



May 12, 2017

To Whom It May Concern

Company name	GungHo Online Entertainment, Inc.
Representative	Kazuki Morishita, Representative Director & President, CEO (Securities code: 3765)
Contact person	Kazuya Sakai, Director & CFO, Executive General Manager of Finance Accounting Division (TEL: 03-6895-1650)

**Notice Regarding Grantees of Stock Options as Stock-based Compensation (Stock Acquisition Rights) and Number of Allotment**

GungHo Online Entertainment, Inc. (the “Company”) announced in the press release titled “Notice on Issuance of Stock Options as Stock-based Compensation (Stock Acquisition Rights)” that the Company passed a resolution at the Board of Directors meeting held on April 28, 2017 to issue guidelines on the subscription of stock acquisition rights to be granted as stock options as a stock-based compensation scheme for the Company’s Directors and Executive Officers and recruit shareholders accepting the subscription. This is to notify you that the Company, at the Board of Directors meeting held today, resolved the number of grantees of the stock acquisition rights and the number of stock acquisition rights to be allotted in accordance with provisions prescribed in Article 243 of the Companies Act.

1. Number of grantees of stock acquisition rights and the number of allotment  
9,925 units to the Company’s Directors and Executive Officers (the targeted number of shares for the stock acquisition rights shall be 100 shares)  
Breakdown: The Company’s five Directors 7,245 units  
The Company’s five Executive Officers 2,680 units
2. Targeted types and numbers of the stock acquisition rights to be allotted to the Company’s Directors and Executive Officers  
992,500 shares of the Company’s common stock

(Reference)

“Notice on Issuance of Stock Options as Stock-based Compensation (Stock Acquisition Rights)” dated April 28, 2017