



April 2, 2018

Company name	Universal Entertainment Corporation
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### **Announcement Regarding the Repurchase and Prepayment of the Privately Placed Notes**

Universal Entertainment Corporation (the “Company”) hereby announces that the Company has determined to repurchase and/or prepay the Universal Entertainment Corporation Offshore Private Notes (Only for Qualified Purchasers) issued on August 24, 2015 (the “Series 1 Notes”), and the Series 2: Universal Entertainment Corporation Offshore Private Notes (Only for Qualified Purchasers) issued on October 14, 2016 and December 1, 2016 (the “Series 2 Notes”, and, collectively with the Series 1 Notes, the “Target Notes”, which term shall include any capitalized interest thereon) as follows.

#### **1. Background of the Repurchase and Early Redemption**

As indicated in the “Announcement Regarding Settlement with Wynn Resorts, Limited (NASDAQ: WYNN)” dated March 9, 2018, the Company and Aruze USA Inc., a US subsidiary of the Company (“Aruze USA”) entered into a settlement agreement on March 8, 2018 with Wynn Resorts, Limited (NASDAQ: WYNN, hereinafter referred to as “Wynn Resorts”) relating to certain lawsuits pending in the Nevada State District Court among Wynn Resorts, the Company, Aruze USA, and Mr. Kazuo Okada, former chairman of the Company. Pursuant to this settlement agreement, on March 30, 2018, the Company group received the agreed settlement proceeds from Wynn Resorts. As a result, in order to lighten interest burden through the debt reduction, the Company commenced a process to repurchase the Target Notes pursuant to the terms with regard to the repurchase and the prepayment and dispatched a notice to the holders of the Target Notes (the “Noteholders”) on April 2, 2018, pursuant to which the Noteholders may elect to have their Target Notes repurchased by the Company (such repurchase is referred to herein as the “Settlement Proceeds Repurchase”). In addition, the Board of Directors of the Company adopted a resolution dated April 1, 2018, to exercise its option (pursuant to the terms and conditions of the Target Notes) to prepay any outstanding Target Notes which are not subject to the Settlement Proceeds Repurchase (such prepayment is referred to herein as the “Voluntary Prepayment”).

#### **2. Methods of Repurchase and Voluntary Prepayment**

Target Notes subject to the Settlement Proceeds Repurchase will be repurchased by the Company, following which all outstanding Target Notes which are not subject to the Settlement Proceeds Repurchase will be voluntarily prepaid.

#### **3. Name of the Target Notes**

Universal Entertainment Corporation Offshore Private Notes (Only for Qualified Purchasers)  
Series 2: Universal Entertainment Corporation Offshore Private Notes (Only for Qualified Purchasers)

#### **4. Expected Date of the Repurchase and Voluntary Prepayment**

Settlement Proceeds Repurchase: May 11, 2018  
Voluntary Prepayment: May 14, 2018

#### **5. Repurchase Amount and Prepayment Amount**

Settlement Proceeds Repurchase: 100% of the principal amount  
Voluntary Prepayment: 102% of the principal amount

#### **6. Future Outlook**

Expected impact of the repurchase and early redemption is currently under assessment. The Company will promptly disclose information on such impact as soon as the Company completes its assessment.

(Description of the Target Notes)

	Universal Entertainment Corporation Offshore Private Notes (Only for Qualified Purchasers)	Series 2: Universal Entertainment Corporation Offshore Private Notes (Only for Qualified Purchasers)
Issuance Date	August 24, 2015	October 14, 2016 and December 1, 2016
Notional Amount	US\$ 600,000,000	US\$ 600,000,000
Outstanding Amount (Including Capitalized Interest) (Prospective as of April 3, 2018)	US\$ 708,002,400	US\$ 623,068,800
Yield	12%	8.5%
Maturity Date	August 24, 2020	August 24, 2020