

Kadokawa Games announces initiatives to drive new growth

(April 28th 2016, Tokyo) Kadokawa Games, Ltd. (Headquarters: Shibuya-ku, Tokyo; President: Yoshimi Yasuda; hereafter “Kadokawa Games”) announced a new strategy to drive corporate growth, that includes capital and business tie-ups with overseas companies to accelerate the building of a global delivery organization, and an upcoming reorganization of the game development structure to streamline and integrate the development and marketing of new game products across multiple platforms. The two core pillars of the strategy of this growth strategy, “build a global delivery organization” and “reorganization to enhance development”, are outlined below.

- **Build a global game delivery organization**

To create a global delivery organization for its original games, Kadokawa Games will boost the building of alliances with game companies in each region around the world. As a first step, Kadokawa Games today announced an agreement on capital and business tie-ups with two game companies, Alpha Group in China and SNSplus in Taiwan, with small investments through capital increases with third-party share allocations equivalent to 17% of the total number of shares outstanding. Through these new tie-ups, Kadokawa Games will start to build a delivery organization in China, Taiwan, Hong Kong, Macau, as well as Southeast Asia, that will begin to make a significant contribution to growth by the end of this year.

Kadokawa Games is actively looking to further expand the global delivery organization for its games, through additional capital and business tie-ups in regions around the world.

- **Capital and business affiliates**

- **Alpha Group**

Name in Chinese: **奥飞娱乐股份有限公司**

Representative: Cai Dongqing; hereafter "Alpha "

- **SNSplus**

Name in Chinese: **好玩家股份有限公司**

Representative: Dr. James Ho; hereafter "SNS"

- Enhance the development organization

To streamline and integrate the development and marketing of new game products across multiple platforms, the company announced it will reorganize its game development, moving production in-house by transferring development work from Kadokawa Game Studio to Kadokawa Games. Yoshimi Yasuda, the president, will continue to serve as the head of development, while the company will integrate the marketing and sales promotion functions into the development division in order to enhance its capability to handle major game platforms such as home, mobile and online games, as well as line operating capacity.

Kadokawa Games, while continuing to drive initiatives as a home-game publisher of the Kadokawa Group, will expand the global delivery organization for its original games and enhance its development organization, significantly expanding its potential for growth this year, and over the longer term.

- Alpha

Name in Chinese:	奥飞娱乐股份有限公司
Name in English:	Alpha Group Co., LTD
Headquarters:	Wen Guanzhong Lu, Aodi Industrial Park, Chenghai area in Shantou City, Guangdong Province, People's Republic of China
Representative:	Cai Dongqing
Company homepage:	http://www.gdalphabet.com
Kadokawa shares:	9.92%

- SNSplus

Name in Chinese:	好玩家股份有限公司
Name in English:	SNSplus Inc.
Headquarters:	6F.,No.213, Sec. 3, BeixixRd., Xindian Dist., New Taipei City 23143, Taiwan
Representative:	Dr. James Ho
Company homepage:	http://www.snsplus.com
Kadokawa shares:	7.44%

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