

March 28, 2008

Company Name: GungHo Online Entertainment, Inc.
President & CEO: Kazuki Morishita
(Code No.: 3765; Listed on Osaka Stock Exchange Hercules Market)
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Notification on the Adoption of a Corporate Officer System and Organizational Changes

As noted in a corporate resolution drawn up on March 28, 2008, our company will adopt the following corporate officer system and organizational changes as of April 1, 2008. Related personnel transfers are noted below.

1. Adoption of the Corporate Officer System

(1) Objective

The corporate officer system will separate decision-making and supervisory function of management from execution of operations, currently handled by the board of directors. The board of directors will continue to oversee decision-making and supervisory functions, while the executive officers and board members will hold responsibility for and supervise operations for each of the various divisions. We have decided to transfer authority to correspond with position, based on a system of junior and senior corporate officers. The purpose of this is to bolster corporate governance, hasten strategic decision-making, and facilitate company operations.

(2) Timing

April 1, 2008

2. Organizational Changes

(1) Description

- ① Eliminate the Administration Division and distribute its functions to the Financial Strategy Division and the Business Administration Division
- ② Eliminate the Management Administration Promote Division and distribute its functions to the Intellectual Property/Legal Division, the Internal Auditing Office, and the IR/Corporate Communication Office
- ③ Reorganize the Publishing Division into the Marketing Division
- ④ Reorganize the Service Operation Division into the Customer Service Division
- ⑤ Reorganize the Development Division into the Service Management Division
- ⑥ Newly establish the Online Business Group controlling the Marketing Division, Customer Service Division, and the Service Management Division
- ⑦ Transfer part of the function of the President Office to the New Business Development Office and the R & D Office (the President Office will remain).
- ⑧ Reorganize the Development Office into the Development Business Group

Pre-Change	Post-Change	
Administration Div.	Financial Strategy Div. Business Administration Div.	
Management Administration Promote Div.	Intellectual Property/Legal Div. Internal Auditing Office IR/Communication Office	
International Business Div.	International Business Div.	
Publishing Div.	Online Business Group	Marketing Div.
Service Operation Div.		Customer Service Div.
Development Div.		Service Management Div.
President Office	President Office New Business Development Office R&D Office	
Development Office	Development Business Group	

(2) Timing of Organizational Change
April 1, 2008

3. Personnel Transfer

(1) Changes in Corporate Office Appointments and Area of Supervision

New Title	Name	Old Title
Director CFO Executive General Manager Financial Strategy Div.	Kazuya Sakai	Director CFO Administration Div.
Director CSO Executive General Manager International Business Div.	Yoshinori Kitamura	Director Executive General Manager International Business Div.
Executive Corporate Officer CS Business Group	Noriyoshi Oba	
Executive Corporate Officer Business Group Officer Online Business Group	Masato Ochi	Executive General Manager Publishing Div.
Corporate Officer Executive General Manager Business Administration Div.	Toshiro Ohno	
Corporate Officer Business Group Officer Development Business Group	Hiroshi Hamagaki	General Manager Game Development Office
Corporate Officer General Manager Development Business Group	Hideyuki Yokoyama	General Manager Game Development Office
Corporate Officer CS Business Group	Satoshi Akamatsu	
Corporate Officer General Manager New Business Development Office	Akihiko Ichikawa	General Manager President Office New Business Development Team
Corporate Officer CCO Executive General Manager Intellectual Property/Legal Div. General Manager Internal Auditing Office	Hiroshi Matsuzaka	Director Executive General Manager Management Administration Promote Div.

Corporate Officer CTO Executive General Manager Online Business Group Service Management Div.	Seiichi Hori	Director Executive General Manager Development Div.
Corporate Officer CISO Executive General Manager Online Business Group Customer Service Div.	Tomoya Hirota	Director Executive General Manager Service Operation Div.

(2) Transfer Timing

April 1, 2008