

(Translation)

February 20, 2006

Dear Sirs,

Name of Company: SEGA SAMMY HOLDINGS  
INC.

Name of Representative: Hajime Satomi,  
Chairman, President and  
Representative Director

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

Further Inquiry: Michael Masakimi Hotta,  
Executive Officer  
(TEL: 03-6215-9955)

Comment on media report concerning development in the Minato Mirai 21 District

Notice is hereby given that SEGA CORPORATION, a subsidiary of SEGA SAMMY HOLDINGS INC.(the “Company”), is considering the development of an entertainment facility in Minato Mirai 21 District of the City of Yokohama, Kanagawa Prefecture. However, the information contained in a February 20<sup>th</sup> media article, which reported a development in the number 55, 56, 57, and 58 blocks of the Yokohama’s Central District, is not based on an official announcement by the Company, SEGA CORPORATION, or the City of Yokohama.

SEGA CORPORATION has gained approval as an institution planning to conduct business in the number 55 and 56 blocks of the Minato Mirai 21 District. A petition to develop the number 57 and 58 blocks of the same district has been submitted by SEGA CORPORATION and is currently being evaluated by the City of Yokohama.

The Company plans to release additional details regarding this matter when they are available.

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