



July 27, 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 Business Alliance with Shochiku Broadcasting Co., Ltd. and Partial Transfer of Shares in Subsidiary (Aetas, Inc.)

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 today to form a business alliance with Shochiku Broadcasting Co., Ltd. (hereinafter referred to as “Shochiku BC”). It also resolved to partially transfer shares in the Company’s consolidated subsidiary, Aetas, Inc. (hereinafter referred to as “Aetas”), to Shochiku BC, as announced in the press release dated May 11, 2015 “Notice Regarding Basic Agreement on Partial Transfer of Shares in Subsidiary (Aetas, Inc.).”

Aetas will remain the Company’s consolidated subsidiary with no change in its consolidated status after the share transfer, as the Company will hold 60% of Aetas’ shares.

### 1. Reason for business alliance and partial share transfer

The Company specializes in debugging business that detect software defects, and provides proprietary debugging services across the globe. The Company leverages the wealth of a pool of more than 8,000 registered testers, including core game users, debugging expertise gained over the years, etc. to operate a media business that focuses on distributing game-related information as well as a creative business that provides support for content production. Through these and other business operations the Company has served as a catalyst for high-quality content production and market expansion in the rapidly evolving entertainment industry.

Today’s widespread use of smartphones, the rise of over-the-top TV, as well as the growing wave of video game streaming are fueling the quick growth of the video on demand market. That market totaled approximately 123 billion yen in 2013 and it is expected to become an industry that is worth 198.1 billion yen by 2018 (Source: 2014 Video on Demand (VOD) Market Survey Report, Digital Content Association of Japan).

Working against this backdrop, the Company and Shochiku BC decided to form a business alliance to combine their expertise and operations that are mutually complementary. This includes the debugging business where the Group boasts a large pool of core gamers and the media business in which it operates “4Gamer.net”, Japan’s largest comprehensive game information site. Such operations also include Shochiku BC’s broadcasting and media business operations encompassing a television broadcasting service, video content development including film production, and video-related events, etc.

There is huge potential for generating a synergy between Aetas, the Company’s consolidated subsidiary that operates “4Gamer.net”, and Shochiku BC, which provides broadcasting services. That is why the two companies decided that expanding into various fields like the growing video on demand business, tapping into the *otaku* (enthusiast) and other subculture segments which become a focus of attention as one of the policies of Cool Japan, etc. would increase both companies’ corporate value. Hence, they decided to transfer some of the Company’s shares in Aetas to Shochiku BC.

The Company will seize every opportunity for growth, build expertise in its existing businesses, and aggressively expand into areas that hold potential for creating synergy with its debugging business.

## 2. Details of business alliance

The two companies will collaborate in the video production and video on demand businesses, focusing on game content, as well as the video on demand and event-related businesses, focusing on game events including e-sports.

## 3. Overview of subsidiary (Aetas)

(March 31, 2015)

(1) Company Name	Aetas, Inc.
(2) Location	3-6-18 Kyobashi, Chuo-ku, Tokyo
(3) Name and position of representative	Kazuhisa Okada, President
(4) Business activities	Planning and management of game information site “4Gamer.net”
(5) Share capital	89,840 thousand yen
(6) Date established	December 1, 2005
(7) Major shareholder and its shareholding ratio	Hearts United Group Co., Ltd. 100.0%

## 4. Overview of business alliance partner and transferee

(March 31, 2015)

(1) Company Name	Shochiku Broadcasting Co., Ltd.
(2) Location	4-1-1 Tsukiji, Chuo-ku, Tokyo
(3) Name and position of representative	Hiroshi Ida, President
(4) Business activities	Management and movie production etc, of the CS broadcasting of “satellite theater” and “home drama channel”
(5) Share capital	2,500,000 thousand yen
(6) Date established	April 23, 1992
(7) Major shareholder and its shareholding ratio	SHOCHIKU Co., Ltd. 100.0%

## 5. Number of stocks to be transferred and status of stock ownership before and after transfer

(1) Number of stocks owned before transfer	1,192 (Number of voting rights: 1,192) (Ownership percentage of voting rights: 100.0%)
(2) Number of stocks to be transferred	477 (Number of voting rights: 477)
(3) Number of stocks owned after transfer	715 (Number of voting rights: 715) (Ownership percentage of voting rights: 60.0%)

## 6. Schedule

Resolution by the Board of Directors for a stock transfer agreement	: July 27, 2015
Business alliance agreement to be signed	: July 30, 2015 (Plan)
Stock transfer	: July 31, 2015 (Plan)

## 7. Future prospects

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