

July 27, 2007

To Whom It May Concern

ARUZE CORP.

Announcement Regarding Filing of a Lawsuit

Please be advised that we have filed a lawsuit as described below against Sammy Corporation and SNK Playmore Corporation with the Tokyo District Court on July 27, 2007 seeking 1,000,000,000 yen respectively from both defendants pursuant to Article 4 of the Unfair Competition Prevention Law as damages caused by competitor business calumny activities prescribed in Article 2, Clause 1, Item 14 of said law.

Description

1. Particulars of and Circumstances Resulting in the Lawsuit

Particulars of the lawsuit are as follows: Osamu Satomi, Representative Director of Sammy Corporation (hereinafter referred to as “Sammy”) and Eikichi Kawasaki, Representative Director (former position; hereinafter referred to as “Kawasaki”) of SNK Playmore Corporation (hereinafter referred to as “Playmore”) were allegedly in conspiracy to publish and distribute books that contained falsified facts damaging our business credibility in collusion with Toshiyasu Matsuoka, Representative Director (hereinafter referred to as “Matsuoka”) of Rokusaisha Corporation during the approximate time period between the end of April 2002 and January 2003.

More specifically, through providing Matsuoka with large amounts of money and other benefits, both persons had him publish a book titled “Dark Side of Aruze Kingdom: Seamy Side of Huge Amusement Industry” on April 10, 2003 and sell said book at public bookstores; and, at the same time, purchased considerable numbers of said book and distributed them free of charge to Pachinko halls across the country, departments relevant to community safety in the police agency of each prefecture, industry groups and related parties.

Playmore’s Kawasaki also had Rokusaisha Corporation successively publish sequels of said book that libeled and defamed our company and its officers, etc. on September 10, 2003, March 1, 2004 and March 25, 2005, and purchased considerable numbers of said books and distributed them free of charge to related industry groups and parties, resulting in infringement of our company's business interests.

These facts were made evident in the proceedings of the criminal defamatory libel case of Matsuoka.

Since such acts by Sammy and Playmore impede fair competition in the market and constitute mean and unlawful contrivances, we could hardly overlook such activities and came to file this lawsuit.

2. Influence on Business Performance

This lawsuit will not affect our future business performance.

3. Future Outlook

We will announce the future outlook on the lawsuit as developments in the lawsuit become clear.