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# **BIC CAMERA**

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## **Fact Book**

Year ended August 31, 2007

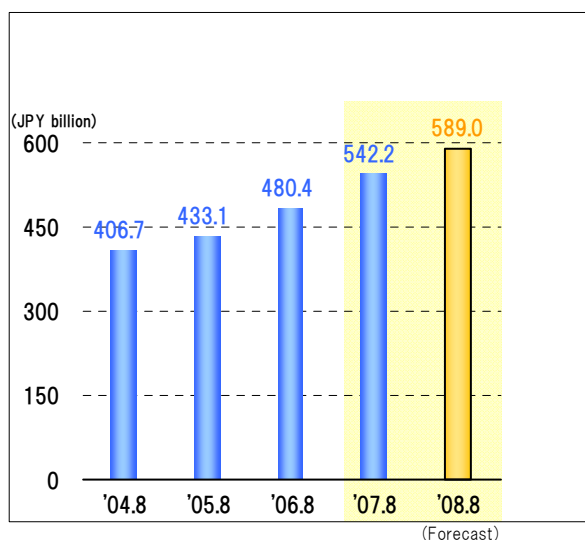
BIC CAMERA INC.

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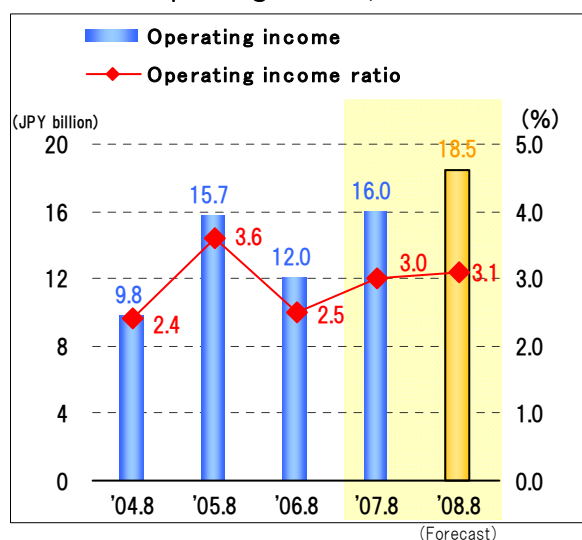
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## Sales and earnings (consolidated)

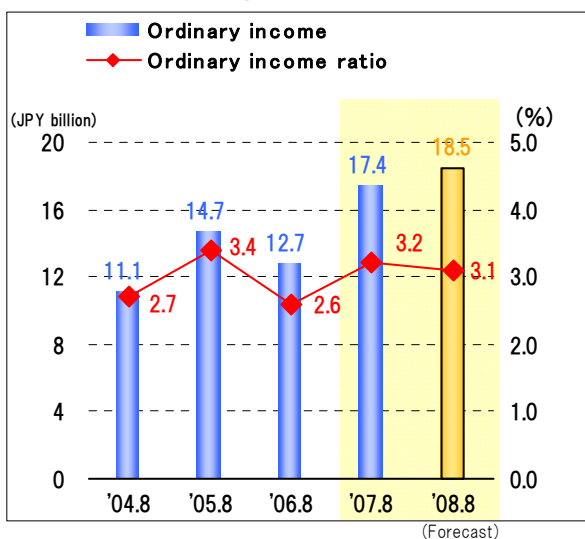
### Net sales



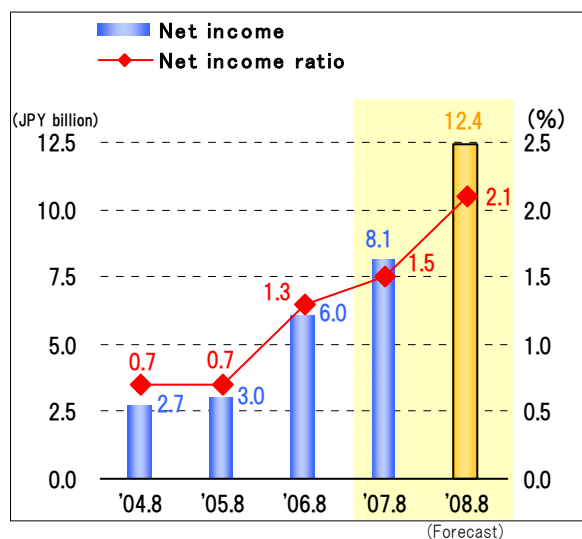
### Operating income / ratio



### Ordinary income / ratio



### Net income / ratio

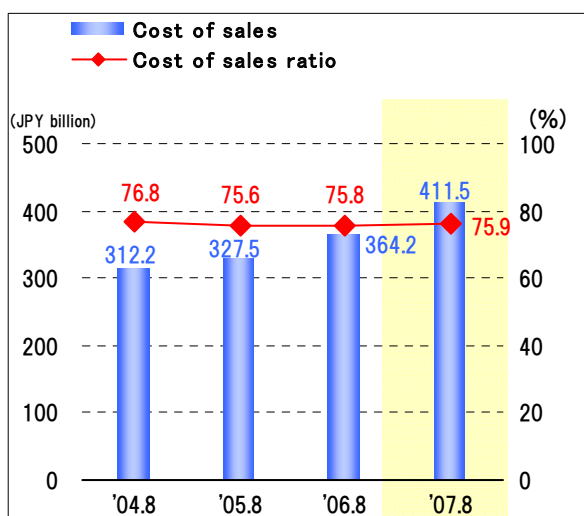


(JPY million)

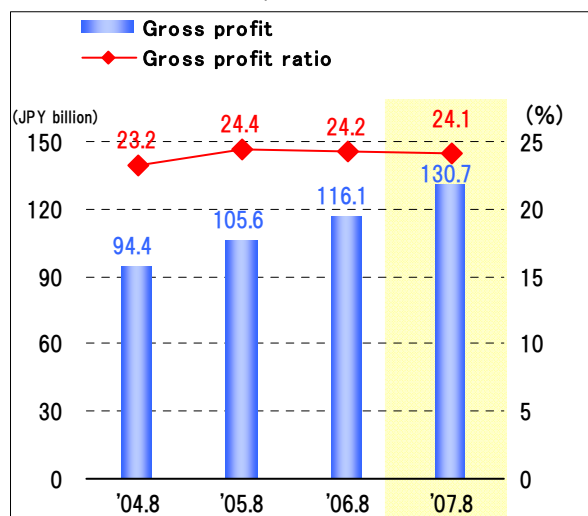
	2004.8	2005.8	2006.8	2007.8	2008.8(Forecast)
Net sales	406,767	433,186	480,453	<b>542,294</b>	589,000
Operating income	9,800	15,724	12,084	<b>16,002</b>	18,500
Operating income ratio (%)	2.4	3.6	2.5	<b>3.0</b>	3.1
Ordinary income	11,184	14,717	12,729	<b>17,448</b>	18,500
Ordinary income ratio (%)	2.7	3.4	2.6	<b>3.2</b>	3.1
Net income	2,796	3,062	6,007	<b>8,146</b>	12,400
Net income ratio (%)	0.7	0.7	1.3	<b>1.5</b>	2.1

## Cost of sales and SG&A expenses (consolidated)

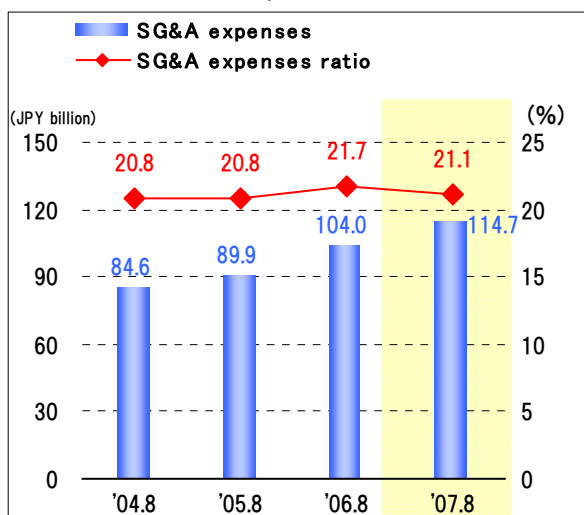
Cost of sales / ratio



Gross profit / ratio



SG&A expenses / ratio

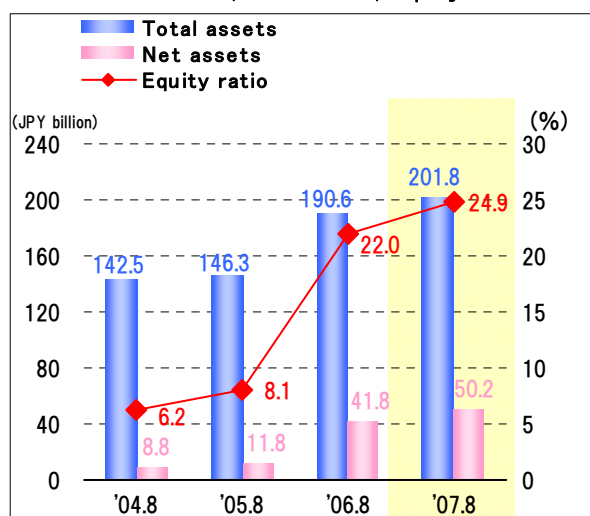


(JPY million)

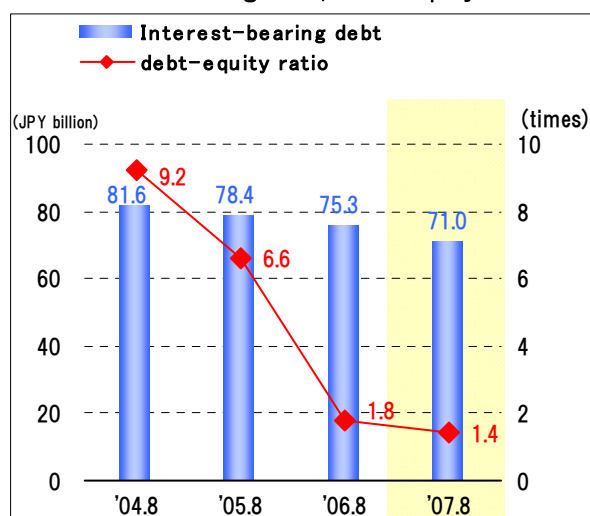
	2004.8	2005.8	2006.8	2007.8
Cost of sales	312,273	327,513	364,296	411,552
Cost of sales ratio (%)	76.8	75.6	75.8	75.9
Gross profit	94,493	105,672	116,156	130,742
Gross profit ratio (%)	23.2	24.4	24.2	24.1
SG&A expenses	84,693	89,947	104,072	114,739
SG&A expenses ratio (%)	20.8	20.8	21.7	21.1

## Total assets, liabilities and net assets (consolidated)

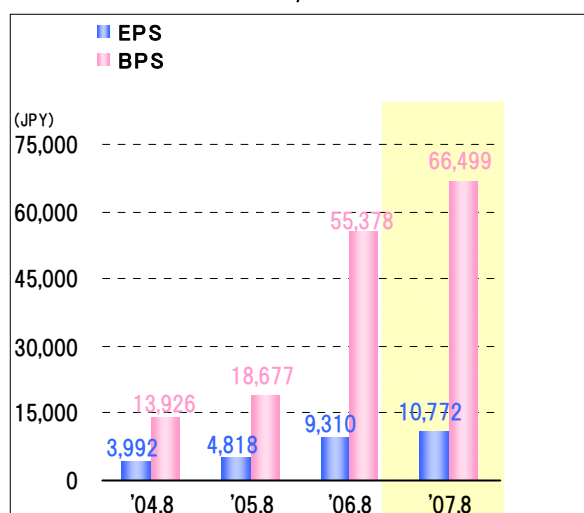
**Total assets/net assets/equity ratio**



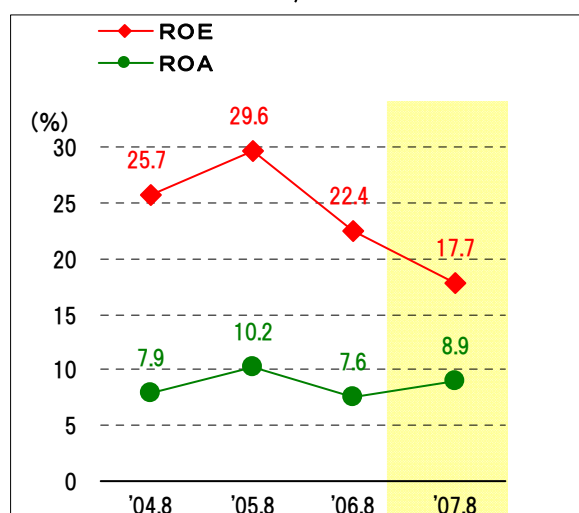
**Interest-bearing debt/debt-equity ratio**



**EPS/BPS**



**ROE/ROA**



(JPY million)

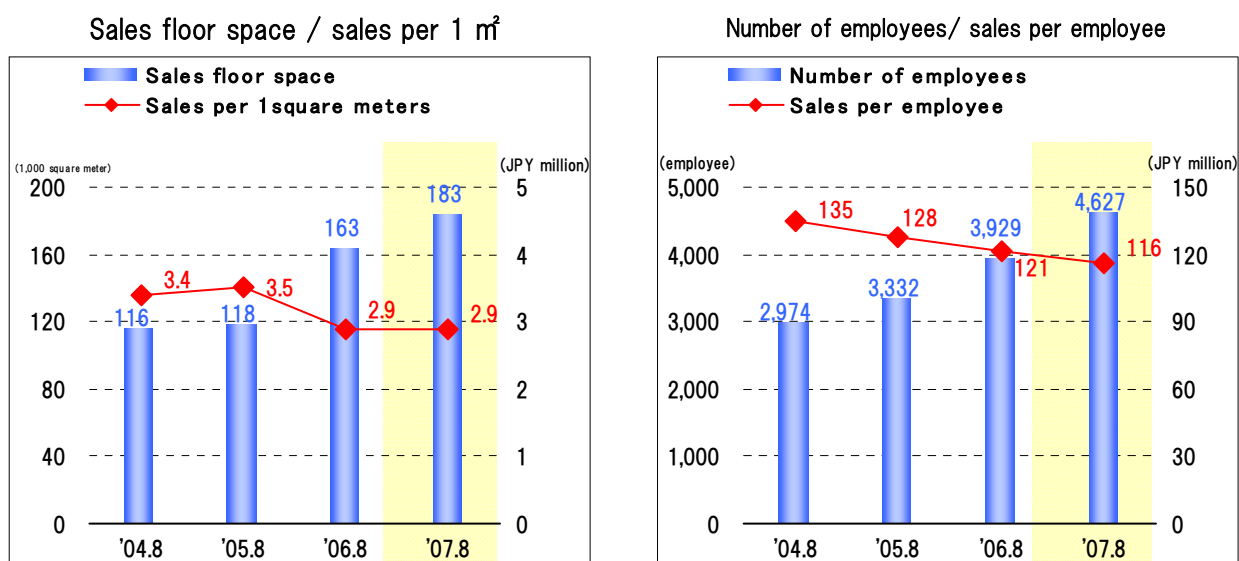
	2004.8	2005.8	2006.8	2007.8
Total assets	142,556	146,377	190,639	201,838
Net assets	8,852	11,867	41,877	50,286
Equity ratio (%)	6.2	8.1	22.0	24.9
Interest-bearing debt (total)	81,649	78,409	75,301	71,009
Short-term interest bearing debt	38,787	38,226	38,743	42,993
Long-term interest bearing debt	42,861	40,183	36,557	28,016
Debt equity ratio (times)	9.2	6.6	1.8	1.4
EPS (JPY)	3,992.49	4,818.06	9,310.57	10,772.56
BPS (JPY)	13,926.52	18,677.43	55,378.95	66,499.42
ROE (%)	25.7	29.6	22.4	17.7
ROA (%)	7.9	10.2	7.6	8.9

\* Debt equity ratio = Interest-bearing debt / net assets

\* ROE = Net income / average net assets

\* ROA = Ordinary income / average total assets

## Net sales per sales floor space / employee (consolidated)



	2004.8	2005.8	2006.8	2007.8
Sales floor space (m <sup>2</sup> ) (*1)	116,563	118,929	163,409	183,348
Sales per 1 m <sup>2</sup> (JPY thousand) (*2)	3,467	3,599	2,913	2,948
Number of employees (*1)	2,974	3,332	3,929	4,627
Sales per employee (JPY thousand) (*2)	135,909	128,473	121,160	116,822

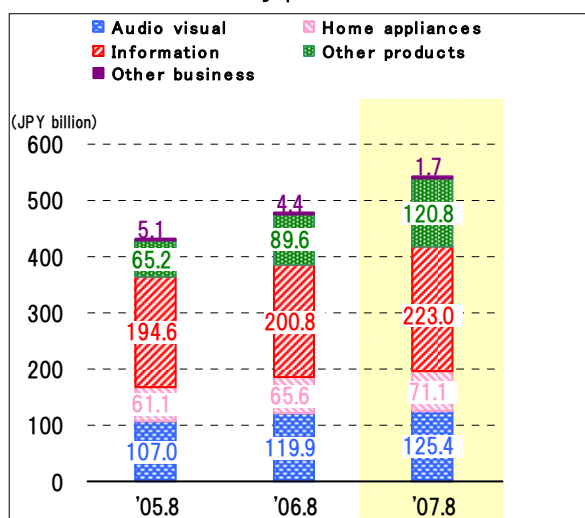
(Note) Non-consolidated selling floor space as of August 2007 was 149,128 m<sup>2</sup> (25 stores)

(\*1) based on the average number during the period

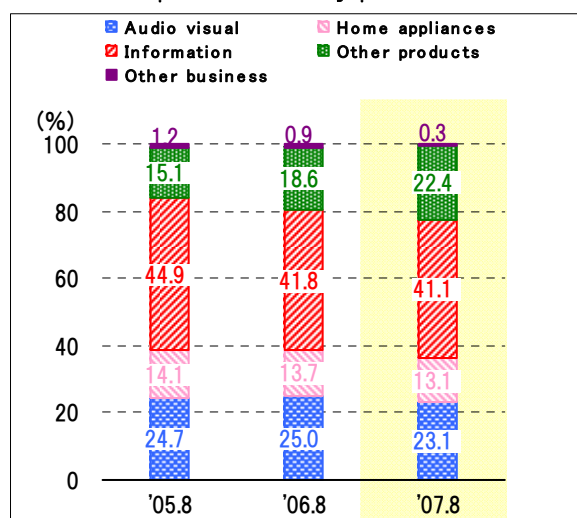
(\*2) based on the sales of retail good

## Sales by product line (consolidated)

Sales by product line



Composition ratio by product line



(JPY million)

	2005.8	2006.8	2007.8
Audio visual products	107,034	119,903	125,486
Cameras	12,224	11,055	12,254
TV	31,996	37,592	41,778
Video players, cameras	23,582	21,486	19,965
Audio	19,623	25,332	22,644
AV Software	7,841	7,005	6,613
Other	11,765	17,430	22,229
Home appliances	61,184	65,659	71,170
Refrigerators	10,145	10,602	11,235
Washing machines	7,993	9,072	9,921
Kitchen Appliances	7,480	8,343	9,296
Seasonal home electronics	12,407	13,777	14,500
Personal care electronics	11,477	11,299	12,467
Other	11,680	12,563	13,748
Information communications equipment products	194,623	200,842	223,000
PC systems	64,580	64,132	64,885
PC peripherals	60,237	56,002	62,213
PC software	12,226	18,154	25,634
Cellular phones	14,505	15,588	17,732
Other	43,074	46,964	52,534
Other products	65,232	89,632	120,879
TV games	17,086	27,289	43,941
Watches	15,062	15,336	15,718
Books	1,492	1,619	1,734
Glasses and contact lenses	4,251	4,428	4,673
Other	27,339	40,958	54,811
Retail goods sales	428,074	476,039	540,536
Other business	5,111	4,413	1,758
<b>Total</b>	<b>433,186</b>	<b>480,453</b>	<b>542,294</b>

## Sales by region

(JPY million)

		2005.8	2006.8	2007.8
Hokkaido	Sales	21,862	22,049	21,452
	Composition(%)	5.0	4.6	4.0
Gunma	Sales	4,692	4,203	3,905
	Composition(%)	1.1	0.9	0.7
Saitama	Sales	16,011	19,434	23,230
	Composition(%)	3.7	4.0	4.3
Chiba	Sales	8,120	14,247	13,402
	Composition(%)	1.9	3.0	2.5
Tokyo	Sales	280,848	295,087	305,944
	Composition(%)	64.8	61.4	56.4
Kanagawa	Sales	25,728	25,906	49,433
	Composition(%)	5.9	5.4	9.1
Niigata	Sales	-	478	-
	Composition(%)	-	0.1	-
Aichi	Sales	25,455	28,387	31,542
	Composition(%)	5.9	5.9	5.8
Kyoto	Sales	-	2,813	6,561
	Composition(%)	-	0.6	1.2
Osaka	Sales	25,278	35,717	46,266
	Composition(%)	5.8	7.4	8.5
Hyogo	Sales	-	1,901	4,249
	Composition(%)	-	0.4	0.8
Hiroshima	Sales	-	443	-
	Composition(%)	-	0.1	-
Fukuoka	Sales	13,643	12,872	12,803
	Composition(%)	3.2	2.7	2.4
Mail Order	Sales	6,434	12,497	21,743
	Composition(%)	1.5	2.6	4.0
Retail goods sales	Sales	428,074	476,039	540,536
	Composition(%)	98.8	99.1	99.7
Other business	Sales	5,111	4,413	1,758
	Composition(%)	1.2	0.9	0.3
Total	Sales	433,186	480,453	542,294
	Composition(%)	100.0	100.0	100.0

## Consolidated balance sheets

(JPY million)

	2004.8	2005.8	2006.8	2007.8
(Assets)				
Cash and deposits	22,157	28,533	35,300	24,485
Notes and accounts receivable	10,935	11,522	13,413	14,780
Inventories	21,205	22,609	30,354	36,121
Other	11,451	11,819	14,209	21,752
Allowance for doubtful accounts	(64)	(70)	(16)	(39)
<b>Current assets</b>	<b>65,685</b>	<b>74,413</b>	<b>93,262</b>	<b>97,101</b>
Buildings and structures	9,023	8,880	8,785	12,884
Land	26,455	24,541	29,919	29,894
Construction in progress	-	-	1	842
Other	3,677	1,757	1,851	1,948
<b>Tangible fixed assets</b>	<b>39,157</b>	<b>35,179</b>	<b>40,556</b>	<b>45,570</b>
Consolidation adjustment accounts	-	-	1,315	1,242
Other	3,415	3,091	3,561	3,876
<b>Intangible fixed assets</b>	<b>3,415</b>	<b>3,091</b>	<b>4,876</b>	<b>5,119</b>
Investment securities	5,575	6,364	16,305	20,914
Guarantee deposits	20,927	22,036	26,920	29,890
Deferred Tax Assets	146	1,422	671	747
Other	7,661	5,740	10,377	2,932
Allowance for doubtful accounts	(11)	(1,871)	(2,331)	(437)
<b>Investment and other assets</b>	<b>34,298</b>	<b>33,693</b>	<b>51,943</b>	<b>54,047</b>
<b>Total fixed assets</b>	<b>76,871</b>	<b>71,964</b>	<b>97,376</b>	<b>104,736</b>
<b>Total assets</b>	<b>142,556</b>	<b>146,377</b>	<b>190,639</b>	<b>201,838</b>



(JPY million)

	2004.8	2005.8	2006.8	2007.8
(Liabilities)				
Accounts payable	28,378	32,266	40,583	43,222
Short-term borrowings	16,288	14,503	13,265	24,014
Current portion of long-term borrowings	22,498	23,723	24,338	17,754
Current portion of bonds	-	-	1,140	1,225
Income taxes payable	4,388	3,146	4,083	4,945
Reserve for bonuses	978	897	1,472	1,709
Allowance for customer-discount points	8,756	9,534	11,353	11,858
Allowance for repair guarantee	-	-	100	12
Other	6,444	6,757	9,596	11,422
<b>Current Liabilities</b>	<b>87,735</b>	<b>90,829</b>	<b>105,932</b>	<b>116,164</b>
Bonds	-	-	2,425	1,200
Long-term borrowings	42,861	40,183	34,132	26,816
Reserve for retirement benefits	1,085	1,311	3,150	3,656
Reserve for retirement benefits for directors and corporate auditors	13	391	503	539
Consolidation adjustment accounts	178	37	-	-
Other	755	799	1,232	986
<b>Total long-term liabilities</b>	<b>44,895</b>	<b>42,723</b>	<b>41,443</b>	<b>33,199</b>
<b>Total liabilities</b>	<b>132,630</b>	<b>133,553</b>	<b>147,376</b>	<b>149,363</b>
<b>Minority interests</b>	<b>1,073</b>	<b>957</b>	<b>-</b>	<b>-</b>
(Shareholders' equity)				
Common stock	1,050	1,050	-	-
Capital surplus	623	623	-	-
Retained earnings	13,824	9,706	-	-
Net unrealized gain on available-for-sale securities	354	487	-	-
Treasury stock	(6,999)	-	-	-
<b>Total shareholders' equity</b>	<b>8,852</b>	<b>11,867</b>	<b>-</b>	<b>-</b>
<b>Total liabilities, minority interests and shareholders' equity</b>	<b>142,556</b>	<b>146,377</b>	<b>-</b>	<b>-</b>
(Net assets)				
Common stock	-	-	12,548	12,548
Capital surplus	-	-	12,122	12,122
Retained earnings	-	-	15,551	22,947
Shareholders' equity	-	-	40,221	47,617
Valuation and translation adjustments	-	-	1,655	2,669
Minority interests	-	-	1,385	2,187
<b>Total net assets</b>	<b>-</b>	<b>-</b>	<b>43,262</b>	<b>52,474</b>
<b>Total liabilities and net assets</b>	<b>-</b>	<b>-</b>	<b>190,639</b>	<b>201,838</b>

## Consolidated Statements of Income

(JPY million)

	2004.8	2005.8	2006.8	2007.8
<b>Net sales</b>	406,767	433,186	480,453	<b>542,294</b>
Cost of sales	312,273	327,513	364,296	<b>411,552</b>
Gross profit	94,493	105,672	116,156	<b>130,742</b>
Customer-discount points	30,687	33,822	35,552	<b>36,014</b>
Allowance for customer-discount points	2,015	777	1,242	<b>391</b>
Salaries	11,214	12,980	14,463	<b>16,232</b>
Reserve for bonuses	961	880	1,477	<b>1,831</b>
Retirement benefits	244	297	528	<b>747</b>
Rents	13,534	13,493	15,181	<b>17,642</b>
Depreciation	2,121	1,321	1,250	<b>1,401</b>
Other	23,914	26,373	34,375	<b>40,479</b>
SG&A expenses	84,693	89,947	104,072	<b>114,739</b>
<b>Operating Income</b>	<b>9,800</b>	<b>15,724</b>	<b>12,084</b>	<b>16,002</b>
Interest income	151	56	83	<b>95</b>
Dividend received	7	18	108	<b>64</b>
Rent income	684	909	1,010	<b>953</b>
Advertisement fee income	490	510	453	<b>494</b>
Gains on investment in anonymous association agreements	1,340	1,228	1,251	<b>1,268</b>
Other	785	502	478	<b>997</b>
Non-operating income	3,460	3,226	3,386	<b>3,873</b>
Interest expenses	1,686	1,712	1,677	<b>1,463</b>
Cost of rent	318	511	574	<b>530</b>
Transfer to allowance for doubtful accounts	-	1,867	123	<b>174</b>
Other	71	140	366	<b>259</b>
Non-operating expenses	2,076	4,232	2,741	<b>2,427</b>
<b>Ordinary income</b>	<b>11,184</b>	<b>14,717</b>	<b>12,729</b>	<b>17,448</b>
Gain on sales of fixed assets	0	63	40	<b>0</b>
Gain on sales of investment securities	283	10	391	<b>86</b>
Bad debt recovered	39	25	45	<b>1,694</b>
Other	34	24	65	<b>-</b>
Extraordinary gains	358	124	543	<b>1,780</b>
Loss on sale/disposal of fixed assets	2,584	230	28	<b>238</b>
Loss on devaluation of fixed assets	-	2,577	-	<b>-</b>
Loss on sales of investment securities	-	0	144	<b>7</b>
Loss on devaluation of investment securities	255	55	10	<b>2,678</b>
Loss on devaluation of investments	-	1,449	-	<b>-</b>
Reserve for customer-discount points for prior years	2,596	-	-	<b>-</b>
Salaries for prior years, etc.	-	3,019	-	<b>-</b>
Impairment loss	-	-	1,083	<b>201</b>
Other	154	607	126	<b>256</b>
Extraordinary losses	5,590	7,939	1,392	<b>3,382</b>
<b>Income before income taxes and minority interests</b>	<b>5,952</b>	<b>6,902</b>	<b>11,880</b>	<b>15,847</b>
Income taxes - current	5,366	5,561	6,875	<b>8,143</b>
Income taxes - deferred	(2,084)	(1,615)	(786)	<b>(761)</b>
Minority interests	125	106	217	<b>(319)</b>
<b>Net income</b>	<b>2,796</b>	<b>3,062</b>	<b>6,007</b>	<b>8,146</b>

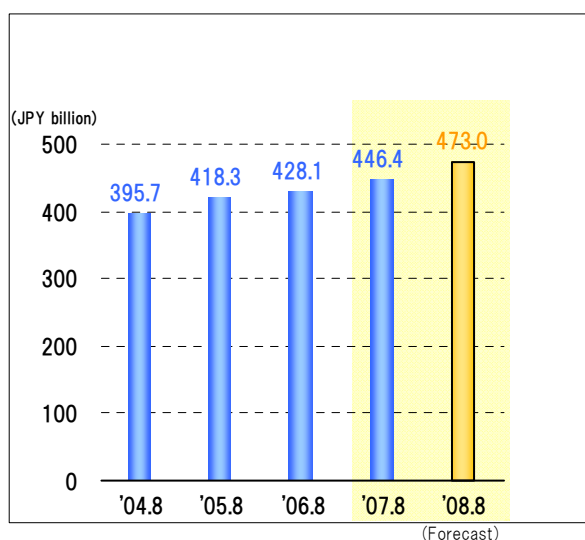
## Consolidated Statement of Cash Flows

(JPY million)

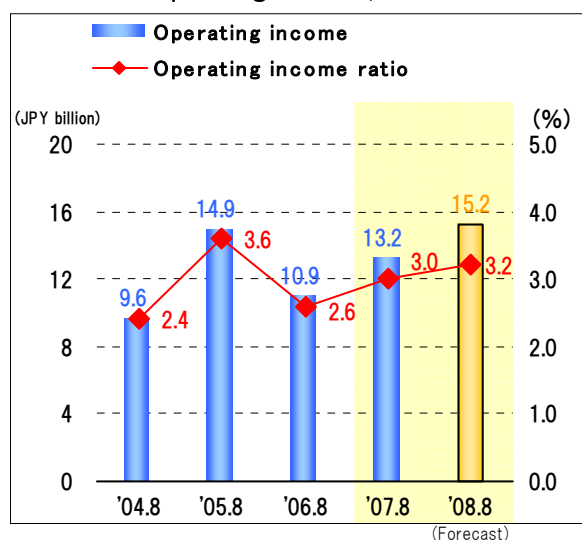
	2004.8	2005.8	2006.8	2007.8
<i>Cash flows from operating activities</i>				
Pre-tax income	5,952	6,902	11,880	15,847
Depreciation and amortization	2,153	1,625	1,559	1,697
Impairment loss	-	-	1,083	201
Net increase (decrease) in allowance for doubtful accounts	(1)	1,901	66	(1,519)
Net increase in allowance for customer-discount points	4,612	777	1,218	391
Net increase (decrease) in reserve for retirement benefits	195	225	371	493
Interest and dividend income	(158)	(75)	(192)	(159)
Interest expenses	1,686	1,712	1,677	1,463
Gain on investment in anonymous association	(1,340)	(1,228)	(1,251)	(1,268)
Loss (gain) on sale, revaluation and disposal of fixed assets	2,584	2,744	(11)	238
Loss (gain) on sales and revaluation of investment securities	(28)	44	(237)	2,599
Loss on devaluation of investments	-	1,449	-	-
Net increase in trade notes and accounts receivable	(1,249)	(399)	(880)	(955)
Net decrease (increase) in inventories	4,765	(1,403)	(1,522)	(4,913)
Net increase (decrease) in trade notes and accounts payable	1,398	3,377	1,058	2,142
Other	(853)	728	59	(591)
subtotal	19,715	18,383	14,877	15,666
Interest and dividend received	279	489	523	375
Interest paid	(1,187)	(1,683)	(1,732)	(1,501)
Income taxes paid	(1,179)	(7,050)	(6,332)	(7,404)
<b>Net cash provided by operating activities</b>	<b>17,628</b>	<b>10,140</b>	<b>7,336</b>	<b>7,136</b>
<i>Cash flows from investing activities</i>				
Decrease (increase) in term-deposits	(48)	275	(805)	(281)
Decrease (increase) in tangible fixed assets	(2,332)	471	(2,598)	(4,494)
Decrease (increase) in intangible fixed assets	(206)	(138)	(635)	(621)
Decrease (increase) in investment securities	195	(207)	(8,177)	(5,709)
Decrease (increase) in guarantee deposits	(2,104)	(1,118)	524	(2,456)
Decrease(increase) in loans	6,072	1,129	(1,617)	64
Payments for additional acquisition of shares of consolidated subsidiaries	(0)	(1)	(353)	(129)
Proceeds from (payment for) additional acquisition of shares of subsidiaries accompanied by change in scope of consolidation	133	(384)	1,349	-
Other	164	(120)	135	(74)
<b>Cash flows from investing activities</b>	<b>1,873</b>	<b>(91)</b>	<b>(12,177)</b>	<b>(13,702)</b>
<i>Cash flows from financing activities</i>				
Net increase (decrease) in short-term borrowings	(4,019)	26	(3,372)	10,749
Net increase (decrease) in long-term borrowings	(2,632)	(3,265)	(10,803)	(13,900)
Proceeds from bond issuance	-	-	2,955	-
Repayment of bond redemption	-	-	(1,240)	(1,140)
Proceeds from issue of shares	-	-	22,858	-
Payment for acquisition of treasury stock	(6,999)	(4)	-	-
Dividend paid	-	(158)	(158)	(750)
Other	-	-	(56)	338
<b>Cash flows from financing activities</b>	<b>(13,652)</b>	<b>(3,402)</b>	<b>10,182</b>	<b>(4,703)</b>
Foreign currency translation adjustments on cash and cash equivalents	(27)	6	23	(4)
Net increase in cash and cash equivalents	5,822	6,651	5,364	(11,275)
Cash and cash equivalents at beginning of term	15,071	20,893	27,545	33,108
Increase in cash and cash equivalents from merger	-	-	198	158
Cash and cash equivalents of newly consolidated subsidiaries	-	-	-	19
Cash and cash equivalents at end of term	20,893	27,545	33,108	22,012

## Sales and earnings (non-consolidated)

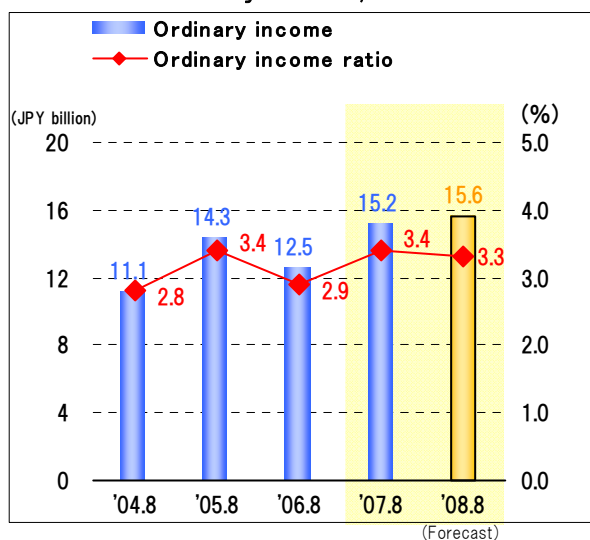
### Net sales



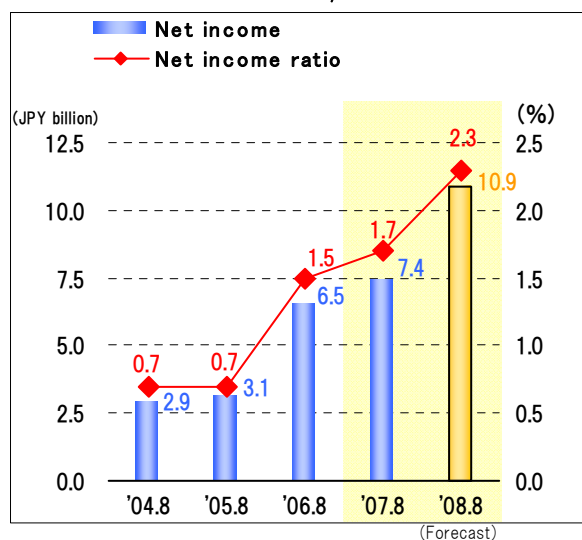
### Operating income / ratio



### Ordinary income / ratio



### Net Income / ratio

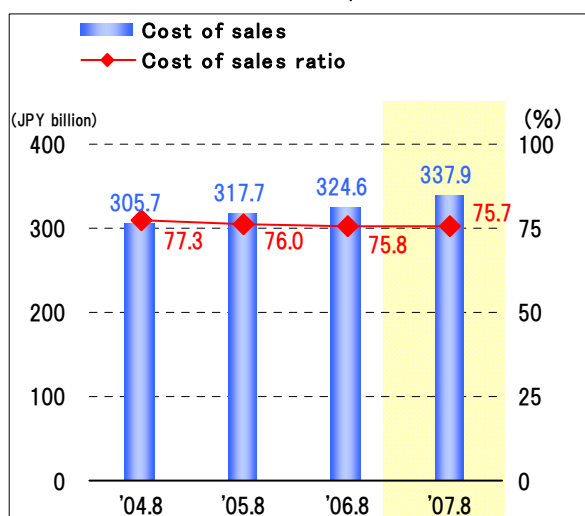


(JPY million)

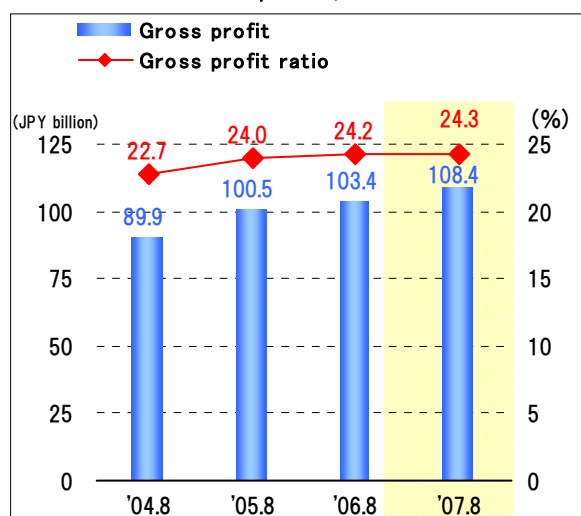
	2004.8	2005.8	2006.8	2007.8	2008.8(Forecast)
Net sales	395,721	418,323	428,135	446,409	473,000
Operating income	9,694	14,952	10,998	13,290	15,200
Operating income ratio (%)	2.4	3.6	2.6	3.0	3.2
Ordinary income	11,182	14,309	12,574	15,262	15,600
Ordinary income ratio (%)	2.8	3.4	2.9	3.4	3.3
Net income	2,927	3,104	6,587	7,458	10,900
Net income ratio (%)	0.7	0.7	1.5	1.7	2.3

## Cost of sales and SG&A expenses (non-consolidated)

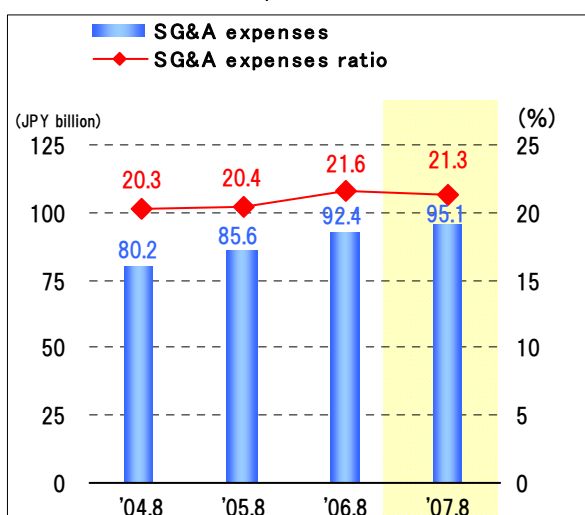
Cost of sales / ratio



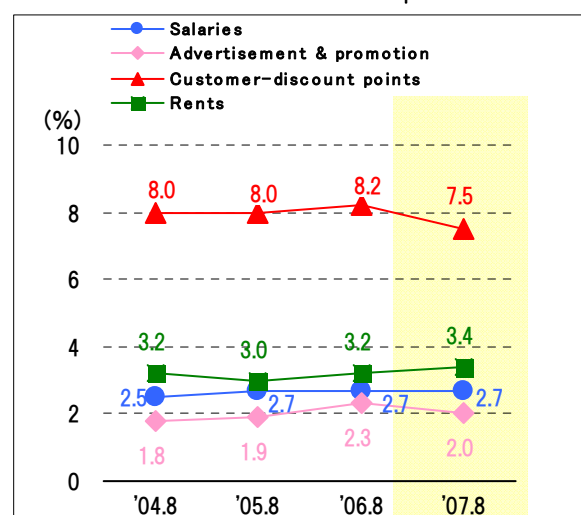
Gross profit / ratio



SG&A expenses / ratio



Breakdown of SG&A expenses



(JPY million)

		2004.8	2005.8	2006.8	2007.8
Cost of sales	Amount	305,729	317,758	324,659	337,956
Cost of sales ratio (%)	Ratio (%)	77.3	76.0	75.8	75.7
Gross profit	Amount	89,992	100,565	103,476	108,452
Gross profit ratio (%)	Ratio (%)	22.7	24.0	24.2	24.3
SG&A expenses	Amount	80,297	85,613	92,478	95,162
	Ratio (%)	20.3	20.4	21.6	21.3
Salaries	Amount	10,015	11,156	11,686	11,950
(ratio against sales)	Ratio (%)	2.5	2.7	2.7	2.7
Advertisement & promotion	Amount	7,046	7,927	9,716	8,998
(ratio against sales)	Ratio (%)	1.8	1.9	2.3	2.0
Customer-discount points	Amount	31,786	33,528	34,959	33,270
(ratio against sales)	Ratio (%)	8.0	8.0	8.2	7.5
Rent	Amount	12,809	12,633	13,603	15,141
	Ratio (%)	3.2	3.0	3.2	3.4

## Balance sheets and income statement (non-consolidated)

### Balance sheets

(JPY million)

	2004.8	2005.8	2006.8	2007.8
Current assets	61,786	62,148	77,290	<b>73,597</b>
Tangible fixed assets	29,074	28,872	30,826	<b>32,461</b>
Intangible fixed assets	3,371	3,053	2,944	<b>3,132</b>
Investment and other assets	35,356	39,762	54,897	<b>62,652</b>
Fixed assets	67,802	71,687	88,669	<b>98,246</b>
Total assets	129,589	133,835	165,959	<b>171,844</b>
Current liabilities	81,918	83,535	89,439	<b>96,524</b>
Long-term liabilities	38,810	38,384	33,961	<b>25,094</b>
Total liabilities	120,729	121,919	123,401	<b>121,618</b>
Total shareholders' equity	8,860	11,916	-	-
Total liabilities and shareholders' equity	129,589	133,835	-	-
Total net assets	-	-	42,557	<b>50,225</b>
Total liabilities and net assets	-	-	165,959	<b>171,844</b>

### Income Statement

(JPY million)

	2004.8	2005.8	2006.8	2007.8
Net sales	395,721	418,323	428,135	<b>446,409</b>
Cost of sales	305,729	317,758	324,659	<b>337,956</b>
Gross profit	89,992	100,565	103,476	<b>108,452</b>
SG&A expenses	80,297	85,613	92,478	<b>95,162</b>
Operating income	9,694	14,952	10,998	<b>13,290</b>
Non-operating income	4,485	4,334	4,271	<b>3,947</b>
Non-operating expenses	2,998	4,976	2,695	<b>1,975</b>
Ordinary income	11,182	14,309	12,574	<b>15,262</b>
Extraordinary gains	284	88	291	<b>1,782</b>
Extraordinary losses	5,584	7,713	677	<b>2,859</b>
Income before income taxes	5,882	6,684	12,187	<b>14,185</b>
Net income	2,927	3,104	6,587	<b>7,458</b>

## Corporate Data

### Corporate outline

(As of August 31, 2007)

Company name	BIC CAMERA INC.
Headquarter	〒 171-0033, 3-23-23, Takada, Toshima-ward, Tokyo
Established	November 21, 1980
Representative director and president	Hiroyuki Miyajima
Paid-in capital	JPY 12,548 million
Listing	JASDAQ
Stock transfer agent	Mizuho Trust and Banking

### Shareholder Data

#### Major shareholders

(As of August 31, 2007)

	Number of shares held (shares)	Percentage of shareholding (%)
Ryuji Arai	547,409	72.4
Edion Corporation	22,686	3.0
Tokyo Broadcasting System, Incorporated	16,795	2.2
Morgan Stanley & Co. International plc	6,520	0.9
Japan Trustee Services Bank Ltd. (Trust Account)	4,262	0.6
Goldman Sachs International	3,624	0.5
Credit Suisse First Boston Europe PB SEC Int. Non-Treaty Client	2,531	0.3
Morgan Stanley & Company Inc.	2,012	0.3
Seed Co., Ltd	2,000	0.3
Akemi Kitta	1,920	0.3

#### Composition of shareholders

(As of August 31, 2007)

	Number of shareholders	Number of shares held	Percentage of shareholding (%)
Financial institutions	22	9,352	1.3
Securities companies	17	2,216	0.3
Other corporations	487	54,559	7.2
Non-Japanese companies	58	27,529	3.6
Individual and other	37,567	66,2545	87.6
Total	38,151	756,201	100.0