

(Translation)

December 1, 2010

Dear Sirs,

Name of Company: SEGA SAMMY HOLDINGS INC.

Name of Representative: Hajime Satomi,  
Chairman of the Board and  
Chief Executive Officer

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

Further Inquiry: Koichiro Ueda,  
General Manager of Group  
Communications Office  
(TEL: 03-6215-9955)

Notice of Cancellation of Treasury Stocks

Notice is hereby given that SEGA SAMMY HOLDINGS INC. (the "Company"), at the meeting of its Board of Directors held today, resolved that the Company would cancel its treasury stocks pursuant to the provisions of Article 178 of the Companies Act of Japan, as described below.

Description

1. Type of shares to be cancelled: Common shares of the Company
2. Number of shares to be cancelled: 17,000,000 shares  
(Ratio to total number of outstanding shares before cancellation: 6.0%)
3. Planned date for cancellation of shares: December 10, 2010

(Reference)

1. Before cancellation of treasury stocks
 

Total number of issued and outstanding shares:	283,229,476 shares
Total number of treasury stocks:	17,343,249 shares
2. After cancellation of treasury stocks
 

Total number of issued and outstanding shares:	266,229,476 shares
Total number of treasury stocks:	343,249 shares

(Note) The figures indicated above 1. are as of December 1, 2010.

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