

(Translation)

September 27, 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 Supreme Court Final Decision in Favor of Sammy

Notice is hereby given that with regard to the action for damages for alleged infringement of patents filed against Sammy Corporation ("Sammy"), a subsidiary of SEGA SAMMY HOLDINGS INC., by Universal Entertainment Corporation (former trade name: Aruze Corporation) for which Universal Entertainment Corporation filed a final appeal and a petition for acceptance of final appeal on March 26, 2010, the Supreme Court has decided to dismiss Universal Entertainment Corporation's final appeal and reject acceptance of the case as a final appeal hearing, as described below.

Aruze Corporation (former trade name) filed an action against Sammy for the payment of ¥21,000,000,000 in damages as of December 27, 2005, alleging that Sammy's drum-rotating game machines (or pachislot machines) "*Hokuto-no-Ken*" had infringed two of its patent rights (Patent No. 3069092 and Patent No. 3708056).

Description

1. Background

December 27, 2005: Aruze Corporation (former trade name) filed an action
May 22, 2007: Tokyo District Court rendered judgment dismissing the claims
June 4, 2007: Aruze Corporation (former trade name) filed an appeal
March 10, 2010: Intellectual Property High Court rendered judgment dismissing the appeal
March 26, 2010: Universal Entertainment Corporation filed a final appeal
September 24, 2010: Supreme Court decided to dismiss and reject acceptance of the final appeal

2. Content of the Supreme Court decision

The final appeal shall be dismissed.
Acceptance of the case as a final appeal hearing shall be rejected.
The costs of the final appeal and costs of the petition shall be borne by the appellant/petitioner.

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