

March 31, 2010

Best Bridal, Inc.

President and CEO Masayuki Tsukada

TSE Mothers Code: 2418

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**Notice concerning basic agreement on capital and business partnership with  
Hospitality Network Corporation**

At the meeting of the Board of Directors on March 31, 2010, it was decided to enter into a basic agreement covering a capital and business partnership with Hospitality Network Corporation, as detailed below.

1. Purpose of the partnership

Hospitality Network Corporation (HNC) operates the Hotel InterContinental Tokyo Bay (24 stories, three basements, 339 guest rooms) in the Takeshiba district of Tokyo. It maintains a high level of service, including the provision of a range of training programs to organizations and companies through the Hospitality Academy located there.

Since the establishment of Best Bridal in 1995, we have enjoyed the growing support of customers as a pioneer in guest house weddings, today operating 47 guest houses (including ten in the Tokyo region and eight in Osaka, Sendai, Nagoya and Kyoto) recognized for their quality and authenticity. We also now operate wedding facilities overseas, including in Hawaii (America) and Bali (Indonesia).

To continue to accurately address diversifying and increasingly sophisticated customer needs Best Bridal and HNC have reached an understanding that sharing management resources would be an effective strategy both in terms of capital and operations, promoting continuing expansion in our range of business activities. Based on this understanding we have entered into this formal basic agreement.

Through this partnership Best Bridal will now receive all wedding and banquet work at the Hotel InterContinental Tokyo Bay through a joint venture formed between the two firms, and will apply its expertise in the bridal business (wedding facility planning and management) to achieve business and profitability growth. The establishment of the cooperative relationship between the two firms is a synergistic one that will improve the level of service in all of our facilities.

2. Description of the partnership agreement

2-1 Capital

HNC will issue 19,500 new shares as a private allocation, to be acquired by Best Bridal at 5,000 yen per share, for a total cost of 97.5 million yen. This will make Best Bridal the fourth-largest shareholder in HNC, holding 13.5% of voting stock.

Best Bridal will acquire 300 million yen of HNC convertible corporate bonds. In the event the bonds

are converted, Best Bridal would hold 33.9% of voting stock after March 31, 2012.

At the general meeting of shareholders held by HNC on this date, Best Bridal president Masayuki Tsukada was appointed a director.

## 2-2 Management

Best Bridal and HNC will establish a new joint venture together.

The joint venture will contract with HNC to provide wedding, banquet and related services at the Hotel InterContinental Tokyo Bay.

## 2-3 Outline of the joint venture

Name: Best Hospitality Heart Inc.

Address: 3-11-10 Higashi, Shibuya-ku, Tokyo

Legal representative: Masayuki Tsukada, president

Business lines: Provision of hotel wedding, banquet and related services

Capital: 50 million yen

Establishment: April 16, 2010 (planned)

Fiscal year: December 31

Capitalization ratio: Best Bridal 50%, HNC 50%

## 2-4 Joint venture business forecast

Joint venture Best Hospitality Heart is expected to show revenues of at least 2,500 million yen in the fiscal year ending December 31, 2012.

## 3. Outline of HNC (as of December 31, 2009)

Name: Hospitality Network Corporation

Address: 1-16-2 Kaigan, Minato-ku, Tokyo

Legal representative: Yuji Tsutsumi, president

Business lines: Management and operation of Hotel InterContinental Tokyo Bay

Capital: 50 million yen

Employees: 287

Established: Feb. 3, 1983

Major shareholders and capitalization ratios: InterContinental Hotels Group PLC 16.8%, Seiyu GK 16.0%, Yuji Tsutsumi 16.0%

Relationship with Best Bridal: No capital, business or personnel relationships exist

Performance and fiscal standing for the last three years (Unit: million yen)

Term ended	Dec. 31, 2007	Dec. 31, 2008	Dec. 31, 2009
Net assets	727	742	745
Total assets	3,747	4082	4,010
Per-share equity (yen)	5,846.10	5,963.68	5,989.53
Revenues	5,671	5,322	4,544

Operating profit	60	32	45
Ordinary profit	42	27	7
Current net profit	236	14	3
Current per-share net profit (yen)	1,896.67	117.49	25.94
Per-share dividend (yen)	-	-	-

#### 4. Schedule

Board of directors meeting	March 31, 2010
Basic agreement (capital partnership) signing	March 31, 2010
Establishment of joint venture	April 16, 2010
Sales services agreement signing	April 26, 2010
Stock acquisition	April 26, 2010
New-issue corporate bond acquisition	April 26, 2010
Joint venture business start	May 1, 2010

#### 5. Future outlook

The effect on future corporate performance is thought to be minimal, but reports on the effect on corporate performance will be provided as necessary to reflect business developments.