

(Translation)

July 29, 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 for the
Year ending September 30, 2010 of the Company's Subsidiary (SEGA TOYS CO., LTD.)

Notice is hereby given that SEGA TOYS CO., LTD., a subsidiary of SEGA SAMMY HOLDINGS INC. (the "Company"), has made an announcement concerning adjustment to the forecasts of whole-year operating results for the year ending September 30, 2010 publicized on May 24, 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 SEGA TOYS CO., LTD.

"Notice of Adjustment to the Forecasts of Operating Results">>

-END-

(Translation)

July 29, 2010

Dear Sirs,

Name of Company: SEGATOYS CO., LTD.

Name of Representative: Yoshiharu Suzuki,
President and CEO

(JASDAQ, Code No. 7842)

Further Inquiry: Akira Sugano,
Executive Vice President and
Representative Director
Head of Corporate Department
(TEL: 03-5774-3600)

Notice of Adjustment to the Forecasts of Operating Results

Notice is hereby given that SEGA TOYS CO., LTD. (the "Company"), in consideration of the recent development of its business performance, has made an adjustment to the forecast of its whole-year consolidated/non-consolidated operating results for the year ending September 30, 2010 publicized on May 24, 2010 as described below.

Description

1. Adjustment to the forecast of operating results

Adjustment to the forecast of whole-year consolidated operating results for the year ending September 30, 2010 (from April 1, 2010 to September 30, 2010):

(Unit: million yen except when otherwise indicated)

	Net sales	Operating income	Ordinary income	Net income	Net income per share (yen)
Previously publicized forecast (A)	5,100	(320)	(340)	(320)	(14.86)
Adjusted forecast (B)	6,100	(50)	(60)	(70)	(3.25)
Amount of increase or decrease (B-A)	1,000	270	280	250	—
Rate of increase or decrease (%)	19.6	—	—	—	—
(For reference) Operating results for the previous year (ended March 31, 2010)	17,139	(395)	(412)	(1,666)	(77.40)

Adjustment to the forecast of whole-year non-consolidated operating results for the year ending September 30, 2010 (from April 1, 2010 to September 30, 2010):

(Unit: million yen except when otherwise indicated)

	Net sales	Operating income	Ordinary income	Net income	Net income per share (yen)
Previously publicized forecast (A)	4,900	(190)	(290)	(330)	(15.32)
Adjusted forecast (B)	5,900	(50)	(60)	(70)	(3.25)
Amount of increase or decrease (B-A)	1,000	140	230	260	—
Rate of increase or decrease (%)	20.4	—	—	—	—
(For reference) Operating results for the previous year (ended March 31, 2010)	16,355	(25)	(96)	(1,854)	(86.13)

2. Reason for the adjustment

(1) Reason for the adjustment to the forecast of consolidated operating results:

Concerning consolidated net sales are expected to remain strong due to the continued strong performance of the mainstay strategic domestic business of “BAKUGAN,” as well as the strong performance of “Jewelpet” and “Zhu Zhu Pets.” In addition, as for overseas sales of “BAKUGAN” during the first quarter of the consolidated fiscal period, due to the occurrence of ¥1,274 million in sales to an OEM that fell outside of projections, net sales are expected to show a significant increase.

As for profits, operating losses are expected to decrease from the previous forecast as a result of not only the increased sales but also the reduction in production expenses and efforts to review selling, general and administrative expenses through centralization of businesses following from the previous period toward an early recovery in performance.

As a result of the above, on a consolidated basis, the Company is expected to report net sales of ¥6,100 million (an increase of ¥1,000 million from the previously publicized forecast), an operating loss of ¥50 million (up ¥270 million from the previously publicized forecast), an ordinary loss of ¥60 million (up ¥280 million from the previously publicized forecast) and a net loss of ¥70 million (up ¥250 million from the previously publicized forecast), respectively.

(2) Reason for the adjustment to the forecast of non-consolidated operating results:

The forecast of non-consolidated operating results was adjusted for the same reasons that the adjustment to the forecast of consolidated operating results was made.

* Regarding the forecast of first half consolidated/non-consolidated operating results for the fiscal period ending September 2011 (from October 1, 2010 to March 31, 2011) publicized on May 10, 2010, we have left the initial projections unchanged in consideration of the present uncertainty surrounding the expectations for the period from October to December, which is the biggest selling season.

* Change in fiscal period

As publicized on May 24, 2010, the Company has changed the last day of its business year to September 30 and the fiscal year has been changed to one year from October 1 to September 30 from the following fiscal year. Furthermore, the current fiscal period, which is the transitional period for the change in the last day of the business year (fiscal period), is a six-month fiscal period that runs from April 1, 2010 to September 30, 2010.

* Explanation concerning the appropriate use of the forecast of operating results and other items of special mention

The above forecasts of operating results have been prepared based on the information available to management as of the date hereof as well as assumptions made as of the date hereof relating to uncertain factors which may affect future operating results. Actual results, etc. may differ from the expected figures due to a variety of factors, such as the economic climate and market trends.

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