

(Translation)

April 4, 2008

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: Takatoshi Akiba,
Executive Officer
(TEL: 03-6215-9955)

Notice of Impairment Loss on Security Portfolio

Notice is hereby given that SEGA SAMMY HOLDINGS INC. (the "Company") is expected to report a revaluation loss (extraordinary loss) due to the disposition of an impairment loss for the fiscal year ended March 31, 2008 as a result of a sharp decline in the market value of the listed shares comprised in the portfolio of the shares of its associated companies and investment securities held by the Company and its subsidiaries, as described below:

Description

1. Total amount of revaluation loss on the listed shares for the fiscal year ended March 31, 2008:

1) Consolidated:

(A) Total amount of revaluation loss on the listed shares for the year ended March 31, 2008 (estimate)		¥11,392 million
(B) Net assets for the year ended March 31, 2007	(A/B x 100)	¥358,858 million (3.2%)
(C) Ordinary income for the year ended March 31, 2007	(A/C x 100)	¥81,287 million (14.0%)
(D) Net income for the year ended March 31, 2007	(A/D x 100)	¥43,456 million (26.2%)

2) Non-consolidated:

(A) Total amount of revaluation loss on the listed shares for the year ended March 31, 2008 (estimate)		¥16,025 million
(B) Net assets for the year ended March 31, 2007	(A/B x 100)	¥275,588 million (5.8%)
(C) Ordinary income for the year ended March 31, 2007	(A/C x 100)	¥32,161 million (49.8%)
(D) Net income for the year ended March 31, 2007	(A/D x 100)	¥30,240 million (53.0%)

2. Future outlook:

The Company is currently reexamining the operating results for the year ended March 31, 2008, including the aforementioned extraordinary loss. In the event that the result is obtained, it will be publicized promptly.

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