

(Translation)

January 30, 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 Adjustment to the Forecasts of Whole-Year Operating Results
(Consolidated/Non-Consolidated) for the Year Ending March 31, 2008 of
the Company's Subsidiary (Sammy NetWorks Co., Ltd.)

Notice is hereby given that Sammy NetWorks Co., Ltd., a subsidiary of SEGA SAMMY HOLDINGS INC. (the "Company"), has made adjustment to the forecasts of its whole-year consolidated and non-consolidated operating results for the year ending March 31, 2008 (from April 1, 2007 to March 31, 2008) publicized on July 25, 2007, as described in the attachment hereto.

The Company is closely examining any possible effect thereof on the whole-year operating results of the Company for the year ending March 31, 2008 at present. In the event that any adjustment is to be made to the forecasts thereof, it will be publicized promptly.

<<Attached document: Press release of Sammy NetWorks Co., Ltd.
"Notice of Incurrence of Special Loss and Adjustment to the Forecasts
of Consolidated and Non-Consolidated Operating Results for the Year
Ending March 31, 2008">>

- E N D -

(Translation)

January 30, 2008

Dear Sirs,

Sammy NetWorks Co., Ltd.
1-31, Minami-Aoyama 3-chome, Minato-ku, Tokyo

Masaaki Oono,
President and Representative Director

(Code No. 3745, Mothers, Tokyo Stock Exchange)

Further Inquiry: Hiroshi Ishikura,
Senior Managing Director and General
Manager of Administration Division
(TEL: 03-5414-3030)

Notice of Incurrence of Special Loss and Adjustment to the Forecasts of
Consolidated and Non-Consolidated Operating Results for
the Year Ending March 31, 2008

Notice is hereby given that Sammy NetWorks Co., Ltd. (the "Company") has registered a special loss on investments in its overseas business, as summarized below. In addition, the forecasts of its consolidated and non-consolidated operating results for the year ending March 31, 2008 (from April 1, 2007 to March 31, 2008) publicized on July 25, 2007, are adjusted as described below:

1. Incurrence of a special loss and the particulars thereof:

The Company will report a special loss of ¥166 million (¥216 million on a non-consolidated basis) on investments in mPoria Inc., an equity method affiliate of the Company, for the third quarter of the current fiscal year (from April 1, 2007 to December 31, 2007).

The Company has invested in mPoria Inc., which has developed mobile commerce in the United States, since December 2006. As sales of the affiliate have materially fallen below the initial service start-up plan, the Company has determined to report a special loss on goodwill valuation.

2. Adjustment to the forecasts of consolidated and non-consolidated operating results for the whole-year period of the year ending March 31, 2008:

(1) Adjustment to the forecast of consolidated operating results for the whole-year period of the year ending March 31, 2008 (April 1, 2007 to March 31, 2008):

(million yen except otherwise indicated)

	Net sales	Operating income	Ordinary income	Net income	Net income per share
Previous forecast (A)	11,731	2,036	1,975	506	11,517.92
Adjusted forecast (B)	11,100	1,505	1,448	246	5,599.62
Amount of increase or decrease (B-A)	(-) 631	(-) 531	(-) 527	(-) 260	5,918.30
Rate of increase or decrease (%)	(-) 5.4	(-) 26.1	(-) 26.7	(-) 51.4	(-) 51.4

(2) Adjustment to the forecast of non-consolidated operating results for the whole-year period of the year ending March 31, 2008 (April 1, 2007 to March 31, 2008):

(million yen except otherwise indicated)

	Net sales	Operating income	Ordinary income	Net income	Net income per share
Previous forecast (A)	9,217	2,525	2,521	287	6,532.89
Adjusted forecast (B)	8,332	2,159	2,158	(-) 227	(-) 5,167.13
Amount of increase or decrease (B-A)	(-) 885	(-) 366	(-) 363	(-) 514	(-) 11,700.02
Rate of increase or decrease (%)	(-) 9.6	(-) 14.5	(-) 14.4	-	-

3. Reasons for the adjustment:

<Consolidated>

With regard to the consolidated operating results, principally due to a special loss incurred from the overseas business as set forth above, net income is expected to fall below the initial forecast. Hence, the Company has determined to make adjustment to the forecast of whole-year operating results.

With regard to net sales and profits, in addition to such special loss from the overseas business, its PC online game "777town.net", which is expected to make the whole-year sales figures of approximately ¥3,000 million for the current fiscal year, 230% over those of ¥1,300 million for the previous fiscal year, is expected to fall below the initially forecasted sales figures of ¥3,300 million. Sales of "muPass", for which the Company has launched new services, are expected to amount to approximately ¥100 million at most, as against the initially forecasted sales figures of ¥300 million.

<Non-Consolidated>

With regard to the non-consolidated operating results, due to a special loss of ¥216 million incurred from the overseas business as set forth above and an additional special loss of ¥97 million incurred from the withdrawal from China, net income is expected to fall below the

initial forecast. Hence, the Company has determined to make adjustment to the forecast of whole-year operating results.

With regard to net sales and profits, the reasons for the adjustment to consolidated operating results as set forth above similarly apply.

(Note) The above forecasts of operating results are made based on the assumptions, prospects and plans for the future available as of the date hereof and involve risks and uncertainties. The actual results may differ from the forecasted figures due to various material factors.

- END -