



October 27, 2008

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Partial Addendum to “Announcement Regarding Revision of Business Performance Forecast”

ARUZE CORP. (hereinafter referred to as the “Company”) hereby announces the following partial addendum to its “Announcement Regarding Revision of Business Performance Forecast” issued on October 1, 2008.

[Pertinent Areas under Addendum]

Reason for Revision of Consolidated Business Performance Forecast

(1) 2nd Quarter

Pachislot and Pachinko Business

Market conditions surrounding the Pachislot component of the Company’s Pachislot and Pachinko business continue to be immensely severe. This situation has been brought upon by the strict curbing of the volatility of Pachislot machines under the transition of Type 4 machines to the Type 5 machines based on new regulations, which in turn has led to an ongoing exodus of players from the Pachislot scene.

Targets established for the 1st Quarter entailed the placement of 50,200 units of Pachislot spread across three titles to be newly released, “Arex,” “Slogappa” and “Ultimate Break Kobushi.” However, actual sales for the quarter came to 10,700 units.

For the 2nd Quarter, the Company originally planned to place 46,500 units of Pachislot across three titles to be newly released. Bearing in mind, however, the need to make up for the approximately 40,000 units in sales of Pachislot that were unaccounted for in 1st Quarter relative to initial targets, the Company revised the titles it had intended to sell, and altered its release plans to consist of approximately 86,000 units spread across four titles. However, as indicated in the chart on the following page, the number of units sold expected for the 2nd Quarter has come to approximately 23,700. Relative to the original target of 96,700 units for the total number of Pachislot machines to be cumulatively sold up through the 2nd Quarter, expectations have come to approximately 34,400 cumulative units, representing a projected achievement ratio of approximately 35.6%.

The reason for this is that over the course of the 1st and 2nd Quarters, the sales framework of the Company’s subsidiary ARUZE MARKETING JAPAN, which up until this point had been focused on

selling-based efforts, did not fully clarify its policy as to whether or not it was going to adopt a rental- or selling-based orientation in the future. This and other factors consequently led to the incomplete consolidation of that subsidiary's sales framework, thereby inhibiting its ability to promote the implementation of a rental system designed to reduce costs borne by Pachinko parlors. As a result, this fostered a decrease in the number of units placed of each individual Pachislot title released.

Additionally, a lack of focus regarding the sales policy behind release titles and other factors resulted in the release of one title being delayed. This also contributed a decrease in the number of the Company's Pachislot titles placed onto the market.

For these reasons, relative to an original target of 23.4 billion yen, cumulative net sales up through the 2nd Quarter are expected to come to approximately 8.6 billion yen.

1st Quarter Targets (Original Targets)

Title Name	Plan (Units)	Actual (Units)	Difference (Units)
A	10,200	3,000	(7,200)
B	20,000	5,000	(15,000)
C	20,000	2,200	(17,800)
Titles Already Released	-	500	500
Total	50,200	10,700	(39,500)

(Note: For sales-based reasons, title names have been omitted from the above graph.)

2nd Quarter Targets (Targets Outlined Based on 1st Quarter Results)

Title Name	Plan (Units)	Actual (Units)	Difference (Units)
D	20,000	8,000	(12,000)
E	20,000	7,500	(12,500)
F	26,000	6,300	(19,700)
Titles Scheduled for Release	20,000	(delayed)	(20,000)
Titles Already Released	-	1,900	1,900
Total	86,000	23,700	(62,300)

(Note: For sales-based reasons, title names have been omitted from the above graph.)

Overseas Casino Gaming Machine Business

In the Company's overseas casino gaming machine business, in addition to deploying sales reinforcement strategies for its overseas outposts in Australia and South Africa, the Company has worked towards establishing a sales outpost and expanding the scope of its sales activities in the booming Macau market. Additionally, the Company set out to establish a sales framework to conduct full-fledged sales efforts in Las Vegas and the North American market as a whole. However, despite

the Company having submitted applications for machines in development, problems inherent in the framework of the relevant inspection agency and other factors led to a drawing out of the necessary time frame required to acquire the related approvals. As a result, actual sales are expected to be delayed until the 3rd Quarter and beyond.

For these reasons, relative to an original target of 1.5 billion yen, cumulative net sales up through the 2nd Quarter are expected to come to approximately 1.1 billion yen.

Other Businesses

The Company's other businesses are generally progressing in line with original projections.

(2) Full Fiscal Year

Pachislot and Pachinko Business

In the manner described above, the performance of the Company's Pachinko and Pachislot business up through the 2nd Quarter has been anemic.

While it is believed that market conditions in the visible future will continue to be severe, based on the fact that its sales framework during the 1st Half of the fiscal year had not been properly consolidated, the Company intends to fundamentally reconstruct this sales framework and fuel a recovery in its business performance during the 2nd Half.

More specifically, the Company will realign its sales framework from a pyramid-like organization to a flat organization, and move the center of the majority of the administrative, training, instructive and input duties that had been conducted at each branch hitherto to the operations division. This will serve to reduce the employee workload at each branch, which will allow each branch employee to increase the amount of time dedicated to sales activities targeting customers and expand upon the actual sales prowess being applied. Additionally, administrative, training and instructive efforts aimed at sales employees will be directly conducted by headquarters through a TV conference system, which will enable the Company to both unify the mindset of headquarters and sales employees in real time and erect an organizational framework capable of prompter action.

Currently, through increasing the degree of communication with existing clients and performing regular parlor visits, the majority of sales staff are working fervently towards boosting the levels of trust with clients through providing information to said clients, collecting market data, keeping a close eye on the popularity and utilization of machines, actively engaging in sales efforts for replacement machines based on new models, deepening bonds of trust with said clients and stimulating parlors' desire to regularly replace machines.

Based on these efforts, in order to expand the respective number of both rental-based and sales-based parlor customers, the Company will select a number of employees with particularly high selling skills to comprise new specialized teams to focus exclusively on increasing the number of parlor customers, with a rental specialty team and sales specialty team to be established.

The Pachislot market as a whole continues to suffer from an exodus of players brought upon by the transition of Type 4 machines to the Type 5 machines based on new regulations. This has caused a drop in the purchasing volition of parlors and an accompanying decrease in the average number of machines per title placed in those parlors. Based on this current state of the market, the Company will more flexibly address the needs of parlors by lowering the minimum number of

machines targeted for placement in parlors that have formed rental contracts with the Company from ten units to five units. Through this, the Company intends to increase the number of existing parlors under its rental plan by approximately 50%, broaden the scope of its sales activities and boost the number of its Pachislot units installed.

For the 3rd and 4th Quarters, in addition to the aforementioned measures, the Company looks to bring a total of eight new Pachislot titles to the market following a comprehensive product promotion period, and intends to sell 150,000 units over the course of the 2nd Half of the fiscal year.

Additionally, “Dotō No Tsurugi,” the established flagship product for the 2nd Quarter for which shipments commenced on September 21, demonstrated a low initial number of installations. However, favorable utilization of the title has continued at the parlors that have installed the machine, and with orders continuing to come in due to the market’s high appraisal of the title, current circumstances suggest that the number of units installed will potentially increase during the 3rd Quarter.

Furthermore, the Company intends to enter the Pachinko market, which, unlike its Pachislot counterpart, continues to exhibit favorable conditions. Through releasing compelling machines that incorporate new concepts and offer a high degree of competitiveness, the Company plans to sell 50,000 Pachinko machines in line with its original targets for the fiscal year.

Based on the above, relative to an original target of 66.8 billion yen for the full fiscal year, net sales for the year following revision are now projected to be 58.3 billion yen.

<Reference> Pachislot Machine Targets

Original Full Fiscal Year Targets		Expected 1 st Half Results (A)		Revised 2 nd Half Targets (B)		Revised Full Year Targets (A+B)	
No. of New Titles Planned for Release	Planned No. of Installed Units	No. of Titles Released	No. of Units Installed	No. of New Titles Planned for Release	Planned No. of Installed Units	No. of Titles Released	No. of Units Installed
12	210,000	6	34,400	8	150,000	14	184,400

Overseas Casino Gaming Machine Business

In the Company’s overseas casino gaming machine business, the Company is currently establishing a sales outpost in the booming Macau market, and intends to serve the expansion in casino demand there. Furthermore, Las Vegas also remains on track to host the opening of multiple large-scale casino hotels, with this expected to yield an increase in demand. However, with regard to machines in development for which applications have already been submitted, problems exist within the framework of the relevant inspection agency, with this and other factors leading to a drawing out of the necessary time frame required to acquire the related approvals. As a result, the actual commencement of full-fledged sales efforts is expected to be pushed back to December and beyond.

Based on the above, relative to an original target of 7 billion yen for the full fiscal year, net sales for the year following revision are now projected to be 2.5 billion yen.

Other Businesses

The Company’s other businesses are generally progressing in line with original projections.

Note: The forecasts of financial results and other items concerning the future as featured herein are based on information currently available and certain assumptions that are determined to be reasonable. Actual financial results, etc. may differ significantly due to various factors.