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To Whom It May Concern:

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## Notice regarding Yusei Nishi-Kyushu Seika's Acquisition of Exclusive Rights to Cultivate *Yume no Hana* Rice and Commencement of Related Business

BB Net corp. announces that its subsidiary, Yusei Nishi-Kyushu Seika Co., Ltd. ("Nishi-Kyushu Seika") has acquired the exclusive rights to cultivate the *Yume no Hana* strain of rice. The company will begin operating new businesses applying these rights.

### 1. Cultivation Rights Acquired

Ministry of Agriculture, Forestry and Fisheries variety registration number	12054
Agricultural product type	Rice plant
Registered variety name	<i>Yume no Hana</i>
Registration date	June 4, 2004
Duration of rights	20 years (until June 3, 2024)

Research and hybridization work on the *Yume no Hana* variety of rice began in 1992, with the search for an excellent strain of table rice with such characteristics as high quality, low amyloids and a soft grain body. *Yume no Hana* has become known as an excellent strain of table rice that is highly resistant to such diseases as rice blast and is good at remaining upright. Featuring quality on a par with or even better than the *Koshi Hikari* strain, *Yume No Hana* is suitable for early planting, as well as during the regular rice-planting season west of the Kanto region

Nishi-Kyushu Seika acquired the cultivation rights to *Yume no Hana* from the previous holder of these rights, Nakajima Shoten Co., Ltd. These include the exclusive rights to cultivate *Yume no Hana*, as well as sowing and acquisition rights. As a result, without permission from Nishi-Kyushu Seika, no other third party may acquire or sell seed paddies containing *Yume no Hana*, nor may they produce or sell *Yume no Hana* rice.

### 2. New Business for Nishi-Kyushu Seika Related to *Yume no Hana*

- Nishi-Kyushu Seika will commission the sowing and production of *Yume no Hana* through tie-ups with the Japan Agricultural Cooperatives and producers in Kumamoto Prefecture.
- When implementing these activities, Nishi-Kyushu Seika will also promote the sowing of *Yume no Hana* on fallow land and reduced production acreage within the prefecture.
- Once harvested, Nishi-Kyushu Seika will purchase all *Yume no Hana* rice that is harvested ("harvested rice") for a predetermined price.
- Nishi-Kyushu Seika will sell the harvested rice it acquires to its customers such as major restaurant franchise headquarters through its own sales routes.
- Nishi-Kyushu Seika will exclusively sell the fertilizer, inspection bags and other items needed to produce *Yume no Hana*.

### 3. Business Characteristics

Nishi-Kyushu Seika operates regional wholesale markets in Kumamoto Prefecture that handle green vegetables and fruits. In line with the BB Net Group's business objective of supporting small and medium-sized specialty shops and creating a new type of wholesale market, the company is planning a type of business that will support the connection among market-related producers, commission brokers and retailers. The significance and characteristics of the businesses and market-related support connected to *Yume no Hana* include the following:

- The business will be an effective contributor to the agricultural policies of Kumamoto Prefecture and the Japan Agricultural Cooperatives, as it will allow fallow land and reduced-production acreage to be employed more effectively.
- By acquiring all harvested rice from producers at a predetermined price, Nishi-Kyushu Seika will enable producers to forecast their own revenue several years into the future.
- As this strain of rice withstands disease and bending, production volumes are expected to be stable.
- Nishi-Kyushu Seika will take responsibility for the provision of fertilizer and other consumables that are needed to produce rice.
- As the *Yume no Hana* brand gains popularity, the region should develop a reputation as a high-end rice-producing region, reflecting favorably on producers in the area.

As the text above indicates, advantages for producers are that producing a high-end strain of rice should heighten their own reputation, as well as that of their region, and provide a stable source of revenue for several years. As Nishi-Kyushu Seika raises production volume, producers should begin feeling these benefits, as should commissioned brokers and retailers. Nishi-Kyushu Seika will expand these businesses, which it will position as an effective support tool for market-related entities. The company also intends to plan and implement other businesses that will support market-related entities.

### 4. Production Plans for *Yume no Hana*

Fiscal year	Fiscal 2006	Fiscal 2007	Fiscal 2008	Fiscal 2009	Fiscal 2010
Production area (ha)	250	700	900	1,250	1,500
Harvest volume (tonnes)	1,250	3,500	4,600	6,400	7,600