

**Consolidated Financial Results
for the Fiscal Year Ended August 31, 2017
[Japanese GAAP]**



October 12, 2017

Company name: BIC CAMERA INC. Stock exchange listing: Tokyo Stock Exchange
 Code number: 3048 URL: <http://www.biccamera.co.jp/ir/>
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 Scheduled date of ordinary general meeting of shareholders: November 16, 2017
 Scheduled date of commencing dividend payments: November 17, 2017
 Scheduled date of filing securities report: November 17, 2017
 Availability of supplementary briefing material on financial results: Available
 Schedule of 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 Fiscal Year Ended August 31, 2017 (September 1, 2016 to August 31, 2017)

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

	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent	
Fiscal year ended	Million yen	%	Million yen	%	Million yen	%	Million yen	%
August 31, 2017	790,639	1.5	21,854	(0.7)	24,364	5.6	13,505	12.7
August 31, 2016	779,081	(2.0)	22,006	17.1	23,067	13.1	11,985	76.2

(Note) Comprehensive income: Fiscal year ended August 31, 2017: ¥18,554 million [80.5%]
 Fiscal year ended August 31, 2016: ¥10,279 million [78.0%]

	Net income per share	Diluted net income per share	Return on equity	Ratio of ordinary income to total assets	Ratio of operating income to net sales
Fiscal year ended	Yen	Yen	%	%	%
August 31, 2017	74.28	72.02	11.7	7.1	2.8
August 31, 2016	65.91	63.91	11.5	6.9	2.8

(Reference) Equity in earnings of affiliates: Fiscal year ended August 31, 2017: ¥- million
 Fiscal year ended August 31, 2016: ¥- million

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of August 31, 2017	350,211	145,593	34.9	672.18
As of August 31, 2016	336,769	129,096	32.0	593.43

(Reference) Equity: As of August 31, 2017: ¥122,215 million
 As of August 31, 2016: ¥107,897 million

(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
Fiscal year ended	Million yen	Million yen	Million yen	Million yen
August 31, 2017	19,629	(11,522)	(13,247)	19,997
August 31, 2016	7,850	(4,615)	(446)	25,137

2. Dividends

	Annual dividends					Total cash dividends	Payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
Fiscal year ended August 31, 2016	-	5.00	-	7.00	12.00	2,182	18.2	2.1
Fiscal year ended August 31, 2017	-	5.00	-	7.00	12.00	2,181	16.2	1.9
Fiscal year ending August 31, 2018 (Forecast)	-	5.00	-	7.00	12.00		14.5	

3. Consolidated Financial Results Forecast for the Fiscal Year Ending August 31, 2018 (September 1, 2017 to August 31, 2018)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
First half	410,000	6.3	11,000	17.6	12,000	11.8	7,000	9.1	38.50
Full year	830,000	5.0	25,000	14.4	26,000	6.7	15,000	11.1	82.50

* Notes:

- (1) Changes in significant subsidiaries during the period under review (changes in specified subsidiaries resulting in changes in scope of consolidation): No
- (2) Changes in accounting policies, changes in accounting estimates and retrospective restatements
 - 1) Changes in accounting policies due to the revision of accounting standards, etc.: No
 - 2) Changes in accounting policies other than 1) above: No
 - 3) Changes in accounting estimates: No
 - 4) Retrospective restatements: No
- (3) Total number of issued shares (common shares)
 - 1) Total number of issued shares at the end of the period (including treasury shares):
 - August 31, 2017: 182,478,765 shares
 - August 31, 2016: 182,478,765 shares
 - 2) Total number of treasury shares at the end of the period:
 - August 31, 2017: 658,600 shares
 - August 31, 2016: 658,600 shares
 - 3) Average number of shares during the period:
 - Fiscal year ended August 31, 2017: 181,820,165 shares
 - Fiscal year ended August 31, 2016: 181,850,996 shares

(Reference) Summary of Non-consolidated Financial Results

Non-consolidated Financial Results for the Fiscal Year Ended August 31, 2017 (September 1, 2016 to August 31, 2017)

(1) Non-consolidated Operating Results (% indicates changes from the previous corresponding period.)

Fiscal year ended	Net sales		Operating income		Ordinary income		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
August 31, 2017	442,607	3.7	13,789	1.2	16,425	6.6	9,859	18.6
August 31, 2016	426,670	(4.1)	13,621	3.1	15,406	4.0	8,315	2.5

Fiscal year ended	Net income per share	Diluted net income per share
	Yen	Yen
August 31, 2017	54.23	52.58
August 31, 2016	45.73	44.34

(2) Non-consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of August 31, 2017	243,192	105,072	43.2	577.89
As of August 31, 2016	228,933	94,858	41.4	521.72

(Reference) Equity: As of August 31, 2017: ¥105,072 million

As of August 31, 2016: ¥94,858 million

* Presentation regarding the implementation status of the audit procedures

These financial results are outside the scope of audit procedures under the Financial Instruments and Exchange Act. At the time of disclosure of these financial results, audit procedures for the 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 financial results briefing session for institutional investors and analysts on Friday, October 20, 2017. 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 balance sheets

(Millions of yen)

	As of August 31, 2016	As of August 31, 2017
Assets		
Current assets		
Cash and deposits	25,137	19,997
Accounts receivable - trade	28,171	31,497
Merchandise and finished goods	93,603	101,812
Raw materials and supplies	475	509
Program right	127	67
Deferred tax assets	6,543	6,883
Other	13,532	11,742
Allowance for doubtful accounts	(346)	(356)
Total current assets	167,244	172,153
Non-current assets		
Property, plant and equipment		
Buildings and structures	52,249	56,866
Accumulated depreciation	(27,435)	(28,892)
Buildings and structures, net	24,813	27,974
Machinery, equipment and vehicles	1,223	1,340
Accumulated depreciation	(733)	(881)
Machinery, equipment and vehicles, net	490	458
Land	46,397	46,227
Leased assets	6,891	8,125
Accumulated depreciation	(4,141)	(5,105)
Leased assets, net	2,750	3,020
Construction in progress	306	1,814
Other	8,243	9,243
Accumulated depreciation	(6,585)	(6,767)
Other, net	1,657	2,476
Total property, plant and equipment	76,415	81,972
Intangible assets		
Goodwill	4,712	4,351
Other	17,050	17,778
Total intangible assets	21,762	22,129
Investments and other assets		
Investment securities	11,773	14,371
Long-term loans receivable	274	1,100
Deferred tax assets	10,967	10,041
Net defined benefit asset	2,811	2,996
Guarantee deposits	44,060	44,419
Other	1,905	1,453
Allowance for doubtful accounts	(445)	(427)
Total investments and other assets	71,347	73,955
Total non-current assets	169,525	178,057
Total assets	336,769	350,211

(Millions of yen)

	As of August 31, 2016	As of August 31, 2017
Liabilities		
Current liabilities		
Accounts payable - trade	39,846	47,177
Short-term loans payable	34,062	33,200
Current portion of long-term loans payable	11,609	23,546
Current portion of bonds	35	—
Lease obligations	1,319	1,104
Income taxes payable	5,396	5,128
Provision for bonuses	2,820	3,148
Provision for point card certificates	11,570	11,567
Provision for loss on store closing	311	336
Asset retirement obligations	102	136
Other	25,401	24,926
Total current liabilities	132,475	150,272
Non-current liabilities		
Bonds payable	5,388	5,384
Long-term loans payable	36,101	15,216
Lease obligations	2,860	2,679
Deferred tax liabilities	103	166
Provision for goods warranties	2,132	1,625
Provision for loss on store closing	1,401	1,256
Net defined benefit liability	12,470	13,693
Asset retirement obligations	8,680	8,975
Other	6,058	5,346
Total non-current liabilities	75,198	54,345
Total liabilities	207,673	204,617
Net assets		
Shareholders' equity		
Capital stock	23,237	23,237
Capital surplus	24,328	24,386
Retained earnings	60,872	72,195
Treasury shares	(241)	(241)
Total shareholders' equity	108,196	119,578
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	902	3,561
Remeasurements of defined benefit plans	(1,201)	(924)
Total accumulated other comprehensive income	(299)	2,636
Non-controlling interests	21,198	23,378
Total net assets	129,096	145,593
Total liabilities and net assets	336,769	350,211

(2) Consolidated statements of income

(Millions of yen)

	From September 1, 2015 to August 31, 2016	From September 1, 2016 to August 31, 2017
Net sales	779,081	790,639
Cost of sales	568,304	571,773
Gross profit	210,777	218,865
Selling, general and administrative expenses	188,770	197,011
Operating income	22,006	21,854
Non-operating income		
Interest income	116	100
Dividend income	210	195
Commission fee	1,374	1,296
Co-sponsor fee	83	340
Subsidy income	—	724
Other	645	461
Total non-operating income	2,429	3,119
Non-operating expenses		
Interest expenses	686	418
Cost of lease revenue	57	62
Commission fee	520	70
Other	103	57
Total non-operating expenses	1,368	608
Ordinary profit	23,067	24,364
Extraordinary income		
Gain on sales of non-current assets	200	159
Gain on sales of investment securities	1,411	436
Compensation income	23	150
Total extraordinary income	1,636	745
Extraordinary losses		
Loss on sales of non-current assets	13	—
Loss on retirement of non-current assets	100	86
Loss on valuation of investment securities	—	873
Impairment loss	2,510	930
Loss on disaster	171	—
Other	192	473
Total extraordinary losses	2,987	2,364
Profit before income taxes	21,715	22,745
Income taxes - current	8,064	7,922
Income taxes - deferred	177	(706)
Total income taxes	8,241	7,216
Profit	13,474	15,529
Profit attributable to non-controlling interests	1,489	2,024
Profit attributable to owners of parent	11,985	13,505

(3) Consolidated statements of Comprehensive income

(Millions of yen)

	From September 1, 2015 to August 31, 2016	From September 1, 2016 to August 31, 2017
Profit	13,474	15,529
Other comprehensive income		
Valuation difference on available-for-sale securities	(2,178)	2,671
Remeasurements of defined benefit plans, net of tax	(1,017)	353
Total other comprehensive income	(3,195)	3,025
Comprehensive income	10,279	18,554
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	9,156	16,440
Comprehensive income attributable to non-controlling interests	1,123	2,114

(4) Consolidated statements of comprehensive income

(Millions of yen)

	From September 1, 2015 to August 31, 2016	From September 1, 2016 to August 31, 2017
Cash flows from operating activities		
Profit before income taxes	21,715	22,745
Depreciation	6,047	6,003
Impairment loss	2,510	930
Amortization of goodwill	360	360
Increase (decrease) in allowance for doubtful accounts	(109)	(9)
Increase (decrease) in provision for bonuses	(36)	328
Increase (decrease) in provision for point card certificates	6	(3)
Increase(decrease) in provision for goods warranties	(567)	(492)
Increase (decrease) in net defined benefit liability	912	1,511
Increase (decrease) in provision for loss on store closing	(343)	(102)
Interest and dividend income	(327)	(295)
Interest expenses	686	418
Subsidy income	—	(724)
Loss (gain) on sales of non-current assets	(187)	(159)
Loss on retirement of non-current assets	100	86
Loss (gain) on sales of investment securities	(1,411)	(436)
Loss (gain) on valuation of investment securities	—	873
Compensation income	(23)	(150)
Decrease (increase) in notes and accounts receivable - trade	1,492	(3,331)
Decrease (increase) in inventories	(11,947)	(8,183)
Increase (decrease) in notes and accounts payable - trade	(4,192)	7,336
Other, net	439	1,408
Subtotal	15,125	28,117
Interest and dividend income received	230	216
Interest expenses paid	(733)	(424)
Income taxes paid	(6,771)	(8,849)
Proceeds from compensation	—	150
Proceeds from subsidy income	—	420
Net cash provided by (used in) operating activities	7,850	19,629
Cash flows from investing activities		
Purchase of property, plant and equipment	(4,864)	(9,578)
Proceeds from sales of property, plant and equipment	520	449
Purchase of intangible assets	(1,983)	(3,134)
Purchase of investment securities	(1,133)	(6)
Proceeds from sales of investment securities	1,778	837
Payments for guarantee deposits	(650)	(2,150)
Proceeds from collection of guarantee deposits	1,732	1,828
Other, net	(15)	230
Net cash provided by (used in) investing activities	(4,615)	(11,522)

(Millions of yen)

	From September 1, 2015 to August 31, 2016	From September 1, 2016 to August 31, 2017
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	10,364	(862)
Proceeds from long-term loans payable	24,000	6,500
Repayments of long-term loans payable	(31,228)	(15,448)
Redemption of bonds	(50)	(35)
Cash dividends paid	(1,814)	(2,176)
Dividends paid to non-controlling interests	(99)	(113)
Payments from changes in ownership interests in subsidiaries that do not result in change in scope of consolidation	(52)	—
Proceeds from changes in ownership interests in subsidiaries that do not result in change in scope of consolidation	—	263
Repayments of lease obligations	(1,493)	(1,375)
Other, net	(70)	(0)
Net cash provided by (used in) financing activities	(446)	(13,247)
Effect of exchange rate change on cash and cash equivalents	(0)	0
Net increase (decrease) in cash and cash equivalents	2,788	(5,140)
Cash and cash equivalents at beginning of period	22,349	25,137
Increase (decrease) in cash and cash equivalents resulting from merger of subsidiaries	0	—
Cash and cash equivalents at end of period	25,137	19,997

(5) Sales by product line

Item		From September 1, 2016 to August 31, 2017		
		Sales (Millions of yen)	Composition ratio (%)	Previous year comparison (%)
Audio visual products	Cameras	37,926	4.8	0.4
	TVs	35,084	4.4	1.7
	BD/DVD recorders, Video cameras	14,820	1.9	(2.9)
	Audios	15,489	2.0	(6.8)
	AV softwares	4,804	0.6	(8.9)
	Others	18,779	2.4	9.8
	Subtotal	126,904	16.1	0.3
Home appliances	Refrigerators	37,284	4.7	5.9
	Washing machines	32,244	4.1	8.3
	Kitchen appliances	34,610	4.4	1.5
	Seasonal home electronics	51,490	6.5	4.6
	Personal care electronics	43,841	5.5	4.8
	Others	49,426	6.3	(1.9)
	Subtotal	248,896	31.5	3.5
Information communications equipment products	PCs	58,879	7.5	1.1
	PC peripherals	23,174	2.9	(3.3)
	PC softwares	6,934	0.9	(15.3)
	Cellular phones	108,457	13.7	(1.3)
	Others	47,799	6.0	(3.6)
	Subtotal	245,246	31.0	(1.8)
Other products	Video games	27,352	3.5	27.5
	Watches	22,952	2.9	(2.7)
	Used PCs	12,006	1.5	(23.4)
	Sporting goods	8,212	1.0	7.0
	Toys	12,276	1.6	5.4
	Glasses and Contact lenses	5,660	0.7	5.2
	Liquors and Soft drinks	5,857	0.7	8.1
	Medicines and Daily goods	14,991	1.9	27.1
	Others	46,738	5.9	(1.5)
Subtotal	156,048	19.7	4.0	
Retail goods sales		777,096	98.3	1.3
Other business		13,543	1.7	11.7
Total		790,639	100.0	1.5

Note: Above amount does not include consumption taxes.