

January 22, 2003

ARUZE Announces Non-Consolidated Financial Results of
the Third Quarter of the Fiscal Year Ending March 31, 2003

ARUZE CORP. (Representative Director and President Kazuo Okada; JASDAQ: 6425) today announced the non-consolidated results for the third quarter (October 1 to December 31, 2002) of the fiscal year ending March 31, 2003.

1. Non-Consolidated Results of the Third Quarter of the Fiscal Year ending March 31, 2003

(Unit: Million yen)

Term Item	Q3 2002/3 rd Quarter (Oct. 1-Dec. 31, '02)		Q3 2001/3 rd Quarter (Oct. 1-Dec. 31, '01)	
	Amount	% share	Amount	% share
I. Net sales	24,896	100.0	25,209	100.0
II. Cost of sales	15,367	61.7	12,245	48.6
Gross profit	9,528	38.3	12,963	51.4
III Selling, general and administrative expenses	4,120	16.6	4,430	17.6
Operating income	5,408	21.7	8,533	33.8
IV Non-operating income	115	0.5	51	0.2
V Non-operating expenses	33	0.1	7	0.0
Ordinary profit	5,490	22.1	8,577	34.0

Notes: 1. Figures above rounded down to the nearest million yen

2. The above statement has not been audited by a certified public accountant

2. · Non-Consolidated Results of the First Nine Months of the Fiscal Year ending March 31, 2003

(Unit: Million yen)

Item	First 9 months 2002/1 st -3 rd Quarter (Apr. 1-Dec. 31, '02)		First 9 months 2001/1 st -3 rd Quarter (Apr. 1-Dec. 31, '01)	
	Amount	% share	Amount	% share
I Net sales	77,501	100.0	62,594	100.0
II Cost of sales	40,013	51.6	27,757	44.3
Gross profit	37,489	48.4	34,837	55.7
III Selling, general and administrative expenses	14,001	18.1	15,951	25.5
Operating income	23,488	30.3	18,886	30.2
IV Non-operating income	1,458	1.9	1,168	1.9
V Non-operating expenses	141	0.2	212	0.3
Ordinary profit	24,805	32.0	19,842	31.7

Notes: 1. Figures above rounded down to the nearest million yen

2. The above statement has not been audited by a certified public accountant

3. · Operating Highlights

[Net Sales]

During the third quarter of the fiscal year ending March 31, 2003, the sales volume of pachislot machines was 44,047 units, centering on the Aztecan Legend R sold at 35,373 units, and the sales volume of pachi-com and pachinko machines was 40,609 units, centering on the "CR Hunter Chance" pachinko machine sold at 21,635 units and the "CR Tsurikko Lure -Chan" pachi-com machine sold at 16,007 units.

Sales volume for the third quarter was 24,896 million yen and sales volume for the first nine months of the year was 77,501 million yen, up 23.8% from the same period of a year earlier.

[Cost of Sales]

Cost of sales for the third quarter was 15,367 million yen, reflecting an increase in the sales volume of pachi-com and pachinko machines. Cost of sales for the first nine months totaled 40,013 million yen, up 44.2% from the same period last year.

[Selling, General and Administrative Expenses]

Selling, general and administrative expenses for the third quarter were 4,120 million yen, mainly reflecting decreases in payroll expenses and advertising and publicity expenses. Selling, general and administrative expenses for the first nine months were 14,001 million yen, down 12.2% from the same period last year.

[Ordinary Profit]

Ordinary profit for the third quarter was 5,490 million yen. Ordinary profit for the first nine months was 24,805 million yen, down 25.0% from the same period last year.

4. · Prospects

In 2001, we started working on organizational changes to focus on a team-oriented product development system away from the dependence on particular individuals. Although taking more time than originally expected, the new system yielded for the first time the “Outlaw” model Pachislot machine incorporating attractive features of existing popular models based on the data acquired through marketing activities. “Outlaw,” before its formal launch in January, is favorably regarded due to the combined effects of its unique “Hit Pattern” and “Power transcends all” motto of the talk-of-the-town image character, Bob Sapp, who appears on commercials and adorns literature promoting “Outlaw.” “Hanabi Hyakkei (Fireworks Variety)” model Pachislot machine, with its 15-inch transparent LC monitor, the first in the industry, will be launched during the 4th quarter of this Fiscal Year, to be sold through Fiscal Year 2004.

We are to start the sales teams to exclusively promote Pachi-com and Pachinko machines during the current 4th quarter to enhance our sales capabilities with the view to increasing our market share of these lines of products.