



August 18, 2015

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**Announcement Regarding Determination of the Terms and Conditions
 for the Issuance of Privately Placed Notes**

Universal Entertainment Corporation (the “Company”) hereby announces the following terms and conditions for the issuance of privately placed notes (the “Notes”) described in the press release dated July 28, 2015 entitled “Announcement Regarding Execution of Placement Agency Agreement”.

Description of the Notes

	Universal Entertainment Corporation Offshore Private Notes (Only for Qualified Purchasers)
1. Notional Amount	USD 600m
2. Maturity	5 years
3. Expected Issuance Date	August 24, 2015
4. Yield	12% per annum, with any interest in excess of 6% payable, at the option of the Company, by adding additional principal to the Notes.
5. Use of Proceeds	Repayment of existing short term debt; and payment for construction and development of Manila Bay Resorts.
6. Guarantor	Initial Guarantor: Aruze USA Inc. (a 100% subsidiary of the Company). Certain affiliates of the Company may provide security for the obligations of the Guarantor under the Guarantee and Collateral Agreement. Certain subsidiaries of the Company which hold assets exceeding a certain ratio of the Company’s consolidated assets may in future be required to provide a guarantee.
7. Collateral	No collateral securing the Notes. Security is granted under the Guarantee and Collateral Agreement to secure the obligations of the Guarantors to the Note holders or the collateral agent. The main collateral is as follows: (a) 100% pledge on Aruze USA Inc. (100% subsidiary of the Company) shares. (b) Security over one or more accounts of the Company or its subsidiaries (all proceeds from the issuance of the Notes will be held in secured accounts until drawn for permitted uses). (c) Until the perfection of the pledge of Aruze USA Inc. shares, UE shares (54,452,500 shares) owned by Okada Holdings Limited

Note: This press release does not constitute an offer of any securities for sale. This Press release has been prepared for release in Japan and for the sole purpose of publicly announcing that the Company has resolved matters relating to the launch of a private notes offering. No offering or sale of the Notes will be made domestically in Japan. Furthermore, this press release is not an offer to sell, or the solicitation of an offer to buy, securities in the United States. The securities referred to above have not been, and will not be registered under the United States Securities Act of 1933, as amended (the “Securities Act”) or the securities laws of any state or other jurisdiction in the United States. The securities may not be offered or sold in the United States or to persons that are acting for the account or benefit of persons in the United States absent registration or an exemption from registration under the Securities Act and any other applicable state securities laws. Accordingly, the securities will be sold only to non-US. Persons in offshore transactions in reliance on Regulation S under the Securities Act.

8. Early Redemption	<p>Prior to the fourth anniversary of the closing date, the Company may redeem some or all of the Notes at a price equal to 100% of the principal amount of the Notes plus a prepayment premium. On and after the fourth anniversary of the closing date, the Company may redeem some or all of the Notes at a price equal to 100% of the principal amount of the Notes.</p> <p>Upon the occurrence of a change of control of the Company, a change in status of certain assets or a disposition of certain assets, the Company shall be obligated to repurchase all or a portion of the Notes at the option of the noteholders subject to the terms and conditions of the Notes</p> <p>Upon the occurrence of certain specified changes in the regulatory environment, etc, the Company has the right, at its option, to redeem the Notes subject to the terms and conditions of the Notes.</p>
9. Form of Issuance	Overseas private placement under Regulation S under the U.S. Securities Act (limited to Qualified Purchasers as defined in the U.S. Investment Company Act of 1940)
10. Listing	Singapore Exchange (application ongoing)
11. Placement Agent	Deutsche Securities Inc.

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