October 15, 2013
SoftBank Corp.
GungHo Online Entertainment, Inc.

SoftBank and GungHo Announce Strategic Investment of USD 1.5 Billion in Supercell

SoftBank Corp. ("SoftBank") and GungHo Online Entertainment, Inc. ("GungHo") today announced that they have entered into an agreement with Supercell Oy ("Supercell"), a mobile game company headquartered in Finland, its shareholders and the representative of such shareholders. Under the agreement, a special purpose company jointly established by SoftBank and GungHo in Finland will invest a total of USD 1.53 billion (approximately JPY 151.5 billion*[1]) in Supercell (the "Transaction"), and will hold 51% of Supercell's outstanding voting stock. Following the Transaction, Supercell will continue to operate independently while leveraging SoftBank's strategic resources, and will also become a subsidiary of SoftBank.

*1 Converted at USD = JPY 99.

1. Reasons for the Transaction

Supercell is a mobile game company headquartered in Finland. Their two game apps, *Clash of Clans* and *Hay Day*, reached the top position in Top Grossing ranking of Apple's App Store in 137 countries and 96 countries, respectively.*[2] From February 2013 to August 2013, Supercell was the No.1 publisher in the world among the apps in the Games category of the App Store.*[3] This new strategic partnership with SoftBank and GungHo will help accelerate Supercell's goal of becoming the "first truly global games company".

GungHo started its online game business in 2002, and it has since then accumulated significant expertise and produced notable results in the development and operation of online games. As its *Puzzle and Dragons* for smartphone has hit over 19 million downloads in Japan and over 1 million downloads in both North America and South Korea, GungHo is focused on expanding to other markets. Through the Transaction GungHo will leverage Supercell's position among the apps in the Games category of the App Store and marketing power abroad to enhance its global expansion.

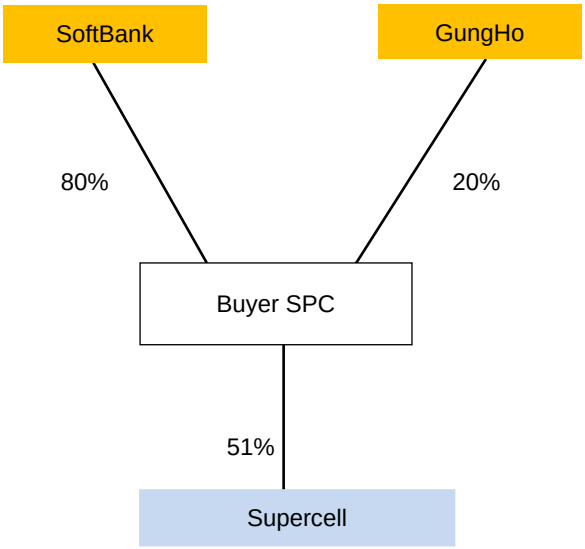
SoftBank acquired Sprint Nextel Corporation (currently Sprint Communications, Inc.) in July 2013, expanding its business operations from Japan to the U.S. With GungHo and Supercell as drivers in content services, the SoftBank Group continues to strive toward the goal of becoming the "No.1 mobile Internet company."

*2 AppAnnie "Top Publishers by Monthly Game Revenue iOS" Top Grossing Ranking (June 2012-Aug. 2013)
*3 AppAnnie "Top Publishers by Monthly Game Revenue iOS" Top Grossing Ranking (Feb. 2013-Aug. 2013)

2. Transaction Method

- SoftBank and GungHo will jointly establish a special purpose company ("Buyer SPC") in Finland by indirectly investing approximately USD 1,224 million (investment ratio: 80%) and approximately USD 306 million (investment ratio: 20%), respectively.
- At the closing of the Transaction, Buyer SPC will hold 51% of Supercell's outstanding voting stock for a total USD 1.53 billion through purchase from the existing shareholders of Supercell.
- As a result of the above Supercell will become a subsidiary of SoftBank. In addition, as Buyer SPC will become an equity-method affiliate of GungHo, GungHo will account for Supercell's profit and loss under the equity method.

- Following the Transaction, Supercell will continue to operate independently and maintain its headquarters in Helsinki, Finland.
- Following the Transaction, Ilkka Paananen, the current Supercell CEO, will continue to serve as the CEO.
- The post-Transaction Board of Supercell will consist of 5 directors: (1) Masayoshi Son (SoftBank Chairman & CEO), (2) Katsumasa Niki (SoftBank Finance, Investment Planning, Group Manager), (3) Taizo Son (GungHo Chairman), (4) Ilkka Paananen (Supercell CEO) and (5) Mikko Kodisoja (Supercell Product Lead).



3. About Supercell

(1) Name	Supercell Oy		
(2) Address	Itämerenkatu 11-13 00180 Helsinki, Finland		
(3) Name and title of representative	CEO Ilkka Paananen		
(4) Nature of business	Mobile/Social Interactive Entertainment		
(5) Common stock	EUR 2,500.00		
(6) Founded	May 14, 2010		
(7) Major shareholders and their holdings	Accel London Investments Sàrl 15.9% Mikko Kodisoja 14.4% Ilkka Paananen 14.3%		
(8) Relations between SoftBank Group and Supercell	Capital	None	
	Personnel	None	
	Business	None	
(9) Supercell's consolidated business results and consolidated financial position for past three years			
Fiscal year	Ended Dec. 2010	Ended Dec. 2011	Ended Dec. 2012
Sales	0	151	78,358
Operating income	(315)	(1,849)	39,210
Net income	(315)	(1,799)	29,963
Net assets	700	7,113	37,104
Total assets	797	7,895	51,441
Net assets per share (EUR)	0.02[*4]	0.17	0.84
Net income per share (EUR)	(0.01)[*4]	(0.04)	0.68

Dividend per share (EUR)	-	-	-

(Unit: thousand EUR (excluding net assets per share, net income per share, and dividend per share)
*4 Includes the effect of a share split.

4. Number of Shares to be Acquired, Acquisition Price and State of Share Ownership Before and After Acquisition

(1) Number of shares held before transfer	0 shares (number of voting rights: 0) (voting rights holding ratio: 0.0%)
(2) Number of shares to be acquired (note 1)	21,157,874 shares
(3) Acquisition price	Total investment: USD 1.53 billion Acquisition-related costs: TBD (note 2)
(4) Number of shares held after transfer (note 1)	21,157,874 shares (number of voting rights: 21,157,874) (voting rights holding ratio: 51%)

(Note 1) This is an estimate based on (i) the number of Supercell's common shares outstanding as of today, (ii) the number of common shares to be converted from all preferred shares prior to the closing and (iii) the maximum number of common shares issuable from the exercise of options exercisable prior to the closing; but excluding the number of common shares which are scheduled to be repurchased by Supercell prior to the closing.
(Note 2) SoftBank will announce the amount of acquisition-related costs once the estimate becomes clear.

5. About Company whose Shares will be Acquired

The outline of the major existing shareholders from whom Buyer SPC will purchase shares is listed below. Before the Transaction the aggregated total ownership of such shareholders is approximately 84% (this is based on the number of shares as of September 13, 2013, calculated by adding up (i) the number of common shares outstanding, (ii) the number of common shares to be converted from all preferred shares and (iii) the number of common shares issuable from the exercise of all options). The rest of the existing shareholders comprise of 5 entities including venture capital and 18 individuals including employees of Supercell.

(1) Accel London Investments Sàrl

(1) Name	Accel London Investments Sàrl
(2) Address	65 boulevard Grande-duchesse Charlotte, L-1331 Luxembourg
(3) Name and title of representative	Ludovic Trogliero, Manager-B Jonathan Biggs, Manager-A
(4) Business description	Management of investment securities
(5) Stated capital	EUR 930,568 (as of June 30, 2013)
(6) Founded	March 18, 2013
(7) Net assets	EUR 897,605 (as of June 30, 2013)
(8) Total assets	EUR 91,848,521.79 (as of June 30, 2013)
(9) Principal shareholders and percentage	Accel London Holdings (Supercell) LLC 100%

(10) Relations between SoftBank Group and the relevant company	There is no capital, personnel or business relationship between the SoftBank Group and the company to be specified.

(2) Mikko Kodisoja

(1) Name	Mikko Kodisoja
(2) Address	Espoo Finland
(3) Relations between SoftBank Group and Mr. Kodisoja	There is no capital or personnel relationship between the SoftBank Group and Mr. Kodisoja to be specified.

(3) Ilkka Paananen

(1) Name	Ilkka Paananen
(2) Address	Helsinki Finland
(3) Relations between SoftBank Group and Mr. Paananen	There is no capital or personnel relationship between the SoftBank Group and Mr. Paananen to be specified.

(4) Initial Capital LP

(1) Name	Initial Capital LP	
(2) Address	PO Box 236, First Island House, Peter Street, St Helier, Jersey JE2 4SP	
(3) Grounds, etc. for incorporation	Limited Partnership registered under Limited Partnerships (Jersey) Law 1994	
(4) Purpose of incorporation	Investment	
(5) Founded	October 11, 2010	
(6) Total investment	(Non-disclosable due to confidentiality obligations of the fund)	
(7) Investors and investment ratio, description of investors	(Non-disclosable due to confidentiality obligations of the fund)	
(8) About general partner	Name	Initial Capital TVF 1 GP Limited
	Address	PO Box 236, First Island House, Peter Street, St Helier, Jersey JE2 4SP
	Name and title of representative	Shukri Shammas, Director
	Nature of business	Management of Limited Partnership
	Common stock	GBP 10,000.00
(9) Relations between SoftBank Group and Initial Capital	There is no capital, personnel or business relationship between the SoftBank Group and Initial Capital LP to be specified.	
(10) Relations between SoftBank Group and general partner	There is no capital, personnel or business relationship between the SoftBank Group and the general partner to be specified.	

(5) PromoTwo S.à.r.l.

(1) Name	PromoTwo S.à.r.l.
(2) Address	1, boulevard de la Foire, L-1528 Luxembourg
(3) Name and title of representative	Emilie Bordaneil, Manager Jean Steffen, Manager

(4) Business description	Management of investment securities
(5) Stated capital	EUR 7,411,253.85 (as of March 31, 2013)
(6) Founded	January 11, 2013
(7) Net assets	EUR 7,070,479.90 (consolidated) (as of March 31, 2013)
(8) Total assets	EUR 46,930,040.00 (consolidated) (as of March 31, 2013)
(9) Principal shareholders and percentage	Index Ventures Growth II (Jersey) LP 72.983% Index Ventures IV (Jersey) LP 22.650%
(10) Relations between SoftBank Group and the relevant company	There is no capital, personnel or business relationship between the SoftBank Group and the company to be specified.

(6) Cerval Investments Inc

(1) Name	Cerval Investments Inc
(2) Address	Torre ADR, 8th, Floor Samuel Lewis and 58th StreetsPanama, Republic of Panama
(3) Name and title of representative	Patrick Renaud, Director President
(4) Business description	Purchasing, selling, holding and financing of private investments
(5) Stated capital	USD 100
(6) Founded	29 September, 2004
(7) Net assets	EUR 273,169.51 (consolidated) (as of December 31, 2012)
(8) Total assets	EUR 279,992.48 (consolidated) (as of December 31, 2012)
(9) Principal shareholders and percentage	(Non-disclosable due to confidentiality obligations of the Company)
(10) Relations between SoftBank Group and the relevant company	There is no capital, personnel or business relationship between the SoftBank Group and the company to be specified.

(7) John Nicolas Derome

(1) Name	John Nicolas Derome
(2) Address	Kauniainen Finland
(3) Relations between SoftBank Group and Mr. Derome	There is no capital or personnel relationship between the SoftBank Group and Mr. Derome to be specified.

(8) Visa Forsten

(1) Name	Visa Forsten
(2) Address	Helsinki Finland
(3) Relations between SoftBank Group and Mr. Forsten	There is no capital or personnel relationship between the SoftBank Group and Mr. Forsten to be specified.

(9) Lassi Leppinen

(1) Name	Lassi Leppinen
(2) Address	Espoo Finland
(3) Relations between SoftBank Group and Mr. Leppinen	There is no capital or personnel relationship between the SoftBank Group and Mr. Leppinen to be specified.

(10) Atomico III, L.P.

(1) Name	Atomico III, L.P.	
(2) Address	One Capital Place, Grand Cayman, KY1-1103, Cayman Islands	
(3) Grounds, etc. for incorporation	Limited Partnership under Cayman Exempted Limited Partnership Law	
(4) Purpose of incorporation	To make suitable investments via a widely recognized investment vehicle	
(5) Founded	December 14, 2011	
(6) Total investment	EUR 229,000,000 (as of October 11, 2013)	
(7) Investors and investment ratio, description of investors	(Non-disclosable due to confidentiality obligations of the fund)	
(8) About general partner	Name	Atomico Advisors III Limited
	Address	One Capital Place, Grand Cayman, KY1-1103, Cayman Islands
	Name and title of representative	Ronan Guilfoyle, Director
	Nature of business	Management of Limited Partnership
	Stated capital	USD 50,000 (as of December 13, 2011)
(9) Relations SoftBank Group and Atomico III, L.P.	There is no capital, personnel or business relationship between SoftBank Group and Atomico III, L.P. to be specified.	
(10) Relations between SoftBank Group and general partner	There is no capital, personnel or business relationship between the SoftBank Group and the general partner to be specified.	

(11) IVP LuxCo S.a.r.l.

(1) Name	IVP LuxCo S.a.r.l.
(2) Address	19, rue de Bitbourg, L-1273, Luxembourg
(3) Name and title of representative	J. Sanford Miller, Manager
(4) Business description	Management of investment securities
(5) Stated capital	USD 20,001
(6) Founded	October 9, 2013
(7) Net assets	USD 62,906,665 (consolidated) (as of October 9, 2013)
(8) Total assets	USD 62,906,665 (consolidated) (as of October 9, 2013)
(9) Principal shareholders and percentage	Institutional Venture Partners XII, L.P. 33.3% Institutional Venture Partners XIII, L.P. 33.3% Institutional Venture Partners XIV, L.P. 33.3%
(10) Relations between SoftBank Group and the relevant company	There is no capital, personnel or business relationship between the SoftBank Group and the company to be specified.

6. Timeline

Resolution at the Board of Directors' meeting (SoftBank) (Note)	October 10, 2013
Resolution at the Board of Directors' meeting (GungHo)	October 15, 2013
Execution of investment agreement with Supercell, its shareholders and the representative of such shareholders (SoftBank and GungHo)	October 15, 2013
Close of the Transaction	Late October to Early November 2013 (plan)

(Note) Execution of the Transaction resolved at the Board of Directors meeting of SoftBank was subject to a resolution at the Board of Directors' meeting of GungHo. The final decision with respect to the final terms of the Transaction and the agreements thereof was delegated to Mr. Masayoshi Son, Chairman & CEO of SoftBank.

7. Future Outlook

SoftBank and GungHo will announce the impact of the Transaction on their respective financial results once verified.

(Reference)

SoftBank's consolidated financial results forecast and actual results of the previous period

(JPY million)

	Sales	Operating income	Ordinary income	Net income
Forecast (ending Mar. 2014)	—	—	—	—
Actual (ended Mar. 2013)	3,378,365	745,000	653,214	289,403

SoftBank is projecting consolidated operating income of at least JPY 1 trillion under International Financial Reporting Standards ("IFRSs") in the fiscal year ending March 31, 2014. This includes gains of JPY 253.9 billion in total resulting from the re-evaluation of the existing equity interest held in GungHo and WILLCOM, Inc. at fair value when both companies became subsidiaries.

GungHo's consolidated financial results forecast and actual results of the previous period

(JPY million)

	Sales	Operating income	Ordinary income	Net income
Forecast (ending Dec. 2013)	—	—	—	—
Actual (ended Dec. 2012)	25,821	9,298	9,355	8,209

GungHo does not disclose a forecast for the period ending December 2013.