March 25, 2013

SoftBank Corp.

Commencement of Tender Offer by a Consolidated Subsidiary (SoftBank Mobile Corp.)

SoftBank Mobile Corp. ("**SoftBank Mobile**"), a consolidated subsidiary of SoftBank Corp., has resolved at its board of directors meeting on March 25, 2013, to acquire by tender offer (the "**Tender Offer**") the ordinary shares of GungHo Online Entertainment, Inc. (JASDAQ Standard, code 3765, "**GungHo Online Entertainment**"), which is an affiliate of SoftBank Corp. accounted for under the equity method. Please see the attached notice for further details.

1. Outline of SoftBank Mobile

(1) Address	1-9-1 Higashi-Shimbashi Minato-ku, Tokyo
(2) Name and title of the representative	Masayoshi Son, chairman and CEO
(3) Business description	Provision of mobile communication service Business related to mobile communication service including sales of mobile devices
(4) Paid-in Capital	JPY 177,251 million

2. Future Prospects

As announced in a separate notice "*1. Purpose, etc., of the Purchase, etc., Overview of the Tender Offer*" as of April 1, 2013 GungHo Online Entertainment is to become a consolidated subsidiary of SoftBank Corp. A separate press release will be issued regarding this matter.

SoftBank Corp. has decided to apply the International Financial Reporting Standards (IFRS) from the first quarter of the fiscal year ending March 31, 2014. As a result of GungHo Online Entertainment becoming a consolidated subsidiary, SoftBank Corp. will re-measure the fair value of the existing shares held. The impact of this on SoftBank Corp.'s consolidated statement of income for the first quarter of fiscal year ending March 2014 is expected to be a gain of approximately JPY 170.0 billion (Note).

(Note) provisional calculation based on the closing price of GungHo Online Entertainment on March 22, 2013. The actual calculation will be based on the closing price of GungHo Online Entertainment on March 29, 2013.

March 25, 2013

SoftBank Mobile Corp.

Commencement of Tender Offer for Shares of GungHo Online Entertainment, Inc.

SoftBank Mobile Corp. (the "**Company**" or the "**Tender Offeror**") has resolved as set out below at its board of directors meeting on March 25, 2013, to acquire by tender offer (the "**Tender Offer**") the ordinary shares of GungHo Online Entertainment, Inc. (code 3765, listed on the JASDAQ Standard; the "**Target Company**").

Details of Tender Offer

1. Purpose, etc., of the Purchase, etc.

(1) Overview of the Tender Offer

The Company has resolved at its board of directors meeting on March 25, 2013, to undertake the Tender Offer with the aim of strengthening its relationship with the Target Company as a global content strategy by acquiring the ordinary shares of the Target Company (the "**Target Company's Shares**"), which is listed on the JASDAQ Standard market (the "**JASDAQ Market**"), a market established by the Osaka Securities Exchange Co., Ltd, as a part of the management strategy of SoftBank Corp. ("**SoftBank**"), which is the ultimate parent company of the Company, and its subsidiaries and affiliates (the "**SoftBank Group**").

In addition, Masayoshi Son, chairman and CEO of SoftBank as well as chairman and CEO of the Company, has reportedly entered into a Memorandum of Understanding on Exercise of Voting Rights for Deferment of Execution of Pledges with respect to the Target Company's Shares on April 1, 2013, with Heartis Inc. (number of shares held (see Note 1 below): 213,080 shares; Holding Rate (see Note 2 below): 18.5%; "**Heartis**") (the "**MOU**"), which is the Target Company's second largest shareholder and Taizo Son's asset management company and which has Taizo Son, chairman of the Target Company, as its representative director. Under the MOU, in order to have Son Holdings Inc.("**Son Holdings**"), a director of which is Masayoshi Son and which is Masayoshi Son's asset management company, defer the execution of pledges over the Target Company's Shares held by Heartis, Heartis has reportedly agreed, effective as of April 1, 2013, to the effect that at the shareholders meeting of the Target Company Heartis will exercise the voting rights in all of the Target Company's Shares it holds in accordance with Masayoshi Son's instructions. Further, SoftBank has decided to apply the International Financial Reporting Standards (IFRS) from the first quarter of the fiscal year ending March 31, 2014, so when the MOU becomes effective, SoftBank BB Corp. (number of shares held: 387,440 shares; Holding Rate: 33.63%; "**SoftBank BB**"), all of the voting rights in which are owned by SoftBank, and Masayoshi Son, who has a close relationship with SoftBank, will together come to represent a majority of the voting rights in the Target Company's Shares (number of voting rights represented by the total of 600,520 shares held by SoftBank BB and Heartis: 600,520 rights; voting right Holding Rate (see Note 3 below): 52.13%), as a result of which the Target Company will become a consolidated subsidiary of SoftBank (see Note 4 below).

As part of undertaking the Tender Offer, the Company has entered into an Agreement to Tender Shares in Tender Offer (the "**Share Tender Agreement**") on March 25, 2013, with ASIAN GROOVE GOUDOU GAISHA ("**Asian Groove**"; number of shares held: 166,710 shares; Holding Rate:

14.47%), which is the third largest shareholder of the Target Company and the CEO of which is Taizo Son, the Target Company's chairman, and under the Share Tender Agreement Asian Groove has agreed to tender in the Tender Offer 73,400 shares (Holding Rate: 6.37%) of the Target Company's Shares, which are a portion of the Target Company's Shares held by it (the "**Target Company's Shares Held by Asian Groove**"). Please refer to *(i) Share Tender Agreements* under *(4) Important Agreements Relating to Tender Offer* below for further details on the Share Tender Agreement. Further, although the Company currently does not hold any Target Company's Shares, because the Share Certificates, etc., Holding Rates (which has the meaning defined in Article 27-2, Paragraph 8, of the Financial Instruments and Exchange Act (Act No. 25 of 1948; as amended, the "**Act**")) of the Company's special related parties already exceeds one third of Target Company's Shares, in accordance with Article 27-2, Paragraph 1, Item 1, of the Act, the Company will undertake the Tender Offer in accordance with the requirement to follow tender offer procedures to purchase the Target Company's Shares. The price of the purchase, etc., of the Target Company's Shares in the Tender Offer (the "**Tender Offer Price**") has been determined after discussions and negotiations between Asian Groove, as a shareholder that has agreed to tender its Target Company's Shares, and the Company. The Tender Offer is to be undertaken on the premise that a portion of the Target Company's Shares Held by Asian Groove will be tendered, and because the Company's policy is to continue to keep the Target Company's Shares listed even after the Tender Offer, the Company has set the number of share certificates, etc., scheduled to be purchased at a maximum of 73,400 shares (Holding Rate: 6.37%), being the same number of the Target Company's Shares to be tendered as agreed between the Company and Asian Groove. As a result, if the total number of share certificates, etc., tendered exceeds the maximum number of share certificates, etc., scheduled to be purchased (73,400 shares), the Company will purchase, etc., only some, or will not purchase, etc., any, of the excess shares, and the Company will take delivery in relation to the purchase, etc., of the share certificates, etc., and make any other such settlement by the proportional distribution provided for in Article 27-13, Paragraph 5, of the Act and Article 32 of the Cabinet Office Ordinance Relating to Disclosure of Tender Offer for Share Certificates, etc., by a Person Other than the Issuer (Ministry of Finance Ordinance No. 38 of 1990; as amended, the "**Ordinance**"). On the other hand, because no minimum number of share certificates, etc., scheduled to be purchased has been set, if the total number of share certificates, etc., tendered does not exceed the maximum number of share certificates, etc., scheduled to be purchased (73,400 shares), the Company will purchase, etc., all of the tendered share certificates, etc.

Furthermore, according to the Target Company's *Notice of Statement of Opinion on Tender Offer for Company Shares by SoftBank Mobile Corp.* released on March 25, 2013 (the "**Target Company's Press Release**"), the Target Company has reportedly resolved at its board of directors meeting on the same day, by unanimous vote of all directors who attended the resolution, to approve the Tender Offer without any objection to the Company's building a direct capital relationship with the Target Company by newly possessing a portion of the Target Company's Shares, because (1) the Company thinks very highly of the Target Company's ability to plan and develop game content and, through a respect for a highly independent and free and broad-minded corporate culture, and expects the Target Company to develop high quality game content in the future as well, (2) the Target Company can expect to be able to achieve further growth in global markets through utilizing the SoftBank Group's global management resources, and (3) the Target Company's independence as a games developer is respected and its current management system (the composition of its officers) can be expected to remain the same.

On the other hand, because the Tender Offer Price has been decided based on the results of discussions and negotiations between the Company and Asian Groove, as a shareholder that has agreed to tender its Target Company's Shares, and because a maximum number of share certificates, etc., scheduled to be purchased has been set in the Tender Offer and the plan is to continue to keep the Target Company's Shares listed even after the Tender Offer, in light of the fact that it is sufficiently reasonable for shareholders of the Target Company to hold the Target Company's Shares even after the Tender Offer, the Company has reportedly resolved to reserve its opinion on the appropriateness of the Tender Offer Price and to leave the decision of whether or not the Target Company's shareholders should tender their Target Company's Shares in the Tender Offer up to each shareholder's discretion.

Of the Target Company's directors at the above board of directors meeting, (i) Taizo Son, chairman of the Target Company, also serves as a representative director of Heartis, which has agreed in the MOU to the effect that it will exercise its voting rights in the Target Company's Shares in accordance with the instructions of Masayoshi Son, SoftBank's chairman and CEO and the Company's chairman and CEO, and (ii) Norikazu Oba is concurrently serving as assistant to the Manager of the Finance Department as well as head of the Finance Management Group of SoftBank, the Company's ultimate parent company, so to avoid any suspicion of a conflict of interest, it is reported that neither of them participated in any deliberations or resolutions whatsoever relating to the Tender Offer at the Target Company's board of directors meeting. All 5 of the 7 Target Company directors other than the above 2 directors reportedly attended that board of directors meeting and resolved, with the unanimous approval of all directors present, to approve the Tender Offer. All 3 of the Target Company's corporate auditors (3 of whom are external corporate auditors) reportedly attended that board of directors meeting and stated their opinion to the effect that they did not object to the matters for resolution at the Target Company's board of directors meeting referred to above.

Notes

1. According to the Target Company's *Notice of Share Split and Amendments to Articles of Incorporation* released February 14, 2013 (the "**Target Company's Share Split Press Release**"), the Target Company has reportedly resolved to carry out a share split, effective April 1, 2013, at a ratio of 10 shares for every 1 share (the "**Target Company's Share Split**"). As a result, the number of the Target Company's Shares set out in this disclosure materials is in principle set out using the figure calculated by multiplying the number of shares before the Target Company's Share Split by 10 and converting that quotient to the number of shares after the Target Company's Share Split (the "**Number of Shares After the Target Company's Share Split**"), and if the number of shares before the Target Company's Share Split and the Number of Shares After the Target Company's Share Split are to be set out together, it will be clearly set out to that effect with respect to the Number of Shares After the Target Company's Share Split.
2. "**Holding Rate**" means the percentage (rounded off to the second decimal place; the same applies to all calculations below) of the number of shares held accounted for by the number of shares (1,152,010 shares) calculated by adding (i) the number of shares (1,149,810 shares) calculated by multiplying by 10 the total number of the Target Company's outstanding shares as at December 31, 2012 (114,981 shares) set out in the 16th Securities Report filed by the Target Company on March 22, 2013, to (ii) the number of shares (2,200 shares) calculated by multiplying by 10 the number of the Target Company's Shares (220 shares) that are subject to the number of options as at December 31, 2012 (44 options) that are series 1 options that were issued on July 30, 2004 (the "**Series 1 Options**") pursuant to the Target Company's extraordinary shareholder meeting resolution adopted on May 17, 2004, and extraordinary board of directors resolution adopted on June 21, 2004, that are set out in that Securities Report.
3. The voting right Holding Rate is calculated using the number of voting rights (1,152,010 rights) relating to the Number of Shares After the Target Company's Share Split (1,152,010 shares) as the denominator, which is based on the number of shares (115,201 shares; the Number of Shares After the Target Company's Share Split: 1,152,010 shares) calculated by adding (i) the total number of the Target Company's outstanding shares as at December 31, 2012 (114,981 shares; the Number of Shares After the Target Company's Share Split: 1,149,810 shares) set out in the 16th Securities Report filed by the Target Company on March 22, 2013, to (ii) the number of the Target Company's Shares (220 shares; the Number of Shares After the Target Company's Share Split: 2,200 shares) that are subject to the number of the Series 1 Options as at December 31, 2012 (44 options) that are set out in that Securities Report.
4. If the Tender Offer is successful, the Company and SoftBank BB (number of shares held: 387,440 shares; Holding Rate: 33.63%), all of each voting rights of which are owned by SoftBank, will together own a total of 460,840 Target Company's Shares (Holding Rate: 40.00%), and when the MOU takes effect, SoftBank will, together with Masayoshi Son, who has a close relationship with SoftBank, come to represent a majority of the voting rights in the Target Company's Shares (the total number of voting rights represented by the total of 673,920 shares held by the Company, SoftBank BB, and Heartis: 673,920 rights; the voting right Holding Rate: 58.50%), so even if Japanese generally accepted accounting practices were applied, the Target Company would come to correspond to a consolidated entity of SoftBank pursuant to effective control criteria.

(2) Purpose of and Background to the Tender Offer; Management Policies After the Tender Offer

The Company operates the mobile communications business which provides mobile phone services and sales of mobile devices and others associated with such services with the corporate philosophy of "Information Revolution – Happiness for everyone". The Company, and its subsidiaries and affiliates (the "**SoftBank Mobile Group**"), play very important roles to achieve the SoftBank Group's objective of generating JPY 1 trillion of the consolidated operating income through the domestic business in the fiscal year ending March, 31, 2017. With the strategy of aiming to become No.1 in mobile Internet, the Company keeps striving to provide comfortable and joyful mobile Internet service to customers by improving voice communication quality as well as enhancing the mobile phone network, mobile device lineup, mobile content, and sales and marketing. In 2012, various types of initiatives were implemented such as the business alliance between the Company and eAccess Ltd., and decision-making on the strategic acquisition of Sprint Nextel Corporation by SoftBank Corp. to ensure the business base as the world largest mobile Internet company.

The Target Company was originally started as ONSALE JAPAN K.K., a joint venture between SoftBank Corp. and ONSALE, Inc. in 1998 with SoftBank BB Corp. as a major shareholder (number of shares held: 387,440 shares, Holding Rate: 33.63%). It is an equity method affiliate of SoftBank Corp., the ultimate parent company. Currently the Target Company operates PC online business which provides delivery and operation of online games planned and developed in-house as well as licensed game content of competitors', and mobile consumer business which provides planning, development, distribution, and sales of game software and game content for home-use game consoles, portable game consoles and smartphones (high-functional mobile devices). Along with the world-wide penetration and expansion of smartphones and connection of various devices to the Internet, a flexible approach was required to address the market change. Under such circumstances, the Target Company and its subsidiaries and affiliates (the "Target Company Group") has reportedly expanded its business to become the world No.1 entertainment company by creating new value and maximizing existing value. While the game population is expected to further expand due to the explosive increase in online devices in our daily life which is attracting more people to enjoy games, the Target Company Group has reportedly been focusing on planning, development and distribution of smartphone games by foreseeing the global penetration and market expansion of smartphones in recent years.

It is expected that the number of smartphone users will be three-fold and the number of tablets sold will be six-fold in 5 years in Japan (see Note 1 below), and the way to access the Internet is shifting from PC to mobile device globally. At the same time, further fierce competition in the mobile communications business is expected due to the diversification of smartphones and growing price and service competition. Against this background, enhancement of mobile content such as video, electronic books, and games is becoming even more important in the mobile communications business in addition to the further expansion of network, a wide variety of smartphones and tablets, the expansion of cloud services, and optimization of various services including eCommerce to mobile devices. The Company believes that attractive service and content itself can contribute to our revenue and also be a great differentiator in the mobile communications service, which will ultimately lead to a further increase in data communication revenue.

With this understanding, the Company recognized the importance of enhancing mobile content by combining smartphone-focused development capability and infrastructure held by the SoftBank Mobile Group and planning and creating capability in the smartphone game industry held by the Target Company Group to further improve the efficiency in operation of the mobile communications business, profitability and competitiveness. As a result, the Company came to the conclusion that it is necessary to establish a direct capital relationship with the Target Company. In addition, it is not only important for the Company but also for the SoftBank Group, which has based its business growth on the Internet, to address the environmental change caused by online devices, enhance content lineup catering to the market's various needs, and strengthen the content distribution capability of the SoftBank Group. This also led to the conclusion to enhance the capital relationship with the Target Company.

It is also expected that enhancing the capital relationship with the Target Company and utilizing the global management resources held by the SoftBank Group will contribute to the revenue and the expansion of distribution channels of online and smartphone games, and allow the Target Company, the Company and the SoftBank Group to enhance their revenue base and enterprise value.

Under these circumstances, the Company initiated discussion on the Transaction with the Target Company in the latter half of February, 2013, and had several meetings on this matter thereafter. As a result, the Company came to the conclusion that further growth in the global market can be expected by establishing the direct capital relationship through additional investment in the Target Company by the Company, which would allow the Target Company to utilize the global management resources held by the SoftBank Group and, therefore, further enhancement of the revenue base and the enterprise value of the Target Company, the Company and the SoftBank Group will be enabled, so the Company resolved to undertake this transaction at its board of directors meeting on March 25, 2013.

In determining the Tender Offer Price, the Company adopted a policy of determining a price agreeable to both the Company and Asian Groove, a shareholder that has agreed to tender its shares, with reference to the average closing price of the Target Company's Shares. The Company took account of the fact that the Target Company is listed on the JASDAQ market, held discussions and negotiations with Asian Groove while referring to the simple average closing price of the Target Company's Shares (JPY 3,402,760 (rounded down to the closest whole number; the same applies to all calculations of the average closing price below); the Target Company's Share Price after Dilution by Share Split (see Note 2 below), JPY 340,276 (rounded off to the closest whole number; the same applies to all calculations of the Target Company's Share Price after Dilution by Share Split below)) over the period from February 15, 2013, being the day after the Target Company announced its financial statements for the fiscal year ended December 2012, to March 22, 2013, and ultimately on March 25, 2013, determined the Tender Offer Price to be JPY 340,276 (see Note 3 below).

The Tender Offer Price of JPY 340,276 represents

- a price discounted by 26.35% (rounded off to the nearest second decimal place; the same applies to other calculations of discounts or premiums) against the Target Company's Share Price after Dilution by Share Split (JPY 462,000) according to the closing price (JPY 4,620,000) of the Target Company's Shares on the JASDAQ market on March 22, 2013, being the business day before the announcement date of the Tender Offer,
- a price discounted by 7.45% against the Target Company's Share Price after Dilution by Share Split (JPY 367,679) according to the simple average closing price (JPY 3,676,789) for the 1-month period before that date (from February 25, 2013, to March 22, 2013),
- a price containing a premium of 54.22% against the Target Company's Share Price after Dilution by Share Split (JPY 220,644) according to the simple average closing price (JPY 2,206,438) for the 3-month period before that date (from December 25, 2012, to March 22, 2013), and
- a price containing a premium of 159.30% against the Target Company's Share Price after Dilution by Share Split (JPY 131,228) according to the simple average closing price (JPY 1,312,277) for the 6-month period before that date (from September 24, 2012, to March 22, 2013).

In the Company's judgment, which is based on information relating to the business of the Target Company that the Company has a reasonable grasp of as a SoftBank affiliate accounted for under the equity method because SoftBank BB, all of the voting rights of which are owned by SoftBank, the Company's ultimate parent company, holds 387,440 shares of the Target Company's Shares (Holding Rate: 33.63%), a price for the Target Company's Shares that the Company could suppose would be a price equal to or greater than the Tender Offer Price, so in determining the Tender Offer Price, the Company has not obtained a calculation report from a third-party calculation institution.

With respect to its management policy after the Tender Offer, as the Company thinks very highly of the Target Company's ability to plan and develop game content and, through a respect for a

highly independent and free and broad-minded corporate culture, expects to be able to develop high quality game content in the future as well, it will respect the autonomy and independence of management as much as possible and strive to utilize the Target Company's superior creativity and development ability, so it will maintain the current composition of the Target Company's management.

The Company plans to discuss and examine with the Target Company in future specific ways to collaborate so as to fully realize the synergies between them.

Notes
1. Mobile Computing Promotion Consortium forecast (November 25, 2011). (Refer to Interim Forecasts for Smartphone/Tablet Markets dated November 25, 2011.) Comparison of the forecast for one year from April 2011 to March 2012 and from April 2016 to March 2017.
2. The "**Target Company's Share Price after Dilution by Share Split**" is equal to the value calculated by dividing by 10 the market share price for the Target Company's Shares before the Target Company's Share Split, as the Target Company's Share Split will be carried out on the Target Company's Shares at a ratio of 10 new shares for every 1 current share, effective April 1, 2013.
3. The Tender Offer Price is an amount that takes into account the effect of the dilution caused by the Target Company's Share Split, as the Target Company's Share Split will be carried out on the Target Company's Shares at a ratio of 10 new shares for every 1 current share, effective April 1, 2013.

(3) Measures to Ensure Fairness in the Tender Offer and Measures to Avoid Conflicts of Interest

(i) Advice from law firm independent from the Target Company

According to the Target Company's Press Release, in order to proceed carefully with deliberations relating to the Tender Offer and to ensure fairness and appropriateness in the decision making process of the Target Company's board of directors, the Target Company retained Anderson Mōri & Tomotsune, a law firm that is independent of the Target Company, as its legal adviser and received legal advice from the firm on the method and process, etc., by which the Target Company's board of directors made its decisions on the Tender Offer. It has been reported that the Target Company has retained Anderson Mōri & Tomotsune as its legal adviser from before the examination of the Tender Offer, and that there is no fact showing that the Target Company has changed its legal adviser for the Tender Offer.

(ii) Approval of all Target Company directors and corporate auditors with no conflict of interest

According to the Target Company's Press Release, as a result of careful discussions on and examinations of the various terms and conditions relating to the Tender Offer while receiving legal advice from Anderson Mōri & Tomotsune, the Target Company has reportedly resolved at its board of directors meeting on March 25, 2013, by unanimous vote of all directors who attended the resolution, to approve the Tender Offer without any objection to the Company's building a direct capital relationship with the Target Company by newly possessing a portion of the Target Company's Shares, because (a) the Company thinks very highly of the Target Company's ability to plan and develop game content and, through a respect for a highly independent and free and broad-minded corporate culture, expects to be able to develop high quality game content in the future as well, (b) the Target Company can expect to be able to achieve further growth in global markets through utilizing the SoftBank Group's global management resources, and (c) the Target Company's independence as a games developer is respected and its current management system (the composition of its officers) can be expected to remain the same. On the other hand, because the Tender Offer Price has been decided based on the results of discussions and negotiations between the Company and Asian Groove, as a shareholder that has agreed to tender its shares, and because a maximum number of share certificates, etc., scheduled to be purchased has been set in the Tender Offer and the plan is to

continue to keep the Target Company's Shares listed even after the Tender Offer, in light of the fact that it is sufficiently reasonable for shareholders of the Target Company to hold the Target Company's Shares even after the Tender Offer, the Company has reportedly resolved to reserve its opinion on the appropriateness of the Tender Offer Price and to leave the decision of whether or not the Target Company's shareholders should tender their shares in the Tender Offer up to each shareholder's discretion.

Of the Target Company's directors at the above board of directors meeting, (i) Taizo Son, chairman of the Target Company, also serves as a representative director of Heartis, which has agreed in the MOU to the effect that it will exercise its voting rights in the Target Company's Shares in accordance with the instructions of Masayoshi Son, SoftBank's chairman and CEO and the Company's chairman and CEO, and (ii) Norikazu Oba is concurrently serving as assistant to the Manager of the Finance Department as well as group manager of Finance Management of SoftBank, the Company's ultimate parent company, so it is reported that to avoid any suspicion of a conflict of interest, it is reported that neither of them participated in any whatsoever in the deliberations or resolutions relating to the Tender Offer at the Target Company's board of directors meeting. All 5 of the 7 Target Company directors other than the above 2 directors reportedly attended that board of directors meeting and resolved, with the unanimous approval of all directors present, to approve the Tender Offer. Further, all 3 of the Target Company's corporate auditors (3 of whom are external corporate auditors) reportedly attended that board of directors meeting and stated their opinion to the effect that they did not object to the matters for resolution at the Target Company's board of directors meeting referred to above.

(4) Important Agreements Relating to Tender Offer

(i) The Share Tender Agreement

As part of undertaking the Tender Offer, the Company has entered into the Share Tender Agreement on March 25, 2013, with Asian Groove, which is the third largest shareholder of the Target Company, and under the Share Tender Agreement Asian Groove has agreed to tender in the Tender Offer a portion (73,400 shares; Holding Rate: 6.37%) of the Target Company's Shares Held by Asian Groove. That portion (73,400 shares) of the Target Company's Shares Held by Asian Groove is the same number of shares as the maximum number of share certificates, etc., scheduled to be purchased in the Tender Offer (73,400 shares). If a shareholder of the Target Company other than Asian Groove tenders its shares in the Tender Offer, it will not be possible for Asian Groove to sell all of the portion (73,400 shares) of the Target Company's Shares Held by Asian Groove that it is planning to tender under the Share Tender Agreement, but if that happens, Asian Groove reportedly intends to continue to hold the Target Company's Shares that will be returned to it on a pro rata basis even after the conclusion of the Tender Offer. Furthermore, Asian Groove reportedly intends to continue to hold the Target Company's Shares Held by Asian Groove that it will not tender in the Tender Offer (93,310 shares; Holding Rate: 8.10%) even after the conclusion of the Tender Offer. Lastly, there are no preconditions to that tender of shares.

(ii) The MOU

Masayoshi Son, chairman and CEO of SoftBank, the Company's ultimate parent company, as well as chairman and CEO of the Company, has reportedly entered into the MOU on April 1, 2013, with Heartis, which is the Target Company's second largest shareholder and Taizo Son's asset management company and which has Taizo Son, chairman of the Target Company, as its representative director, and under the MOU, in order to have Son Holdings defer the execution of pledges over the Target Company's Shares held by Heartis, Heartis has reportedly agreed, effective April 1, 2013, to the effect that at the shareholders meeting of the Target Company Heartis will exercise the voting rights in all of the Target Company's Shares it

holds in accordance with Masayoshi Son's instructions.

(5) Plan to Acquire Additional Share Certificates, etc., after the Tender Offer

The Company does not at this stage plan to make an additional acquisition of the Target Company's Shares after the conclusion of the Tender Offer.

(6) Prospects for Delisting and Reasons therefor

The Target Company is currently, as at the disclosure materials public announcement date, listed on the JASDAQ market, but there is no plan in the Tender Offer to delist the Target Company, and the Company will undertake the Tender Offer up to a maximum of 73,400 shares (Holding Rate: 6.37%), so the Target Company's Shares are planned to continue to be listed on the JASDAQ market even after the conclusion of the Tender Offer.

2. Overview of the Purchase, etc.

(1) Outline of the Target Company

1	Name	GungHo Online Entertainment, Inc.	
2	Address	3-8-1 Marunouchi, Chiyoda-ku, Tokyo	
3	Name and Title of Representative	Kazuki Morishita, Representative director, President and CEO	
4	Business Description	Plan, development, operation and distribution of Internet online game Plan and development of mobile content Plan, development and sales of character goods Plan, development and distribution of other entertainment content	
5	Stated Capital	JPY 5,332,504,000 (as of December 31, 2012	
6	Date of Incorporation	July 1, 1998	
7	Major Shareholders and Shareholding Rate (as of December 31, 2012)	SoftBank BB Corp.	33.69%
		Heartis Inc.	18.53%
		ASIAN GROOVE GOUDOU GAISHA	14.49%
		Japan Trustee Services Bank, Ltd. (Trust Account)	1.32%
		Kazuki Morishita	1.31%
		The Master Trust Bank of Japan, Ltd (Trust Account)	1.07%
		BNY GCM CLIENT ACCOUNT JP RD AC ISG (FE-AC) Standing proxy: Bank of Tokyo–Mitsubishi UFJ, Ltd	1.01%
		Sun Chlorella Corporation	0.92%
		Key Light, Inc.	0.86%

	Osaka Securities Finance Co., Ltd.		0.56%
8 Relationship between the Company and the Target Company	Capital Relationship	There is no capital relationship between the Company and the Target Company to be specified. SoftBank BB, a fellow subsidiary of the Company owns 387,440 shares (Holding Rate: 33.63%) of the Target Company's Shares.	
	Personnel Relationship	Mr. Norikazu Oba, assistant to the Manager of the finance Department and group manager of Finance Management of SoftBank, the ultimate parent company of the Company, concurrently serves as a director of the Target Company.	
	Business Relationship	The Company records sales from the Target Company. The Company delegates advisory service to Heartis, whose 100% voting rights are indirectly held by Mr. Taizo Son, a representative chairman of the Target Company.	
	Status of Applicability to the Related Party	The Target Company is an equity method affiliate of SoftBank, the ultimate parent company of the Company, and it applies to the related party of SoftBank.	

(2) Schedule, etc.

(i) Schedule

Board of directors resolution	March 25, 2013 (Monday)
Tender Offer commencement public announcement date	April 1, 2013 (Monday) A public notice will be given electronically, and a notice to that effect will be placed in the *Nihon Keizai Shimbun*. (URL of the electronic public notice: http://info.edinet-fsa.go.jp/)
Tender Offer Notification filing date	April 1, 2013 (Monday)

(ii) Notified initial period for purchases, etc.

From April 1, 2013 (Monday) to April 26, 2013 (Friday) (20 business days)

(iii) Possibility of extension at the Target Company's request

If an opinion statement report stating to the effect that the Target Company requests an extension of the period for purchases, etc. (the "**Tender Offer Period**") is filed by the Target Company in accordance with Article 27-10, Paragraph 3, of the Act, the Tender Offer Period will be extended by 30 business days to May 15, 2013 (Wednesday).

(3) Price for Purchases, etc.

Ordinary shares JPY 340,276 per share

(4) Basis, etc., for Calculation of Price for Purchases, etc.

(i) Basis for calculation

In determining the Tender Offer Price, the Company adopted a policy of determining a price agreeable to both the Company and Asian Groove, a shareholder that has agreed to tender its shares, with reference to the average closing price of the Target Company's Shares. The Company took account of the fact that the Target Company is listed on the JASDAQ market, held discussions and negotiations with Asian Groove while referring to the simple average closing price of the Target Company's Shares (JPY 3,402,760; the Target Company's Share Price after Dilution by Share Split, JPY 340,276) over the period from February 15, 2013, being the day after the Target Company announced its financial statements for the fiscal year ended December 2012, to March 22, 2013, and ultimately on March 25, 2013, determined the Tender Offer Price to be JPY340,276.

The Tender Offer Price of JPY 340,276 represents

- a price discounted by 26.35% against the Target Company's Share Price after Dilution by Share Split (JPY 462,000) according to the closing price (JPY 4,620,000) of the Target Company's Shares on the JASDAQ market on March 22, 2013, being the business day before the announcement date of the Tender Offer,
- a price discounted by 7.45% against the Target Company's Share Price after Dilution by Share Split (JPY 367,679) according to the simple average closing price (JPY 3,676,789) for the 1-month period before that date (from February 25, 2013, to March 22, 2013),
- a price containing a premium of 54.22% against the Target Company's Share Price after Dilution by Share Split (JPY 220,644) according to the simple average closing price (JPY 2,206,438) for the 3-month period before that date (from December 25, 2012, to March 22, 2013), and
- a price containing a premium of 159.30% against the Target Company's Share Price after Dilution by Share Split (JPY 131,228) according to the simple average closing price (JPY 1,312,277) for the 6-month period before that date (from September 24, 2012, to March 22, 2013).

In the Company's judgment, which is based on information relating to the business of the Target Company that the Company has a reasonable grasp of as a SoftBank affiliate accounted for under the equity method because SoftBank BB, all of the voting rights of which are owned by SoftBank, the Company's ultimate parent company, holds 387,440 shares of the Target Company's Shares (Holding Rate: 33.63%), a price for the Target Company's Shares that the Company could suppose would be a price equal to or greater than the Tender Offer Price, so in determining the Tender Offer Price, the Company has not obtained a calculation report from a third-party calculation institution.

(ii) Background to calculation

Background to determining the Tender Offer Price

It is expected that the number of smartphone users will be three-fold and the number of tablet sold will be six-fold in 5 years in Japan, and the way to access the Internet is shifting from PC to mobile device globally. At the same time, further fierce competition in the mobile communications business is expected due to the diversification of smartphones and growing price and service competition. Against this background,

enhancement of mobile content such as video, electronic books, and games is becoming even more important in the mobile communications business in addition to the further expansion of network, a wide variety of smartphones and tablets, the expansion of cloud services, and optimization of various services including eCommerce to mobile devices. The Company believes that attractive service and content itself can contribute to our revenue and also be a great differentiator in the mobile communications service, which will ultimately lead to a further increase in data communication revenue.

With this understanding, the Company recognized the importance of enhancing mobile content by combining smartphone-focused development capability and infrastructure held by the SoftBank Mobile Group and planning and creating capability in the smartphone game industry held by the Target Company to further improve the efficiency in operation of the mobile communications business, profitability and competitiveness. As a result, the Company came to the conclusion that it is necessary to establish a direct capital relationship with the Target Company. In addition, it is not only important for the Company but also for the SoftBank Group, which has based its business growth on the Internet, to address the environmental change caused by online devices, enhance content lineup catering to the market's various needs, and strengthen the content distribution capability of the SoftBank Group. This also led to the conclusion to enhance the capital relationship with the Target Company.

It is also expected that enhancing the capital relationship with the Target Company and utilizing the global management resources held by the SoftBank Group will contribute to the revenue and the expansion of distribution channels of online and smartphone games, and allow the Target Company, the Company and the SoftBank Group to enhance their revenue base and enterprise value.

Under these circumstances, the Company initiated discussion on the Transaction with the Target Company in the latter half of February, 2013, and had several meetings on this matter thereafter. As a result, the Company came to the conclusion that further growth in the global market can be expected by establishing the direct capital relationship through additional investment in the Target Company by the Company, which would allow the Target Company to utilize the global management resource held by the SoftBank Group and, therefore, further enhancement of the revenue base and the enterprise value of the Target Company, the Company and the SoftBank Group will be enabled, so the Company resolved to undertake this transaction at its board of directors meeting on March 25, 2013.

In determining the Tender Offer Price, the Company adopted a policy of determining a price agreeable to both the Company and Asian Groove, a shareholder that has agreed to tender its shares, with reference to the average closing price of the Target Company's Shares. The Company took account of the fact that the Target Company is listed on the JASDAQ market, held discussions and negotiations with Asian Groove while referring to the simple average closing price of the Target Company's Shares (JPY 3,402,760; the Target Company's Share Price after Dilution by Share Split, JPY 340,276) over the period from February 15, 2013, being the day after the Target Company announced its financial statements for the fiscal year ended December 2012, to March 22, 2013, and ultimately on March 25, 2013, determined the Tender Offer Price to be JPY 340,276.

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Dilution by Share Split (JPY 367,679) according to the simple average closing price (JPY 3,676,789) for the 1-month period before that date (from February 25, 2013, to March 22, 2013),

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In the Company's judgment, which is based on information relating to the business of the Target Company that the Company has a reasonable grasp of as a SoftBank affiliate accounted for under the equity method because SoftBank BB, all of the voting rights of which are owned by SoftBank, the Company's ultimate parent company, holds 387,440 shares of the Target Company's Shares (Holding Rate: 33.63%), a price for the Target Company's Shares that the Company could suppose would be a price equal to or greater than the Tender Offer Price, so in determining the Tender Offer Price, the Company has not obtained a calculation report from a third-party calculation institution.

Measures to Ensure Fairness in the Tender Offer and Measures to Avoid Conflicts of Interest

Please refer to *(3) Measures to Ensure Fairness in the Tender Offer and Measures to Avoid Conflicts of Interest* under *1. Purpose, etc., of the Purchase, etc.* above.

(iii) Relationship with calculation institution

In determining the Tender Offer Price, the Company did not obtain a calculation report from a third-party calculation institution, so there is nothing applicable to note.

(5) Number of Share Certificates, etc., Scheduled to be Purchased

Number Scheduled to be Purchased	Minimum Number Scheduled to be Purchased	Maximum Number Scheduled to be Purchased
73,400 shares	—	73,400 shares

Notes
1. If the total number of share certificates, etc., tendered does not exceed the maximum number of share certificates, etc., scheduled to be purchased (73,400 shares), the Company will purchase, etc., all of the tendered share certificates, etc. If the total number of share certificates, etc., tendered exceeds the maximum number of share certificates, etc., scheduled to be purchased (73,400 shares), the Company will purchase, etc., only some, or will not purchase, etc., any, of the excess shares, and the Company will take delivery in relation to the purchase, etc., of the share certificates, etc., and make any other such settlement by the proportional distribution provided for in Article 27-13, Paragraph 5, of the Act and Article 32 of the Ordinance.
2. There is a possibility that the Series 1 Options will be exercised by the last day of the Tender Offer Period, and the Target Company's Shares that would be issued as a result of any such exercise would also become subject to the Tender Offer.

(6) Changes in Share Certificates, etc., Holding Rates due to Purchase, etc.

Number of voting rights relating to share certificates, etc., held by the Tender Offeror before purchase, etc.	—	Share Certificates, etc., Holding Rate before purchase, etc.: —%
Number of voting rights relating to share certificates, etc., held by special related parties before purchase, etc.	600,520 rights	Share Certificates, etc., Holding Rate before purchase, etc.: 52.13%
Number of voting rights relating to share certificates, etc., held by the Tender Offeror after purchase, etc.	73,400 rights	Share Certificates, etc., Holding Rate after purchase, etc.: 58.50%
Number of voting rights of all shareholders, etc., of the Target Company	114,981 rights	

Notes
1. The "number of voting rights relating to share certificates, etc., held by the Tender Offeror after purchase, etc.," is the number of voting rights in the number of share certificates, etc., scheduled to be purchased in the Tender Offer.
2. The "number of voting rights relating to share certificates, etc., held by special related parties before purchase, etc.," is the total of the number of voting rights relating to share certificates, etc., held by each special related party (however, this excludes any shares held by special related parties who are excepted from corresponding to special related parties under Article 3, Paragraph 2, Item 1, of the Ordinance in the calculation of the Share Certificates, etc., Holding Rate under any of the items of Article 27-2, Paragraph 1, of the Act). In the calculation of the "Share Certificates, etc., Holding Rate after purchase, etc.," the number of voting rights (673,920 rights) calculated by adding the "number of voting rights relating to share certificates, etc., held by the Tender Offeror after purchase, etc.," and the "number of voting rights relating to share certificates, etc., held by special related parties before purchase, etc.," is used as the numerator.
3. Because the share certificates, etc., held by special related parties are also subject to the Tender Offer, if any are tendered by a special related party, the Company will purchase, etc., all or some of the share certificates, etc., tendered by the special related party. If the Company makes such a purchase, etc., then the "Share Certificates, etc., Holding Rate after purchase, etc.," above will fall below 58.50%.
4. The "Number of voting rights of all shareholders, etc., of the Target Company" is the number of voting rights of all shareholders, etc., set out in the 16th Securities Report filed by the Target Company on March 22, 2013. However, because any Target Company's Shares issued as a result of the exercise of the Series 1 Options will also be subject to the Tender Offer, in the calculation of the "Share Certificates, etc., Holding Rate before purchase, etc.," and "Share Certificates, etc., Holding Rate after purchase, etc.," the number of voting rights (1,152,010 rights) relating to the Number of Shares After the Target Company's Share Split (1,152,010 shares) is calculated as the "number of voting rights of all shareholders, etc., of the Target Company," which is based on the number of shares (115,201 shares; the Number of Shares After the Target Company's Share Split: 1,152,010 shares) calculated by adding (i) the total number of the Target Company's outstanding shares as at December 31, 2012 (114,981 shares; the Number of Shares After the Target Company's Share Split: 1,149,810 shares) set out in that Securities Report to (ii) the number of the Target Company's Shares (220 shares; the Number of Shares After the Target Company's Share Split: 2,200 shares) that are subject to the number of the Series 1 Options as at December 31, 2012 (44 options) that are set out in that Securities Report.

(7) Purchase Price JPY 24,976 million

Note: The "purchase price" is the amount calculated by multiplying the number of share certificates, etc., scheduled to be purchased in the Tender Offer (73,400 shares) by the Tender Offer Price (JPY 340,276).

(8) Settlement Method

(i) Name and address of head office of financial instruments business operator or bank, etc., to settle the purchase, etc.

Mizuho Securities Co., Ltd 1-5-1 Otemachi, Chiyoda-ku, Tokyo

(ii) Settlement commencement date

May 7, 2013 (Tuesday)

Note: If an opinion statement report stating to the effect that the Target Company requests an extension of the Tender Offer Period is filed by the Target Company in accordance with Article 27-10, Paragraph 3, of the Act, the settlement commencement date will be changed to May 21, 2013 (Tuesday).

(iii) Settlement method

Without delay after the conclusion of the Tender Offer Period, the Company will post to the address of each tendering shareholder, etc. (or, in the case of foreign shareholders, their standing proxies) a notice of purchase, etc., through the Tender Offer. Purchases will be made in cash. The sales price of the share certificates, etc., purchased will be remitted by the Tender Offer Agent, without delay after the settlement commencement date, to a location designated by the tendering shareholder, etc. (or, in the case of foreign shareholders, their standing proxies), in accordance with the instructions of the tendering shareholder, etc. (or, in the case of foreign shareholders, their standing proxies) or paid into the account held by the Tender Offer Agent for the tendering shareholder, etc.

(iv) Method for returning share certificates, etc.

If none or only some of the share certificates, etc., tendered are purchased in accordance with the conditions set out in *(i) Conditions listed in Items of Article 27-13, Paragraph 4, of the Act* or *(ii) Conditions for Revocation, etc., of Tender Offer and Method of Disclosure of Revocation, etc.*, under *(9) Other Conditions and Methods of Purchase, etc.*, below, the Tender Offer Agent will, promptly after the settlement commencement date (or, if the Tender Offer is revoked, etc., the date the revocation was made), return the share certificates, etc., that are required to be returned, in the condition that they were in when they were tendered.

(9) Other Conditions and Methods of Purchase, etc.

(i) Conditions listed in Items of Article 27-13, Paragraph 4, of the Act

If the total number of share certificates, etc., tendered does not exceed the maximum number of share certificates, etc., scheduled to be purchased (73,400 shares), the Tender Offeror will purchase, etc., all of the tendered share certificates, etc. If the total number of share certificates, etc., tendered exceeds the maximum number of share certificates, etc., scheduled to be purchased (73,400 shares), the Tender Offeror will purchase, etc., only some, or will not purchase, etc., any, of the excess shares, and the Tender Offeror will take delivery in relation to the purchase, etc., of the share certificates, etc., and make any other such settlement by the proportional distribution provided for in Article 27-13, Paragraph 5, of the Act and Article 32 of the Ordinance.

If the total number of shares to be purchased from tendering shareholders, etc., calculated by rounding off the number of shares where a fraction of a number of shares has arisen as a result of a calculation by proportional distribution will be less than the

maximum of the share certificates, etc., scheduled to be purchased, the Tender Offeror will purchase 1 share certificate, etc., tendered per tendering shareholder, etc., in successive order starting from the tendering shareholder, etc., that has the largest number of shares that has been truncated because of the rounding off, until the maximum number of share certificates, etc., scheduled to be purchased is reached. However, if making a purchase, etc., by this method from all of multiple tendering shareholders, etc., that have an equal number of shares that have been truncated would result in the number of shares to be purchased exceeding the maximum number of share certificates, etc., scheduled to be purchased, then the Tender Offeror will determine a shareholder to make the purchase by lottery from among those tendering shareholders, etc., to the extent that the number of shares to be purchased does not fall below the maximum number of share certificates, etc., scheduled to be purchased.

If the total number of shares to be purchased from tendering shareholders, etc., calculated by rounding off the number of shares where a fraction of a number of shares has arisen as a result of a calculation by proportional distribution will exceed the maximum of the share certificates, etc., scheduled to be purchased, the Tender Offeror will reduce the number of shares to be purchased by 1 share per tendering shareholder, etc., in successive order starting from the tendering shareholder, etc., that has the largest number of shares that has been rounded up because of the rounding off, up until the point before the number of shares to be purchased, etc., falls below the maximum number of share certificates, etc., scheduled to be purchased. However, if reducing the number of shares to be purchased by this method from all of multiple tendering shareholders, etc., that have an equal number of shares that have been rounded up would result in the shares to be purchased falling below the maximum number of share certificates, etc., scheduled to be purchased, then the Tender Offeror will determine a shareholder to reduce the number of shares to be purchased by lottery from among those tendering shareholders, etc., to the extent that the number of shares to be purchased does not fall below the maximum number of share certificates, etc., scheduled to be purchased.

(ii) Conditions for Revocation, etc., of Tender Offer and Method of Disclosure of Revocation, etc.

If any of the matters arise that are provided for in Article 14, Paragraph 1, Item 1, Sub-items A through I or L through R or Item 3, Sub-items A through H or J, of the *Order for Enforcement of the Financial Instruments and Exchange Act* (Cabinet Order No. 321 of 1965; as amended, the "**Order**") or Items 3 through 6 of Paragraph 2 of that Article, the Tender Offeror might revoke, etc., the Tender Offer. In the context of the Tender Offer, examples of matters that correspond to the events listed in Article 14, Paragraph 1, Item 3, Sub-items A through I of the Order as provided for in Sub-item J of that Item are where a false statement concerning a material matter is found in a statutory disclosure document submitted by the Target Company in the past or where a statement of a material matter required to be included in such a document is found to have been omitted.

If the Tender Offeror is to revoke, etc., the Tender Offer, it will give an electronic public notice and will place a notice to that effect in the *Nihon Keizai Shimbun*. However, if it is difficult to give public notice by the last day of the Tender Offer Period, the Tender Offeror will make a public announcement in accordance with the method provided for in Article 20 of the Ordinance and then immediately give the public notice.

(iii) Conditions for reduction in price for purchases, etc., and method of disclosure of reduction

In accordance with Article 27-6, Paragraph 1, Item 1, of the Act, if the Target

Company carries out an act provided for in Article 13, Paragraph 1, of the Order during the Tender Offer Period, the Tender Offeror might reduce the price for the purchases, etc., in accordance with the criteria provided for in Article 19, Paragraph 1, of the Ordinance.

If the Tender Offeror is to reduce the price for the purchases, etc., it will give an electronic public notice and will place a notice to that effect in the *Nihon Keizai Shimbun*. However, if it is difficult to give public notice by the last day of the Tender Offer Period, the Tender Offeror will make a public announcement in accordance with the method provided for in Article 20 of the Ordinance and then immediately give the public notice. If the Tender Offeror does reduce the price for the purchases, etc., the share certificates, etc., tendered on or before the day of the public notice will also be purchased at the reduced price.

(iv) Matters relating to tendering shareholders' right to cancel contracts

Any tendering shareholder, etc., may cancel its contract relating to the Tender Offer at any time during the Tender Offer Period. If you wish to do so, please attach your acknowledgement of receipt of offer to tender shares in tender offer to a written document stating to the effect that you are cancelling your contract relating to the Tender Offer (the "**Cancellation Notice**") and deliver or send it to the head office or domestic branch office of the Tender Offer Agent that your share certificates, etc., were received at, by 3:00 P.M. on the last day of the Tender Offer Period. The cancellation will take effect when the Cancellation Notice is delivered to or reaches the Tender Offer Agent. Please therefore be careful to note that if you send a Cancellation Notice and it does not reach the Tender Offer Agent by 3:00 P.M. on the last day of the Tender Offer Period, you will not be able to cancel your contract.

Even if a tendering shareholder, etc., cancels its contract, the Tender Offeror will not bring a claim for payment of compensation or penalty against the tendering shareholder, etc. Furthermore, the Tender Offeror will bear the expenses required to return the share certificates, etc., tendered. If the Tender Offeror receives notice of a cancellation, it will return the share certificates, etc., tendered using the method set out in *(iv) Method for returning share certificates, etc.*, under *(8) Settlement Method* above promptly upon completion of the procedures relating to the notice of cancellation.

(v) Method of disclosure in the event of amendment to purchase conditions etc.

The Tender Offeror might amend the purchase conditions, etc., during the Tender Offer Period, except for where doing so is prohibited under Article 27-6, Paragraph 1, of the Act and Article 13 of the Order. If the Tender Offeror is to amend a purchase condition, etc., it will give an electronic public notice about content of the amendment, etc., and will place a notice to that effect in the *Nihon Keizai Shimbun*. However, if it is difficult to give public notice by the last day of the Tender Offer Period, the Tender Offeror will make a public announcement in accordance with the method provided for in Article 20 of the Ordinance and then immediately give the public notice. If a purchase condition, etc., is amended, the share certificates, etc., tendered on or before the day of the public notice will also be purchased in accordance with the amended purchase condition, etc.

(vi) Method of disclosure in the event of filing of an amendment statement

If the Tender Offeror files an amendment statement, it will immediately give public announcement, by the method provided for in Article 20 of the Ordinance, of details in the statement that relate to details that were set out in the tender offer commencement public notice. It will also immediately amend the tender offer explanatory statement and

amend and deliver the amended tender offer explanatory statement to tendering shareholders, etc., who had already received delivery of the pre-amendment tender offer explanatory statement. However, if the scope of the amendments is only minor, the Tender Offeror will make the amendments by preparing a document setting out the reasons for the amendments, the amended matters, and their details after amendment and delivering that document to tendering shareholders, etc.

(vii) Method of disclosure of results of the Tender Offer

The results of the Tender Offer will be publicly announced by the method provided for in Article 9-4 of the Order and Article 30-2 of the Ordinance on the day after the last day of the Tender Offer Period.

(viii) Other matters

The Tender Offer will not, whether directly or indirectly, be carried out in or aimed at the United States of America, make use of the United States postal service or any other such method or means of United States interstate or international commerce (including, without limitation, facsimile, e-mail, Internet communications, telex, or telephone), or, furthermore, be made through any United States securities exchange facility. The Tender Offer may not be accepted by any of the above methods or means, through any of the above facilities, or from within the United States of America.

In addition, no tender offer statement relating to the Tender Offer or any other related purchase documents will be distributed or disseminated in or to or from within the United States of America by mail or any other such method, and no such distribution or dissemination may be made. The Tender Offeror cannot accept any tendering of shares in the Tender Offer that directly or indirectly breaches any of the above limitations.

When tendering shares in the Tender Offer, tendering shareholders, etc. (or, in the case of foreign shareholders, their standing proxies) might be requested to represent and warrant to the Tender Offer Agent that the tendering shareholder

- does not reside in the United States of America either at the time of tendering of shares in the Tender Offer or at the time of sending the offer to tender shares in tender offer,
- has not received or sent, whether directly or indirectly, any information whatsoever relating to the Tender Offer (including any copies of any such information) in, to, or from within the United States of America,
- has not used, whether directly or indirectly, the United States postal service or any other such method or means of United States interstate or international commerce (including, without limitation, facsimile, e-mail, Internet communications, telex, or telephone) or any securities exchange facility within the United States of America in relation to any purchase or the signing and delivering of the offer to tender shares in tender offer, and
- is not a person acting as the representative, trustee, or appointee of another person without discretionary power (except for where that other person is giving instructions relating to a purchase from outside of the United States of America).

(10) Tender Offer Commencement Public Notice Date

April 1, 2013 (Monday)

(11) Tender Offer Agent

Mizuho Securities Co., Ltd 1-5-1 Otemachi, Chiyoda-ku, Tokyo

3. Policies, etc., for After the Tender Offer and Future Prospects

(1) Policies, etc., for After the Tender Offer

For the policies, etc., applicable to after the Tender Offer, please refer to *(2) Purpose of and Background to the Tender Offer; Management Policies After the Tender Offer* under *1. Purpose, etc., of the Purchase, etc.* above.

(2) Future Prospects

With respect to the effects that the Tender Offer will have on the consolidated results of SoftBank, the Company's ultimate parent company, please refer to SoftBank's announcement entitled "*Commencement of Tender Offer by a Consolidated Subsidiary (SoftBank Mobile Corp.)*" released separately today.

4. Other Matters

(1) Agreements between the Tender Offeror and the Target Company or the Target Company's Management

(i) Agreements between the Tender Offeror and the Target Company

According to the Target Company's Press Release, as a result of careful discussions on and examinations of the various terms and conditions relating to the Tender Offer while receiving legal advice from Anderson Mōri & Tomotsune, the Target Company has reportedly resolved at its board of directors meeting on March 25, 2013, by unanimous vote of all directors who attended the resolution, to approve the Tender Offer without any objection to the Company's building a direct capital relationship with the Target Company by newly possessing a portion of the Target Company's Shares, because (1) the Company thinks very highly of the Target Company's ability to plan and develop game content and, through a respect for a highly independent and free and broad-minded corporate culture, expects to be able to develop high quality game content in the future as well, (2) the Target Company can expect to be able to achieve further growth in global markets through utilizing the SoftBank Group's global management resources, and (3) the Target Company's independence as a games developer is respected and its current management system (the composition of its officers) can be expected to remain the same. On the other hand, because the Tender Offer Price has been decided based on the results of discussions and negotiations between the Company and Asian Groove, as a shareholder that has agreed to tender its shares, and because a maximum number of share certificates, etc., scheduled to be purchased has been set in the Tender Offer and the plan is to continue to keep the Target Company's Shares listed even after the Tender Offer, in light of the fact that it is sufficiently reasonable for shareholders of the Target Company to hold the Target Company's Shares even after the Tender Offer, the Company has reportedly resolved to reserve its opinion on the appropriateness of the Tender Offer Price and to leave the decision of whether or not the Target Company's shareholders should tender their shares in the Tender Offer up to each shareholder's discretion.

Of the Target Company's directors at the above board of directors meeting, (i) Taizo Son, chairman of the Target Company, also serves as a representative director of Heartis, which has agreed in the MOU to the effect that it will exercise its voting rights in the Target Company's Shares in accordance with the instructions of Masayoshi Son, SoftBank's chairman and CEO and the Company's chairman and CEO, and (ii) Norikazu Oba is concurrently serving as assistant to the Manager of the Finance Department as well as group manager of Finance Management of SoftBank, the Company's ultimate parent company, so it is reported that to

avoid any suspicion of a conflict of interest, it is reported that neither of them participated in any whatsoever in the deliberations or resolutions relating to the Tender Offer at the Target Company's board of directors meeting. All 5 of the 7 Target Company directors other than the above 2 directors reportedly attended that board of directors meeting and resolved, with the unanimous approval of all directors present, to approve the Tender Offer. Further, all 3 of the Target Company's corporate auditors (3 of whom are external corporate auditors) reportedly attended that board of directors meeting and stated their opinion to the effect that they did not object to the matters for resolution at the Target Company's board of directors meeting referred to above.

(ii) Agreements between the Tender Offeror and the Target Company's Management

Masayoshi Son, chairman and CEO of SoftBank as well as chairman and CEO of the Company, has reportedly entered into the MOU with respect to the Target Company's Shares on April 1, 2013, with Heartis (number of shares held: 213,080 shares; Holding Rate: 18.5%), which is the Target Company's second largest shareholder and Taizo Son's asset management company and which has Taizo Son, chairman of the Target Company, as its representative director. Under the MOU, in order to have Son Holdings, a director of which is Masayoshi Son and which is Masayoshi Son's asset management company, defer the execution of pledges over the Target Company's Shares held by Heartis, Heartis has reportedly agreed, effective as of April 1, 2013, to the effect that at the shareholders meeting of the Target Company Heartis will exercise the voting rights in all of the Target Company's Shares it holds in accordance with Masayoshi Son's instructions. Further, SoftBank has decided to apply the International Financial Reporting Standards (IFRS) from the first quarter of the fiscal year ending March 31, 2014, so when the MOU becomes effective, SoftBank BB (number of shares held: 387,440 shares; Holding Rate: 33.63%), all of the voting rights in which are owned by SoftBank, and Masayoshi Son, who has a close relationship with SoftBank, will together come to represent a majority of the voting rights in the Target Company's Shares (number of voting rights represented by the total of 600,520 shares held by SoftBank BB and Heartis: 600,520 rights; voting right Holding Rate: 52.13%), as a result of which the Target Company will become a consolidated subsidiary of SoftBank.

(2) Other Information Considered Necessary for Investors to Decide Whether or Not to Tender Their Shares

(i) Share Split

According to the Target Company's Share Split Press Release, it has been decided that the Target Company's Share Split will be carried out at a ratio of 10 new shares for every 1 current share, effective April 1, 2013. For details, please see that Press Release.

(ii) February 2013 monthly nonconsolidated sales preliminary results

The Target Company announced its *February 2013 Monthly Nonconsolidated Sales Preliminary Results* on March 25, 2013. According to that announcement, the purpose of the announcement was to notify the following matters because the Target Company considered them as material matters upon the Target Company's making of its statement of opinion in favor of the Tender Offer and the Company's undertaking of the Tender Offer. For details, please see that announcement of the Target Company.

February 2013 Monthly Nonconsolidated Sales Preliminary Results:

JPY 10,000 million (increase by 1,280.0% from the same period last year)

* The above figures are preliminary results and have not been audited by an auditor so are subject to change.

* Future figures contain various uncertainties and past performance does not guarantee future results.

(End of Notice)

Insider Regulations

Please note that any person reading the information included in this press release may be prohibited from purchasing, etc., shares of Gungho Online Entertainment, Inc. in the period of 12 hours from the release of this press release as a primary recipient of information in relation to insider trading regulations in accordance with Article 167, Paragraph 3 of the Act and Article 30 of the Order. Please be aware that the Company will not be held responsible in the event that a person is subject to criminal, civil, or administrative liability as a result of any such purchase, etc.

Solicitation Regulations

This press release is a general announcement of the Tender Offer and has not been prepared for the purpose of soliciting offers to sell, etc., or offering to purchase, etc., under the Tender Offer. If you wish to offer to sell, etc., please make an offer at your own discretion, having ensured that you have read the tender offer statement for the Tender Offer. This press release does not correspond to a solicitation of offers to sell or purchase securities or constitute a part of any such solicitation, and this press release (or any part of it) and its distribution does not form the basis of any agreement in relation to the Tender Offer, and this press release should not be relied on at the time of entering into any such agreement.

Forecast

This press release contains forecasts of business expansion as contemplated by the management of the Company. Actual results may differ significantly from these estimates due to many factors.

Language

All procedures in relation to the Tender Offer will be conducted in Japanese unless otherwise stipulated. If any or all parts of the documents relating to the Tender Offer are prepared in English and there is an inconsistency between the English and Japanese documents, the Japanese documents will take priority over the English documents.

U.S. Regulations

The Tender Offer will not, whether directly or indirectly, be carried out in or aimed at the United States of America, make use of the United States postal service or any other such method or means of United States interstate or international commerce (including, without limitation, facsimile, e-mail, Internet communications, telex, or telephone), or, furthermore, be made through any United States securities exchange facility. The Tender Offer may not be accepted by any of the above methods or means, through any of the above facilities, or from within the United States of America.

In addition, no tender offer statement relating to the Tender Offer or any other related purchase documents will be distributed or disseminated in or to or from within the United States of America by mail or any other such method, and no such distribution or dissemination may be made. The Company cannot accept any tendering of shares in the Tender Offer that directly or indirectly breaches any of the above limitations. The Company does not carry out any solicitation to purchase securities or any equivalent thereof to residents of the United States of America or within the United States of America, and the Company will not receive them even if they would be delivered by residents of the United States of America or from the United States of America.

Other Countries

There may be countries or regions that legally restrict the release or distribution of this press release. In such cases, please take note of such restrictions and comply with the laws and regulations of that

country or region. Receipt of this press release or a translation of it in a country or region in which the implementation of the Tender Offer is illegal will not be deemed to be soliciting offers to sell, etc., or offering to purchase, etc., share certificates in relation to the Tender Offer, but will be deemed distribution of materials for information purposes only.