



Consolidated Financial Results for the Fiscal Year ended August 2014

October 14, 2014

Company name:	BIC CAMERA INC.	Stock listing:	Tokyo Stock Exchange
Code number:	3048	URL:	http://www.biccamera.co.jp/ir/
Representative:	Hiroyuki Miyajima,	Representative Director and President	
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Scheduled date to ordinary general meeting of shareholders: November 26, 2014

Scheduled date to commencement of dividend payments: November 27, 2014

Scheduled date to submit the Securities Report: November 26, 2014

(Amounts of less than 1 Million Yen are discarded)

1. Consolidated Financial Results for the Fiscal Year ended August 2014 (From September 1, 2013 to August 31, 2014)

(1) Consolidated Financial Results

(% indicates changes from the previous term)

	Net Sales		Operating Income		Ordinary Income		Net Income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Year ended August 2014	829,833	3.0	19,060	46.2	24,063	56.8	9,852	304.3
Year ended August 2013	805,378	55.5	13,041	220.4	15,346	148.4	2,436	△39.2

(Note) Comprehensive income: 12,148 million yen in FY August 2014(121.5%), 5,484 million yen in FY August 2013(48.6%)

	EPS	Fully Diluted EPS	Return on equity	Ratio of ordinary income to total assets	Ratio of operating income to net sales
	Yen	Yen	%	%	%
Year ended August 2014	57.36	56.41	12.4	7.1	2.3
Year ended August 2013	14.19	—	3.3	4.2	1.6

(Reference) Equity in earnings of affiliates: — million yen in FY August 2014, △199 million yen in FY August 2013

(2) Consolidated Financial Position

	Total Assets	Net Assets	Equity Ratio	Net Assets per Share
	Millions of yen	Millions of yen	%	Yen
Year ended August 2014	329,400	107,150	25.7	492.98
Year ended August 2013	347,520	91,687	21.5	435.11

(Reference) Capital: 84,671 million yen in FY August 2014, 74,733 million yen in FY August 2013

(3) Consolidated cash flows

	Net cash provided by operating activities	Net cash provided by investment activities	Net cash provided by 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 2014	32,848	△4,598	△35,111	25,953
Year ended August 2013	22,685	△7,185	△29,499	32,815

2. Dividends Conditions

(Record date)	Dividends per Share					Total cash dividends (Annual)	Payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	First Quarter ended	Second Quarter ended	Third Quarter ended	Fiscal Year ended	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
FY August 2013	—	500	—	500	1,000	1,717	70.5	2.3
FY August 2014	—	500	—	5	—	1,717	17.4	2.2
FY August 2015 (Projected)	—	5	—	5	10		16.8	

(Note) The Company conducted a stock split at a ratio of 1:100 of common stock on March 1, 2014 as the effective date.

Ratio of dividends to net assets is calculated based on the assumption that the stock split was conducted on September 1, 2013.

3. Forecast of Consolidated Financial Results for the Fiscal Year ended August 2015(From September 1, 2014 to August 31, 2015)

(% indicates changes from the previous corresponding term)

	Net Sales		Operating Income		Ordinary Income		Net Income		EPS
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Interim	402,000	△1.3	8,600	32.8	8,300	△13.3	4,500	△5.5	26.20
Full year	812,000	△2.1	20,500	7.6	20,500	△14.8	10,200	3.5	59.39

*Others

(1) Important changes in our subsidiaries, including changes to the scope of our consolidation: None

(2) Changes in the accounting methods, procedures, display methods used in the creation of our consolidated financial statements:

- 1) Changes in accounting policies based on revisions accounting standard : Yes
- 2) Changes in accounting policies other than ones based on revisions of accounting standard : Yes
- 3) Changes in accounting estimates : None
- 4) Retrospective restatement : None

(3) Shares issued (Common stock)

	Fiscal Year August 2014	Fiscal Year August 2013
1) Shares issued as of the fiscal year ended (including treasury stock)	172,352,600	172,352,600
2) Treasury stock as of the fiscal year ended	596,600	596,600
3) Average number of shares issued during the period	171,756,000	171,756,000

Reference: Summary of Non-Consolidated Financial Results

1. Non-Consolidated Financial Results for the Fiscal Year ended August 2014 (From September 1, 2013 to August 31, 2014)

(1) Non-Consolidated Financial Results

(% indicates changes from the previous term)

	Net Sales		Operating Income		Ordinary Income		Net Income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Year ended August 2014	445,517	10.3	9,440	313.7	12,349	94.2	6,383	100.1
Year ended August 2013	403,790	1.3	2,281	109.1	6,359	60.8	3,190	—

	EPS	Fully Diluted EPS
	Yen	Yen
Year ended August 2014	37.17	36.55
Year ended August 2013	18.58	—

(2) Non-Consolidated Financial Position

	Total Assets	Net Assets	Equity Ratio	Net Assets per Share
	Millions of yen	Millions of yen	%	Yen
Year ended August 2014	218,810	72,635	33.2	422.90
Year ended August 2013	208,810	66,367	31.8	386.41

(Reference) Capital: 72,635 million yen in FY August 2014, 66,367million yen in FY August 2013

* Description of proper usage of these forecasts, and other special affairs

These forecasts are based on the Company's current assumptions and beliefs in light of the information currently available to it, and involve known and unknown risks and uncertainties. The Company's actual results may differ materially from those discussed in these forecasts as a result of numerous factors outside of the Company's control.

This document has been translated from a part of the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

Consolidated Financial Statements

(1) Consolidated balance sheets

(Millions of yen)

	As of August 31, 2013	As of August 31, 2014
Assets		
Current assets		
Cash and deposits	33,138	26,276
Accounts receivable – trade	30,237	30,014
Lease investment assets	0	0
Merchandise and finished goods	71,764	73,884
Raw materials and supplies	382	448
Program right	64	97
Deferred tax assets	10,987	7,983
Other	22,700	13,067
Allowance for doubtful accounts	△207	△237
Total current assets	169,066	151,534
Non-current assets		
Property, plant and equipment		
Buildings and structures	47,423	46,406
Accumulated depreciation	△20,212	△21,503
Buildings and structures, net	27,211	24,902
Machinery, equipment and vehicles	602	824
Accumulated depreciation	△404	△466
Machinery, equipment and vehicles, net	198	358
Land	44,436	45,407
Leased assets	3,691	5,327
Accumulated depreciation	△1,529	△2,282
Leased assets, net	2,161	3,045
Construction in progress	2,529	2,683
Other	7,322	6,742
Accumulated depreciation	△5,804	△5,350
Other, net	1,517	1,392
Total property, plant and equipment	78,055	77,789
Intangible assets	19,016	18,811
Investments and other assets		
Investment securities	11,625	12,523
Long-term loans receivable	1,579	1,217
Deferred tax assets	15,900	16,390
Net defined benefit asset	–	2,059
Guarantee deposits	50,238	47,241
Other	3,800	2,378
Allowance for doubtful accounts	△1,763	△546
Total investments and other assets	81,381	81,263
Total non-current assets	178,453	177,865
Total assets	347,520	329,400

(Millions of yen)

	As of August 31, 2013	As of August 31, 2014
Liabilities		
Current liabilities		
Accounts payable – trade	45,131	42,204
Short-term loans payable	45,680	39,983
Current portion of long-term loans payable	51,402	12,759
Current portion of bonds	1,060	625
Lease obligations	2,533	1,307
Income taxes payable	1,372	8,514
Provision for bonuses	2,312	2,814
Provision for point card certificates	11,504	11,183
Provision for loss on store closing	9,101	1,838
Asset retirement obligations	950	271
Other	27,898	28,253
Total current liabilities	198,946	149,756
Non-current liabilities		
Bonds payable	710	15,158
Long-term loans payable	27,407	22,900
Lease obligations	3,474	5,127
Deferred tax liabilities	21	105
Provision for goods warranties	1,669	2,639
Provision for retirement benefits	7,477	–
Provision for directors' retirement benefits	120	–
Provision for loss on store closing	2,781	2,945
Other provision	83	–
Net defined benefit liability	–	8,755
Asset retirement obligations	7,637	8,263
Other	5,501	6,597
Total non-current liabilities	56,885	72,493
Total liabilities	255,832	222,249
Net assets		
Shareholders' equity		
Capital stock	18,402	18,402
Capital surplus	19,492	19,492
Retained earnings	36,119	45,592
Treasury shares	△184	△184
Total shareholders' equity	73,829	83,302
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	903	1,398
Remeasurements of defined benefit plans	–	△28
Total accumulated other comprehensive income	903	1,369
Minority interests	16,954	22,478
Total net assets	91,687	107,150
Total liabilities and net assets	347,520	329,400

(2) Consolidated statements of income

(Millions of yen)

	From September 1, 2012 to August 31, 2013	From September 1, 2013 to August 31, 2014
Net sales	805,378	829,833
Cost of sales	605,546	617,083
Gross profit	199,832	212,749
Selling, general and administrative expenses	186,791	193,689
Operating income	13,041	19,060
Non-operating income		
Interest income	190	182
Dividend income	147	173
Rent income	941	1,365
Commission fee	1,024	1,046
Reversal of provision for loss on store closing	1,547	4,061
Other	2,235	1,503
Total non-operating income	6,088	8,333
Non-operating expenses		
Interest expenses	1,874	1,317
Share of loss of entities accounted for using equity method	199	–
Cost of lease revenue	515	781
Commission fee	1,094	857
Other	99	373
Total non-operating expenses	3,782	3,330
Ordinary income	15,346	24,063
Extraordinary income		
Gain on sales of non-current assets	461	328
Gain on bargain purchase	6	–
Gain on sales of investment securities	11	0
Gain on sales of shares of subsidiaries and associates	10	358
Gain on change in equity	–	548
Other	51	0
Total extraordinary income	540	1,236
Extraordinary losses		
Loss on sales of non-current assets	0	34
Loss on retirement of non-current assets	178	154
Loss on valuation of investment securities	2,496	–
Loss on disposal of inventories	940	–
Impairment loss	2,517	3,177
Other	449	175
Total extraordinary losses	6,582	3,541
Income before income taxes and minority interests	9,304	21,758
Income taxes – current	1,857	8,792
Income taxes – deferred	3,835	1,376
Total income taxes	5,692	10,168
Income before minority interests	3,611	11,589
Minority interests in income	1,174	1,737
Net income	2,436	9,852

(3) Consolidated Statements of Comprehensive Income

(Millions of yen)

	From September 1, 2012 to August 31, 2013	From September 1, 2013 to August 31, 2014
Income before minority interests	3,611	11,589
Other comprehensive income		
Valuation difference on available-for-sale securities	1,854	558
Share of other comprehensive income of entities accounted for using equity method	18	-
Total other comprehensive income	1,872	558
Comprehensive income	5,484	12,148
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	4,030	10,344
Comprehensive income attributable to minority interests	1,453	1,803

(4) Consolidated statements of cash flows

(Millions of yen)

	From September 1, 2012 to August 31, 2013	From September 1, 2013 to August 31, 2014
Cash flows from operating activities		
Income before income taxes and minority interests	9,304	21,758
Depreciation	5,443	5,608
Impairment loss	2,517	3,177
Amortization of goodwill	268	266
Gain on bargain purchase	△6	–
Increase (decrease) in allowance for doubtful accounts	474	△1,187
Increase (decrease) in provision for bonuses	△609	502
Increase (decrease) in provision for point card certificates	△1,884	△320
Increase(decrease) in provision for goods warranties	890	969
Increase (decrease) in provision for retirement benefits	649	–
Increase decrease in net defined benefit liability	–	933
Increase (decrease) on net defined benefit assets	–	9
Increase (decrease) in provision for directors' retirement benefits	△12	△120
Increase (decrease) in provision for loss on store closing	△3,609	△6,090
Increase (decrease) in other provision	83	△83
Interest and dividend income	△338	△355
Interest expenses	1,874	1,317
Foreign exchange losses (gains)	△0	△0
Share of (profit) loss of entities accounted for using equity method	199	–
Loss (gain) on sales of non-current assets	△460	△294
Loss on retirement of non-current assets	178	154
Loss (gain) on sales of investment securities	△11	△0
Loss (gain) on valuation of investment securities	2,496	–
Loss (gain) on sales of shares of subsidiaries and associates	△10	△358
Loss (gain) on change in equity	–	△548
Decrease (increase) in notes and accounts receivable – trade	△721	222
Decrease (increase) in inventories	15,241	153
Increase (decrease) in notes and accounts payable – trade	△5,186	△2,926
Other, net	△1,692	13,941
Subtotal	25,077	36,728
Interest and dividend income received	202	238
Interest expenses paid	△1,881	△1,347
Income taxes paid	△712	△2,770
Net cash provided by (used in) operating activities	22,685	32,848
Cash flows from investing activities		
Purchase of property, plant and equipment	△6,282	△4,925
Proceeds from sales of property, plant and equipment	946	843
Purchase of intangible assets	△2,403	△3,750
Purchase of investment securities	△8	△22
Proceeds from sales of investment securities	22	0
Proceeds from sales of shares of subsidiaries and associates	84	1,599
Payments for guarantee deposits	△3,162	△627
Proceeds from collection of guarantee deposits	3,763	2,624
Purchase of investments in consolidated subsidiaries	△23	–
Other, net	△122	△340
Net cash provided by (used in) investing activities	△7,185	△4,598

(Millions of yen)

	From September 1, 2012 to August 31, 2013	From September 1, 2013 to August 31, 2014
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	△41,060	△5,696
Proceeds from long-term loans payable	37,022	9,200
Repayments of long-term loans payable	△19,955	△52,351
Proceeds from issuance of bonds	–	15,075
Redemption of bonds	△1,060	△1,060
Proceeds from share issuance to minority shareholders	–	2,845
Cash dividends paid	△1,706	△1,715
Cash dividends paid to minority shareholders	△173	△0
Repayments of lease obligations	△2,565	△1,408
Other, net	△0	△0
Net cash provided by (used in) financing activities	△29,499	△35,111
Effect of exchange rate change on cash and cash equivalents	0	0
Net increase (decrease) in cash and cash equivalents	△13,998	△6,861
Cash and cash equivalents at beginning of period	46,813	32,815
Cash and cash equivalents at end of period	32,815	25,953

(5) Sales by product line

Item		From September 1, 2013 to August 31, 2014		
		Sales (Millions of yen)	Composition ratio (%)	Previous year comparison (%)
Audio visual products	Cameras	50,828	6.1	5.3
	TVs	37,926	4.6	4.1
	BD/DVD recorders, Video cameras	20,346	2.4	△ 9.3
	Audio	21,524	2.6	△ 7.8
	AV software	6,836	0.8	8.5
	Other	16,486	2.0	△ 0.8
	Subtotal	153,948	18.5	0.4
Home appliances	Refrigerators	43,421	5.2	16.2
	Washing machines	31,034	3.8	16.1
	Kitchen appliances	31,584	3.8	10.7
	Seasonal home electronics	58,101	7.0	△ 4.0
	Personal care electronics	30,672	3.7	△ 2.6
	Other	49,608	6.0	3.3
	Subtotal	244,422	29.5	5.1
Information communications equipment products	PCs	85,729	10.3	11.3
	PC peripherals	30,158	3.6	3.3
	PC software	12,043	1.5	△ 16.6
	Cellular phones	102,101	12.3	△ 0.1
	Other	51,270	6.2	△ 3.7
	Subtotal	281,303	33.9	1.9
Other products	Video Games	25,267	3.1	△ 8.2
	Watches	20,183	2.4	23.0
	Used PCs	19,872	2.4	7.2
	Sporting goods	6,102	0.7	10.3
	Toys	8,729	1.1	21.4
	Glasses and Contact lenses	5,003	0.6	5.8
	Liquors and Soft drink	4,499	0.5	5.5
	Other	50,835	6.1	1.1
	Subtotal	140,494	16.9	4.5
Retail goods sales		820,168	98.8	2.9
Other business		9,665	1.2	11.2
Total		829,833	100.0	3.0

Note: Above amount does not include consumption taxes.