

(Translation)

October 5, 2011

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 Executive
Office and Group Communications
Office
(TEL: 03-6215-9955)

Notice of Adjustment to the Forecast of First-Half Consolidated
Operating Results for the Year Ending March 31, 2012

It is hereby notified that SEGA SAMMY HOLDINGS INC. (the "Company"), in consideration of the recent development of its business performance, has made an adjustment to the forecast of its first-half consolidated operating results for the year ending March 31, 2012 publicized on May 13, 2011 as described below:

Description

●Details of Adjustment to the Forecast

Adjustment to the forecast of first-half consolidated operating results for the year ending March 31, 2012 (from April 1, 2011 to September 30, 2011)

(Unit: million yen unless otherwise indicated)

	Net sales	Operating income	Ordinary income	Net income	Net income per share (yen)
Previously publicized forecast (A)	165,000	1,500	1,000	(3,000)	(11.92)
Adjusted forecast (B)	150,000	12,000	12,000	2,000	7.96
Amount of increase or decrease (B-A)	(15,000)	10,500	11,000	5,000	—
Rate of increase or decrease (%)	(9.1)	700.0	—	—	—
(For reference) Operating results for the first-half of the previous year (from April 1, 2010 to September 30, 2010)	217,807	46,849	46,098	24,349	96.66

[Reasons for the adjustment]

After strategically reviewing the sales schedule of pachislot and pachinko machines in the pachislot and pachinko machine business, the pachislot machine sales volume for the first half of the year ending March 31, 2012 is projected to be about 52,000 units (previously publicized forecast: 42,000 units), and the pachinko machine sales volume is projected to be about 181,000 units (previously publicized forecast: 235,000 units). In the consumer business, in a harsh market environment, sales of new game software titles have been weak mainly in overseas markets, and thus the Company expects the sales volume during the first half of the year ending March 31, 2012 to be less than the previously publicized forecast. As a result of the above, net sales is projected to fall below the previously publicized forecast.

On the other hand, operating income, ordinary income and quarterly net income are expected to exceed the previously publicized forecast. The profit margin, mainly in the pachislot and pachinko machine business,

improved as a result of reduction in operation expenses due to efforts to improve cost reductions centered on the reuse of parts and the voluntary halting of some advertising activities. In addition, sales in domestic market in the amusement machine sales business and sales of existing SEGA domestic amusement centers in the amusement center operation business have been doing well and surpassing projections.

Furthermore, orders for mainstay products planned for shipment in the third quarter have been doing well, and the Company is currently investigating the forecasts of full year consolidated operating results for the year ending March 31, 2012. The Company will promptly announce the forecast as soon as the outlook becomes clear.

(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 due to various factors.

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