

Consolidated Financial Results for the Three Months Ended November 30, 2018 [Japanese GAAP]



January 10, 2019

Company name: BIC CAMERA INC. Stock exchange listing: Tokyo Stock Exchange
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 Scheduled date of filing quarterly securities report: January 15, 2019
 Scheduled date of commencing dividend payments: —
 Availability of supplementary briefing material on quarterly financial results: None
 Schedule of quarterly financial results briefing session: None

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

1. Consolidated Financial Results for the Three Months Ended November 30, 2018 (September 1, 2018 to November 30, 2018)

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

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Three months ended November 30, 2018	197,099	4.5	2,861	(5.1)	3,323	(2.6)	1,950	(2.4)
November 30, 2017	188,535	5.2	3,015	23.2	3,411	20.3	1,997	31.3

(Note) Comprehensive income: Three Months Ended November 30, 2018: ¥ 1,580 million [(60.3%)]
 Three Months Ended November 30, 2017: ¥ 3,981 million [30.6%]

	Net income per share	Diluted net income per share
	Yen	Yen
Three months ended November 30, 2018	10.93	10.93
November 30, 2017	10.98	10.65

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of November 30, 2018	401,287	154,571	32.1
As of August 31, 2018	365,598	155,765	35.5

(Reference) Equity: As of November 30, 2018: ¥ 128,646 million
 As of August 31, 2018: ¥ 129,939 million

(Note) Partial Amendments to “Accounting Standard for Deferred Tax Accounting” (Corporate Accounting Standards No. 28, February 16, 2018) will apply from the beginning of the first quarter of the current consolidated fiscal year, and will apply retroactively to the figures for the total assets and the capital adequacy ratio relating to the period ending August 2018.

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, 2018	-	5.00	-	15.00	20.00
Fiscal year ending August 31, 2019	-				
Fiscal year ending August 31, 2019 (Forecast)		10.00	-	10.00	20.00

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

3. Consolidated Financial Results Forecast for the Fiscal Year Ending August 31, 2019 (September 1, 2018 to August 31, 2019)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Interim	428,000	3.1	12,300	(7.8)	12,800	(11.1)	7,600	(12.7)	42.59
Full year	890,000	5.4	28,800	6.4	30,600	4.6	17,800	4.0	99.76

(Note) Revision to the financial results forecast announced most recently: No

* 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):

November 30, 2018: 188,146,304 shares

August 31, 2018: 188,146,304 shares

2) Total number of treasury shares at the end of the period:

November 30, 2018: 9,713,800 shares

August 31, 2018: 9,717,800 shares

3) Average number of shares during the period:

Three months ended November 30, 2018: 178,428,679 shares

Three months ended November 30, 2017: 181,895,607 shares

* These quarterly financial results are outside the scope of quarterly review procedures under the Financial Instruments and Exchange Act.

* 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.

(Change to the date format)

Starting with “Earnings briefing for the first quarter ending August 2019,” the date format will change from the Japanese calendar to the Western calendar.

Consolidated Financial Statements

(1) Consolidated balance sheets

(Millions of yen)

	As of August 31, 2018	As of November 30, 2018
Assets		
Current assets		
Cash and deposits	21,967	22,812
Accounts receivable - trade	32,968	38,389
Merchandise and finished goods	106,100	132,625
Raw materials and supplies	631	612
Program right	73	116
Other	14,064	15,838
Allowance for doubtful accounts	(307)	(283)
Total current assets	175,498	210,113
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	30,381	32,227
Land	47,041	47,001
Other, net	7,092	8,147
Total property, plant and equipment	84,515	87,375
Intangible assets	22,672	21,765
Investments and other assets		
Guarantee deposits	43,662	43,367
Other	39,731	39,154
Allowance for doubtful accounts	(483)	(488)
Total investments and other assets	82,911	82,032
Total non-current assets	190,099	191,173
Total assets	365,598	401,287

(Millions of yen)

As of August 31, 2018 As of November 30, 2018

Liabilities		
Current liabilities		
Accounts payable - trade	47,222	71,021
Short-term loans payable	49,644	66,533
Current portion of long-term loans payable	7,731	7,182
Income taxes payable	6,180	1,561
Provision for bonuses	3,524	5,181
Provision for point card certificates	12,124	11,875
Provision for loss on store closing	281	239
Asset retirement obligations	381	235
Other	29,470	28,013
Total current liabilities	156,561	191,843
Non-current liabilities		
Long-term loans payable	20,385	21,861
Provision for goods warranties	1,194	1,084
Provision for loss on store closing	1,077	960
Net defined benefit liability	14,619	14,850
Asset retirement obligations	8,972	9,005
Other	7,020	7,108
Total non-current liabilities	53,270	54,871
Total liabilities	209,832	246,715
Net assets		
Shareholders' equity		
Capital stock	25,929	25,929
Capital surplus	27,131	27,131
Retained earnings	87,112	86,386
Treasury shares	(13,821)	(13,815)
Total shareholders' equity	126,351	125,631
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	4,263	3,624
Remeasurements of defined benefit plans	(675)	(610)
Total accumulated other comprehensive income	3,587	3,014
Share acquisition rights	5	33
Non-controlling interests	25,821	25,891
Total net assets	155,765	154,571
Total liabilities and net assets	365,598	401,287

(2) Consolidated statements of income

(Millions of yen)

	From September 1, 2017 to November 30, 2017	From September 1, 2018 to November 30, 2018
Net sales	188,535	197,099
Cost of sales	135,881	142,736
Gross profit	52,653	54,363
Selling, general and administrative expenses	49,638	51,501
Operating income	3,015	2,861
Non-operating income		
Interest income	23	20
Dividend income	0	0
Commission fee	333	347
Other	162	217
Total non-operating income	518	585
Non-operating expenses		
Interest expenses	89	72
Commission fee	11	30
Other	21	21
Total non-operating expenses	122	124
Ordinary income	3,411	3,323
Extraordinary income		
Gain on sales of non-current assets	32	9
Total extraordinary income	32	9
Extraordinary losses		
Loss on retirement of non-current assets	30	92
Provision for loss on store closing	51	38
Other	10	1
Total extraordinary losses	91	131
Profit before income taxes	3,352	3,200
Income taxes - current	1,384	1,166
Income taxes - deferred	(71)	(138)
Total income taxes	1,312	1,028
Profit	2,040	2,172
Profit attributable to non-controlling interests	42	222
Profit attributable to owners of parent	1,997	1,950

(3) Consolidated Comprehensive income

(Millions of yen)

	From September 1, 2017 to November 30, 2017	From September 1, 2018 to November 30, 2018
Profit	2,040	2,172
Other comprehensive income		
Valuation difference on available-for-sale securities	1,945	(650)
Remeasurements of defined benefit plans, net of tax	(3)	59
Total other comprehensive income	1,941	(591)
Comprehensive income	3,981	1,580
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	3,928	1,376
Comprehensive income attributable to non-controlling interests	52	203

(4) Sales by product line

Item		From September 1, 2018 to November 30, 2018		
		Sales (Millions of yen)	Composition ratio (%)	Previous year comparison (%)
Audio visual products	Cameras	9,080	4.6	(6.9)
	TVs	8,414	4.3	4.9
	BD/DVD recorders, Video cameras	3,656	1.9	1.2
	Audios	3,446	1.7	(8.2)
	Others	7,080	3.6	15.7
	Subtotal	31,678	16.1	1.3
Home appliances	Refrigerators	8,532	4.3	3.3
	Washing machines	7,690	3.9	4.9
	Kitchen appliances	8,574	4.3	2.8
	Seasonal home electronics	10,203	5.2	14.4
	Personal care electronics	10,775	5.5	2.4
	Others	12,628	6.4	7.3
	Subtotal	58,404	29.6	5.9
Information communications equipment products	PCs	14,800	7.5	12.2
	PC peripherals	6,041	3.1	7.1
	Cellular phones	30,914	15.7	7.2
	Others	13,802	7.0	2.2
	Subtotal	65,559	33.3	7.2
Other products	Video games	6,569	3.3	(13.9)
	Watches	5,514	2.8	4.2
	Used PCs	1,786	0.9	(16.0)
	Sporting goods	2,558	1.3	19.0
	Toys	2,976	1.5	5.1
	Glasses and Contact lenses	1,612	0.8	15.6
	Liquors and Soft drinks	1,759	0.9	12.7
	Medicines and Daily goods	5,036	2.6	18.8
	Others	10,226	5.2	(0.6)
Subtotal	38,039	19.3	1.4	
Retail goods sales		193,681	98.3	4.6
Other business		3,417	1.7	(0.8)
Total		197,099	100.0	4.5

Note: 1. Above amount does not include consumption taxes.

2. AV software, which was classified and listed in Audio visual products in the previous consolidated fiscal year, will be included and indicated in Other in the Audio visual products from the first quarter of the current consolidated fiscal year.

3. PC softwares, which was classified and listed in Information communications equipment products in the previous consolidated fiscal year, will be included and indicated in Other in the Information communications equipment products from the first quarter of the current consolidated fiscal year.