Gala Networks Europe to Launch Browser-based MMORPG

Tokyo, Japan – August 21, 2009 – Gala Inc. today announced that Gala Networks Europe Inc., a consolidated subsidiary of Gala Inc., has signed a licensing agreement with Taiwan-based developer XPEC Entertainment Inc. for the operation of the browser-based MMORPG Canaan in Europe. The game will be available on the gPotato.eu online game portal.

1. Overview of Canaan
Canaan, developed by XPEC Entertainment, is a massively multiplayer online role-playing game that can be played in a web browser window without the bother of downloading and installing game client software.
Canaan features strategic turn-based combat and copious content, including a wide variety of dungeons and quests. It also supports massive guild wars and PvP multiplayer modes, an extensive pet system, a housing system and much more. Among the accolades it has garnered is the "Best Browser-Based MMO 2008" award.

2. XPEC Entertainment Inc.

<table>
<thead>
<tr>
<th>Company name</th>
<th>XPEC Entertainment Inc.</th>
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<tr>
<td>Website</td>
<td><a href="http://www.xpec.com.tw/">http://www.xpec.com.tw/</a></td>
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<tr>
<td>Address</td>
<td>6F, No 53, Nanjing E. Rd. Sec. 2, Taipei, Taiwan, R.O.C</td>
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<tr>
<td>Founded</td>
<td>August 2000</td>
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<tr>
<td>CEO</td>
<td>Aaron Hsu</td>
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<td>Business domain</td>
<td>PC and console game development</td>
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XPEC has offices in Taipei, Shanghai, Beijing and Suzhou, with a total of more than 500 employees. Among the many titles it has developed are such high-profile games as "Kung Fu Panda" and "Hardy Boys - The Hidden Theft".

3. Overview of the agreement
The licensing agreement was signed on July 24, 2009, and will be effective for three years from the launch of the commercial service.
There will be localized versions of the game in various European languages including English, French, German, and Turkish. Both the open beta test and the launch of the full commercial service are planned for early 2010.
4. Future Efforts
The Gala Group will continue to provide superior games, both those developed within the group and licensed from other developers, to gamers around the world.

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