



June 24, 2014

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Notice of Criminal Charges

Universal Entertainment Corporation (hereinafter referred to as the “Company”) hereby announces that on May 29, 2014, the Company filed criminal charges with the Tokyo District Public Prosecutors Office against a former employee of our group who had been in charge then, on suspicion of professional embezzlement and fraud with respect to the outgo of \$30 million in total in 2010. The charges were accepted as follows.

1. Summary of Charges

(1) Accuser

The Company

(2) Subject of Charges

A former employee of our group who had been in charge at the time

(3) Charged Offences

Fraud (Criminal Code article 246 section 1)

Professional embezzlement (Criminal Code article 253)

2. Background Information on Charges

As notified in “Comments on Certain Media Coverage” dated November 19, 2012, the Company has filed with the Tokyo District Court a damage lawsuit against a former representative manager of Japan branch of Aruze USA Inc, a subsidiary of the Company, in connection with his unlawful behavior relating to the illegal outgo of the \$5 million committed during his employment with the company, which is still pending. The Company has been considering filing a criminal complaint on suspicion of professional embezzlement with respect to the illegal outgo.

Also, as notified in “Announcement Regarding the Investigation Report of the Third-party Committee” dated June 21, 2013, it has become evident that our group paid \$25 million under the misunderstanding that the payment was necessary mainly due to the lack of appropriate

report from the staff in charge of the Philippines project. Accordingly, the Company has been considering filing a criminal complaint against the person in charge on suspicion of fraud.

Furthermore, as notified in “Announcement on the 2nd Third Party Committee’ investigation results” dated May 16, 2014, the Company received on March 18, 2014 an interim report from the 2nd Third Party Committee.

As a result, the Company filed criminal charges with the Tokyo District Public Prosecutors Office against a former employee of our group who had been in charge then on suspicion of the crimes described in 1.(3) above on May 29, 2014 and the charges were accepted. The Company has filed criminal charges, not criminal complaints, because the direct victim is Aruze USA Inc.

3. Impact on the Company’s Business Results

The acceptance of the criminal charges will have no impact on the Company’s business results. Any details that should be disclosed moving forward will be done so promptly.