

February 14, 2020

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Notice of Posting of Equity in Earnings of Affiliates and Posting of Non-Operating Income Due to Sale of Noncurrent Assets

Universal Entertainment Corporation (hereinafter referred to as the “Company”) hereby announces that the decision has been made to post an equity in earnings of affiliates and a non-operating income by selling a portion of noncurrent assets (land) held by EAGLE I LANDHOLDINGS, INC., an equity method affiliate of the Company (in which the Company Group has an equity share of 40%). Details are as follows.

1. Reason for Sale

To sell a portion of land held by the Company to a Philippine corporation with the aim of effectively utilizing Company-held property and achieving a synergy with the Integrated Resort (IR) Business that the Company Group is currently developing in the Philippines.

2. Description of Land to Be Sold

(1) Location of assets	Brgy. Tambo/Don Galo, Paranaque City, Metro Manila
(2) Area of land	36,610 m ²
(3) Sale price	360,000 PHP/m ²

3. Overview of Buyer

The Company will refrain from disclosing the buyer at the buyer’s behest. The buyer is a Philippine corporation registered with the Philippines Securities and Exchange Commission. It has no human relationship or business relationship with the Company, nor does it fall under a related party of the Company.

4. Land Sale Schedule

(1) Date of execution of Statement of Mutual Agreement on Sale and Purchase of Land	February 14, 2020
(2) Date of delivery of property	June 30, 2020 (tent.)

5. Future Outlook

Following the sale of the land in question, the Company is expecting to post a total of approx. 14.7 billion JPY in non-operating income in its consolidated settlement of accounts for the fiscal year ending December 31, 2020, with this consisting of approx. 5 billion JPY in equity in earnings of affiliates and approx. 9.7 billion JPY in income from the cancelation of lease rights for said land at Tiger Resort, Leisure and Entertainment, Inc. a consolidated subsidiary of the Company (1 PHP=2.17 JPY). Note that the posting of this non-operating income has been factored into the consolidated full-year business performance forecast for the fiscal year ending December 31, 2020 disclosed by the Company today.