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## Our Position regarding Reports by Reuters and Asahi Shimbun

We hereby detail our position on reports related to our Company made by Reuters between November 16, 2012 and the present, and by Asahi Shimbun from December 30, 2012 until the present.

Firstly, Reuters have reported the followings in their article on November 16, 2012: 1) There is suspicion that illegal funds have been provided to the aide to the leaders of the Filipino Casino Regulatory Authorities; 2) According to the remittance and accounting documents from Universal Entertainment Corp., the total amount of funds that are believed to have transferred from Universal Entertainment Corp. to the Philippines is US\$40 million (approx. ¥3.2 billion); 3) The year 2010 when the funds were transferred coincides with the period in which Universal Entertainment Corp. had been approaching the regulating authority to gain permission for the foreign investment in the project as well as resolving issues related to the acquisition of the site.

However, it became clear from ex-post reports by Reuters themselves that the above points 1 to 3, the major parts of the article from the same date, are all inaccurate and are contrary to the truth.

In other words, there has been no corroborating evidence given to this date establishing Soriano, who was mentioned as a person who was an "aide to the leaders of the Filipino Casino Regulatory Authorities", was in such a position. Not only has it become clear that the report lacked any basis, there has been no specification to this date on how this "illegal provision of funds" was illegal based on what sort of legal grounds, clarifying that the report lacks any basis.

Next, the ex-post report from Reuters dated January 4, 2013 admits that there has been no incident of US\$40 million being transferred from our corporate group to the Philippines to begin with. The report also admits that of the amount mentioned, US\$10 million was immediately flowed back to our company. Therefore, this resulted in Reuters admitting themselves from their own article that the abovementioned reporting by Reuters was erroneous.

Furthermore, 3) Reuters has not been able to present any evidence that permission was granted for the foreign investment toward our corporate group's project or that our corporate group approached the regulating authorities to resolve issues surrounding the acquisition of site. To being with, the "permission for foreign investment" (i.e. PEZA certification) is not something that is granted to a specific operation by a specific

company. Instead, it is a permission that is granted to the entirety of a specific region based on Filipino law. Therefore, it was not only granted to a specific project undertaken by our corporate group. In reality, other companies in the region that received PEZA certification receive the same preferential treatment. These are facts that could have been easily clarified if Reuters had conducted minimum research as an honest media organization. Furthermore, since “the fact that our corporate group has approached the regulating authorities to resolve issues surrounding the acquisition of the site” does not exist, Reuters have not presented any evidence that corroborates this even in their later reporting.

As such, the reports by Reuters serve to corroborate the error in their reports due to their poor researching conducted by themselves. Despite this, they show no remorse and do not provide report corrections. Instead, they aim to replace the reported facts in vain. And to go even further, despite acquiring materials from us related to actions that are believed to be illegal conducted by Wynn Resorts, currently in litigation with us, Reuters have not made any statements on this. Instead, Reuters has published a one-sided article on our company being suspected of bribery. This is an inexcusable act to take from a media organization, whose spirit is to be fair and equal. We believe that this shows an inordinate maliciousness toward us.

Secondly, Asahi Shimbun reported the following in their article on December 30, 2012: 1) There is a strong possibility that the business entertainment for Filipino high-rank officers infringes on the Foreign Corrupt Practices Act (FCPA); 2) A massive sum of non-transparent money has been transferred to a company managed by the adviser of Pagcor (The Philippine Amusement and Gaming Corporation). Even in their report dated February 8, 2013, Asahi Shimbun reported that 3) A massive sum of remittance totalling US\$40 million to the advisors of the Filipino Casino Regulatory Authorities has been reported to the heads of Universal Entertainment Corp..

However, concerning the above reports, point 1) has been created based on a one-sided reliance on an investigative report created by Wynn Resorts, who are currently in litigation with us, following improper procedures. The report also made several and fatal errors in the legal interpretation related to the FCPA. The report did not mention any specific refutation made by us, and therefore, we must say that it is unjust and biased reporting. Furthermore, despite the article published on December 30, 2012 addressing the said point in an extensive manner using a page in the morning, Asahi Shimbun adopted the stance of reserving statements and maintaining silence on the matter ex post, perhaps due to receiving counterarguments from us. This action partly equals to admitting that its reporting was biased.

Furthermore, not only has Asahi Shimbun not provided any corroboration to this date that Mr. Soriano, who had been mentioned as a person who was an “aide to the leaders of the Filipino Casino Regulatory Authorities”, was in fact in such a position, in the article marked February 8, 2014, Asahi Shimbun simply uses ambiguous expressions such as “...is said to be an aide to the previous chairman of Casino Regulatory Authority.” This resulted in Asahi Shimbun partly admitting that its reporting lacked basis.

Furthermore, despite reporting that 3) “A massive sum of transferred money totalling US\$40 million to the advisors of the Filipino Casino Regulatory Authority had been reported to the heads of Universal Entertainment Corp.”, perhaps not having much confidence in the reliability of the material that served as this report’s basis, Asahi Shimbun did not comply to our request to disclose the source and remained silent. Therefore, it is clear that this is a report that lacks validity in this point as well.

As seen above, the continuous prejudiced reports lacking basis in the above-mentioned reporting by Reuters and Asahi Shimbun is a succession of verbal assaults. Reuters and Asahi Shimbun, who carry out such actions organizationally, must be judged as anti-social organizations.

Incidentally, when we conducted an internal investigation in order to examine the validity of each of the above prejudiced reports, a large volume of data was found in the computer used by Takafumi Nakano, a former Administration Division Manager, Japan branch office of Aruze USA Inc., during his employment.

The data that Nakano had possessed not only included documents that were created without going through the official procedures of our corporate group and documents that contained our group's trade secret, it also contained e-mails where Nakano requested other employees to create non-official documents related to the corporate group. Documents with the same title as the articles by Reuters were found from said documents.

From this, it became clear that the main information source for the articles by Reuters and Asahi Shimbun was Nakano.

Furthermore, internal information of various companies which Nakano was employed by before working for us was found. Its volume extended to 10 gigabytes, and equaled 70,000 in pages.

One of the companies whose information was discovered included internal documents from the internationally famous Ritz-Carlton Hotel, which Nakano had worked with as an accounting manager. The content of the documents included customer information such as data of high-paying clients of the hotel's spa (i.e., name, joining fee, monthly usage fee, security deposits), salary statements of the employees, annual salaries and incentives of manager-class employees. In addition, various pieces of classified information believed to be of particularly high importance among those managed by and stored in a company were also found, including daily, monthly, and annual profits and comparisons to competitor hotels. Similar classified information on two other companies Nakano used to work for was also found. This revealed that Nakano had habitually taken out classified information that companies he used to work for managed and stored after retiring.

Furthermore, it also became clear that Nakano changed the auditing company of Aruze USA Inc to BDO Sanyu & Co without completing the official procedure (being approved during the shareholders meeting) perhaps fearing the discovery of illegal financing that didn't complete our corporate group's official procedures.

As discussed above, judging from the bias in the media reports by Reuter and Asahi Shimbun and the maliciousness of Nakano, who is believed to be the information source of such articles, we believe that we are forced to infer that the two media organizations are receiving benefits from Wynn Resorts, which is currently in litigation with us. Thus, we infer that by broadcasting biased reports poor in validity and with content particularly detrimental to us, the organizations are aiming to attack us.

We visited the 2nd Investigation Division of the Tokyo Metropolitan Police Department and disclosed the material we found in our company in order to have them examine of the acts by Nakano.

As shown above, based on the fact that we and Wynn Resorts have been in litigations filed both in Japan

and abroad, we are led to believe that Nakano has created fabricated documents following solicitations and instructions accompanying the provision of benefits by Wynn Resorts. Seeing that Reuters and Asahi Shimbun continue to post biased articles based on such fabricated documents, we are greatly angered and deeply saddened that the media, which is supposed to represent the freedom of expression and speech, is broadcasting such biased articles and erroneous reporting nonchalantly, without showing any repentance even after it has been pointed out that they have gone against the truth, and keep defending themselves by cunningly modifying the content of their articles. We are planning to take firm measures against such assaults by speech.