

To Whom It May Concern

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**Announcement Regarding Approval for Registration  
by Philippine Economic Zone Authority and Approval for Casino Businesses  
Wholly Capitalized by Foreign Corporations in the Philippines**

Universal Entertainment Corporation (hereinafter referred to as the "Company") hereby announces that the registration for the Economic Zone for which the Company group has filed an application to the Philippine Economic Zone Authority (PEZA) was officially approved in relation to our casino hotel resort project to be developed in the Philippines and that casino businesses wholly capitalized by foreign corporations was also approved, of which details are described below.

[Efforts for Casino Hotel Resort Business in the Philippines]

Since 2008, the Company group has planned a development of a casino hotel resort at "Bagong Nayong Pilipino Manila Bay Entertainment City", which received high attraction as a Philippines national business planned in reclaimed land in Metro Manila, and has promoted preparation for the development. Followed by acquisition of lands for the project in July 2008, the Company group obtained provisional casino license which is required for operation of the casino establishment of the project in August 2008. This is one of the licenses which the Philippines government granted only to three companies in 2008 and is considered a valuable license granted to privileged companies.

[Approval of the Philippine Economic Zone]

At the same time, the Company group has been working on application for registration for the Economic Zone to the Philippine Economic Zone Authority (PEZA), and recently, PEZA officially certified the registration as an Economic Zone (Tourism Ecozone) based on the approval by the President of the Philippines,. Based on this approval, the Company group's casino business will be exempted from corporate tax by payment of gaming tax (15% for revenues from high rollers and 25% for those from mass market.) The corporate taxes to non-casino business of hotel, dining and retail revenues will be exempted for the first four years and reduced tax rate will be applied from the fifth year and later. Added value tax for constructions (usually 12%) and import duty and added value tax for construction materials and operation equipments will also be exempted. Due to applications of these preferred taxes and other factors, high profitability is expected for the Company group's casino hotel resort project in the Economic Zone.

[Approval for Casino Businesses Wholly Capitalized by Foreign Corporations]

Also based on the approval by the President of the Philippines, it was approved that casino businesses in the Economic Zone can be operated by 100% foreign capital corporations. Conventionally, casino businesses in the Philippines had to be operated as joint ventures with local Philippine partners. By this approval, the flexibility in the future business developments will largely increase, such as the Company group will be able to conduct businesses independently or in partnerships with foreign corporations.

### [Macau Casino Market as a Successful Model]

Exceeding Las Vegas, Nevada in the U.S.A, Macau has grown to the biggest casino market in the world. Due to the impacts from the developments of various casino hotels following the allowance of casino businesses to foreign companies in 2002 and the admittance of personal travel visas to Chinese travelers in 2003, the revenues of casinos has increased from approximately 330 billion yen in 2003 to 1.39 trillion yen in 2009, and the growth has been more than four times in such a short time, and the expansion still continues.

### [Promising Philipinnes Casino Market]

As of the year 2009, there is a 50 billion yen casino market of which main guests are local people of the Philippines, where the Company groups promotes the casino hotel resort project. In the future, as one of the foundation of tourism industry, casino hotel resorts are expected to expand rapidly by releasing casino licenses to foreign companies and by attracting Chinese travelers as in Macau.

### [Specific Future Business Developments]

Due to the registration for the Economic Zone and the release of the restriction on the foreign companies, the conditions for the advantageous promotion of the casino hotel resort project are now in order. In response, the Company group will promote the project in three stages. Conventionally, the plan was devided as follows: first stage of the opening of a casino hotel for general guests; second stage of the opening of amusement facilities including an aquarium; and third stage of the construction of a casino hotel for VIPs (wealthy people and high rollers). However, it is expected that Chinese visitors to the Philippines, where is the closest tropical country to China, will rapidly increase in the future due to increase of direct flights from China and commencement of handling of Chinese yuan in the Philippines, therefore, the Company group has determined to construct a profitable casino hotel for VIPs in the first stage. In fact, the number of visitors from China to the Philippines in 2009 increased by 37% compared to 2008. The Philippines holds sufficient advantage as a resort in Asia and the Company group will provide a casino resort which renovates the traditional idea of casino in the Philippines in order to attract Chinese and other various guests.

<PEZA approval ceremony>



Lilia B. de Lima, Director General of PEZA (third from right)  
Efraim C. Genuino, Chairman and CEO of PAGCOR (second from right)  
Rafael "Butch" A. Francisco, President and COO of PAGCOR (far left)  
Mitsuo Hida, President of Aruze USA, Inc., Japan Branch (third from left)

\*PAGCOR:

Philippine Amusement and Gaming Corporation is an operator of casinos in the Philippines and is also a public corporation which holds the exclusive authority to issue casino licenses.

End of the Announcement