

2004.7.23/Sony Online Entertainment and Gamania Digital Entertainment Announce Asia Pacific Strategic Alliance

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- Historical international collaboration in online gaming to redefine the Asia Pacific MMO market with launch of *EverQuest® II*-

Gamania Digital Entertainment Inc. (Gamania), a pan-Asia industry-leading publisher and developer of online interactive entertainment content, and **Sony Online Entertainment Inc.** (SOE), a worldwide leader in massively multiplayer online (MMO) gaming, today announced what is potentially the largest global strategic alliance in the history of online gaming. The alliance of Gamania and SOE will include four primary undertakings: establishing a joint venture, Asia Pacific products operation, core technology transfer, and potential investment in China. This international collaboration of industry leaders will further solidify Gamania's leading position in the pan-Asian market, as well as satisfying SOE's global strategic planning, all together bringing a new level of influential elements to the global online gaming market.

The initial task of the strategic alliance will be to assist in the launch and operation of the culturalized *EverQuest® II* (EQII) in China, Taiwan, Hong Kong, Korea, as well as Thailand, Malaysia, Singapore, Indonesia and the Philippines to support Gamania as the publishing and operational licensee for *EQII* in the aforementioned territories.

Additionally, SOE is pleased to announce the formation of a new subsidiary, SOE Asia Licensing Inc. SOE Asia will have a branch office in Taiwan and will act as the investor in the new joint venture.

"Sony Online Entertainment has been a great partner for EverQuest in the Taiwan and Hong Kong market. We are excited to take the partnership one step further with this strategic alliance. Not only will our two companies work together to culturalize EverQuest II for the pan-Asian market, but also to develop new and exciting titles for the global market." said Albert Liu, chief executive officer, Gamania. "By combining our pan-Asian operational capability, sophisticated community management skill through an industry leading data center and our proprietary GASH platform with SOE's excellent development technology and content, we strongly believe EverQuest II will be the first of many influential titles to bring tremendous impact on the online gaming communities across Asia."

"Asia is becoming a huge focus for online games and online gaming companies across the globe", said John Smedley, President of Sony Online Entertainment. "The future of Sony Online involves having a significant presence in Asia, which is not something we could do as quickly without a partner who has the knowledge and abilities to help us bring our games into these diverse markets. SOE believes there is a real opportunity to attract a large number of new subscribers by working with local partners to specifically engineer our games to address the needs of players throughout Asia. We feel that Gamania is the right partner to combine forces with in order to make this happen."

The strategic alliance between Gamania and SOE will contain four primary business goals.

1. Establish joint venture

The partnership between Gamania and SOE will be in the form of a joint venture company (JV) located in Taiwan. The JV will act as a pivot point for Gamania and SOE to perform strategic operations in the pan-Asian territories. The JV will focus on game production rather than operation, where game development talents are gathered from SOE and Gamania to staff this collaboration entity. JV will focus on three major tasks:

- i) Production on EQeast: a successful *EQII* launch in Asia will take more than simply translating the gaming text to each territory's respective languages. Instead, the JV will "culturalize" *EQII* in order to maximize the game's appeal for the ever growing MMO player base in Asia Pacific regions. Project *EQeast* will be the result of this culturalization process where a greater "Asian" feel will be brought to the western counterpart of *EQII*, which may include (and not be limited to): redesign of some character models, translating and re-recording the game's voice-over, adjustments to the game's controls and user interface, and other changes to make the game more readily accessible to Asian audiences. Modification to the back-end system for online customer management will also be considered to cater to each locale's servicing requirements.
- ii) EQeast expansions: through the JV, SOE and Gamania intend to develop and launch Asia-targeted expansion packs for EQeast. This co-production is the first of its kind to fully realize the idea of making one title globally accessible through specific cultural adaptations.
- iii) New productions: by combining development skills with the knowledge of market preferences, the JV will engage in new game development. This will diversify the product line for both SOE and Gamania and through cultural integration, produce innovative titles with unique style. This joint venture will further strengthen both Gamania's position as a leader in digital entertainment throughout Asia and SOE's global leadership in online gaming.

2. Asia Pacific products operation

EQeast, as well as its expansion packs developed by JV, will be licensed to Gamania for publishing and operating rights in the territories of Taiwan, Hong Kong (Traditional Chinese), China (Simplified Chinese), Korea, as well as Thailand, Malaysia, Singapore, Indonesia and the Philippines (English). And beginning September 1st, 2004, Gamania Japan has obtained the rights to host the service for, promote and provide its proprietary GASH system as the primary billing platform for the Japanese version of *EverQuest*. For the JV's newly developed online gaming titles and certain other titles developed by SOE that have yet be introduced to the Asia Pacific market, Gamania will have the first choice to publish and operate each in the territories of China, Taiwan, Hong Kong, Japan, Korea, Thailand, Malaysia, Singapore, Indonesia and the Philippines.

The high global expectation and market potential for *EQII* has caught the attention of key hardware and software vendors, including Intel and nVidia. With Gamania, SOE, Intel and nVidia Asia branches all supporting the launch of *EQeast*, it is certain this collaboration will bring Asian gamers to a higher quality in digital entertainment.

3. Core technology transfer

Certain SOE game engines, R&D elements, and technologies will be offered for license to Gamania through this strategic alliance. This technology transfer will "fast track" Gamania's development of advanced online games. Obtaining SOE's world-leading game engine license will promote Gamania's development of games with Asian-style artwork, game design and customer support. Through this, Gamania will be able to develop "killer app" products in the near future. Also, SOE will have the right of first choice to obtain global game licenses on those products under development in order to expand its

product lineup and enrich the content for the global market. For Gamania, this is the best opportunity for introduction into the European and US markets.

4. China investment

SOE and Gamania share a keen interest in investigating, identifying and working with cutting-edge development resources in China. Utilizing development resources in China, SOE and Gamania would be able to further improve the quality and efficiency of game production for the JV, giving all new productions a competitive edge. Jointly, Gamania and SOE aim to bring the highest quality online content to the local and global markets.

About Gamania

With its headquarters located in Taipei, Taiwan, Gamania Digital Entertainment Inc. (Gamania) publishes and develops online interactive entertainment contents. Spanning across markets in Greater China, Japan and Korea, along with the proprietary GASH virtual bank system, Gamania has built up the largest online gaming community with over 8.61 million members. Providing services for MMOG titles including, Lineage, Lineage II, EverQuest, Seal Online and numerous casual gaming titles, Gamania hosts a wide array of digital entertainment under its leading service platform.

Foreseeing the potential of combine gaming with animation, Gamania is also developing and integrating animation projects. Gamania is committed to a continual innovative strategy coupled with a resource-integration model, and with our passionate creativity, manage a new creative cultural industry business model to expand the scope and value of the digital entertainment industry.

Gamania strives to become the leading brand in international digital entertainment, putting every effort into bringing Asia's creative cultural industry to the world, thereafter using our visionary influence to bring readily accessible entertainment to our daily lives.

About Sony Online Entertainment

Sony Online Entertainment Inc. (SOE), a subsidiary of Sony Pictures Digital Inc., is a recognized worldwide leader in massively multiplayer online games, with a subscriber base of over 750,000 active accounts around the globe. SOE creates, develops and provides compelling entertainment for the personal computer, online, game console and wireless markets. Known for its blockbuster franchises, EverQuest® and PlanetSide®, as well as for developing Star Wars Galaxies®: An Empire Divided®, SOE continues to redefine the business of online gaming and the creation of active player communities while introducing new genres on various entertainment platforms. Headquartered in San Diego, CA, with an additional development studio in Austin, TX, SOE has an array of cutting-edge online games in development.

About EverQuest II

EverQuest II is the next generation of massively multiplayer gaming, a huge online world where thousands of players come together for adventure and community. Featuring breathtaking graphics and a vast, beautiful game world to explore, *EverQuest II* sets the standard for graphical realism as players are immersed in the game's exciting locales and dangerous lands. *EverQuest II* brings players into its world with a powerful epic storyline and gives them the power to be the hero or villain in their personal adventure. Players enter this world by creating their own unique character, choosing from 16 races and 24 classes. Players will encounter hundreds of creatures as they travel across majestic landscapes of rolling hills, barren deserts, dense forests and bustling cities. Thousands of items, hundreds of spells and unlimited adventure await all who enter the world of *EverQuest II*. *EverQuest II* also features:

- A new, massive online world for thousands of players to explore, filled with danger, adventure and mystery
- Voices for almost every non-player character (NPC) in the game, a huge project encompassing nearly 100,000 lines and 130 hours of dialog (the equivalent of more than 65 feature films worth of content)
- A state-of-the-art, cinematic quality 3D graphics engine capable of improving as hardware technology advances

- Amazing character customization capabilities. In addition to thousands of pieces of armor, weapons and items, players will be able to customize their character's facial appearance to an incredible level of detail and personalization
- 16 races, dozens of levels and 24 classes with a branching system that allows players to choose their class as they advance
- No race/class combination limitations, allowing players to truly choose who they want to be in game
- Player-owned real estate (such as apartments, homes and guild houses)
- State-of-the art combat, spell and skill systems
- New user friendly game mechanics with reduced learning curve for both new and seasoned players
- Trade skills available to all player classes
- More than 160 unique creature types, from Orcs and Goblins to huge dragons and menacing Living Statues

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