



October 10, 2017

Press Release

Head office address	8-4-14 Akasaka, Minato-ku, Tokyo
Company name	Broadmedia Corporation (Code: 4347)
Representative	Representative CEO Taro Hashimoto
Contact for inquiries	Executive Director CFO Hideaki Oshio

## Broadmedia Corporation Will Acquire 100% Ownership of a Consolidated Subsidiary Through Additional Share Purchase

Broadmedia Corporation (hereinafter “the Company”) announces that a meeting of its Board of Directors held on October 10, 2017 resolved to make Digital Cinema Club, Inc. (hereinafter “DCC”) a wholly owned consolidated subsidiary of the Company through an additional share purchase. Details are as follows.

### 1. Reasons for the acquisition of the shares

The Broadmedia Group is seeking to build a more efficient system to strengthen the group management structure and increase its earnings power.

As part of this effort, the Company made Renaissance Academy Corporation a wholly owned subsidiary in March 2017. In June 2017, it merged CDN Solutions K.K. and Roonet Systems Co., Ltd. and changed their trade name to Broadmedia Technologies Co., Ltd.

Now, the Group will strive to increase its earnings strength by further refining its management efficiency and accelerating decision making, and promoting further cooperation in the “Technology” segment.

The Group will continue to cooperate with the sellers of the shares in digital cinema services.

### 2. Overview of the consolidated subsidiary

(1) Trade name	Digital Cinema Club, Inc.						
(2) Location	8-4-14 Akasaka, Minato-ku, Tokyo						
(3) Name of representative	President and Representative Director Toshihito Kubo						
(4) Business	Provision of VPF services for distributors and theaters that promote the introduction of digital equipment into movie theaters						
(5) Capital	64 million yen						
(6) Established	April 2010						
(7) Total number of shares issued	2,360 shares						
(8) Major shareholders and shareholding ratio	<table> <tr> <td>The Company</td> <td>62.7% (1,480 shares)</td> </tr> <tr> <td>SUNRISE Company Limited</td> <td>33.1% (780 shares)</td> </tr> <tr> <td>BroadBand Tower, Inc.</td> <td>4.2% (100 shares)</td> </tr> </table>	The Company	62.7% (1,480 shares)	SUNRISE Company Limited	33.1% (780 shares)	BroadBand Tower, Inc.	4.2% (100 shares)
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SUNRISE Company Limited	33.1% (780 shares)						
BroadBand Tower, Inc.	4.2% (100 shares)						

### 3. Number of shares acquired and the status of shareholding before and after acquisition

(1) Number of shares held before transfer	1,480 shares (holding ratio: 62.7%)
(2) Number of shares acquired	880 shares
(3) Number of shares held after transfer	2,360 shares (holding ratio: 100.0%)

Note: The Company refrains from disclosing the acquisition price as a result of consultations with the sellers of the shares.

### 4. Schedule

(1) Date of resolution at the Board of Directors meeting	October 10, 2017
(2) Date of share transfer agreement	October 10, 2017
(3) Date of acquisition of shares	October 13, 2017 (planned)

### 5. Future outlook

Because DCC has already been a consolidated subsidiary of the Company, the impact of the purchase of its additional shares on consolidated results for the fiscal year ending March 31, 2018 will be minor.

For inquiries regarding this press release:

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