Selling, general and administrative expenses	33,700	19.1	17,123	25.1	47,898	21.1
Operating income	68,069	38.7	22,868	33.6	72,696	32.0
Other income (expenses)						
Other income	816	0.4	710	1.1	657	0.3
Other expenses	3,721	2.1	922	1.4	5,120	2.3
Income before income taxes	65,164	37.0	22,657	33.3	68,233	30.0
Income taxes – current	28,000	15.9	12,683	18.6	41,000	18.0
- deferred	(382)	(0.2)	(1,252)	(1.8)	(7,632)	(3.3)
Net income	37,547	21.3	11,227	16.5	34,866	15.3
Unappropriated retained earnings - beginning of the period	30,336		1,916		1,916	
Interim dividend	-		-		1,978	
Loss of disposal of treasury stock	-		28		21	
Cancellation of treasury stock	10,355		-		-	
Unappropriated retained earnings – end of the period	57,527		13,114		34,782	

SIGNIFICANT ACCOUNTING POLICIES

1. Valuation for important assets

(1) Securities

Securities of subsidiary and affiliate are carried at moving average cost.

Securities that have quoted market prices are stated at the market value. The difference between acquisition cost and market value is accounted for as net unrealized holding gains on securities in Shareholders' equity.

Other securities are carried at moving average cost.

(2) Inventories are stated at cost determined by the average method.

2. Depreciation method of property and equipment

Tangible assets

Depreciation is computed primarily using the declining-balance method .

In addition, buildings acquired after April 1, 1998 are depreciated using the straight-line method .

Service life for primary assets is as follows:

Building: 2-50 years

Tools/Furniture: 2-20 years

Intangible assets

Depreciation is computed using the straight-line method. We adopt the straight-line method over the useful life of 5 years for Software for internal use.

Advance payment

Depreciation is computed using the straight-line method.

3. Accounting for deferred assets

Stock issuance costs are expensed as incurred.

4. Basis of recording allowances

Allowance for doubtful accounts

The allowance for doubtful accounts is provided in an amount sufficient to cover possible losses by estimating individually uncollectible amounts and applying a percentage based on collection experience to the remaining accounts.

Provision of bonus

An amount sufficient to cover is recorded based on the estimated amounts of bonus payment reserve.

Severance and retirement allowance for employees

The liability for the employees' severance and retirement benefits is recorded on the amount recognized as accrual in the end of September 2004 based on the estimated amounts of benefit obligation and plan assets at the end of the year.

Severance and retirement allowance for directors and corporate auditors

The liability for the directors' and corporate auditors' severance and retirement benefits is recorded based on the amount required in accordance with the Company's policy.

5. Accounting for lease transactions

Finance leases, which do not transfer ownership to lessees, are accounted for in the same manner as operating leases.

6. Accounting for significant hedge

The Company has employed certain interest swaps to hedge its exposure to movements in the interest rates for its borrowings. As a matter of policy, the Company does not engage in speculative transactions. These swaps have been accounted for using the simplified method permissible.

7. Accounting method of consumption taxes

Consumption taxes paid and received are recorded as suspense payments and suspense receipts during the year. The net payable resulting from offsetting the two accounts is recorded as consumption tax payable at year-end.

CHANGES IN PRESENTATION

(Interim Balance Sheets)

Investment in subsidiaries and affiliate, which was ¥7,013 million at the end of the previous interim period and included in "Others" under the "Investments and other assets" heading of non-current assets, has been classified separately from the interim period under review since it now exceeds 5% of total assets.

SUPPLEMENTAL INFORMATION

(Presentation of the pro forma standard tax portion of enterprise tax in the statements of income)

Of the value-added input and capital input portions of enterprise tax amounting to ¥371 million for the interim period under review based on Practical Guidance Report No. 12, “Treatment of the Pro Forma Standard Tax Portion of Corporate Tax in the Statements of Income,” announced by the Accounting Standards Board of Japan on February 13, 2004, ¥3 million was booked under cost of sales and ¥367 million under selling, general and administrative expenses.

Notes to NON-CONSOLIDATED financial statements

BALANCE SHEET

Current period (As of September 30, 2004)	Prior period (As of September 30, 2003)	Prior year (As of March 31, 2004)
<p>1. Accumulated depreciation for property and equipment ¥5,968 million</p>	<p>1. Accumulated depreciation for property and equipment ¥4,672million</p>	<p>1. Accumulated depreciation for property and equipment ¥5,117 million</p>
<p>2. Liabilities for guarantees The Company was contingently liable for guarantees of debt and account payable to the Banks amounting as follows;</p> <p style="padding-left: 20px;">Sammy Amusement Service Co., Ltd. ¥ 378 million. SI Electronics, Ltd. ¥50 million Shuko Electronics Co., Ltd. ¥ 359 million Dimps Corporation ¥ 400 million Sammy USA Corporation ¥ 222 million (US\$ 2,000,000) Total 1,409 million</p> <p>Additionally, the Company was liable for guarantees of the following subsidiaries' account payable SI Electronics, Ltd. for Bond ¥ 200 million Shuko Electronics Co., Ltd. for contract of installment sales ¥197 million Sammy Studios, Inc. for office rent ¥ 175million (US\$1,577,000) Sammy Amusement Service Co., Ltd. for purchase ¥ 1 million</p>	<p>2. Liabilities for guarantees The Company was contingently liable for guarantees of debt and account payable to the Banks amounting as follows;</p> <p style="padding-left: 20px;">Sammy Amusement Service Co., Ltd. ¥648 million. SI Electronics, Ltd. ¥300 million Shuko Electronics Co., Ltd. ¥535 million Dimps Corporation ¥400 million Sammy USA Corporation ¥166 million (US\$1,500,000) Total 2,050 million</p> <p>Additionally, the Company was liable for guarantees of the following subsidiaries' account payable SI Electronics, Ltd. for Bond ¥200 million Shuko Electronics Co., Ltd. for contract of installment sales ¥259 million Sammy Studios, Inc. for office rent ¥219 million (US\$1,972,000) Sammy Amusement Service Co., Ltd. for purchase ¥13 million</p>	<p>2. Liabilities for guarantees The Company was contingently liable for guarantees of debt and account payable to the Banks amounting as follows;</p> <p style="padding-left: 20px;">Sammy Amusement Service Co., Ltd. ¥578 million. SI Electronics, Ltd. ¥300 million Shuko Electronics Co., Ltd. ¥521 million Dimps Corporation ¥400 million Sammy USA Corporation ¥211 million (US\$2,000,000) Total 2,011 million</p> <p>Additionally, the Company was liable for guarantees of the following subsidiaries' account payable SI Electronics, Ltd. for Bond ¥200 million Shuko Electronics Co., Ltd. for contract of installment sales ¥228 million Sammy Studios, Inc. for office rent ¥166 million (US\$1,577,000) Sammy Amusement Service Co., Ltd. for Purchase ¥16 million</p>
<p>3.Accounting for consumption taxes Consumption taxed paid and received are netted and recorded as other liabilities in current liabilities at the period-end.</p>	<p>3.Accounting for consumption taxes Consumption taxed paid and received are netted and recorded as other liabilities in current liabilities at the period-end.</p>	<p>3.Accounting for consumption taxes _____</p>
<p>4.Security loaned with ¥834 million is included in Investment securities.</p>		

(Increases in the number of shares issued and outstanding during the interim period)

Increase of 13,200 shares through the exercise of stock options

Issue price: ¥2,830 Amount added to capital: ¥1,415

Increase of 43,200 shares through the exercise of stock options

Issue price: ¥2,988 Amount added to capital: ¥1,494

Increase of 16,140 shares through the exercise of new share subscription rights (allotment to shareholders)

Issue price: ¥2,038 Amount added to capital: ¥1,019

Increase of 1,435,471 shares through the exercise of yen-denominated convertible bonds with new share subscription rights Issue price: ¥3,828 Amount added to capital: ¥1,914

(Decreases in the number of shares issued and outstanding during the interim period)

Cancellation of 4,350,299 shares of treasury stock

Total acquisition cost: ¥10,355,964,709

STATEMENT OF INCOME

Current period From April 1, 2004 to September 30, 2004	Prior period From April 1, 2003 to September 30, 2003	Prior year From April 1, 2003 to March 31, 2004
1. Significant items of selling, general and administrative expenses are as follows;	1. Significant items of selling, general and administrative expenses are as follows;	1. Significant items of selling, general and administrative expenses are as follows;
<u>Millions of yen</u>	<u>Millions of yen</u>	<u>Millions of yen</u>
Selling expense	Selling expense	Selling expense
Sales commission 13,759	Sales commission 3,643	Sales commission 17,723
Advertising 1,809	Advertising 1,788	Advertising 3,984
Others 1,605	Others 702	Others 2,315
Total 17,175	Total 6,134	Total 24,023
Wages and payroll	Wages and payroll	Wages and payroll
Provision for bonuses 762	Provision for bonuses 636	Provision for bonuses 679
Provision for retirement benefits for directors and corporate auditors 27	Provision for retirement benefits for directors and corporate auditors 20	Provision for retirement benefits for directors and corporate auditors 41
Provision for retirement benefits for employees 88	Provision for retirement benefits for employees 108	Provision for retirement benefits for employees 216
Salary, allowance for employees 1,348	Salary, allowance for employees 1,137	Salary, allowance for employees 2,320
Remuneration for director 202	Remuneration for director 138	Remuneration for director 280
Others 1,324	Others 424	Others 1,596
Total 3,754	Total 2,467	Total 5,135
Other administrative expenses	Other administrative expenses	Other administrative expenses
Research and development 7,619	Research and development 5,345	Research and development 11,969
Bad debt -	Bad debt -	Bad debt 8
Rental 655	Rental 530	Rental 1,229
Commission 1,541	Commission 852	Commission 1,760
Depreciation 252	Depreciation 143	Depreciation 309
Others 2,701	Others 1,649	Others 3,462
Total 12,771	Total 8,521	Total 18,740

2.Significant items of others income;	2.Significant items of others income;	2.Significant items of others income;
<u>Millions of yen</u>	<u>Millions of yen</u>	<u>Millions of yen</u>
Interest income 35	Interest income 47	Interest income 74
Reversal of allowance for doubtful accounts 300	Reversal of allowance for doubtful accounts 286	Reversal of allowance for doubtful accounts -
Gain on sale of property and equipment 4	Gain on sale of property and equipment 7	Gain on sale of property and equipment 7
3.Significant items of others expenses;	3.Significant items of others expenses;	3.Significant items of others expenses;
<u>Millions of yen</u>	<u>Millions of yen</u>	<u>Millions of yen</u>
Interest expenses 33	Interest expenses 57	Interest expenses 178
Loss on disposal of property and equipment 32	Loss on disposal of property and equipment 94	Loss on disposal of property and equipment 209
Loss on devaluation of investment securities 255	Loss on devaluation of Investment securities -	Loss on devaluation of investment securities -
Loss on devaluation of golf-club membership -	Loss on devaluation of golf-club membership 5	Loss on devaluation of golf-club membership 5
Loss on devaluation of investments 19	Loss on devaluation of investments 10	Loss on devaluation of investments 35
Provision for doubtful accounts 629	Provision for doubtful accounts -	Provision for doubtful accounts 2,496
Loss of devaluation of investment in subsidiaries 1,699	Loss of devaluation of investment in subsidiaries -	Loss of devaluation of investment in subsidiaries 270
Loss on sale of investment securities -	Loss on sale of investment securities -	Loss on sale of investment securities 174
Loss of liquidation of subsidiaries -	Loss of liquidation of subsidiaries -	Loss of liquidation of subsidiaries 194
4.Depreciation and amortization	4.Depreciation and amortization	4.Depreciation and amortization
<u>Millions of yen</u>	<u>Millions of yen</u>	<u>Millions of yen</u>
Property and equipment 1,041	Property and equipment 843	Property and equipment 2,001
Intangible assets 195	Intangible assets 178	Intangible assets 383

Lease Transactions

Current period (From April 1, 2004 to September 30, 2004)	Prior period (From April 1, 2003 to September 30, 2003)	Prior year (From April 1, 2003 to March 31, 2004)																																																
<p>A summary of finance leases with which the transfer of ownership to lessee does not occur:</p> <p>1. Acquisition cost, accumulated depreciation, period-end book value of the leased items</p> <p style="text-align: right;">(Millions of Yen)</p> <table border="1"> <thead> <tr> <th></th> <th>Acquisition cost</th> <th>Accumulated depreciation</th> <th>Book value at year-end</th> </tr> </thead> <tbody> <tr> <td>Tools and furniture</td> <td style="text-align: center;">60</td> <td style="text-align: center;">12</td> <td style="text-align: center;">47</td> </tr> <tr> <td>Machinery and equipments</td> <td style="text-align: center;">33</td> <td style="text-align: center;">14</td> <td style="text-align: center;">18</td> </tr> <tr> <td>Total</td> <td style="text-align: center;">93</td> <td style="text-align: center;">26</td> <td style="text-align: center;">66</td> </tr> </tbody> </table>		Acquisition cost	Accumulated depreciation	Book value at year-end	Tools and furniture	60	12	47	Machinery and equipments	33	14	18	Total	93	26	66	<p>A summary of finance leases with which the transfer of ownership to lessee does not occur:</p> <p>1. Acquisition cost, accumulated depreciation, period-end book value of the leased items</p> <p style="text-align: right;">(Millions of Yen)</p> <table border="1"> <thead> <tr> <th></th> <th>Acquisition cost</th> <th>Accumulated depreciation</th> <th>Book value at year-end</th> </tr> </thead> <tbody> <tr> <td>Tools and furniture</td> <td style="text-align: center;">12</td> <td style="text-align: center;">5</td> <td style="text-align: center;">7</td> </tr> <tr> <td>Machinery and equipments</td> <td style="text-align: center;">37</td> <td style="text-align: center;">25</td> <td style="text-align: center;">12</td> </tr> <tr> <td>Total</td> <td style="text-align: center;">50</td> <td style="text-align: center;">30</td> <td style="text-align: center;">19</td> </tr> </tbody> </table>		Acquisition cost	Accumulated depreciation	Book value at year-end	Tools and furniture	12	5	7	Machinery and equipments	37	25	12	Total	50	30	19	<p>A summary of finance leases with which the transfer of ownership to lessee does not occur:</p> <p>1. Acquisition cost, accumulated depreciation, year-end book value of the leased items</p> <p style="text-align: right;">(Millions of Yen)</p> <table border="1"> <thead> <tr> <th></th> <th>Acquisition cost</th> <th>Accumulated depreciation</th> <th>Book value at year-end</th> </tr> </thead> <tbody> <tr> <td>Tools and furniture</td> <td style="text-align: center;">27</td> <td style="text-align: center;">8</td> <td style="text-align: center;">19</td> </tr> <tr> <td>Machinery and equipments</td> <td style="text-align: center;">46</td> <td style="text-align: center;">30</td> <td style="text-align: center;">16</td> </tr> <tr> <td>Total</td> <td style="text-align: center;">74</td> <td style="text-align: center;">39</td> <td style="text-align: center;">35</td> </tr> </tbody> </table>		Acquisition cost	Accumulated depreciation	Book value at year-end	Tools and furniture	27	8	19	Machinery and equipments	46	30	16	Total	74	39	35
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Exceeding one year	<u>21</u>																																																	
Total	<u><u>35</u></u>																																																	
<p>3. Payment of lease/Depreciation</p> <p style="text-align: right;">(Millions of Yen)</p> <table style="width: 100%;"> <tr> <td style="width: 80%;">Payment of lease</td> <td style="text-align: right;">¥ 64</td> </tr> <tr> <td>Depreciation</td> <td style="text-align: right;">64</td> </tr> </table> <p>4. Depreciation is computed using the straight-line method over the lease term to make residual value zero.</p>	Payment of lease	¥ 64	Depreciation	64	<p>3. Payment of lease/Depreciation</p> <p style="text-align: right;">(Millions of Yen)</p> <table style="width: 100%;"> <tr> <td style="width: 80%;">Payment of lease</td> <td style="text-align: right;">¥ 7</td> </tr> <tr> <td>Depreciation</td> <td style="text-align: right;">7</td> </tr> </table> <p>4. Depreciation is computed using the straight-line method over the lease term to make residual value zero.</p>	Payment of lease	¥ 7	Depreciation	7	<p>3. Payment of lease/Depreciation</p> <p style="text-align: right;">(Millions of Yen)</p> <table style="width: 100%;"> <tr> <td style="width: 80%;">Payment of lease</td> <td style="text-align: right;">¥ 15</td> </tr> <tr> <td>Depreciation</td> <td style="text-align: right;">15</td> </tr> </table> <p>4. Depreciation is computed using the straight-line method over the lease term to make residual value zero.</p>	Payment of lease	¥ 15	Depreciation	15																																				
Payment of lease	¥ 64																																																	
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Depreciation	15																																																	

SECURITIES

Current period(As of September30,2004)

Securities of subsidiaries and affiliate which have market values in period from April 1, 2004 to September 30, 2004 is as follows.

(Millions of Yen)

	Book value at year-end	Market value at year-end	Difference
(1)Subsidiaries	4,649	41,311	36,662
(2) Affiliate	45,520	58,441	12,920
Total	50,169	99,752	49,582

Prior period(As of September30,2003)

Securities of subsidiaries and affiliates do not have market value in the period from April 1, 2003 to September 30,2003.

Prior period(As of March 31,2004)

Securities of subsidiary and affiliate which have market values in period from April 1, 2003 to March 31, 2004 is as follows.

(Millions of Yen)

	Book value at year-end	Market value at year-end	Difference
(1)Subsidiary	2,619	5,392	2,772
(2)Affiliate	45,520	44,507	(1,012)
Total	48,140	49,900	1,760

Per share data

Current period (From April 1, 2004 to September 30, 2004)	Prior period (From April 1, 2003 to September 30, 2003)	Prior year (From April 1, 2003 to March 31, 2004)
Equity per share ¥ 1,880.88	Equity per share ¥ 1,611.21	Equity per share ¥ 1,434.94
Net income per share ¥ 457.81	Net income per share ¥ 225.46	Net income per share ¥ 460.89
Net income per share (diluted) ¥ 442.32	Net income per share (diluted) ¥ 223.10	Net income per share (diluted) ¥ 453.60
Sammy Corporation conducted a 1.5-for-1 stock split on February 27, 2004. If the stock split is assumed to have taken place at the beginning of the previous fiscal year, net income per share for the previous interim period would be as follows:		Sammy Corporation conducted a 1.5-for-1 stock split on February 27, 2004. If the stock split is assumed to have taken place at the beginning of the previous fiscal year, net income per share for the previous interim period would be as follows:
Equity per share ¥1,074.14		Equity per share ¥882.07
Net income per share ¥150.30		Net income per share ¥313.84
Net income per share (diluted) ¥148.73		Net income per share (diluted) ¥312.86

(Note) Equity per share and net income per share (diluted) are computed as follows:

	Current year (From April 1, 2004) to September 30, 2004)	Prior period (From April 1, 2003) to September 30, 2003)	Prior year (From April 1, 2003) to March 31, 2004)
Equity per share			
Net income	37,547	11,227	34,866
Amount which does not belong to common shareholders (million)	-	-	400
(of which, bonus to directors) (million)	-	-	400
Net income for common stock (million)	37,547	11,227	34,466
Average numbers of shares issued and outstanding during fiscal year (Thousand)	82,014	49,799	74,782
Net income per share (diluted)			
Adjustment to net income (million)	-	-	-
Increase of common stock (Thousand)	2,872	525	1,201
(of which, preemptive rights on common stock)(Thousand)	2,872	525	1,201
Description and number of common stock equivalents which were not included in the computation of net income per share (diluted) as they were anti-dilutive	_____	Stock option (common stock) 336,000 approved by General Meeting on June 22, 2001 Stock option (common stock) 328,000 approved by General Meeting on June 21, 2002 Stock option (common stock) 407,000 approved by General Meeting on June 26, 2003	Stock option (common stock) 489,000 approved by General Meeting on June 22, 2001 Stock option (common stock) 487,500 approved by General Meeting on June 21, 2002 Stock option (common stock) 10,449,320 approved by General Meeting on February, 12 2004

SUBSEQUENT EVENT

Sammy Corporation became a wholly owned subsidiary of SEGA SAMMY HOLDINGS INC., established jointly with SEGA CORPORATION through a share swap on October 1, 2004.