

(Translation)

October 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 Adjustment to the Forecasts of Whole-Year Operating Results
(Consolidated/ Non-Consolidated) for the Year Ending
March 31, 2011 of the Company's Subsidiary (TMS Entertainment, Ltd.)

Notice is hereby given that TMS Entertainment, Ltd., a subsidiary of SEGA SAMMY HOLDINGS INC. (the "Company"), has announced an adjustment to the forecasts of its whole-year operating results for the year ending March 31, 2011, publicized on April 30, 2010, as described in the attachment hereto.

These events will have no significant effect on the Company's operating results and no adjustment will be made to the forecasts of the Company's operating results.

<<Attached material: Press release of TMS Entertainment, Ltd.

"Notice of Adjustment to the Forecasts of Whole-Year Operating Results
(Consolidated/Non-Consolidated) for the Year Ending March 31, 2011">>

- END -

October 27, 2010

To whom it may concern,

Company: TMS Entertainment, Ltd.
Representative: Hideki Okamura,
President and Representative Director
(Code No. 3585, 2nd Section of Nagoya Stock Exchange)
Further Inquiries: Katsuhiro Yamada
Managing Director and Division
Manager, Administration Division
(TEL: 03-5332-8021)

**Notice of Adjustment to the Forecasts of Whole-Year Operating Results
(Consolidated and Non-Consolidated) for the Year Ending March 31, 2011**

Notice is hereby given that TMS Entertainment, Ltd. (the "Company") has made an announcement, as described below, concerning an adjustment to the forecasts of its whole-year operating results for the year ending March 31, 2011 (from April 1, 2010 to March 31, 2011), which was publicized on April 30, 2010 together with the operating results for the fiscal year ended March 31, 2010.

Description

1. Adjustment to the forecasts of consolidated operating results for the year ending March 31, 2011

(1) Whole-year (from April 1, 2010 to March 31, 2011)

(Unit: million yen except when otherwise indicated)

	Net Sales	Operating Income	Ordinary Income	Net Income	Net Income Per Share (Yen)
Previously publicized forecast (A)	13,780	340	410	90	2.30
Adjusted forecast (B)	14,400	560	660	360	9.21
Amount of increase or decrease (B-A)	620	220	250	270	—
Rate of increase or decrease (%)	4.5%	64.7%	61.0%	300.0%	—
(For reference) Operating results for the previous year (from April 1, 2009 to March 31, 2010)	13,296	329	390	(1,111)	(27.74)

(2) Reason for the adjustment

In the Animation Business, royalty revenue from the Sega Sammy Group's "BAKUGAN" project, for which we are a part of, remains strong, and the "BAKUGAN" TV series continues to be a hit overseas, primarily in North America. Furthermore, animation

production work and sales of licenses for pachislot and pachinko machines are increasing. In the Amusement business, net sales of both existing and new stores have been solid. Due to all of the abovementioned factors, net sales are projected to exceed the previously announced forecast by 620 million yen.

Due to the increase in net sales described above, it is anticipated that operating income, ordinary income and net income will exceed the previously announced forecasts by 220 million yen, 250 million yen and 270 million yen, respectively.

2. Adjustment to the forecasts of non-consolidated operating results for the year ending March 31, 2011

(1) Whole-year (from April 1, 2010 to March 31, 2011)

(Unit: million yen except when otherwise indicated)

	Net Sales	Operating Income	Ordinary Income	Net Income	Net Income Per Share (Yen)
Previously publicized forecast (A)	10,500	230	370	180	4.60
Adjusted forecast (B)	10,640	310	460	300	7.67
Amount of increase or decrease (B-A)	140	80	90	120	—
Rate of increase or decrease (%)	1.3%	34.8%	24.3%	66.7%	—
(For reference) Operating results for the previous year (from April 1, 2009 to March 31, 2010)	9,320	265	444	207	5.18

(2) Reason for the adjustment

For the same reason in the animation business as described under the forecasts of consolidated operating results, it is anticipated that net sales and operating income will surpass the forecasts announced earlier by 140 million yen and 80 million yen, respectively, and ordinary income and net income are expected to exceed the forecasts announced earlier by 90 million yen and 120 million yen, respectively.

* The above forecasts of operating results are based on information available to management as of the date hereof. Actual results may differ from the projected figures due to various factors.

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