

(Translation)

February 7, 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)

Notice of Adjustment to the Forecasts of Whole-Year Operating Results
for the Year Ending March 31, 2006

Notice is hereby given that the forecasts of whole-year operating results of SEGA SAMMY HOLDINGS INC. (the "Company") for the year ending March 31, 2006 (from April 1, 2005 to March 31, 2006), as publicized on May 24, 2005, are adjusted as described below:

Description

1. Forecast of operating results (consolidated) for the year ending March 31, 2006 (from April 1, 2005 to March 31, 2006):

(million yen)

	Net Sales	Ordinary Income	Net Income
Previously publicized forecast (A)	567,000	100,000	56,000
Adjusted forecast (B)	570,000	120,000	68,000
Amount of increase or decrease (A-B)	3,000	20,000	12,000
Rate of increase or decrease	0.5%	20.0%	21.4%
(For reference) Operating results for the previous year ended March 31, 2005	515,668	104,432	50,574

<Reasons for the adjustment>

Net sales for the year ending March 31, 2006 are expected to amount to JPY570,000 million, up JPY3,000 million from the previously publicized forecast, due to favorable sales of Sammy-brand pachislot machines "*Aladdin 2 Evolution*" in the pachislot machine business and high-value added products in the amusement equipment business, including large medal-game machines "*Star Horse 2 NEW GENERATION*", continued smash hits of kids' card games "*The King of Beetles MUSHIKING*" and "*Oshare Majo Love and Berry*" in the amusement facility business and bumper sales during the Christmas season in the consumer business, among others.

With regard to profits, in the pachislot and pachinko machine business, costs have been reduced due to reutilization of materials and good sales in every business segment have contributed, among others. As a result, ordinary income and net income are expected to increase by JPY20,000 million and JPY12,000 million in comparison with the previously publicized forecast to amount to JPY120,000 million and JPY68,000 million, respectively.

In the wake of the business combination of Sega and Sammy which was concluded on October 1st, 2004, we are steadily seeing indications of the results of business synergies and management efficiencies which were the aim of the business restructuring which we have pursued. The amusement machine business, amusement facility business and consumer business which are principally managed by Sega have, with the favorable sales each of high value-added amusement products, kids card games, and entertainment software, achieved substantial revenues and profits. Also, in the pachinko and pachislot machine business, principally managed by Sammy, sales of pachislot machines continue to be favorable, and pachinko machines have achieved substantial share in the market.

2. Forecast of operating results (non-consolidated) for the year ending March 31, 2006 (from April 1, 2005 to March 31, 2006):

No adjustment has been made to the non-consolidated operating results for the year ending March 31, 2006.

3. Forecast of year-end dividends:

As publicized on August 31, 2005, the Company plans to pay an ordinary dividend of JPY30 per share as a year-end dividend for the year ending March 31, 2006 (from April 1, 2005 to March 31, 2006).

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