

Notification on Recording of Special Losses and Deferred Tax Assets Associated with Subsidiary Stock Transfer

Haseko Corporation (the “Company”) announces that it made a resolution at its Board of Directors meeting held today concerning transfer of all shares of Brighton Corporation (“BC”), a 100%-owned subsidiary of the Company, to Milial Resort Hotels Co., Ltd. (“MRH”), a 100%-owned subsidiary of Oriental Land Co., Ltd. (“the Transaction”).

In accordance with this transfer, the Company plans to record special losses and deferred tax assets, as described below.

Details

1. Outline, etc. of Subsidiary to be Transferred

(1) Company name:	Brighton Corporation
(2) Head office address:	9-1 Mihama 1-chome, Urayasu-shi, Chiba
(3) Representative:	Haruki Bando, President and Representative Director
(4) Business description:	Hotel management and operations, etc.
(5) Date established:	July 1, 1991
(6) Paid-in capital:	100 million yen
(7) Major shareholder and shareholding ratio:	Haseko Corporation (100%)
(8) Net sales:	10,292 million yen (fiscal year ended March 2012)
(9) Total assets:	28,371 million yen (as of March 31, 2012)

2. Reasons of Transfer

BC is engaged in the hotel business as a Haseko Group company. Since the opening of Kyoto Brighton Hotel (Kyoto-shi, Kyoto) in 1988, it has established and been operating such properties as Urayasu Brighton Hotel (Urayasu-shi, Chiba), Tateshina Brighton Club (Chino-shi, Nagano), Hotel Brighton City Kyoto Yamashina (Kyoto-shi, Kyoto) and Hotel Brighton City Osaka Kitahama (Osaka-shi, Osaka). As it has done so, it has provided hotel services under the Brighton brand aiming to offer high quality accommodations, which the Company believes have been highly acknowledged by guests in and outside Japan and by local communities.

At present, under the “PLAN for NEXT” (PLAN 4N), the medium-term business plan for the four fiscal years (fiscal 2012 ending March 2013 through fiscal 2015 ending March 2016) positioned as the period for “creating the foundation for the new stage,” the Company is working to further accelerate a shift to corporate management that builds upon both the “flow-based” market centering on construction and the “stock-based” market that should surely accumulate in the future, while engaged in preparing a financial standing that can endure changes and facilitate the challenging of new endeavors from a medium- to long-term perspective.

As for the hotel business conducted by BC, endeavors have been made under the PLAN 4N to improve the business value within the framework of the Haseko Group. However, given the opportunity to negotiate sale of the business with MRH and after repeatedly discussing and investigating this, the Company has arrived at the conclusion that it would be more appropriate for BC to pursue further improvement in its services and brand values, while taking advantage of the hotel management know-how it has nourished, under the umbrella of

MRH which has earned a good reputation and accumulated a track record in the hotel management business in and around Tokyo Disney Resort, and that the Transaction should also contribute to strengthening the Company's financial standing. Based on this judgment, the Company has decided on the transfer of BC shares to MRH.

3. Methods, etc. of the Transaction

For the Transaction, Haseko plans to conclude a stock transfer agreement with MRH to transfer BC's shares issued and outstanding in full.

Through the Transaction, Kyoto Brighton Hotel and Urayasu Brighton Hotel (owned and operated by BC and its subsidiaries) as well as Hotel Brighton City Kyoto Yamashina and Hotel Brighton City Osaka Kitahama (operated by BC and its subsidiaries) will be placed under the umbrella of MRH.

Meanwhile, businesses related to Tateshina Brighton Club which is currently operated by BC and its subsidiaries will be transferred to the Haseko Group, which will operate the businesses for a certain period of time before closing them. With the closing, the Haseko Group plans to retreat from the hotel business.

4. Outline of Transferee (MHR)

(1) Company name:	Milial Resort Hotels Co., Ltd.
(2) Head office address:	2-18 Maihama, Urayasu-shi, Chiba
(3) Representative:	Yumiko Takano, President and Representative Director
(4) Business description:	Hotel management and operations, etc.
(5) Date established:	June 12, 1996
(6) Paid-in capital:	450 million yen
(7) Major shareholder and shareholding ratio:	Oriental Land Co., Ltd. (100%)

5. Number of Shares to Be Transferred and Stock Ownership Before and After Transfer

(1) Number of shares owned before the transfer:	439,800 shares (shareholding ratio: 100%)
(2) Number of shares to be transferred:	439,800 shares
(3) Number of shares owned after the transfer:	0 shares (shareholding ratio: 0%)

6. Schedule of the Transaction

February 26, 2013:	Resolution at the Board of Directors meeting
February 26, 2013:	Execution of the stock transfer agreement
March 29, 2013 (planned):	Stock transfer date

7. Future Outlook

With regard to the impact the Transaction will have on the operating results of the Company for the fiscal year ending March 2013, the Company plans to record the losses related to the Transaction and the retreat from the hotel business as special losses, totaling 7.5 billion yen on a consolidated basis and 3.5 billion yen on a non-consolidated basis. In addition, the Company anticipates to record deferred tax assets of 7.5 billion yen, both on a consolidated and non-consolidated basis, for the losses accruing for tax purposes from the valuation loss of BC's shares that were recorded in the previous fiscal year, and from the above-mentioned special losses to be recorded. Consequently, these will cause no impact on net income on a consolidated basis, but will generate profits equivalent to 4 billion yen on a non-consolidated basis.

As for the forecasts of operating results for the fiscal year ending March 2013 including the impact of the Transaction, please refer to the press release "Notice of Adjustment to the Forecasts of Operating Results" announced today.