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**Completion of Payment Regarding the Issuance of
Stock Acquisition Rights Utilizing Treasury Shares
through Third Party Allotment**

Universal Entertainment Corporation (the “Company”) hereby announces that, as of today, the payment has been completed regarding the issuance of stock acquisition rights (“SARs”) through a third party allotment to Deutsche Bank AG, London Branch (“DBL”), which was resolved by its Board of Directors on March 9, 2017.

Description of the SARs

1.	Allotment date	March 27, 2017
2.	Number of SARs	5,000
3.	Offer price	JPY 5,550,000 (JPY 1,110 per SAR)
4.	Underlying shares	500,000 shares (0.68% of outstanding shares without treasury shares) 100 shares per SAR
5.	Proceeds from releasing treasury shares upon exercise of all SARs	JPY 2,500,000,000
6.	Strike price	JPY 5,000 Fixed strike price and will not be changed during the exercise period
7.	Distribution and allotment method	Third party allotment to DBL
8.	Lockup period	DBL has agreed with the Company that it may not submit an application to the Company for approval to exercise the SARs during the period commencing on the date of the Purchase Agreement and ending on the date that falls 180 days from and including the allotment date.
9.	Other	SARs will be exercised when the Company’s share price is greater than the strike price. The strike price (JPY 5,000) is set higher than the Company’s share price as of March 8, 2017, so exercise may happen only when its share price has performed well to be sufficiently and stably above the strike price. The maximum number of shares deliverable upon exercise of SARs is fixed at 500,000 shares, and DBL is required to obtain the approval of the Company to exercise the SARs; the Company will decide whether to approve the exercise while considering its financing needs and market conditions.

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 the completion of payment relating to issuance of SARs. No offering or sale of securities and SARs 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 under the Securities Act and any other applicable state securities laws.