

July 8, 2011

For Immediate Release

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Notice regarding Extraordinary Loss (Loss on Change in Equity)

SANKYO Co., Ltd. today announced that it transferred a total of 451,900 shares of Gamecard-Joyco Holdings, Inc. (JASDAQ Standard: stock code 6249), an affiliate accounted for by the equity method, to Heiwa Corporation, Sammy Corporation, Daiichi Shokai Co., Ltd., and Sanyo Bussan Co., Ltd. through Osaka Securities Exchange J-Net Market. As a result, the Company expects to incur an extraordinary loss (loss on change in equity) of approximately 730 million yen.

Nevertheless, the Company considers it is unnecessary to revise the forecast of the fiscal 2012 business results announced on May 13, 2011, in view of brisk sales of *Fever Macross Frontier*, a pachinko machine the Company introduced in May, and certain other factors. Should it become necessary to revise the forecast, the Company will do so and announce such revision promptly.

[Reference] Forecast for fiscal 2012 announced on May 13, 2011
 (From April 1, 2011, to March 31, 2012)

	Net sales	Operating income	Recurring income	Net income	Net income per share (yen)
Six months ending September 30, 2011	55,000	2,000	4,000	2,000	21.40
Year ending March 31, 2012	182,000	40,000	43,000	26,000	278.24

(Millions of yen)

This material is an English translation of Japanese announcement made on July 8, 2011. Although the Company intended to faithfully translate the Japanese document into English, the accuracy and correctness of this translation are not guaranteed.