



June 30, 2015

Company name	Hearts United Group Co., Ltd.
Name of representative	President and CEO Eiichi Miyazawa (Code number: 3676, First Section of the Tokyo Stock Exchange)
Contact	Director and CFO Keiya Kazama (TEL. +81-3-6406-0081)

## Notice Regarding Acquisition of Additional Shares in Consolidated Subsidiary (Conversion into a Wholly Owned Subsidiary) and Transfer of Subsidiary's 3D Solution Business

Hearts United Group Co., Ltd. (hereinafter referred to as the “Company”) would like to announce that it passed a resolution at its board of directors’ meeting held today to acquire additional shares in Premium Agency Inc. (hereinafter referred to as Premium Agency). This is a consolidated subsidiary of the Company, and the purpose of the acquisition is to make Premium Agency a wholly owned subsidiary. In addition, the Company has resolved to transfer the 3D solution business of Premium Agency to YR Inc.

### 1. Reasons for acquisition of additional shares and business transfer

The Company has been striving to maximize group synergies by making Premium Agency, which primarily engages in the development of 3D computer graphics content, a consolidated subsidiary in April 2014 in order to respond to the growing demand for outsourcing in the development process as well as in the debugging process.

The Company has decided to make Premium Agency its wholly owned subsidiary with the aim of strengthening the business base of its creative segment. In addition, the Company will transfer the 3D solution business of Premium Agency with the aim of making it easier to select and concentrate the Group’s management resources and streamline corporate management. The Company will concentrate its management resources into the game development and video business by leveraging Premium Agency’s competitive content production techniques.

### 2. Overview of the subsidiary

(1)	Company name	Premium Agency Inc.	
(2)	Location	3-20-1 Minami Azabu, Minato-ku, Tokyo	
(3)	Position and name of representative	Masaharu Ohtsubo, President	
(4)	Business activities	Content development business for 3D and CG, game development business, video and audio business, etc.	
(5)	Share capital	366,450 thousand yen	
(6)	Date established	May 9, 2003	
(7)	Major shareholders and their shareholding ratios	Hearts United Group Co., Ltd.	58.5%
		Katsunori Yamaji	32.4%
		YR Inc.	9.1%

### 3. Overview of the counterparty to the stock acquisition

(1) Company name	YR Inc.
(2) Location	179 Mameguchidai Yokohama Naka-ku, Kanagawa
(3) Position and name of representative	Katsunori Yamaji, President
(4) Business activities	Securities holding and investment business

(1) Name	Katsunori Yamaji
(2) Location	Yokohama Naka-ku, Kanagawa
(3) Relationship between the listed company and the said individual	Mr. Katsunori Yamaji concurrently serves as the Director of Premium Agency Inc., a consolidated subsidiary of the Company.

### 4. Number of stock to be acquired, acquisition cost and status of stock ownership before and after acquisition

(1) Number of stock owned before transfer	6,914 (Number of voting rights: 6,914) (Ownership percentage of voting rights: 58.5%)
(2) Number of stock to be acquired	4,900 (Number of voting rights: 4,900)
(3) Number of stock owned after transfer	11,814 (Number of voting rights: 11,814) (Ownership percentage of voting rights: 100.0%)

### 5. Details of business to be transferred

The 3D solution business providing VR (virtual reality), AR (augmented reality), and other solutions

### 6. Overview of the counterparty to the business transfer

(1) Company name	YR Inc.
(2) Location	179 Mameguchidai Yokohama Naka-ku, Kanagawa
(3) Position and name of representative	Katsunori Yamaji, President
(4) Business activities	Securities holding and investment business

### 7. Schedule

Resolution passed at Board of Directors' meeting	June 30, 2015
Stock transfer agreement signed	June 30, 2015
Resolution by the Board of Directors for a business transfer agreement	June 30, 2015
Stock acquisition	July 1, 2015 (Plan)
Business transfer	July 1, 2015 (Plan)

### 8. Future prospects

The Company expects the said stock acquisition and business transfer to have a minor impact on its consolidated financial performance.

(Reference) Consolidated earnings forecasts for the current period (announced on May 11, 2015) and consolidated operating performance for the previous period

(in million yen)

	Net sales	Operating income	Ordinary income	Net income attributable to owners of the parent
Consolidated earnings forecasts for the current period (Fiscal year ending March 2016)	16,034	2,252	2,314	1,437
Consolidated operating performance for the previous period (Fiscal year ended March 2015)	13,285	1,517	1,525	539