

## Summary of Financial Data and Business Results for 1st Quarter of Fiscal Year Ending March 31, 2010

August 7, 2009

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Company Name: ARUZE CORP.

Code No.: 6425 URL: <http://www.aruze.com>

Representative: (Name) Hajime Tokuda (Title) Representative Executive Officer and President

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Scheduled Submission Date of Quarterly Report: August 11, 2009

Scheduled Payment date of Dividend: ---

(Amounts rounded down to the nearest million yen)

### 1. Consolidated Business Results for 1st Quarter of Fiscal Year Ending March 31, 2010

(Period from April 1, 2009 to June 30, 2009)

#### (1) Consolidated Operating Results (Cumulative)

(Percentages refer to changes from same Quarter in previous fiscal year)

	Net Sales		Operating Income		Ordinary Income		Net Income for Quarter	
	Million Yen	%	Million Yen	%	Million Yen	%	Million Yen	%
1st Quarter of Fiscal Year Ending March 31, 2010	12,272	138.5	1,527	---	(564)	---	(1,261)	---
1st Quarter of Fiscal Year Ended March 31, 2009	5,146	---	(3,558)	---	(2,931)	---	(4,115)	---

	Net Income Per Share for Quarter	Net Income Per Share for Quarter Following Adjustment for Latent Shares
	Yen	Yen
1st Quarter of Fiscal Year Ending March 31, 2010	(15.79)	---
1st Quarter of Fiscal Year Ended March 31, 2009	(51.49)	---

#### (2) Consolidated Financial Condition

	Total Assets	Net Assets	Ratio of Shareholders' Equity	Net Assets Per Share
	Million Yen	Million Yen	%	Yen
1st Quarter of Fiscal Year Ending March 31, 2010	147,838	113,393	76.6	1,416.79
Full Fiscal Year Ended March 31, 2009	145,761	112,838	74.7	1,362.23

(Reference) Shareholders' equity

1st Quarter of fiscal year ending March 31, 2010: 113,250 million yen; Fiscal year ended March 31, 2009: 108,889 million yen

### 2. Status of Dividends

(Record Date)	Dividends Per Share				
	End of 1st Quarter	End of 2nd Quarter	End of 3rd Quarter	End of Fiscal year	Full Year
	Yen	Yen	Yen	Yen	Yen
Full Fiscal Year Ended March 31, 2009	---	0.00	---	0.00	0.00
Full Fiscal Year Ending March 31, 2010	---				
Full Fiscal Year Ending March 31, 2010 (Forecast)		0.00	---	20.00	20.00

(Note) Revision of dividend forecast during current quarter: None

3. Consolidated Business Results Forecast for Full Fiscal Year Ending March 31, 2010  
(Period from April 1, 2009 to March 31, 2010)

(Percentages for full year indicate the ratio of increase/decrease from previous fiscal year, and those for the consolidated cumulative 2nd Quarter indicate the ratio of increase/decrease from the same Quarter in the previous fiscal year)

	Net sales		Operating Income		Ordinary Income		Net Income		Net Income Per Share
	Million Yen	%	Million Yen	%	Million Yen	%	Million Yen	%	Yen
Consolidated cumulative 2nd Quarter	22,000	107.7	2,000	---	2,000	---	1,500	---	18.76
Full Fiscal Year	58,000	190.1	12,000	---	12,000	---	7,000	---	87.57

(Note) Revision of consolidated business results forecast during current quarter: None

4. Other Matters

- (1) Changes in material subsidiaries during period (changes in specified subsidiaries : Present accompanying change in scope of consolidation)

New: \_\_ companies (Name: );

Excluded: 3 companies (Name: Aruze Marketing Japan Corporation, Aruze Gaming America, Inc. and Aruze Gaming Australia Pty Ltd.)

(Note) Please see "4. Other Matters" under "Qualitative Information/Financial Statements, Etc." on page 3 for details.

- (2) Adoption of simplified accounting procedures and adoption of special accounting : Present procedures in preparation of quarterly consolidated financial statements

(Note) Please see "4. Other Matters" under "Qualitative Information/Financial Statements, Etc." on page 3 for details.

- (3) Changes in principles, procedures, methods of presentation etc. for accounting methods pertaining to preparation of consolidated quarterly financial statements (items marked as changes under significant items serving as the basis for preparation of consolidated quarterly financial statements)

1). Changes resulting from revision of accounting standards : None

2). Changes other than 1). : None

- (4) Total number of issued shares (common stock)

1). Shares issued at the end of quarter (including treasury stock)

1st Quarter of fiscal year ending March 31, 2010: 80,195,000;

Fiscal year ended March 31, 2009: 80,195,000

2). Number of treasury stocks at the end of quarter:

1st Quarter of fiscal year ending March 31, 2010: 260,401;

Fiscal year ended March 31, 2009: 260,363

3). Average number of shares during quarter (quarterly consolidated cumulative period):

1st Quarter of fiscal year ending March 31, 2010: 79,934,613;

1st Quarter of fiscal year ended March 31, 2009: 79,934,902

\*Explanation and Other Noteworthy Items Regarding Proper Application of Business Results Forecast

1. The forecasts of business results and other items concerning the future as featured herein are based on information that is currently available and certain assumptions that are determined to be reasonable. Actual business results may deviate significantly due to a number of factors.

Qualitative Information/Financial Statements, Etc.

1. Qualitative Information Pertaining to Consolidated Operating Results

[Overview of the Business Result]

During the 1st Quarter of the current consolidated fiscal year, the Japanese economy remained unstable under the influence of the continued global economic slowdown triggered by the financial crisis in the U.S.

In such a situation, "Midori-Don," the Pachislot machine released in May, received orders for 30,000 machines cumulatively by the end of June, and the number continued to grow larger afterwards.

Accordingly, the net sales for the 1st Quarter of the current consolidated financial year amounted to 12,272 million yen (138.5% increase compared to the same Quarter of the previous year) and operating income amounted to 1,527 million yen (operating loss of 3,558 million yen for the same Quarter of the previous year). Due to these, the Company has erased its chronic deficits.

Concerning the non-operating income and loss, however, non-operating expenses totaled to 2,201 million yen due to following factors; 600 million yen due to the impact of the loss recorded by Wynn Resorts, Limited (NASDAQ: WYNN), an equity-method affiliate of the Company group, which is caused by burden from the opening of "Encore At Wynn Las Vegas," a new hotel tower which commenced its operation last Christmas in Las Vegas; 900 million yen due to the amortization of the amount equivalent to goodwill which was generated by former acquisition of its own shares by Wynn Resorts Limited; foreign exchange losses and other reasons. Accordingly, ordinary loss amounted to 564 million yen (ordinary loss of 2,931 million yen for the same Quarter of the previous year). For your information, Wynn Resorts, Limited has recovered its profitability in the 2nd Quarter (period from April to June 2009).

Regarding extraordinary loss, as a result of the capital increase by Wynn Resorts, Limited, the Company has recorded loss on change in equity of 366 million yen and quarterly net loss amounted to 1,261 million yen (quarterly net loss of 4,115 million yen for the same quarter of the previous year).

The summary of Company's business results by business segment is as follows:

① Pachislot and Pachinko Business

With regard to the Pachislot and Pachinko business, approximately 196,000 new Pachislot machines were installed in the whole Pachislot market for the 1st Quarter of the current fiscal year, resulting 98.6%<sup>\*Note 1</sup> of the installment level for the same period of the previous year.

In the Pachinko and Pachislot industry, some Pachinko parlor operating companies reported high profits mainly due to high utilization ratio of MAX-type Pachinko machines during the previous fiscal year, however, the situation turned severe in the current fiscal year in accordance with the obvious decrease of Pachinko machine players.

In such an environment, "Midori-Don," the Pachislot machine which the Company started its shipment in late May, has been highly acclaimed as a Type-5 machine with high performance characteristics and became the No. 1 Pachislot machine installed in the whole nation for the 1st Quarter of the current fiscal year.

As a leading Type 5 machine in the Pachislot industry, "Midori-Don" accomplished an enormous achievement by increasing the utilization ratio of Pachislot machines and bringing about a significant change in the industry. Such success helped the Company establish a solid position in the Pachislot industry of Type 5 machines.

For the above factors, the number of sales and installments of Pachislot machines reached 27,400, and the number of software exchange services reached 700, resulting in 28,100 machines in total for the 1st Quarter of the current consolidated fiscal year.

\*Note 1: In-house research

## ② Other Businesses

Aruze Media Net, Inc., the core company for Aruze Group's media contents business, has absorbed the contents development and production functions of the Company in order to reinforce further its mobile phone website contents service, its main business, through the compression of costs and the streamlining of the operations. Also, the aggressive development of contents corresponding to the release of the Pachislot machine "Midori-Don," has led to the increase of paying members.

Japan Amusement Broadcasting Corp., which airs "Pachinko-Pachislot TV!" as a specialty channel on SkyPerfectTV!, has reviewed its production system and procedures in order to create programs which meet further demands of the viewers. Also, efforts were made to increase the fans of the program through expansion of the secondary broadcasting business through the delivery via the Internet, etc.

## 2. Qualitative Information Pertaining to Consolidated Financial Condition

Our total assets stood at 147,838 million yen at the end of the 1st Quarter of the current period (up 2,077 million yen compared to the end of the previous period). As for the key factors of change, land assets increased by 1,214 million yen and investment securities increased by 1,526 million yen in accordance with the fluctuation in exchange.

Liabilities were 34,445 million yen (up 1,522 million yen compared to the end of the previous period). As for the key factors of change, while loans payable fell by 2,592 million yen, notes payable-trade and accounts payable-trade increased by 4,216 million yen.

Net assets amounted to 113,393 million yen (up 555 million yen compared to the end of the previous period). Among the key factors of change, the decreases of 1,262 million yen in retained earnings and 3,799 million yen in minority interests under shareholders' equity were offset by the increase of 5,624 million yen in valuation and translation adjustments arisen from fluctuations in share prices and currency exchange.

## 3. Qualitative Information Pertaining to Consolidated Business Results Forecast

### ① Pachislot and Pachinko Business

In this year of our 40th anniversary, with respect to Pachislot machines, the Company intends the recovery of our market share by introducing machines, which reflects the factors of popularity based on the information gathered by our sales personnel, and machines, which meets the demands in the market. "Midori-Don" was introduced to the market for such intention, and has become the top installed machine in the market of this year (as of July 2009) and has received enormous acclaim.

For our next machine to release, the Company schedules to introduce a Pachislot machine, which utilizes the copyright of "Ginga Eiyu Densetsu," a story which has been loved over 20 years in forms of novels, etc. The machine will be equipped with a function named "Machine Gun Bonus System" (M.B.S.) which is unprecedented in the Pachislot industry. The function features higher frequency of coin-outs of 1,000 to 2,000 coins than that of Midori-Don and offers a greater experience of coin gaining feeling.

As a part of the promotion campaign of "Ginga Eiyu Densetsu," the Company plans to offer the machine with a lower price to the Pachislot parlors which have purchased "Ao-Don" and "Aka-Don" previously, as an expression of our gratitude for the 40 years of support for our business.

Also, "Ao-Don 2," of which shipment is scheduled in November, will feature our well beloved character in the Pachislot market "Don-chan," and will be released in 2 titles of "Takumi," which will succeed the characteristics of our Type 4 machine "Hanabi," and of "Kiwami," which will succeed the characteristics of our Type 5 machine "Ao-Don."

Furthermore, concerning Pachinko machines, the Company is planning to introduce products which feature novelty and competitiveness, and intends to install 50,000 machines for the full fiscal year.

② Other businesses

Aruze Media Net, Inc. will focus on the further expansion of the existing businesses, as well as development of new contents and producing of media developments. Also, Aruze Media Net, Inc. will promote the development of managerial framework in which Aruze Media Net will be less dependent on the parent company as well as the preparation for the growth of the Company group's media contents business.

Japan Amusement Broadcasting Corp. will implement a major review of its program lineup from October in view of the viewers' survey conducted this Spring. Furthermore, Japan Amusement Broadcasting Corp. will strive for the increase of the viewers and fans by corresponding to the diversification of viewing methods, which match to various lifestyles.

Concerning the casino resort business, the Company plans Aruze Group's unique resort-complex facilities on the vast land in the Philippines, integrating the world-largest-class casino with approximately 20,000 square meters casino space as a core of the project, a hotel with 33 floors, spa, aquarium, large-scale Ferris wheel, convention halls, etc.

The acquisition of the lands was completed in July 2008 and the scheme designing has also been completed. By the summer of 2010, construction estimate will be completed and construction work is expected to start. The operation is scheduled to start in the summer of 2013.

4. Other Matters

(1) Changes in material subsidiaries during period (changes in specified subsidiaries accompanying change in scope of consolidation)

Effective the 1st Quarter of the current period, Aruze Marketing Japan Corporation, Aruze Gaming America, Inc. and Aruze Gaming Australia Pty Ltd. were excluded from the scope of the consolidation of the Company group since Aruze Marketing Japan was merged to the Company, while all Aruze Gaming America, Inc. and Aruze Gaming Australia Pty Ltd. shares, which were held by the Company, were sold and major transactions with such companies were terminated.

(2) Adoption of simplified accounting procedures and adoption of special accounting procedures in preparation of quarterly consolidated financial statements

① Method of Calculating Depreciation and Amortization for Non-current Assets

Assets calculated by the declining balance method is calculated by the method to proportionally divide the amount of depreciation and amortization under the consolidated accounting year per a period

② Method of Calculating Income Taxes

In the calculation of the amount of taxes paid under income taxes, adjustment items and tax withholding items taken into consideration are limited only to those items that are material.

(3) Changes in principles, procedures, methods of presentation etc. for accounting methods pertaining to preparation of consolidated quarterly financial statements

No applicable information.

## 5. Quarterly Consolidated Financial Statements

## (1) Quarterly Consolidated Balance Sheets

(Unit: Million yen)

	The End of the 1st Quarter of the Current Consolidated Fiscal Year (June 30, 2009)	Summarized Consolidated Balance Sheets for the End of Previous Consolidated Fiscal Year (March 31, 2009)
<b>Assets</b>		
Current assets		
Cash and deposits	13,742	14,448
Notes and accounts receivable-trade	8,344	5,552
Securities	136	132
Merchandise and finished goods	966	3,254
Work in process	2,865	3,762
Raw materials and supplies	19,501	17,649
Other	7,382	7,622
Allowance for doubtful accounts	(153)	(116)
<b>Total current assets</b>	<b>52,787</b>	<b>52,305</b>
Non-current assets		
Property, plant and equipment		
Land	34,849	33,635
Other	7,273	7,913
<b>Total property, plant and equipment</b>	<b>42,123</b>	<b>41,548</b>
Intangible assets		
Goodwill	373	410
Other	312	356
<b>Total intangible assets</b>	<b>686</b>	<b>766</b>
Investments and other assets		
Investment securities	48,498	46,972
Other	6,204	6,663
Allowance for doubtful accounts	(2,462)	(2,494)
<b>Total investments and other assets</b>	<b>52,240</b>	<b>51,141</b>
<b>Total noncurrent assets</b>	<b>95,050</b>	<b>93,456</b>
<b>Total assets</b>	<b>147,838</b>	<b>145,761</b>

(Unit: Million yen)

	The End of the 1st Quarter of the Current Consolidated Fiscal Year (June 30,2009)	Summarized Consolidated Balance Sheets for the End of Previous Consolidated Fiscal Year (March 31, 2009)
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable-trade	5,276	1,060
Short-term loans payable	17,670	20,063
Current portion of long-term loans payable	584	783
Current portion of bonds	1,100	1,200
Accrued income taxes	63	162
Reserve for bonuses	243	169
Other	5,780	5,509
Total current liabilities	30,718	28,949
Noncurrent liabilities		
Bonds payable	2,000	2,000
Other	1,726	1,974
Total noncurrent liabilities	3,726	3,974
Total liabilities	34,445	32,923
Net assets		
Shareholders' equity		
Capital stock	3,446	3,446
Capital surplus	7,503	7,503
Retained earnings	116,937	118,199
Treasury stock	(1,637)	(1,637)
Total shareholders' equity	126,250	127,512
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	13	5
Foreign currency translation adjustment	(13,012)	(18,628)
Total valuation and translation adjustments	(12,999)	(18,623)
Subscription rights to shares	142	149
Minority interests	---	3,799
Total net assets	113,393	112,838
Total liabilities and net assets	147,838	145,761

(2) Quarterly Consolidated Statements of Income  
(The 1st Quarter of the Consolidated Cumulative Period)

(Unit: Million yen)

	The 1st Quarter of the Previous Consolidated Cumulative Period (April 1, 2008 to June 30, 2008)	The 1st Quarter of the Current Consolidated Cumulative Period (April 1, 2009 to June 30, 2009)
Net sales	5,146	12,272
Cost of sales	2,796	6,748
Gross profit	2,350	5,524
Selling, general and administrative expenses	5,909	3,997
Operating income (or loss)	(3,558)	1,527
Non-operating income		
Interest income	52	46
Dividends income	206	7
Equity in earnings of affiliates	895	---
Other	65	56
Total non-operating income	1,220	109
Non-operating expenses		
Interest expenses	33	232
Foreign exchange losses	541	391
Equity in losses of affiliates	---	1,565
Other	17	12
Total non-operating expenses	593	2,201
Ordinary (loss)	(2,931)	(564)
Extraordinary income		
Gain on prior period adjustment	27	103
Gain on sales of noncurrent assets	3	---
Reversal of allowance for doubtful accounts	88	61
Other	24	22
Total extraordinary income	145	187
Extraordinary loss		
Loss on prior period adjustment	24	---
Impairment loss	32	---
Loss on change in equity	---	366
Other	0	5
Total extraordinary loss	56	371
(Net loss) before taxes and adjustments for quarter	(2,842)	(748)
Income taxes-current	411	12
Refund of income taxes	---	(58)
Income taxes-deferred	861	559
Total income taxes	1,273	513
(Net loss) for quarter	(4,115)	(1,261)

(3) Notes Pertaining to Going Concern

Not applicable

(4) Notes in Event of Significant Fluctuation in Amount of Shareholders' Equity

Not applicable