

Consolidated Financial Results for the Six Months Ended February 29, 2016 [Japanese GAAP]



April 12, 2016

Company name: BIC CAMERA INC. Stock exchange listing: Tokyo Stock Exchange
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Scheduled date of filing quarterly securities report: April 13, 2016

Scheduled date of commencing dividend payments: May 16, 2016

Availability of supplementary briefing material on quarterly financial results: Available

Schedule of quarterly financial results briefing session: Scheduled (for institutional investors and analysts)

(Amounts of less than one million yen are rounded down.)

1. Consolidated Financial Results for the Six Months Ended February 29, 2016 (September 1, 2015 to February 29, 2016)

(1) Consolidated Operating Results (% indicates changes from the previous corresponding period.)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent	
Six months ended	Million yen	%	Million yen	%	Million yen	%	Million yen	%
February 29, 2016	394,481	0.3	11,714	40.8	12,061	43.8	7,319	50.3
February 28, 2015	393,487	(3.7)	8,322	19.8	8,385	(12.1)	4,871	2.5

(Note) Comprehensive income: Six months ended February 29, 2016: ¥7,425 million [26.9%]

Six months ended February 28, 2015: ¥5,852 million [8.5%]

	Net income per share	Diluted net income per share
Six months ended	Yen	Yen
February 29, 2016	40.24	39.02
February 28, 2015	28.36	25.96

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of February 29, 2016	342,828	127,209	31.2
As of August 31, 2015	329,580	120,846	30.5

(Reference) Equity: As of February 29, 2016: ¥106,877 million

As of August 31, 2015: ¥100,617 million

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended August 31, 2015	-	5.00	-	5.00	10.00
Fiscal year ending August 31, 2016	-	5.00	-	-	-
Fiscal year ending August 31, 2016 (Forecast)	-	-	-	5.00	10.00

(Note) Revision to the forecast for dividends announced most recently: No

3. Consolidated Financial Results Forecast for the Fiscal Year Ending August 31, 2016 (September 1, 2015 to August 31, 2016)

(% indicates changes from the previous fiscal year.)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent		Net income per share
Full year	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
	800,000	0.6	22,000	17.0	22,500	10.3	13,000	91.1	71.47

(Note) Revision to the financial results forecast announced most recently: Yes

* Notes:

- (1) Changes in significant subsidiaries during the period under review (changes in specified subsidiaries resulting in changes in scope of consolidation): No
- (2) Accounting policies adopted specially for the preparation of quarterly consolidated financial statements: No
- (3) Changes in accounting policies, changes in accounting estimates and retrospective restatements
 - 1) Changes in accounting policies due to the revision of accounting standards, etc.: Yes
 - 2) Changes in accounting policies other than 1) above: No
 - 3) Changes in accounting estimates: No
 - 4) Retrospective restatements: No
- (4) Total number of issued shares (common shares)
 - 1) Total number of issued shares at the end of the period (including treasury shares):
 - February 29, 2016: 182,478,765 shares
 - August 31, 2015: 182,478,765 shares
 - 2) Total number of treasury shares at the end of the period:
 - February 29, 2016: 596,600 shares
 - August 31, 2015: 596,600 shares
 - 3) Average number of shares during the period:
 - Six months ended February 29, 2016: 181,882,165 shares
 - Six months ended February 28, 2015: 171,769,012 shares

* Presentation regarding the implementation status of the quarterly review procedures

These quarterly financial results are outside the scope of quarterly review procedures under the Financial Instruments and Exchange Act. At the time of disclosure of these quarterly financial results, review procedures for the quarterly financial statements under the Financial Instruments and Exchange Act have not been completed.

* Explanation of the proper use of financial results forecast and other notes

(Notes regarding forward-looking statements, etc.)

The earnings forecasts and other forward-looking statements herein are based on information the Company has acquired and certain assumptions deemed reasonable as of the date of publication of this document. Actual results may differ significantly from these forecasts due to a wide range of factors.

(Method of obtaining supplementary briefing material on quarterly financial results and its content)

The Company is scheduled to hold a quarterly financial results briefing session for institutional investors and analysts on Thursday, April 20, 2016

. The outline of the session and its audio data are scheduled to be posted on the Company's website together with the briefing material.

Consolidated Financial Statements

(1) Consolidated quarterly balance sheets

(Millions of yen)

	As of August 31, 2015	As of February 29, 2016
Assets		
Current assets		
Cash and deposits	22,410	19,367
Accounts receivable - trade	29,663	31,627
Merchandise and finished goods	81,677	96,289
Raw materials and supplies	490	493
Program right	91	38
Other	19,301	19,956
Allowance for doubtful accounts	(271)	(271)
Total current assets	153,362	167,501
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	24,892	24,465
Land	44,056	44,001
Other, net	7,662	8,042
Total property, plant and equipment	76,611	76,509
Intangible assets		
Goodwill	5,072	4,892
Other	18,972	19,079
Total intangible assets	24,045	23,971
Investments and other assets		
Guarantee deposits	46,026	44,801
Other	30,165	30,480
Allowance for doubtful accounts	(630)	(435)
Total investments and other assets	75,560	74,846
Total non-current assets	176,217	175,327
Total assets	329,580	342,828

(Millions of yen)

	As of August 31, 2015	As of February 29, 2016
Liabilities		
Current liabilities		
Accounts payable - trade	44,038	44,050
Short-term loans payable	23,698	34,255
Current portion of long-term loans payable	30,652	30,412
Current portion of bonds	50	50
Income taxes payable	4,711	4,574
Provision for bonuses	2,856	2,563
Provision for point card certificates	11,563	11,288
Provision for loss on store closing	149	431
Asset retirement obligations	81	16
Other	27,762	26,494
Total current liabilities	145,562	154,136
Non-current liabilities		
Bonds payable	5,427	5,400
Long-term loans payable	24,287	23,525
Provision for goods warranties	2,700	2,440
Provision for loss on store closing	2,003	1,521
Net defined benefit liability	10,194	10,597
Asset retirement obligations	8,626	8,669
Other	9,931	9,327
Total non-current liabilities	63,171	61,482
Total liabilities	208,733	215,618
Net assets		
Shareholders' equity		
Capital stock	23,237	23,237
Capital surplus	24,327	24,328
Retained earnings	50,706	57,115
Treasury shares	(184)	(184)
Total shareholders' equity	98,087	104,497
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	2,746	2,561
Remeasurements of defined benefit plans	(216)	(182)
Total accumulated other comprehensive income	2,530	2,379
Non-controlling interests	20,228	20,331
Total net assets	120,846	127,209
Total liabilities and net assets	329,580	342,828

(2) Consolidated quarterly statements of income

(Millions of yen)

	From September 1, 2014 to February 28, 2015	From September 1, 2015 to February 29, 2016
Net sales	393,487	394,481
Cost of sales	291,348	288,946
Gross profit	102,138	105,534
Selling, general and administrative expenses	93,816	93,820
Operating income	8,322	11,714
Non-operating income		
Interest income	69	61
Dividend income	66	64
Commission fee	626	639
Reversal of provision for loss on store closing	106	-
Other	443	263
Total non-operating income	1,310	1,028
Non-operating expenses		
Interest expenses	485	417
Commission fee	646	179
Other	116	85
Total non-operating expenses	1,248	681
Ordinary income	8,385	12,061
Extraordinary income		
Gain on sales of non-current assets	375	193
Compensation income	170	-
Other	24	-
Total extraordinary income	569	193
Extraordinary losses		
Loss on sales of non-current assets	46	-
Loss on retirement of non-current assets	73	42
Impairment loss	90	24
Loss on cancellation of leases	-	29
Other	-	22
Total extraordinary losses	211	120
Income before income taxes and minority interests	8,744	12,134
Income taxes - current	2,965	4,177
Income taxes - deferred	893	256
Total income taxes	3,859	4,434
Profit	4,885	7,700
Profit attributable to non-controlling interests	13	380
Profit attributable to owners of parent	4,871	7,319

(3) Consolidated quarterly Comprehensive income

(Millions of yen)

	From September 1, 2014 to February 28, 2015	From September 1, 2015 to February 29, 2016
Profit	4,885	7,700
Other comprehensive income		
Valuation difference on available-for-sale securities	924	(297)
Remeasurements of defined benefit plans, net of tax	43	22
Total other comprehensive income	967	(274)
Comprehensive income	5,852	7,425
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	5,839	7,169
Comprehensive income attributable to non-controlling interests	13	256

(4) Quarterly consolidated statement of comprehensive income

(Millions of yen)

	From September 1, 2014 to February 28, 2015	From September 1, 2015 to February 29, 2016
Cash flows from operating activities		
Income before income taxes and minority interests	8,744	12,134
Depreciation	2,538	2,907
Impairment loss	90	24
Amortization of goodwill	198	180
Increase (decrease) in allowance for doubtful accounts	94	68
Increase (decrease) in provision for bonuses	(558)	(293)
Increase (decrease) in provision for point card certificates	(155)	(275)
Increase (decrease) in provision for goods warranties	250	(260)
Increase (decrease) in net defined benefit liability	629	470
Increase (decrease) in provision for loss on store closing	(1,055)	(190)
Interest and dividend income	(135)	(125)
Interest expenses	485	417
Foreign exchange losses (gains)	(0)	0
Loss (gain) on sales of non-current assets	(328)	(193)
Loss on retirement of non-current assets	73	42
Decrease (increase) in notes and accounts receivable - trade	2,076	(2,027)
Decrease (increase) in inventories	(20,001)	(14,562)
Increase (decrease) in notes and accounts payable - trade	874	12
Other, net	(4,950)	(954)
Subtotal	(11,129)	(2,624)
Interest and dividend income received	77	73
Interest expenses paid	(511)	(413)
Income taxes paid	(7,179)	(4,096)
Net cash provided by (used in) operating activities	(18,742)	(7,060)
Cash flows from investing activities		
Purchase of property, plant and equipment	(1,943)	(2,030)
Proceeds from sales of property, plant and equipment	2,025	478
Purchase of intangible assets	(1,599)	(1,422)
Purchase of investment securities	-	(1,031)
Payments for guarantee deposits	(598)	(692)
Proceeds from collection of guarantee deposits	1,288	1,085
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(5,257)	-
Other, net	63	1
Net cash provided by (used in) investing activities	(6,022)	(3,611)
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	2,500	10,557
Proceeds from long-term loans payable	30,000	6,000
Repayments of long-term loans payable	(7,639)	(7,002)
Redemption of bonds	(530)	(25)
Cash dividends paid	(858)	(908)
Dividends paid to non-controlling interests	(239)	(99)
Payments from changes in ownership interests in subsidiaries that do not result in change in scope of consolidation	-	(52)
Repayments of lease obligations	(1,018)	(764)
Other, net	(0)	(13)
Net cash provided by (used in) financing activities	22,213	7,690
Effect of exchange rate change on cash and cash equivalents	0	(0)
Net increase (decrease) in cash and cash equivalents	(2,551)	(2,981)
Cash and cash equivalents at beginning of period	25,953	22,349
Increase (decrease) in cash and cash equivalents resulting from merger of subsidiaries	34	-
Cash and cash equivalents at end of period	23,436	19,367

(5) Sales by product line

Item		From September 1, 2015 to February 29, 2016		
		Sales (Millions of yen)	Composition ratio (%)	Previous year comparison (%)
Audio visual products	Cameras	19,533	5.0	(18.5)
	TVs	17,239	4.4	(0.8)
	BD/DVD recorders, Video cameras	8,122	2.1	(16.0)
	Audios	8,834	2.2	(4.3)
	AV softwares	2,888	0.7	1.2
	Others	8,866	2.2	(4.7)
	Subtotal	65,485	16.6	(9.5)
Home appliances	Refrigerators	14,803	3.8	4.7
	Washing machines	13,928	3.5	11.1
	Kitchen appliances	17,909	4.5	5.7
	Seasonal home electronics	18,613	4.7	(6.6)
	Personal care electronics	21,990	5.6	27.9
	Others	26,261	6.7	3.2
	Subtotal	113,507	28.8	6.9
Information communications equipment products	PCs	29,468	7.5	(12.2)
	PC peripherals	12,870	3.2	(3.3)
	PC softwares	4,133	1.0	(14.2)
	Cellular phones	59,872	15.2	1.3
	Others	26,732	6.8	3.1
	Subtotal	133,077	33.7	(2.7)
Other products	Video games	13,203	3.3	(4.5)
	Watches	12,352	3.1	5.3
	Used PCs	8,539	2.2	(1.4)
	Sporting goods	3,552	0.9	14.6
	Toys	6,594	1.7	8.2
	Glasses and Contact lenses	2,569	0.7	9.5
	Liquors and Soft drink	2,870	0.7	8.1
	Medicine and Daily goods	5,575	1.4	68.4
	Others	21,285	5.4	0.6
	Subtotal	76,544	19.4	5.0
Retail goods sales		388,614	98.5	0.1
Other business		5,866	1.5	10.4
Total		394,481	100.0	0.3

Note: Above amount does not include consumption taxes.