

The following information was originally prepared and published by DeNA Co., Ltd. in Japanese as it contains timely disclosure materials to be submitted to the Tokyo Stock Exchange. This English translation is for your convenience only. To the extent there is any discrepancy between this English translation and the original Japanese version, please refer to the Japanese version.



MEMBERSHIP
May 23, 2017

Company name:	DeNA Co., Ltd. (TSE First Section Stock Code: 2432)
Name of representative:	Isao Moriyasu, President & CEO
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Notice Regarding Strengthening Corporate Governance and Internal Controls

As described in the disclosure of March 13, 2017, titled “Notice Regarding Receipt of Investigation Report from the Third-Party Committee and Planned Initiatives,” DeNA Co., Ltd. has conducted comprehensive discussions about further enhancing our corporate governance and internal controls.

During the Board of Directors meeting held today, we decided upon and finalized the approach and detailed measures to take for the four initiatives we outlined in the above disclosure. Those initiatives are outlined below, with more details about our decisions following.

1. Strengthening of top management
2. Increasing oversight of business activities by the Board of Directors
3. Strengthening compliance systems and our management structure
4. Corporate culture reform

Related to the above, we plan to propose the partial revision of the Articles of Incorporation; the appointment of five Directors; the appointment of one Corporate Auditor; and the change of the aggregate amount of cash compensation for Outside Directors, at the 19th Ordinary General Meeting of Shareholders, scheduled for June 24, 2017. For more details on each item, please refer to the disclosures titled “Notice Regarding Partial Revision of the Articles of Incorporation,” the “Notice Regarding Candidates for Director and Corporate Auditor,” and the “Notice Regarding Change of Outside Director Compensation,” all dated today.

Further, our Structure for Corporate Governance and Internal Controls, formed on the basis of the abovementioned approach and measures, is attached to the end of this release.

1. Strengthening of top management

During the Board of Directors meeting held on March 13, 2017, we decided to transition from a single representative director system to a dual representative director system, with the President & CEO and the Executive Chairman serving as co-heads. By doing so, our representative directors are able to work together in their business execution, checking and complementing each other. By strengthening top management, we aim to enhance our corporate governance while maintaining agile business execution.

Specifically, decisions made concerning important matters entrusted to management by the Board of Directors will in general require agreement between the Executive Chairman and the President & CEO. For matters to be decided at management meetings, if they are unable to come to an agreement, the unresolved matters will be brought to the Board of Directors meetings.

2. Oversight of Business Execution by the Board of Directors

(1) Shorten director terms

We plan to shorten the appointment term for directors from two years to one year. This is to create a management structure that is able to promptly and flexibly adapt to changes in the business environment, further clarify the directors' management responsibility for the fiscal year, and ensure management's accountability to shareholders.*

(2) Change of the Chairperson for the Board Meetings

Up to this point, the role of Chairperson for the Board Meetings has been filled by the President & CEO. However, in order to further strengthen the oversight function of the Board of Directors, the Board of Directors should be able to select the Convener as well as the Chairperson for the Board Meetings, hence the proposed change. For this fiscal year, the Board plans to appoint Tomoko Namba, Executive Chairman, to this role.*

*We plan to propose initiatives (1) and (2) as part of the partial revision of the Articles of Incorporation, during the 19th Ordinary General Meeting of Shareholders. For more details, please refer to the disclosure of today titled "Notice Regarding Partial Revision of the Articles of Incorporation."

(3) Review of the executive officer system (Clarification of roles and responsibilities for the management and executive officers)

We currently employ an executive officer system to separate management and execution of business. In order to further enhance the clarification of roles and responsibilities, we will place an executive officer in all of our business units, with the representative directors jointly overseeing them. This will promote the empowerment of executive officers in their business units while maintaining clear roles and responsibilities for both management and executive officers.

In addition, the Board of Directors will oversee business execution overall, primarily through the inside directors, via participation in appointment and compensation assessment of executive officers, as per (4) below.

(4) Establishment of Nomination and Compensation Committees

We will establish nomination and compensation committees, which are voluntary advisory bodies for the Board of Directors. We will ensure transparency and objectivity, and further enhance the oversight function of the Board of Directors, by ensuring that outside directors appropriately participate in the appointment and compensation assessment process not only for directors, but also executive officers and others who play an important role in our business.

Both committees will be made up of a majority of outside directors, and the chairman will also be an outside director. For this fiscal year, which will be the first year this system operates, the committees will be made up of our two outside directors and Tomoko Namba, Executive Chairman.

We plan for the Nomination Committee to deliberate and report back to the Board of Directors on items related to the nomination (appointment, reappointment, and dismissal) of directors, executive officers, and others identified by the Board of Directors. Further, we plan for the Nomination Committee to also continuously deliberate on the approach and standards for evaluating the effectiveness of the Board of Directors, as well as the succession plan and the approach for training management and executive officer candidates.

After the 19th Ordinary General Meeting of Shareholders, the Nomination Committee will make a report concerning the recommendations from the Board of Directors regarding the selection of representative directors and appointment of executive officers for this fiscal year.

We have had a compensation committee in place since 2014, which gives recommendations on the compensation of inside directors. We have decided to build upon that committee and expand its scope to also include the compensation of executive officers and others who play an important role in our business.

(5) Strengthening the corporate auditors' audit

We plan to appoint one additional independent outside corporate auditor, and make him a standing corporate auditor.* We will also establish a Corporate Auditors Office, independent from business execution and reporting directly to the corporate auditors, and assign dedicated staff to this office. In addition to its regular assistive work, the Corporate Auditors Office will also implement the following initiatives at the request of the corporate auditors, and contribute to more effective audit activities.

1. Facilitate the collaboration between the corporate auditors and the Compliance and Risk Management Unit, which is described later in this document.
2. Establish direct access from DeNA officers and employees to the corporate auditors
3. Facilitate the collaboration between the corporate auditors and outside directors, including regular meetings with the outside directors

*We plan to propose this change at the 19th Ordinary General Meeting of Shareholders. Please refer to our disclosure of today, titled "Notice Regarding Candidates for Director and Corporate Auditor" for more details regarding the corporate auditor candidate and his independence.

3. Strengthening compliance systems and our management structure

We plan to establish a new unit, the Compliance and Risk Management Unit, to centrally manage compliance and risk for the entire DeNA Group, with the aim to enhance our internal control system.

This unit will support risk management throughout the DeNA Group. Its mission will be to encourage greater awareness of compliance and risk management among management by reporting on a risk agenda to the representative directors and Board of Directors. Further, the head of this unit will promote more effective risk management by their ability to express their concerns, at their discretion, directly in management meetings and Board of Directors meetings for both DeNA and its subsidiaries when they have concerns about representative directors or executive officers' business decisions.

The Compliance and Risk Management Unit will primarily perform the following activities.

1. Centrally manage risk in the DeNA Group (all processes associated with the assessment, management, and monitoring of risk), and support risk management in each department
2. Comprehensively assess and monitor risk information for the DeNA Group, analyze and evaluate risk, come up with measures to address risk, continuously centrally manage risk information. Periodically report on risk management and monitoring to representative directors, the Board of Directors and corporate auditors
3. In addition to operating the whistleblowing hotline, coordinate appropriately with departments such as the customer service and public relations department in order to access primary information that could lead to risk
4. Take the lead in handling unexpected events
5. Aim to increase compliance awareness among DeNA Group officers and employees by such activities as conducting internal training sessions concerning corporate ethics and compliance with laws and regulations

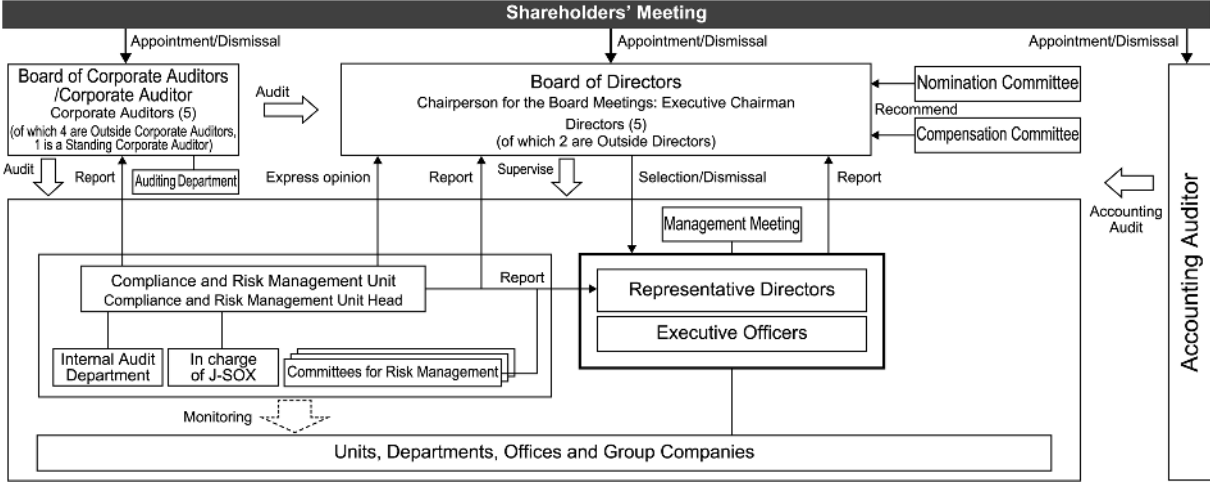
4. Corporate culture reform

DeNA Group's mission is to Delight and Impact the World, and our vision is "as an eternal venture, bring delight to the world using the internet and AI." These values are core to all management measures we pursue throughout the Group.

We define eternal venture as continuously challenging ourselves to provide new value, while also ensuring that social responsibility is a key priority. In order to continue being an eternal venture, we recognize that we need to reform our businesses so that all officers and employees place the utmost priority on delighting our users.

We will establish a Marketing Research Unit, dedicated to assessing all our businesses from a delight perspective. This unit will conduct research and verification to ensure that all our businesses are delighting our users, and that all our businesses are providing social value and meaning. This unit will also provide feedback to executives and each business unit, and by doing so will work to increase delight awareness in the DeNA Group.

Reference: Structure for Corporate Governance and Internal Controls



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