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July 22, 2020

Company Name: COLOPL, Inc.  
Representative: Naruatsu Baba, President and CEO  
(Securities Code: 3668  
Tokyo Stock Exchange First Section)  
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**Notice of Basic Policy Decision on Business Succession to Our Subsidiaries through Company Split  
(Simple Absorption-type Company Split)**

COLOPL, Inc. (the "Company") hereby announces that the meeting of the board of directors meeting held on July 22, 2020, we resolved to implement a corporate split (Simple Absorption-type Company Split) to succeed the goods planning and sales-related business ("the Business") to MAGES. Inc. ("MAGES."), our wholly-owned subsidiary. We have decided to commence the required procedures in the future, and announced the following.

Notes

1. Purpose

Based on the management philosophy "Entertainment in Real Life", we are focusing on "proposing new ways of playing" and "creating Intellectual Property ("IP")" in order to continue to create new entertainment around the world, and we are developing our business centered on mobile services. MAGES., which was newly added to our group in April 2020, is a comprehensive entertainment company engaged in a wide range of businesses including games, music, and events. Its strength lies in the creation of new entertainment and original IP.

Recently, with the aim of maximizing the value of the IP held by the Group and optimizing our business, we have decided to transfer this business to MAGES. using the corporate split method.

2. Outline of the company split

(1) Schedule

Board of directors meeting to approve split contract	Aug. or Sep. 2020 (planned)
Contract date	Aug. or Sep. 2020 (planned)
Effective date	To be announced

(NOTE) The Absorption-Type Split is a simplified split prescribed in Article 784, Paragraph 2 of the Companies Act for the Company and a short-form split prescribed in Article 796, Paragraph 1 of the Companies Act for the wholly owned subsidiary. Neither of the two companies will therefore hold a general shareholders' meeting for approval of the Absorption-Type Split Agreement.

(2) Method of the Company Split

The Company Split will be carried out in the form of simple absorption-type split, in which COLOPL, Inc. is the splitting company and MAGES. Inc. is the succeeding company.

(3) Outline of the Succeeding Companies

Name	MAGES. Inc.
Address	3-13-16 Mita, Mita-ku, Tokyo
Job Title/Name of Representative	Chiyomaru Shikura, President and Representative Director Kengo Honjyo, Representative Director and Vice President
Business Activities	Planning of game software, music production, and program production
Paid-in Capital	295 million yen
Date of Incorporation	July 7, 2006
Number of issued shares	260 shares
Fiscal year end	September 30
Major shareholders and percentage of shares	COLOPL, Inc., 100%

This announcement describes the basic policy for the corporate split of this business, and we will announce the details as soon as they are decided.

End.