April 28, 2015
SoftBank Corp.

Tender in Tender Offer for Shares of a Subsidiary Accompanied by the Change in Scope of Consolidation

SoftBank Corp. (the "Company") announces that it has decided to tender in the tender offer (the "Tender Offer") for shares of GungHo Online Entertainment, Inc. (JASDAQ Standard, code 3765, "GungHo"), which was resolved at GungHo's board of directors' meeting held today, and the Company and GungHo entered into an Agreement to Tender Shares in Tender Offer, under which the Company has agreed to tender in the Tender Offer a portion of the common shares of GungHo held by the Company, as described below.

After the completion of the Tender Offer, the Company expects that GungHo will not be qualified as a subsidiary and will newly become an associate of the Company.

1. Summary of the Tender in the Tender Offer

(1)	Shares to be tendered	Common shares of GungHo; 188,235,200 shares (ownership ratio :16.34%（Note）)
(2)	Tender offer price	JPY 425 per share
(3)	Tender offer period	April 30, 2015 to June 1, 2015
(4)	Start date of settlement	June 24, 2015

Note: Ownership ratio means the percentage (rounded off to the second decimal place; the same applies to all calculations below for ownership ratio) of the number of shares held accounted for the total number of outstanding shares of GungHo, which is 1,152,010,000 shares as of today.

2. Reason for the Tender in the Tender Offer

As described in the press release "Notice Regarding Acquisition of Treasury Shares and Tender Offer of Treasury Shares" issued by GungHo today, the Company received a proposal from GungHo in April 2015 that GungHo would like to acquire some of its common shares held by the Company to increase the flexibility of management and create a structure which allows management to make decisions and execute those decisions in a timely manner. After a series of discussion, the Company and GungHo have reached an agreement that the Company will tender in the Tender Offer 188,235,200 shares (ownership ratio: 16.34 %), a portion of the common shares of GungHo held by the Company.

3. Outline of GungHo

(1)	Name	GungHo Online Entertainment, Inc.
(2)	Address	3-8-1, Marunouchi, Chiyoda-ku, Tokyo
(3)	Representative	Kazuki Morishita, President & CEO
(4)	Business description	Planning, development, operation, and distribution of PC online games Planning, development, operation, and distribution of smartphone games Planning, development, and sale of consumer games
(5)	Common stock	JPY 5,338 million (as of December 31, 2014)
(6)	Founded	July 1, 1998

(7) Operating results and financial position (consolidated, millions of yen)

	Fiscal year ended Dec. 2012	Fiscal year ended Dec. 2013	Fiscal year ended Dec. 2014
Sales	25,821	163,060	173,069
Operating profit	9,298	91,228	94,283
Ordinary profit	9,355	90,104	93,524
Current net profit	8,209	54,768	62,038
Net assets	19,391	77,428	131,203
Total assets	25,085	125,390	161,081

4. Number of Shares Held Before and After the Tender in the Tender Offer

(1) Number of shares held before the tender	460,840,000 shares including indirect ownership*1 (Number of voting rights: 4,608,400) (Voting rights ratio：40.15%)
(2) Number of shares to be tendered in the Tender Offer	188,235,200 shares
(3) Number of shares held after the tender	272,604,800 shares including indirect ownership*2 (Number of voting rights: 2,726,048) (Voting rights ratio：28.41%) *3

Notes:

*1 GODOKAISYA Heartis Inc. (number of GungHo common shares held: 223,080,000, ownership ratio: 19.36%, “Heartis”) submitted the Change Report No.9 on January 13, 2015 pertaining to the Report of Possession of Large Volume. According to the report, Heartis and Masayoshi Son, chairman and CEO of the Company, have reportedly entered into a Memorandum of Understanding on Exercise of Voting Rights for Deferment of Execution of Pledges (the “MOU”), on April 1, 2013. Under the MOU, all of GungHo common shares held by Heartis are reportedly pledged with Son Holdings Inc. (“Son Holdings”), Masayoshi Son’s asset management company, as a pledgee. In order to defer the execution of pledges,

Heartis has reportedly agreed to the effect that at the shareholders' meeting of GungHo Heartis will exercise the voting rights related to 213,080,000 shares (ownership ratio:18.50%) out of the common shares of GungHo held by Heartis, in accordance with Masayoshi Son's instruction (the "Agreement on Exercise of Voting Rights"). The total number of voting rights held by the Company, SoftBank Mobile Corp. and those voting rights held by Heartis to be exercised in accordance with Masayoshi Son's instruction is 6,739,200 and it accounts for 58.72% of 11,476,886 voting rights of all the shareholders of GungHo as of today (rounded off to the second decimal place).

*2 Heartis and Son Holdings reportedly roughly agreed to extinguish the abovementioned pledge on 100,000,000 shares out of the common shares of GungHo held by Heartis by May 31, 2015, and the possible execution of this agreement will reportedly complete the Agreement on Exercise of Voting Rights of up to the 100,000,000 shares. With this, as a result of the Tender Offer, the Company expects GungHo will not be qualified as a subsidiary and will newly become an associate of the Company.

*3 The percentage of the voting rights accounted for 9,594,534 voting rights. 9,594,534 voting rights is obtained by subtracting 1,882,352 voting rights related to 188,235,200 shares to be tendered in the Tender Offer, from 11,476,886 voting rights of all the shareholders of GungHo as of today (rounded off to the second decimal place).

5. Impact on Financial Results

After the completion of the Tender Offer, the Company expects that GungHo will not be qualified as a subsidiary and will be outside of the scope of consolidation of the Company, while at the same time GungHo will newly become an associate of the Company, on which equity-method will be applied accordingly.

The Company will separately announce the impact on the financial results for the fiscal year ending March 2016 when it becomes clear following the completion of the Tender Offe. Provided that all of 188,235,200 shares tendered by the Company is purchased, the Company expects to record JPY 78.0 billion of gain on sales of shares of subsidiaries and associates on its non-consolidated financial statements for the fiscal year ending March 2016. The Company also expects to record JPY 10.4 billion of loss resulting from loss of control on its consolidated financial statements for the fiscal year ending March 2016, on the assumption that the price of the share of GungHo is JPY 455 at a time GungHo becomes an associate, the same as its closing price on April 27, 2015, based on the carrying amount of GungHo on a consolidated basis as of March 31, 2015.