

The following English translation is for reference purposes only, as it was originally prepared and published by the Company in Japanese and is qualified in its entirety by the original Japanese version submitted to the Tokyo Stock Exchange. Please refer to the Japanese version in the event of any discrepancy between the English and Japanese versions.



Company Name: Ateam Inc.

December 06, 2013

Representative: Takao Hayashi, President

(Code Number: 3662)

Contact: Akinori Mitsuoka, General Manager of Corporate Development Division

(Tel: +81-52-527-3091)

Notice of Capital Alliance and Formation of Joint Venture Company with NHN Entertainment Corporation

Ateam Inc. (hereafter "Ateam") is pleased to announce that it has today entered into both a capital alliance contract and a joint venture agreement with NHN Entertainment Corporation (Headquarters: South Korea, President: Lee Eun-Sang, hereafter "NHN Entertainment").

1. Outline of Agreement

- (1) NHN Entertainment will obtain 290,000 common shares (3.02% of total shares issued) of Ateam.
- (2) Ateam and NHN Entertainment will form a fifty-fifty joint venture company that will focus on the collaborative planning, development, and operation of smartphone game titles for online messenger platforms such as LINE and Kakao Talk. The joint venture company is scheduled to be established in January 2014.

2. Background

Ateam's Entertainment Division, which focuses on the planning, development, and operation of smartphone applications, is a central part of Ateam's plan for future growth. It has released many game titles both domestically and internationally on platforms including the iTunes App Store, Google Play, and the GREE Platform.

NHN Entertainment is a publicly-traded company listed on the Korean Exchange (KRX). It was formed on August 1, 2013, when the Games Division (Hangame) of South Korean NHN Corporation (now Naver Corporation) was separated and established as an independent company. NHN Entertainment has released many online game titles for PC platforms, and is currently focusing on the development of titles for smartphone messenger platforms such as LINE and Kakao Talk, which are expanding their global user bases.

Through this capital alliance and joint venture agreement, Ateam and NHN Entertainment aim to utilize the skills and knowhow of both companies to produce titles for messenger platforms

and expand their growth not only in the Japanese and South Korean markets, but in international markets as well.

3. Outline of Capital Alliance

Through an off-floor trade on the Tokyo Stock Exchange (ToSTNeT-1), NHN Entertainment will acquire 290,000 common shares (3.02% of total shares issued) of Ateam Inc. from existing shareholders on December 9, 2013.

In the future, NHN Entertainment may acquire additional common shares of Ateam Inc. up to an amount around 5% of total shares issued.

4. Outline of Joint Venture Company

Company Name	To be determined
Location	Nagoya Lucent Tower, 6-1 Ushijima-cho, Nishi-ku, Nagoya 451-6036, Japan (Same as Ateam headquarters)
Representative	Yukimasa Nakauchi, President (Ateam Executive Director & Entertainment Division General Manager)
Business Content	Planning and development of game titles, centering on smartphone messenger platforms
Capital	JPY150 million (Additional paid-in capital: JPY150 million)
Date of Establishment	January 2014 (target date)
Ratio of Share Holding	Ateam: 50% NHN Entertainment: 50%
End of Fiscal Year	July 31

5. Outline of Capital Alliance Partner

Company Name	NHN Entertainment Corporation	
Location	NHN Ent. Play Museum, 629 Sampyeong-dong, Bundang-gu, Seongnam-si, Gyeonggi-do, 463-400, Korea	
Representative	Lee Eun-Sang, President	
Date of Establishment	August 1, 2013	
Security Code	181710 (Korean Stock Exchange (KSE))	
Recent Business Performance		
Fiscal Year	FY2012 Full year (Ended December 2012)	FY2013 Third quarter (Nine months ended September 2013)
Revenue	KRW625,339 million	KRW477,930 million
Operating Expenses	KRW427,614 million	KRW325,769 million
Operating Income	KRW197,725 million	KRW152,160 million

6. Schedule

December 5, 2013: Resolution of the board of directors

December 6, 2013: Signing of capital alliance contract

December 9, 2013: Acquisition of Ateam common shares by NHN Entertainment (target date)

January 2014: Establishment of joint venture company (target date)

7. Future Outlook

Possible effects of this capital alliance and joint venture agreement on Ateam's fiscal outlook are currently being examined. Further notifications will be issued as quickly as possible in the event that any effect on Ateam's fiscal outlook is identified.