

Summary of Financial Data and Business Performance for 3rd Quarter of Fiscal Year Ending March 31, 2007 (Consolidated)

February 22, 2007

Company Name: ARUZE CORP. (JASDAQ Code: 6425)

(URL: <http://www.aruze.com>)

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1. Matters Pertaining to Preparation of Quarterly Financial Information

Adoption of Simplified Accounting Procedures : Yes (See attached page for details.)

Change in Accounting Procedures from Most Recent : No

Consolidated Fiscal Year

Change in Scope of Application of Consolidation and : No

Equity Method

2. Summary of Financial Data and Business Performance for 3rd Quarter of Fiscal Year Ending March 31, 2007 (Period Beginning April 1, 2006 and Ending December 31, 2006)

(1) Status of Operating Results (Consolidated)

(Amounts rounded down to nearest million yen)

	Net Sales		Operating Profit		Ordinary Profit		Net Profit as of 3 rd Quarter	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
3 rd Quarter of Fiscal Year Ending March 31, 2007	30,648	(-17.7)	1,209	(-)	-3,516	(-)	13,408	(-)
3 rd Quarter of Fiscal Year Ending March 31, 2006	37,221	(-39.0)	-4,422	(-)	-7,112	(-)	-8,855	(-)
Reference: Full Fiscal Year Ending March 31, 2006	48,506		-5,310		-8,578		-12,713	

	Net Income Per Share for Quarter	Net Income Per Share for Quarter Following Adjustment for Residual Securities
	Yen	Yen
3 rd Quarter of Fiscal Year Ending March 31, 2007	167.81	-
3 rd Quarter of Fiscal Year Ending March 31, 2006	-110.83	-
Reference: Full Fiscal Year Ending March 31, 2006	-159.11	-

*Note: Percentages refer to changes from the same Quarter in the previous fiscal year.

<Qualitative Information Pertaining to Status of Operating Results (Consolidated)>

The Pachislot market in the 3rd Quarter of the current fiscal year was characterized by a general necessity to replace all Type 4 Pachislot machines with those based on the newer Type 5 standard. Despite this, the installed ratio of Type 5 machines has only managed to reach 11.2%^{*1} of the total Pachislot market, with Type 4 machines continuing to make up the majority.

Under these market conditions, ARUZE CORP. ("ARUZE" below) released four Pachislot titles during the 3rd Quarter: "Kakuto Gekisenku," "Burglar," "Thunder V Special" and "Moeru Marinbattle." These four titles combined yielded approximately 22,000 machines sold and installed and approximately 24,000 software title replacements under the Company's Pachislot rental plan. Through these efforts, ARUZE achieved a total Type 5 Pachislot market share of 24.5%^{*1}. It should also be noted that the Company did not release any Pachinko products during the 3rd Quarter.

Wynn Resorts (Macau), S.A. ("Wynn Resorts (Macau)" below), a subsidiary of Wynn Resorts, Limited ("Wynn Resorts" below. NASDAQ code: WYNN), completed the sale of a subconcession right^{*2} in Macau for the price of US\$900 million (approximately 100 billion yen) to an affiliated company of the Australian company Publishing and Broadcasting Limited ("PBL" below). Wynn Resorts is an ARUZE affiliate company accounted for by the equity method, in which ARUZE holds a 24.2% share. In its 3rd Quarter business performance report released on November 7, Wynn Resorts posted the proceeds from this transaction as non-operating profit, resulting in an after-tax profit of approximately US\$680 million (approximately 80 billion yen). Based on its ownership ratio of Wynn Resorts shares, ARUZE has accordingly posted approximately 19 billion yen in consolidated extraordinary profit as investment profit on the equity method.

Furthermore, Wynn Resorts conducted a special cash distribution of US\$6 per share that was paid to Aruze USA, Inc, a 100%-owned subsidiary of ARUZE, on December 4, 2006. This resulted in additional cash income in the approximate amount of 17 billion yen. The two casino resorts being operated by Wynn Resorts, the "Wynn Las Vegas" and "Wynn Macau," are also performing at highly-satisfactory levels.

Based on the above, ARUZE posted 30,648 million yen in net sales, 1,209 million yen in operating profit and -3,516 million yen in ordinary profit for the 3rd Quarter. The Company posted 13,408 million yen in net profit for the current Quarter.

^{*1}Data from P-WORLD. Taken on December 26, 2006.

^{*2}Wynn Resorts (Macau) has been granted permission by the government of the Macau Special Administrative Region to grant a subconcession right to other casino operators while still maintaining its concession in the Macau region. Wynn Resorts (Macau) has therefore continued to operate the casino resort "Wynn Macau," which opened in September 2006, following its sale of a subconcession right.

2. Status of Change in Financial Condition (Consolidated)

(Amounts rounded down to nearest million yen)

	Total Assets	Net Assets	Ratio of Shareholders' Equity	Net Assets Per Share
	Million yen	Million yen	%	Yen
3 rd Quarter of Fiscal Year Ending March 31, 2007	180,110	120,527	66.9	1,502.60
3 rd Quarter of Fiscal Year Ending March 31, 2006	179,259	109,853	61.3	1,374.83
Reference: Full Fiscal Year Ending March 31, 2006	167,990	108,020	64.3	1,351.89

<Qualitative Information Pertaining to Status of Change in Financial Condition (Consolidated)>

Total assets at the end of the consolidated 3rd Quarter amounted to 180,110 million yen, a year-to-year increase of 12,120 million yen. This is primarily attributable to an increase in investment securities.

Concerning liabilities, while advance receipts increased in line with the Company's Pachislot rental plan, current liabilities declined (927 million yen less than the same period last consolidated fiscal year) as a result of decreased short-term borrowings stemming from loan repayments.

- Attachments:
- (Summary) Quarterly Consolidated Balance Sheet
 - (Summary) Quarterly Consolidated Profit and Loss Statement
 - (Summary) Quarterly Consolidated Statement of Movements in Shareholders' Equity, Etc.
 - Basic Items Concerning Preparation of Quarterly Financial Information

<Reference>

Consolidated Business Performance Forecast for Full Fiscal Year Ending March 31, 2007
(Beginning April 1, 2006 and Ending March 31, 2007)

	Net Sales	Ordinary Profit	Net Profit
	Million yen	Million yen	Million yen
Full Fiscal Year	37,800	-5,500	10,100

Reference: Forecast Net Profit Per Share (Full Fiscal Year): 125.94 yen

<Qualitative Information Pertaining to Business Performance Forecast>

In light of a number of trends, ARUZE has revised its business performance forecast for the full fiscal year. The previous forecast was disclosed at the time of the Company's announcement of interim business results on November 30, 2006. For more details, please refer to the separate press release entitled "Announcement of Revised Business Performance Forecast for Full Fiscal Year Ending March 31, 2007," which was also disclosed today.

*Note: The above forecast was prepared based on the information available as of the date of this press release. Actual business performance may vary with forecast figures due to a number of factors.

【 Attachments 】

1. (Summary) Quarterly Consolidated Balance Sheet

(Units: Million yen, %)

Item	Concerned Quarter (FY 3/07 End of 3 rd Quarter)	Previous 3 rd Quarter (FY 3/06 End of 3 rd Quarter)	Difference		Reference: FY 3/06
	Amount	Amount	Amount	Ratio	Amount
(Assets)					
I Current assets					
1. Cash and deposits	23,450	43,553	(20,102)	(46.2)	37,439
2. Notes receivable & accounts receivable	11,629	7,435	4,194	56.4	11,578
3. Inventories	25,163	26,029	(865)	(3.3)	23,377
4. Deferred tax assets	2,867	6,505	(3,637)	(55.9)	2,919
5. Accrued corporate income tax	-	-	-	-	70
6. Other	13,952	4,058	9,894	243.8	7,916
Allowance for bad debt	(63)	(169)	105	-	(71)
Total current assets	77,000	87,412	(10,411)	(11.9)	83,230
II Fixed assets					
(1) Tangible fixed assets					
1. Buildings & structures	6,459	9,120	(2,661)	(29.2)	6,707
2. Machinery & delivery equipment	1,915	2,380	(464)	(19.5)	2,131
3. Lease equipment	-	491	(491)	-	-
4. Rental assets	3,238	-	3,238	-	3,302
5. Amusement facility equipment	-	2,836	(2,836)	-	-
6. Land	14,965	16,333	(1,367)	(8.4)	15,050
7. Other	3,000	3,399	(399)	(11.7)	2,635
Total tangible fixed assets	29,579	34,561	(4,982)	(14.4)	29,826
(2) Intangible fixed assets					
1. Goodwill	412	-	412	-	-
2. Consolidation adjustments	-	566	(566)	-	489
3. Others	702	1,498	(796)	(53.1)	1,069
Total intangible fixed assets	1,114	2,064	(950)	(46.0)	1,558

Item	Concerned Quarter (FY 3/07 End of 3 rd Quarter)	Previous 3 rd Quarter (FY 3/06 End of 3 rd Quarter)	Difference		Reference: FY 3/06
	Amount	Amount	Amount	Ratio	Amount
(3) Investments & other assets					
1. Investment securities	65,507	44,127	21,379	48.4	49,876
2. Long-term loans receivable	501	367	133	36.3	443
3. Lease deposits & security deposit	1,332	8,220	(6,888)	(83.8)	806
4. Deferred tax assets	58	373	(315)	(84.4)	81
5. Claims in bankruptcy and reorganization	3,388	3,834	(446)	(11.6)	3,284
6. Other	5,128	2,445	2,683	109.7	2,491
Allowance for bad debt	(3,544)	(4,278)	733	-	(3,710)
Total investments & other assets	72,371	55,091	17,280	31.4	53,273
Total fixed assets	103,065	91,717	11,347	12.4	84,658
III Deferred assets					
1. Cost of new stock issuance	5	-	5	-	4
2. Cost of bond issuance	40	130	(89)	(69.1)	97
Total deferred assets	45	130	(84)	(64.9)	101
Total assets	180,110	179,259	851	0.5	167,990

(Units: Million yen, %)

Item	Concerned Quarter (FY 3/07 End of 3 rd Quarter)	Previous 3 rd Quarter (FY 3/06 End of 3 rd Quarter)	Difference		Reference: FY 3/06
	Amount	Amount	Amount	Ratio	Amount
(Liabilities)					
I Current liabilities					
1. Notes payable & accounts payable	6,661	8,882	(2,221)	(25.0)	7,936
2. Short-term borrowings payable	9,430	21,017	(11,587)	(55.1)	16,850
3. Long-term borrowings payable within one year	317	1,314	(997)	(75.9)	1,509
4. Bonds redeemable within one year	1,350	1,200	150	12.5	2,800
5. Accrued amount payable	1,472	1,434	38	2.7	1,162
6. Accrued corporate income taxes	586	95	490	512.6	78
7. Accrued consumption taxes	420	113	307	270.6	87
8. Allowances for bonuses	76	211	(134)	(63.8)	212
9. Advances by customers	6,510	-	6,510	-	2,355
10. Deferred income	7,547	-	7,547	-	3,868
11. Provision for loss on litigations	1,450	-	1,450	-	-
12. Other	836	1,419	(583)	(41.1)	725
Total current liabilities	36,659	35,688	970	2.7	37,586
II Fixed liabilities					
1. Corporate bonds	8,350	12,990	(4,640)	(35.7)	8,450
2. Long-term loans payable	11,085	13,867	(2,782)	(20.1)	11,160
3. Others	3,489	2,253	1,235	54.8	2,467
Total fixed liabilities	22,924	29,110	(6,186)	(21.3)	22,077
Total liabilities	59,583	64,798	(5,215)	(8.0)	59,664
(Minority interests)					
Minority interests	-	4,607	-	-	306
(Capital)					
I Common stock	-	3,446	-	-	3,446
II Capital surplus	-	7,503	-	-	7,503
III Retained earnings	-	100,632	-	-	96,775
IV Appraisal balance of securities	-	7	-	-	42
V Cumulative translation adjustments	-	100	-	-	2,090
VI Treasury stock	-	(1,837)	-	-	(1,837)
Total shareholders' equity	-	109,853	-	-	108,020
Total liabilities, minority interests and shareholders' equity	-	179,259	-	-	167,990

Item	Concerned Quarter (FY 3/07 End of 3 rd Quarter)	Previous 3 rd Quarter (FY 3/06 End of 3 rd Quarter)	Difference		Reference: FY 3/06
	Amount	Amount	Amount	Ratio	Amount
(Equities)					
I Shareholders' equity					
1. Common stock	3,446	-	3,446	-	-
2. Capital surplus	7,503	-	7,503	-	-
3. Retained earnings	108,585	-	108,585	-	-
4. Treasury stock	(1,837)	-	(1,837)	-	-
Total shareholders' equity	117,698	-	117,698	-	-
II Translation gain or loss, appraisal balance etc.	-	-	-	-	-
1. Appraisal balance of securities.	39	-	39	-	-
2. Cumulative translation adjustments	2,325	-	2,325	-	-
Total translation gain or loss, appraisal balance etc.	2,364	-	2,364	-	-
III Minority interests	464	-	464	-	-
Total equities	120,527	-	120,527	-	-
Total liabilities and equities	180,110	-	180,110	-	-

2. (Summary) Quarterly Consolidated Profit and Loss Statement

(Units: Million yen, %)

Item	Concerned Quarter (FY 3/07 End of 3 rd Quarter)	Previous 3 rd Quarter (FY 3/06 End of 3 rd Quarter)	Difference		Reference: FY 3/06
	Amount	Amount	Amount	Ratio	Amount
I Sales revenue	30,648	37,221	(6,572)	(17.7)	48,506
II Cost of sales	13,923	25,132	(11,208)	(44.6)	31,099
Gross profit or loss ()	16,724	12,088	4,636	38.4	17,406
III Selling, general and administrative expenses	15,515	16,511	(995)	(6.0)	22,717
Operating income or operating loss ()	1,209	(4,422)	5,632	-	(5,310)
IV Non-operating income	175	720	(544)	(75.6)	720
V Non-operating expenses	4,902	3,410	1,491	43.7	3,989
Ordinary profit or ordinary loss ()	3,516	7,112	(3,595)	(50.6)	8,578
VI Extraordinary income	19,547	91	19,456	-	2,921
VII Extraordinary loss	1,743	3,698	(1,954)	(52.8)	5,779
Net profit or net loss () before taxes and adjustments for the concerned quarter	14,287	(10,719)	25,006	-	(11,436)
Tax expenses	765	(1,573)	2,339	-	1,902
Minority shareholders' profit or loss ()	112	(289)	402	-	(625)
Net profit or loss () for the concerned quarter	13,408	(8,855)	22,264	-	(12,713)

3. (Summary) Quarterly Consolidated Statement of Movement in Shareholders' Equity, Etc.

(Units: Million yen, %)

Concerned quarter (period beginning April 1, 2006 and ending December 31, 2006)

	Shareholders' equity					Translation gain or loss, appraisal balance etc.	Minority interests	Net Assets
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity			
Balance as of March 31, 2006	3,446	7,503	96,775	-1,837	105,887	2,132	306	108,326
Movement in the Quarter								
Dividend of surplus	-	-	(1,598)	-	(1,598)	-	-	(1,598)
Quarterly net profit	-	-	13,408	-	13,408	-	-	13,408
Net movement for other than shareholders' equity in the concerned quarter	-	-	-	-	-	232	158	390
Total movement in the concerned quarter	-	-	11,810	-	11,810	232	158	12,201
Balance as of December 31, 2006	3,446	7,503	108,585	(1,837)	117,698	2,364	464	120,527

Basic Items Concerning Preparation of Quarterly Financial Information

ARUZE CORP., in addition to adhering to basic standards for the preparation of consolidated financial statements, adopts the following set of simplified accounting procedures to the extent that the judgment of investors and other interested parties is not significantly affected.

[Nature of Simplified Accounting Procedures]

1. Physical inventory is omitted under the condition that perpetual inventory records are maintained.
2. With regard to calculation standards for the allowance for bad debt, the performance ratio for bad debt is determined according to the actual results for the end of the previous consolidated fiscal year.
3. Depreciation is calculated in terms of the monthly amount of estimated annual depreciation. In the event of selling or disposal during the fiscal year, any depreciation corresponding to the time period leading up to the act of selling or disposal is generally factored in determining depreciation for that fiscal year. This rule also applies to the depreciation of software, goodwill and long-term prepaid expenses.
4. With regard to calculation standards for corporate tax etc., said items are calculated according to the legal effective tax rate. Tax effects are as a general rule not reviewed following the close of the previous consolidated fiscal year, with consolidated adjustment items being the exception.
5. With regards to the allowance for bonuses, the estimated reversal for said item at the end of the current consolidated fiscal year is calculated in monthly increments.
6. With regard to the handling of expired and unexpired accounts, as said items consist entirely of those that largely fall under the same accounting period and demonstrate low variability overall, said items are carried forward as is from the close of the previous consolidated fiscal year.