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To Whom It May Concern

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Announcement Regarding the Favorable Judgment in the Lawsuit against Japan Electric Amusement Machine Patent Association

Regarding a lawsuit appealed by Japan Electric Amusement Machine Patent Association (hereinafter referred to as the "Association"), Universal Entertainment Corporation (hereinafter referred to as the "Company") hereby announces that the claim by the Association was dismissed and a court rendered a judgment almost fully in favor of the Company.

1. Summary of the Lawsuit

In May 2006, the Association filed a lawsuit against the Company at Tokyo District Court to seek the payment of 3,435 million yen as the fee for patent sub-license based on patent pool method. On December 26, 2008, Tokyo District Court rendered a judgement in favor of the Company, thoroughly dismissing the Association's claim. The Association, however, filed an appeal on January 19, 2009.

Tokyo High Court rendered its judgment on February 25, 2010. The court supported the judgment by Tokyo District Court, which had fairly appreciated the Company's major contribution and achievements for the whole Pachislot industry and had almost fully accepted the Company's allegation; and rendered the judgment in favor of the Company, thoroughly dismissing the Association's claim. Furthermore, Tokyo High Court also judged that the time of the Company's separation from the Association's patent pool was the end of March 2001, changing the time one year earlier compared to the judgement by Tokyo District Court, the end of March 2002. The Company's allegation was accepted in a broader range by Tokyo High Court comparing to that by Tokyo District Court.

2. Future Responses

Ahead of any manufacturers in the industry, the Company has developed innovative technologies that are essential for Pachislot machines. The Company's patented "predetermined system" is a fundamental technology which is indispensable for Pachislot machines in the market today.

Pachislot machines prior to the development of this patent featured "result determination" system which detected winning or losing by the symbols aligned when the stop button is pressed and reel stopped. This system allowed skilled Pachislot players to aim at the winning symbols and was very disadvantageous for Pachislot parlors and inexperienced general players.

The Company's "predetermined system" indicates symbols corresponding to the determination results which are gained after random number sampling when the start lever is hit and verifying such random numbers with the winning rate table. By choosing winning or losing beforehand, unfair advantage of certain skilled players was

dissolved and the Pachislot market expanded rapidly with developments of machines which were satisfactory for both parlors and players.

The Company took it serious when Japan Amusement Machine Patent Operation Union (hereinafter referred to as the "Union"), a patent pool company for Pachinko amusement machines, received the violation warning from the Fair Trade Commission due to inhibition of entry to the market in 1997. As the Company considered that the Association's patent pool method, which had tighter inhibition of the market entry than the Union, would also receive the violation warning from the Fair Trade Commission, we quickly took the lead to dissolve the patent pool and announced our separation. Subsequently, the Company proposed to establish a fair and appropriate framework, however, regrettably our allegation has not been recognized for over 10 years.

Now that the court accepts the Company's allegation for the separation, the Company will work on, besides our continued effort to develop innovative technologies for the industry ahead of other companies, the proposal of a system granting licenses of all our patents at proper amount of loyalty to compensate investments in technology developments and intellectual properties. Also, the Company will start to establish fair and appropriate evaluation and licensing methods for patents with paying due respect to the value as the patent owners. The Company is ready to jointly establish the Pachislot patent licensing system for the manufacturers agreeing to the methods.

End of the Announcement