

(Translation)

April 25, 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 the New Management Systems of the Company's Subsidiaries
(SEGA CORPORATION and Sammy Corporation)

Notice is hereby given that at the meeting of the Board of Directors of SEGA SAMMY HOLDINGS INC. (the "Company") on April 25, 2008 and at the Extraordinary General Meeting of Shareholders at SEGA CORPORATION ("SEGA") and Sammy Corporation ("Sammy") on the same day, the Company, SEGA and Sammy have determined the new management systems of the SEGA and Sammy, as described below:

Description

1. Purpose of the change

SEGA has continued its work on making a fundamental reform such as selling or closing approximately 110 amusement facilities with low profitability and future potential, solicitation for voluntary retirement and discontinuance of development of entertainment complex in the central ward of "Minato Mirai 21" development zone in order to build a business base that enables SEGA to generate profits continuously. At the current timing when SEGA can pave the way for prompt improvement of profitability and new growth stage, SEGA decided to move to new management systems with Okitane Usui, currently Director and General Manager of Amusement Business Group Division, becoming President and Representative Director (Chief Operating Officer) in order to recover its core business fundamentally and realize a solid and profitable business base. Furthermore, for the purpose of making quick business decisions and allocating business resources flexibly and effectively, SEGA eliminates Business Group Division System and implements an organizational change to five (5) Business Divisions and five (5) Divisions. Business divisions consist of Amusement Machine Sales Division, Amusement Facility Business Division, Overseas Amusement Business Division, Consumer Business Division and Overseas Consumer Business Division. Divisions consist of Corporate Division, Amusement R&D Division, Consumer R&D Division, Amusement Production Procurement Division and New Business Development Division.

Sammy regards the pachinko business as a key business for medium- and long-term business growth and has continued its work on strengthening the development capability while we are facing sagging pachislot market negatively affected by the revision of regulation. In order for Sega Sammy Group to grow continuously, it is essential to improve profitability of the pachinko pachislot business with Sammy at the core. Hence, Keishi Nakayama, who is currently Executive Vice President, Representative Director of the Company, will become President, Representative Director (Chief Operating Officer) of Sammy and force through fundamental business reforms at Sammy drastically.

Hajime Satomi, Chairman, President and Representative Director (Chief Executive Officer), will continue to be CEO of both SEGA and Sammy and work on improving profitability of the Company's group with Usui, new COO of SEGA, and Nakayama, new COO of Sammy, from the viewpoint of overall group managements.

The company is going to publicize the new management system of the Company at the same time of announcement of financial statements for the year ended March 31, 2008 scheduled on May 13, 2008.

2. Personnel change (as of May 1, 2008)

SEGA CORPORATION

①Directors and Corporate Auditors

| New Title | Name | Former Title |
|----------------------------------------------------------------------------------------------------------------------------------|-----------------|------------------------------------------------------------------------------------------------------|
| Chairman, Representative Director and Chief Executive Officer | Hajime Satomi | President, Representative Director, Chief Executive Officer and Chief Operating Officer |
| President, Representative Director and Chief Operating Officer | Okitane Usui | Director (General Manager of Amusement Business Group Div. and AM New Business Development Division) |
| Director | Hisao Oguchi | Representative Director |
| Director (Amusement Facility Business Div.) | Katsuya Kondo | Director (General Manager of Amusement Facilities Business Div.) |
| Director (New Business Development Div.) | Yasuo Tazoe | Director (General Manger of MMPJ Business Department, Amusement Business Group Div.) |
| Director (General Manager of Domestic Consumer Business Div., Overseas Consumer Business Div., Overseas Amusement Business Div.) | Masanao Maeda | Director (Deputy General Manager of Consumer Business Group Div.) |
| Director (General Manager of Corporate Div.) | Akira Sugano | Director (General Manager of President Office, Corporate Group Div.) |
| Director (General Manager of New Business | Koichi Fukazawa | Director (General Manager of Amusement |

| New Title | Name | Former Title |
|---------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Development Div.) | | Planning Div., Amusement Group Div.) |
| Director (General Manager of Overseas Consumer Business Div., CEO, SEGA Holdings U.S.A., Inc., CEO, SEGA Europe LTD. and CEO, SEGA of America, Inc.) | Naoya Tsurumi | Senior Executive Officer (General Manager of Overseas Consumer Business Div., CEO, SEGA Holdings U.S.A., Inc., CEO, SEGA Europe LTD. and CEO, SEGA of America, Inc.) |
| Director (Part-time) | Hideki Okamura | Director (General Manager of Consumer Business Group Div. and Character Business & Licensing Department) |
| Standing Corporate Auditor | Hisashi Miyazaki | Standing Corporate Auditor |
| Corporate Auditor | Mineo Enomoto | Corporate Auditor |
| Corporate Auditor | Shunichi Shimizu | Corporate Auditor |

②Executive Officers

| New Title | Name | Former Title |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Executive Officer (Deputy General Manager of Amusement Facilities Business Div.) | Toshiya Tabata | Executive Officer (Deputy General Manager of Amusement Facilities Business Div.) |
| Executive Officer (General Manager of Amusement R&D Div.) | Yukio Sugino | Executive Officer (General Manager of Amusement R&D Div.) |
| Executive Officer (General Manager of Amusement Machines Sales Div.) | Sigeru Yamashita | Executive Officer (General Manager of Amusement Machines Sales Div.) |
| Executive Officer (General Manager of Consumer R&D Div.) | Hiroyuki Miyazaki | Executive Officer (General Manager of Consumer Business Div.) |
| Executive Officer (General Manager of ALL.Net Development and Strategy Department, Amusement R&D Div.) | Hiroshi Yagi | Executive Officer (General Manager of ALL.Net Development and Strategy Department, Amusement R&D Div.) |
| Executive Officer (General Manager of General Affairs, Legal Affairs, Intellectual Property and Operation Improvement Promotion Department, Corporate Div.) | Hiroyuki Soga | Executive Officer (General Manager of General Affairs, Legal Affairs, Intellectual Property and Operation Improvement Promotion Department, Corporate Group Div.) |
| Executive Officer (General Manager of Production Procurement Div., Amusement Business Div.) | Kunihiko Watanabe | Executive Officer (General Manager of Production Procurement Div., Amusement Business Group Div.) |

③R&D Creative Officers ("R&D CO", hereinafter)

| New Title | Name | Former Title |
|----------------------------------------------------------------------------------------|-------------------|----------------------------------------------------------------------------------------|
| R&D CO (General Manager of Family Entertainment R&D Department, Amusement R&D Div.) | Hiroshi Uemura | R&D CO (General Manager of Family Entertainment R&D Department, Amusement R&D Div.) |
| R&D CO (Deputy General Manager of Consumer R&D Div.) | Toshihiro Nagoshi | R&D CO (Deputy General Manager of Consumer R&D Group, Consumer Business Div.) |
| R&D CO (General Manager of AM Software R&D Department, Amusement R&D Div.) | Hiroshi Kataoka | R&D CO (General Manager of AM Software R&D Group, Amusement R&D Div.) |
| R&D CO (General Manager of, AE R&D Div., Amusement R&D Div.) | Masao Yoshimoto | R&D CO (General Manager of, AE R&D Div., Amusement R&D Div.) |
| R&D CO (Deputy General Manager of Consumer Business Div.) | Takayuki Kawagoe | R&D CO (General Manager of Consumer R&D Group, Consumer Business Div.) |
| R&D CO (General Manager of AM Plus R&D Div., Amusement R&D Div.) | Yu Suzuki | R&D CO (General Manager of AM Plus R&D Div., Amusement R&D Div.) |

Sammy Corporation

| New Title | Name | Former Title |
|-----------------------------------------------------------------------------------|-----------------|-----------------------------------------------------------------------------------|
| Chairman, Representative Director and Chief Executive Officer | Hajime Satomi | Chairman, Representative Director and Chief Executive Officer |
| President, Representative Director and Chief Operating Officer | Keishi Nakayama | Director |
| Executive Vice President, Representative Director | Toru Katamoto | President, Representative Director and Chief Operating Officer |
| Director (General Manager of President Office) | Hideo Yoshizawa | Director (General Manager of President Office) |
| Director (General Manager of R&D Group Div. and General Manger of SC R&D Div.) | Norio Uchida | Director (General Manager of R&D Group Div. and General Manger of SC R&D Div.) |
| Director (General Manager of Marketing Div. and Hall Total Service Sales Div.) | Yuichi Amari | Director (General Manager of Marketing Div. and Hall Total Service Sales Div.) |
| Director | Hisao Oguchi | 【Newly elected】 |
| 【Retired】 | Tadashi Ishida | Director |
| Standing Corporate Auditor | Kazuo Hirakawa | Standing Corporate Auditor |
| Standing Corporate Auditor | Yoshitaro Mukai | Standing Corporate Auditor |

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|-------------------|---------------|-------------------|
| Corporate Auditor | Tetsuji Ikeda | 【Newly elected】 |
| 【Retired】 | Akio Kioi | Corporate Auditor |
| 【Retired】 | Etsuo Sakai | Corporate Auditor |

※The new management system of Sammy Corporation will be publicized after annual meeting of shareholders to be held on June 18, 2008.

3. SEGA and Sammy New President Biography

Name : Okitane Usui
Home city : Ehime Prefecture
Date of Birth : October 31, 1958
Education : Graduated from Faculty of Commerce, Hitotsubashi University
Business Experience
October 1993 : Joined Sega Enterprises, Ltd. (current SEGA CORPORATION)
June 1997 : Director, Deputy General Manager of Consumer Business Division
June 1998 : Executive Officer, General Manager of Consumer Business Planning Department, Consumer Business Group Division
May 1999 : Retired SEGA.
June 2007 : Joined SEGA, Corporate Advisor
June 2007 : Senior Managing Director, General Manager of Amusement Business Group Division
February 2008 : Director, General Manager of Amusement Business Group Division

Name : Keishi Nakayama
Home city : Yamanashi Prefecture
Date of Birth : July 23, 1942
Education : Graduated from Faculty of Economics, Aoyama Gakuin University
Business Experience
September 1989 : Joined Sammy Industry, Ltd. (current Sammy Corporation), General Manager of General Affairs Department
June 1993 : Director, General Manager of President Office
January 2000 : Managing Director, General Manager of President Office
March 2004 : Senior Managing Director, General Manager of President Office
October 2004 : Senior Managing Director, the Company
April 2005 : Director, Sammy
June 2005 : Vice President, the Company.
June 2007 : Representative Vice President, the Company

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