

- **NEWS RELEASE** -

For Immediate Release

Publishing and Distribution Changes in the

Amusement / Consumer-Related Business Divisions of SEGA and Sammy

Tokyo - (December 28, 2004) - SEGA® CORPORATION and Sammy Corporation, both subsidiaries of **SEGA SAMMY HOLDINGS INC.**, announced today that they have agreed to make SEGA the publisher of Sammy's video game software and the distributor of Sammy's amusement machines.

SEGA Sammy Group is going to restructure the operations of SEGA and Sammy and their subsidiaries by business category by March 2007. Through this agreement, Sammy will specialize in the business of pachislot, pachinko and other peripheral equipment and SEGA will specialize in the amusement machines sales, amusement center operations and consumer businesses, whereby further improving the efficiency of their respective operations.

The summaries of this agreement are as follow:

(1) Consumer Business

SEGA will publish Sammy's video game software in Japan. The first title of this agreement is *Jissen Pachislot Hissho Ho! Hokuto No Ken Plus* for PlayStation 2; due to be released on February 24, 2005.

(Note) Regarding the distribution, SEGA has distributed Sammy's video games in Japan since "Jissen Pachislot Hissho Ho! Hokuto No Ken" for PlayStation 2 was released in May 2004.

(2) Amusement Machine Sales

Sammy's amusement machines in Japan have been distributed by SEGA since December 01, 2004.

- **End** -

About SEGA SAMMY HOLDINGS INC.

SEGA SAMMY HOLDINGS INC. (TSE: 6460) is a Tokyo-based entertainment conglomerate that provides management services to SEGA CORPORATION, Sammy Corporation and around 50 subsidiaries within the SEGA SAMMY family. Through its subsidiary companies, SEGA SAMMY HOLDINGS aims to be the worldwide leader in entertainment by providing all ages with engaging content across various industries, including Video Games, Pachinko, Pachi-slot, Toys, Amusement Venues, Arcade Games, and more. For more information, visit the SEGA SAMMY HOLDINGS Web site: <http://www.segasammy.co.jp/english/index.html>.