

(Translation)

January 27, 2010

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: 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, 2010 and  
Recording of Extraordinary Losses at the Company's Subsidiary (TMS Entertainment, Ltd.)

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Notice is hereby given that TMS Entertainment, Ltd., a subsidiary of SEGA SAMMY HOLDINGS INC. (the "Company"), made an announcement concerning adjustment to the forecasts of whole-year operating results for the year ending March 31, 2010 publicized on April 30, 2009 and the recording of extraordinary losses 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, 2010 and  
Recording of Extraordinary Losses">>

- END -

(Translation)

January 27, 2010

Dear Sirs,

Name of Company: TMS Entertainment, Ltd.  
Name of Representative: Hideki Okamura,  
President and Representative Director  
(Code No. 3585, Nagoya Stock Exchange 2<sup>nd</sup> Section)  
Further Inquiry: Katsuhiro Yamada,  
Managing Director and Division  
Manager, Administration  
Division  
(TEL: 03-5325-9111)

Notice of Adjustment to the Forecasts of Whole-Year Operating Results  
(Consolidated/Non-Consolidated) for the Year Ending March 31, 2010  
and Recording of Extraordinary Losses

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Notice is hereby given that TMS Entertainment, Ltd. (the “Company”), made an announcement on adjustment to the forecasts of its whole-year operating results for the year ending March 31, 2010 (from April 1, 2009 to March 31, 2010) publicized on April 30, 2009 and recording of extraordinary losses as described below.

Description

**1. Adjustment to the forecasts of consolidated operating results for the year ending March 31, 2010**

(1) Whole-year (from April 1, 2009 to March 31, 2010)

(Unit: million yen unless otherwise indicated)

	Net sales	Operating income	Ordinary income	Net income	Net income per share (yen)
Previously publicized forecast (A)	14,970	310	380	30	0.73
Adjusted forecast (B)	13,200	310	380	(1,150)	(29.41)
Amount of increase or decrease (B-A)	(1,770)	—	—	(1,180)	(30.14)
Rate of increase or decrease (%)	(11.8%)	—	—	—	—
(For reference) Operating results for the previous year (from April 1, 2008 to March 31, 2009)	14,175	291	279	67	1.63

(2) Reason for the adjustment

Net sales are expected to decrease by ¥1,770 million from the previously publicized forecasts due in part to the decrease in production volume in the animation business and sluggish sales of videograms as well as the underperformance of existent outlets in the amusement facility business.

The Company is expected to achieve previously publicized forecasts for operating income and ordinary income despite the decrease in net sales as mentioned above, thanks in part to improved profit margin in the animation business and the effect of cost reductions in the amusement facility business.

The Company has recorded as extraordinary losses the impairment losses as well as losses accompanying cancellation of building rental agreements for stores with low profitability and growth potential, in order to further strengthen profitability in the amusement facility business toward the future. Along with the recording of the extraordinary losses, the Company has removed deferred tax assets of ¥88 million from the books and recorded it as income tax adjustments. Thus, net income is expected to decrease by ¥1,180 million from the previously publicized forecast.

## 2. Adjustment to the forecasts of non-consolidated operating results for the year ending March 31, 2010

(1) Whole-year (from April 1, 2009 to March 31, 2010)

(Unit: million yen unless otherwise indicated)

	Net sales	Operating income	Ordinary income	Net income	Net income per share (yen)
Previously publicized forecast (A)	10,640	170	360	160	3.92
Adjusted forecast (B)	9,200	170	360	160	4.09
Amount of increase or decrease (B-A)	(1,440)	—	—	—	0.17
Rate of increase or decrease (%)	(13.5%)	—	—	—	4.3%
(For reference) Operating results for the previous year (from April 1, 2008 to March 31, 2009)	11,556	223	288	388	9.32

(2) Reason for the adjustment

Net sales are expected to decrease by ¥1,440 million from the previously publicized forecast due in part to the decrease in production volume in the animation business and sluggish sales of videograms.

The Company is expected to achieve previously publicized forecasts for operating income, ordinary income and net income despite the decrease in net sales as mentioned above, partly due to the improved profit margin in the animation business.

## 3. Recording of extraordinary losses

With regard to the amusement facility business, the Company recorded in the third quarter consolidated accounting period ¥594 million in impairment losses as well as ¥361 million in losses accompanying cancellation of building rental agreements for stores with low profitability and growth potential and closed stores, for a total of ¥956 million as extraordinary losses.

Please see “1. Adjustment to the forecast of consolidated operating results for the year ending March 31, 2010” for the impact on operating results.

(Note) The above forecasts of operating results are made based on information available to management as of the date hereof. In the future, actual results may differ from the projected figures due to various factors.

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