

January 17, 2005

Company Name: Aruze Corp.

Name and Title of Representative: Kazunari Anan

President and

Representative Director

(JASDAQ Code: 6425)

Contact: Yoshito Hori, Director

Telephone Number: 03-5530-3055 (Switch Board)

### Notice of Stock Acquisition (to become our subsidiary)

This is to inform you that a resolution was made at the Board of Directors meeting held on January 17, 2005 concerning acquisition of the shares of Universal Distributing of Nevada, Inc. (hereinafter referred to as "UDN") which becomes our subsidiary. UDN holds Pacific Gaming Pty. Ltd. (hereinafter referred to as "PGL") and Universal Distributors of Nevada, SA (Pty) Limited (hereinafter referred to as "SA") as its wholly-owned subsidiaries. We are notifying as follows that said three companies will join our group:

#### Description

##### 1. Reason for the stock acquisition

In an effort to reinforce our sales of gaming devices in the overseas markets, we had been applying for a manufacturer's license for gaming devices and the approval to acquire the shares of UDN which already holds a distributor's license for gaming devices. The applications were approved in the state of Nevada in June 2004 and in the state of Mississippi in December 2004. We also completed the necessary procedures to acquire the shares of stock of UDN in the state of New Jersey in the U.S., and in each state of Australia in which PGL is located, as well as in each state of South Africa in which SA is located. Therefore, we have decided to take the UDN into our group so as to reconstruct the organization and integrate all such areas as development, manufacturing and sales into one organization.

In the future, we will make our efforts to gain more profits by providing a wide range of products from standalone models for single players to multistation models for multiple players and aggressively selling our gaming devices in every region in the world.

## 2. Outline of the companies to become our subsidiaries

### (1) Out line of the companies

Trade Name	Universal Distributing of Nevada, Inc.	Pacific Gaming Pty. Ltd.	Universal Distributors of Nevada, SA (Pty) Limited
Representative	Kazuo Okada	Katsuji Nomura	Mitsuru Suzuki
Location of Headquarters	745 Grier Drive, Las Vegas, Nevada 89119 (U.S.A.)	23-27 Bourke Road, Alexandria, NSW 2015 (Australia)	Unit 1-3, Kyalami Village, 57 Forssman Close, Barbeque Downs Ext. 1, Kyalami, Gauteng (South Africa)
Date of Establishment	February 7, 1983	March 19, 1985	June 30, 1995
Main Business	Distribution of gaming devices	Distribution of gaming devices	Distribution of gaming devices
Fiscal Year Ending	December 31	December 31	December 31
Number of Employees	34	20	23
Main Offices	Las Vegas, Nevada; Kohoto-ku, Tokyo; Yonago-shi, Tottori-ken	Alexandria, NSW	Kyalami, Gauteng
Capital Amount	190,000 US dollars	10,500,004 Australian dollars	430,933 Rand
Total Outstanding Shares	1,250 shares	55,500,004 shares	4,002 shares
Shareholder and Ratio of Ownership	Kazuo Okada 100%	UDN 100%	UDN 100%

### (2) Trends of business performance in the recent fiscal years (consolidated UDN group) (Unit: US\$)

	Fiscal Year ending December 2004 (forecast)	Fiscal Year ending December 2003	Fiscal Year ending December 2002
Sales	42,790,000	23,667,000	9,542,000
Gross profit	17,497,000	12,528,000	5,504,000
Operating income	6,946,000	3,232,000	-3,339,000
Ordinary income	7,940,000	2,934,000	-3,565,000
Profit for the current term	4,096,000	1,516,000	-4,876,000
Total assets	27,000,000	22,462,000	18,385,000
Shareholders' equity	11,343,000	7,247,000	4,915,000
Dividend per share	None	None	None

### (3) History of UDN

Universal Distributing of Nevada, Inc. was established in Las Vegas, Nevada in February 1983 to manufacture and sell gaming devices. Subsequently in March 1984, when Nevada Gaming Commission granted the company a manufacturer's license and a distributor's license, its business took off in full-scale. The company stormed the Nevada market with a new model called a stepper reel slot machine controlled by computer. Said device manufactured by Universal Distributing of Nevada, Inc. gained its popularity.

Then, the company obtained a manufacturer's license and a distributor's license in New Jersey and Mississippi and expanded its business.

The company successfully made inroads into the overseas markets and obtained a major market share in the casino market of South Africa. It still maintains a major market share in the South African market through Universal Distributors of Nevada SA (Pty) Ltd., 100% capitalized by the company, in Gauteng Province, Republic of South Africa in June 1995.

The company also acquired 100% shares of Universal Australia Pty. Ltd. (currently PGL) located in New South Wales, Australia in April 1993, and started developing, manufacturing and selling video gaming machines in Australia. Initially, the company developed and manufactured video gaming machines locally, but it shifted the development and manufacture functions to branch office of Universal Distributing of Nevada, Inc. in Japan to rationalize the development and manufacture due to intensifying competitions.

In addition to South Africa with higher market shares, the company is currently selling gaming machines mainly focusing on Russia, a newly rising market. It is expected to show US\$42,790,000 for the sales and US\$4,096,000 for the profit for the Fiscal Year ending December 2004 and the profit is expected to improve significantly from the previous term and the term before the previous one.

### 3. The party from which stocks are acquired

- (1) Name: Kazuo Okada
- (2) Relationship with us: Chairman and Director of our company

### 4. Total shares acquired, acquisition value and status of holding shares before and after the acquisition

- (1) Number of shares owned before transfer: None (Ratio of ownership: 0%)
- (2) Number of shares acquired: 1,250 shares (Acquisition value: 17,042,000 US dollars)
- (3) Number of shares owned after transfer: 1,250 shares (Ratio of ownership: 100%)

### 5. Schedule

- January 17, 2005 Resolution by the Board of Directors
- January 31, 2005 Date for delivery of stock certificates

## 6. Future prospects

With respect to the forecast of business performance for full Fiscal Year ending March 2005 (consolidated and non-consolidated) that we announced in our “Brief Report of Interim Business Results (consolidated) for Fiscal Year ending March 31, 2005” and “Summary of Interim non-consolidated Financial Statements for Fiscal Year ending March 31, 2005” on November 9, 2004, there will be no impact on such forecast because the UDN group ends its fiscal year in December. We will inform you of the forecast of business performance for the Fiscal Years after March 2006 as soon as it is determined.