

**Briefing Materials on
Consolidated Results
for the First Three Months of FY2014**



その日は、消えない。

WATABE WEDDING

Overview of Consolidated Results for the First Three Months of FY2014

Overview of Consolidated Results

(Millions of yen)

Item	FY2013	FY2014	Year on Year (Change)
Net sales	12,297	11,127	Down 9.5%
Gross profit	7,995	7,122	Down 10.9%
Gross profit ratio	65.0%	64.0%	Down 1 ppt
Selling, general and administrative expenses	8,188	7,333	Down 10.4%
SG&A ratio	66.6%	65.9%	Down 0.7 ppt
Operating income	-193	-210	—
Operating income ratio	-1.6%	-1.9%	—
Ordinary income	-254	-185	—
Ordinary income ratio	-2.1%	-1.7%	—
Net income	-210	-65	—

Overview by Business Segment

(Millions of yen)

Item	Consolidated		Resort weddings		Hotels and domestic weddings		Adjustments	
	FY2013	FY2014	FY2013	FY2014	FY2013	FY2014	FY2013	FY2014
Net sales (Sales to customers)	12,297	11,127	4,880	4,619	7,416	6,507	0	0
Segment income	-193	-210	-440	-47	241	-174	5	11
Segment income ratio	-2%	-2%	-9%	-1%	3%	-3%	—	—

Net sales: Sales to customers

Net Sales Factor Analysis

(Millions of yen)



Segment Income Factor Analysis

(Millions of yen)



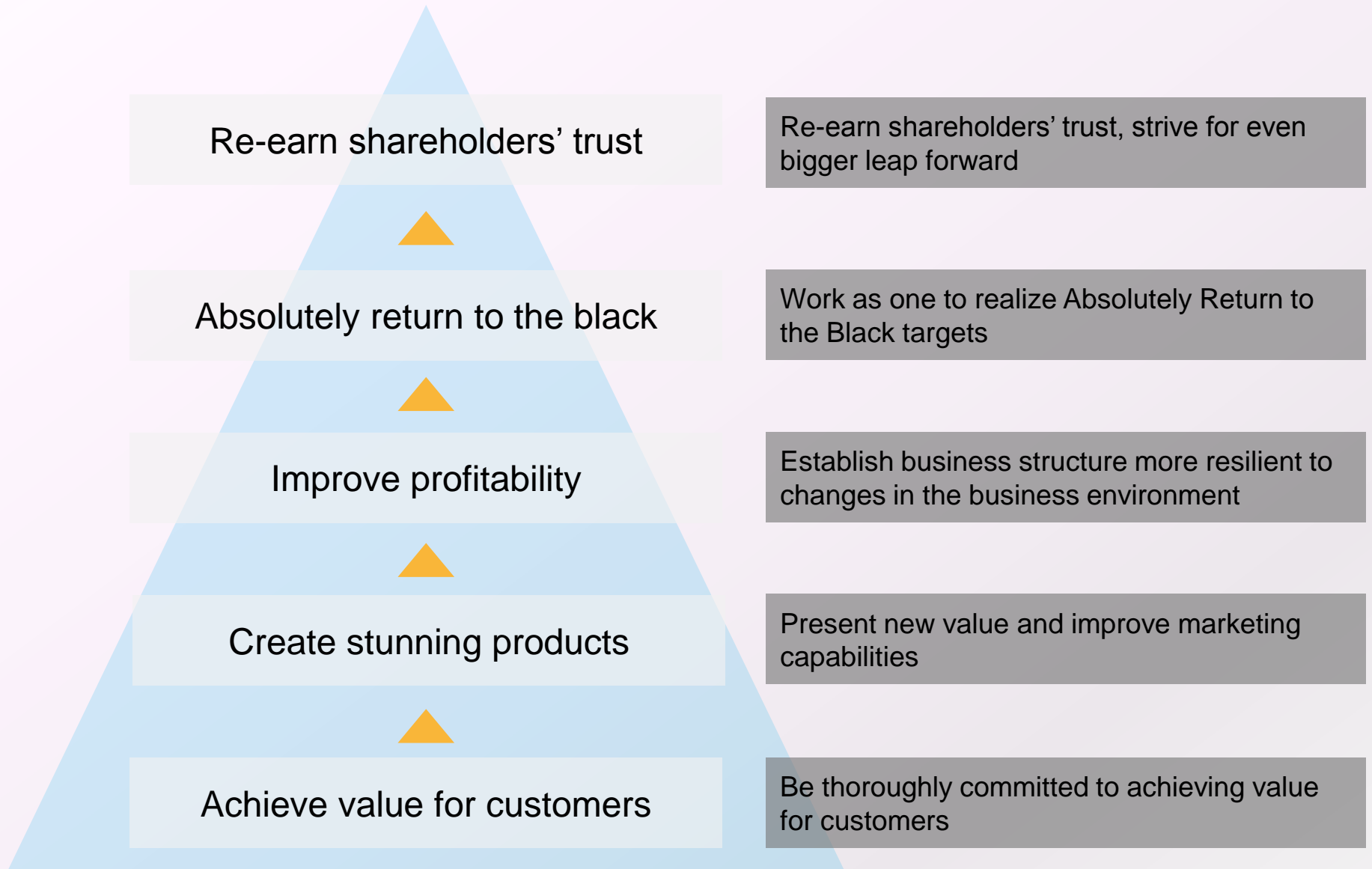
Consolidated Balance Sheets

(Millions of yen)

ASSETS	As of Mar. 31, 2014	As of Jun. 30, 2014
Current assets		
Cash and deposits	6,267	5,495
Accounts receivable-trade	1,785	1,861
Other	2,453	2,303
Total current assets	10,505	9,659
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	4,335	4,245
Other	2,271	2,272
Total property, plant and equipment	7,992	7,957
Intangible assets	854	800
Investments and other assets		
Guarantee deposits	2,980	3,093
Other	1,406	1,500
Total investments and other assets	4,386	4,593
Total non-current assets	13,233	13,350
Total assets	23,739	23,009

LIABILITIES	As of Mar. 31, 2014	As of Jun. 30, 2014
Current liabilities		
Accounts payable-trade	1,813	1,606
Short-term loans payable	1,325	1,625
Advances received	2,322	2,378
Other	3,349	2,779
Total current liabilities	8,809	8,388
Non-current liabilities		
Long-term loans payable	1,075	875
Asset retirement obligations	442	494
Other	1,423	1,501
Total non-current liabilities	2,940	2,870
Total liabilities	11,750	11,258
NET ASSETS		
Shareholders' equity		
Capital stock	4,176	4,176
Capital surplus	4,038	4,038
Retained earnings	4,344	4,214
Treasury shares	0	0
Total shareholders' equity	12,558	12,428
Total other comprehensive income	-606	-717
Minority interests	37	40
Total net assets	11,989	11,750

Business Strategies for FY2014



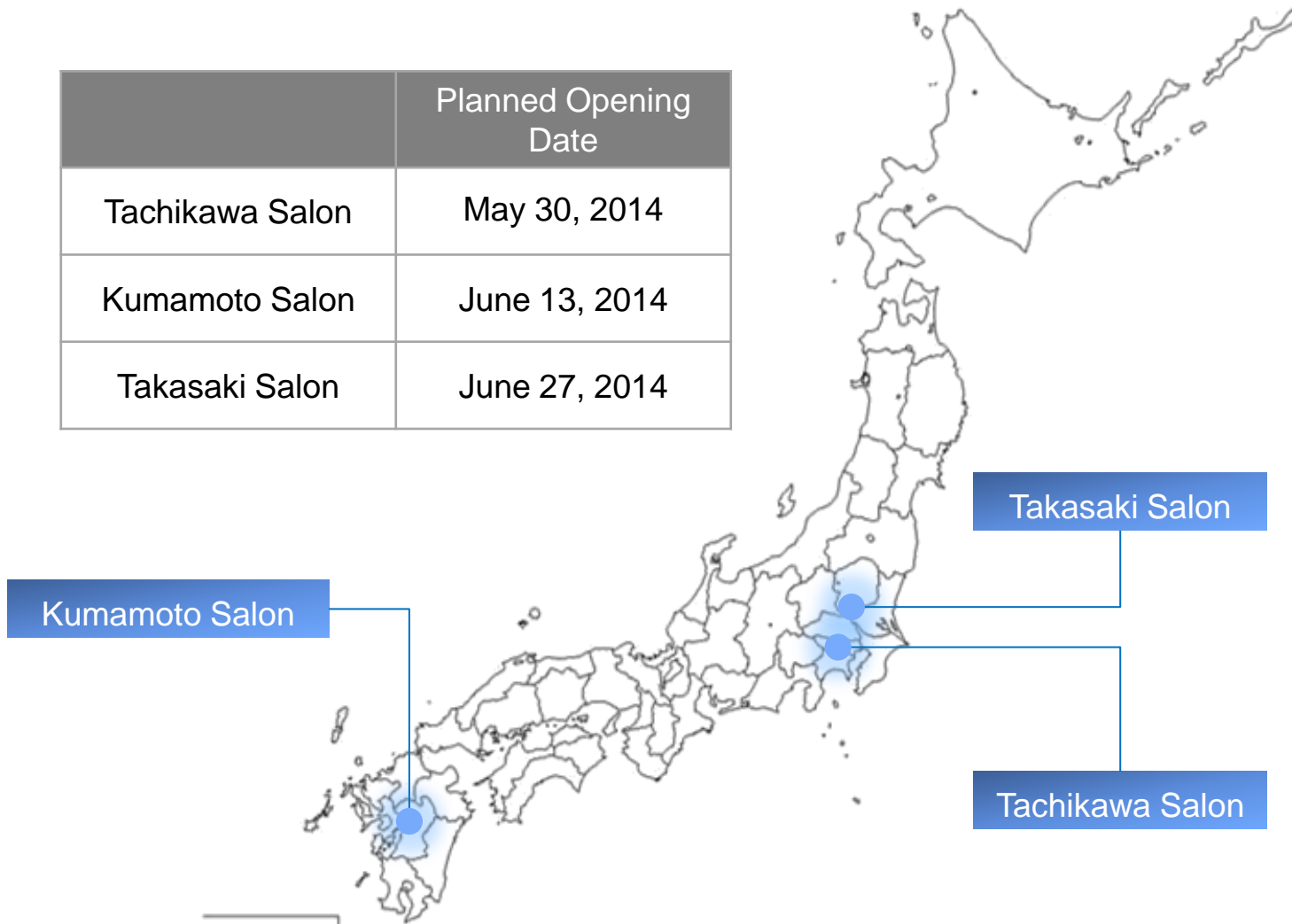
- 1. Boost competitiveness of resort weddings business**
2. Expand hotels and domestic weddings business
3. Develop business schemes in Asia and boost profitability

[Resort Weddings Business]

Salon Restructuring — Open Locations with Regional Emphasis

Expand sphere of activity and invigorate demand for resort weddings

	Planned Opening Date
Tachikawa Salon	May 30, 2014
Kumamoto Salon	June 13, 2014
Takasaki Salon	June 27, 2014

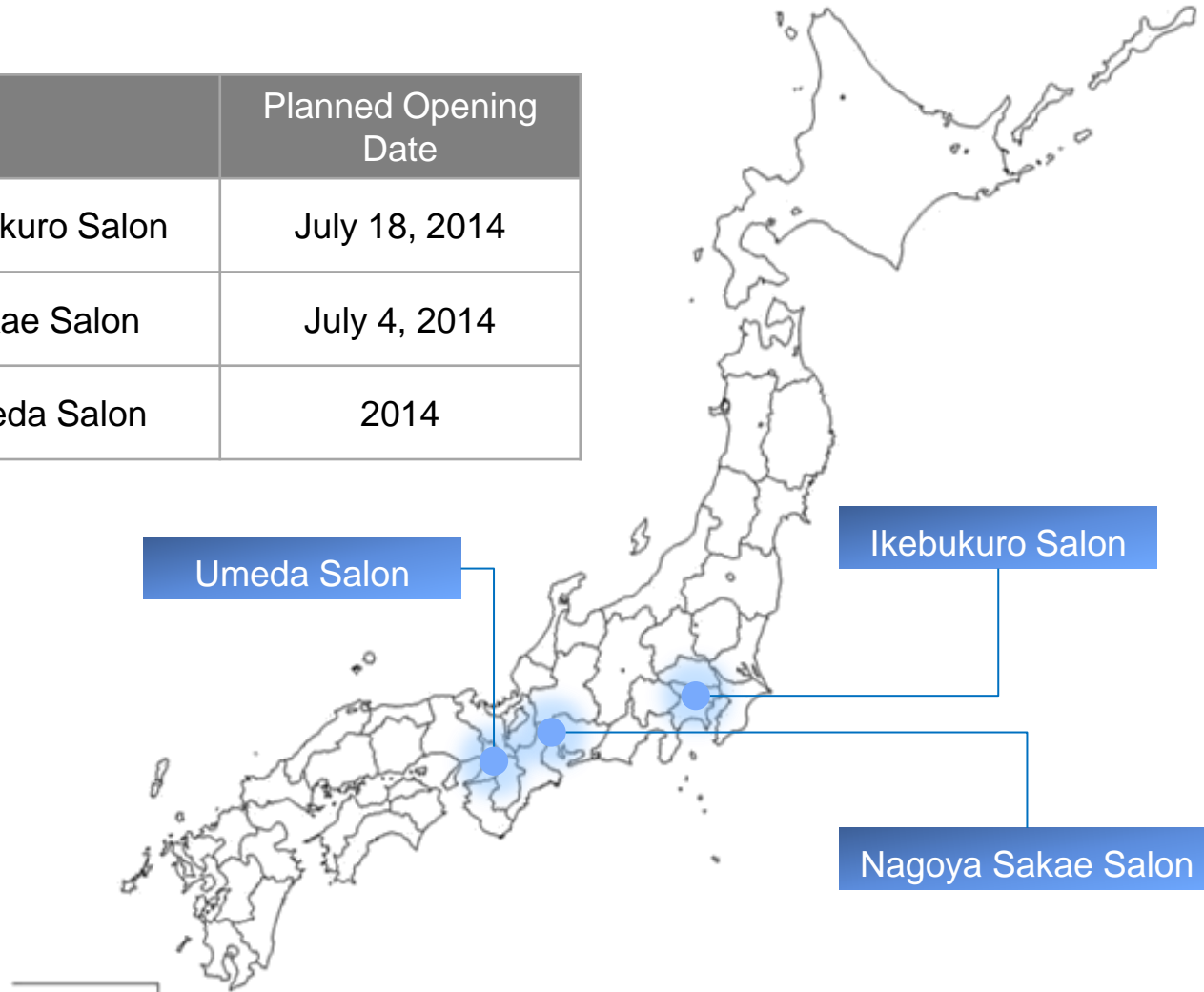


[Resort Weddings Business]

Salon Restructuring — Open Locations with Urban Emphasis

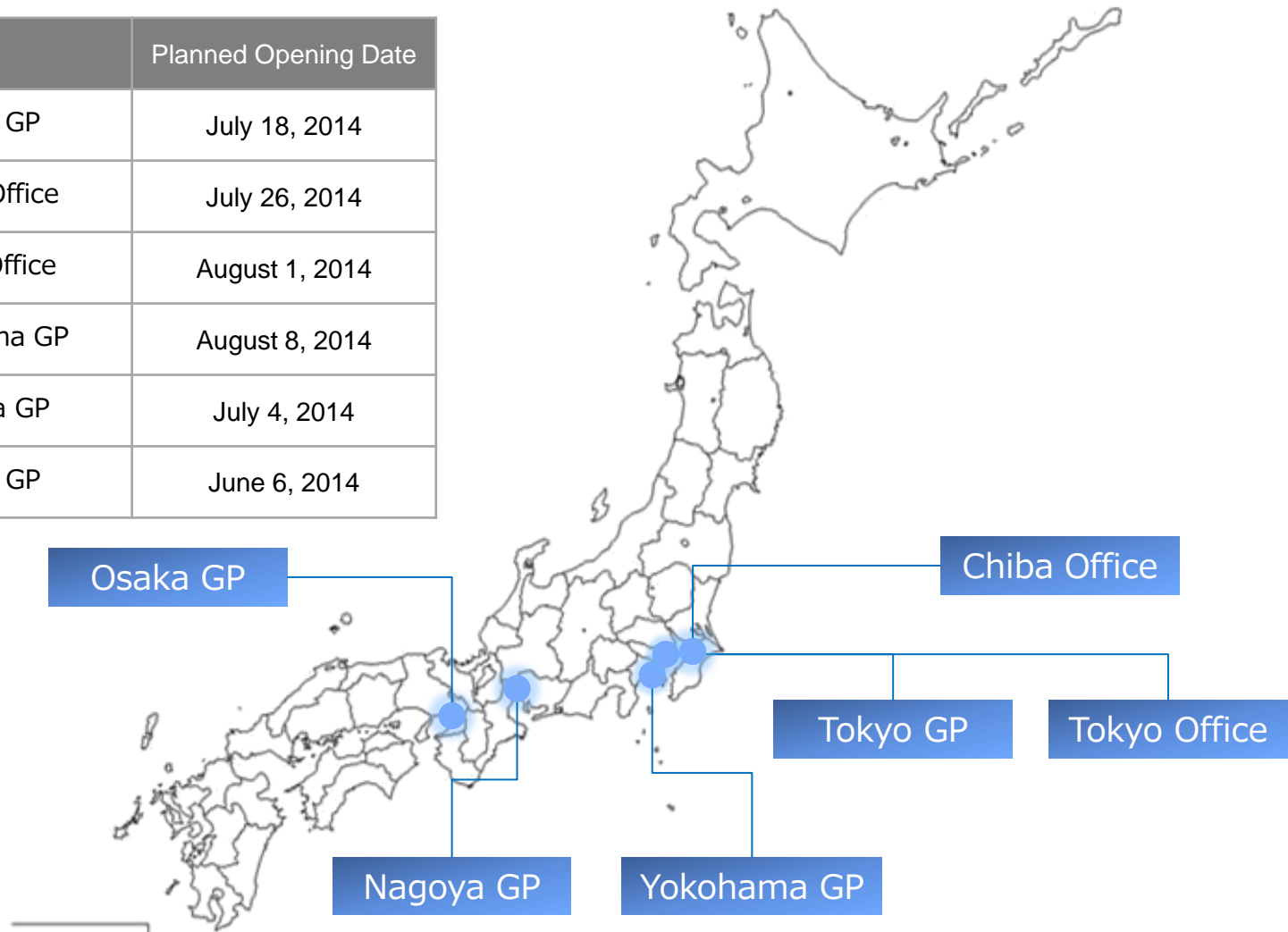
Expand sphere of activity and invigorate demand for resort weddings

	Planned Opening Date
Ikebukuro Salon	July 18, 2014
Sakae Salon	July 4, 2014
Umeda Salon	2014



Expand sphere of activity and invigorate demand for resort weddings

	Planned Opening Date
Tokyo GP	July 18, 2014
Tokyo Office	July 26, 2014
Chiba Office	August 1, 2014
Yokohama GP	August 8, 2014
Nagoya GP	July 4, 2014
Osaka GP	June 6, 2014

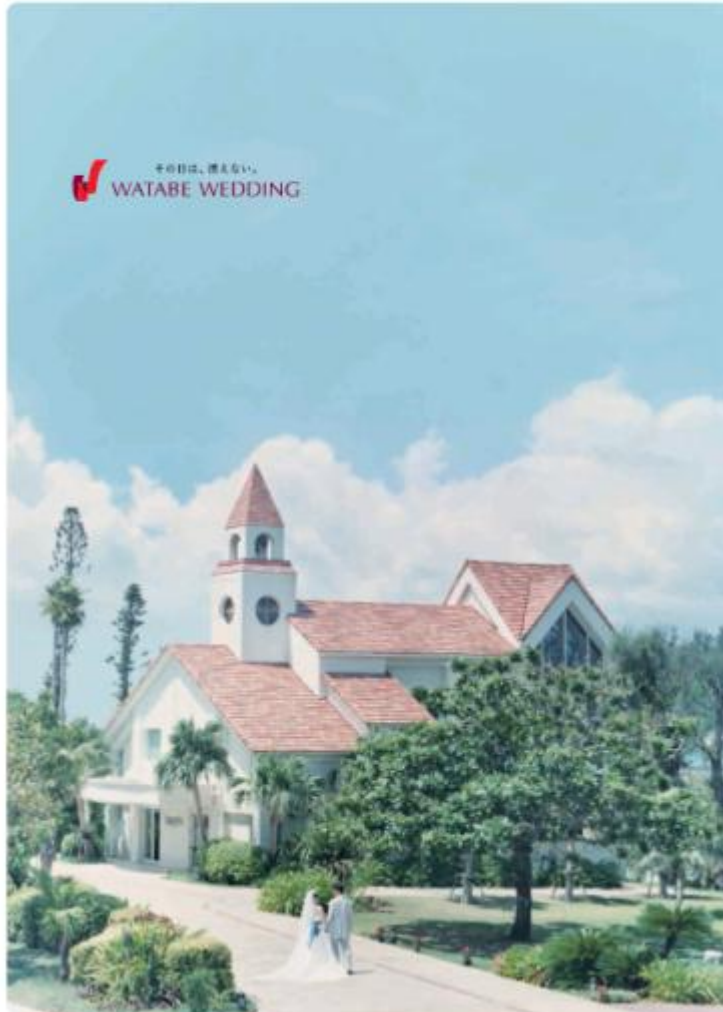


alohina, a bridal gown designed by Hinano Yoshikawa

“alohina” is a bridal gown brand designed by Japanese fashion model and actress Hinano Yoshikawa for resort weddings. The brand’s name was created by combining the Hawaiian word for “shiny, bright sky,” *alohilani*, and Ms. Yoshikawa’s first name, Hinano.



Churakon, adding new value to Okinawa resort weddings



ずっと、いっしょにしよう。そんな誓い
が一番よさわしい場所ってどこだ
ろう？青い空、青い海、白い砂浜が
まぶしい沖縄はどうだろう。この島
には“長寿=長い寿”にまつわる
伝統や食、習慣があふれてる。
そんな沖縄で、ふたりの“長寿”を
誓おう。参列してくれる両親や友達
の“長い寿”も願おう。そう、ふたりと
みんなの幸せが、ずっと続いていく
ことを願って。[長寿] [祝宴]

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1. Boost competitiveness of resort weddings business
2. Expand hotels and domestic weddings business
3. Develop business schemes in Asia and boost profitability

Campaign to attract increased patronage of our wedding services

目黒雅叙園 婚礼22万組
記念キャンペーン

学式対象日 2014.7~2015.3.31

学式申込み期間 2014.6~ 200組限定

対象 60名以上の学式披露宴をお申込みの上記期間対象のカップル全組(学式のみは対象外となります)

有効期限2015年3月31日まで(有効期限が過ぎた場合は利用出来ません。【権利放棄】)

※但しゴールデンウィーク、お盆、年末年始の出発は除かれます。

Renovate popular Chinese restaurant within complex and increase use for banquets



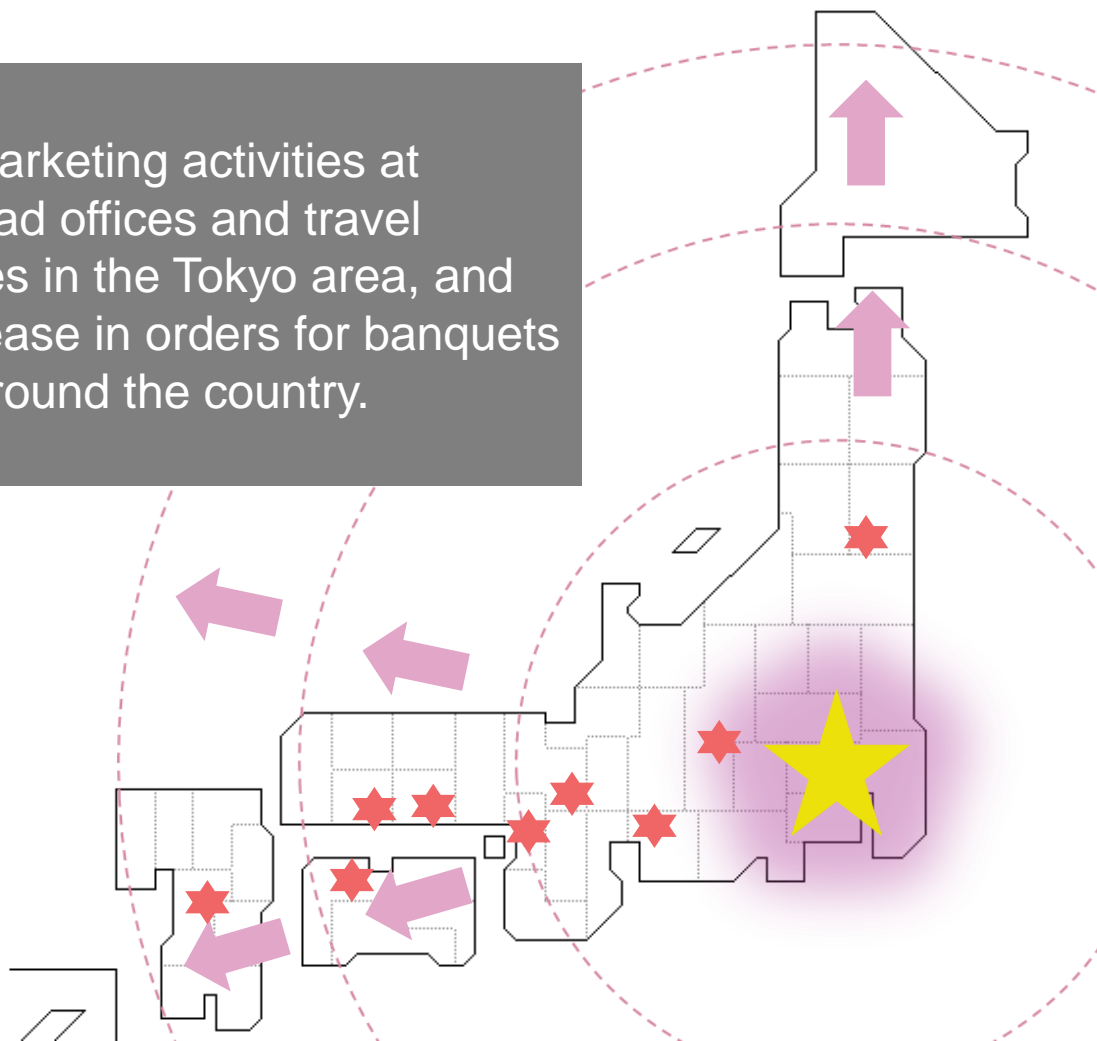
Renovate the Chinese restaurant *Shunyuki*, and strive to attract customers for evening banquets
(Renovated July - August 2014)



Establish Tokyo business center and reinforce banquet business

Undertake marketing activities at corporate head offices and travel agency offices in the Tokyo area, and elicit an increase in orders for banquets at facilities around the country.

★ Mielparque locations



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Strategic Expansion in Asia: Developing Business Schemes and Boosting Profitability

Establish product and operating structures matched to the needs of customers in Asia



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