

(Translation)

March 29, 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 Organizational Changes of Our Subsidiary (SEGA CORPORATION)

Notice is hereby given that SEGA CORPORATION (Head office: Tokyo, President, Representative Director and COO: Hisao Oguchi; hereinafter "SEGA"), a subsidiary of SEGA SAMMY HOLDINGS INC. (the "Company"), will, in accordance with the resolution adopted at the meeting of its Board of Directors held on March 29, 2006, organizational changes as of April 1, 2006, as described below:

Description

1. Content of the organizational change:

- Consumer Business Group Division:

With the aim of improving efficiencies of resources and promoting information sharing within its research and development divisions, the Company will integrate its New Entertainment R&D Division and Global Entertainment R&D Division into a new Consumer R&D Division.

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