



## Briefing Materials on Consolidated Results for the First Quarter Ended June 30, 2010

# **I. Overview of Consolidated Results for the First Quarter Ended June 2010**

## I-1. Overview of Consolidated Results

Item	Three Months Ended June 2010	Three Months Ended June 2009	Change	Nine Months Ending September 2010 (Plan)	Performance in Nine Months Ended September 2009	Change
Net sales	<b>13,010</b>	<b>13,551</b>	Down 4.0%	<b>24,300</b>	<b>24,876</b>	Down 2.3%
Gross profit	<b>8,577</b>	<b>8,909</b>	Down 3.7%	<b>16,285</b>	<b>16,294</b>	Down 0.1%
Gross profit ratio	65.9%	65.7%	Up 0.2 points	67.0%	65.5%	Up 1.5 points
Selling, general and administrative expenses	<b>8,054</b>	<b>8,286</b>	Down 2.8%	<b>16,185</b>	<b>16,080</b>	Up 0.7%
SG&A ratio	61.9%	61.2%	Up 0.7 points	66.6%	64.6%	Up 2.0 points
Operating income	<b>522</b>	<b>622</b>	Down 16.0%	<b>100</b>	<b>214</b>	Down 53.3%
Operating income ratio	4.0%	4.6%	Down 0.6 points	0.4%	0.9%	Down 0.5 points
Ordinary income	<b>390</b>	<b>668</b>	Down 41.6%	<b>140</b>	<b>254</b>	Down 45.0%
Ordinary income ratio	3.0%	4.9%	Down 1.9 points	0.6%	1.0%	Down 0.4 points
Net income for the First Quarter Ended June 30, 2010	<b>47</b>	<b>306</b>	Down 84.6%	<b>-100</b>	<b>64</b>	—

## I-2. Overview of Consolidated Results (Mielparque/Existing)

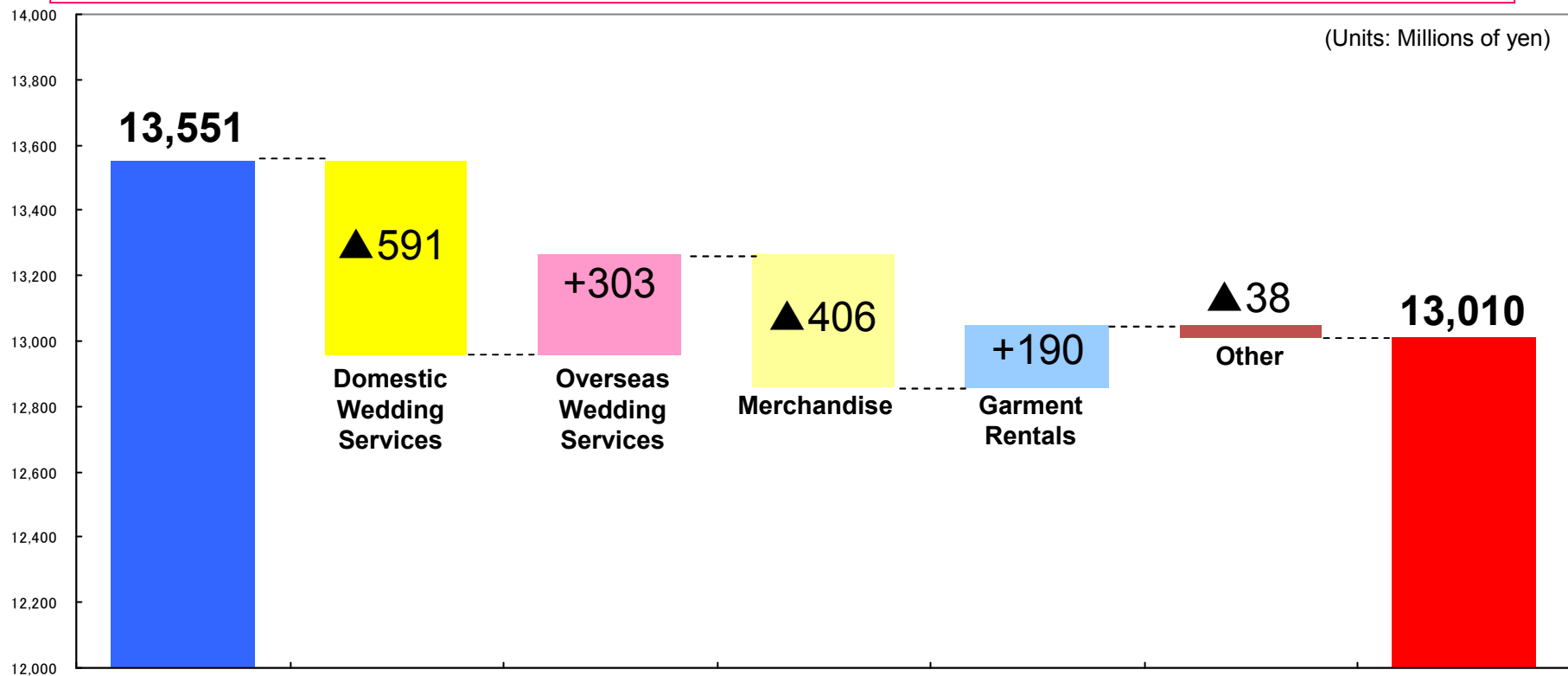
(Units: Millions of yen)

Item	Consolidated					
			Existing		Mielparque	
	Three Months Ended June 2010	Three Months Ended June 2009	Three Months Ended June 2010	Three Months Ended June 2009	Three Months Ended June 2010	Three Months Ended June 2009
Net sales	<b>13,010</b>	<b>13,551</b>	<b>8,297</b>	<b>8,099</b>	<b>4,712</b>	<b>5,451</b>
Gross profit	<b>8,577</b>	<b>8,909</b>	<b>5,305</b>	<b>5,301</b>	<b>3,271</b>	<b>3,607</b>
Gross profit ratio	65.9%	65.7%	63.9%	65.5%	69.4%	66.2%
Selling, general and administrative expenses	<b>8,054</b>	<b>8,286</b>	<b>4,817</b>	<b>4,834</b>	<b>3,236</b>	<b>3,452</b>
SG&A ratio	61.9%	61.2%	58.1%	59.7%	68.7%	63.3%
Operating income	<b>522</b>	<b>622</b>	<b>487</b>	<b>466</b>	<b>35</b>	<b>155</b>
Operating income ratio	4.0%	4.6%	5.9%	5.8%	0.7%	2.9%
Ordinary income	<b>390</b>	<b>668</b>	<b>351</b>	<b>509</b>	<b>38</b>	<b>158</b>
Ordinary income ratio	3.0%	4.9%	4.2%	6.3%	0.8%	2.9%

## I-3. Net Sales Factor Analysis (YoY)

### ■ Net sales fell by 4.0% YoY

Net sales for overseas weddings increased due to the opening of the wedding facility in Taiwan and the increases in both the number of couples holding weddings and average wedding spending for overseas weddings but overall net sales fell due to a decline in orders for Mielparque weddings.



Three Months Ended June 2009

Down ¥541 million

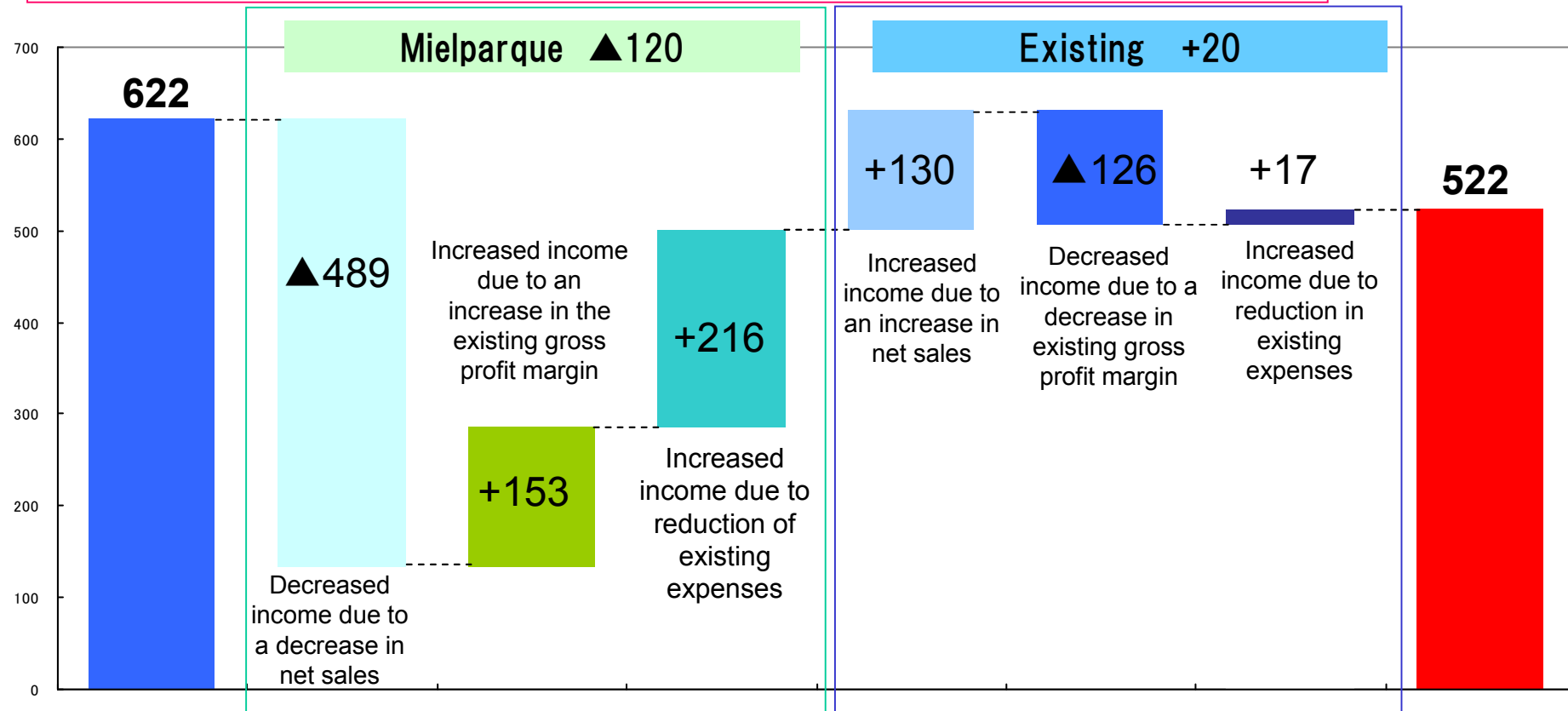
Three Months Ended June 2010

# I-4. Operating Income Factor Analysis (YoY)

## ■ Operating income fell 16.0% YoY

We worked on the reduction of expenses through structural reform, but operating income declined due to the decrease in net sales from Mielparque.

(Units: Millions of yen)



Three Months Ended June 2009

Down ¥100 million

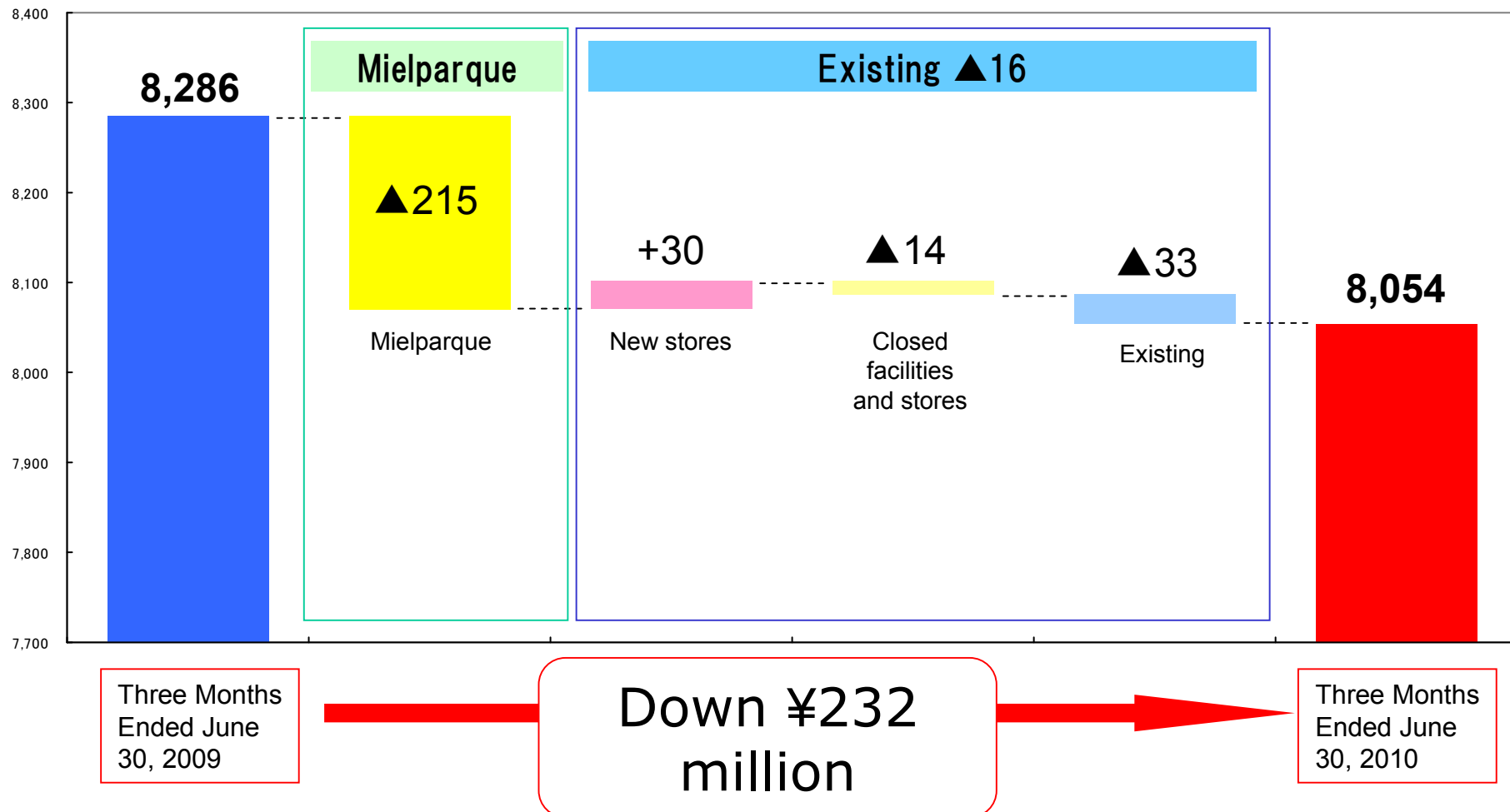
Three Months Ended June 2010

## I-5. SG&A Factor Analysis (YoY)

### ■ SG&A fell 2.8% YoY

In Mielparque we worked on structural reform and as a result selling, general and administrative expenses declined.

(Units: Millions of yen)



# I-6. Selling, General and Administrative Expenses (Changes by Item)

Selling, general and administrative expenses

SG&A ratio    Three Months Ended June 2009    **61.2%**    **→**    Three Months Ended June 2010    **61.9%**    (Up 0.7 points YoY)





## **II. Overview of the First Quarter Ended June 2010 by Business Category**

## II-1. Overview of P/L by Business Category (YoY)

(Units: Millions of yen)

### Net sales

Item	Three Months Ended June 2010		Three Months Ended June 2009		Change
		Percentage		Percentage	
Domestic Wedding Services	8,281	63.7%	8,872	65.5%	Down 6.7%
Overseas Wedding Services	2,547	19.6%	2,244	16.6%	Up 13.5 %
Merchandise	734	5.6%	1,140	8.4%	Down 35.6%
Garment Rentals	1,210	9.3%	1,020	7.5%	Up 18.7%
Commissions	235	1.8%	274	2.0%	Down 14.1%
<b>Net sales</b>	<b>13,010</b>	<b>100.0%</b>	<b>13,551</b>	<b>100.0%</b>	<b>Up 4.0%</b>

### Gross profit

Item	Three Months Ended June 2010	Gross profit ratio	Three Months Ended June 2009	Gross profit ratio	Change
Domestic Wedding Services	5,431	65.5%	5,731	64.6%	Up 1.0 points
Overseas Wedding Services	1,519	59.6%	1,420	63.3%	Down 3.7 points
Merchandise	478	65.1%	775	68.0%	Down 2.9 points
Garment Rentals	912	75.3%	707	69.3%	Up 6.0 points
Commissions	235	100.0%	274	100.0%	
<b>Gross profit</b>	<b>34,180</b>	<b>65.9%</b>	<b>29,858</b>	<b>65.7%</b>	<b>Up 0.2 points</b>

## II-2. Overview of P/L by Business Category Domestic Wedding Services

		Three Months Ended June 2010	Three Months Ended June 2009	Change
<b>Net sales from Domestic Wedding Services</b> (Millions of yen)		8,281	8,872	Down 6.7%
	Number of customers (Couples)	3,054	3,424	Down 10.8%
	In-house chapel facilities	32	31	Up 3.2%
<b>Gross profit from Domestic Wedding Services</b> (Millions of yen)		5,431	5,731	Down 5.2%
	Gross profit ratio	65.6%	64.6%	Up 1.0 points
<b>Mielparque*1</b>	Number of customers (Couples)	1,000	1,279	Down 21.8%
	Average wedding spending (Thousands of yen)	2,202	2,174	Up 1.3%
<b>Meguro Gajoen*1</b>	Number of customers (Couples)	394	394	-
	Average wedding spending (Thousands of yen)	3,164	3,291	Down 3.8%
<b>Resort weddings *2</b>	Number of customers (Couples)	1,269	1,384	Down 8.3%
	Average wedding spending (Thousands of yen)	598	715	Down 16.4%
<b>Including weddings in Okinawa*2</b>	Number of customers (Couples)	1,087	1,177	Down 7.6%
	Average wedding spending (Thousands of yen)	604	744	Down 18.8%
<b>Other</b>	Number of customers (Couples)	391	367	Up 6.5%
	Average wedding spending (Thousands of yen)	2,454	2,172	Up 13.0%
<b>New facilities</b>	Number of customers (Couples)	41	0	+41
<b>Closed facilities</b>	Number of customers (Couples)	0	11	-11
<b>Existing facilities</b>	Number of customers (Couples)	3,013	3,413	-400

### [Overview]

Net sales declined due to the decline in the number of customers for Mielparque and domestic resort weddings.

### [Factors resulting in the decline in the number of customers]

#### ■ Mielparque

The number of customers declined because our ability to attract customers decreased and so orders for weddings declined.

#### ■ Resort weddings

The number of customers for Okinawa resort weddings declined due to the impact of the H1N1 influenza outbreak during the order period.

\*1. The average spending in the Wedding Division was used as the average wedding spending for Mielparque and Meguro Gajoen.

\*2. A change has been made to the method used to calculate the average spending in Okinawa. The previous year's average spending has been recalculated using the same change to accommodate the change.

## II-3. Overview of P/L by Business Category Overseas Wedding Services (1) Japanese Market

		Three Months Ended June 2010	Three Months Ended June 2009	Change
<b>Net sales from Overseas Wedding Services</b> (Millions of yen)		2,547	2,244	Up 13.5%
<b>Gross profit from Overseas Wedding Services</b> (Millions of yen)		1,519	1,420	Up 7.0%
Overseas Wedding Services Gross profit ratio		59.6%	63.3%	Down 3.7 points
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	Number of customers (Couples)	4,392	4,359	Up 0.8%
	Average spending per couple (Thousands of yen)	545	515	Up 5.8%
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Number of customers	Hawaii	2,301	2,277	Up 1.1%
	Micronesia	1,397	1,339	Up 4.3%
	Oceania	239	295	Down 19.0%
	North America	46	56	Down 17.9%
	Europe	251	250	Up 0.4%
	Bali	158	139	Up 13.7%
	Other	0	3	
	<b>Total (Couples)</b>	<b>4,392</b>	<b>4,359</b>	<b>Up 0.8%</b>
<b>Usage rate of in-house chapels</b>		<b>76.1%</b>	<b>76.8%</b>	<b>Down 0.7 points</b>

### [Overview]

Net sales increased due to the rise in the number of customers for overseas weddings and the average wedding spending.

### [Factors resulting in the increase in the number of customers]

The number of customers increased mainly in Micronesia, Bali, and Hawaii due to the recovery of overseas travel demand and other factors.

### [Factors resulting in the rise of average wedding spending]

Average wedding spending rose due to increased usage of customer support center.

## II-4. Overview of P/L by Business Category Overseas Wedding Services (2) Progress in East Asia Business

	Three Months Ended June 2010	Three Months Ended June 2009	Change
<b>East Asia 'local' wedding service business</b>			
Grace Hill Net sales (Millions of yen)	<b>155</b>	—	—
Number of customers (Couples)*1	<b>100</b>	—	—
Average wedding spending (Thousands of yen)*1	<b>1,480</b>	—	—
<b>East Asia DST wedding service business*2</b>			
Number of customers: from overseas to overseas (Couples)	<b>56</b>	<b>15</b>	<b>+41</b>
Number of customers: from overseas to domestic (Couples)	<b>46</b>	<b>10</b>	<b>+36</b>
Total (Couples)	<b>102</b>	<b>25</b>	<b>+77</b>

[Overview]

Net sales increased due to Grace Hill starting operation.

\*1. The number of customers and the average wedding spending are the figures for the Wedding Division of Grace Hill. The net sales for Grace Hill are the total net sales from the Wedding Division and the Reception Division.

\*2. The number of couples for the destination wedding service business in East Asia is the figure for the number of customers sent from Hong Kong, Taiwan and Shanghai.

## II-5. Overview of P/L by Business Category Merchandise

	Three Months Ended June 2010	Year Ended March 2009	Change
<b>Net sales from Merchandise</b> (Millions of yen)	<b>734</b>	<b>1,140</b>	<b>Down 35.6%</b>
Dresses sold (Avica, FR)	3,149	4,287	Down 26.5%
Average price of dresses sold (Avica, FR) (Thousands of yen)	189	181	Up 4.3%
Tuxedos sold (UOMO)	856	1,212	Down 29.4%
Average price of tuxedos sold (UOMO) (Thousands of yen)	78	78	-
<b>Gross profit from Merchandise</b> (Millions of yen)	<b>478</b>	<b>775</b>	<b>Down 38.3%</b>
Merchandise Gross profit ratio	65.1%	68.0%	Down 2.9 points

\* The number of dresses sold includes those sold by Mielparque and Meguro Gajoen, but net sales are included in domestic wedding services net sales.

### (Reference) Total Wedding Dresses (Avica + FR + RS)

Total dresses (sales and rentals)	<b>5,312</b>	<b>5,190</b>	<b>Up 2.4%</b>
Total dresses (sales and rentals) (Thousands of yen)	<b>156</b>	<b>162</b>	<b>Down 3.2%</b>

\* Avica dresses: **Order system dresses**

- A system for tailoring new dresses to match the customer's body shape based on approximately 90 designs and Japanese sizes ranging from 3 to 37.

\* FR dresses: **Dress first rental**

- A system in which customers pick up a new dress at the store or facility where the wedding is held based on the garments chosen at a store near home.

### [Overview]

We have enhanced our highly popular lineup in rental dresses so fewer dresses were sold and more were rented.

### [Factors resulting in the decrease in dresses sold]

The number of dresses sold decreased due to the renewal of rental dress products leading to some customers choosing rental dresses over purchased dresses

## II-6. Overview of P/L by Business Category Garment Rentals

	Three Months Ended June 2010	Three Months Ended June 2009	Change
<b>Revenue from Garment Rentals</b> (Millions of yen)	<b>1,210</b>	<b>1,020</b>	Up 18.7%
Number of RS dresses sold	<b>2,163</b>	<b>903</b>	Up 139.5%
Average price of RS dresses sold (Thousands of yen)	<b>109</b>	<b>68</b>	Up 59.3%
Number of "Studio Photo Plan" sales	<b>2,262</b>	<b>2,241</b>	Up 0.9%
Average "Studio Photo Plan" price (Thousands of yen)	<b>91</b>	<b>96</b>	Down 5.0%
<b>Gross profit from Garment Rentals</b> (Millions of yen)	<b>912</b>	<b>707</b>	Up 28.9%
Garment Rentals Gross profit ratio	<b>75.3%</b>	<b>69.3%</b>	Up 6.0 points

\* The number of Studio Photo Plan sales includes the number sold by Mielparque.

[Overview]

We have enhanced our highly popular lineup in rental dresses so the number of dresses rented increased.

\* RS: **Garment rental reservation system**

- This is a rental system in which the customer reserves a dress/tuxedo at Watabe Wedding stores in Japan, and a dress/tuxedo of the same design and size is provided at the overseas store.

\* Studio Photo Plan: **Plan where photos are taken in a studio in advance**

### **III. Cash Flows, Capital Investment and Balance Sheets**



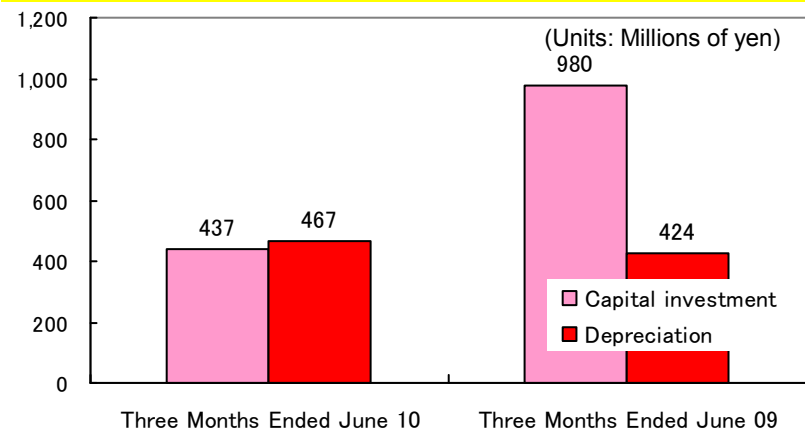
## III-1. Cash Flows and Capital Investment

### Cash Flows

(Units: Millions of yen)

	Three Months Ended June 2010	Three Months Ended June 2009	Change
Net cash provided by operating activities	-345	-577	+232
Net cash used in investing activities	266	-935	+1,201
Net cash provided by (used in) financing activities	350	1,231	-881
Effect of exchange rate change on cash and cash equivalents	-41	48	-90
Change in cash and cash equivalents	230	-232	+462
Cash and cash equivalents at end of period	4,468	4,707	-239

### Capital Investment and Depreciation



#### <Major capital investments>

- New chapel in Hawaii

## III-2. Balance Sheets (Consolidated)

(Units: Millions of yen)

	As of June 30, 2010	As of March 31, 2010			As of June 30, 2010	As of March 31, 2010	
<b>Total current assets</b>	<b>9,072</b>	<b>8,401</b>	<b>+671</b>	<b>Total liabilities</b>	<b>11,009</b>	<b>10,887</b>	<b>+121</b>
Cash and deposits	4,846	4,241	+605	Current liabilities	8,606	8,802	-195
Accounts receivable-trade	1,738	1,748	-9	Accounts payable-trade	1,643	1,874	-231
Other	2,487	2,411	+76	Short-term loans payable	1,679	909	+770
<b>Total noncurrent assets</b>	<b>16,709</b>	<b>17,462</b>	<b>-753</b>	Income taxes payable	94	517	-422
Property, plant and equipment	11,017	11,562	-545	Advances received	2,383	2,317	-33
Buildings and structures	5,484	6,104	-619	Other	2,905	3,182	-277
Other	5,533	5,458	+74	Noncurrent liabilities	2,402	2,085	+316
				Long-term loans payable	1,275	-	-258
Intangible assets	1,377	1,436	-59	Other	611	552	-38
Investments and other assets	4,314	4,463	-148	<b>Net assets</b>	<b>14,773</b>	<b>14,976</b>	<b>-203</b>
Guarantee deposits	3,600	3,692	-92	I. Shareholders' equity	15,991	16,092	-101
Other	714	770	-56	Capital stock	4,176	4,176	-
<b>Total assets</b>	<b>25,864</b>	<b>25,663</b>	<b>+200</b>	Capital surplus	4,038	4,038	-
				Retained earnings	7,776	7,878	-101
				II. Valuation and translation adjustments	-1,225	-1,120	-104
				III. Minority interests	6	4	+2
				<b>Total liabilities and net assets</b>	<b>25,782</b>	<b>25,864</b>	<b>-81</b>
				Equity ratio	57.3%	57.9%	Down 0.6%

## **IV. Plan for the Year Ending March 2011**

## IV-1. Basic Policy for the Year Ending March 2011

### Basic Policy

Work toward a V-shaped recovery through improved profitability

### Improved Profitability

- Place priority on resolving immediate issues in an effort to improve profitability■

In the year ending March 2011, we will be renewing our Medium-term Business Plan. Considering we were unable to meet initial targets last fiscal year, this year we will make a single-year plan to place priority on implementing structural reforms and resolving immediate issues.

### Growth Strategy

- Growth strategy and investment involves selection and concentration■

Through a growth strategy and investment involving selection and concentration, we will specialize on content that will contribute to a V-shaped recovery next fiscal year.

## IV-2. Plan for the Year Ending March 2011

(Units: Millions of yen)

<b>Item</b>	<b>Plan for Year Ending March 2011</b>	<b>Actual Performance in Year Ended March 2010</b>	<b>Change</b>
<b>Net sales</b>	<b>53,100</b>	<b>52,082</b>	<b>Up 2.0%</b>
<b>Gross profit</b>	<b>35,400</b>	<b>34,180</b>	<b>Up 3.6%</b>
Gross profit ratio	66.7%	65.6%	Up 1.1 points
<b>Selling, general and administrative expenses</b>	<b>33,400</b>	<b>32,408</b>	<b>Up 3.1%</b>
SG&A ratio	62.9%	62.2%	Up 0.7 points
<b>Operating income</b>	<b>2,000</b>	<b>1,772</b>	<b>Up 12.8%</b>
Operating income ratio	3.8%	3.4%	Up 0.4 points
<b>Ordinary income</b>	<b>2,100</b>	<b>1,892</b>	<b>Up 11.1%</b>
Ordinary income ratio	3.8%	3.6%	Up 0.2 points
<b>Net income</b>	<b>800</b>	<b>773</b>	<b>Up 3.5%</b>
<b>Dividends (full-year forecast)</b>	<b>30 yen</b>	<b>30 yen</b>	

## IV-3. Plan for the Year Ending March 2011: Existing / Mielparque

### Existing / Mielparque

(Units: Millions of yen)

Item	Consolidated		Existing		Mielparque	
	Plan for Year Ending March 2011	Actual Performance in Year Ended March 2010	Plan for Year Ending March 2011	Actual Performance in Year Ended March 2010	Plan for Year Ending March 2011	Actual Performance in Year Ended March 2010
Net sales	<b>53,100</b>	<b>52,082</b>	<b>33,661</b>	<b>31,892</b>	<b>19,439</b>	<b>20,191</b>
Gross profit	<b>35,400</b>	<b>34,180</b>	<b>22,264</b>	<b>20,920</b>	<b>13,136</b>	<b>13,261</b>
Gross profit ratio	66.7%	65.6%	66.1%	65.6%	67.6%	65.7%
Selling, general and administrative expenses	<b>33,400</b>	<b>32,408</b>	<b>20,464</b>	<b>19,329</b>	<b>12,936</b>	<b>13,079</b>
SG&A ratio	62.9%	62.2%	60.8%	60.6%	66.5%	64.8%
Operating income	<b>2,000</b>	<b>1,772</b>	<b>1,800</b>	<b>1,590</b>	<b>200</b>	<b>182</b>
Operating income ratio	3.8%	3.4%	5.3%	5.0%	1.0%	0.9%
Ordinary income	<b>2,100</b>	<b>1,892</b>	<b>1,884</b>	<b>1,707</b>	<b>216</b>	<b>185</b>
Ordinary income ratio	3.8%	3.6%	5.6%	5.4%	1.1%	0.9%
Net income	<b>800</b>	<b>773</b>				

## **IV-4. Business Policies for the Year Ending March 2011**

### **Business Policies**

**Business  
Policy (1)**

**Recovery of competitiveness in main  
business**

**Business  
Policy (2)**

**Rebuilding Mielparque**

**Business  
Policy (3)**

**Growth strategy: Expansion of East Asia  
strategy**

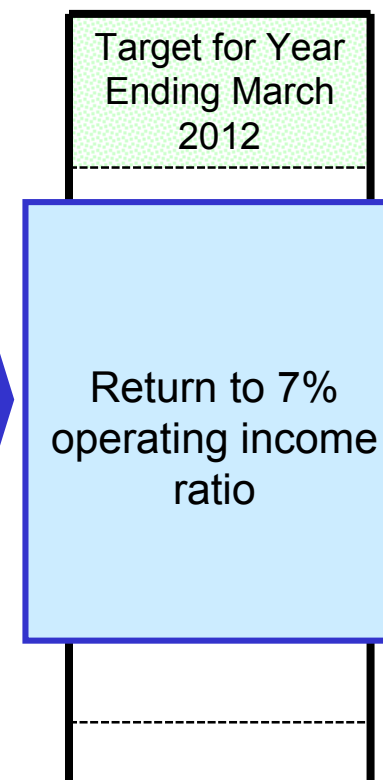
## IV-4. Business Policies

### (1)-1 Recovery of Competitiveness in Main Business

<b>Policy</b>	Recovery of competitiveness in main business
<b>Practical measures</b>	<p>[1] Steps to increase sales..... (1) Maintaining the number of customers (2) Increasing average spending on overseas weddings</p> <p>[2] Improved profitability..... Lowering of break-even point by implementing structural reforms centered on fixed expenses</p>

#### Plan Figures

(Units: Millions of yen)	Year Ended March 2008	Year Ended March 2009	Year Ended March 2010	Plan for Year Ending March 2011
<b>Net sales</b>	35,301	34,864	31,892	33,661
Growth of net sales	Up 4.0%	Down 1.2%	Down 8.5%	Up 5.5%
<b>Gross profit</b>	22,519	22,365	20,920	22,264
Gross profit ratio	63.8%	64.1%	65.6%	66.1%
<b>Selling, general and administrative expenses</b>	20,233	19,989	19,329	20,464
SG&A ratio	57.3%	57.3%	60.6%	60.8%
<b>Operating income</b>	2,285	2,375	1,590	1,800
Operating income ratio	6.5%	6.8%	5.0%	5.3%



\* The figures for the year ended March 2009, the year ended March 2010 and the plan for the year ending March 2011 are actual and planned figures excluding Mielparque.



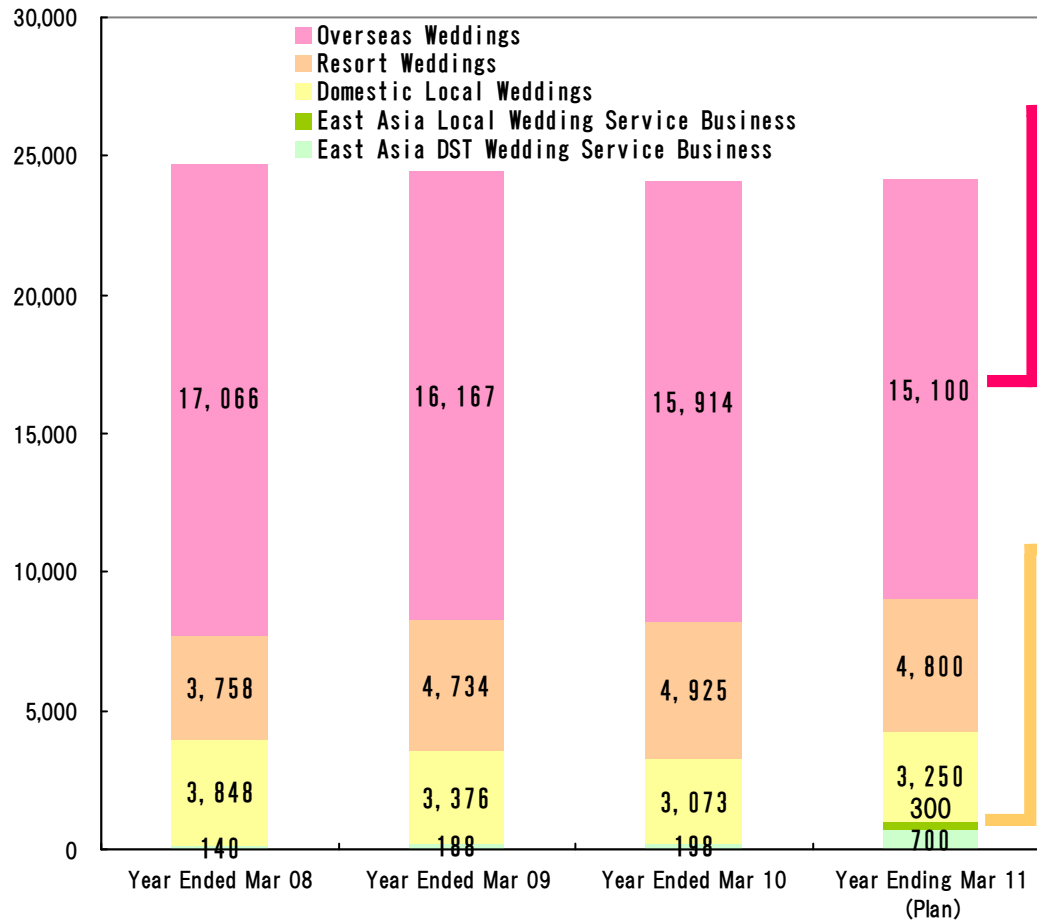
# IV-4. Business Policies

## (1)-2 Recovery of Competitiveness in Main Business

Practical measures

[1] Steps to increase sales.....  
 (1) Maintaining the number of customers

(Units: Couples)



\* Number of weddings excluding Mielparque

### Overseas wedding services

- New chapel opened in Hawaii in November.  
 Meanwhile, 1 chapel facility is scheduled to be closed



Honu Kai Lani at Ko Olina Place of Welina

### Domestic wedding services

-Expect that resort wedding services and operation of existing wedding facilities will remain flat.  
 -Aim to increase our share of new business through contracted wedding business in existing facilities and business takeovers, etc.



International House of Japan, Roppongi, Tokyo



Anniversary Court Racine, Shinmaebashi, Gunma

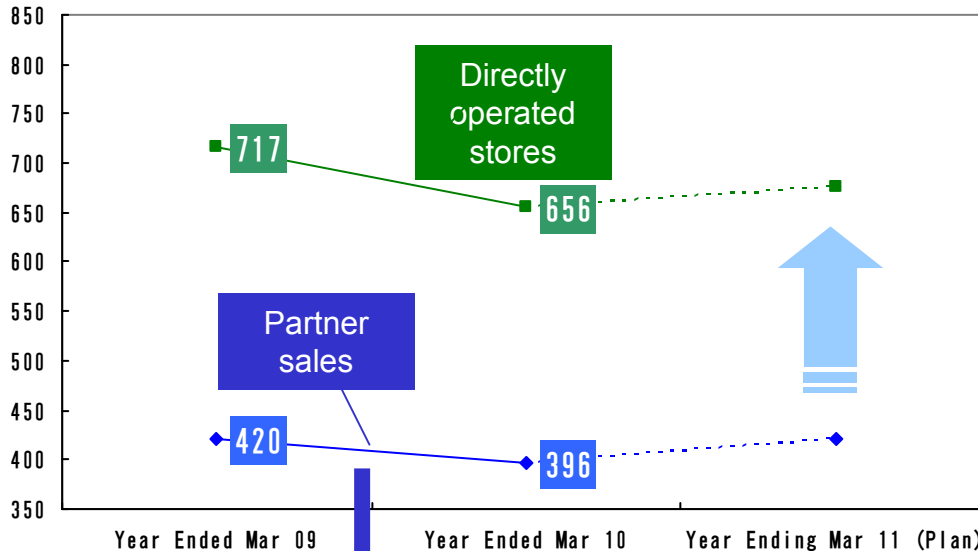
# IV-4. Business Policies

## (1)-3 Recovery of Competitiveness in Main Business

### Practical measures

- [1] Steps to increase sales.....
- (2) Increasing average spending on overseas weddings

(Units: Thousands of yen)



■ Increasing average spending on overseas weddings

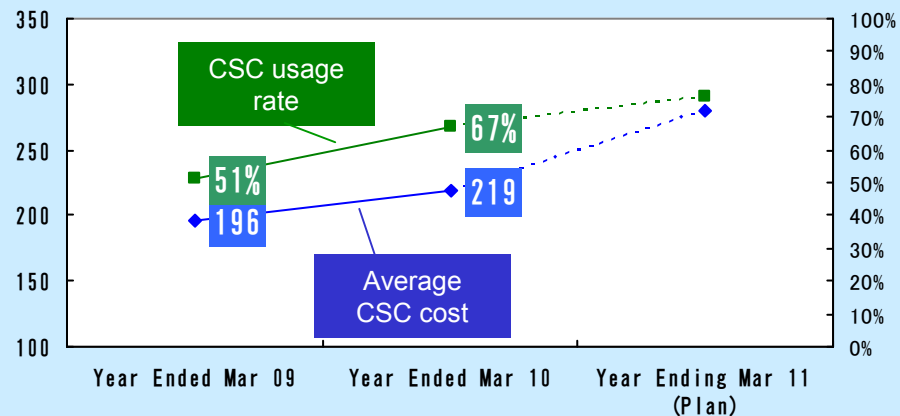
Target average spending:  
¥511,000 => ¥530,000 (Up ¥19,000)

■ Increase average spending with partner companies by improving customer support center functions provided to partner companies

- Increased usage of customer support center
- Improved education of sales staff
- Establishment of manuals

(Units: thousands of yen)

### Condition of Customer Support Center



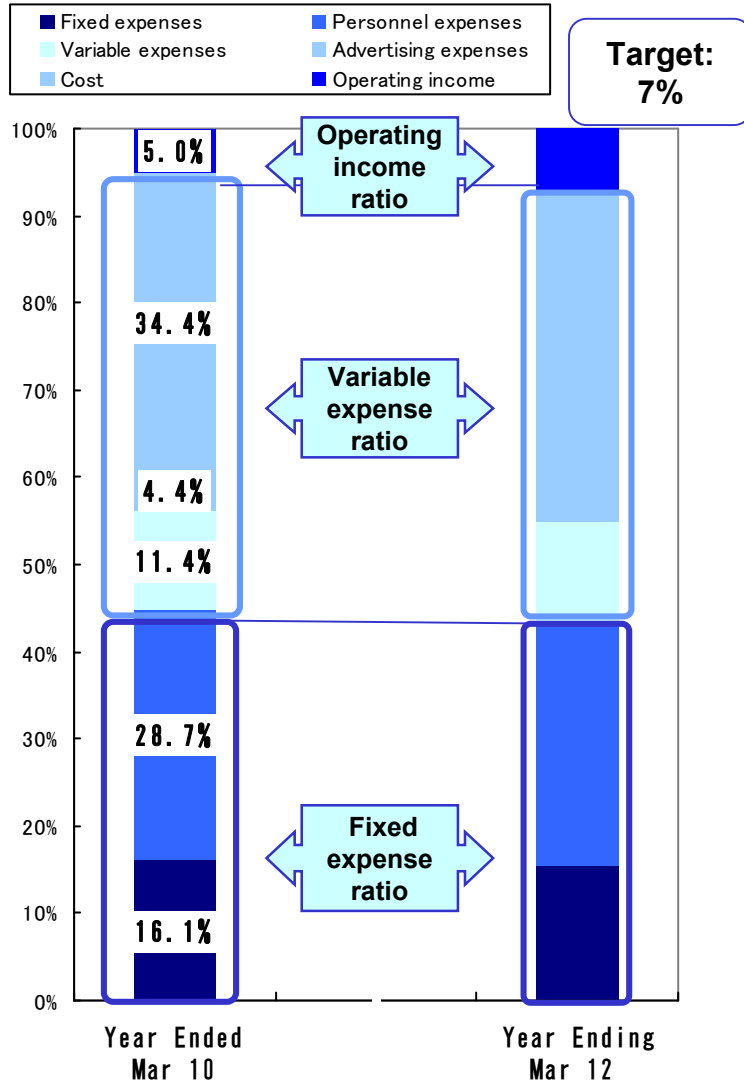
\* CSC: Customer Support Center

# IV-4. Business Policies

## (1)-4 Recovery of Competitiveness in Main Business

### Practical measures

[2] Improved profitability.....Lowering of break-even point by implementing structural reforms centered on fixed expenses



#### ■ Reduction of variable expenses

Target reduction of ¥100 million in year ending March 2012

- Improved cost percentage
- Overall review of SG&A

#### ■ Reduction of fixed expenses

Target reduction of ¥500 million in year ending March 2012

##### ■ Rent expenses

- Consolidation of facilities
- Consolidation of overseas facilities

##### ■ Personal expenses

- Reduction of direct personnel expenses through efficient assignment of personnel
- Reduction of indirect personnel expenses by revising the ratio of direct to indirect personnel

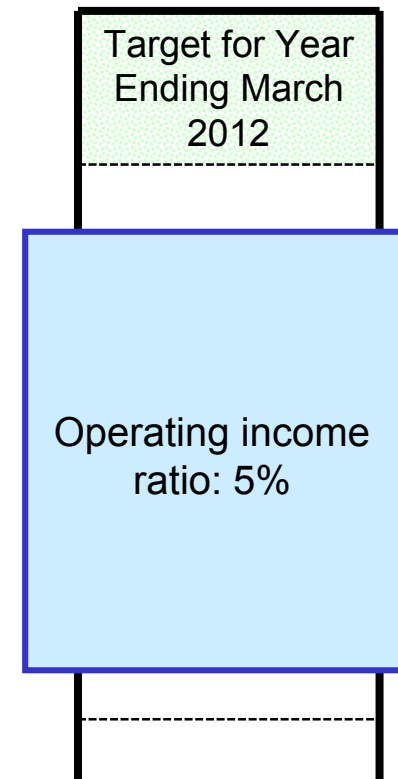
## IV-4. Business Policies (2)-1. Rebuilding Mielparque

<b>Policy</b>	Rebuilding Mielparque
<b>Practical measures</b>	<p>[1] Steps to increase sales..... Restoring the number of customers</p> <p>[2] Improved profitability..... Lowering of break-even point by implementing structural reforms centered on fixed expenses</p>

### Plan Figures

(Units: Millions of yen)

	Year Ended March 2009	Year Ended March 2010	Plan for Year Ending March 2011
Number of customers	2,741 couples	4,485 couples	4,300 couples
Net sales	11,541	20,190	19,439
Gross profit	7,493	13,261	13,136
Gross profit ratio	64.9%	65.7%	67.6%
Selling, general and administrative expenses	7,093	13,078	12,936
SG&A ratio	61.5%	64.8%	66.5%
Operating income	399	182	200
Operating income ratio	3.5%	0.9%	1.0%



## IV-4. Business Policies (2)-2. Rebuilding Mielparque

Practical  
measures

[1] Steps to increase sales.....  
(1) Restoring the number of customers

Plan for Year Ending March 2011

**4,300 couples**



Plan for Year Ending March 2012

**5,000 couples**

**Assignment of specialized personnel from the group**

**Greater attraction  
for customers**

- Increased customers via website

**Improved closing  
rate**

- Enhancement of consulting capabilities by  
training wedding planners  
- Increased referrals

**Increased number of  
contracts concluded**

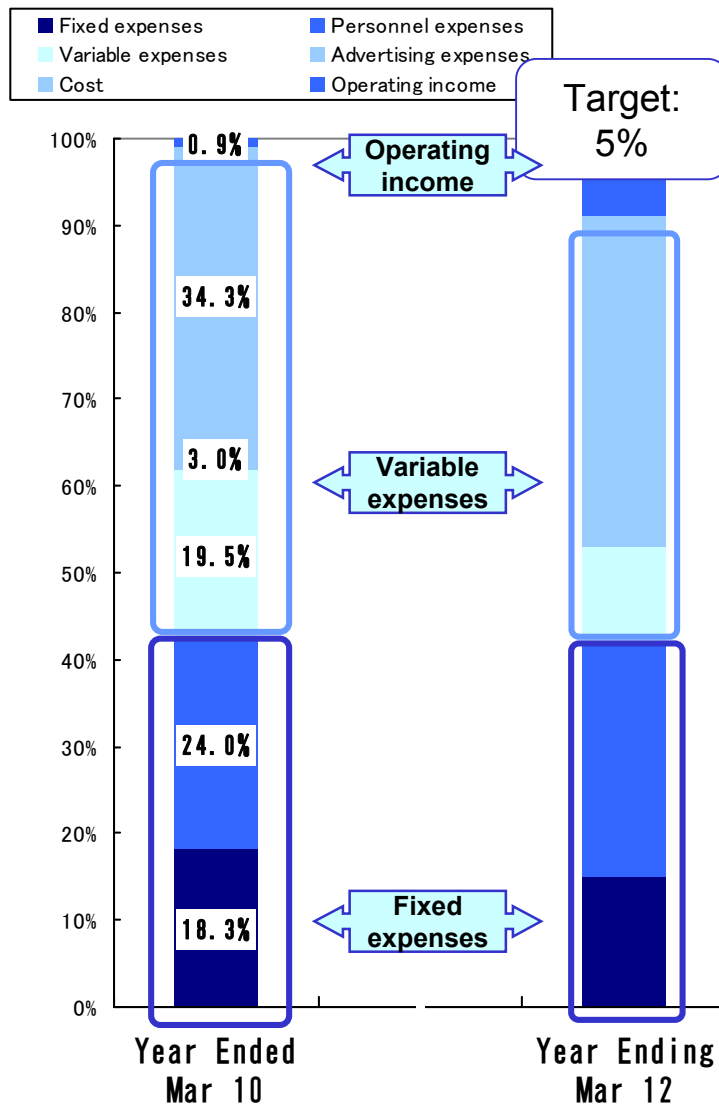
- Development of customer-oriented products  
.....Development of civil weddings

# IV-4. Business Policies

## (2)-3. Rebuilding Mielparque

Practical measures

[2] Improved profitability ..... Lowering of break-even point by reducing fixed expenses



**■ Reduction of variable expenses**

Target reduction of ¥100 million in year ending March 2012

- Reduction of costs
  - Revision of costs through expansion of joint purchasing
- Other variable expenses
  - Review of outsourcing agreements, etc.

**■ Reduction of fixed expenses**

Target reduction of ¥300 million in year ending March 2012

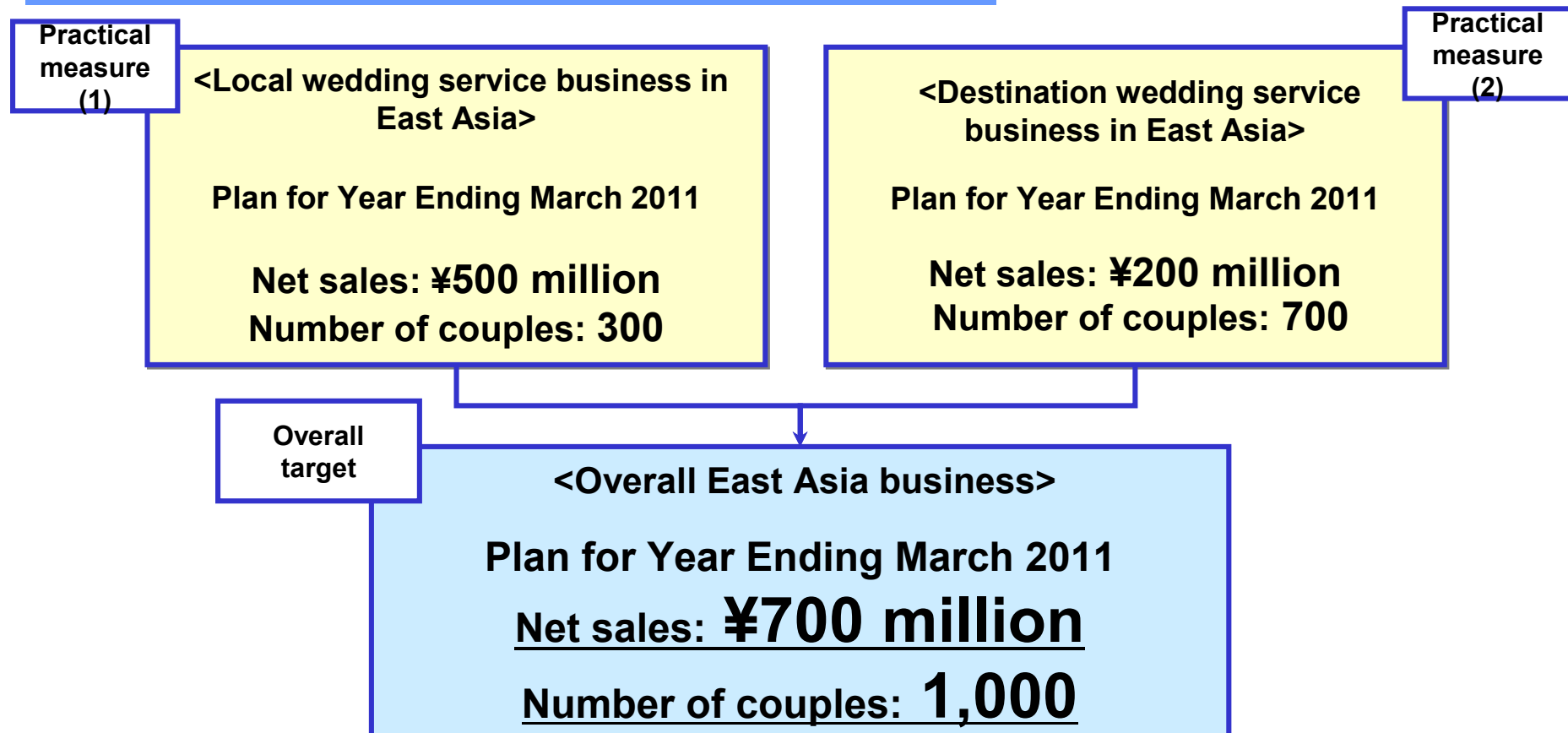
- Reduced personal expenses
  - Greater fluidity of regular serving staff
  - Review of the personnel system

## IV-4. Business Policies

### (3)-1. Growth Strategy: Expansion of East Asia Strategy

<b>Policy</b>	Growth strategy: Expansion of East Asia strategy
<b>Practical measures</b>	[1] Expansion of the local wedding service business in East Asia [2] Expansion of the destination wedding service business in East Asia

Plan Figures: Plan for the year ending March 2011

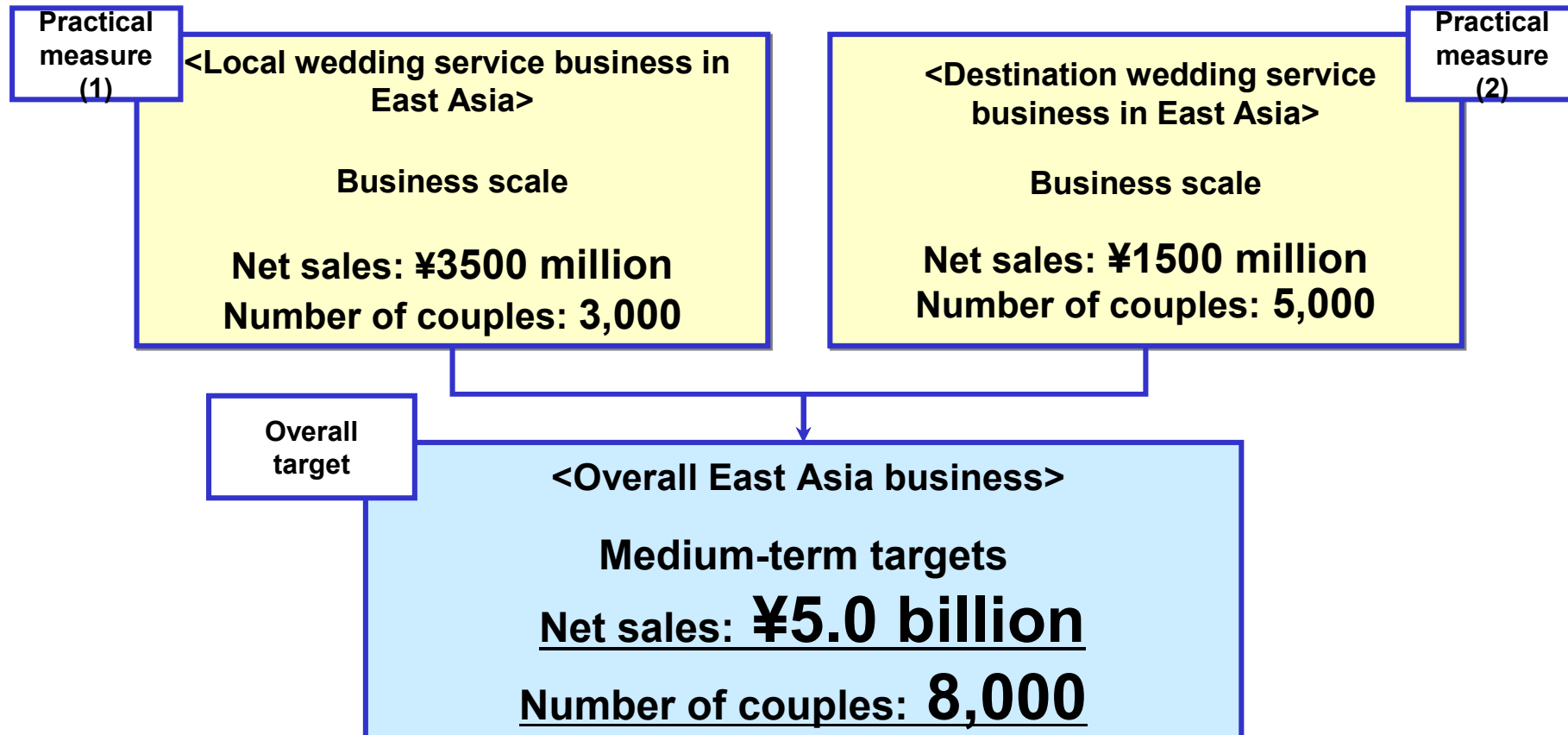


## IV-4. Business Policies

### (3)-2. Growth Strategy: Expansion of East Asia Strategy

<b>Policy</b>	Growth strategy: Expansion of East Asia strategy
<b>Practical measures</b>	[1] Expansion of the local wedding service business in East Asia [2] Expansion of the destination wedding service business in East Asia

#### Medium-term targets





## IV-4. Business Policies

### (3)-3. Growth Strategy: Expansion of East Asia Strategy

#### Practical measures

[1] Expansion of the local wedding service business in East Asia

We will utilize Grace Hill, which was brought into the Group through M&A, as an incubator for expanding business in Asia

Use of the Grace Hill business model



#### Grace Hill

- Location: Taipei, Taiwan
- Site size: 5,030m<sup>2</sup>
- Facility overview: 1 chapel, 4 banquet rooms, restaurant
- Plan for Year Ending March 2011

Number of couples: 300/  
Net sales: ¥500 million

#### Horizontal expansion

Horizontal expansion of the Grace Hill model

- Deployment of house wedding facilities throughout Asia including Taiwan and China

#### Human resource development

Strategy to strengthen bridal personnel in East Asia

- Implementation of training related to management and services based on Grace Hill

#### Synergy effect

Use of overseas resort weddings

- Use as a venue for parties after returning from abroad

## IV-4. Business Policies

### (3)-4. Growth Strategy: Expansion of East Asia Strategy

Practical  
measures

[2] Expansion of the destination wedding service business in East Asia

Plan for Year Ending March 2011

**198 couples**



Medium-term target

**700 couples**

Direct  
operation

Direct operations in Hong Kong and Taiwan

- Aiming to implement significant steps to expand the market centered on directly operated facilities

Marketing  
tie-ups

Strengthening of tie-ups with travel agencies, etc.

- Strengthening of tie-ups with major travel agencies and bridal photo companies in China, Hong Kong and Taiwan

Photo  
business

Sale of ceremony photos

- Introduction of products centered on photos rather than ceremonies

## IV-5. Plan for the Year Ending March 2011: Net Sales by Segment

Net sales

(Units: Millions of yen)

Item	Plan for the Year Ending March 2011		Actual Performance in Year Ended March 2010		Change
		Percentage		Percentage	
Domestic Wedding Services	34,884	65.7%	34,571	66.4%	Up 0.9%
Overseas Wedding Services	8,523	16.1%	8,137	15.6%	Up 4.8%
Merchandise	4,292	8.1%	4,092	7.8%	Up 4.9%
Garment Rentals	4,422	8.3%	4,304	8.3%	Up 2.6%
Commissions	976	1.8%	976	1.9%	-
<b>Net sales</b>	<b>53,100</b>	<b>100.0%</b>	<b>52,082</b>	<b>100.0%</b>	<b>Up 2.0%</b>

## IV-6. Plan for the Year Ending March 2011: Number of Customers

### Planned number of customers

	Plan for Year Ending March 2011	Year Ended March 2010	Change
<b>■ Domestic wedding services</b>			
Number of domestic wedding services	<b>12,350</b>	<b>12,483</b>	<b>-133</b>
Mielparque	4,300	4,485	-185
Meguro Gajoen	1,600	1,571	+29
Resort weddings	4,800	4,925	-125
Other	1,650	1,502	+148
<b>■ Overseas wedding services</b>			
Number of overseas wedding services	<b>15,100</b>	<b>15,914</b>	<b>-814</b>
<b>■ East Asia business</b>			
East Asia wedding service business	<b>1,000</b>	<b>198</b>	<b>+802</b>
East Asia DST wedding service business	<b>700</b>	<b>198</b>	<b>+502</b>
East Asia 'local' wedding service business	<b>300</b>	<b>—</b>	<b>+300</b>

## IV-7. Plan for the Year Ending March 2011: Investment and Depreciation

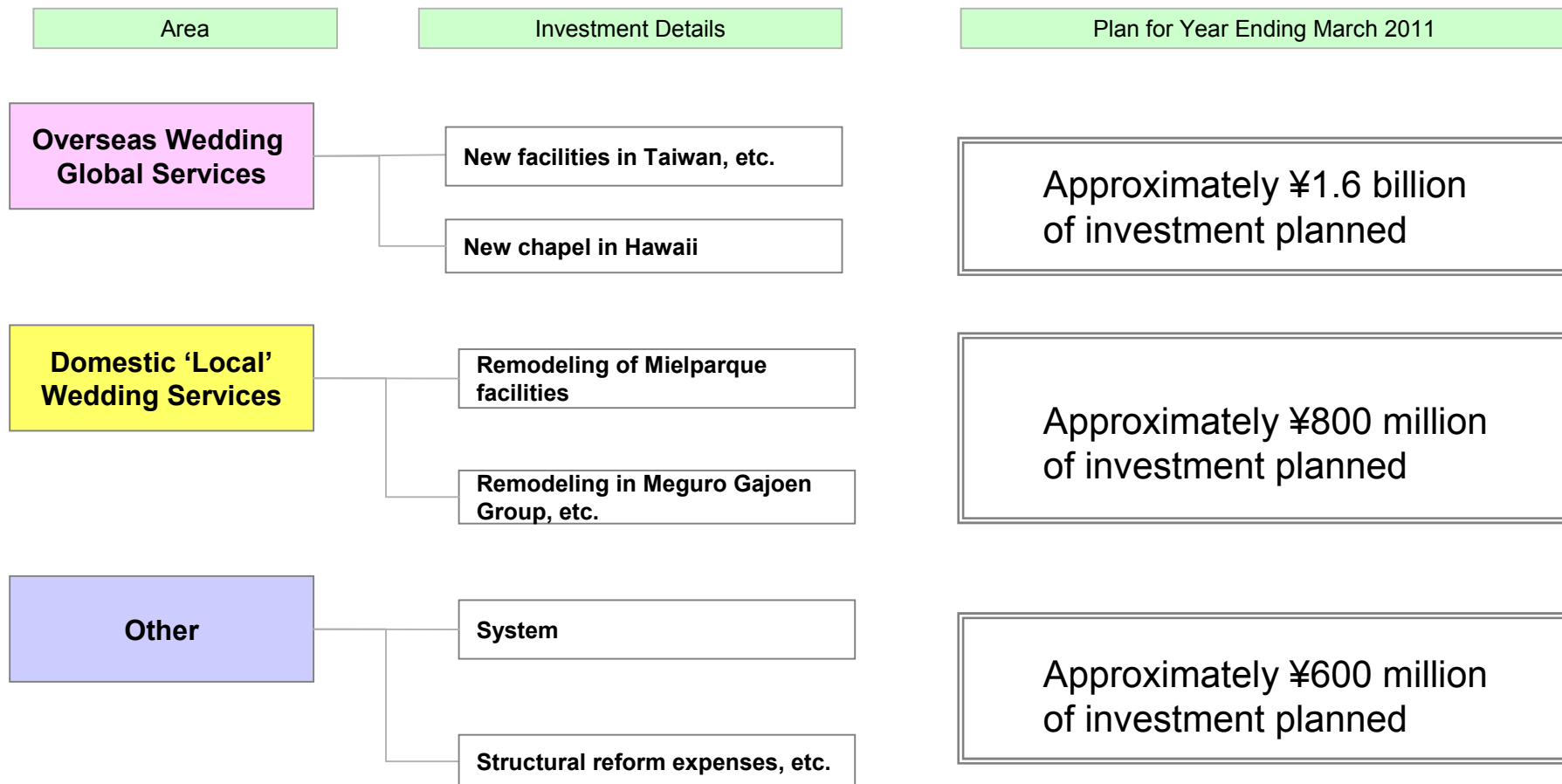
Year Ending March 2011

Planned Investment

: Approx. ¥3 billion

Depreciation

: Approx. ¥2.1 billion



## Contact for inquiries concerning this document

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