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To Whom It May Concern

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Announcement Regarding Revisions in the “Fundamental Policy for Establishment of Internal Control System”

Universal Entertainment Corporation (hereinafter referred to as the “Company”) hereby announces that, based on the resolution of the “Partial Revisions of the Articles of Incorporation” at the 37th Annual General Shareholders Meeting held on June 25, 2010, the Company transitioned from a company with committees to a company with board of auditors for the purpose of establishment of framework capable to respond to market changes immediately through prompt decision-makings by the Board of Directors which is primarily composed of full-time directors and through agile business operations. In connection with this transition, “Fundamental Policy for Establishment of Internal Control System” has been revised as indicated below.

Fundamental Policy for Establishment of Internal Control System

The Company shall maintain a framework for the internal control to secure appropriateness of businesses of the Company in accordance with the Companies Act and the Ordinance for Enforcement of the Companies Act as follows:

1. Framework to Secure that Executions of Duties of Directors and Employees shall comply with Laws and Articles of Incorporation

- (1) The Company shall establish Code of Ethics to serve as standard of conduct for officers and employees of the Company and its group companies in order to have them comply with laws and Articles of Incorporation.
- (2) The Company shall establish Gaming Compliance Plan responding to strict demands on compliance by gaming control authorities in the United States and conduct management complying with such plan.
- (3) If a director finds any material violation of laws or ordinances of the Company or any other material facts concerning compliance, the director shall immediately report it to auditors as well as at the Board of Directors without delay.
- (4) Auditors shall audit whether the appropriateness in operations conducted by the directors, etc. is secured or not from an independent view.
- (5) The Company shall establish Internal Audit Office which is completely independent from operating sectors.

2. Framework Concerning Storage and Control of Information Related to Executions of Duties of Directors

Handling of storage control and information security control for information related to executions of duties of directors shall be defined by the Document Control Rules and the Information Control Rules.

3. Regulations Concerning Risk Management of Loss and Other Rules

- (1) The Company shall establish organizations responsible for administration, which will recognize, comprehend and control various risks associated with its business operations and deal with each risk.
- (2) The Company shall develop Risk Management Rules as a basis of risk management framework and establish management framework to deal with respective risks continuously with emphasis on risk prevention in order to minimize the losses resulted therefrom.

4. Framework to Secure Effective Executions of Duties of Directors

- (1) The Board of Directors shall promote prompt and effective processing of business operations based on resolutions by the Board of Directors by clarifying responsibility structure and operational processes in business executions through establishments of Rules of Board of Directors, Executive Officers Rules, Rules on Administrative Authorities, Rules on Division of Responsibilities, Rules of Internal Approval System, etc.
- (2) As framework to secure effective execution of duties by directors, the Company shall from time to time hold strategy meeting composed of majority of members of the Board of Directors, to determine basic policies and strategies other than monthly Board of Directors meetings.

5. Framework to Secure Appropriateness of Businesses in the Corporate Group Composed of the Company and its Subsidiaries

- (1) The Company and its group companies shall accept audits by auditors and Internal Audit Division of the Company and establish internal control. Each company of the group will formulate profit plan, periodically review its progress status and feed back the result for improvement of management.
- (2) The Company and its group companies shall make active personnel exchanges to exchange information among group companies and to establish cooperation framework.

6. Matters related to Framework for Employees to Support Auditors' Duties and Independence of Such Employees from Directors

- (1) The Company shall establish Board of Auditors Secretariat in order to support duties of auditors and assign employees in charge of performing services of the secretariat ("Supportive Employees").
- (2) Personnel changes and treatments of Supportive Employees shall be implemented with the Board of Auditors' approval.

7. Framework for Reporting from Directors or Employees to Auditors and for Other Reporting to Auditors

- (1) Auditors shall attend and receive reports at Board of Directors meetings and at meetings for other important deliberations and resolutions including General Managers meetings, etc.
- (2) When an employee finds a fact of breach of any law or the Articles of Incorporation, extremely inappropriate business operation or any matters equivalent thereto, the employee shall immediately report it to auditors. When the auditors request reports, the employee must follow the order.

8. Other Frameworks to Secure the Effective Operations of Audits by Auditors

- (1) Auditors may utilize outside specialists as necessary at the Company's expense (in the range allowed

by laws).

(2) Directors, managers-in-charge and other employees must cooperate on audits by the auditors.

9. Framework for Elimination of Antisocial Forces

(1) The Company group shall stipulate in its activity policy to emphatically confront antisocial forces or groups which threaten order and security of civil society from the perspective of social responsibility, corporate protection, etc.

(2) In case the Company receives any unfair requests, etc. from an antisocial force, the Company shall consult with our retained counsel in each case.

10. Framework to Secure Credibility of Financial Reports

The Company shall maintain and operate a framework of the internal control for financial reporting in order to secure credibility of such financial reporting in accordance with the Financial Instruments and Exchange Act and related laws and ordinances.

End of announcement