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June 28, 2007

Dear Sirs,



Name of Company: SEGA SAMMY HOLDINGS INC.

Name of Representative: Hajime Satomi,
Chairman, President and
Representative Director (CEO)

(Code No. 6460, Tokyo Stock Exchange 1st Section)

Further Inquiry: Michael Masakimi Hotta,
Executive Officer
(TEL: 03-6215-9955)

Notice of Dissolution of Subsidiary

SUPPL

Notice is hereby given that SEGA SAMMY HOLDINGS INC. (the "Company") has determined to dissolve its subsidiary, Sega Sammy Investment Co., Ltd., as described below:

- | | Description | |
|-----|---|--|
| 1. | Outline of the subsidiary: | <p>PROCESSED</p> <p><i>B</i> JUL 25 2007</p> <p>THOMSON FINANCIAL</p> |
| (1) | Trade name: Sega Sammy Investment Co., Ltd. | |
| (2) | Location of head office: Shiodome Sumitomo Building,
1-9-2, Higashi-Shinbashi , Minato-ku, Tokyo | |
| (3) | Representative: Tadashi Ishida | |
| (4) | Business: Investment, etc. | |
| (5) | Date of incorporation: April 21, 2000 | |
| (6) | Capital: ¥10,000,000 | |
| (7) | Shareholder: SEGA SAMMY HOLDINGS INC.: 100% | |
| 2. | Reason for the dissolution: | |

Sega Sammy Investment Co., Ltd., which has held 6,109,000 shares (ratio of voting rights: 14.40%) of TMS Entertainment Co., Ltd., a subsidiary of the Company, has determined to transfer all of the shares to the Company and dissolve itself.

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3. Schedule of the dissolution:

June 29, 2007: Resolution for dissolution at the ordinary general meeting of shareholders (expected)

October 2007: Completion of liquidation (expected)

4. Impact on operating results:

The said dissolution will have no significant impact on the Company's consolidated operating results.

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END