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Announcement Regarding the Dissemination of False Information on the Website entitled “Association for Support of Chairman Okada (岡田会長を応援する会)”

Universal Entertainment Corporation (hereinafter referred to as “the Company”) hereby announces that starting on March 29, 2018, false information regarding the Company is being disclosed on a website entitled “Association for Support of Chairman Okada (岡田会長を応援する会)” (URL: <http://www.okadakazuo.com>) (hereinafter referred to as “the Website”).

1. Outline of the Website

The Website was originally opened on March 28, 2018 under the title of "Message from Kazuo Okada" and its title was changed to “Association for Support of Chairman Okada (岡田会長を応援する会)” on 29th of the same month.

The Website does not contain any description regarding the operator of the Website.

The Company is currently listening to Mr. Kazuo Okada himself to find out whether or not he is involved in the establishment and operation of the Website. As of the date of this release, the Company has not received any response from Mr. Kazuo Okada on our inquiries.

2. False Content on the Website

As announced in the Company’s press release dated March 9, 2018 (“Announcement Regarding Settlement with Wynn Resorts, Limited (NASDAQ:WYNN)”) ((hereinafter referred to as “the Press Release (1)”), the Company entered into a settlement agreement on the 8th of the same month with Wynn Resorts, Limited (hereinafter referred to as “Wynn Resorts”) (hereinafter referred to as “the Settlement Agreement”) and it was stipulated in the Settlement Agreement that a total of \$ 2,632 million be paid by Wynn Resorts to the Company’s Group.

In relation to this, it is described in the Website that the Deutsche Bank, a financial institution, was aware that the Company and Wynn Resorts would “agree to settle for approximately 280 billion yen” even before the Press Release (1) was released (False fact (1)), and the Company disseminated false information with the purpose of raising the stock price of the Company (False Fact (2)), and that it was “highly suspicious” that Deutsche Bank profited unfairly by conducting insider trading after the stock price of the Company rose.

However, as detailed below, there are no such facts.

(1) As of February 14th or 16th of 2018, the negotiations toward the conclusion of the Settlement Agreement had not been started and there was no insider information

The Website has concluded that as of February 14th or 16th of 2018 Deutsche Bank was already aware that “the Company and Wynn Resorts would agree to settle for approximately 280 billion yen”.

However, conclusion of the Settlement Agreement was triggered by the proposal for settlement negotiation made by Wynn Resorts on February 23, 2018. In response to this proposal, directors of the Company and Wynn Resorts met in person to negotiate the settlement for two days on March 6th and 7th of 2018, and concluded the Settlement Agreement on the 8th of the same month. In this regard, the amount of \$ 2,632 million in total to be paid by Wynn Resorts to the Company Group was actually first proposed by Wynn Resorts during the above negotiations.

In other words, as of February 14th or 16th of 2018, the negotiations toward the conclusion of the Settlement Agreement had not been started, and it is definitely impossible that Deutsche Bank was already aware of “the settlement for approximately 280 billion yen”.

(2) There is no fact indicating that the Company has spread false information

The Website indicates that the Company, in the timely disclosure made on February 16, 2018 (“Announcement of Progress of Lawsuit against Wynn Resorts (NASDAQ:WYNN)”) (hereinafter referred to as “the Press Release (2)”), “made a timely disclosure of information hinting that the settlement was possible for approximately 500 billion yen for the purpose of raising the stock price, thereby spreading false information.”

However, the Press Release (2) does not mention anything to the effect that the settlement was possible for approximately 500 billion yen, let alone any misleading statement to that effect.

Further, the Press Release (2) announces the fact that (i) with regard to the pending litigation filed by Company Group against individual directors of Wynn Resorts, the motion for summary judgment without trial filed by Wynn Resorts was dismissed and such decision became final and binding and therefore, the case will proceed to trial on April 16, 2018 and (ii) states the view of the Company with regard to the validity of the Shareholders Agreement dated January 6, 2010 among Mr. Steve Wynn, Ms. Elain Wynn and Aruze USA, Inc. and there is no mention of the settlement at all and there is no statement inferring the situation where “a

settlement is possible”.

As shown above, the statement in the Website that the Company disseminated false information is a complete misrepresentation of facts.

(3) Other numerous false descriptions contained in the Website

In addition to the statements described above, the Website contains numerous false representation of facts that slanders and defames the Company Group. Specifically, the Website contains the statement, among others, with regard to the report by the Special Investigation Committee which was disclosed by the Company on August 30, 2017, that “the report contains numerous distortion of facts and false representation of facts intended to give Chairman Okada a bad name”. It is not clear on what grounds the operator of the Website concluded that the content of the report of the Special Investigation Committee was false. However, the Special Investigation Committee was composed of external experts not having any interests in the Company including Michio Masaki, an attorney at law and a former prosecutor of the Tokyo District Public Prosecutors' Office, and its report is highly reliable as it found facts based on objective data such as SMS sent by Mr. Kazuo Okada.

Further, the Website states that “UEC management team including Mr. Fujimoto, upon succeeding in ousting Chairman Okada, raised the amount of remuneration of directors from 1 billion yen to 2 billion yen. However, annual payment record of executive remuneration payout at the Company shows that a total of 912 million yen was paid during the fiscal period ending March 31, 2016 and a total of 995 million yen was paid during the fiscal period ending March 31, 2017 and the amount of remuneration for the period ending December 2017 is expected to be 887 million yen. As such, the amount of remuneration paid to the directors of the Company is decreasing year by year (amount of remuneration is automatically determined using a certain formula according to the ordinary profit of the previous year), and there is no fact that nearly 2 billion yen has been paid as remuneration.

In addition, it was proposed and approved at the Company's Ordinary General Meeting of Shareholders for the 44th term that the scope of director's remuneration be expanded from 1 billion yen to 2 billion yen. This move was in line with the change of system¹ aimed at prevention of recurrence. In fact, while he served as a director of the Company, Mr. Kazuo Okada was receiving a large amount of money as a remuneration not only from the Company but also from its subsidiaries and this practice was undesirable from the viewpoint of securing accountability and transparency toward shareholders. To be more specific, Mr. Kazuo Okada, as an officer of Tiger Resort Asia, Limited, a subsidiary of the Company, received a director's remuneration totaling HK \$ 330,699,900 (approximately 4.5 billion yen) during the period between July 2011 and May

¹ As a result of this change, the framework of remuneration for directors and executive officers was reorganized so that it is considered not in terms of the Company alone but in terms of each business segment of the Group, including overseas subsidiaries and shell companies that are dormant. As a result, an officer of the Company who is concurrently serving as an officer of a subsidiary now receives remuneration only within the limit approved by the general meeting of shareholders of the Company.

2017.

Furthermore, it has come to the light that Mr. Kazuo Okada, without reporting to the Company's Board of Directors, received a total of approximately 100 million yen as a director's remuneration and approximately 232 million yen as a consultation fee from a Philippine subsidiary of the Group during the period between April and May of 2017. As such activities by Mr. Kazuo Okada were in violation of local laws and regulations in the Philippines, the subsidiary of the Company filed a criminal complaint to the local public prosecutor's office, and as a result, a subpoena and Immigration Lookout Bulletin Order have been issued against Mr. Kazuo Okada by the local public prosecutor's office.

3. Company's policy

The Website is unjustifiable as it is significantly slandering and defaming the Company's Group by stating false facts. And at the same time, it poses a significant harm to the fairness of the stock market.

The Company has commenced appropriate legal procedures backed by objective data evidencing that the content of the Website is false.

The company will promptly disclose any information on the progress of this matter that merits disclosure whenever they arise in the future.

This is a translation of the preceding press release in Japanese disclosed on April 2, 2018 and the website is no longer accessible from April 3, 2018.