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Issuance of Subscription Rights to Shares as Stock Options

At a meeting of its Board of Directors held on May 26, 2008, ARUZE CORP. (hereinafter referred to as the "Company") decided to set forth as an agenda for the 35th Annual Shareholders' Meeting to be held on June 27, 2008 that it will delegate to the Board of Directors the determination of matters with respect to subscription rights to shares ("hereinafter referred to as "Subscription Requirements") to be issued as stock options to directors and executive officers of the company's subsidiaries and affiliates and to employees and advisors of the Company, its subsidiaries and affiliates, in accordance with Articles 236, 238 and 239 of the Companies Act of Japan. The following represents a summary of said agenda.

Please note that no new stock options will be issued to the Directors and Executive Officers of the Company.

1. Reason for the Need to Solicit Subscribers to Subscription Rights to Shares under Particularly Favorable Conditions:

For the purpose of boosting motivation and morale towards improving the Company's consolidated business performance, the Company shall allocate subscription rights to shares to directors and executive officers of the Company's subsidiaries and affiliates and to the employees and advisors of the Company, its subsidiaries and affiliates without requiring monetary payment.

2. Features, Maximum Number etc. of Subscription Rights to Shares for which Subscription Requirements May Be Determined in Accordance with Items to Be Resolved at Annual Shareholders' Meeting:

(1) Maximum number of subscription rights to shares for which Subscription Requirements may be determined under such delegation:

Up to one thousand (1,000) subscription rights to shares as prescribed in the following Item (3).

The total number of shares that may be issued by exercising the subscription rights to shares is up to one-hundred thousand (100,000) common shares of the Company. Should the

Number of Shares Granted (defined below) be adjusted in accordance with the following Item (3) , the number obtained after multiplying the Number of Shares Granted following the relevant adjustment by the abovementioned maximum number of subscription rights to shares will become the maximum number.

- (2) No monetary payment shall be required for the subscription rights to shares for which the Subscription Requirements may be determined under such delegation.
- (3) Features of subscription rights to shares for which Subscription Requirements may be determined under such delegation:

Classes and number of shares underlying subscription rights to shares:

The class of shares underlying the subscription rights to shares shall be common shares of the Company, and the number of shares underlying each of the subscription rights to shares shall be one hundred (100) shares (hereinafter referred to as the “Number of Shares Granted”). However, in the event that the Company implements a stock split (including an allotment of the Company’s common shares without contribution, with this to apply to any subsequent discussion of a stock split) or a share consolidation following the allotment date of the subscription rights to shares (hereinafter referred to as the “Allotment Date”), the Number of Shares Granted shall be adjusted according to the following formula, with any fractions of less than one (1) share following said adjustment to be omitted:

$$\text{Number of Shares Granted after Adjustment} = \text{Number of Shares Granted before Adjustment} \times \text{Ratio of Split or Consolidation}$$

Additionally, should unavoidable circumstances require the Number of Shares Granted to be adjusted following the Allotment Date, the Number of Shares Granted shall be adjusted within reasonable scope.

Method for calculating value of property to be contributed when subscription rights to shares are exercised:

The value of the property to be contributed when each subscription right to shares is exercised equals to the amount obtained from multiplying the amount to be paid per share that may be received when the subscription right to shares are exercised (hereinafter referred to as the “Exercise Value”) by the Number of Shares Granted.

The Exercise Value is equal to the amount obtained from multiplying the average closing price of ordinary transactions involving the common shares of the Company on the JASDAQ Securities Exchange over the previous six (6) months (excluding days on which no transaction was concluded) (hereinafter referred to as the “Closing Price”) by 1.05, with fractions under one (1) yen to be rounded up.

However, should this amount fall below the Closing Price on the Allotment Date of the subscription rights to shares (or, if a transaction was not concluded, the Closing Price of the nearest preceding day), the Closing Price shall be the Exercise Value.

Additionally, in the case that new shares are issued or treasury stocks are disposed of at a price that falls below the market price of the common shares of the Company after the Allotment Date, the Exercise Value shall be adjusted in accordance with the following

formula, with any fractions of less than one (1) yen following adjustment to be rounded up. However, in the case of a conversion of securities to be converted into or securities that can be converted into the Company's common shares, the exercise of the subscription rights to shares for which the issuance of common shares of the Company may be requested (including those attached to bonds with subscription rights to shares), the transfer of treasury stocks obtained by the Company based upon the resolutions of the 31st Annual Shareholders' Meeting held on June 29, 2004, the 33rd Annual Shareholders' Meeting held on June 29, 2006 and the 34th Annual Shareholders' Meeting held on June 28, 2007 to persons bearing a stock option right, the transfer of treasury stock in response to a sales transfer request of any shares less than one (1) unit by holders of shares less than one (1) unit, or the transfer of treasury stock through a share exchange, no adjustment of the Exercise Value shall be made.

$$\begin{array}{ccccccc}
 & & & & \text{New Shares} & & \text{Amount to Be} \\
 & & & & \text{To Be} & \times & \text{Paid Per} \\
 & & & & \text{Issued} & & \text{Share} \\
 \text{Exercise} & & \text{Exercise} & & & & \\
 \text{Price after} & = & \text{Price after} & \times & & & \\
 \text{Adjustment} & & \text{Adjustment} & & & & \\
 & & & & \text{Existing Outstanding} & + & \text{Market Value} \\
 & & & & \text{Shares} & & \\
 & & & & \text{Existing Outstanding} & + & \text{New Shares to Be} \\
 & & & & \text{Shares} & & \text{Issued}
 \end{array}$$

The "Existing Outstanding Shares" used in the above formula represents the number obtained after deducting the amount of treasury stock of the Company's common shares from the total issued shares of the Company's common shares. In the case that the treasury stock of the Company's common shares is disposed of, "New Shares to be Issued" shall be deemed to be replaced with "Number of Treasury Stocks to be Disposed of."

Furthermore, should unavoidable circumstances other than those described above require the adjustment of the Exercise Price following the Allotment Date, such as the Company reducing its capital amount, etc., the Exercise Price shall be adjusted within reasonable scope following consideration of the conditions at hand, such as the reduction of its capital amount, etc.

In addition, in the case that a stock split or share consolidation of the Company's common shares is implemented following the Allotment Date, the Exercise Price shall be adjusted in proportion to the ratio of the stock split or share consolidation. Any fractions of less than one (1) yen resulting from the adjustment shall be rounded up.

Term during which subscription rights to shares may be exercised:

The term shall commence from the day following two (2) years after the Allotment Date of the subscription rights to shares and end on the day after two (2) years have elapsed from the commencement date (or, if the end date falls on a bank holiday, the bank business day prior to that).

Matters relating to capital stock and legal capital surplus that would increase in instance of stock issuance under exercise of subscription rights to shares:

- i. The amount of capital stock that would increase in the instance of a stock issuance under the exercise of the subscription rights to shares is equal to one-half (1/2) of the

increase limit of capital stock, etc., calculated based on Article 40, Item 1 of the Regulations of Accounting for Corporations, with fractions under one (1) yen to be rounded up.

- ii. The amount of legal capital surplus that would increase in the instance of a stock issuance under the exercise of the subscription rights to shares is equal to the amount obtained after subtracting the increase in capital stock specified in Item i above from the increase limit also specified in Item i above.

Restriction on acquisition of subscription rights to shares by transfer:

The acquisition of the subscription rights to shares by transfer requires authorization in the form of a resolution by the Board of Directors of the Company.

Grounds and conditions for acquisition of subscription rights to shares:

- i. In the event that the Annual Shareholders' Meeting approves a proposal (or, should a resolution by the Annual Shareholders' Meeting not be required, by the Board of Directors) for a merger contract whereby the Company will become an extinct company, an absorption-type company split contract or an incorporation-type company split plan whereby the Company will become a split company, a share exchange contract whereby the Company will become a wholly-owned subsidiary, or a share transfer plan, the subscription rights to shares may be obtained without consideration on a date to be separately decided by the Board of Directors.
- ii. The Company may obtain the subscription rights to shares without consideration in the event a holder of the subscription rights to shares will not be in a position to exercise its right in accordance with Item .

Conditions to exercise subscription rights to shares:

- i. The person to exercise the subscription rights to shares must hold the position of Director or Executive Officer of an affiliate of the Company or employee or Advisor of the Company or its affiliate at the time of exercise; however, this may not apply should there be a legitimate reason as approved by the Board of Directors.
- ii. In the event that the subscription rights to shares are subject to inheritance, the scope of heirs and conditions of exercise shall be governed by the provisions of the subscription right to shares grant agreement referred to in Item iv below.
- iii. The pledge of subscription rights to shares or other such disposal shall not be allowed.
- iv. Other conditions shall be governed by a subscription right to shares grant agreement to be executed by and between a subscription rights to shares holder and the Company in accordance with the resolutions of the Annual Shareholders' Meeting and the Board of Directors.

Treatment of subscription rights to shares when organizational realignment is implemented:

Upon mergers (limited to cases in which the Company becomes extinct as a result of a merger), absorption-type company splits, incorporation-type company splits, share exchanges or share transfers of the Company (hereinafter collectively referred to as "Organizational Realignment"), the subscription rights to shares of the corporations specified in Article 236, Paragraph 1, Item 8, No. (1) to (5) of the Companies Act of Japan

(hereinafter referred to as the “Realigned Corporations”) will be issued to the holders of the subscription rights to shares that remain on the effective date of the Organizational Realignment (hereinafter referred to as the “Remaining Subscription Rights to Shares”) in accordance with the following conditions. In this instance, Remaining Subscription Rights to Shares shall be extinguished and the Realigned Corporations shall newly issue subscription rights to shares. This, however, shall be limited to the cases in which merger agreements, absorption-type company splits agreements, incorporation-type company splits plans, share exchanges contracts or share transfers plans stipulate that the subscription rights to shares of Reorganized Corporations will be issued under the following terms and conditions:

- i. Number of subscription rights to shares of Realigned Corporations to be issued:
The same number of Remaining Subscription Rights to Shares owned by each holder shall be issued.
- ii. Classes of Shares of Realigned Corporations to be issued under subscription rights to shares:
Common shares of Realigned Corporations shall be issued.
- iii. Number of Shares of Realigned Corporations to be issued under subscription rights to shares:
This shall be dealt with in the same manner as Item above taking into consideration the terms and conditions of Organizational Realignment.
- iv. Value of property to be contributed upon exercise of subscription rights to shares:
The value of the property to be contributed upon exercising the subscription rights to shares is the amount obtained from multiplying the amount to be paid following realignment that is gained through adjustment of the Exercising Payment specified in Item by the number of the subscription rights to shares of Realigned Corporations to be decided in accordance with the abovementioned Item iii, taking into consideration the terms and conditions of realignment.
- v. Period during which subscription rights to shares can be exercised:
From the later date of either the first day of the “Term during which subscription rights to shares may be exercised” specified in Item or the effective date of the Corporate Reorganization, to the last day of the “Term during which subscription rights to shares may be exercised” specified in Item .
- vi. Matters relating to capital stock and legal capital surplus that would increase in instance of stock issuance under exercise of subscription rights to shares:
This shall be dealt with in the same manner as Item above.
- vii. Restrictions on acquisition of subscription rights to shares through transfer:
The acquisition of subscription rights to shares through transfer shall require approval in the form of a resolution by the Board of Directors of the Realigned Corporation (or, should the Realigned Corporation not possess a Board of Directors, its “Director”).
- viii. Terms and conditions for acquisition of subscription rights to shares:
This shall be dealt with in the same manner as Item above.

Treatment of shares less than one (1) share as a result of exercise of subscription rights to shares:

If a fraction of less than one (1) share is included in the shares to be issued to a holder of the subscription rights to shares who exercised said rights, it shall be rounded off.

(Note) Approval at the 35th Annual Shareholders' Meeting scheduled on June 27, 2008 is established as a condition for the abovementioned resolution.