

(Translation)

February 8, 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 Solicitation for Voluntary Retirement
by the Company's Subsidiary (SEGA CORPORATION)

It is hereby notified that SEGA CORPORATION (Head office: Ota-ku, Tokyo, President, Representative Director, CEO and COO: Hajime Satomi; hereinafter "SEGA"), a subsidiary of SEGA SAMMY HOLDINGS INC. (the "Company"), at the meeting of its Board of Directors held on February 8, 2008, adopted a resolution for soliciting voluntary retirement, as described below:

Description

1. Reason for the solicitation for voluntary retirement:

Due to SEGA failing to respond to changing business environment, the operating performance of its core businesses, including amusement facilities business and domestic consumer business, has not been performing well. In such situation, to carry out a revolution to become a company that can constantly post profits, SEGA has continued its work on closing approximately 110 unprofitable amusement facilities since last year to rehabilitate its core business and has implemented various measures to reduce cost, including reductions of officers' remuneration and bonuses of managerial-level staffs. As part of these measures, SEGA has determined to solicit voluntary retirement of employees to reduce fixed costs and gain greater cost flexibility through optimum employment.

2. Summary of the solicitation for voluntary retirement:

- (1) Number of applications sought: Approximately 400 employees (Number of employees of SEGA as of December 31, 2007: 3,583)

- (2) Period of solicitation: About two weeks commencing February 8, 2008
- (3) Date of retirement: During the fiscal year ending March 31, 2008 (expected)

3. Future outlook:

If applications for voluntary retirement are made in the number as solicited, the Company is expected to report, on a consolidated basis, an extraordinary loss of approximately ¥2,900 million on the payment of special severance allowances and other benefits. Consequently, SEGA will be able to reduce annual labor costs by approximately ¥3,500 million for the year ending March 31, 2009.

(For reference) Forecast of whole-year consolidated operating results for the year ending March 31, 2008 (publicized on February 8, 2008) and the actual operating results for the previous fiscal year

(million yen)

	Net sales	Operating income	Ordinary income	Net income
Forecast of operating results for the current year (from April 1, 2007 to March 31, 2008)	475,000	(-) 6,000	(-) 7,000	(-) 26,000
Operating results for the previous year (from April 1, 2006 to March 31, 2007)	528,238	76,530	81,287	43,456

- * The above forecast of operating results is made based on information available to the Company as of the date hereof. The actual results may differ from the forecasted figures due to various factors in the future.

- END -