



May 17, 2012

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## **Announcement Regarding Posting of Non-Operating Income (Equity in Earnings of Affiliates)**

Universal Entertainment Corporation (hereinafter referred to as the "Company") hereby announces that during the consolidated cumulative of the fiscal year ending March 31, 2012 (April 1, 2011 to March 31, 2012), the Company has posted equity in earnings of affiliates as non-operating income in the following manner.

### **1. Details of Non-Operating Income Posted**

The Company group has Wynn Resorts, Limited (hereinafter referred to as "Wynn Resorts") as equity method affiliate. Wynn Resorts posted 613 million US dollars in cumulative net income less that attributable to noncontrolling interests at the end of the period between January and December 2011.

From the amount of this net income that corresponds to the Company group's equity interest in Wynn Resorts, the Company deducted the amount of amortization that it should bear based on a Company-conducted reevaluation of the share price following a stock buyback conducted by Wynn Resorts in the past. The resulting difference was posted by the Company as 7,178 million yen of equity in earnings of affiliates for the consolidated cumulative of the fiscal year ending March 31, 2012.

### **2. Future Prospects**

The posting of equity in earnings of affiliates discussed herein has already been factored into the Company's business results forecast for the full fiscal year ending March 31, 2012. Consequently, the Company has been impacted a minor on the earnings of the fiscal year ending March 31, 2012

Wynn Resorts and its board of directors stated that it had unilaterally determined that the Company and Aruze USA Inc., its consolidated subsidiary, were unsuitable to be shareholders of Wynn Resorts, and redeemed its shares owned by Aruze USA Inc. (24,549,222 shares; 19.66% of its outstanding shares) at a discount price of 30% of Wynn Resorts' share price on that date.

In response, the Company and the Subsidiary company's Aruze USA Inc. filed a counterclaim against Wynn Resorts as part of the legal action necessary to preserve their investment in Wynn Resorts.

Therefore, we will try to determine the status of and future progress of the trial which are applying the equity method as our accounting treatment against Wynn Resorts as usual.

End of announcement