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Announcement Regarding Cancellation of Share Exchange with Seta Corp.

On December 12, 2007, ARUZE CORP. (hereinafter referred to as the "Company") issued a press release entitled "Announcement Regarding Conversion of Seta Corp. to Wholly-Owned Subsidiary Through Share Exchange." However, at its Meeting of the Board of Directors that convened today, the Company resolved the cancellation of this share exchange with Seta Corp. (hereinafter referred to as "Seta"). Please see below for details.

1. Reason for Canceling Share Exchange

The Company is currently in the process of conducting a business realignment in order to further expand its Pachislot and Pachinko business. As part of this process, for the purposes of enhancing mobility to facilitate the expansion of its amusement machine peripheral device business, increasing the synergy of this business with its amusement machine business and conducting a drastic improvement of Seta's business constitution, the Company resolved the share exchange in question. However, in the Company's ongoing process of examining its business realignment, the nature of the environment surrounding its businesses was found to have changed. With this in mind, following full consideration of the relationship the amusement machine peripheral device business has with the other businesses of the Company group, the future business development of the Company group, and other factors, the Company came to the conclusion that the situation necessitates further examination of what is the most effective policy by which to proceed. Given this result, the Company resolved the canceling of the share exchange with Seta.

2. Handling of Seta Shares under Cancellation of Share Exchange

Although it has cancelled the share exchange in question, the Company intends to apply a substitute method for the share exchange and conduct the purchase of shares from Seta shareholders at a reasonable price. The specific method to be applied is currently under examination, and will be announced once finalized.

3. Impact of Cancellation of Share Exchange on Business Results

No impact resulting from the cancellation of the share exchange will be exerted on the business results of the Company.