

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)

Dear Sirs,

Notice of adjustment to the forecasted operating results

Notice is hereby given that the forecasts for operating results for the period ending March 31, 2007 (from April 1, 2006 to March 31, 2007) as given on May 16, 2006, are adjusted in the attachment hereto.

1. Full Year Forecast (Consolidated) (April 1, 2006 to March 31, 2007)

(Units: Million Yen, %)	Net Sales	Ordinary Income	Net Income
Previous Forecast (A)	682,000	123,000	75,000
Adjusted Forecast (B)	580,000	100,000	60,000
Amount of Increase or Decrease (B-A)	(102,000)	(23,000)	(15,000)
Rate of increase or decrease	(15.0%)	(18.7%)	(20.0%)
(Reference) Prior period operating results (April 1, 2005 to March 31, 2006)	553,240	119,500	66,221

< Reasons for the Adjustment >

In the interim period ended September 31, 2006, while sales of pachinko machines fell short of expectations, shipments of this period's main old regulation pachislot title, Sammy branded "Hokuto-no-ken SE", totaled around 320 thousand units. This resulted in sales of pachislot machines that well exceeded original forecasts. Coupled with continued strong sales of high value-add and popular, long selling products in the amusement machine segment, sales and profits achieved levels well above the comparable period in the prior year, as well as outperformed original forecasts for profitability.

In the pachinko machine business, which did not meet expectations in the interim period, a series of initiatives to strengthen the business will be implemented beginning in the second half of this fiscal year. However, results of these initiatives are not expected to become apparent until the following fiscal year, and the original forecast is deemed to be unachievable. Therefore, the full year forecast for pachinko machine sales had been reduced from 570 thousand units to 301 thousand units. Additionally, while first half sales of pachislot machines were strong with sales of "Hokuto-no-ken SE" accelerating into the period, the bulk of sales in the second half are expected to be generated from machines compatible with Japan's revised regulations for gaming machines. While these new regulation models are gaining acceptance in

the market, it is expected that it will take some time for the machines to penetrate the market to a significant level. Therefore the forecast for sales of pachislot machines has been reduced from 575 thousand machines to 524 thousand machines.

In light of the foregoing, for the fiscal year ending March 31, 2007, forecast consolidated net sales have been lowered by 102.0 billion yen to 580.0 billion yen, ordinary income by 23.0 billion yen to 100.0 billion yen and net income by 15.0 billion yen to 60.0 billion yen.

2. Full Year Forecast (Non-consolidated) (April 1, 2006 to March 31, 2007)

No adjustments are being made to non consolidated results at the present time.

※The projected figures in the forecasts of operating results described herein are calculated based on the information available to management as of the date hereof and contain various uncertain factors. Actual results may differ from the projected figures for a variety of factors in the future.

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