

(Translation)

April 27, 2005

Dear Sirs,

Name of Company: SEGA SAMMY HOLDINGS INC.
Name of Representative: Hajime Satomi,
Chairman, President and Representative
Director

(Code No. 6460, Tokyo Stock Exchange 1st Section)

Further Inquiry: Koichi Fukazawa,
Executive Officer
(TEL: 03-6215-9955)

Notice of Adjustment to the Forecast of Operating Results (Non-Consolidated)
for the Year Ended March 31, 2005

SEGA SAMMY HOLDINGS INC. (the "Company") hereby makes amendment to the forecast of operating results for the year ended March 31, 2005 (from April 1, 2004 to March 31, 2005) publicized on October 1, 2004, as described below:

1. Forecast of non-consolidated operating results:

Year ended March 31, 2005 (from October 1, 2004 to March 31, 2005) (million yen)

	Net Sales	Ordinary Income	Net Income
Previous forecast (A)	2,294	(-) 178	(-) 220
Adjusted forecast (B)	2,950	120	60
Amount of increase or decrease (B-A)	(-) 656	(-) 298	(-) 280
Rate of increase or decrease	(-) 22.2%	(-) 248.3%	(-) 466.7%
(For reference) Year ended March 31, 2004	-	-	-

<Reasons for the adjustment>

SEGA SAMMY HOLDINGS INC. (the "Company"), which was established as a pure holding company by management integration of SEGA CORPORATION and Sammy Co., Ltd. (the "Operating Companies") as of October 1, 2004, has engaged in integrated management of its group companies. All expenses for integrated management of the Group incurred by the

Company are provided for by the management service fees collected from the Operating Companies. During the business year under review, the actual expenses therefore were less than projected. Consequently, the management service fees collected from the Operating Companies decreased and as a result, net sales decreased.

In addition, with the rapid progress of exercise of the stock acquisition rights attached to the "Yen Denominated Guaranteed Convertible Bonds-Type Bonds with Stock Acquisition Rights due 2009" issued on October 29, 2004, new share issuing expenses (non-operating expenses) increased. Consequently, ordinary income and net income decreased.

However, due to a decrease in the management service fees paid by the Operating Companies in an amount equivalent to the decrease in the net sales of the Company and other reasons, the adjustment made herein will have no significant effect on the consolidated business results of SEGA SAMMY HOLDINGS INC. scheduled for publication on May 24, 2005.

2. Year-end dividends for the year ended March 31, 2005

As publicized on March 16, 2005, due to favorable performances during the business under review and steady development of restructuring of its operations under its three-year medium-term business plan for the period up to March 31, 2007, the Company expects ordinary income to exceed ¥100,000 million earlier than initially projected. By taking these factors into account, to thank the shareholders for their continued support, the Company plans to pay a dividend of ¥20 per share to commemorate the establishment of SEGA SAMMY HOLDINGS INC., in addition to a year-end dividend of ¥40 per share, totaling ¥60 per share, to the shareholders registered as of March 31, 2005.

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