



その日は、消えない。

WATABE WEDDING

**Briefing Materials on Consolidated Results for  
the First Nine Months of Fiscal Year 2013**

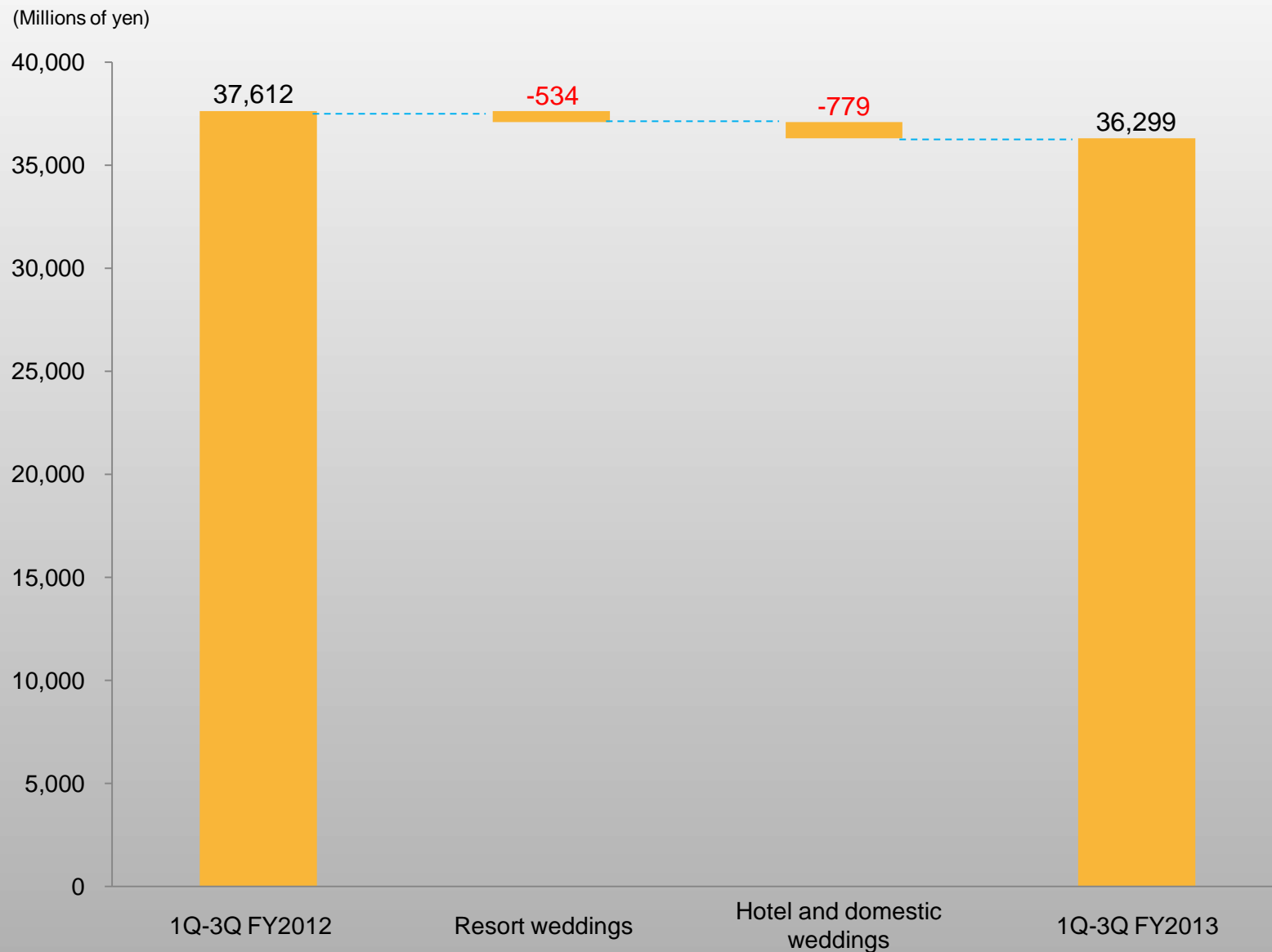
# **I. Overview of Consolidated Results for the First Nine Months of FY2013**

# Overview of Consolidated Results

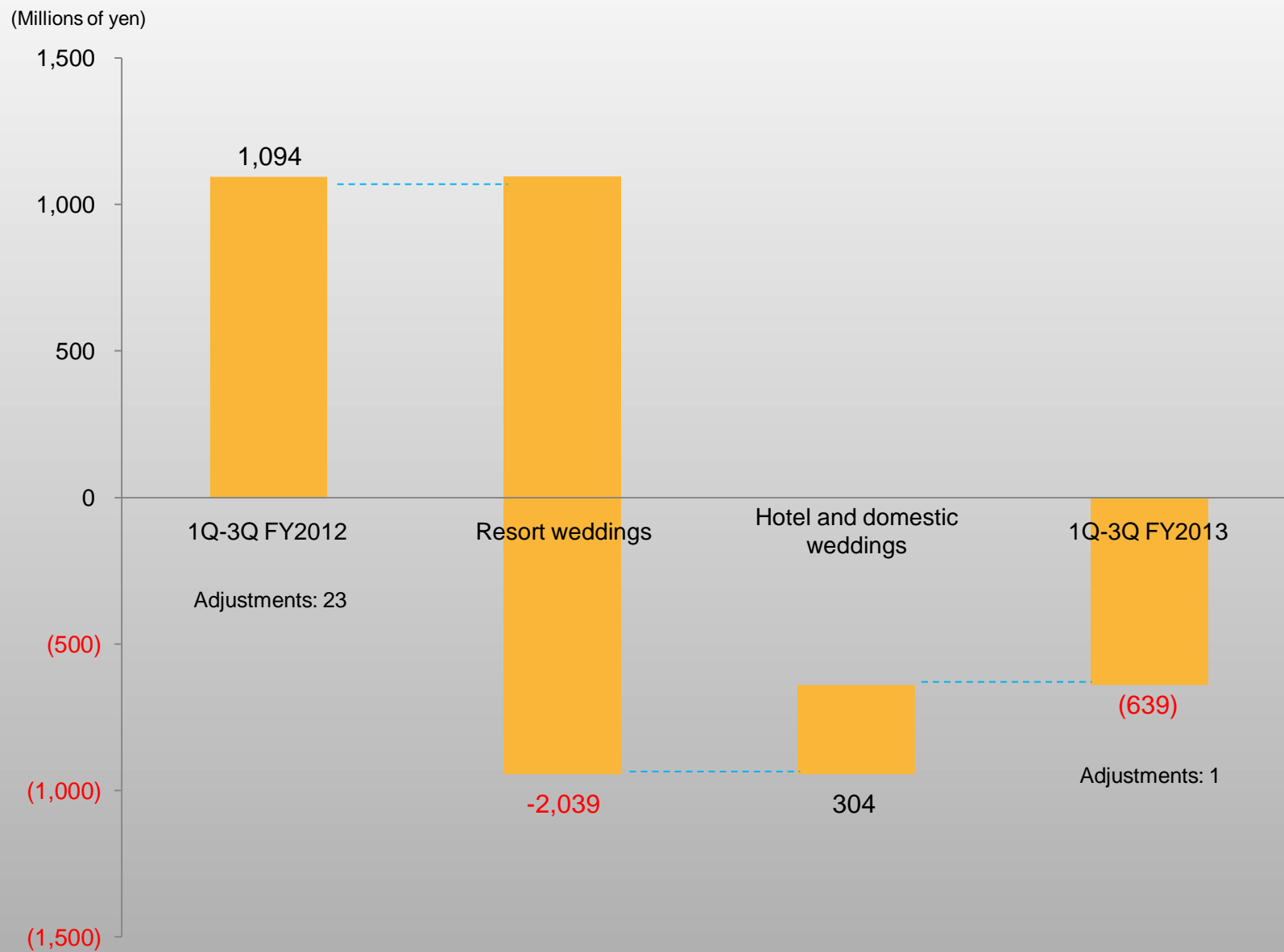
(Millions of yen)

Item	1Q-3Q FY2013	1Q-3Q FY2012	Year on Year
	(Actual)	(Actual)	Change
<b>Net sales</b>	<b>36,299</b>	<b>37,612</b>	<b>Down 3.5%</b>
<b>Gross profit</b>	<b>23,659</b>	<b>25,272</b>	<b>Down 6.4%</b>
<b>Gross profit ratio</b>	<b>0</b>	<b>0</b>	<b>Down 2pp</b>
<b>Selling, general and administrative expenses</b>	<b>24,298</b>	<b>24,155</b>	<b>Up 0.6%</b>
<b>SG&amp;A ratio</b>	<b>67%</b>	<b>64%</b>	<b>Up 3pp</b>
<b>Operating income</b>	<b>(639)</b>	<b>1,117</b>	<b>Down 157%</b>
<b>Operating income ratio</b>	<b>-2%</b>	<b>3%</b>	<b>Down 5pp</b>
<b>Ordinary income</b>	<b>(709)</b>	<b>1,263</b>	<b>Down 156%</b>
<b>Ordinary income ratio</b>	<b>-2%</b>	<b>3%</b>	<b>Down 5pp</b>
<b>Net income</b>	<b>(656)</b>	<b>591</b>	<b>Down 211%</b>

# Net Sales Factor Analysis (Year on Year)



# Operating Income Factor Analysis (Year on Year)



# Overview by Business Segment

(Millions of yen)

Item	Consolidated							
			Resort weddings		Hotels and domestic weddings		Adjustments	
	1Q-3Q FY2013	1Q-3Q FY2012	1Q-3Q FY2013	1Q-3Q FY2012	1Q-3Q FY2013	1Q-3Q FY2012	1Q-3Q FY2013	1Q-3Q FY2012
Net sales (Sales to customers)	36,299	37,612	14,975	15,509	21,324	22,103	-	-
Operating income	(639)	1,117	(942)	1,097	301	(3)	1	23
Operating income ratio	-2%	3%	-6%	7%	1%	0%	-	-

# Number of Weddings by Business Segment and Area

Number of wedding contracts		1Q-3Q FY2013	1Q-3Q FY2012	Year on Year
Resort weddings	<b>Total</b>	12,830	13,747	93%
	<b>Meguro Gajoen</b>	1,108	1,187	93%
Hotels and domestic weddings	<b>Mielparque</b>	3,184	3,148	101%
	<b>Other</b>	478	522	92%
	<b>Total</b>	4,770	4,857	98%

# Balance Sheets (Consolidated)

(Millions of yen)

	As of Mar. 31, 2013	As of Dec. 31, 2013
<b>ASSETS</b>		
Current assets		
Cash and deposits	6,407	5,970
Accounts receivable-trade	1,941	1,547
Other	2,816	3,307
Total current assets	11,164	10,824
Noncurrent assets		
Property, plant and equipment		
Buildings and structures, net	5,178	5,013
Other	4,170	4,016
Total property, plant and equipment	9,348	9,029
Intangible assets	781	860
Investments and other assets		
Guarantee deposits	3,275	2,935
Other	1,778	1,768
Total investments and other assets	5,053	4,703
Total noncurrent assets	15,183	14,593
Total assets	26,348	25,418

	As of Mar. 31, 2013	As of Dec. 31, 2013
<b>LIABILITIES</b>		
Current liabilities		
Accounts payable-trade	2,009	1,852
Short-term loans payable	900	1,500
Advances received	2,012	1,971
Other	3,704	2,624
Total Current liabilities	8,625	7,947
Noncurrent liabilities		
Long-term loans payable	700	700
Asset retirement obligations	573	612
Other	1,105	1,246
Total noncurrent liabilities	2,378	2,558
Total liabilities	11,004	10,505
<b>NET ASSETS</b>		
Shareholders' equity		
Capital stock	4,176	4,176
Capital surplus	4,038	4,038
Retained earnings	8,147	7,194
Treasury stock	(0)	0
Total shareholders' equity	16,361	15,408
Valuation and translation adjustments	(1,092)	(571)
Minority interests	75	76
Total net assets	15,344	14,912
Total liabilities and net assets	26,348	25,418



# Full-Year Results Forecast

(Millions of yen)	FY2013 Full year (Forecast)	FY2012 Full year (Actual)	Change
Net sales	47,600	49,295	-1,695
Operating income	(1,300)	1,244	-2,544
Ordinary income	(1,500)	1,351	-2,851
Net income	(1,900)	560	-2,460

## Net sales results forecast

[Key factors]

- Lower share due to increasing prominence of rival companies
- Drop in sales of wedding-related garment

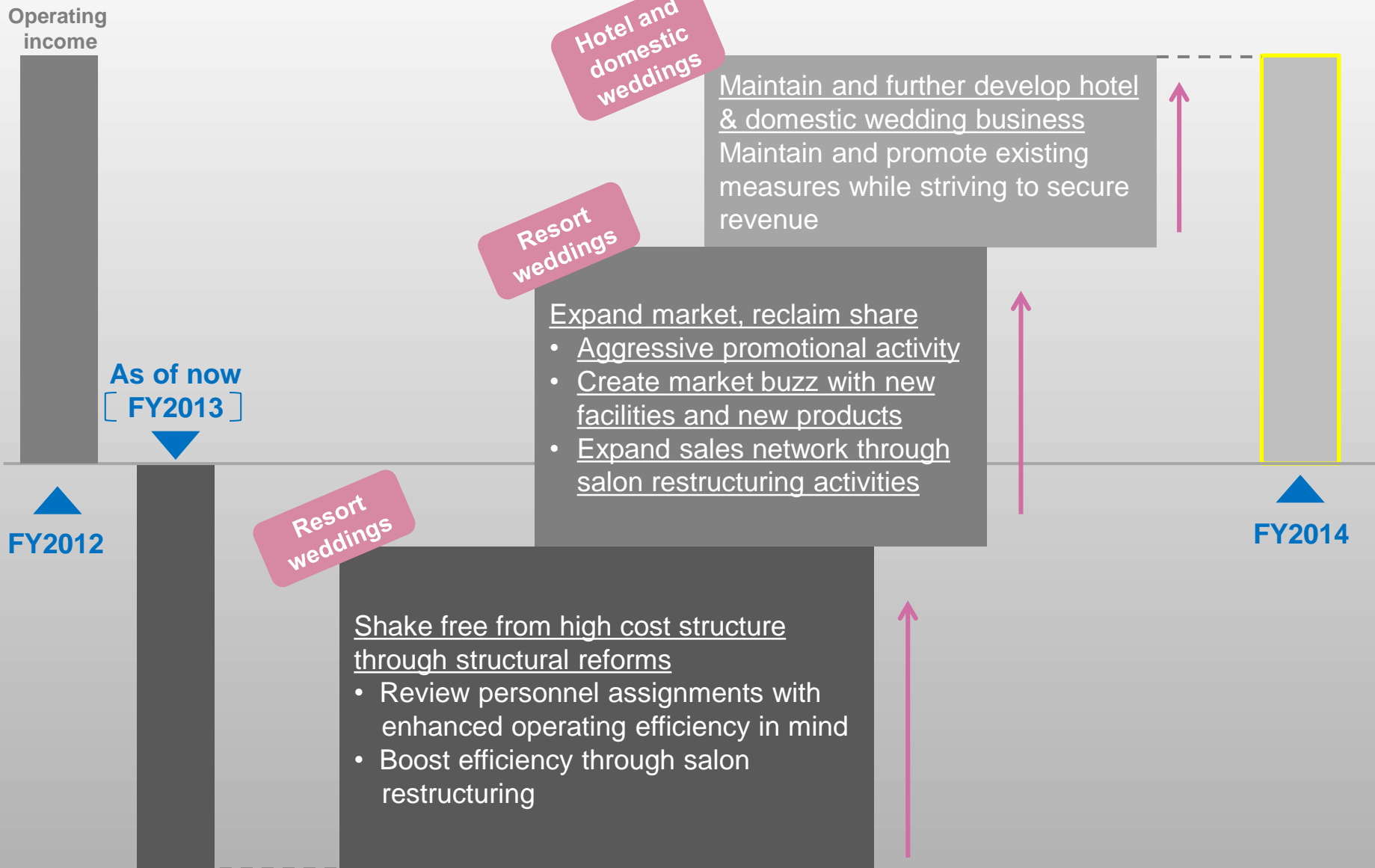
## Operating income results forecast

[Key factors]

- Impact from sudden fluctuations in foreign exchange
- Investment specifically in advertising aimed at boosting brand power in conjunction with the 60<sup>th</sup> anniversary
- One-time loss resulting from restructuring of the wedding salon network

## **II. Business Strategy for FY2013**

# Scenario Heading into Next Fiscal Year (FY2014)



## Business Strategy 1

### Resort Wedding Business:

- Offering a new style of resort wedding, *Rizokon*, and enhancing promotional activities
- Strengthening sales network

## Business Strategy 2

### Hotel and Domestic Wedding Business:

- Improving product marketability to attract prospective customers

## Business Strategy 3

### Strategic Expansion in Asia:

- Developing business schemes and boosting profitability

Offering a new style of resort wedding, *Rizokon*, and enhancing promotional activities  
Strengthening sales network

(Millions of yen)

Item	Resort weddings	
	FY2013 Full year (Forecast)	FY2012 Full year (Actual)
Net sales	19,100	20,138
Operating income	(1,800)	1,109
Operating income ratio	-9%	6%

In this fiscal year, we are earnestly implementing measures to boost brand power and strengthen promotional activities, and we are seeing a higher ratio of resort weddings, according to the 2013 survey on wedding trends by the bridal magazine Zexy. Noteworthy developments, such as salon restructuring under our sales network expansion strategy and the opening of new chapels, have drawn attention and attracted more customers.

However, the majority of these sales opportunities will not have an impact on business results until next fiscal year or later, therefore, the number of wedding contracts for the current fiscal year will likely fall below that of the previous fiscal year.

Also, given the one-time loss resulting from restructuring of the wedding salon network and uncertainty over fluctuating exchange rates, the full-year results forecast was lowered year on year.

*Rizokon Heart*, adding new value to wedding ceremonies

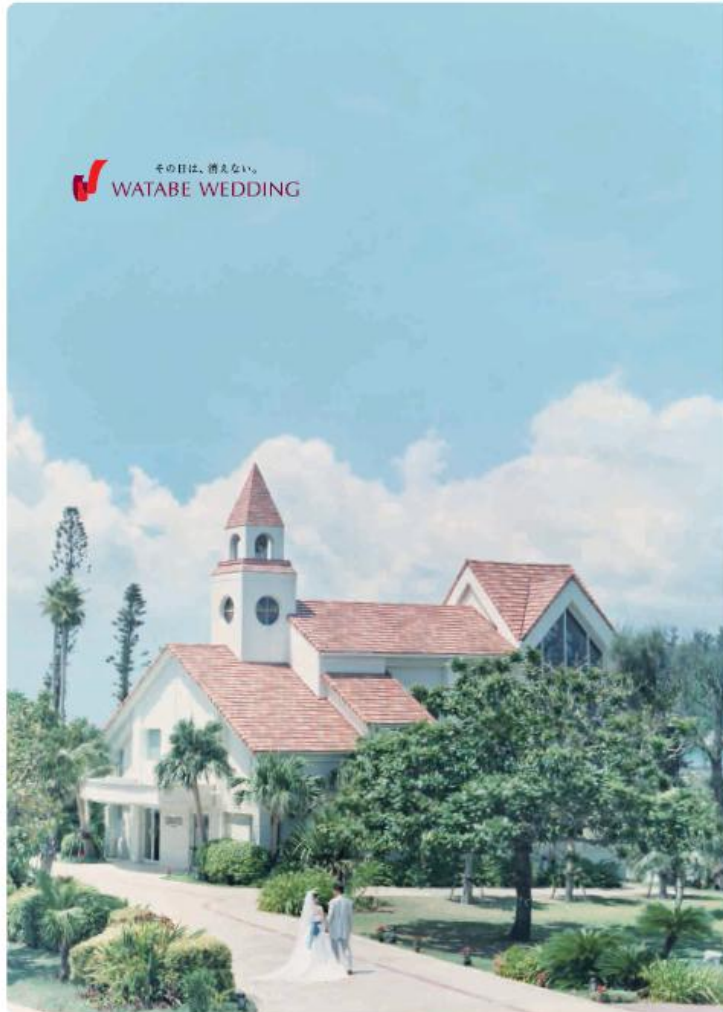
式して、旅して、きちんとお披露目。

**リゾート婚**   
ハート





## Churakon, adding new value to Okinawa resort weddings



ずっと、いっしょにいよう。そんな誓い  
が一番ふ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、習慣があふれている。  
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。【美ら婚】 祝宴

0120-41-2141 www.watabe-wedding.co.jp



Weddings produced by Hinano Yoshikawa,  
a fashion model and the Hawaii goodwill ambassador

HAWAII WEDDING

*celebrated by*  
*Hinano Yoshikawa*

Plans built on inspiration from Hinano Yoshikawa for couples marrying at the Ko Olina and Honu Kai Lani chapels.

*alohina*, a bridal gown designed by Hinano Yoshikawa, is now on sale





## Wedding Inspired by Popular Fashion Model Shiho Takechi

Based on her own resort wedding experience this year, Ms. Takechi shared ideas from a bride's perspective for wedding and party plans at Blue Aster, a popular Watabe Wedding chapel on Guam.

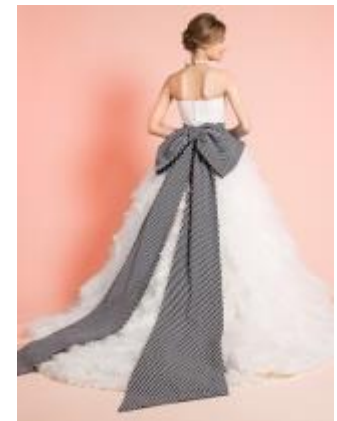
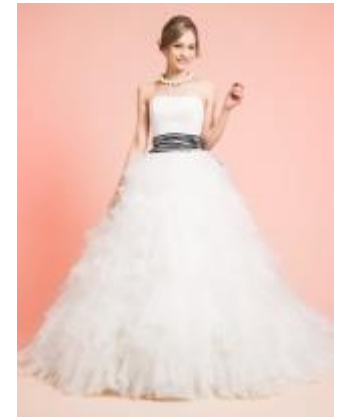
“The chapel is decorated in a warm, antique style that women just adore. Even the small things, like the cakes and cookies, add to the charm of this distinctly unforgettable setting. Cherish this once-in-a-lifetime moment surrounded by the things you love.” — *Shiho Takechi*



## Co-production of Bridal Gowns with Popular Boutique BEAMS

Popular boutique BEAMS debuts bridal gowns

- New style allows coordinated mixing and matching of everyday casual wear with personalized flare —
- All new signature collection “WATABE WEDDING produced by BEAMS”



## Expanded weddings bookings through the 60<sup>th</sup> anniversary campaign

ワタベウェディング 60th Anniversary Campaign

# 創業60周年 ありがとうキャンペーン

### ドレスにこだわり編

プラン内容

ここがポイント!!

- レンタルドレス上限なし (¥80,000~¥367,500)
- レンタルタキシード上限なし (¥58,000~¥113,400)
- 教会使用料
- 牧師(またはセレモニーマスター)への謝礼
- 音楽奏者への謝礼
- チャペルでの介添え(海外では通訳業務)
- 結婚証明書(法的な効力はありません)
- 生花ブーケ&ブートニア
- チャペルまでのカップル送迎車(海外チャペルのみ)

☆レンタルドレス  
☆レンタルタキシード  
\選び放題!

### 写真にこだわり編

プラン内容

いさらに!!

- アルバム「ノヴェル」(24ページ/40カット)
- 教会使用料
- 牧師(またはセレモニーマスター)への謝礼
- 音楽奏者への謝礼
- チャペルでの介添え(海外では通訳業務)
- 結婚証明書(法的な効力はありません)
- 生花ブーケ&ブートニア
- チャペルまでのカップル送迎車(海外チャペルのみ)

☆密着フォト追加  
100カット  
ドキュメント+ロケ撮影付

### 憧れの海見え人気チャペル編

プラン内容

- 教会使用料
- 音楽奏者への謝礼
- 結婚証明書(法的な効力はありません)
- 牧師(またはセレモニーマスター)への謝礼
- チャペルでの介添え(海外では通訳業務)
- 生花ブーケ&ブートニア
- チャペルまでのカップル送迎車(海外チャペルのみ)
- ローズマリー衣裳プラン
- ご新婦様ヘアセットメイク

Anniversary Campaign

ワタベウェディング  
創業60周年  
ありがとうキャンペーン

通常価格の  
最大 **68%**  
OFF

人気の海外・国内リゾートチャペルが通常価格の最大68%OFF!!

- Hawaii
- Guam
- Europe
- U.S.A.
- Australia
- Bali
- Tahiti
- Okinawa
- etc...




お申込み期間: 2013.10 ~ 2014.3/25

挙式期間: 2013.10 ~ 2014.3/31

その他多数の特別プランをご用意いたしました!



A new salon was opened and other salons were redesigned and reopened, under a strategy to enhance the sales network

Minami-aoyama Salon

Newly  
OPEN

A new convenient location, one minute from Omotesando station



Shinjuku Salon

Renewal

A wedding plan and wedding wear salon combined for convenience



Fukuoka Salon

Renewal

Relocated to Tenjin station, an accessible commercial hub



## Business Strategy 1

### Resort Wedding Business:

- Offering a new style of resort wedding, *Rizokon*, and enhancing promotional activities
- Strengthening sales network

## Business Strategy 2

### Hotel and Domestic Wedding Business:

- Improving product marketability to attract prospective customers

## Business Strategy 3

### Strategic Expansion in Asia:

- Developing business schemes and boosting profitability

# Business Strategy 2

## Hotel and Domestic Wedding Business

Improving product marketability to attract prospective customers

(Millions of yen)

Item	Hotels and domestic weddings	
	FY2013 (Forecast)	FY2012 (Actual)
Net sales	28,500	29,157
Operating income	500	96
Operating income ratio	2%	0.3%

Operating income will improve year on year through the promotion of new measures.

Further efforts to strengthen product marketability will draw more prospective customers and support increased sales.

## Meguro Gajoen: Venue for AmebaGG Party “Beauty Ranking”



Held an event attracting 400 popular female bloggers. Released a ranking of dresses recommended by wedding attire planners at Meguro Gajoen. When models appeared on the stage in gorgeous bridal gowns incorporating Japanese cloth into the designs, the hall became full of excitement of the female bloggers.







Meguro Gajoen: Campaigns and new products to celebrate the 85<sup>th</sup> anniversary of this time-honored venue for weddings and banquets



Wedding plan with special options during 85<sup>th</sup> anniversary

Sales of the 85<sup>th</sup> anniversary wedding plan of Meguro Gajoen  
Launched a special basic package for the 85<sup>th</sup> anniversary as well as wedding campaigns with photograph and dress privileges  
Drawing more customers and realizing higher sales, thanks to attractive product development and the effectiveness of the campaigns

Meeting diverse needs  
Launched *Hanatsudo*i Stylish Package  
Concept = MODERN JAPANESE  
Various layouts created with packages of components, such as interior designing and equipment setups including a head table, that can be easily added or removed from the arrangement as required





## Meguro Gajoen: Special Planned Event at Designated Tangible Cultural Asset of Tokyo “*Hyakudan Kaidan* (100-Step Staircase)”

### 利休にたずねよ × Meguro Gajoen *Hyakudan Kaidan*

Will hold a special planned event (November 26, 2013 - January 13, 2014) recreating the world view of the movie “*Rikyu ni Tazuneyo*” (English title: “Ask This of Rikyu”), which won the Best Artistic Contribution Award at the 37<sup>th</sup> Montreal World Film Festival.

This exhibition utilizes the rooms of *Hyakudan Kaidan*—a cultural asset—as a backdrop to showcase everything from the precious costumes worn by magnificent casts in the theater production to props, video pictures and panel-based reference materials and music.

The event enables visitors to connect with the world described in “Ask This of Rikyu.”



## Mielparque: Now taking orders for new collection of Mielparque original bridal gowns



An essential component of a bride's happy wedding day is her dress, especially if it is made just for her. Mielparque Premier Dress

A wedding day—when couples open a new door and embark on married life together. What kind of dress would be most cherished—just right for the life's most greatest moment?

That is the brand-new dress made just for the bride. The custom-order Mielparque Premier Dress is made all the more special for each bride with three unique services that create memories to last a lifetime along with the happiness of wearing a dress just for her.

These special services are only possible because each dress is tailored specifically for each bride.

Brides need only a Mielparque Premier Dress for wedding day wishes to come true.

## Business Strategy 1

### Resort Wedding Business:

- Offering a new style of resort wedding, *Rizokon*, and enhancing promotional activities
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## Business Strategy 2

### Hotel and Domestic Wedding Business:

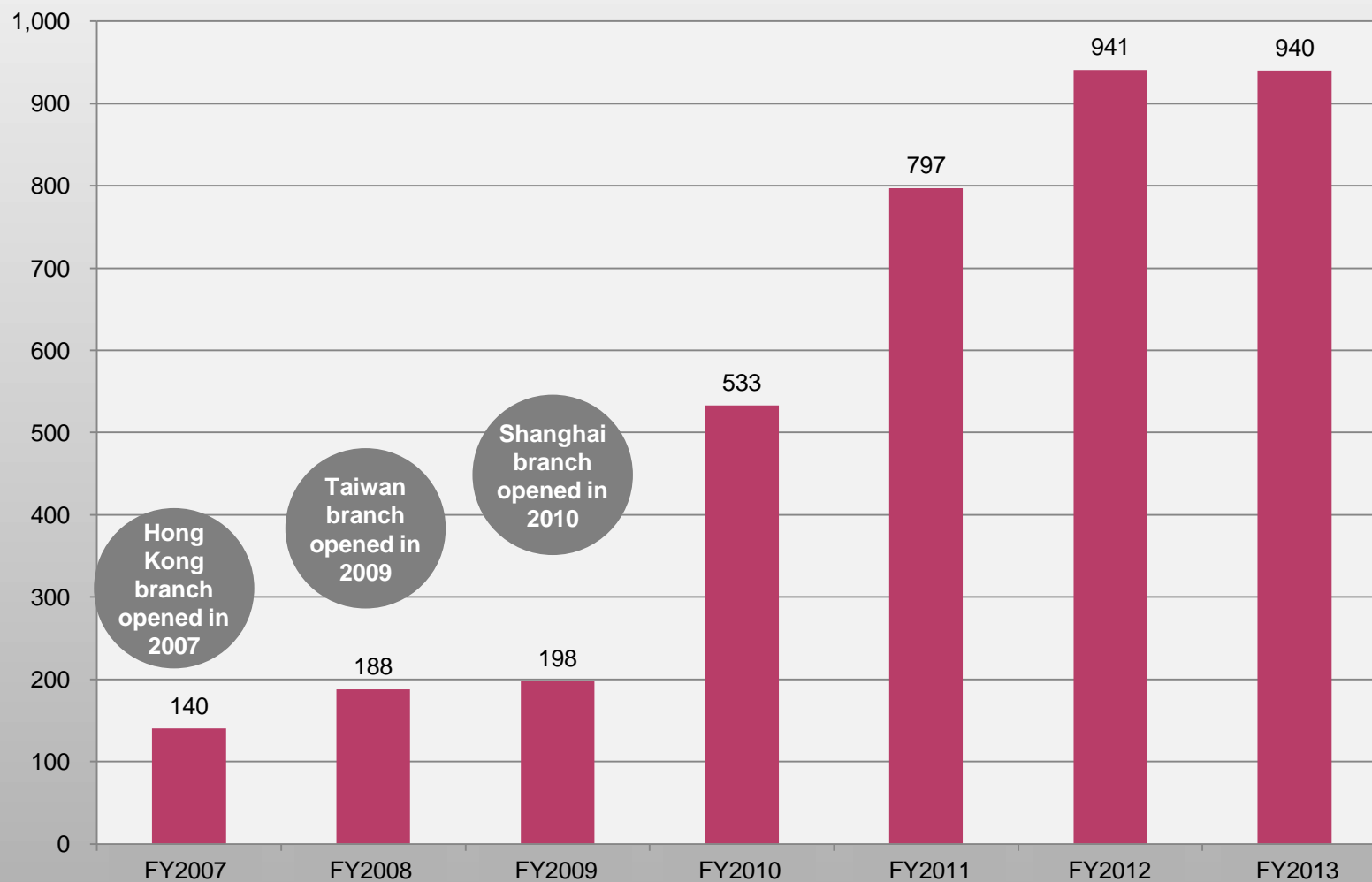
- Improving product marketability to attract prospective customers

## Business Strategy 3

### Strategic Expansion in Asia:

- Developing business schemes and boosting profitability

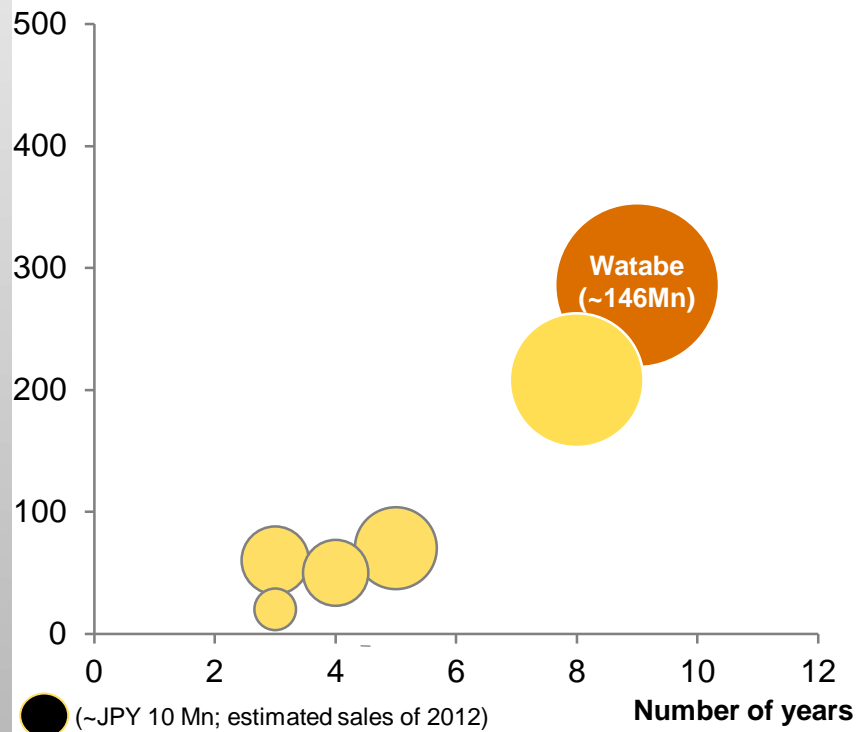
## Resort wedding sales up across Asia



Enjoying top shares in key markets of Taiwan and Hong Kong

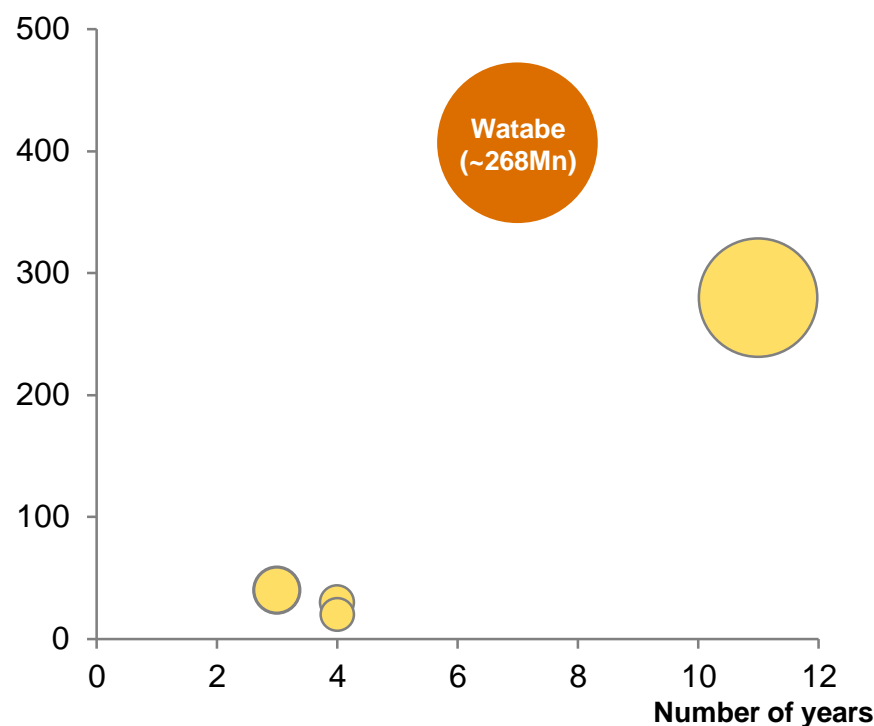
Taiwan DST Wedding Market

Number of weddings: 2012



Hong Kong DST Wedding Market

Number of weddings: 2012



Going forward, we aim to boost profitability while contributing to growth of the Asian DST wedding market.

# Strategic Expansion in Asia: Developing business schemes and boosting profitability

## Raising our profile through active media promotion in Asia

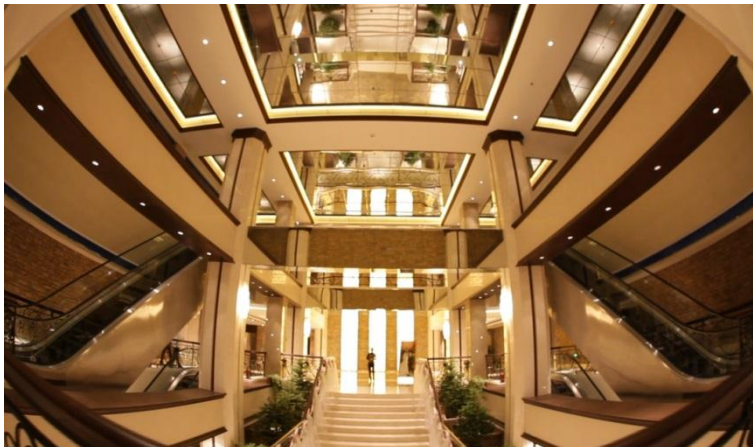
Market	Category	Summary	Title	Chapel	Exposure for Watabe Wedding
Mainland China	Internet movie	Internet streaming distribution and promotion by Japan FM Network and China's Tencent Holdings Limited	【Traveler】 Okinawa Rendez-vous	Aquagrace	<ul style="list-style-type: none"> <li>Actress famous in China marries actor in Aquagrace chapel</li> <li>Scenes show chapel exterior and interior as well as the beach in front of the chapel</li> </ul>
	TV program	Pretty girls' audition show on a Shanghai TV network, Travel episode in which the top 10 pretty girls visit places in Okinawa	Beach Honey	Aquagrace	<ul style="list-style-type: none"> <li>One of the pretty girls and a male model get married in Aquagrace chapel</li> <li>Scenes show chapel exterior and interior as well as the beach in front of the chapel</li> </ul>
	Movie	Mainland film by a well-known director who produced the movie "Red Cliff", Chinese version of love comedy "Sex & the City"	One Night Stud	Coralvita	<ul style="list-style-type: none"> <li>An actor and actress get married in Coralvita chapel</li> <li>Only the chapel interior is shown (due to a typhoon on the day of filming)</li> </ul>
Taiwan	TV drama	Drama in which main character (Taiwanese actress) is an overseas wedding planner at Watabe Wedding, with scenes shot at company facilities in Taiwan and Okinawa.	Marry or Not	Aquagrace	<ul style="list-style-type: none"> <li>Views of chapel and Taiwan Grace Hill from the opening scene</li> <li>Actor and actress get married in Aquagrace chapel</li> <li>Main character, as a wedding planner, checks preparations inside the chapel before the ceremony</li> <li>Scene with Grace RCP hall used as a bride's room</li> <li>Main character, as a Watabe Wedding employee, uses company name tag and business card</li> <li>A scene of the company's morning gathering, the Watabe Wedding philosophy is described in Chinese</li> </ul>
Hong Kong	TV program	Overseas travel program broadcast in four parts. Two teams present destinations to a Hong Kong actress who then decides which trip would be the most enjoyable to go on.	TVBOXNOW Tailor-made Tour	Aquagrace Marine bijou	<ul style="list-style-type: none"> <li>Well-known Hong Kong actress gets married to a team member of her choosing in Aquagrace chapel</li> <li>At Marine bijou, team member who was not chosen waits in vain for the actress to appear</li> <li>Scenes show Aquagrace exterior and interior as well as the beach in front of the chapel</li> <li>Scenes show Marine bijou exterior and interior</li> </ul>



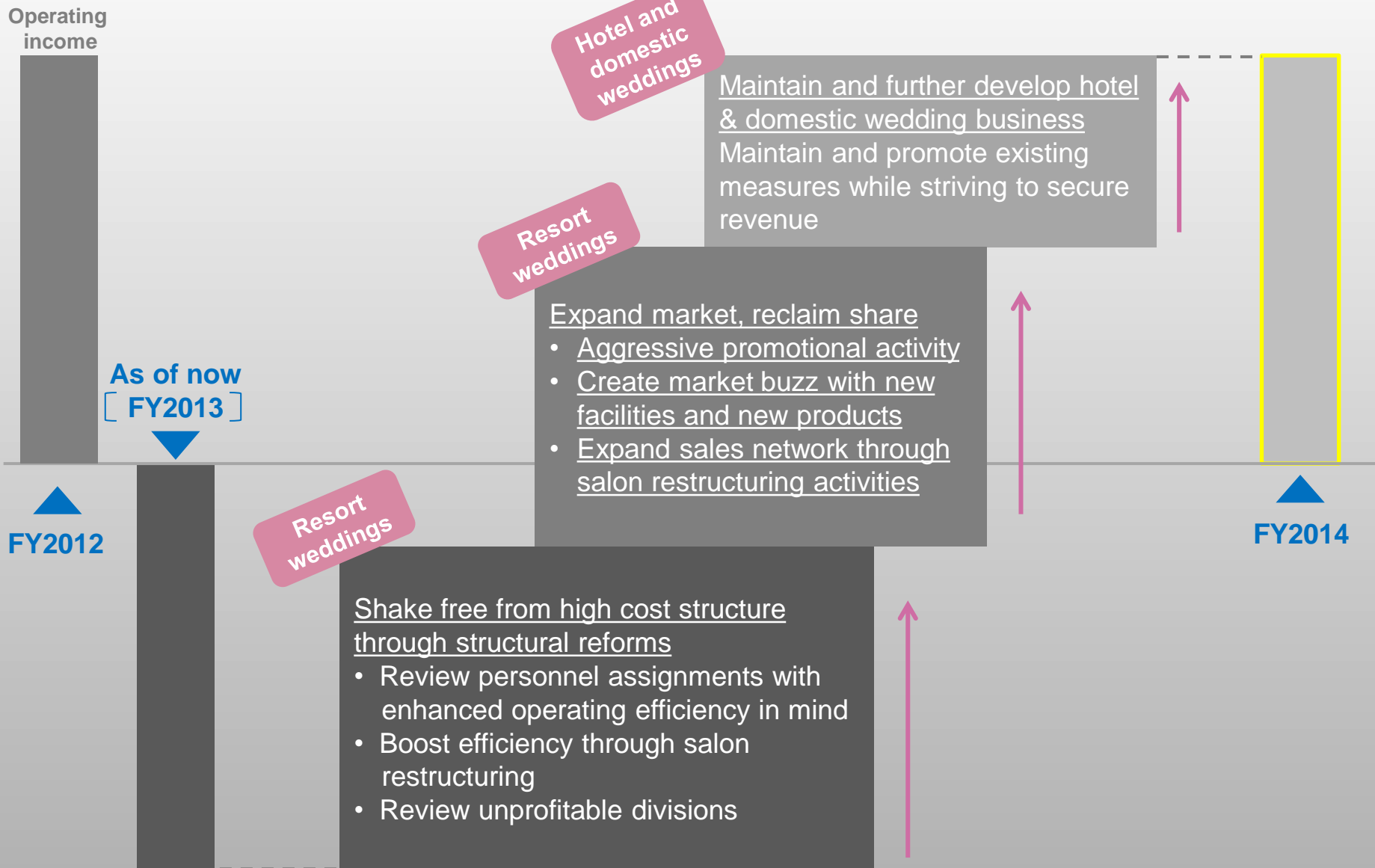
## Large-scale wedding complex opens in Harbin, China



Large-scale wedding complex opens in Harbin, China  
Built Harbin Modern Attache Garden to secure local demand in China and develop the market further  
First floor: 2,300m<sup>2</sup>, second floor: 3,800m<sup>2</sup>  
Ready for banquets of all sizes, with total capacity for about 1,000 people



# Scenario Heading into Next Fiscal Year (FY2014)





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