

This is an English translation of the official announcement in Japanese that was released on February 9, 2016. The translation is prepared for the readers' convenience only. All readers are strongly recommended to refer to the original Japanese version for complete and accurate information. Should there be any inconsistency between the translation and the official Japanese text, the latter shall prevail.



**Summary of Financial Data and Business Results for
the Third Quarter of the Fiscal Year Ending March 31, 2016
(JP GAAP, Consolidated)**

February 9, 2016
Listed Exchange: Tokyo Stock Exchange

Company Name: Universal Entertainment Corporation
Code No.: 6425 URL: <http://www.universal-777.com>
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Scheduled Submission Date of Quarterly Report: February 9, 2016
Scheduled Commencement Date of Dividend Payment: -
Supplementary Briefing Materials for Quarterly Settlement of Accounts: None available
Briefing on Quarterly Settlement of Accounts: None scheduled

(Amounts rounded down to nearest million yen)

1. Consolidated Business Results for the Third Quarter of Fiscal Year Ending March 31, 2016
(Period from April 1, 2015 to December 31, 2015)

(1) Consolidated Operating Results

(Percentages refer to changes from the same quarter in the previous fiscal year)

	Net Sales		Operating Income		Ordinary Income		Net Income Attributable to Owners of the Parent	
	Million Yen	%	Million Yen	%	Million Yen	%	Million Yen	%
3rd Quarter of Fiscal Year Ending March 31, 2016	61,222	30.2	8,023	2.7	4,519	(47.6)	3,476	88.5
3rd Quarter of Fiscal Year Ended March 31, 2015	47,028	17.3	7,815	36.7	8,622	46.7	1,844	42.1

(Note) Comprehensive income

3rd Quarter of Fiscal Year Ending March 31, 2016: (62) million yen (-%)
3rd Quarter of Fiscal Year Ended March 31, 2015: 4,445 million yen (down 67.8%)

	Net Income per Share	Diluted Net Income per Share
	Yen	Yen
3rd Quarter of Fiscal Year Ending March 31, 2016	47.38	47.37
3rd Quarter of Fiscal Year Ended March 31, 2015	25.14	-

(2) Consolidated Financial Status

	Total Assets	Net Assets	Ratio of Shareholders' Equity	Net Assets per Share
	Million Yen	Million Yen	%	Yen
As of December 31, 2015	337,392	216,684	63.9	2,938.56
As of March 31, 2015	228,120	220,020	75.9	2,979.73

(Reference) Shareholders' equity

As of December 31, 2015: 215,642 million yen
As of March 31, 2015: 218,664 million yen

2. Status of Dividends

	Annual Dividends				
	End of 1st Quarter	End of 2nd Quarter	End of 3rd Quarter	End of Fiscal Year	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal Year Ended March 31, 2015	-	0.00	-	15.00	45.00
Fiscal Year Ending March 31, 2016	-	0.00	-	-	-
Fiscal Year Ending March 31, 2016 (Forecast)	-	-	-	-	-

(Note) Revision from the dividend forecast most recently announced: None

Total dividends for the fiscal year ended March 31, 2015 include special dividend from surplus of 30 yen per share with March 5, 2015 as an extraordinary record date.

The dividend forecast for the fiscal year ending March 31, 2016 is to be determined.

3. Consolidated Business Results Forecast for the Fiscal Year Ending March 31, 2016

(Period from April 1, 2015 to March 31, 2016)

(Percentages refer to changes from the previous corresponding period)

	Net Sales		Operating Income		Ordinary Income		Net Income Attributable to Owners of the Parent		Net Income per Share
	Million Yen	%	Million Yen	%	Million Yen	%	Million Yen	%	Yen
Full Fiscal Year	100,300	13.9	19,800	(5.9)	19,200	(12.9)	9,300	(8.6)	126.73

(Note) Revision from the business forecasts most recently announced: None

* Matters of Note

- (1) Changes in material subsidiaries during the period (Changes in specified subsidiaries accompanying changes in scope of consolidation) : Yes
 Newly added: None
 Excluded: 1 (Universal Entertainment Korea co., ltd)
- (2) Application of accounting procedures specific to the preparation of quarterly consolidated financial statements : None
- (3) Changes in accounting policies, changes in accounting estimates and/or restatements
- 1) Changes in accounting policies accompanying revision of accounting standards, etc. : Yes
 - 2) Changes in accounting policies other than 1) : None
 - 3) Changes in accounting estimates : None
 - 4) Restatements : None
- (4) Number of outstanding shares (common stock)
- 1) Shares issued at end of fiscal period (including treasury shares)
 - As of December 31, 2015: 80,195,000 shares
 - As of March 31, 2015: 80,195,000 shares
 - 2) Number of treasury shares at end of fiscal period
 - As of December 31, 2015: 6,811,232 shares
 - As of March 31, 2015: 6,811,154 shares
 - 3) Average number of shares during fiscal period
 - 3rd Quarter of Fiscal Year Ending March 31, 2016: 73,383,821 shares
 - 3rd Quarter of Fiscal Year Ended March 31, 2015: 73,383,846 shares

*Information Regarding the Implementation of Quarterly Review Procedures

This Summary of Financial Data and Business Results is exempt from the quarterly review procedures under the Financial Instruments and Exchange Act of Japan. At time of disclosure of this Summary of Financial Data and Business Results, the quarterly review procedures for the quarterly financial statements have been completed.

*Explanation on Proper Usage of Business Results Forecast and Other Noteworthy Items

The forward-looking statements regarding business results, etc. as featured herein are based on information that is currently available and certain assumptions that are determined to be reasonable, but are not promises by the Company regarding future performance. Actual business results may vary significantly due to a number of factors. For preconditions for business forecasts, notes on the usage of business forecasts and so forth, please see "1. Qualitative Information Pertaining to Quarterly Settlement of Accounts, (3) Explanation of Consolidated Business Results Forecast and Other Forward-looking Statements" on page 3 of the Attached Materials.

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1. Qualitative Information Pertaining to Quarterly Settlement of Accounts

(1) Explanation of Operating Results

First nine months of fiscal year ending March 31, 2016	(Million yen)			
	Net sales	Operating income	Ordinary income	Net income attributable to owners of the parent
Non-consolidated	60,984	9,703	7,348	5,041
Consolidated	61,222	8,023	4,519	3,476

In the first nine months of the current consolidated fiscal year, Universal Entertainment posted net sales of 61,222 million yen (a 30.2% increase year on year), operating income of 8,023 million yen (a 2.7% increase year on year), ordinary income of 4,519 million yen (a 47.6% decrease year on year), and net income attributable to owners of the parent of 3,476 million yen (a 88.5% increase year on year).

Business segment performance was as follows. Sales and earnings are prior to adjustments for inter-segment sales and transfers.

(i) Pachislot and Pachinko Business

The number of Pachislot and Pachinko machines sold during the first nine months amounted to more than 142,000 units. The Pachislot and Pachinko Business posted net sales of 58,624 million yen (an increase of 30.6% year on year) and operating income of 18,624 million yen (an increase of 9.5% year on year).

In the third quarter, the oversupply of machines at other companies had significant effect on Pachinko hall operators due to the deadlines for the industry's adoption of voluntary restrictions on Pachislot machines (October) and Pachinko machines (November).

In the Pachislot category, we have launched three initiatives which should contribute to Pachislot operations at Pachinko halls operating under the prevailing circumstances. These are: through marketing increased production volumes of the popular title "Basilisk: The Koga Ninpocho Kizuna"; additional sales of "Hanabi mat black ver.," a new model machine in the "Hanabi," which continues to prove overwhelmingly popular among the members of its regular user base; and finally, a completely new model machine, "DEVILMAN III –Akuma no Mokushiroku-," which has gone on sale in limited geographical regions due to administrative circumstances.

In the Pachinko category, we have launched following two titles: "CR Midoridon Hanabi DE Buon Giorno," which uses the original license of our popular Pachislot title, and "CR Million God Rising -ZEUS again-," which modified some specifications of machines currently in use.

(ii) Other

Other Business posted first nine months net sales of 2,606 million yen (an increase of 20.7% year on year) and an operating loss of 2,962 million yen (compared with an operating loss of 2,471 million yen in the same period of the previous consolidated fiscal year).

In the Media Content Business, the simulator application of Pachislot title "Hanabi (2015)" was distributed on App Store and Google Play. "Hanabi (2015)" has maintained a high ranking and earned a good reputation.

In addition, Universal Entertainment started distributing the simulator application of Pachislot title "SLOT Maho Shojo Madoka☆Magika" on Docomo Sugotoku and au Smart Pass. These services have won a favorable response from users.

Japan Amusement Broadcasting operates “Pachinko★Pachislot TV!,” the Japan’s largest channel specializing in the Pachislot and Pachinko field. In the third quarter, the company released three new programs in October in its Broadcasting Business. The sales remained strong as the number of J-COM subscribers continued to increase. In the Content Distribution Business, there were brisk sales of new programs released in the current consolidated fiscal year. In addition, there was steady growth in the number of members at “Pachitele! Net Premium,” a video distribution site for PCs and smartphones that started operating in March 2015. As a result, operating income for the first nine months represented an achievement rate of 148% relative to the targeted figure.

(2) Explanation of Financial Status

(Assets)

Current assets at the end of the third quarter of the current consolidated fiscal year were 108,476 million yen, an increase of 5,279 million yen over the end of the previous consolidated fiscal year. This was mainly due to a 16,324 million yen increase in cash and deposits, a 4,982 million yen increase in raw materials and supplies and work in process, and a 16,463 million yen decrease in notes and accounts receivable-trade. Non-current assets were 226,870 million yen, an increase of 41,947 million yen over the end of the previous consolidated fiscal year. This was mainly due to a 38,615 million yen increase in construction in progress.

As a result, total assets amounted to 337,392 million yen, an increase of 49,271 million yen over the end of the previous consolidated fiscal year.

(Liabilities)

Current liabilities at the end of the third quarter of the current consolidated fiscal year were 38,955 million yen, a decrease of 26,599 million yen over the end of the previous consolidated fiscal year. This was mainly due to a 13,066 million yen decrease in short-term loans payable, a 6,160 million yen decrease in income taxes payable and a 4,806 million yen decrease in notes and accounts payable-trade. Non-current liabilities were 81,752 million yen, an increase of 79,206 million yen over the end of the previous consolidated fiscal year. This was mainly due to a 73,653 million yen increase in bonds payable and a 4,922 million yen increase in long-term leased obligations.

As a result, total liabilities amounted to 120,707 million yen, an increase of 52,607 million yen over the end of the previous consolidated fiscal year.

(Net Assets)

Net assets at the end of the third quarter of the current consolidated fiscal year totaled 216,684 million yen, a decrease of 3,335 million yen over the end of the previous consolidated fiscal year. This was mainly due to a decrease of 2,868 million yen in foreign currency translation adjustment.

As a result, the ratio of shareholders’ equity was 63.9% compared with 75.9% at the end of the previous consolidated fiscal year.

(3) Explanation of Consolidated Business Results Forecast and Other Forward-looking Statements

(i) Pachislot and Pachinko Business

In the fourth quarter, concerns remain about the negative impact on the market of various factors such as the deterioration in the profitability of Pachinko halls deriving from the continued adoption of voluntary restrictions in the Pachislot and Pachinko industry.

Universal Entertainment is selling Pachislot and Pachinko machines with a marketing policy aimed at “increasing the number of regular users” so that we can contribute to the earnings of the halls operating under the prevailing circumstances.

In the Pachislot category, we have started selling “Oki-Doki! Tropical,” a successor title to the “Oki-Doki!” which has garnered a tremendous degree of popularity among regular users in the current market.

In the Pachinko category, Universal Entertainment launched “CR Tengen Toppa Gurren Lagann,” a title that uses a major license. “CR Tengen Toppa Gurren Lagann” is a masterpiece of popular and fervent robot anime broadcasted on TV in 2007. The support across a very broad spectrum of fans continued to expand even after the termination of the broadcast. It has been ultimately developed into multimedia applications such as movie version productions and gaming adaptations.

Universal Entertainment is continuously undertaking sustained and stable sales of attractive new titles that are able to deliver growth in regular user numbers for the new generation models of Pachislot and Pachinko machines. We plan to maintain consistent sales of new Pachinko titles just as in the Pachislot category.

(ii) Other

In the Media Content Business, Universal Entertainment is continuing to perform R&D activities with the aim of supplying high-quality simulator applications to users. The plan for the members-only mobile website “Univa Kingdom” is to upgrade this website and consistently increase the number of applications. Universal Entertainment is determined to build on the ability of “Univa Kingdom” to earn the support of a large number of users.

Japan Amusement Broadcasting operates “Pachinko★Pachislot TV!,” the Japan’s largest channel specializing in the Pachinko and Pachislot field. More new services and promotions are under consideration for the purpose of further increasing the number of members of the “Pachitele! Net Premium,” a video distribution site for PCs and smartphones. Moreover, the company is also planning to bolster our advertising business and to broadcast its special programming at the end of March. Japan Amusement Broadcasting plans to continue expanding the Broadcasting Business, producing programs that can energize the entire Pachislot and Pachinko market and maintaining a program lineup that can earn the support of viewers.

At Manila Bay Resorts, the Universal Entertainment Group’s casino resort project in the Philippines, construction is proceeding and has reached the stage of installing the glass facade and performing other work.

Construction is continuing at this project with the goal of building one of the world’s best casino resort facilities that is highly appealing to people around the world and a source of fun and excitement.

2. Quarterly Consolidated Financial Statements

(1) Quarterly Consolidated Balance Sheet

(Million yen)

	Previous Consolidated Fiscal Year (March 31, 2015)	The 3rd Quarter of the Current Consolidated Fiscal Year (December 31, 2015)
Assets		
Current assets		
Cash and deposits	39,155	55,479
Notes and accounts receivable-trade	26,571	10,108
Securities	505	14
Merchandise and finished goods	1,272	828
Work in process	11,226	13,734
Raw materials and supplies	17,175	19,650
Deferred tax assets	825	45
Other	6,505	8,641
Allowance for doubtful accounts	(41)	(26)
Total current assets	103,196	108,476
Non-current assets		
Property, plant and equipment		
Land	7,764	7,834
Construction in progress	52,235	90,851
Lease assets (net amount)	-	5,781
Other	19,763	16,438
Total property, plant and equipment	79,763	120,905
Intangible assets		
Other	1,653	1,740
Total intangible assets	1,653	1,740
Investments and other assets		
Investment securities	58,330	58,447
Long-term deposits	13,096	13,066
Long-term deposits for affiliates	28,964	30,101
Other	6,287	4,993
Allowance for doubtful accounts	(3,171)	(2,384)
Total investments and other assets	103,506	104,224
Total non-current assets	184,923	226,870
Deferred assets	-	2,044
Total assets	288,120	337,392

(Million yen)

	Previous Consolidated Fiscal Year (March 31, 2015)	The 3rd Quarter of the Current Consolidated Fiscal Year (December 31, 2015)
Liabilities		
Current liabilities		
Notes and accounts payable-trade	15,243	10,437
Accounts payable-other	6,904	6,741
Short-term loans payable	28,782	15,715
Current portion of bonds	500	-
Income taxes payable	7,082	921
Provision for bonuses	246	76
Other	6,793	5,061
Total current liabilities	65,554	38,955
Non-current liabilities		
Bonds payable	-	73,653
Asset retirement obligations	377	380
Long-term leased obligations	-	4,922
Other	2,168	2,795
Total non-current liabilities	2,545	81,752
Total liabilities	68,100	120,707
Net assets		
Shareholders' equity		
Capital stock	98	98
Capital surplus	10,852	10,852
Retained earnings	205,314	205,488
Treasury shares	(14,296)	(14,296)
Total shareholders' equity	201,967	202,142
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	30	(296)
Foreign currency translation adjustment	16,665	13,797
Total accumulated other comprehensive income	16,696	13,500
Subscription rights to shares	32	62
Non-controlling interests	1,323	978
Total net assets	220,020	216,684
Total liabilities and net assets	288,120	337,392

(2) Quarterly Consolidated Statement of Income and
 Quarterly Consolidated Statement of Comprehensive Income
 (Quarterly Consolidated Statement of Income)
 (The Cumulative Third Quarter of the Consolidated Fiscal Year)

(Million yen)

	The Cumulative 3rd Quarter of the Previous Consolidated Fiscal Year (April 1 to December 31, 2014)	The Cumulative 3rd Quarter of the Current Consolidated Fiscal Year (April 1 to December 31, 2015)
Net sales	47,028	61,222
Cost of sales	20,135	30,442
Gross profit	26,892	30,780
Selling, general and administrative expenses	19,077	22,757
Operating income	7,815	8,023
Non-operating income		
Interest income	76	47
Dividend income	7	271
Foreign exchange gains	1,182	-
Other	123	47
Total non-operating income	1,390	366
Non-operating expenses		
Interest expenses	320	419
Commission fee	34	140
Foreign exchange losses	-	2,235
Sales discounts	222	102
Equity in losses of affiliates	-	955
Other	6	14
Total non-operating expenses	583	3,869
Ordinary income	8,622	4,519
Extraordinary income		
Gain on sales of non-current assets	0	5
Gain on liquidation of subsidiaries	-	1,821
Other	27	7
Total extraordinary income	27	1,835
Extraordinary losses		
Loss on retirement of non-current assets	1	12
Loss on business of affiliates	1,238	-
Loss on business of other affiliates	557	-
Total extraordinary losses	1,797	12
Income before income taxes and others	6,852	6,342
Income taxes-current	3,548	2,755
Income taxes-deferred	1,389	454
Total income taxes	4,937	3,209
Net income	1,915	3,132
Net income (loss) attributable to non-controlling interests	70	(344)
Net income attributable to owners of the parent	1,844	3,476

(Quarterly Consolidated Statement of Comprehensive Income)
(The Cumulative Third Quarter of the Consolidated Fiscal Year)

(Million yen)

	The Cumulative 3rd Quarter of the Previous Consolidated Fiscal Year (April 1 to December 31, 2014)	The Cumulative 3rd Quarter of the Current Consolidated Fiscal Year (April 1 to December 31, 2015)
Net income	1,915	3,132
Other comprehensive income		
Valuation difference on available-for-sale securities	(22)	(327)
Foreign currency translation adjustment	2,552	(2,868)
Total other comprehensive income	2,529	(3,195)
Comprehensive income	4,445	(62)
(Breakdown)		
Comprehensive income attributable to owners of the parent	4,374	281
Comprehensive income attributable to non-controlling interests	70	(344)

(3) Notes to Quarterly Consolidated Financial Statements

(Notes Pertaining to Going Concern)

There is no applicable information.

(Changes in Accounting Policies)

Application of the Accounting Standards for Business Combinations

Effective from the first quarter of the current consolidated fiscal year, Universal Entertainment has adopted the "Accounting Standard for Business Combinations" (Accounting Standards Board of Japan (ASBJ) Statement No. 21, September 13, 2013), "Accounting Standard for Consolidated Financial Statements" (ASBJ Statement No. 22, September 13, 2013), "Accounting Standard for Business Divestitures" (ASBJ Statement No. 7, September 13, 2013) and other standards. Accordingly, difference arising from changes in the Company's ownership interests in subsidiaries in cases where control is retained is recognized in capital surplus, and the acquisition costs in connection with business combinations are recognized as expenses in the fiscal year in which they arise. Regarding business combinations that take place on or after the beginning of the first quarter of the current consolidated fiscal year, the Company has revised the method to reflect reviewed allocation of the acquisition costs arising from determination of the provisional accounting treatment on the quarterly consolidated financial statements to which the date of the business combination belongs. In addition, the presentation of net income and other items has been revised, and the minority interests item has been renamed non-controlling interests. For consistency with these changes, the consolidated financial statements for the first nine months of the previous consolidated fiscal year and the previous consolidated fiscal year have been revised.

The Company has adopted these accounting standards, etc. from the beginning of the first quarter of the fiscal year, in accordance with the transitional accounting treatments set forth in Article 58-2 (4) of the Accounting Standard for Business Combinations, Article 44-5 (4) of the Accounting Standard for Consolidated Financial Statements, and Article 57-4 (4) of the Accounting Standard for Business Divestitures.

There is no impact on the quarterly consolidated financial statements for the first nine months of the current consolidated fiscal year.

(Notes in Event of Significant Fluctuation in Amount of Shareholders' Equity)

There is no applicable information.

(4) Additional Information

(Litigation)

The lawsuit involving Wynn Resorts, Limited (NASDAQ: WYNN) is currently in the stage of disclosure of evidence including discovery and recording of testimony. Next will be a trial with witness examinations and other activities that will result in a verdict. Consequently, taking into account the difficulty of estimating with certainty the effects that could potentially arise from the results of filing this countersuit on the financial status, operating results, and cash flow status of the corporate group consisting of Universal Entertainment and its consolidated subsidiaries, etc. in a particular period of time, the Wynn Resorts stock has been valued at the acquisition cost since the end of March 2013.

Interest payments for the long-term note issued by Wynn Resorts for the past three years (38,728,852.63 U.S. dollars each year) have been paid to the clerk of the court for deposit in the court trust account. However, since the Company believes the interest payments do not belong to the Universal Entertainment Group based on the principle of the right to claim, the Company has concluded that it is very likely that there will be no need to recognize the interest paid by this check as interest received for either accounting or tax purposes. Consequently, the Company's consolidated financial statements do not reflect the issuance of this check with an interest payment.

In February 2015, the Company, with Aruze USA Inc. and others, filed a lawsuit in the Court of First Instance of the Macau Special Administrative Region of the People's Republic of China against Wynn Resorts (Macau) S.A. and four of its directors, including Steve Wynn. The pending suit asks for the dissolution of Wynn Resorts (Macau) S.A., payment of damages totaling about 8 billion Macau patacas and other actions.

(Borrowing costs into the acquisition cost)

Finance from loans and corporate bonds/debentures (private placement bonds) has formed part of the construction funds required by the Casino Resort Business for its long-term projects. Given the significance of these amounts, we have included borrowing costs that are funding ongoing construction periods in our calculation of the acquisition cost.