

12 April 2010

IB Daiwa Corporation  
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## **Announcement on Acquisition of Humming Stage Kabushiki Kaisha**

This is to announce that, in the meeting of the Board of Directors of IB Daiwa Corporation (the “Company” or the “Lender”) held on 12 April 2010, it has been resolved that the Company would acquire 100% stake of Kabushiki Kaisha Humming Stage (“Humming”) and make it as the Company’s wholly owned subsidiary and a vehicle to expand its Food Business (the “Acquisition”). Details of acquisition are as described below:

### **1. Reasons for the Acquisition**

Effective 5 April 2010, the Company has appointed Mr. Yoshiharu Saito, who has an in-depth experience and industry connections in the food business, as Representative Director and Vice President.

Humming was incorporated on 14 August 2009 and has only a short history, however, it has well accumulated know-how of purchase and retail of vegetables and other foods, through operation of several supermarket stores in the metropolitan area under contract with a supermarket chain owner. The Company plans to make Humming as the Food Division of the group, and to use it as a vehicle to expand the Food Business. The Company’s intention is to efficiently utilise Humming’s human resources and the industry know-how to start up various new food related businesses in order to expand the Food Business. The new Food Division of the group, under a strong leadership of Mr. Saito, will strive to contribute to the group’s operating cashflow.

### **2. Method of the Acquisition**

The Company will purchase 1,000 shares in Humming, which representing 100% of the issued shares, from Mr. Masato Fujii, the sole shareholder and the representative director of Humming, in cash consideration for JPY 16 million.

### 3. Information on Humming

①	Trade name	Kabushiki Kaisha Humming Stage
②	Registered address	4-7-9 Miyauchi, Nakahara-ku, Kawasaki, Kanagawa-ken
③	Representative Director	Masato Fujii
④	Business	Wholesale and retail of vegetables, meats, fish and other foods
⑤	Paid-in capital	JPY 10 million
⑥	Date of incorporation	14 August 2009
⑦	Shareholder	Masato Fujii: 100%
⑧	Relationship with the Company	
	Capital	n/a
	Personnel	n/a
	Others	n/a
⑨	Financial position and performance for the fiscal year ended March 2010 (tentative)*	
	Net assets	JPY 16 million
	Total assets	JPY 38 million
	Net assets per share	16,397 yen
	Sales revenue	JPY 13 million
	Operating profit	JPY 9 million
	Ordinary profit	JPY 9 million
	Net profit	JPY 6 million
	Net profit per share	6,752 yen
	Dividends per share	—

\* The P&L items are for approx. 7.5 months started from 14 August 2010 (the day on which the Company was incorporated) through 31 March 2010.

### 4. Information on the seller

①	Name	Masato Fujii
②	Address	Isobe, Sagamihara-shi, Kanagawa-ken
③	Relationship with the Company	The Company has no special interest or relationship except that Mr. Yoshiharu Saito, Representative Director and Vice President has known the seller for years as one of business people in the same industry.

### 5. Number of shares in Humming owned by the Company and voting rights to Humming

①	Number of shares owned by the Company prior	0 share	(Voting rights:
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	to the Acquisition		0%)
②	Number of shares to be acquired	1,000 shares	(Voting rights: 100%) (Acquisition price: JPY 16 mil.)
③	Number of shares owned by the Company post the Acquisition	1,000 shares	(Voting rights: 100%)
④	Basis of valuation	Acquisition price is equal to the amount of the net assets of Humming. Through the process of due diligence, the Company has obtained a valuation report from a third party valuer.	

#### 6. Schedule

Board resolution	12 April 2010
Closing	12 April 2010

#### 7. Future prospects

As stated in the beginning of this announcement, the Company plans to make Humming as the Food Division of the group, and to use it as a vehicle to expand the Food Business. The new Food Division of the group, under a strong leadership of Mr. Saito., will strive to contribute to the group's positive operating cashflow.

There is no direct material impact to the Company's financials caused by the Acquisition, however, the Company does not only intend to keep Humming's business as it is, but rather intends to efficiently utilise Humming's human resources and the industry know-how to start up various new food related businesses in order to expand the Food Business.

The financial projection for the fiscal year ending March 2011 for the whole group, including Humming, will be announced in middle of May 2010 in the Tanshin Report for the fiscal year ended March 2010.