



April 2, 2018

Name of Company: Universal Entertainment Corporation

Name of Representative: Jun Fujimoto

Representative Director and President

(JASDAQ Code: 6425)

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Notice of Filing of Lawsuit in United States

Universal Entertainment Corporation (hereinafter referred to as the “Company”) hereby announces that on March 30, 2018, the Company filed a lawsuit with a District Court in the State of Nevada, USA against Aruze Gaming America, Inc. and Kazuo Okada seeking the compensation of damages, etc. on the grounds that its patent rights were violated. Details of this matter are as follows.

1. Overview of Lawsuit

(1) Cause of Lawsuit

Aruze Gaming America, Inc. (hereinafter referred to as “AGA”) is a corporation engaged in the business of manufacturing and selling gaming machines for overseas casinos. AGA, whose incorporation law is based in the State of Nevada, USA, was originally a consolidated subsidiary of the Company. However, after the Company sold all of its stake in AGA to Kazuo Okada, AGA was excluded as a consolidated subsidiary of the Company as of March 2010, making Kazuo Okada the sole owner of all of the outstanding shares of AGA.¹

Recently, it became clear that AGA had illegally used patents on gaming machines belonging to the Company to conduct the sales of gaming machines in the United States, and that Kazuo Okada, a former Director of the Company, had illegal involvement in those activities. The Company therefore filed a lawsuit against AGA and Kazuo Okada seeking the removal of obstruction, the compensation of damages, etc. based on a violation of those patents.

¹ For information on the transfer of shares of AGA by the Company, please refer to the Company press release dated April 1, 2009 entitled “Announcement Regarding Transfer of Subsidiary Shares” (http://www.universal-777.com/en/news/pdf/2009/20090401_e.pdf) and the Company press release dated April 2, 2009 entitled “Partial Supplement to ‘Announcement Regarding Transfer of Subsidiary Shares’” (http://www.universal-777.com/en/news/pdf/2009/20090414_e.pdf).

(2) Court with which Lawsuit Was Filed and Filing Date

District Court, State of Nevada, USA

March 30, 2018

(3) Parties to Lawsuit

Plaintiff: Company

Defendants: (1) Aruze Gaming America, Inc. (State of Nevada corporation)

Location of Main Office: 745 Grier Drive Las Vegas, NV 89119, USA

(2) Kazuo Okada

2. Future Outlook

At present, given that the amount of the lawsuit has also yet to be finalized, should matters requiring disclosure arise as this matter progresses, including its impact on business results, the Company will promptly issue a corresponding notice.