Company Name: ARUZE CORP.
Name and Title of Representative: Kunihiko Yogo
Representative Director and CEO
(JASDAQ Code: 6425)
Contact: Yoshito Hori
Member of the Board of Directors
TEL: 81-3-5530-3055 (switchboard)

Announcement by a Subsidiary of Aruze Corp. (Seta Corp.)

Seta Corp., a subsidiary of the Company, announced “Notification of occurrence of an event which may affect the past business results and causes a postponement of scheduled date for the disclosure of outline of financial and business status for the 1st quarter of the fiscal year ending March 2008” as attached, on August 23, 2007.

Seta Corp. stated, in the notification, that it was speculated that the delivery of some products had not been completed at the end of March 2007 according to its product transfer records and it was currently presumed that the net sales might be affected by approximately 330 million yen for the fiscal year ended March 2007. The Company anticipates that the affect to the Company’s consolidated business result for the fiscal year ended March 2007 will be minimal, in consideration that the Company’s net sales was 36,387 million yen and its consolidated net assets was 117,028 million yen for the fiscal year.

(Reference: Seta Corp.’s consolidated net sales was 5,119 million yen and its consolidated net assets was 1,323 million yen for the fiscal year ended March 2007.)
Notification of occurrence of an event which may affect the past business results and causes a postponement of scheduled date for the disclosure of outline of financial and business status for the 1st quarter of the fiscal year ending March 2008

An announcement is hereby made that there might be an event causing amendments to Seta Corp.’s accounting for the fiscal year ended March 2007. We also announce that the disclosure of outline of the financial and business status for the 1st quarter of the fiscal year ending March 2008 will be delayed in connection with such event.

1. Occurrence of the event which may affect the past business results:

   It was found that a part of sales revenue which should be booked for the fiscal year ending March 2008 might have been recorded in the fiscal year ended March 2007.

   It is speculated that the delivery of some products had not been completed at the end of March 2007 according to the product transfer records and it is currently presumed that the net sales for the fiscal year ended March 2007 might be affected by approximately 330 million yen. The details, however, are still under investigation and the amount of correction might significantly change depending on the result of further inspection.

   Internal compliance committee (Note 1) will conduct investigations in more details, seeking opinions from external knowledgeable persons (Note 2). The result will be announced as soon as the details are identified.

(Note 1) It was established on July 23, 2007, along with the change of representative as of July 19, 2007, for the purpose of auditing the current compliance status in Seta Corp.

The committee is chaired by Mr. Hirabayashi, the Representative Director and is comprised of 2 outside directors of Seta Corp., 2 employees with its parent company, Aruze Corp., and its group company and 2 persons from Seta Corp.’s administration department.
(Note 2) While we are planning to seek opinions from attorneys, certified public accountants, tax consultants and other experts as external knowledgeable persons, it has not been decided from whom we request opinions.

2. Delay of disclosure of outline of financial and business status for the 1st quarter of the fiscal year ending March 2008

Based on the above-mentioned situation, the figures concerned with the business result of the fiscal year ended March 2007 and the outline of financial and business status for the 1st quarter of the fiscal year ending March 2008 are currently reviewed. Therefore, we postpone the disclosure schedule planned for August 24, 2007. An announcement will be made as soon as the details are identified.