

(Translation)

October 31, 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 First-Half Consolidated Operating Results Forecast Differences
with its Results, Full-Year Consolidated Operating Results Forecast Adjustment**

SEGA SAMMY HOLDINGS INC. (the "Company"), hereby announce the difference between the forecast of its first-half consolidated operating results for the year ending March 31, 2012 publicized on October 5, 2011 and actual results for the same period announced today.

Also, adjustment has made to the forecast of its full-year consolidated operating results for the year ending March 31, 2012 publicized on May 13, 2011 in consolidation of the recent development of its business performance.

Description

1. Difference between the forecast of first-half consolidated operating results and actual 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)	150,000	12,000	12,000	2,000	7.96
Actual results (B)	152,602	15,181	14,716	3,980	15.79
Amount of increase or decrease (B-A)	2,602	3,181	2,716	1,980	
Rate of increase or decrease (%)	1.7	26.5	22.6	99.0	
(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 variance]

As for 2Q consolidated earnings (through the 2Q) for the fiscal year ending March 2012, operating income and ordinary income exceeded previously announced projections as operating expense such as advertising expense and R&D expense decreased. Quarterly net income also exceeded the previously announced projection as tax expense decreased.

2. Adjustment to the forecast of full-year consolidated operating results for the year ending March 31, 2012 (from April 1, 2011 to March 31, 2012).

(Unit: million yen unless otherwise indicated)

	Net sales	Operating income	Ordinary income	Net income	Net income per share (yen)
Previously publicized forecast (A)	450,000	60,000	59,000	33,000	131.10
Adjusted forecast (B)	440,000	77,000	75,500	38,000	151.03
Amount of increase or decrease (B-A)	(10,000)	17,000	16,500	5,000	
Rate of increase or decrease (%)	(2.2)	28.3	28.0	15.2	
(For reference) Operating results for the previous year (from April 1, 2010 to March 31, 2011)	396,732	68,750	68,123	41,510	163.19

[Reasons for the adjustment]

As for Pachislot and Pachinko Machines Business, based on the progression of operating results in the first half and orders for mainstay products planned for shipment in the third quarter, sales volume was revised to about 310,000 pachislot machine units (previously publicized forecast: 290,000 units) and about 400,000 pachinko machine units (previously publicized forecast: 455,000 units), and profit margin is also expected to improve through the reuse of parts and decrease in advertising expense. Also, orders for “Pachislot Hokuto No Ken”, planned for shipment from beginning of December, exceeded 160,000 units as of today which largely exceeded initial forecasts.

While the consumer business saw mainly sales of new titles hover at weak volumes, the amusement machine sales business and amusement center operations business are expected to maintain robust operating results.

As a result of the above, consolidated net sales of 440,000 million yen (down 10,000 million yen from the previously publicized forecast), operating income of 77,000 million yen (up 17,000 million yen from the previously publicized forecast), ordinary income of 75,500 million yen (up 16,500 million yen from the previously publicized forecast) and net income of 38,000 million yen (up 5,000 million yen from the previously publicized forecast) are projected for the year ending March 31, 2012.

(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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