

Summary of Consolidated Financial Results for the Year Ended August 31, 2021 (Based on Japanese GAAP)



October 13, 2021

Company name: BIC CAMERA INC.
 Stock exchange listing: Tokyo
 Stock code: 3048 URL <https://www.biccamera.co.jp/ir/>
 Representative: Representative Director and President Kazuyoshi Kimura
 Managing Director, Business Management
 Inquiries: Toru Abe TEL 03-3987-8785
 Headquarters
 Scheduled date of ordinary general meeting of shareholders: November 19, 2021
 Scheduled date to file Securities Report: November 22, 2021
 Scheduled date to commence dividend payments: November 22, 2021
 Preparation of supplementary material on financial results: Yes
 Holding of financial results meeting: Yes (for institutional investors and analysts)

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the year ended August 31, 2021 (from September 1, 2020 to August 31, 2021)

(1) Consolidated operating results

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Year ended August 31, 2021	834,060	(1.6)	18,217	51.0	21,629	47.2	8,761	60.7
Year ended August 31, 2020	847,905	(5.2)	12,066	(47.4)	14,690	(43.2)	5,450	(61.2)

Note: Comprehensive income Year ended August 31, 2021 ¥12,095 million [15.7%]
 Year ended August 31, 2020 ¥10,457 million [(31.2)%]

	Earnings per share	Diluted earnings per share	Profit attributable to owners of parent/equity	Ordinary profit/total assets	Operating profit/net sales
	Yen	Yen	%	%	%
Year ended August 31, 2021	49.80	49.75	6.2	4.7	2.2
Year ended August 31, 2020	30.98	30.96	4.0	3.4	1.4

Reference: Share of profit (loss) of entities accounted for using equity method Year ended August 31, 2021 ¥192 million
 Year ended August 31, 2020 ¥– million

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of August 31, 2021	454,466	179,523	31.6	816.94
As of August 31, 2020	472,074	169,791	29.0	779.15

Reference: Equity As of August 31, 2021 ¥143,730 million
 As of August 31, 2020 ¥137,078 million

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Year ended August 31, 2021	7,763	(12,356)	(4,387)	108,857
Year ended August 31, 2020	52,004	(15,691)	55,106	117,211

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Dividend payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Year ended August 31, 2020	—	10.00	—	3.00	13.00	2,287	42.0	1.7
Year ended August 31, 2021	—	5.00	—	10.00	15.00	2,639	30.1	1.9
Year ending August 31, 2022 (Forecast)	—	5.00	—	10.00	15.00		30.0	

3. Forecast of consolidated financial results for the year ending August 31, 2022 (from September 1, 2021 to August 31, 2022)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending February 28, 2022	387,000	—	5,000	—	6,000	—	3,000	—	17.05
Full year	806,000	—	15,700	—	17,500	—	8,800	—	50.02

Note: As the Company will apply the “Accounting Standard for Revenue Recognition” (ASBJ Statement No. 29), etc. from the beginning of the fiscal year ending August 31, 2022, the consolidated financial forecasts above are the amounts after the application of the said accounting standard, etc. The percentages of change from the previous fiscal year and the same quarter of the previous year are not stated.

4. Notes

(1) Changes in significant subsidiaries during the year ended August 31, 2021

(changes in specified subsidiaries resulting in the change in scope of consolidation): No

(2) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements

Changes in accounting policies due to revisions to accounting standards and other regulations: No

Changes in accounting policies due to other reasons: No

Changes in accounting estimates: No

Restatement of prior period financial statements: No

(3) Number of issued shares (common shares)

Total number of issued shares at the end of the period (including treasury shares)

As of August 31, 2021	188,146,304 shares	As of August 31, 2020	188,146,304 shares
-----------------------	--------------------	-----------------------	--------------------

Number of treasury shares at the end of the period

As of August 31, 2021	12,207,800 shares	As of August 31, 2020	12,211,800 shares
-----------------------	-------------------	-----------------------	-------------------

Average number of shares during the period

Year ended August 31, 2021	175,937,583 shares	Year ended August 31, 2020	175,934,055 shares
----------------------------	--------------------	----------------------------	--------------------

Reference: Summary of non-consolidated financial results

Non-consolidated financial results for the year ended August 31, 2021 (from September 1, 2020 to August 31, 2021)

(1) Non-consolidated operating results

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Year ended August 31, 2021	440,298	(4.4)	503	—	3,900	521.9	1,358	—
Year ended August 31, 2020	460,501	(10.8)	(2,987)	—	627	(94.9)	(424)	—

	Earnings per share	Diluted earnings per share
	Yen	Yen
Year ended August 31, 2021	7.72	7.72
Year ended August 31, 2020	(2.41)	—

(2) Non-consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of August 31, 2021	316,050	101,024	31.9	573.73
As of August 31, 2020	332,070	101,957	30.7	579.14

Reference: Equity As of August 31, 2021 ¥100,940 million
 As of August 31, 2020 ¥101,891 million

* Financial results reports are exempt from audit conducted by certified public accountants or an audit corporation.

* Proper use of forecasts of financial results, and other special matters

(Caution concerning forward-looking statements)

The forward-looking statements, including the earnings forecasts, shown in this document are based on information currently available to the Company and on certain assumptions deemed to be reasonable. Consequently, the statements herein do not constitute assurances regarding the Company's actual results. Actual financial results may differ substantially due to various factors.

(Financial results meeting and how to obtain supplementary materials on financial results)

The Company held the financial results meeting for analysts and institutional investors on October 19, 2021. The images (video) and explanation contents (audio) of the presentation will be posted on the Company's website along with the financial results materials.

Consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of August 31, 2020	As of August 31, 2021
Assets		
Current assets		
Cash and deposits	117,211	108,973
Accounts receivable - trade	40,986	37,501
Merchandise and finished goods	100,925	98,584
Raw materials and supplies	649	560
Program right	123	136
Other	14,188	12,575
Allowance for doubtful accounts	(274)	(253)
Total current assets	273,809	258,077
Non-current assets		
Property, plant and equipment		
Buildings and structures	64,780	64,802
Accumulated depreciation	(35,465)	(37,760)
Buildings and structures, net	29,314	27,041
Machinery, equipment and vehicles	2,919	3,680
Accumulated depreciation	(1,614)	(2,037)
Machinery, equipment and vehicles, net	1,305	1,643
Land	46,983	46,984
Leased assets	9,705	8,667
Accumulated depreciation	(7,462)	(6,947)
Leased assets, net	2,242	1,720
Construction in progress	877	837
Other	24,228	25,183
Accumulated depreciation	(14,577)	(17,636)
Other, net	9,651	7,546
Total property, plant and equipment	90,374	85,774
Intangible assets		
Goodwill	3,240	4,742
Other	22,139	26,297
Total intangible assets	25,379	31,040
Investments and other assets		
Investment securities	14,553	12,229
Long-term loans receivable	835	1,078
Deferred tax assets	21,541	20,812
Retirement benefit asset	2,885	3,041
Guarantee deposits	41,731	41,809
Other	1,339	921
Allowance for doubtful accounts	(376)	(319)
Total investments and other assets	82,510	79,574
Total non-current assets	198,265	196,388
Total assets	472,074	454,466

(Millions of yen)

	As of August 31, 2020	As of August 31, 2021
Liabilities		
Current liabilities		
Accounts payable - trade	58,301	38,098
Short-term borrowings	32,176	56,496
Current portion of bonds payable	200	200
Current portion of long-term borrowings	21,477	25,387
Lease obligations	660	528
Income taxes payable	3,143	4,572
Provision for bonuses	3,241	3,527
Provision for point card certificates	13,159	13,029
Provision for loss on store closings	278	203
Asset retirement obligations	341	61
Other	40,975	31,484
Total current liabilities	173,957	173,589
Non-current liabilities		
Bonds payable	800	600
Long-term borrowings	93,959	66,491
Lease obligations	1,428	985
Deferred tax liabilities	145	726
Provision for goods warranties	592	402
Provision for loss on store closing	467	438
Retirement benefit liability	17,201	18,323
Asset retirement obligations	9,285	9,230
Other	4,445	4,154
Total non-current liabilities	128,326	101,353
Total liabilities	302,283	274,942
Net assets		
Shareholders' equity		
Share capital	25,929	25,929
Capital surplus	27,140	27,103
Retained earnings	98,630	105,983
Treasury shares	(16,734)	(16,729)
Total shareholders' equity	134,965	142,287
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	2,616	1,593
Remeasurements of defined benefit plans	(503)	(149)
Total accumulated other comprehensive income	2,112	1,443
Share acquisition rights	88	151
Non-controlling interests	32,624	35,640
Total net assets	169,791	179,523
Total liabilities and net assets	472,074	454,466

Consolidated statements of income and consolidated statements of comprehensive income
Consolidated statements of income

(Millions of yen)

	Fiscal year ended August 31, 2020	Fiscal year ended August 31, 2021
Net sales	847,905	834,060
Cost of sales	616,899	595,501
Gross profit	231,005	238,558
Selling, general and administrative expenses	218,939	220,340
Operating profit	12,066	18,217
Non-operating income		
Interest income	59	45
Dividend income	263	249
Share of profit of entities accounted for using equity method	—	192
Commission income	1,390	1,403
Sponsorship money income	503	744
Subsidy income	12	513
Other	903	921
Total non-operating income	3,133	4,071
Non-operating expenses		
Interest expenses	293	320
Rental costs	90	130
Commission expenses	56	107
Other	68	101
Total non-operating expenses	509	659
Ordinary profit	14,690	21,629
Extraordinary income		
Gain on sale of non-current assets	8	77
Subsidy income	1,048	262
Insurance claim income	—	226
Total extraordinary income	1,056	566
Extraordinary losses		
Loss on sale of non-current assets	0	0
Loss on retirement of non-current assets	143	160
Loss on sale of investment securities	11	15
Loss on valuation of investment securities	118	111
Impairment losses	1,434	1,760
Loss on disaster	—	285
Loss due to temporary closure	1,332	211
Other	76	111
Total extraordinary losses	3,117	2,655
Profit before income taxes	12,629	19,540
Income taxes - current	4,525	5,865
Income taxes - deferred	(1,139)	920
Total income taxes	3,386	6,785
Profit	9,243	12,755
Profit attributable to non-controlling interests	3,793	3,994
Profit attributable to owners of parent	5,450	8,761

Consolidated statements of comprehensive income

(Millions of yen)

	Fiscal year ended August 31, 2020	Fiscal year ended August 31, 2021
Profit	9,243	12,755
Other comprehensive income		
Valuation difference on available-for-sale securities	710	(1,022)
Remeasurements of defined benefit plans, net of tax	503	362
Total other comprehensive income	1,213	(659)
Comprehensive income	10,457	12,095
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	6,691	8,092
Comprehensive income attributable to non-controlling interests	3,765	4,003

Consolidated statements of changes in equity

Fiscal year ended August 31, 2020

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	25,929	27,139	96,699	(16,737)	133,030
Changes during period					
Dividends of surplus			(3,518)		(3,518)
Profit attributable to owners of parent			5,450		5,450
Change in scope of consolidation					—
Disposal of treasury shares		0		2	3
Change in ownership interest of parent due to transactions with non-controlling interests					—
Net changes in items other than shareholders' equity					
Total changes during period	—	0	1,931	2	1,934
Balance at end of period	25,929	27,140	98,630	(16,734)	134,965

	Accumulated other comprehensive income			Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of period	1,913	(1,041)	871	53	29,386	163,342
Changes during period						
Dividends of surplus						(3,518)
Profit attributable to owners of parent						5,450
Change in scope of consolidation						—
Disposal of treasury shares						3
Change in ownership interest of parent due to transactions with non-controlling interests						—
Net changes in items other than shareholders' equity	703	538	1,241	35	3,238	4,514
Total changes during period	703	538	1,241	35	3,238	6,449
Balance at end of period	2,616	(503)	2,112	88	32,624	169,791

Fiscal year ended August 31, 2021

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	25,929	27,140	98,630	(16,734)	134,965
Changes during period					
Dividends of surplus			(1,407)		(1,407)
Profit attributable to owners of parent			8,761		8,761
Change in scope of consolidation			(1)		(1)
Disposal of treasury shares		1		5	6
Change in ownership interest of parent due to transactions with non-controlling interests		(37)			(37)
Net changes in items other than shareholders' equity					
Total changes during period	–	(36)	7,352	5	7,321
Balance at end of period	25,929	27,103	105,983	(16,729)	142,287

	Accumulated other comprehensive income			Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of period	2,616	(503)	2,112	88	32,624	169,791
Changes during period						
Dividends of surplus						(1,407)
Profit attributable to owners of parent						8,761
Change in scope of consolidation						(1)
Disposal of treasury shares						6
Change in ownership interest of parent due to transactions with non-controlling interests						(37)
Net changes in items other than shareholders' equity	(1,022)	353	(669)	62	3,016	2,410
Total changes during period	(1,022)	353	(669)	62	3,016	9,731
Balance at end of period	1,593	(149)	1,443	151	35,640	179,523

Consolidated statements of cash flows

(Millions of yen)

	Fiscal year ended August 31, 2020	Fiscal year ended August 31, 2021
Cash flows from operating activities		
Profit before income taxes	12,629	19,540
Depreciation	8,916	10,295
Impairment losses	1,434	1,760
Amortization of goodwill	389	548
Increase (decrease) in allowance for doubtful accounts	53	(78)
Increase (decrease) in provision for bonuses	(136)	236
Increase (decrease) in provision for point card certificates	236	(130)
Increase(decrease) in provision for goods warranties	(283)	(189)
Increase (decrease) in retirement benefit liability	1,601	1,609
Increase (decrease) in provision for loss on store closings	(36)	(103)
Interest and dividend income	(322)	(295)
Interest expenses	293	320
Share of loss (profit) of entities accounted for using equity method	—	(192)
Loss (gain) on sale of non-current assets	(8)	(77)
Loss on retirement of non-current assets	143	160
Loss (gain) on sale of investment securities	11	15
Loss (gain) on valuation of investment securities	118	111
Decrease (increase) in trade receivables	(1,977)	4,572
Decrease (increase) in inventories	27,017	2,904
Increase (decrease) in trade payables	(86)	(20,867)
Other, net	7,824	(8,981)
Subtotal	57,820	11,158
Interest and dividends received	269	255
Interest paid	(279)	(321)
Income taxes paid	(5,994)	(3,349)
Subsidies received	188	20
Net cash provided by (used in) operating activities	52,004	7,763
Cash flows from investing activities		
Purchase of property, plant and equipment	(11,315)	(4,107)
Proceeds from sale of property, plant and equipment	9	147
Purchase of intangible assets	(4,595)	(5,264)
Purchase of investment securities	(100)	(8)
Proceeds from sale of investment securities	80	10
Payments of guarantee deposits	(1,270)	(979)
Proceeds from refund of guarantee deposits	1,331	795
Purchase of shares of subsidiaries resulting in change in scope of consolidation	—	(2,819)
Other, net	168	(130)
Net cash provided by (used in) investing activities	(15,691)	(12,356)

(Millions of yen)

	Fiscal year ended August 31, 2020	Fiscal year ended August 31, 2021
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(18,048)	24,320
Proceeds from long-term borrowings	89,600	7,000
Repayments of long-term borrowings	(12,492)	(32,411)
Proceeds from issuance of bonds	1,000	–
Redemption of bonds	–	(200)
Purchase of treasury shares of subsidiaries	–	(419)
Dividends paid	(3,513)	(1,409)
Dividends paid to non-controlling interests	(525)	(604)
Repayments of lease obligations	(914)	(662)
Other, net	(0)	(0)
Net cash provided by (used in) financing activities	55,106	(4,387)
Effect of exchange rate change on cash and cash equivalents	(0)	0
Net increase (decrease) in cash and cash equivalents	91,419	(8,979)
Cash and cash equivalents at beginning of period	25,791	117,211
Increase in cash and cash equivalents resulting from inclusion of subsidiaries in consolidation	–	625
Cash and cash equivalents at end of period	117,211	108,857