

May 13, 2008

To Whom It May Concern:

ARUZE CORP.
IR & PR Office

Announcement of Result of Petition for Acceptance of Final Appeal with Regard to Patent Rights Held by ARUZE CORP.

ARUZE CORP. (hereinafter referred to as the "Company") had been in possession of the patent for an invention that detects the play status of a Pachislot machine and reduces the volume of the sound effects of said machine should it be found not to be in mid-play (Patent No. 3708056). However, due to a decision issued by the Intellectual Property High Court deeming said patent to be invalid, the Company had petitioned the Supreme Court for the acceptance of a final appeal.

Regrettably, the Supreme Court rendered a decision not to accept this appeal, thereby finalizing the decision of the Intellectual Property High Court.

In existing civil litigation, the Supreme Court maintains the discretionary power to determine whether or not to accept the case concerned. In this particular case, the Supreme Court did not issue the conclusion that the patent in question was invalid, and simply made the discretionary decision not to accept the case.

To begin with, the Company had issued a request to the Japan Patent Office for a trial for correction regarding the patent in question, with the conviction that a correction would sustain the validity of said patent.

However, on top of a conspicuous delay in the deliberation process by the Japan Patent Office regarding this correction, the Japan Patent Office made the unwarranted decision to refuse the correction outright. Consequently, the Supreme Court rendered its decision prior to correction regarding the patent, leaving the Company without an opportunity to have such a correction conducted.

The Company finds this incident to be truly unfortunate, and has been forced to conclude that the aforementioned result is contrary to the basic policy of Japan as a nation claiming to value intellectual property. Consequently, the Company intends to continue applying every available legal means to reach a satisfactory conclusion.

The Company is possession of numerous key patents that concern amusement machines. This patent portfolio represents prominent patents unrivaled by those held by other manufacturers. Although the invalidation of the patent as discussed above is regrettable, it will exert neither an impact nor change on the Company's operations in any manner.