

Giant Interactive Group Inc.
Form 6-K
July 14, 2014

Form 6-K

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington D.C. 20549

REPORT OF FOREIGN ISSUER

PURSUANT TO RULE 13a-16 OR 15d-16 OF THE

SECURITIES EXCHANGE ACT OF 1934

For the month of July 2014

Commission File Number: 001-33759

GIANT INTERACTIVE GROUP INC.

11/F No. 3 Building, 700 Yishan Road

Shanghai 200233

People's Republic of China

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(Address of principal executive office)

Indicate by check mark whether the registrant files or will file annual reports under cover Form 20-F or Form 40-F.
Form 20-F Form 40-F

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T
Rule 101(b)(1):

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T
Rule 101(b)(7):

Indicate by check mark whether by furnishing the information contained in this Form, the registrant is also thereby
furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of
1934. Yes No

If "Yes" is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b): 82-N/A

Giant Interactive Group Inc.

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SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Giant Interactive Group Inc.

By: /s/ Jazy Zhang
 Name: Jazy Zhang
 Title: Chief Financial Officer

Date: July 14, 2014

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"2">Parent-alone Financial Statements of the Company**Balance Sheet**

	March 31, 2011 (in millions of yen)
Assets	
Current assets	1,752,588
Cash and deposits	2,185
Trade notes receivable	147
Trade accounts receivable	398,390
Finished goods, merchandise and semi-finished goods	116,371
Work in process	62,708
Raw materials and supplies	40,064
Other receivables	99,935
Deposits paid	173,454
Short-term loans	727,943
Deferred tax assets	110,352
Other current assets	23,222
Allowance for doubtful receivables	(2,183)
Fixed assets	3,312,824
Net tangible fixed assets	356,352
Buildings	154,820
Structures	5,584
Machinery and equipment	70,006

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Vehicles	123
Tools, furniture and fixtures	12,633
Land	84,733
Leased assets	12,873
Construction in progress	15,580
Intangibles	58,263
Patent and trademark rights	37,157
Software	18,559
Facility utility and other rights	2,547
Investments and advances	2,898,209
Investment securities	298,020
Shares in subsidiaries and affiliates	2,087,519
Investments in equity, other than capital stock	21
Investments in subsidiaries and affiliates	428,652
Allowance for investment loss	(38,957)
Long-term deposits paid	4,194
Deferred tax assets	86,994
Other investments and other assets	31,766
Total assets	5,065,412

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	March 31, 2011 (in millions of yen)
Liabilities	
Current liabilities	2,183,548
Trade notes payable	464
Trade accounts payable	397,217
Lease obligations	7,579
Other payables	19,060
Accrued expenses	695,333
Reserve for bonuses	43,079
Accrued income taxes	777
Advance receipts	1,946
Deposits received	715,877
Short-term borrowings	30,000
Bonds redeemable within one year	200,000
Reserve for warranty costs	27,515
Reserve for sales promotion	38,146
Other current liabilities	6,555
Long-term liabilities	938,555
Bonds	800,000
Lease obligations	6,842
Employee retirement and severance benefits	22,223
Long-term deposits received	109,490
Total liabilities	3,122,103
Net Assets	
Shareholders' Equity	1,931,363
Capital	258,740
Capital surplus	569,964
Capital reserve	568,212
Other capital surplus	1,752
Retained earnings	1,774,288
Legal reserve	52,749
Other retained earnings	1,721,539
Reserve for advanced depreciation	18,464
Contingent reserve	1,618,680
Retained earnings brought forward	84,395
Treasury stock	(671,629)
Difference of valuation, translation and other adjustments	11,946
Unrealized holding gains (losses) of available-for-sale securities, etc.	3,798
Deferred profit (loss) on hedges	8,148
Total net assets	1,943,309

Total liabilities and net assets

5,065,412

Table of Contents**Statement of Operations**

from April 1, 2010 to March 31, 2011

	(in millions of yen)
Net sales	4,143,023
Cost of sales	(3,258,436)
Gross profit	884,587
Selling, general and administrative expenses	(780,300)
Interest and dividends income	67,431
Other income	44,006
Interest expense	(11,147)
Other expense	(58,201)
Recurring profit	146,376
Non-recurring profit	
Profit on sale of investment securities	6,326
Profit on sale of tangible fixed assets	1,408
Non-recurring loss	
Loss on sale of investment securities	(4,243)
Loss on devaluation of investment securities	(5,421)
Loss on devaluation of stock in affiliates	(64,133)
Loss on business restructuring	(2,191)
Loss on reserve for retained deficits of affiliated companies	(58,250)
Extraordinary earthquake damage-related expenses	(5,035)
Profit before income taxes	14,837
Provision for income taxes	
Current	(9,795)
Deferred	(54,902)
Net loss	49,860

Table of Contents**Statement of Changes in Shareholders' Equity**

from April 1, 2010 to March 31, 2011

(in millions of yen)

	Capital surplus				Shareholders' equity		Retained earnings		
	Capital stock	Capital reserve	Other capital surplus	Total of capital surplus	Legal reserve	Reserve for advanced depreciation	Contingent reserve	Unappropriated retained earnings	Total of retained earnings
Balances at beginning of period	258,740	568,212	1,761	569,973	52,749	18,464	1,618,680	154,959	1,844,852
Changes in the period									
Dividends from retained earnings								(20,704)	(20,704)
Net loss								(49,860)	(49,860)
Repurchase of common stock									
Sale of treasury stock			(9)	(9)					
Net changes of items other than shareholders' equity									
Total changes in the period			(9)	(9)				(70,564)	(70,564)
Balances at end of period	258,740	568,212	1,752	569,964	52,749	18,464	1,618,680	84,395	1,774,288

	Shareholders' equity		Difference of valuation, translation and other adjustments			
	Treasury stock	Total of shareholders' equity	Unrealized holding gains (losses) of available-for-sale securities, etc.	Deferred profit (loss) on hedges	Total of difference of valuation, translation and other adjustments	Total net assets
Balances at beginning of period	(671,223)	2,002,342	31,569	4,383	35,952	2,038,294
Changes in the period						
Dividends from retained earnings		(20,704)				(20,704)
Net loss		(49,860)				(49,860)
Repurchase of common stock	(432)	(432)				(432)
Sale of treasury stock	26	17				17
Net changes of items other than shareholders' equity			(27,771)	3,765	(24,006)	(24,006)
Total changes in the period	(406)	(70,979)	(27,771)	3,765	(24,006)	(94,985)
Balances at end of period	(671,629)	1,931,363	3,798	8,148	11,946	1,943,309

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Notes on the Basis of Presentation of Parent-alone Financial Statements

Summary of Significant Accounting Policies

1. Standards and methods for valuation of assets

(1) Securities

Investments in subsidiaries and affiliates

Valuation at cost, with cost determined by the moving average method

Other securities

Items with a market value: market valuation method based on year-end closing market price, etc. (The difference, net of tax, between acquisition cost and carrying market value of other securities is reported as a separate component of shareholders' equity. The cost of other securities sold is computed based on the moving average method.)

Items with no market value: valuation at cost, with cost determined by the moving average method

(2) Derivatives

Fair value method

(3) Inventories

Valuation at cost (method of lowering carrying amount due to decline in profitability)

Finished goods, semi-finished goods, work in process

Average cost method

Merchandise, raw materials, supplies

Last purchase price method

2. Method of depreciation and amortization of fixed assets

(1) Tangible fixed assets (Excluding leased assets)

Straight-line method

(2) Intangible fixed assets

Straight-line method

(3) Leased assets

(Finance leases other than those that transfer ownership rights)

Straight-line method over the lease term (useful life) with no residual value.

3. Accounting for allowances

(1) Allowance for doubtful receivables

An allowance for doubtful receivables is provided at an amount calculated based on historical experience, while specific allowances for doubtful receivables are provided for the estimated amounts considered to be uncollectible after reviewing individual collectability.

(2) Provision of allowance for investment loss

Loss on investments in affiliated companies in Japan and overseas is estimated according to Company regulations and taking into consideration the financial condition of those companies.

(3) Allowance for bonuses

An allowance for bonuses is provided at an amount calculated based on estimated bonus payments.

(4) Allowance for product warranties, etc.

An allowance for accrued warranty costs related to product after-sales services is provided at an amount calculated for estimated service costs during the period of the warranty based on historical experience.

(5) Allowance for sales promotion costs

Based on the Company's various sales promotion initiatives, estimates of costs related to sales commissions, product sales and other required expenses incurred for product promotion are recorded in accordance with prescribed Company standards.

(6) Accrual for employee retirement and severance benefits

Liabilities incurred for the provision of employee retirement and severance benefits are stated based on the projected benefit obligation and pension fund assets at the year-end. The transition obligation amounting to ¥42,077 million recognized at the adoption of new accounting standards (the transition obligation excluding the substitutional portion amounting to ¥17,115 million) is being amortized on a straight-line basis over 15 years.

4. Other significant items related to the preparation of financial statements

(1) Deferred assets accounting method

Bond issuance costs are charged to income in full as incurred.

(2) Basis of hedge accounting

The Company applies deferral hedge accounting as defined in the accounting standards for financial instruments to its foreign exchange contracts and commodity futures trading.

(3) Consumption tax and local consumption tax are excluded from all items in the statement of income.

5. Changes in significant accounting policies

Application of the Accounting Standard for Asset Retirement Obligations

Effective from the fiscal year under review, Panasonic adopted the Accounting Standard for Asset Retirement Obligations (ASBJ Statement No. 18 issued on March 31, 2008) and the Guidance on Accounting Standard for Asset Retirement Obligations (ASBJ Guidance No. 21 issued on March 31, 2008). There was no impact on operating profit, recurring profit and income before income taxes as a result of applying the aforementioned standard.

Table of Contents**Notes on the Balance Sheet**

1. Assets pledged as collateral and significant liabilities with collateral	
(1) Assets pledged as collateral	
Investment securities	¥ 13,400 million
Pledged as collateral when using the Deferred Payment System based on the Customs Act and Consumption Tax Law	
(2) Significant liabilities with collateral	
Trade accounts payable	¥ 3,014 million
Accrued expenses	¥ 3,554 million
2. Accumulated depreciation of tangible fixed assets	¥ 1,252,847 million
3. Discounted export bills	¥ 2 million
4. Subsequent event	
Recourse obligation for trade receivables sold	¥ 300 million
5. Receivables from and liabilities to subsidiaries and affiliates	
Short-term receivables from subsidiaries and affiliates	¥ 1,260,736 million
Long-term receivables from subsidiaries and affiliates	¥ 2 million
Short-term payables to subsidiaries and affiliates	¥ 890,392 million
Long-term payables to subsidiaries and affiliates	¥ 109,004 million

Notes on the Statement of Operations

Transactions with subsidiaries and affiliates	
Sales to subsidiaries and affiliates	¥ 3,218,597 million
Purchases from subsidiaries and affiliates	¥ 1,925,742 million
Turnover with subsidiaries other than sales and purchases	¥ 77,958 million

Notes on the Statement of Changes in Shareholders Equity

1. Type and number of shares issued as of the fiscal year-end	
Common stock	2,453,053,497
2. Type and number of shares of treasury stock as of the fiscal year-end	
Common stock	382,760,101
3. Items related to dividends	
(1) Dividend payments	

Resolution	Type of share	Total dividend amount (millions of yen)	Dividend per share (yen)	Record date	Effective date
May 7, 2010 Board of Directors Meeting	Common stock	10,353	5.0	March 31, 2010	May 31, 2010
October 29, 2010 Board of Directors Meeting	Common stock	10,351	5.0	September 30, 2010	November 30, 2010
Total		20,704	10.0		

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(2) Dividends for record dates during the year under review with effective dates in the following fiscal year

Resolution	Type of share	Total dividend amount (millions of yen)	Dividend per share (yen)	Record date	Effective date
April 28, 2011 Board of Directors Meeting	Common stock	10,351	5.0	March 31, 2011	May 31, 2011

Notes to Tax-effect Accounting

Breakdown of significant reasons for the recording of deferred tax assets and deferred tax liabilities:	
Deferred tax assets	
Inventory valuation	¥ 19,449 million
Accrued expenses	¥ 35,519 million
Depreciation and amortization	¥ 45,115 million
Allowance for investment loss	¥ 15,778 million
Loss on devaluation of investment securities	¥ 15,909 million
Operating loss carryforwards	¥ 25,180 million
Other	¥ 463,070 million
Total gross deferred tax assets	¥ 620,020 million
Less valuation allowance	¥ (401,594) million
Net deferred tax assets	¥ 218,426 million
Deferred tax liabilities	
Prepaid pension cost	¥ (2,967) million
Deferred profit (loss) on hedges	¥ (5,545) million
Reserve for advanced depreciation	¥ (12,568) million
Total gross deferred tax liabilities	¥ (21,080) million
Net deferred tax assets	¥ 197,346 million

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Notes to per Share Data

Net assets per share	¥ 938.66
Net loss per share	¥ 24.08

Note Concerning Important Subsequent Events

Panasonic, as the parent company, and both PEW and SANYO, as wholly-owned subsidiaries, carried out an exchange of shares on April 1, 2011.

Notes to Application of Restrictions on Maximum Dividend Payments

The Company is subject to restrictions on maximum dividend payments.

Other

1. All monetary amounts have been rounded to the nearest million yen.

2. Impact of the Great East Japan Earthquake

Damage was reported to certain sections of the Company's Sendai and Fukushima plants, located in Natori City, and Fukushima City, and others, respectively, due to the Great East Japan Earthquake that occurred on March 11, 2011.

The book value of property, plant and equipment located at each aforementioned base totals ¥17,522 million and includes buildings, machinery and equipment as well as other assets valued at ¥4,116 million, ¥10,707 million and ¥2,699 million, respectively. A portion of the property, plant and equipment was damaged as a result of the earthquake. The cost of damages will be covered by earthquake insurance.

Taking into consideration the difficulties in reasonably estimating the expenditure required to restore damaged property, plant and equipment to their original state in the next fiscal year and beyond, an allowance has not been recorded. It is anticipated that the cost of damages will be covered by earthquake insurance.

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Copy of Report of Accounting Auditors Concerning

Consolidated Financial Statements

English Translation of the Auditors' Report Originally Issued in the Japanese Language

Independent Auditors' Report

April 27, 2011

The Board of Directors
Panasonic Corporation

KPMG AZSA LLC
Masahiro Mekada (Seal)
Designated Limited Liability Partners
Managing Partner
Certified Public Accountant

Takashi Kondo (Seal)
Designated Limited Liability Partners
Managing Partner
Certified Public Accountant

Yoshiteru Yamamoto (Seal)
Designated Limited Liability Partners
Managing Partner
Certified Public Accountant

We have audited the consolidated statutory report, comprising the consolidated balance sheet, the consolidated statement of income, the consolidated statement of equity and the related notes of Panasonic Corporation as of March 31, 2011 and for the year from April 1, 2010 to March 31, 2011 in accordance with Article 444 (4) of the Company Law of Japan. The consolidated statutory report is the responsibility of the Company's management. Our responsibility is to express an opinion on the consolidated statutory report based on our audit as independent auditors.

We conducted our audit in accordance with auditing standards generally accepted in Japan. Those auditing standards require us to obtain reasonable assurance about whether the consolidated statutory report is free of material misstatement. An audit is performed on a test basis, and includes assessing the accounting principles used, the method of their application and estimates made by management, as well as evaluating the overall presentation of the consolidated statutory report. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the consolidated statutory report referred to above presents fairly, in all material respects, the financial position and the results of operations of Panasonic Corporation and its consolidated subsidiaries for the period, for which the consolidated statutory report was prepared, in conformity with accounting principles generally accepted in the United States of America (refer to Notes to Consolidated Financial Statements, 3. (1) of Notes on the Basis of Presentation of Consolidated Financial Statements) as prescribed by the provisions of Paragraph 1, Article 3 of the Supplementary Provisions of Accounting Ordinance of the Company Law of Japan (Ordinance of the Ministry of Justice No. 46 of 2009).

Additional Information

As presented in the Note Concerning Important Subsequent Events, Panasonic, as the parent company, and both PEW and SANYO, as wholly-owned subsidiaries, carried out an exchange of shares on April 1, 2011.

Our firm and engagement partners have no interest in the Company which should be disclosed pursuant to the provisions of the Certified Public Accountants Law of Japan.

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Copy of Report of Accounting Auditors

English Translation of the Auditors' Report Originally Issued in the Japanese Language

Independent Auditors' Report

April 27, 2011

The Board of Directors
Panasonic Corporation

KPMG AZSA LLC
Masahiro Mekada (Seal)
Designated Limited Liability Partners
Managing Partner
Certified Public Accountant

Takashi Kondo (Seal)
Designated Limited Liability Partners
Managing Partner
Certified Public Accountant

Yoshiteru Yamamoto (Seal)
Designated Limited Liability Partners
Managing Partner
Certified Public Accountant

We have audited the statutory report, comprising the balance sheet, the statement of operations, the statement of changes in shareholders' equity and the related notes, and its supporting schedules of Panasonic Corporation as of March 31, 2011 and for the 104th business year from April 1, 2010 to March 31, 2011 in accordance with Article 436 (2) 1 of the Company Law of Japan. The statutory report and supporting schedules are the responsibility of the Company's management. Our responsibility is to express an opinion on the statutory report and supporting schedules based on our audit as independent auditors.

We conducted our audit in accordance with auditing standards generally accepted in Japan. Those auditing standards require us to obtain reasonable assurance about whether the statutory report and supporting schedules are free of material misstatement. An audit is performed on a test basis, and includes assessing the accounting principles used, the method of their application and estimates made by management, as well as evaluating the overall presentation of the statutory report and supporting schedules. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the statutory report and supporting schedules referred to above present fairly, in all material respects, the financial position and the results of operations of Panasonic Corporation for the period, for which the statutory report and supporting schedules were prepared, in conformity with accounting principles generally accepted in Japan.

Additional Information

As presented in the Note Concerning Important Subsequent Events, Panasonic, as the parent company, and both PEW and SANYO, as wholly-owned subsidiaries, carried out an exchange of shares on April 1, 2011.

Our firm and engagement partners have no interest in the Company which should be disclosed pursuant to the provisions of the Certified Public Accountants Law of Japan.

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Copy of Report of the Board Of Corporate Auditors

Audit Report

The Board of Corporate Auditors, having received a report from each corporate auditor on the method and results of his audit on the performance of duties of directors during the 104th fiscal period from April 1, 2010 to March 31, 2011, and, as a result of discussion, does hereby report the results of audit as follows:

1. Method and details of audit conducted by corporate auditors and the Board of Corporate Auditors

In addition to formulating audit policy and audit schedules and receiving reports concerning the status and results of audits conducted by each corporate auditor, the Board of Corporate Auditors receives reports from directors and the accounting auditors regarding the performance of their duties and seeks explanations when deemed necessary.

Furthermore, each corporate auditor, in accordance with audit standards, policy and schedules formulated by the Board of Corporate Auditors, seeks to facilitate mutual understanding with directors, the Internal Auditing Department and other employees, gathers information and works to improve the environment for conducting audits. Accordingly, the corporate auditors conducted the following audit:

- (1) In addition to attending meetings of the Board of Directors and other important meetings, the corporate auditors received reports from directors, the Internal Auditing Department and other employees regarding the performance of their duties, and when deemed necessary, sought explanations, perused important documents including those subject to executive approval, and conducted examinations of conditions of business and assets at the head office and other major business offices.
- (2) The corporate auditors monitored and examined a resolution of the Board of Directors passed in accordance with the requirements of Article 100, Paragraphs 1 and 3 of the Law for Maintenance of Relevant Laws Relating to the Enforcement of the Company Law of Japan stipulating a system that ensures the performance of the duties of directors are in accordance with relevant laws and regulations and the Company's Articles of Incorporation, and that other affairs of the Company are conducted in an appropriate manner, and monitored the status of the Company's internal control system implemented in accordance with said resolution.
- (3) The corporate auditors, based on the status of discussion within the Board of Directors and other bodies, conducted examinations of basic policy presented in the Company's business report stipulated by Article 118, Paragraph 3.a of the Law for Maintenance of Relevant Laws Relating to the Enforcement of the Company Law of Japan, as well as of each measure required by Article 118, Paragraph 3.b of said law.
- (4) With respect to subsidiaries, through meetings and hearings comprising corporate auditors of the Company and its subsidiaries, the corporate auditors sought to facilitate mutual understanding and exchange of information with the directors and corporate auditors of subsidiaries, and when deemed necessary, received reports concerning the business of subsidiaries, visited their head offices and other major business offices, and conducted inquiries.
- (5) The corporate auditors have monitored and examined the independence of the accounting auditors and the appropriateness of audits conducted, received reports from the accounting auditors concerning the performance of their duties, and when deemed necessary, sought their opinions.
- (6) The corporate auditors received notice from the accounting auditors that the system to ensure the appropriateness of duties performed by accounting auditors (as stipulated by Article 131 of the Accounting Regulations of Japan) is in accordance with standards prescribed by laws and regulations and standards related to quality management for accounting audits, and when deemed necessary,

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sought their opinions.

Based on the above methods, the corporate auditors conducted examinations of the Company's business report related to the fiscal period under review, supporting documents and parent-alone financial statements (balance sheet, statement of operations, statement of changes in shareholders' equity, and notes on the basis of presentation of parent-alone financial statements), and other supporting documents and consolidated financial statements (consolidated balance sheet, consolidated statement of income, consolidated statement of equity, and notes on the basis of presentation of consolidated financial statements).

2. Results of Audit

(1) Results of audit of the business report, etc.

In the opinion of the Board of Corporate Auditors:

- (i) The contents of the business report and its supporting documents present fairly the position of the Company pursuant to laws and regulations and the Articles of Incorporation.
- (ii) With regard to the performance of duties of directors, no unfair conduct, nor any material breach of laws, regulations or the Company's Articles of Incorporation has been found.
- (iii) The details of resolutions approved by the Board of Directors concerning the internal control system are proper and fair; in addition, with regard to the performance of duties of directors with respect to the internal control system, nothing has been found that would necessitate comment.
- (iv) With regard to basic policy related to the individuals responsible for determining financial and business policies presented in the Company's business report, nothing has been found that would necessitate comment.

(2) Results of audit of the parent-alone financial statements, supporting documents and consolidated financial statements.

The method of audit employed by the accounting auditors KPMG AZSA LLC and the results thereof are proper and fair.

April 28, 2011

Board of Corporate Auditors

Kenichi Hamada
Senior Corporate Auditor

Yasuo Yoshino
Corporate Auditor

Hiroyuki Takahashi
Corporate Auditor

Masahiro Seyama
Senior Corporate Auditor

Ikuo Hata
Corporate Auditor

Table of Contents**[Reference Material for Exercise of Voting Rights]****The bills and reference materials:****Bill No. 1: To elect 20 directors**

The terms of office of all 19 directors currently in office will expire at the conclusion of the 104th Ordinary General Meeting of Shareholders, at which time Hitoshi Otsuki, Junji Nomura and Masashi Makino will resign as director.

Moreover, taking into consideration the increase in Panasonic's business scope, following the recent conversion of Panasonic Electric Works Co., Ltd. and SANYO Electric Co., Ltd. into wholly-owned subsidiaries, and the need to further bolster the Company's management structure, the election of an additional director for a total of 20 directors is hereby proposed.

The particulars of the candidates are as follows:

Brief personal record, position and responsibilities in the Company and

Name and date of birth	other important concurrently held positions	Ownership of the Company's shares
1 Kunio Nakamura July 5, 1939	Apr. 1962 Joined the Company; June 1993 Director of the Company; June 2000 President of the Company; June 2006 Chairman of the Board of Directors; <i>(Outside Director, Tokyo FM Broadcasting Co., Ltd.)</i>	89,600 shares
2 Masayuki Matsushita October 16, 1945	Apr. 1968 Joined the Company; Feb. 1986 Director of the Company; June 1990 Managing Director of the Company; June 1992 Senior Managing Director of the Company; June 1996 Executive Vice President of the Company; June 2000 Vice Chairman of the Board of Directors <i>(Chairman and President, PHP Institute Inc.)</i> <i>(President, the Konosuke Matsushita Memorial Foundation)</i> <i>(President, Matsushita Real Estate Co., Ltd.)</i> <i>(Outside Director, New Otani, Co., Ltd.)</i> <i>(Outside Director, Hotel Okura Co., Ltd.)</i>	7,913,000 shares
3 Fumio Ohtsubo September 5, 1945	Apr. 1971 Joined the Company; June 1998 Director of the Company; June 2000 Managing Director of the Company; June 2003 Senior Managing Director of the Company; June 2006 President of the Company	64,600 shares
4 Toshihiro Sakamoto	Apr. 1970 Joined the Company;	41,078 shares

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October 27, 1946	June 2000	Director of the Company / Vice President of AVC Company / in charge of Visual Products Group;
	June 2003	In charge of Corporate Planning;
	June 2004	Managing Director of the Company;

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- Apr. 2006 Senior Managing Director / President, Panasonic AVC Networks Company;
- Apr. 2009 Executive Vice President of the Company / in charge of Domestic Consumer Marketing and Design;
- Apr. 2010 In charge of Domestic Customer Satisfaction

Table of Contents**Brief personal record, position and responsibilities in the Company and**

Name and date of birth	other important concurrently held positions	Ownership of the Company's shares
5 Takahiro Mori June 16, 1947	Apr. 1970 Joined the Company; June 2003 Executive Officer of the Company; June 2005 Managing Director of the Company / in charge of Corporate Communications Division; Apr. 2006 In charge of Corporate Planning; Apr. 2008 Senior Managing Director of the Company; Apr. 2009 Executive Vice President of the Company / in charge of Corporate Division for Promoting Systems & Equipment Business and Electrical Supplies Sales, Project Sales and Building Products Sales	39,460 shares
6 Yasuo Katsura September 19, 1947	Apr. 1970 Joined the Company; June 2001 President, Matsushita Communication Industrial Co., Ltd.; (now Panasonic Mobile Communications Co., Ltd.); June 2003 Executive Officer of the Company; June 2004 Managing Executive Officer of the Company / Director of the Tokyo Branch; June 2007 Managing Director of the Company; Apr. 2009 Senior Managing Director of the Company / Representative in Tokyo / in charge of External Affairs Division; Apr. 2010 Executive Vice President of the Company <i>(Outside Director, BS-TBS, INC.)</i>	30,116 shares
7 Ken Morita October 24, 1948	Apr. 1971 Joined the Company; June 2005 Executive Officer of the Company; Apr. 2007 Managing Executive Officer of the Company; Apr. 2009 Senior Managing Executive Officer of the Company / President, AVC Networks Company; June 2009 Senior Managing Director of the Company; Apr. 2011 In charge of Manufacturing Innovation / Facility management / Quality Administration / FF Customer Support & Management / Environmental Affairs <i>(President, Panasonic Katano Co., Ltd.)</i> <i>(President, Panasonic Kibi Co., Ltd.)</i>	24,250 shares
8 Ikusaburo Kashima October 8, 1948	July 1971 Joined Ministry of International Trade and Industry; July 1999 Director General of Price Bureau of Economic Planning Agency; Jan. 2001 Retired from office at Ministry of Economy, Trade and Industry; June 2003 Vice Chairman, Information Technology Promotion Agency; June 2004 Joined the Company as an Executive Counselor; June 2005 Director of the Company / Deputy Chief of Overseas Operations;	18,500 shares

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Apr. 2007 Managing Director of the Company / in charge of Legal Affairs, Corporate Risk Management, Corporate Information Security, Corporate Business Ethics, and Corporate International Affairs;

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- Apr. 2009 In charge of Intellectual Property;
- Apr. 2010 Senior Managing Director of the Company;
- Apr. 2011 In charge of Corporate Risk Management, Corporate Information Security
(Outside Director, KOITO MANUFACTURING CO., LTD.)

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Name and date of birth	Brief personal record, position and responsibilities in the Company and other important concurrently held positions			Ownership of the Company's shares
9 Yoshihiko Yamada	Apr.	1974	Joined the Company;	24,661 shares
May 11, 1951	Apr.	2003	Vice President, Panasonic AVC Networks Company;	
	June	2004	Executive Officer of the Company / Director, Corporate Management Division for North America / Chairman, Matsushita Electric Corporation of America (now Panasonic Corporation of North America);	
	Apr.	2007	Managing Executive Officer of the Company;	
	Apr.	2010	In charge of Industrial Sales;	
	June	2010	Managing Director of the Company;	
	Apr.	2011	Senior Managing Director of the Company	
10 Kazunori Takami	Apr.	1978	Joined the Company;	16,500 shares
June 12, 1954	June	2002	Director, Matsushita Refrigeration Company;	
	Apr.	2005	In charge of Corporate Marketing Division for National Brand Home Appliances and Corporate Marketing Division for National Brand Wellness Products / Director, Corporate Marketing Division for National Brand Home Appliances;	
	Apr.	2006	Executive Officer of the Company;	
	Apr.	2008	Managing Executive Officer of the Company;	
	Apr.	2009	President, Home Appliances Company / in charge of Lighting Company;	
	June	2009	Managing Director of the Company	
11 Makoto Uenoyama	Apr.	1975	Joined the Company;	22,800 shares
February 14, 1953	June	2003	General Manager, Corporate Accounting Group;	
	Apr.	2006	Executive Officer of the Company;	
	Apr.	2007	In charge of Accounting and Finance;	
	June	2007	Director of the Company;	
	Apr.	2009	In charge of Information Systems;	
	Apr.	2010	Managing Director of the Company	
12 Masatoshi Harada	Apr.	1977	Joined the Company;	18,200 shares
February 9, 1955	June	2003	General Manager, Industrial Relations Group;	
	Apr.	2008	Executive Officer of the Company / in charge of Personnel and General Affairs;	
	June	2008	Director of the Company;	
	Apr.	2010	Managing Director of the Company;	
	Apr.	2011	Representative in Kansai	
13 Takashi Toyama	Apr.	1978	Joined the Company;	21,600 shares

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September 28, 1955	Apr.	2006	President, Panasonic System Solutions Company / Director, Corporate Construction Business Promotion Division;
	Apr.	2007	Executive Officer of the Company;
	Jan.	2010	President, System Networks Company (now System & Communications Company) / President, Panasonic System Networks Co., Ltd.;
	Jun.	2010	Director of the Company;
	Apr.	2011	Managing Director of the Company

(Outside Director, BS NIPPON CORPORATION)

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Brief personal record, position and responsibilities in the Company and			Ownership of the
Name and date of birth	other important concurrently held positions		Company's shares
14 Ikuo Uno	Mar. 1959	Joined Nippon Life Insurance Company;	0 shares
January 4, 1935	July 1986	Director, Nippon Life Insurance Company;	
	Apr. 1997	President, Nippon Life Insurance Company;	
	Apr. 2005	Chairman, Nippon Life Insurance Company;	
	June 2005	Director of the Company;	
	Apr. 2011	Director and Executive Advisor to the Board, Nippon Life Insurance Company <i>(Director and Executive Advisor, Nippon Life Insurance Company)</i> <i>(Outside Director, Hotel Okura Co., Ltd.)</i> <i>(Outside Director, FUJI KYUKO CO., LTD.)</i> <i>(Outside Corporate Auditor, Odakyu Electric Railway Co., Ltd.)</i> <i>(Outside Corporate Auditor, Sumitomo Mitsui Banking Corporation)</i> <i>(Outside Corporate Auditor, Sumitomo Mitsui Financial Group, Inc.)</i> <i>(Outside Corporate Auditor, Tohoku Electric Power Co., Inc.)</i> <i>(Outside Corporate Auditor, West Japan Railway Company)</i>	
15 Masayuki Oku	Apr. 1968	Joined Sumitomo Bank;	1,050 shares
December 2, 1944	June 1994	Director, Sumitomo Banking Corporation;	
	June 2003	Deputy President, Sumitomo Mitsui Banking Corporation;	
	June 2005	President, Sumitomo Mitsui Banking Corporation / Chairman, Board of Directors of Sumitomo Mitsui Financial Group;	
	June 2008	Director of the Company	

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(Chairman, Japanese Bankers Association)

(Chairman, Board of Directors of Sumitomo Mitsui Financial Group, Inc.)

(Outside Corporate Auditor, Nankai Electric Railway Co., Ltd.)

16 Masaharu Matsushita May 1940 Joined the Company; 9,598,000 shares

September 17, 1912 Oct. 1947 Director of the Company;

Jan. 1961 President of the Company;

Feb. 1977 Chairman of the Board of Directors;

June 2000 Honorary Chairman, the Board of Directors and Executive Advisor, Member of the Board

(Outside Director, THE ROYAL HOTEL LIMITED)

17 Kazuhiro Tsuga* Apr. 1979 Joined the Company; 23,800 shares

November 14, 1956 June 2001 Director, Multimedia Development Center;

June 2004 Executive Officer of the Company / in charge of Digital Network & Software Technology / Director, Software Development;

Apr. 2008 Managing Executive Officer of the Company / President, Panasonic Automotive Systems Company;

Apr. 2011 Senior Managing Executive Officer / President, AVC Networks Company

18 Yoshiiku Miyata* Apr. 1977 Joined the Company; 8,900 shares

April 24, 1953 Sep. 2000 Manager, Corporate Overseas Planning Office;

Apr. 2004 Managing Director, Panasonic Marketing Europe GmbH;

Apr. 2007 Executive Officer of the Company / Director, Corporate Management Division for Europe / Chairman, Panasonic Europe Ltd.;

Apr. 2009

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Managing Executive Officer of the Company / Senior Vice President, AVC Networks Company / Director, Visual Products and Display Devices Business Group / in charge of PDP Business;

Apr. 2011 Senior Managing Executive Officer of the Company / In charge of Overseas Operations

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Name and date of birth	Brief personal record, position and responsibilities in the Company and other important concurrently held positions			Ownership of the Company's shares
19 Yoshiyuki Miyabe* December 5, 1957	Apr.	1983	Joined the Company;	20,800 shares
	Jan.	2003	Manager, R&D Planning Office;	
	Apr.	2008	Executive Officer of the Company / in charge of Digital & Software Technology / Overseas R&D Centers / New Business Strategy Office;	
	Apr.	2009	In charge of Panasonic Spin-up Fund / acTvila Business Promotion;	
	Apr.	2010	In charge of Tokyo R&D Center;	
	Apr.	2011	Managing Executive Officer of the Company / in charge of Technology	
	<i>(Outside Director, WOWOW INC.)</i>			
20 Yoshiaki Nakagawa* February 14, 1954	Apr.	1976	Joined the Company;	10,957 shares
	Apr.	2007	General Manager, Corporate Accounting Group;	
	Apr.	2009	Executive Officer of the Company / General Manager, Corporate Planning Group;	
	Apr.	2011	Managing Executive Officer of the Company / in charge of Personnel and General Affairs	
	<i>(President, Panasonic Corporate Pension Fund)</i>			
	<i>(President, Panasonic Health Insurance Organization)</i>			

- (Notes)
1. No conflicting interest exists between the Company and any of the above candidates.
 2. Asterisks (*) denote candidates to be newly elected as director.
 3. All candidates have stated agreement with the policy related to a Large-scale Purchase of Panasonic shares, called the ESV (Enhancement of Shareholder Value) Plan, which was resolved at the April 28, 2011 Board of Directors meeting.

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4. Ikuo Uno and Masayuki Oku are candidates for outside directors in accordance with Article 2, Paragraph 3-7 of the Enforcement Regulations of the Company Law. Notifications have been filed regarding the status of these candidates as independent directors to the stock exchanges on which the Company's shares are publicly listed.
5. Additional information concerning candidates for the post of outside director:
 - (1) Reasons for selections of candidates:
 - (i) Panasonic proposes the selection of Ikuo Uno for the post of outside director on account of his extensive managerial experience and deep insight that can be brought to the management of the Company.
 - (ii) Panasonic proposes the selection of Masayuki Oku for the post of outside director on account of his extensive managerial experience and deep insight that can be brought to the management of the Company.
 - (2) Incidents that occurred during the most recent term of office as outside directors of the Company with respect to violations of laws or regulations or the Articles of Incorporation, or other inappropriate operational actions, and steps implemented to prevent this kind of incident and other responses made by the candidates following any such incident:

Panasonic agreed to pay fines relating to certain anticompetitive activities undertaken by its household refrigerator compressor business unit with the United States Justice Department and Canada Competition Bureau in September 2010 and October 2010, respectively. While Ikuo Uno and Masayuki Oku (Masayuki Oku assumed his position after the subject misconduct arose) were unaware of any improper behavior until the subject misconduct was uncovered, every effort was made from a legal compliance perspective to ensure that the Company's operations did not breach any statutory or regulatory requirements by the Board of Directors in the course of undertaking their duties. In addition, steps were taken by the Company to prevent any recurrence after misconduct was identified.

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- (3) Incidents that occurred at other companies at which the candidates were directors, executive officers, or corporate auditors during the preceding five years with respect to violations of laws or regulations of the articles of incorporation of such companies, or other inappropriate operational actions, and steps implemented to prevent this kind of incident and other responses taken following any incident while the candidates were outside directors or corporate auditors of such companies:

Ikuo Uno

Nippon Life Insurance Company, at which the candidate is a director, was issued business improvement orders based on the Insurance Business Law by the Financial Services Agency (FSA) in July 2006 and July 2008. The orders were issued due to problems with the company's management system for the payment of insurance and its business administration.

Tohoku Electric Power Co., Inc. at which the candidate is an outside corporate auditor, following a review and survey which was conducted in fiscal 2007, ended March 31, 2007, mainly related to data falsification and inadequate procedures at its hydroelectric, thermal and nuclear power generation facilities, confirmed that it had failed to report to national and relevant local government agencies a past automatic shutdown of one of its nuclear reactors. As a result, in fiscal 2008, the Company received a warning and was issued an internal regulations improvement order by the Ministry of Economy, Trade and Industry. In addition, in fiscal 2007, the company revealed that it had exceeded its legally permitted water intake at a hydroelectric power generation facility. As a result, the company received an administrative penalty under the River Law from the Ministry of Land, Infrastructure and Transport restricting water intake.

Ikuo Uno, at meetings of the board of corporate auditors and in dialogue with business sites, continuously and clearly stated his opinion about the importance of daily communication between head office and business sites. With respect to the review and survey of power generation facilities, he verified the accuracy of examination procedures and assessment criteria in meetings of the board of directors and board of corporate auditors.

In September 2009, West Japan Railway Company, at which the candidate is an outside corporate auditor, was found to have pressured the Aircraft and Railway Accidents Investigation Commission into leaking information during its investigation into an accident on the Fukuchiyama Line. The Minister of Land, Infrastructure and Transport (MLIT) ordered an investigation and a report on countermeasures to prevent a reoccurrence. At all times, Ikuo Uno's statements promoted observation of laws and regulations, and after the incident he performed the duty of his office to help prevent a reoccurrence by calling in the Board of Directors meeting for complete adherence to regulations in all operations and further strengthening of corporate ethics.

Masayuki Oku

In April 2011, SMBC Nikko Securities Inc. (formerly Nikko Cordial Securities Inc.), at which the candidate was a director until March 2011, received a Business Improvement Order from the Financial Services Agency of Japan in connection with an incident where one of the company's employees defrauded certain customers of their money through means not connected to their accounts at SMBC Nikko Securities Inc.

- (4) Number of years in office since first appointment as outside director of the Company:

At the conclusion of this Ordinary General Meeting of Shareholders, Ikuo Uno will have held the post of outside director for six years and Masayuki Oku will have held the post of outside director for three years.

- (5) Summary of liability limitation agreement with outside directors:

Ikuo Uno and Masayuki Oku are currently outside directors of the Company. The Company enters into an agreement with both outside directors limiting liability pursuant to Article 423, Paragraph 1 of the Company Law of Japan. Under this agreement, provided the individuals concerned act in good faith and no significant negligence occurred in the fulfillment of their duties, the amount of liability is limited to the least amount in conformity with the provisions of Article 425, Paragraph 1 of the Company Law of Japan. If both outside directors are reelected, the Company intends to maintain this agreement with them.

Table of Contents**Bill No. 2: To elect 2 corporate auditors**

The terms of office of Kenichi Hamada and Yasuo Yoshino as corporate auditors will expire at the conclusion of the 104th Ordinary General Meeting of Shareholders at which time Kenichi Hamada will resign as corporate auditor.

In connection with this, the election of two corporate auditors is hereby proposed.

The Board of Corporate Auditors has approved this proposal.

The particulars of the candidates are as follows:

Name and date of birth	Brief personal record, position in the Company and other important concurrently held positions	Ownership of the Company's shares
1 Yasuo Yoshino	Apr. 1965 Joined Sumitomo Life Insurance Company;	3,000 shares
October 5, 1939	July 1988 Director, Sumitomo Life Insurance Company;	
	July 1997 Director and Vice President, Sumitomo Life Insurance Company;	
	July 2001 Chairman and Director, Sumitomo Life Insurance Company;	
	June 2003 Corporate Auditor of the Company	
2 Yoshihiro Furuta*	Apr. 1978 Joined Matsushita Electric Works Ltd.;	0 shares
September 22, 1954	Dec. 2004 Managing Executive Officer / General Manager, Accounting, Matsushita Electric Works Ltd.;	
	June 2005 Executive Officer, Matsushita Electric Works Ltd.;	
	Apr. 2008 In charge of Overseas Operations;	
	June 2008 Director, Matsushita Electric Works Ltd.;	
	Apr. 2009 Deputy Director, Corporate Division for Promoting Systems & Equipment Business of the Company;	

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Oct. 2009 Director, Panasonic Electric Works Co., Ltd. / in charge of Overseas Operations
(Scheduled to resign on June 17, 2011)

- (Notes)
1. No conflicting interest exists between the Company and the above candidates.
 2. Asterisk (*) denotes a candidate to be newly elected as corporate auditor.
 3. Yasuo Yoshino is a candidate for outside corporate auditor as stipulated in Article 2, Paragraph 3-8 of the Enforcement Regulations of the Company Law. Notification has been filed regarding the status of this candidate as an independent corporate auditor to the stock exchanges on which the Company's shares are publicly listed.
 4. Additional information concerning the candidates for the post of outside corporate auditor

(1) Reasons for selection of candidates:

Panasonic proposes the selection of Hiroyuki Takahashi and Yoshihiro Furuta for the post of outside corporate auditor on account of their extensive career experience and deep insight that can be brought to the auditing of the Company.

(2) Incidents that occurred during the most recent term of office as outside corporate auditor of the Company with respect to violations of laws or regulations or the Articles of Incorporation, or other inappropriate operational actions, and steps implemented to prevent this kind of incident and other responses made by the candidate following any such incident:

Panasonic agreed to pay fines relating to certain anticompetitive activities undertaken by its household refrigerator compressor business unit with the United States Justice Department and Canada Competition Bureau in September 2010 and October 2010, respectively. While Yasuo Yoshino was unaware of any improper behavior until the subject misconduct was uncovered, every effort was made from a legal compliance perspective to ensure that the Company's operations did not breach any statutory or regulatory requirements by the Board of Directors in the course of undertaking their duties. In addition, steps were taken by the Company to prevent any recurrence after misconduct was identified.

(3) Number of years since first appointment as outside corporate auditor of the Company:

At the conclusion of this Ordinary General Meeting of Shareholders, Yasuo Yoshino will have held the post of outside corporate auditor for eight years.

(4) Summary of the liability limitation agreement with outside corporate auditors:

Yasuo Yoshino is currently an outside corporate auditor of the Company. The Company has concluded an agreement with him limiting liability pursuant to Article 423, Paragraph 1 of the Company Law of Japan. Under this agreement, provided the individual concerned acts in good faith and no significant negligence occurred in the fulfillment of his duties, the amount of liability is limited to the least amount in conformity with the provisions of Article 425, Paragraph 1 of the Company Law of Japan. In the event that reelection is approved, the Company intends to maintain this agreement with Yasuo Yoshino.

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Disclaimer Regarding Forward-Looking Statements

This Notice includes forward-looking statements (within the meaning of Section 27A of the U.S. Securities Act of 1933 and Section 21E of the U.S. Securities Exchange Act of 1934) about Panasonic and its Group companies (the Panasonic Group). To the extent that statements in this Notice do not relate to historical or current facts, they constitute forward-looking statements. These forward-looking statements are based on the current assumptions and beliefs of the Panasonic Group in light of the information currently available to it, and involve known and unknown risks, uncertainties and other factors. Such risks, uncertainties and other factors may cause the Panasonic Group's actual results, performance, achievements or financial position to be materially different from any future results, performance, achievements or financial position expressed or implied by these forward-looking statements. Panasonic undertakes no obligation to publicly update any forward-looking statements after the date of this Notice. Investors are advised to consult any further disclosures by Panasonic in its subsequent filings with the U.S. Securities and Exchange Commission pursuant to the U.S. Securities Exchange Act of 1934 and its other filings.

The risks, uncertainties and other factors referred to above include, but are not limited to, economic conditions, particularly consumer spending and corporate capital expenditures in the United States, Europe, Japan, China and other Asian countries; volatility in demand for electronic equipment and components from business and industrial customers, as well as consumers in many product and geographical markets; currency rate fluctuations, notably between the yen, the U.S. dollar, the euro, the Chinese yuan, Asian currencies and other currencies in which the Panasonic Group operates businesses, or in which assets and liabilities of the Panasonic Group are denominated; the possibility of the Panasonic Group incurring additional costs of raising funds, because of changes in the fund raising environment; the ability of the Panasonic Group to respond to rapid technological changes and changing consumer preferences with timely and cost-effective introductions of new products in markets that are highly competitive in terms of both price and technology; the possibility of not achieving expected results on the alliances or mergers and acquisitions including the business reorganization after the acquisition of all shares of Panasonic Electric Works Co., Ltd. and SANYO Electric Co., Ltd.; the ability of the Panasonic Group to achieve its business objectives through joint ventures and other collaborative agreements with other companies; the ability of the Panasonic Group to maintain competitive strength in many product and geographical areas; the possibility of incurring expenses resulting from any defects in products or services of the Panasonic Group; the possibility that the Panasonic Group may face intellectual property infringement claims by third parties; current and potential, direct and indirect restrictions imposed by other countries over trade, manufacturing, labor and operations; fluctuations in market prices of securities and other assets in which the Panasonic Group has holdings or changes in valuation of long-lived assets, including property, plant and equipment and goodwill, deferred tax assets and uncertain tax positions; future changes or revisions to accounting policies or accounting rules; natural disasters including earthquakes, prevalence of infectious diseases throughout the world and other events that may negatively impact business activities of the Panasonic Group; as well as direct or indirect adverse effects of the Great East Japan Earthquake on the Panasonic Group in terms of, among others, component procurement, manufacturing, distribution, and economic conditions in Japan and overseas including consumer spending and corporate capital investment. The factors listed above are not all-inclusive and further information is contained in Panasonic's latest annual reports, Form 20-F, and any other reports and documents which are on file with the U.S. Securities and Exchange Commission.