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OFFICE OF INTERNATIONAL
CORPORATE FINANCE

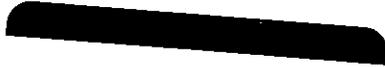
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April 8, 2008

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VIA AIR MAIL

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.



SUPPL

SEGA SAMMY HOLDINGS INC.
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 SEGA SAMMY HOLDINGS INC. (the "Company") with respect to its ADR program, enclose herewith English translation of the document of which contents were announced by the Company.

- Notice of Impairment Loss on Security Portfolio (Dated April 4, 2008)

Yours truly,

Fusako Otsuka
Fusako Otsuka

FO/ah
Encl.

cc: Mr. Dennis Chung of The Bank of New York
cc: Ms. Fusako Annie Amikura of The Bank of New York Securities Company Japan Ltd.
cc: Ms. Maki Nishikado of SEGA SAMMY HOLDINGS INC. (w/o encl.)

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(Translation)

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April 4, 2008

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Dear Sirs,

OFFICE OF INTERNATIONAL
CORPORATE FINANCE

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: Takatoshi Akiba,
Executive Officer
(TEL: 03-6215-9955)Notice of Impairment Loss on Security Portfolio

Notice is hereby given that SEGA SAMMY HOLDINGS INC. (the "Company") is expected to report a revaluation loss (extraordinary loss) due to the disposition of an impairment loss for the fiscal year ended March 31, 2008 as a result of a sharp decline in the market value of the listed shares comprised in the portfolio of the shares of its associated companies and investment securities held by the Company and its subsidiaries, as described below:

Description

1. Total amount of revaluation loss on the listed shares for the fiscal year ended March 31, 2008:

1) Consolidated:

(A) Total amount of revaluation loss on the listed shares for the year ended March 31, 2008 (estimate)		¥11,392 million	
(B) Net assets for the year ended March 31, 2007	(A/B x 100)	¥358,858 million	(3.2%)
(C) Ordinary income for the year ended March 31, 2007	(A/C x 100)	¥81,287 million	(14.0%)
(D) Net income for the year ended March 31, 2007	(A/D x 100)	¥43,456 million	(26.2%)

2) Non-consolidated:

(A) Total amount of revaluation loss on the listed shares for the year ended March 31, 2008 (estimate)		¥16,025 million	
(B) Net assets for the year ended March 31, 2007	(A/B x 100)	¥275,588 million	(5.8%)
(C) Ordinary income for the year ended March 31, 2007	(A/C x 100)	¥32,161 million	(49.8%)
(D) Net income for the year ended March 31, 2007	(A/D x 100)	¥30,240 million	(53.0%)

2. Future outlook:

The Company is currently reexamining the operating results for the year ended March 31, 2008, including the aforementioned extraordinary loss. In the event that the result is obtained, it will be publicized promptly.

- END -

END