



## 2. Dividends

	Dividend per share				
	End-Q1	End-Q2	End-Q3	Year-end	Annual total
	yen	yen	yen	yen	yen
Year ended December 31, 2012	-	1,000.00	-	1,000.00	2,000.00
Year ending December 31, 2013	-				
Year ending December 31, 2013 (Forecast)		1,000.00	-	1,000.00	2,000.00

Note: No revision has been made to the latest dividends forecast.

## 3. Earnings Forecast for the Fiscal Year ending December 31, 2013 (January 1, 2013 – December 31, 2013)

(Percentages indicate year-on-year changes)

	Net sales		Operating income		Ordinary income		Net income		Net income per share yen
	million yen	%	million yen	%	million yen	%	million yen	%	
Six months ending June 30, 2013	22,600	10.9	2,700	22.6	2,650	20.2	1,450	45.0	5,923.20
Year ending December 31, 2013	48,200	8.3	7,400	13.5	7,300	10.4	4,300	31.5	17,565.36

Note: No revision has been made to the latest earnings forecast.

### \*Notes

- (1) Changes affecting the consolidation status of significant subsidiaries during the period: None
- (2) Use of accounting methods specific to the preparation of quarterly consolidated financial statements: Yes
- (3) Changes in accounting policy, changes in accounting estimates, and retrospective restatement
  - 1) Changes in accordance with amendments to accounting standards, etc.: Yes
  - 2) Changes other than noted in 1) above: None
  - 3) Changes in accounting estimates: Yes
  - 4) Retrospective restatement: None

(Note) This relates to Article 10-5 of the *Regulations on the Terminology, Format and Preparation of Quarterly Consolidated Financial Statements*. For details, please refer to “(3) Changes in Accounting Policy, Changes in Accounting Estimates, and Retrospective Restatement” in section “2. Other Information” on page 6 in the accompanying materials.

(3) Shares issued (common stock)

	March 31, 2013	December 31, 2012
1) Number of shares issued at end of period (including treasury stock)	244,800	244,800
2) Number of shares held in treasury at end of period	-	-
	Three Months ended March 31, 2013	Three Months ended March 31, 2012
3) Average number of shares outstanding during the period	244,800	244,800

**\* Quarterly Review Status**

This report is exempt from the review requirements of Japan's Financial Instruments and Exchange Act. As of this report publication, a review of the consolidated quarterly financial statements in accordance with the Act is underway.

**\*Appropriate Use of Earnings Forecast and Other Important Information**

The above forecasts are based on information available as of this report's publication. Actual results may differ from forecasts due to changes in the business environment. For the assumptions underlying the forecasts herein and other notice on the use of earnings forecasts, please refer to "Earnings Forecast for the Fiscal Year ending December 31, 2013" in the section "Review of Consolidated Financial Results" on page 5 in the accompanying materials.

## Accompanying Material – Contents

1. Review of Consolidated Financial Results	5
(1) Operating Results	5
(2) Financial Condition	5
(3) Earnings Forecast for the Fiscal Year ending December 31, 2013	6
2. Other Information	6
(1) Changes in Significant Subsidiaries	6
(2) Application of Specific Accounting Methods for the Preparation of Quarterly Financial Statements	6
(3) Changes in Accounting Policy, Changes in Accounting Estimates, and Retrospective Restatement	6
3. Consolidated Financial Statements	7
(1) Consolidated Balance Sheets	7
(2) Consolidated Statements of Income and Comprehensive Income	9
Consolidated Statements of Income	9
Consolidated Statements of Comprehensive Income	10
(3) Note on the Going-concern Assumption	11
(4) Note on Significant Changes in the Amount of Shareholders' Equity	11
(5) Segment Information	11
4. Supplementary Information	13

## **1. Review of Consolidated Financial Results**

### **(1) Operating Results**

In the first three months of the fiscal year ending December 31, 2013, the Japanese economy moved into a moderate recovery trend as reconstruction-related demand following the Great East Japan Earthquake of March 2011 and other factors offset the negative impact of slowdowns in overseas economies and protracted deflation in the domestic economy. Meanwhile, the outlook for the economy has begun to brighten as expectations regarding the bold policies proposed by the new government that took office near the end of 2012 have led to a rapid depreciation of the yen and fueled a robust stock market rally.

Amid this environment, the Best Bridal Group endeavored to increase sales and profitability by continually creating new value in the guest house and wedding business through high-quality, appealing outlets and value-added services, and by taking proactive efforts to enhance business efficiency.

As a result of the above factors, the Group posted consolidated net sales of ¥9,687 million in the first quarter, an increase of 10.5% over the same period of the previous fiscal year. Operating income totaled ¥560 million, a year-on-year increase of 62.4%, ordinary income amounted to ¥640 million, up 47.6%, and net income totaled ¥301 million, a 260.0% gain over the first quarter of the previous fiscal year.

The results for each business segment were as follows.

#### **1. Domestic operations**

Sales at the Group's domestic operations increased in the first quarter of the year, supported by an increase in weddings held at Best Bridal's existing outlets and at consolidated subsidiary Hospitality Network Corporation, which renovated its facilities in the previous fiscal year.

As a result, net sales in the domestic business totaled ¥9,101 million, a year-on-year increase of 11.0%, and segment operating income reached ¥896 million, an increase of 50.1%.

#### **2. Overseas operations**

The number of weddings held and orders placed in the first quarter was largely unchanged over the same period of the previous fiscal year despite a moderate recovery in overall market conditions.

Overseas business net sales for the quarter totaled ¥586 million, a year-on-year increase of 3.0%. However, the segment posted an operating loss of ¥34 million, compared with a profit of ¥17 million a year earlier.

### **(2) Financial Condition**

#### **Assets, liabilities, and net assets**

Assets at the end of the first quarter (March 31, 2013) totaled ¥47,429 million, a decline of ¥952 million from the end of the previous fiscal year (December 31, 2012) as a ¥567 million increase in investments and other assets was offset by a ¥1,439 million decrease in cash and cash equivalents.

Liabilities at the end of the first quarter totaled ¥26,376 million, ¥1,189 million less than at the end of the previous fiscal year. The reduction in liabilities is attributable to a ¥1,897 million decrease in income taxes payable, which was partially offset by a net increase of ¥781 million in long-term debt and bonds and an increase of ¥224 million in advances received.

Net assets at the end of the first quarter totaled ¥21,052 million, an increase of ¥237 million from the end of the previous fiscal year. This increase was mainly due to the booking of ¥301 million in net income for the quarter, which outweighed the ¥244 million in dividends paid from retained earnings.

### **(3) Earnings Forecast for the Fiscal Year Ending December 31, 2013**

There is no change to the consolidated earnings forecasts for the six months ending June 30, 2013 and for the year ending December 31, 2013 announced on February 14, 2013.

## **2. Other Information**

### **(1) Changes in Significant Subsidiaries**

Not applicable.

### **(2) Application of Specific Accounting Methods for the Preparation of Quarterly Financial Statements**

(Simplified accounting methods)

#### **1) Calculation method for depreciation of fixed assets**

Depreciation expenses for assets to which the declining-balance method is applied are calculated by allocating a quarterly proportion of the amount for the full fiscal year.

#### **2) Calculation method for deferred tax assets and deferred tax liabilities**

Regarding judgments on the amount of recoverable deferred tax assets, the Company has determined that there have been no significant changes in the economic environment or emergence of temporary differences since the end of the previous fiscal year, and therefore the calculations are based on future earnings forecasts from the previous year and tax planning methods.

(Special accounting treatments)

Calculation of taxes

The Company calculates tax liabilities by producing a reasonable estimate of the effective tax rate after applying tax-effect accounting to income before income taxes and minority interests for the fiscal year, which encompasses the three months ended March 31, 2013, and then multiplying income (loss) before income taxes and minority interests by this estimated effective tax rate. In cases where this estimated effective tax rate cannot be used, the statutory effective tax rate is used.

### **(3) Changes in Accounting Policies, Estimates, and Retrospective Restatement**

(Changes in accounting policies that are difficult to distinguish from changes in accounting estimates)

In accordance with Japan's recent corporate tax law amendments and effective from the first quarter of the fiscal year ending December 31, 2013, the method which the Company uses for depreciation of tangible assets acquired on or after January 1, 2013 will be adjusted to reflect the revised corporate tax code. Impact on earnings for the three months ended March 31, 2013 was negligible.

### 3. Consolidated Financial Statements

#### (1) Consolidated Balance Sheets

(millions of yen)

	December 31, 2012	March 31, 2013
	Amount	Amount
<b>Assets</b>		
<b>Current assets</b>		
Cash and deposits	11,314	9,874
Accounts receivable - trade	333	343
Merchandise	39	6
Raw materials and supplies	327	365
Other	1,188	1,082
Allowance for doubtful receivables	(48)	(48)
<b>Total current assets</b>	<b>13,154</b>	<b>11,623</b>
<b>Fixed assets</b>		
Tangible assets		
Buildings and structures, net	16,247	16,027
Land	4,760	4,767
Other, net	1,216	1,403
<b>Total tangible assets</b>	<b>22,224</b>	<b>22,199</b>
Intangible assets		
Goodwill	1,042	1,022
Other	231	216
<b>Total intangible assets</b>	<b>1,273</b>	<b>1,238</b>
Investments and other assets		
Lease and guarantee deposits	5,827	5,899
Other	5,870	6,437
<b>Total investments and other assets</b>	<b>11,697</b>	<b>12,337</b>
<b>Total fixed assets</b>	<b>35,195</b>	<b>35,775</b>
<b>Deferred assets</b>	<b>32</b>	<b>30</b>
<b>Total assets</b>	<b>48,381</b>	<b>47,429</b>

	(millions of yen)	
	December 31, 2012	March 31, 2013
	Amount	Amount
<b>Liabilities</b>		
<b>Current liabilities</b>		
Accounts payable - trade	2,157	1,915
Short-term debt	-	860
Current portion of long-term debt	3,191	3,177
Current portion of bonds	612	538
Income taxes payable	2,237	339
Advances received	942	1,167
Provision for loss on cancellation of rental contract	52	52
Other	2,527	2,490
<b>Total current liabilities</b>	<b>11,722</b>	<b>10,541</b>
<b>Fixed liabilities</b>		
Bonds	1,590	1,398
Long-term debt	11,230	11,432
Provision for employees' retirement benefits	268	282
Provision for directors' retirement benefits	594	604
Provision for loss on cancellation of rental contract	100	87
Asset retirement obligations	1,068	1,072
Other	992	958
<b>Total fixed liabilities</b>	<b>15,844</b>	<b>15,835</b>
<b>Total liabilities</b>	<b>27,566</b>	<b>26,376</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Capital stock	472	472
Capital surplus	634	634
Retained earnings	19,729	19,786
<b>Total shareholders' equity</b>	<b>20,836</b>	<b>20,893</b>
<b>Accumulated other comprehensive income</b>		
Net unrealized gain on available-for-sale securities	41	95
Deferred gain (loss) on derivatives under hedge accounting	13	28
Foreign currency translation adjustments	(76)	34
<b>Total accumulated other comprehensive income</b>	<b>(21)</b>	<b>158</b>
<b>Total net assets</b>	<b>20,815</b>	<b>21,052</b>
<b>Total liabilities and net assets</b>	<b>48,381</b>	<b>47,429</b>

**(2) Consolidated Statements of Income and Comprehensive Income**  
**Consolidated Statements of Income**

	Three months ended March 31, 2012	(millions of yen) Three months ended March 31, 2013
	Amount	Amount
<b>Net sales</b>	8,769	9,687
Cost of sales	6,320	6,757
<b>Gross profit</b>	2,449	2,929
<b>Selling, general and administrative expenses</b>	2,103	2,368
<b>Operating income</b>	345	560
<b>Non-operating income</b>		
Interest income	14	16
Gain on investments in silent partnership	44	57
Foreign exchange gains	62	-
Surrender value received	49	-
Gain on valuation of derivatives	3	46
Other	12	31
Total non-operating income	188	151
<b>Non-operating expenses</b>		
Interest expenses	81	67
Other	18	3
Total non-operating expenses	99	71
<b>Ordinary income</b>	434	640
<b>Extraordinary loss</b>		
Loss on disposal of fixed assets	-	17
Total extraordinary loss	-	17
<b>Income before income taxes and minority interests</b>	434	623
<b>Income taxes</b>	350	321
<b>Income before minority interests</b>	83	301
<b>Net income</b>	83	301

### Consolidated Statements of Comprehensive Income

	(millions of yen)	
	Three months ended March 31, 2012	Three months ended March 31, 2013
	Amount	Amount
<b>Income before minority interests</b>	83	301
<b>Other comprehensive income</b>		
Net unrealized gain on available-for-sale securities	41	53
Deferred gain (loss) on derivatives under hedge accounting	8	15
Foreign currency translation adjustments	31	103
Share of other comprehensive income of affiliates accounted for under the equity method	9	7
Total other comprehensive income	91	180
<b>Comprehensive income</b>	175	482
(Breakdown)		
Comprehensive income attributable to owners of the parent	175	482
Comprehensive income attributable to minority interests	-	-

**(3) Note on the Going-concern Assumption**

Not applicable

**(4) Note on Significant Changes in the Amount of Shareholders' Equity**

Not applicable

**(5) Segment and Other Information**

I. Three months ended March 31, 2012 (January 1 to March 31, 2012)

1. Net sales and income/loss by reportable segment

	Reportable segment			Adjustments (note 1)	(millions of yen) Amount recorded on consolidated statements of income (note 2)
	Domestic operations	Overseas operations	Total		
Net sales					
Sales to outside customers	8,200	569	8,769	-	8,769
Inter-segment sales and transfers	0	0	0	(0)	-
Total	8,201	569	8,770	(0)	8,769
Segment income	597	17	614	(269)	345

Note: 1. The minus 269 million yen adjustment for segment income includes 3 million yen elimination of inter-segment sales and minus 273 million yen of unallocated corporate expenses. The main component of these unallocated corporate expenses is SG&A expenses that are not attributable to reportable segments.

2. Segment income adjustments are based on operating income reported on the quarterly consolidated statements of income for the corresponding period.

2. Impairment loss on fixed assets or goodwill by reportable segment

Not applicable

II. Three months ended March 31, 2013 (January 1 to March 31, 2013)

1. Net sales and income/loss by reportable segment

	Reportable segment			Adjustments (note 1)	(millions of yen) Amount recorded on consolidated statements of income (note 2)
	Domestic operations	Overseas operations	Total		
Net sales					
Sales to outside customers	9,101	586	9,687	-	9,687
Inter-segment sales and transfers	2	0	2	(2)	-
Total	9,103	586	9,690	(2)	9,687
Segment income (loss)	896	(34)	862	(301)	560

Note: 1. The minus 301 million yen adjustment for segment income (loss) includes 3 million yen elimination of inter-segment sales and minus 305 million yen of unallocated corporate expenses. The main component of these unallocated corporate expenses is SG&A expenses that are not attributable to reportable segments.

2. Segment income adjustments are based on operating income reported on the quarterly consolidated statements of income for the corresponding period.

2. Impairment loss on fixed assets or goodwill by reportable segment

Not applicable

#### 4. Other Information

##### Weddings Held, Orders Received, and Sales volume

###### 1) Number of weddings held

	Three months ended March 31, 2012	Three months ended March 31, 2013	Year ended December 31, 2012
Segment	Number of weddings held (cases)	Number of weddings held (cases)	Number of weddings held (cases)
Domestic operations	1,812	2,084	9,543
Overseas operations	588	565	2,974
Total	2,400	2,649	12,517

###### 2) Orders received

	Three months ended March 31, 2012		Three months ended March 31, 2013		Year ended December 31, 2012	
Segment	Orders received (cases)	Order backlog (cases)	Orders received (cases)	Order backlog (cases)	Orders received (cases)	Order backlog (cases)
Domestic operations	3,163	6,813	2,851	6,963	10,277	6,196
Overseas operations	939	1,805	908	1,765	2,942	1,422
Total	4,102	8,618	3,759	8,728	13,219	7,618

###### 3) Sales volume

	Three months ended March 31, 2012	Three months ended March 31, 2013	Year ended December 31, 2012
Segment	million yen	million yen	million yen
Domestic operations	8,200	9,101	41,633
Overseas operations	569	586	2,861
Total	8,769	9,687	44,494

Notes: 1. Inter-segment transactions have been eliminated from the amounts shown above.

2. The above amounts do not include consumption tax.