



May 30, 2014

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Announcement Regarding Extinguishment of Subscription Rights to Shares (Stock Options for Counter Value)

Universal Entertainment Corporation (hereinafter referred to as the “Company”) hereby announces that the subscription rights to shares issued to its Directors and employees for counter value as detailed in the “Notice Regarding Issuance of Subscription Rights to Shares (Stock Options)” dated November 30, 2011 shall be been extinguished in full. Details are as follows.

1. Description of Subscription Rights to Shares to Be Extinguished

(1) Date of Board of Directors resolution	November 30, 2011
(2) Exercise term for subscription rights to shares	From July 1, 2014 to June 30, 2019
(3) Persons to whom subscription rights to shares were allotted	Directors and employees of the Company
(4) Exercise value for subscription rights to shares	1,845 yen per share
(5) Number of subscription rights to shares issued	847,000
(6) Number of subscription rights to shares following extinguishment	0

2. Reason for Extinguishment of Subscription Rights to Shares

In the Company’s audited consolidated statement of income for the fiscal year ending March 31, 2014, the amount of ordinary income fell below 25,000 million yen. As such, the above subscription rights to shares issued by the Company no longer fulfill the conditions indicated below for exercising said subscription rights to shares. Consequently, these subscription rights to shares shall be extinguished in full.

<Partial Excerpt from Conditions to Exercise Subscription Rights to Shares in Question>

(i) The ordinary income of the Company for the fiscal year ending March 31, 2013 on the Company's audited consolidated statement of income is in excess of 21,300 million yen (if the consolidated statement is not prepared, the non-consolidated statement of income).

Should there be any material change in the concept of ordinary income to be used as the reference point due to the application of the International Financial Reporting Standards or other reasons, a separate indicator to be used as the reference point shall be set forth by the Board of Directors.

(ii) The ordinary income of the Company for the fiscal year ending March 31, 2014 on the Company's audited consolidated statement of income is in excess of 25,000 million yen (if the consolidated statement is not prepared, the non-consolidated statement of income).

Should there be any material change in the concept of ordinary income to be used as the reference point due to the application of the International Financial Reporting Standards or other reasons, a separate indicator to be used as the reference point shall be set forth by the Board of Directors.

(iii) After the allotment date of the subscription rights to shares in question, the closing price of the common shares of the Company on the pertinent financial products exchange has exceeded 2,399 yen, the exercise value of the subscription rights to shares multiplied by 130%, at least one time.

(Note) For other details regarding conditions to exercise the subscription rights to shares, etc., please refer to the "Notice Regarding Issuance of Subscription Rights to Shares (Stock Options)" dated November 30, 2011.

3. Extinguishment Date for Subscription Rights to Shares

May 30, 2014

4. Future Outlook

The extinguishment of the subscription rights to shares discussed herein will have a negligible impact on the business results of the Company.