



December 29, 2014

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Announcement Regarding Disclosure of the Interim Report of the 2nd Third Party Committee

While Universal Entertainment Corporation (hereinafter referred to as the “Company”) received an interim report from the 2nd Third Party Committee on March 18, 2014 as notified in “Announcement on the 2nd Third Party Committee' investigation results” dated May 16, 2014, the Company has not disclosed it, having decided not to do so as notified in “Reasons for Non-disclosure of 2nd Third-Party Committee's Interim Report” dated October 31, 2014.

However, the Company thinks that it is no longer likely to cause obstruction to the investigation if it discloses the interim report, given that the Company was notified on December 17, 2014 by a “notice of disposition” of the Tokyo District Public Prosecutors Office dated December 16, 2014 that it will not institute prosecution relating to the outflow of US\$30,000,000 in total, for which the Company had filed criminal charges on May 29, 2014, and that the groundless suspicion that our group and its officials may have offered bribes to officials of the Philippine Amusement and Gaming Corporation has been eliminated (for details, see “Announcement Regarding Disposition Relating to the Criminal Complaints, etc” dated December 29, 2014). Accordingly, we report on the content, etc of the interim report, having decided to disclose it.

For details of the content of the interim report, see “Interim Report (Digest Version).”

Please note that as notified in “Announcement Regarding Disposition Relating to the Criminal Complaints, etc” dated December 29, 2014, while the civil case the Company had filed against a former employee of our group is pending at Tokyo District Court, the Company will continue investigation (such as collecting additional evidence) relating to the outflow of US\$30,000,000 caused by our employee without regular settlement procedures of the Company as recognized in each report of the Third Party Committee as notified in “Announcement Regarding the Investigation Report of the Third-party Committee” dated June 21, 2013 and take appropriate measures.

Interim Report (Digest Version)

March 18, 2014

Universal Entertainment Corporation

President and Representative Director Jun Fujimoto

The Second Independent Committee

Chair Yoshiyuki Kaneshige

Member Teruki Uchida

Member Takujiro Hamada

Member Atsushi Iritani

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SECTION 1 PURPOSE OF THE INTERIM REPORT

1. History of Establishing the Committee

This Universal Entertainment Co. (hereinafter, "Universal") independent committee (established January 10, 2013; in order to distinguish this committee from the present committee, referred to as "The First Independent Committee") is formed, in light of an observational report which said that an unlawful fund outflow valued in total of USD 40,000,000 was carried out as a funding (bribe) from Universal to a subsidiary of Universal in connection with a Casino Project (hereinafter, "the Project") in the Philippines, so as to investigate and evaluate the facts related to the series of remittances from a fair and neutral standpoint. Further, as a result of the investigation and the evaluation based thereon, it reached a conclusion that there was no proof supporting the bribery from the series of remittances within the scope of the investigation (Investigation report dated June 21, 2013; hereinafter, "First Investigative Report").

Note that the First Independent Committee was unable to conduct a hearing with some of important personnel and was unable to conduct the investigation from a perspective of where responsibility lies with respect to the fund outflow due to reasons including that Universal, due to an ongoing U.S. litigation between Wynn Resorts, Limited and Universal, must possess so called privilege according to U.S. laws regarding the information collected in connection with the litigation, which made the disclosure to the Committee, who is a third party, extremely limited.

Therefore, Universal entrusted the member(s) of the First Independent Committee to examine the necessity to establish the Second Independent Committee and the member selection therefor after July 2013, and, upon considering the result of the examination, formed the Committee (see Interim Report "regarding electing the members of and the investigation contents of the Second Independent Committee" dated August 6, 2013) by selecting in total of 4 members including 3 members from the First Independent Committee and an attorney, Atsushi Iritani Esq, with an experience as a public prosecutor.

The Second Independent Committee (August 6, 2013)

Chair	Yoshiyuki Kaneshige (Representative Director, International Emergency Management Organization Inc.)
Member	Teruki Uchida (Attorney, Atsumi & Sakai)
Member	Takujiro Hamada (Attorney, Hamada Takujiro Office)
Member	Atsushi Iritani (Attorney, Atsumi & Sakai)

2. Reason and Purpose of the Submission of Interim Report

1. This committee has currently been examining each type of material and conducting hearings with related personnel focusing on the investigation of facts and analysis thereof in relation to where responsibility lies with respect to the remittance of USD 25,000,000 (conducted on December 9, 2009; hereinafter, "the fund outflow") which is the first and the largest of 3 remittances.

That is, although the objective of the Committee's investigation is substantiated in Interim Report dated August 6, 2013 as "investigation and analysis on the relationship of facts focusing on the pursuit of liability of those who are related to "Outflow incident of nearly USD 40,000,000" which is divided into USD 25,000,000, USD 10,000,000, and USD 5,000,000," the Committee has decided to examine, as an order of investigation procedure, the fund outflow of the USD 25,000,000 with priority considering the large quantity of the amount, the situation concerning the outflow of the company's fund (With respect to the fund outflow of USD 10,000,000, a confirmation has been made that an amount substantially equivalent thereto has been returned to Universal), and the degree of influence on the social credibility of the company.

Note, as for the fund outflow of the USD 10,000,000 and USD 5,000,000, the Committee is not yet at a stage in which the Committee is ought to verify facts and legally evaluate the matter premised on the verified facts due to reasons including that the Committee has yet to conduct the investigation including hearings of the personnel related thereto, etc., and that necessary proofs, or the like, has not been adequately collected. However, the Committee intends to make the utmost effort toward the final report.

2. Now, the Committee has decided to assemble the investigation result and to submit the Interim Report in spite of the limitation of the investigation as stated in Section 4, since approximately 7 months has already past, and since the Committee, which has had 25 examination sessions as Committee since the above stated IR announced the formation of the Second Independent Committee, has completed the greater portion of the investigational procedures conductible out of the investigations which the Committee originally anticipated in relation to all facts of the case related to the outflow of fund as the Committee was able to target the information which was collected in connection with the U.S. litigation, except for undisclosable material due to the privilege, and has already conducted the collection of evidence such as conducting hearings from new related personnel.

That is, the Committee believes that, with regards to the fund outflow, the core investigation has all but completed, such that the important personnel related to the matter with whom hearings were necessary were called to cooperate, out of which hearings were conducted with some of the personnel, and the examination of selected email correspondences from the people who are strongly linked to the outflow of fund from a time period before and after the remittance has been completed with respect to the data (including transmitted and received emails; excluding the data protected under the privilege in connection with the litigation, the Committee has directly received an enormous database, and the legal department, or the like, of Universal has submitted to the Committee the material having relevancy upon inspecting the output of data related to the Project) in relation to the current project of Universal which is being executed in connection with the U.S. litigation.

Accordingly, the Committee believes that it has conducted the examination based on the investigation within the scope conductible by the Committee at the present time, notwithstanding its inability to eliminate the possibility to verify facts differently than that which is indicated in the Interim Report in a case a new discovery is made before the final report is compiled.

SECTION 2 FACTS REGARDED AS PREMISE OF INVESTIGATION

The present Interim Report presupposes the contents of the first investigation report.

That is, as for the investigation regarding where responsibility lies with respect to the fund overflow (USD 25,000,000 remitted on December 9, 2009 which is the subject of the Interim Report, it is

presupposed that the road issue, among other issues, has been resolved as a result of the three party agreement (hereinafter, simply referred to as “Third Party Agreement”), dated November 27, 2011, due to that there was no evidence to suggest that the expenditure was bribery in nature according to the scope of the investigation of the First Independent Committee, and that while the necessity to solve the road issue in which the transfer of registration concerning the land which is the subject of the Project remained unfinished, there was, from an objective perspective, no necessity that a large sum of money, USD 25,000,000, was necessary to solve the issue.

This is due to the lack of determinant evidence to deny the relation of facts even after the current Committee conducting hearings from new related personnel after the First Investigation Report was submitted and taking into account Section 4, the limitations of investigation, described below (it is to be noted that it has been separately confirmed that PEZA (Philippine Economic Zone Authority) reported on August 23, 2013 that the procedures for the submission of Anti-Corruption Certificate related to the Project have been completed, which newly support the findings of the First Investigation Report.

SECTION 3 REGARDING FUND OUTFLOW

1. Facts Related To The Fund Outflow (facts obtained from objective material and the hearings from credible personnel related to the matter)

1. Facts Before The Fund Outflow Case

A) Understanding Within Universal Related To The Road Issue Case

(a) Extent of Understanding Regarding The Road Issue within the Overseas Business Department

(a) First, as stated in the First Investigation Report, there was an understanding at the beginning of 2009 within Universal that there was a problem concerning the road issue and that the resolution to the issue was going to be reached via a three party agreement.

(b) However, it is difficult to understand the “extent” of details regarding the issue was shared within the Overseas Business Department or the Universal Legal Department or other related departments.

Regarding this point, considering that even K.W. who signed the Third Party Agreement as a representative of Eagle 1 (local subsidiary of Universal who owns the land for Casino) had an understanding regarding the road issue which only included “such issue apparently exists,” “(I) had a very limited understanding (on the road issue),” and that, as for the evidence of the discussion on such issue at the Universal executive meeting, there is none except for the reported item (“Philippine Project Headquarter Weekly Report ”), it is suspected that, except for H and personnel in charge of the issue, the extent to which the understanding on the issue shared among the people only included “there is a road issue in relation to the construction of the hotel, etc., which will be the core of the Project, but a team including H is monitoring and handling the issue.”

While according to the First Investigation Report there was an understanding related to the road issue within the Overseas Business Department at early 2009 based on objective facts such as emails within the Overseas Business Department and the "Philippine Project Detailed Report" dated May 8, 2009, according to evidence newly collected by the current Committee, it has been determined that the understanding within the Overseas Business Department regarding the road issue was extremely limited. That is, considering that even K.W., who as a member of the Overseas Business Department participated a weekly reporting session every time and who is a signer of the Third Party Agreement which reached the solution concerning the road issue, had a limited understanding including "apparently there is such issue," it cannot be recognized that detailed information regarding the road issue was shared within the Overseas Business Department, and it is believed that even the members of the Overseas Business Department, except for the personnel who are directly in charge of the road issue, had an abstract understanding on the road issue.

As such, a high degree of independence of teams each assigned with a particular objective (i.e., a team focused on construction and design of hotel, a team for examining restaurant design, etc., a team for examining air conditioning equipment, etc., and a team focused on license related matters including the road issue, etc.) and the comment by A.H. that understandings on each item were not mutually shared inside the Overseas Business Department support that information was not shared within the Overseas Business Department with respect to the details of each individual assignment.

(b) Reports from Team Responsible for the Road Issue

Assuming that the extent of the understanding related to the road issue within the Overseas Business Department was abstract as stated in (a) above, it is vital to learn whether the report made to the management of Universal from the team (it has been confirmed from the hearings conducted with related personnel that Messrs. H and M were in charge of the road issue around the time of fund outflow) which is responsible for licensing related issues including the road issue was made in a concrete manner.

Regarding this point, while the First Investigation Report believes that there was no report from the personnel in charge of the issue, the current investigation conducted by the current Committee also found no evidence that a comprehensive report concerning accurate information on the road issue including the solution for the issue was made to the Universal management. Further, according to the business practice at Universal, the duties of the Overseas Business Department, which are designed to develop and make progress on newly created business, are different from other departments' duties which involve daily routines such that even the Executive Officer of the Overseas Business Department may not necessarily have knowledge or experience with the business, which is a new investment for the company. This causes the executive to rely solely on the report made by personnel in charge of a particular business. In spite of such work environment, there has been no evidence to show the executive actively requesting a report on the road issue. In the end, we believe that it is highly unlikely that there was any concrete report made to the Universal executives in an accurate and a comprehensive manner from the team in charge of the road issue.

This point is supported by that there appears to be a motive which prevented the personnel in the Overseas Business Department from wanting to report the road issue which would be an impedance to the Project, and by the assumption that the information related to the Third Party Agreement was managed so as to restrict it from being spread even within the Overseas Business Department especially

considering that the activities of Universal leading up to the Third Party Agreement are unclear as stated below.

In other words, as for the circumstances leading up to the Third Party Agreement, the current Committee newly confirms based on the investigation that 1. appearance of signatures on the Agreement at a glance seems unnatural and 2. the execution of the Agreement does not objectively match with the record of business trip.

First, with respect to 1, while the Japanese signature of K.W. who represented Eagle 1 is found at the end of the text of the Agreement, there is no execution of joint seal (sign in English). According to the hearing with K.W., he frequently signed batches of documents including English language contracts. While K.W. was aware of the practice regarding putting a signature on each page when signing a contract, since there was a joint seal on each page on the Third Party Agreement by another personnel from non-Universal side and since K.W. mechanically signed the Agreement without his own joint seal, there is a possibility that only the page of the Agreement with the signature space was somehow included with many other contracts for him to sign as it was presented to K.W. (such possibility coincides with the fact that K.W., according to the hearing, only had an abstract understanding related to the road issue as “such issue apparently exists,” and with his statement that he frequently signs, in a mechanical manner, documents which are marked with a tag at the portion requiring him to put his signature when his signatures are required).

Also, as for the inconsistency with the record of Philippine business trip, in “Philippine Business Trip Schedule (November 10 to 14)” which is combined with Ringi (approval document), there is a record indicating K.W. carried out “execution of land agreement” on November 12, 2009. Regarding this, we have obtained a statement from K.W. saying that he was in Philippine around the same time, but he did not meet the non-Universal parties from the Third Party Agreement, and he did not remember signing the Third Party Agreement in Philippine. Since it is unlikely that one person sitting with others who are signing a document would not sign the document, since he has no motive to make a statement inconsistent with the objective evidence of Ringi documents related to the business trip and because of his attitude during the hearing, we believe K.W.’s statement is highly credible.

(c) Summary

Based on the above, as far as the extent to which the understanding regarding the road issue was shared within Universal, while a common understanding was shared within the Overseas Business Department that there is an issue in an abstract sense, the accurate information concerning the concrete facts regarding the solution method, the signing and the contents of the Third Party Agreement, etc., was kept within the team that was in charge of licensing related business including the road issue, etc. Based on this, we believe that there is a high possibility that accurate information regarding the concrete facts were never reported to the Universal managements.

Regarding this point, we have obtained a statement from A.H., who was in charge of compliance and was at a position to oversee the operations at the Overseas Business Department ex post facto, indicating that there was no report on the road issue being solved via the Third Party Agreement.

With respect to that the Universal management was unaware for some years of the concrete and accurate information concerning the solution of the road issue as agreed by the parties, if one was to think that there was no particular necessity for the Universal management to demand a report regarding the details on the specific solution method for the road issue, it is not necessarily unlogical

given that the Project progressed as scheduled such as the hotel construction was progressing as scheduled, that even during the auditing procedure by the accounting auditor there was no particular indication for correction from the auditor, and that the Universal management had an understanding that the road issue, which was an obstacle to the progress of the Project, was solved by the expense of USD 25,000,000.

B) H's Understanding on the Road Issue

(a) Facts that Base H's Understanding on the Road Issue

On one hand, it is believed that Mr. Soriano, who represents Subic Co., and H, who was in charge of the team handling the road issue, comprehended the entire details concerning the specific contents and the progress, or the like, regarding the road issue.

This is supported by that Mr. Soriano had an email communication with H regarding "road lots" indicating the road issue in which Mr. Soriano, in particular, transmitted a content indicating "at least this week, I will be able to present to you a document which states the solution to the road issue in a manner without costing your company a large sum of money and in which the owner of the development and the city will be, along with your company, the signee" dated November 10, 2009, that as one of the agendum for the strategy meeting (see "C" described below) for December 7, 2009, which is the de facto highest decision making body, included "notification of liquidation regarding the road issue which was resolved in November 2009," and that an email instructing "please check with Mr. Okada" is transmitted to H (however, it is to be noted that we have not been able to confirm what type of report was made by H to Mr. Okada (hereinafter, "Mr. Okada") who is the director ahead of the strategy meeting on December 7 in light of such email correspondence, or whether or nor any report was actually made).

Based on these objective evidences, we can confirm that H had an understanding regarding the detail contents of the road issue and that the issue was resolved without costing a large sum of money in November 2009 by the Third Party Agreement (however, it is to be noted that even with the existence of the Third Party Agreement one cannot deny the possibility that H had an understanding that a large sum of money was needed in order to resolve the road issue for some reason such as being deceived by Mr. Soriano).

(b) Examination on the Reported Contents from H in Relation to the Road Issue

Note that H sent an email, on November 6, 2009, to Mr. Okada while he was in charge of the road issue as a member of the Overseas Business Department indicating "as for the final conclusion of the road issue after the payment is completed, as described by Boysie on November 2, the agreement document will be executed between Paranaque city / Asia World / Eagle 1. . . The gist of the agreement document is to confirm the procedures which mainly include that Asia World recognizes that Eagle 1 will be handling the development, and that once Eagle 1 completes the development, Eagle 1 will transfer the site for the road. As discussed on November 2, K.W. of OH (note: the Overseas Business Department) shall sign for Eagle 1. (I) will be visiting Manila next week for business including this case, and will make a separate report on this point tomorrow." While it can be confirmed from the contents of the email that H communicated to Mr. Okada that some sort of "payment" was necessary in relation to the road issue, it is not necessarily clear from the contents of the email the amount of the "payment" and the specific contents such as the purpose therefor. Further, while it can be confirmed from the

contents of the email that H reported to Mr. Okada with respect to the procedure for the solution to the road issue, there was no report on “that a large sum of payment to Asian World will be unnecessary” which would accompany such report naturally, leading one to understand that some sort of payment in return is necessary.

Therefore, the above stated email may indicate that Mr. Okada had an understanding in a general sense regarding the solution method for the road issue; it does not indicate that Mr. Okada had an understanding that a large sum of payment was unnecessary to resolve the road issue. In addition, an objective evidence to indicate that Mr. Okada had an understanding that a large sum of payment was unnecessary to resolve the road issue has not been confirmed (note that as for the contents of “description from Boysie on November 2” indicated in the email, there has not been a confirmed evidence upon which to base such description, and thus, (it is) unable to confirm that it took place. Further, as for “will make a separate report on this point tomorrow,” we have not been able to confirm as to what kind of report was made, or whether or not such report was ever made in the first place since Mr. Okada’s memory thereof is uncertain) .

Also, since H had a business trip, as indicated in the email, to Manila “next week” which corresponds to November 10, 2009, and since the executed Third Party Agreement exists despite that K.W. was not present at the sight of the execution of the Third Party Agreement, in light of the contents of the above stated business record, it is presumed as highly likely that H was present at the sight of the execution of the Third Party Agreement on behalf of Universal (Although there is a possibility that M who also attended the business trip and was in charge of the road issue was present at the sight, we have not had a hearing with M, and thus the confirmation thereof remains difficult.).

(c) Summary

In light of the above, it is confirmed that H learned that the road issue was resolvable without costing a large sum of fund, and had an understanding that the road issue was resolved via the Third Party Agreement in November 2009.

C) Strategy Meeting on December 7, 2009

With respect to the road issue, a strategy meeting was held on December 7 which is immediately before the fund outflow on December 9 (As stated in First Investigation Report, such meeting body consisted of Mr. Fujimoto and Mr. Tokuda who were the representative executive officers at the time, Mr. Okada, who was the director, was neither a decision making body in accordance with corporation laws, nor an organization appointed via company statute, but was the de facto highest decision making body for examining and deciding on basic policy in relation to the operations of the company).

The strategy meeting was held by Mr. Fujimoto and Mr. Tokuda both of whom are representative executive officers, as well as Mr. Okada, and included H in attendance as personnel in charge of the road issue.

That is, while H made a report on the road issue at the executive meeting on November 24, 2009, it is presumed that there was an implicit common understanding that the strategy meeting should be held to discuss the road issue as the solution to the road issue is vital for the construction of the hotel, etc., for the Project and as the solution to the road issue required a large sum of money and a difficult

decision makings, and thus it is believed that the strategy meeting was held based on such presupposition.

Also, it is confirmed that there was an understanding between Mr. Soriano and H before the strategy meeting that the road issue was going to be discussed at the strategy meeting.

It has been confirmed that at the strategy meeting H, the reporter, gave a description on the road issue to Messrs. Fujimoto and Okada first; a discussion was conducted between Messrs. Fujimoto and Okada; then it was decided by Messrs. Fujimoto and Okada, and Mr. Tokuda, who showed up late, that the road issue should be resolved and the upper most expense therefor is USD 25,000,000 . According to the hearings from the related personnel, as for the discussion of the road issue, a proposal from Mr. Soriano was introduced via H, and Mr. Soriano was not present at the meeting. It is thought that during the greetings between Messrs. Fujimoto and Okada with Mr. Soriano after the strategy meeting in which the above stated expense is decided, it was confirmed to Mr. Soriano which was translated by H that the road issue should be resolved with the maximum expense therefor being USD 25,000,000.

2. Fund Outflow on December 9, 2009

The fund outflow includes the remittance from Aruze USA, a subsidiary of Universal, to FF Co., and then the remittance (from FF Co.) to Subic Co.

A) Remittance from Aruze USA to FF Co.

First, the remittance of USD 25,000,000 to FF Co. was carried out from the US account of Aruze USA who had a surplus at the time due to the dividend from Wynn group.

Based on the hearing from A.H., it is confirmed that a remittance instruction sheet was created by S who was a chief of Gaming Compliance Division at the time, and Mr. Okada who was the representative of Aruze USA and was able to give an instruction on remittance at Aruze USA signed the remittance instruction. While this project is Universal's project, and according to the subsidiary management regulations at Universal (in accordance with management guide), any remittance for such amount requires a separate approval from Universal, no procedures were taken for the formal approval therefor from Universal despite the decision on the basic policy from the strategy meeting (accounting process in relation to the remittance with respect to FF Co. is treated at this point in time as a temporary payment).

B) Remittance from FF Co. to Subic Co.

Next, as for the remittance from FF Co. to Subic Co., (It is confirmed that Subic Co. is a company managed by Mr. Soriano, and is not under control of Universal.) while there is no direct fund relation between FF Co. and Universal, considering that it may be confirmed that FF Co. was practically under control of Universal due to that FF Co. includes a Universal employee as an investor (note, the investor of FF Co. at the time of fund outflow is N.G.), and that the representative thereof is K, the procedures for approval should have been required within Universal separately, however, (the remittance) was left was a temporary payment.

C) Lack of Internal Approval Procedure within Universal at the time of A) and B)

As for these temporary payment treatments which will become problematic later, although, properly speaking, it was necessary, for H who is in charge of the road issue, to go through the procedures such as Universal executive meeting, or the like, in order to remit to FF Co. (above stated "A"), and from FF Co. to the above stated Subic Co. (above stated "B"), there is no trace of such procedures (As such, a certain degree of reasonableness is granted on the thought that H had the responsibility to bring up the matter as the chief executive in practice of the road issue because a procedure of decision making was necessary at the parent company due to the large figure of money involved in the remittance and from the perspective of corporate governance and internal control, and because there was no one but H himself to bring up the matter as a personnel in charge of the road issue.).

3. Remittance to Outside of Company After January 14, 2010

As stated above, with respect to the remittance to FF Co., we recognize that a decision was made by Universal in a practical manner, as the strategy meeting, which functioned as the de facto highest decision making body thereof, made the decision on the matter even though Universal is not an entity to do so according to corporation laws. However, as for the remittance, etc., to Subic Co. from FF Co. (represented at the time by K) after January 14, 2010, there was no internal procedures taken at Universal.

With respect to these imperfect procedures, from a perspective of compliance, A.H. made a confirmation with N of Aruze USA Japan branch who took over the duties of the Overseas Business Department in July 2010 ex post facto. From N, there was a communication, regarding JPY 3,500,000,000 which includes USD 25,000,000, indicating "(I) made a remittance (to FF Co.) as an investment (fund). I want the minutes from the executive meeting to say so." To which, after the draft minutes is created by A.H. in accordance with the instruction from N, A.H., in response to N, responded that the signature from Mr. Okada who is the representative of Aruze USA is needed and that there should be a general agreement (or a master contract) with FF Co. However, there is no trace of procedures, including the signature, taken in relation to these documents.

Also, as for the outflowed fund, it was retained at FF Co. for a while after it was remitted from Aruze USA to FF Co., such that since the remittance to Subic Co., which is managed by Mr. Soriano, Mr. Soriano sent a pressing reminder to H regarding the remittance. To which, H transmitted an email on January 11, 2010 indicating that the preparation for the remittance has been completed (Eventually, an amount of USD 10,000,000 was remitted on January 14 to Subic Co., and a check of USD 15,000,000 was issued on March 3 as Subic Co. as the recipient thereof.).

In a parallel manner, from the end of February to early March, "Consultant Contract" is created by Messrs. H and K in a manner retroactive to December 16, 2009.

Note that, with respect to the remittances, etc., from FF Co. to Subic Co. after January 14, 2010, it is clear that Mr. Soriano claimed to FF Co. that USD 30,000,000 was a loan. Such claim was based on the document titled "Request Letter for Loan" dated January 14, 2010, concerning USD 10,000,000, which was presented by Mr. Soriano (Note that no document, or the like, has been presented by Mr. Soriano to show that (it) was a loan except for (the document concerning) the USD 10,000,000.). These documents are related to the USD 30,000,000 which includes the USD 25,000,000 of the fund outflow issue, and are presented by Mr. Soriano in response to the attempt by Universal to collect funds. However, the investigation by the Committee thus far has not been able to confirm that (the money)

was a “loan” or that (the money) went through any internal procedures at Universal (note that according to Universal, Universal responded immediately to Mr. Soriano indicating that Universal is unable to accept such request for a loan). Also, although the document which is titled “Request Letter for Loan” and dated January 14, 2010, includes what appears to be a signature of K who was the representative of FF Co. at the time, the document contains terms and conditions that are irrational for a loan such as lack of specific loan period or interest which must be indicated under a normal circumstance when a loan is made between business entities, which raises a serious doubt over the credibility of the document. Therefore, since we have not been able to conduct a hearing with K and Mr. Soriano, the circumstances regarding the document remain unclear. However, the Committee was not able to confirm that the fund outflow was conducted as a loan to Mr. Soriano, and thus maintains that (the money) was, at least, as far as Universal’s understanding is concerned, paid as a fund to resolve the road issue as the Committee has previously examined.

Note that while the Committee is unable to trust that (the money) was a loan, the Committee believes that it can confirm the fact that the fund was outflowed ultimately to Mr. Soriano (or Subic Co. managed by Mr. Soriano) considering that Mr. Soriano acknowledges that the USD 30,000,000 including the USD 25,000,000 concerning that the fund outflow is a loan and he had an obligation to repay.

2. Identification Of Issue and Facts Confirmed by the Committee at The Current Stage

1. Universal’s Understanding at the Time of Remittance Instruction on December 9, 2009

As has been stated thus far, the Committee is not able to confirm that a report, which includes each fact that the road issue is resolvable without costing a large sum of money and that the issue was already resolved before the fund outflow took place, was made to the Universal management. On the contrary, based on the statement, or the like, by Mr. Fujimoto which specifically supports the exchange at the strategy meeting, it appears that the Universal management had an understanding that the upper limit of USD 25,000,000 was a defrayment in order to resolve the road issue.

2. Presumed Intention of H

- (a) With respect to the intention of H, since the Committee has not been able to obtain the cooperation from H in spite of the direct request for a hearing from the Committee, the Committee is only able to rely on the presumption based on the related evidences.

Regarding this point, based on H’s explanation at the strategy meeting on December 7, 2009 that a fund was necessary in order to resolve the road issue, one can presume that H had any one of the following 3 understandings / courses of action.

They are,

1. H, too, had an understanding that a large sum of fund was necessary in order to resolve the road issue as a result of the request from or deception by Mr. Soriano,

2. Even though H was aware that a large sum of fund was unnecessary, he did not communicate the truth to the Universal management for some reason, or

3. Upon understanding that a large sum of fund was unnecessary, H actively deceived the Universal management based on his own decision, or H along with Mr. Soriano actively deceived the Universal management.

- (b) In examining these probable understandings and courses of action, we consider the possibility (1.) where (H) had an understanding that a large sum of fund was necessary.

Since H received the email from Mr. Soriano indicating “(the issue is) resolvable without costing a large sum of fund,” and the email on December 3, 2009 with a premise that the road issue “has been resolved,” and since, as previously stated, it is believed that (H) was specifically involved in the execution of the Third Party Agreement, or the like, it is difficult to presume the possibility that (H) was unaware the road issue had been resolved due to the Third Party Agreement at the time of the strategy meeting. Even if that was the case, as stated above in (Section 3, “1 (1) B (b)”) considering that H transmitted an email to Mr. Okada indicating that some kind of payment is necessary in relation to the road issue, one cannot completely deny the possibility that H, in spite of the understanding that a large sum of payment to Asian World is unnecessary in order to resolve the road issue, had an understanding that a large sum of payment is requested or is necessary as a result of a deception (for example, a reward, or the like, for Mr. Soriano for his ability to resolve the road issue).

Next, we consider the possibility 2. in which (H) had an understanding that a large sum of expense was unnecessary, but he did not report to the Universal management for some reason.

It is believed that such possibility is extremely low that H, with no intention to deceive, or the like, the Universal management, would not report, for some reason, to the Universal management that a large sum of expense was unnecessary even though he was aware of it, and chose to leave the fund outflow as it was, and that considering the amount of money involved it is difficult to presume (such possibility is valid).

Finally, we consider the possibility 3. in which H actively deceived the Universal management based on his own decision, or H along with Mr. Soriano actively deceived the Universal management with an understanding that a large sum of fund was unnecessary.

While on one hand we are able to confirm that H, in connection with the money associated with the fund outflow from FF Co. to Subic Co., communicated closely with Mr. Soriano who seemingly controlled the company to which the money traveled, on the other hand, we are unable to confirm any evidence which supports that the contents of the close communication there between were accurately reported to the Universal management. Further, as stated above in connection with the payments from FF Co., even though H, properly speaking, had an obligation to bring up (the issue) to the approval procedures at Universal, there is no trace of such activity, and there is no confirmable fact indicating that a report was made to Universal in relation to the completion of the payment after the payment to FF Co. was completed.

Additionally, it appears 3 weeks prior to the fund outflow, on November 14, 2009, H (received a communication from) Mr. Soriano indicating that there was a plan to establish a company with People’s Co. being the parent company thereof, wherein H and Mr. Soriano have the equity share of 49 % and 51 %, respectively, with respect to People’s Co., to which the remittance of USD 5,000,000 was made, and People Co. to own 100 % of stock of Subic Co., to which the remittance in connection with the fund outflow is made.

As a result of un-conducted hearing to Mr. Soriano and H, as indicated in “Section 4 Limitation of Investigation” which will be described below, it has not been confirmed as to whether or not such relations of stock holding was realized.

However, considering the contrived nature of the activities such that H did not report to the Universal management, and that the emails indicating the evidence of Mr. Soriano and H attempting to evenly share the company to which the outflowed money traveled exists, one cannot deny the possibility that either H together with Mr. Soriano conspired to deceive the management, or H alone, based on his decision, deceived the management even though the possibility exists in which H received a pressing reminder concerning “the remittance from FF Co. to Subic Co.” which contradicts with (an assumption) that H conspired with Mr. Soriano in connection with the fund outflow.

3. Findings by the Committee Up to the Current Stage

Based on the investigation result at the current stage, although one cannot completely deny the possibility that even though H had an understanding that there was no need to pay a large sum of fund to Asian World in order to resolve the road issue, for some reason different therefrom he had an understanding that a large amount of money had to be paid to Mr. Soriano in connection with the resolution of the road issue, one cannot help but suspect that H was actively involved in the fund outflow considering H’s contrived activities as stated above and the related evidence which seem to indicate the involvement in relation to the fund outflow.

With the findings which support the questions the Committee had as a premise, with respect to the Committee’s investigation on this point, since the Committee is unable to obtain the cooperation from H, considering that the large amount of money involved in the outflow creates a large problem not only for the operation of the company but for the social credibility of Universal, in order for Universal to fulfill its responsibility as a company listed on the stock exchange and to clarify the facts and explain to the stake holders, requesting a judgment from investigative authorities with legal force may be an option in order to maintain the social credibility of its own. However, this is a decision for Universal to make.

Note that although one may objectively confirm that K and N were involved in the payment procedures for the fund outflow from FF Co., there is no evidence indicating that (K and N) were directly involved in the road issue at the current stage. Therefore, since it is still unclear as to the degree of active involvement (of K and N) in the fund outflow, the Interim Report does not examine the responsibility (of K and N). Also, as for K, although his involvement in the fund outflow is suspected because of what appears to be his signature on the document which is titled “Request Letter for Loan” and dated January 14, 2010, the credibility of the contents of the document is, as stated above, poor, and since the hearing with K has not been conducted, the Committee has made a decision that the mere existence of the document alone does not suffice to examine the responsibility of K.

SECTION 4 THE LIMITS OF INSPECTION

The Committee has made an effort to conduct an object and fair inspection on the basis of the large amounts of data and documents obtained and the hearings of the related personnel. Most, we would like to remark on the main limitations below in creating this Interim Report.

1. Limitations in obtaining internal documents, digital data, and the like

1. The Committee does not have the right of compulsory inspection, so the majority of the documents and data that the Committee relied on were data saved to the Universal server and data saved on the Universal PCs used by the related personnel (this also includes [data] that was previously erased and successfully restored) that were secured and provided for the Committee.

Specifically, the facts relevant to this project which includes the fund outflow of this case are a point of contention within Universal's U.S. litigation, and although the relevant emails, various documents, etc. were extensively compiled into a database to support discovery, whether they were relevant or not was enforced by a different legal expert representing the relevant U.S. litigation.

For that reason, even though the provided database was expected to have comprehensive/exhaustive data (the number of documents amount to 232,655 entries) that did not undergo arbitrary selections by the people concerned, the Committee was not involved in the aforementioned relevancy decisions and cannot guarantee the validity and such of the technique.

2. Also, the provided database does not contain any privileged documents due to the relation with the U.S. litigation. The Committee is a body that has a third party because there was a concern of breaking confidentiality when Universal disclosed the privileged documents to the Committee, and after examining the relations of such privilege and disclosure to the Committee, The Committee actually obtained the access key to the database (signifies when the database's information (however, this exclude privileged documents) became directly available within the Committee) on October 4, 2013
3. In Addition, important documents which exhibit Mr. Soriano's acknowledgement were disclosed to the Committee for the first time at the end of 2013.

2. Limitations in reading and searching

1. As per the preceding paragraph, although it was expected that the data provided to the Committee by Universal would be comprehensive, it is an immense amount of documents totaling 232,655 entries, and because it is not realistic to look through them all, out of the data provided by Universal, a portion of the data that is objectively presumed to be highly relevant is being extracted and examined by the Committee.

In the districts, Universal's legal department secured the aforementioned data from before the first Third Party Committee was formed and looked through it all. For that reason, The Committee is making a separate appeal to the legal department for the submission of the documents that were deemed highly relevant by the same legal department. However, documents with newly obtained information from documents that have already been submitted to the

first Third Party Committee or through searches within the database conducted by the Committee have not been submitted.

2. Also, regarding searches within the database, the Committee conducted a search for emails and such that were believed to be highly relevant to fund outflow for this case, read through the documents that were selected from the search results, and they became subject to examination (however, because some attachments were privileged and could not be read in its entirety, these were not subject to examination).

However, the system used to save/search the provided data was originally developed to support data written in English, so there is a prospect for concern that the coverage was lacking with regard to the Japanese searches (search limitations attributable to the system).

Furthermore, the possibility of data that should have been detected and did not show up in the search results (search limitations not attributable to the system) due to errors expected from general data searches not limited to this system (errors based on the incompleteness of keywords and personal information) should not be completely ruled out.

3. Inability to gain the cooperation for the related personnel's hearing

The four personnel that were shown to outwardly participate in fund outflow, Mr. Soriano, H, K, N (aside from their subjective view, their participation that exceeds the paperwork, such as being identified as the recipient of the funds and the consultation of the remittance timing at Aruze USA, who was the sender, can be outwardly recognized), also declined the Committee's hearing request following the hearing request from the first Third Party Committee. Hence, because the hearing of the related personnel that should have the most understanding of the fact details, that is, the actual personnel involved in the remittance was not held, as for the Committee, it seems that the information that would have been obtained through the hearing for the related personnel is being restricted in any case.

To this extent, the Committee will once more strongly request prompt cooperation from the aforesaid four personnel (there is a pending litigation between these persons and Universal, and although the intention of revealing the facts through trial can be understood, in relation to the Committee possessing the third party, it is a possibility for them to respond to a separate hearing request), but regardless of the above, in the case that cooperation cannot be attained, the Committee will have no choice but to conduct the fact-finding without depending on auditory content.

4. New evidence discovered through the search by an investigative organization

Although the Committee has made an effort to conduct the best investigation within the realm of possibility and within the limitations as indicated in the above point 4, it cannot be denied that there is a possibility of discovering evidence henceforth indicating unexpected information to the Committee by means of an investigative organization with legal force.

End of report