

Announcement of final agreement regarding the acquisition of BMB Corp's shares

Brother Industries, Ltd. (President, Toshikazu Koike, hereinafter Brother) announced today that it has signed a final agreement with USEN Corporation (hereinafter USEN) that XING Inc. (hereinafter XING), a subsidiary of Brother, will acquire all shares of BMB Corp (hereinafter BMB) from USEN. Brother and USEN entered into the basic agreement on September 30th, 2009.

1 . Information about BMB Corp

- (1) Company Name BMB Corp
- (2) Address 9-7-1, Akasaka, Minato-Ku, Tokyo
- (3) President Masaharu Kamo
- (4) Established April 21, 1972
- (5) Business Sales and rental of commercial Karaoke equipment
Operation of Karaoke room and restaurants
- (6) Fiscal End End of August
- (7) No. of Employees 501 (Consolidated: 754) (as of the end of August, 2009)
- (8) Locations Same as address
- (9) Capital 11,638,000,000 yen
- (10) No. of Shares 69,032,236 Shares
- (11) Major Stockholders USEN Corporation (100%)
and holdings
- (12) Recent Financial Data

(Unit : million yen)

	August 2007	August 2008	August 2009
Sales	50,782	51,151	39,804
Operating Income	5,352	2,114	▲ 927
Current Profits	4,651	1,252	▲ 2,093
Net Income	1,102	▲ 954	▲ 13,035
Total Asset	49,727	50,870	48,460
Net Asset	17,835	16,782	3,613

2 . Information about acquisition

(1)	No. of Shares held before acquisition	0
(2)	No. of Shares to be obtained	69,032,236 shares (purchase value: one yen)
(3)	No. of Shares held after acquisition	69,032,236 shares (% of shares held after acquisition 100%)

3 . Scheme of the transaction

After acquiring BMB shares at one yen in total, Brother group will repay the borrowing which BMB owes to USEN by paying 23 billion yen, the net balance of the borrowing after liquidating debts and credits between BMB and USEN.

4 . Acquisition schedule(tentative)

Board meeting	October 30, 2009
Signing date of Final agreement	October 30, 2009
Closing date	Within November, 2009(tentative)

(*) Closing date is subject to the approval of Japan Fair Trade Commission.

5 . Outlook

BMB is expected to improve on profitability by realizing the business synergy with XING in sales, product development, and other fields and strengthening balance sheets as a member of Brother Group.

BMB posted a large net loss in year August 2009 due mainly to increase in provision for allowance for doubtful accounts and to write-down of deferred tax assets.

Brother plans to adjust the asset of BMB Corps based on the due diligence and therefore, record goodwill and intends to disclose the business forecast and the effect of this acquisition to consolidated financial statement as soon as they are fixed after closing date.