

(Translation)

February 12, 2015

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: Seiichiro Kikuchi
 Executive Officer
 Division Manager,
 Group Executive Office
 (TEL: 03-6215-9955)

Notice of Organizational Restructuring within the Group and Change of Names of Some Subsidiaries due to the Restructuring

It is hereby notified that SEGA SAMMY HOLDINGS INC. (the “Company”) has determined, at its Board of Directors meeting held today, to implement organizational restructuring within the Group (business reorganization such as: divestiture which sets the wholly owned subsidiary as the company involved (incorporation-type demerger), merger (absorption-type merger), and contribution in kind) and to change some of the names of subsidiaries as described below.

As the organizational restructuring is an organizational restructuring within the Group occurring at the Company’s wholly-owned subsidiaries, disclosure items and contents are partially omitted.

1. Purpose of restructuring the Group subsidiaries

The Company established the Group Structure Reform Division on May 9, 2014, and has held discussions to review the earnings structure of the entire Group from a mid to long-term point of view and develop a structure to enable investment of management resources in growth areas, which include new fields such as Digital Games both in and out of Japan and Resort Business, while addressing issues in existing businesses.

As part of these measures, The Group announced on October 31 three initiatives: 1) restructuring into three business groups, 2) initiatives to drastically improve profitability, 3) appointment of personnel in charge of structure reform in SEGA CORPORATION (SEGA) and furthermore, the Group announced on January 30 that implementation of structure reform in SEGA, its subsidiary.

As a measure to continuously review businesses owned by the Group and to promote further business reorganization while clarifying each Group company’s business field, the following organizational restructuring within the Group will be implemented, centering on the Entertainment Content Business.

2. Overview of the Group organizational restructuring to be implemented on April 1, 2015

The Company decided on a restructuring into three business groups of Pachislot and Pachinko Machines Business, Entertainment Content Business, and Resort Business on October 31, 2014. An overview of the restructuring at each business group is as follows.

① Entertainment Contents Business

1) Establish SEGA Interactive Co., Ltd. through an incorporation-type demerger by divesting the amusement machine sales divisions of SEGA (including

development/production divisions and assets of shares of some subsidiaries) and allocate shares of SEGA Interactive Co., Ltd. to the Company.

2) Establish SEGA Holdings Co., Ltd. through an incorporation-type demerger of SEGA's corporate divisions and others (including assets of shares of some subsidiaries) and allocate shares of SEGA Holdings Co., Ltd. to the Company.

3) Conduct an absorption-type merger of SEGA and SEGA Networks Co., Ltd., with SEGA, centering around the Consumer Business division (including development/production divisions and assets of shares of some subsidiaries), as the surviving company, and change the name to SEGA Games Co., Ltd..

4) Conduct contribution in kind of shares of SEGA Games Co., Ltd., SEGA Interactive Co., Ltd., SEGA TOYS CO., LTD., Sammy Networks Co., Ltd., TMS ENTERTAINMENT Co., LTD. and MARZA ANIMATION PLANET INC. that are owned by the Company to SEGA Holdings Co., Ltd.

② Resort Business

Establish SEGA LIVE CREATION INC. through an incorporation-type demerger by divesting part of the entertainment park business of SEGA and allocate shares of SEGA LIVE CREATION INC. to the Company.

3. Overview of the Corporate Divestiture

① Transferor Company (As of December 31, 2014)

Name	SEGA CORPORATION
Business Description	Development, Production and Sales of Amusement Machines, Development Sales of Game Software
Head Office	1-2-12, Haneda, Ota-ku, Tokyo
Representative	Hideki Okamura, President, Representative Director (COO)
Capital	100 Million Yen
Date of Established	June 3, 1960
Number of Share Issued	174,945,700 Shares
Fiscal Year-End	March 31
Principal Share Holder and Shareholding Ratios	SEGA SAMMY HOLDINGS INC. 100%

② Overview of Newly-established Companies (As of April 1, 2015)

Name	SEGA Holdings Co., Ltd.	SEGA Interactive Co., Ltd.	SEGA LIVE CREATION Inc.
Business Description	Management of its Group as the Holding Company of SEGA Group and all businesses appertaining thereto	Development, Manufacture and Sales of Amusement Machine	Planning, Development and Operation of Entertainment Theme Park in Resort Business
Head Office	1-39-9, Higashi-Shinagawa, Shinagawa-ku, Tokyo	1-2-12, Haneda, Ota-ku, Tokyo	1-39-9, Higashi-Shinagawa, Shinagawa-ku, Tokyo
Representative	Hideki Okamura, President, Representative Director (COO)	Yukio Sugino, President, Representative Director (CEO)	Akitoshi Ogawa, President, Representative Director
Capital	100 Million Yen	100 Million Yen	100 Million Yen
Date of Established	April 1, 2015	April 1, 2015	April 1, 2015
Number of Share Issued	1,000 Shares	1,000 Shares	1,000 Shares
Fiscal	March 31	March 31	March 31

Year-End			
Principal Share Holder and Shareholding Ratios	SEGA SAMMY HOLDINGS INC. 100%	SEGA Holdings Co., Ltd. 100%	SEGA SAMMY HOLDINGS INC. 100%

4. Contents of businesses to be transferred

- ① SEGA Holdings Co., Ltd
Corporate Divisions and others of SEGA
- ② SEGA Interactive Co., Ltd..
Amusement Machine Sales Divisions of SEGA
- ③ SEGA LIVE CREATION Inc.
Part of the Entertainment Park Business of SEGA

5. Overview of Merging Companies (As of December 31, 2014)

Name	SEGA CORPORATION (Surviving Company)	SEGA Networks Co., Ltd. (Absorbed Company)
Business Description	Development, Production and Sales of Amusement Machines, Development Sales of Game Software	Business involved in the Planning, Development, Design, Sales, Delivery and Management and Operation of Products and Services that Utilize the Internet and Other Means of Communication
Head Office	1-2-12, Haneda, Ota-ku, Tokyo	1-6-1, Roppongi, Minato-ku, Tokyo
Representative	Hideki Okamura, President, Representative Director (COO)	Haruki Satomi, President & CEO
Capital	100 Million Yen	10 Million Yen
Date of Established	June 3, 1960	July 2, 2012
Number of Share Issued	174,945,700 Shares	1,000 Shares
Fiscal Year-End	March 31	March 31
Principal Share Holder and Shareholding Ratios	SEGA SAMMY HOLDINGS INC. 100%	SEGA CORPORATION 100%

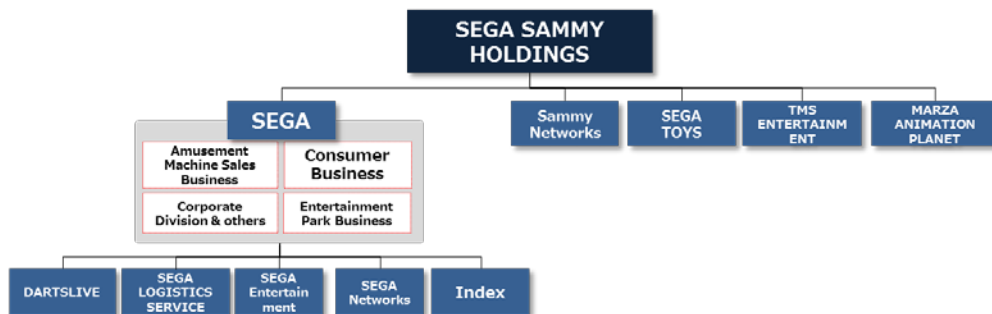
6. Outline of Name Changing Company (As of April 1, 2015)

New Name	SEGA Games Co., Ltd.
Old Name	SEGA CORPORATION
Date of Name Change	April 1, 2015
Business Description	Planning, development and sales of game-related content for mobiles, PCs, smart devices and home video game platforms
Head Office	1-2-12, Haneda, Ota-ku, Tokyo
Representative	Haruki Satomi, President, Representative Director(CEO)
Capital	100 Million Yen

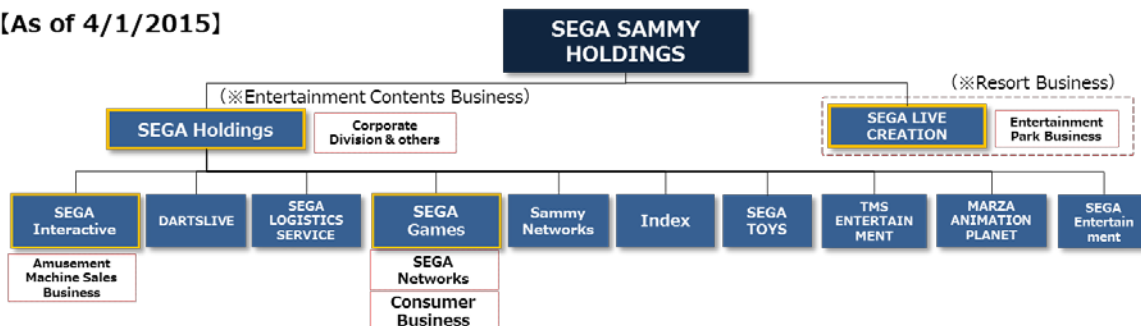
Reason of Name Change	To clearly identify sections in charge of promoting the digital games business in the SEGA Group and to reinforce/expand the business.
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7. Conceptual Chart of Domestic Reorganized Subsidiaries

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[As of 4/1/2015]



8. Management system of major companies in SEGA Group (As of April 1. 2015)

SEGA Holdings Co., Ltd.		SEGA Games Co., Ltd.	
New Title	Name	New Title	Name
Chairman, Representative Director(CEO)	Hajime Satomi	Chairman of the Board	Hideki Okamura
Vice Chairman of the Board	Naoya Tsurumi	President, Representative Director(CEO)	Haruki Satomi
President, Representative Director(COO)	Hideki Okamura	Director	Kenji Matsubara
Executive Vice President and Representative Director	Haruki Satomi	Director	Yukio Sugino
Director	Yukio Sugino	Director	Toshihiro Nagoshi
Director	Akira Sugano	Corporate Auditor	Yukito Sakaue
Corporate Auditor	Yukito Sakaue	Corporate Auditor	Mineo Enomoto
Corporate Auditor	Mineo Enomoto	Corporate Auditor	Nobuo Naito
Corporate Auditor	Nobuo Naito		

SEGA Interactive Co., Ltd.		SEGA Entertainment Co., Ltd.	
New Title	Name	New Title	Name
Chairman of the Board	Hideki Okamura	President, Representative Director(CEO)	Kyogo Hiraoka
Vice Chairman and Representative Director	Shigeru Yamashita	Director	Tomokuni Nishino
President, Representative Director(CEO)	Yukio Sugino	Director	Tadashi Kawaguchi
Director	Toshihiro Nagoshi	Director	Fujito Ryu
Corporate Auditor	Yukito Sakaue	Director	Ken Yamamoto
Corporate Auditor	Mineo Enomoto	Corporate Auditor	Kei Ishikawa
Corporate Auditor	Nobuo Naito		

Biographies of President, Representative Director (COO) of
SEGA Holdings Co., Ltd.

Name	Hideki Okamura	
Home city	Saitama Prefecture	
Date of Birth	February 1, 1955	
Education	1978	Graduated from Hosei University, Faculty of Law
Career summary	Jan. 1987	Joined Sega Enterprises, Ltd. (current SEGA CORPORATION)
	June 1997	Director, Deputy Division Manager of Consumer Business Group Div., General Manager of Saturn Business Div. of Sega Enterprises, Ltd
	June 2000	Director, in charge of Dreamcast Business Div. of Sega Enterprises, Ltd.
	June 2002	Vice President and Representative Director of DigiCube Co., Ltd
	June 2003	Senior Executive Officer, Division Manager of Consumer Business Group Div. of SEGA CORPORATION
	June 2004	Director of TMS Entertainment Ltd.
	June 2004	Managing Director, Division Manager of Consumer Business Group Div. of SEGA CORPORATION
	October 2004	Director of the Company
	June 2007	Director of SEGA CORPORATION
	June 2008	President and Representative Director of TMS ENTERTAINMENT CO., LTD
	April 2014	Vice Chairman of the Board of TMS ENTERTAINMENT CO., LTD(current)
	April 2014	President and Representative Director (COO) of SEGA CORPORATION (current)
	June 2014	Director of the Company (current)

9. Future Outlook

Although the impact of the implementation of the measures on the Company's consolidated operating results is minimal, the Company has adjusted its full-year consolidated operating results for the year ending March 31, 2015 in the press release "Notice of Adjustment of Full-Year Consolidated Operating Results Forecast in Line with Implementation of the Group Structure Reform", announced separately today.

(Note) The above forecasts of operating results are made based on information available to management as of the date hereof. In the future, actual results may differ from the projected figures owing to various factors.

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