

(Translation)

October 31, 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 Adjustment to the Forecasts of the Whole-year Non-consolidated Operating Results
for the Year Ending March 31, 2009 of the Company's Subsidiary (TAIYO ELEC Co., Ltd.)

Notice is hereby given that TAIYO ELEC Co., Ltd., a subsidiary of SEGA SAMMY HOLDINGS INC. (the "Company") made an announcement on adjustment to the forecasts of its whole-year non-consolidated operating results for the year ending March 31, 2009 (from April 1, 2008 to March 31, 2009), which was publicized in its "Non-Consolidated Settlement of Accounts for the Fiscal Year Ended March 31, 2008" on May 13, 2008 as described in the attachment hereto.

The adjustment will have no significant effect on the operating results of the Company and no adjustment will be made to the forecasts of the operating results of the Company.

<<Attached material: Press release of TAIYO ELEC Co., Ltd.
"Notice of Adjustment to the Forecasts of the Whole-Year Operating
Results (Non-Consolidated) for the Year Ending March 31, 2009 ">>

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(Translation)



October 31, 2008

Dear Sirs,

Name of Company: TAIYO ELEC Co., Ltd.
Name of Representative: Eriko Sato,
President and Representative
Director
Code No: 6429
Listing Exchange: JASDAQ
Further Inquiry: Masahiko Watanabe,
Executive Officer
Administration Division
(TEL: 052-502-9222)

Notice of Adjustment to the Forecasts of the Whole-Year Operating Results
(Non-Consolidated) for the Year Ending March 31, 2009

Notice is hereby given that TAIYO ELEC Co., Ltd. (the "Company") has made adjustment to the forecasts of its whole year non-consolidated operating results for the year ending March 31, 2009 (from April 1, 2008 to March 31, 2009), which was given at the time of publication of its financial statements on May 13, 2008 as described below:

Description

Adjustment to the forecast of the whole year non-consolidated operating results for the year ending March 31, 2009 (from April 1, 2008 to March 31, 2009):

(million yen except otherwise indicated)

	Net sales	Operating income	Ordinary income	Net income	Net income per share
Previous forecast (A)	30,000	1,700	1,700	1,500	¥65.70
Adjusted forecast (B)	27,000	1,700	1,700	1,500	¥65.95
Amount of increase or decrease (B-A)	(-) 3,000	—	—	—	—
Rate of increase or decrease	(-) 10.0%	—	—	—	—
(For reference) Interim operating results for the year ended March 31, 2008	25,334	1,657	1,636	1,423	¥77.18

Reason for the adjustment:

In the pachinko pachislot industry, the market continues to confront a harsh business environment and evaluations against pachinko pachislot machines by pachinko parlors become increasingly severe, leading to intensification of competition among pachinko pachislot manufactures. Under this business environment, the Company made adjustment to the sales plan of pachinko and pachislot machines after third quarter onward.

With regard to pachinko business, although the Company planned to launch three titles in the second half, the Company decided to delay one title to next fiscal year. Consequently, total number of titles of pachinko machine to be released in the second half is expected to decrease by one to two titles. However, the Company continues to sell “CR Takumi no Michi” launched in second quarter continuously and will release strong two title. Based on this, the Company leaves current sales plan of 60 thousands units unchanged.

With regard to pachislot business, although the Company planned to launch two titles after third quarter onward, the Company moved a part of the schedule forward and released one title “Kido Shinsen Gumi Moeyo Ken” in the second quarter. Consequently, total number of title of pachislot machine to be released in the second half is expected to decrease by one to one title. Based on this, the number of unit sales in second half is expected to decrease by 5 thousand to 5 thousand accordingly.

As a result, net sales expected to decrease by 3.0 billion yen from the previously publicized forecast to 27.0 billion yen.

With regard to operating income, ordinary income and net income, the Company maintains the previously publicized forecast. This is because profit results in the first half were above the previous publicized forecast and the Company continues to make a effort for to improve gross margin such as reduction of expenses.

(Remarks) Net income per share was changed from the previously publicized forecast due to the share buy back on August 29, 2008.

- * The above forecast of operating results is made based on the information available to management as of the date hereof. Actual results may differ from the projected figures due to a variety of factors in the future.

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