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Securities and Exchange Commission
Office of International Corporate Finance
Division of Corporation Finance
450 Fifth Street, N.W.
Washington, D.C. 20549
U. S. A.

PROCESSED

SEP 10 2004

THOMSON FINANCIAL

File No: 82-5227



SUPPL

SAMMY CORPORATION
Re: Sponsored Level 1 ADR Facility

Dear Sirs:

Pursuant to Rule 12g-3 - 2 (b) under the Securities Exchange Act of 1934, we, as legal counsels to SAMMY CORPORATION (the "Company") with respect to its ADR program, enclose herewith English translation of the document of which contents were announced by the Company.

- Necessary Action for Sammy Corporation Convertible Bonds due 2009 in Connection with the Business Combination with SEGA CORPORATION (dated August 6, 2004)

Yours truly,

Fusako Otsuka
Fusako Otsuka

FO/ah
Encl.

cc: The Bank of New York
cc: SAMMY CORPORATION (w/o encl.)

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The information herein relates to a business combination (the "Transaction") to be effected under Japanese law whereby SAMMY CORPORATION and SEGA CORPORATION (together, the "Companies") will become wholly-owned subsidiaries of a newly formed Japanese corporation (the "Holding Company"). The Transaction and information to be distributed in connection with the Transaction are subject to Japanese disclosure requirements that are different from those of the United States. Financial statements and financial information, if any, included herein have been prepared in accordance with Japanese accounting standards that may not be comparable to financial statements or financial information of United States companies.

It may be difficult for you to enforce your rights and any claim you may have arising under the U.S. federal securities laws in respect of the Transaction, since the Companies and the Holding Company will be located in Japan, and some or all of their respective officers and directors may be residents of Japan. You may not be able to sue the Companies, the Holding Company or their respective officers or directors in a Japanese court for violations of the U.S. securities laws. It may be difficult to compel the Companies, the Holding Company or any of their respective affiliates to subject themselves to a U.S. court's judgment.

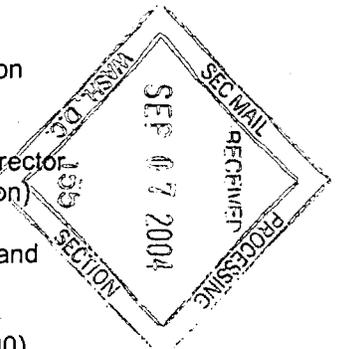
You should be aware that the Companies or the Holding Company may purchase securities otherwise than pursuant to the Transaction, such as in open market or privately negotiated purchases.

TRANSLATION: THIS ENGLISH TRANSLATION IS BEING PROVIDED TO UNITED STATES SHAREHOLDERS FOR THE SOLE PURPOSE OF COMPLYING WITH CERTAIN REQUIREMENTS UNDER UNITED STATES SECURITIES LAWS. IT IS NOT INTENDED IN ANY WAY TO SUBSTITUTE OR REPLACE THE ORIGINAL JAPANESE VERSION AND IF THERE IS ANY DISCREPANCY BETWEEN THE ORIGINAL JAPANESE VERSION AND THIS TRANSLATION, THE ORIGINAL JAPANESE VERSION SHALL GOVERN.

August 6, 2004

To whom it may concern,

Name of Company: Sammy Corporation
Name of Representative: Kenkichi Yoshida
President and Representative Director
(Code No. 6426, Tokyo Stock Exchange 1st Section)
Name of Contact Person: Koichi Fukazawa
Executive Officer and General Manager,
President Office
(TEL:03-5950-3790)



Necessary Actions for Sammy Corporation Convertible Bonds due 2009 in Connection with the Business Combination with SEGA CORPORATION

Sammy Corporation ("Sammy"), in connection with the business combination with SEGA CORPORATION, will convene the Meeting of Bondholders to approve certain amendments the Terms and Conditions of Sammy Corporation Convertible Bonds due 2009 (the "Sammy CB") and the related Trust Deed. The proposed amendments are necessary to facilitate the implementation of the scheme announced on 29 June 2004, pursuant to which the Sammy CB holders will be able to exchange their Sammy CB for convertible bonds to be issued by SEGA SAMMY HOLDINGS INC. (the "Holdings CB") in October of this year.

Summary information regarding the Meeting of Bondholders is set forth below:

- 1 Date of the notice of the bondholders meeting to be sent to the bondholders: 10 August 2004
- 2 Date of the bondholders meeting: 1 September 2004 (London time)
- 3 Place of the bondholders meeting: London, the United Kingdom

- 4 Purpose of the bondholders meeting: Amendment and modification of the Terms and Conditions of Sammy CB and relevant provisions of the Trust Deed in connection with the following matters:
- Suspension of exercising the conversion rights for a certain period from the date prior to the effective date of the share-for-share exchange for creation of SEGA SAMMY HOLDINGS INC. until the completion of the issuance procedure of the Holdings CB (From 27 September 2004 to 31 October 2004)
- Shortening the period of early redemption notice to the bondholders and the Trustee in the event that such bondholders do not accept the offer of exchanging their Sammy CB with the Holdings CB
- Waiver of the covenant of the Trust Deed to maintain listing of the shares of Sammy due to the delisting of the shares of Sammy which is expected to be on 27 September 2004
- 5 Other : President and Representative Director of Sammy is authorised to determine all the other necessary procedures for convocation of the above bondholders meeting

Contact:

Mitsubishi Securities International plc

Equity Capital Markets

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