

(Translation)

October 27, 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 Operating Results (Consolidated/Non-Consolidated)  
for the First-Half Period and Whole-Year for the Year Ending March 31, 2009  
of the Company's Subsidiary (SEGATOYS CO., LTD.)

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Notice is hereby given that SEGATOYS CO., LTD., a subsidiary of SEGA SAMMY HOLDINGS INC. (the "Company"), has made adjustments to the forecasts of its first-half and whole-year consolidated and non-consolidated operating results for the year ending March 31, 2009 (from April 1, 2008 to March 31, 2009), which was given at the time of publication of its financial statements on April 30, 2008, as described in the attachment hereto.

The adjustments will have no significant effect on the operating results of the Company and no adjustment will be made to the forecasts of the operating results of the Company.

Attached material: Press release of SEGATOYS "Notice of Adjustment to the Forecasts of Operating Results (Consolidated/Non-Consolidated) for the First Half Period and Whole-Year for the Year Ending March 31, 2009"

- END -



(Translation)

October 27, 2008

Dear Sirs,

Name of Company: SEGATOYS CO., LTD.  
Name of Representative: Isao Kokubun,  
President and Representative Director  
(JASDAQ, Code No. 7842)  
Further Inquiry: Yoshiharu Yamashige,  
Director and General Manager,  
Financing & Accounting Dept.  
(TEL: 03-5822-6244)

Notice of Adjustment to the Forecasts of Operating Results (Consolidated/Non-Consolidated)  
for the First-Half Period and Whole-Year for the Year Ending March 31, 2009

Notice is hereby given that SEGATOYS CO., LTD. (the "Company") has made adjustment to the forecasts of its first-half and whole-year consolidated and non-consolidated operating results for the year ending March 31, 2009 (from April 1, 2008 to March 31, 2009), as given at the time of publication of its "Brief Statements of Accounts for the Year Ended March 31, 2008" on April 30, 2008", as described below:

Description

1. Adjustment to the forecast of Operating Results

Adjustment to the forecast of the first-half period consolidated operating results for the year ending March 31, 2009 (from April 1, 2008 to September 30, 2008):

(million yen except otherwise indicated)

	Net sales	Operating income	Ordinary income	Net income	Net income per share
Previous forecast (A)	7,250	10	0	(-)15	(-)¥0.70
Adjusted forecast (B)	8,465	8	(-)13	(-)16	(-)¥0.77
Amount of increase or decrease (B-A)	1,215	(-)2	(-)13	(-)1	—
Rate of increase or decrease (%)	16.8	(-)20.0	—	—	—
(For reference) First half operating results for the year ended March 31, 2008	7,940	(-)320	(-)311	(-)319	(-)¥14.87

Adjustment to the forecast of the whole-year consolidated operating results for the year ending March 31, 2009 (from April 1, 2008 to March 31, 2009):

(million yen except otherwise indicated)

	Net sales	Operating income	Ordinary income	Net income	Net income per share
Previous forecast (A)	16,700	422	400	350	¥16.29
Adjusted forecast (B)	17,800	422	400	350	¥16.29
Amount of increase or decrease (B-A)	1,100	0	0	0	—
Rate of increase or decrease (%)	6.6	0.0	0.0	0.0	—
(For reference) Whole year operating results for the year ended March 31, 2008	16,816	(-)690	(-)759	(-)814	(-)¥37.88

Adjustment to the forecast of the first-half non-consolidated operating results for the year ending March 31, 2009 (from April 1, 2008 to September 30, 2008):

(million yen except otherwise indicated)

	Net sales	Operating income	Ordinary income	Net income	Net income per share
Previous forecast (A)	6,075	10	0	(-)5	(-)¥0.23
Adjusted forecast (B)	7,547	12	12	9	¥0.45
Amount of increase or decrease (B-A)	1,472	2	12	14	—
Rate of increase or decrease (%)	24.2	20.0	—	—	—
(For reference) First half operating results for the year ended March 31, 2008	6,824	(-)321	(-)305	(-)308	(-)¥14.35

Adjustment to the forecast of the whole-year non-consolidated operating results for the year ending March 31, 2009 (from April 1, 2008 to March 31, 2009):

(million yen except otherwise indicated)

	Net sales	Operating income	Ordinary income	Net income	Net income per share
Previous forecast (A)	14,150	342	320	310	¥14.42
Adjusted forecast (B)	15,500	342	320	310	¥14.42
Amount of increase or decrease (B-A)	1,350	0	0	0	—

	Net sales	Operating income	Ordinary income	Net income	Net income per share
Rate of increase or decrease (%)	9.5	0.0	0.0	0.0	—
(For reference) Whole year operating results for the year ended March 31, 2008	14,116	(-)785	(-)770	(-)817	(-)¥38.06

(2) Reasons for the adjustments:

Consolidated net sales of the first half for the year ending March 2009 is expected to be above the Company's forecast with strong sales of "BAKUGAN" in overseas market. With regard to the consolidated profits, both operating income and ordinary income are expected to be below the Company's forecast because domestic sales, which have higher profit margin, are expected to be below the Company's plan.

The Company revised net sales of the consolidated whole-year operating results for the year ending March 31, 2009 based on the adjusted first-half forecast stated herein and the unchanged Company's outlook for the second half.

Non-consolidated net sales of the first half for the year ending March 2009 is expected to be above the Company's forecast with strong sales of "BAKUGAN" in overseas market. With regard to the non-consolidated profits, though domestic sales, which have higher profit margin, are expected to be below the Company's plan, both operating income and ordinary income are expected to be slightly above the Company's forecast. Net income is expected to be above the Company's forecast due to a decrease in corporate tax.

The Company revised net sales of the non-consolidated whole-year operating results for the year ending March 31, 2009 based on the adjusted first-half forecast stated herein and the unchanged Company's outlook for the second half.

\* The above forecasts of operating results are made based on the information available to management as of the date hereof. Actual results may differ from the projected figures due to a variety of factors in the future.

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