

Consolidated Financial Results for the Six Months Ended February 28, 2021 [Japanese GAAP]



April 12, 2021

Company name: BIC CAMERA INC. Stock exchange listing: Tokyo Stock Exchange
 Code number: 3048 URL: <https://www.biccamera.co.jp/ir/>
 Representative: Kazuyoshi Kimura, Representative Director and President
 Contact: Toru Abe, Senior Managing Director, Business Management Headquarters
 Telephone: +81-3-3987-8785
 Scheduled date of filing quarterly securities report: April 13, 2021
 Scheduled date of commencing dividend payments: May 20, 2021
 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 28, 2021 (September 1, 2020 to February 28, 2021)

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

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
Six months ended	Million yen	%	Million yen	%	Million yen	%	Million yen	%
February 28, 2021	421,211	(3.5)	10,252	33.8	12,117	33.2	5,682	17.0
February 29, 2020	436,588	(1.2)	7,665	(39.4)	9,096	(34.7)	4,854	(41.6)

(Note) Comprehensive income: Six Months Ended February 28, 2021: ¥ 8,202 million [38.0%]
 Six Months Ended February 29, 2020: ¥ 5,942 million [(35.4%)]

	Net income per share	Diluted net income per share
Six months ended	Yen	Yen
February 28, 2021	32.30	32.27
February 29, 2020	27.59	27.59

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of February 28, 2021	465,496	176,912	30.6
As of August 31, 2020	472,074	169,791	29.0

(Reference) Equity: As of February 28, 2021: ¥ 142,628 million
 As of August 31, 2020: ¥ 137,078 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, 2020	-	10.00	-	3.00	13.00
Fiscal year ending August 31, 2021	-	5.00			
Fiscal year ending August 31, 2021 (Forecast)			-	10.00	15.00

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

3. Consolidated Financial Results Forecast for the Fiscal Year Ending August 31, 2021 (September 1, 2020 to August 31, 2021)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	Net income per share
Full year	Million yen	%	Million yen	%	Million yen	%	Million yen	Yen
	866,000	2.1	17,700	46.7	20,500	39.5	10,200	57.98

(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.: No
 - 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 28, 2021: 188,146,304 shares
 - August 31, 2020: 188,146,304 shares
 - 2) Total number of treasury shares at the end of the period:
 - February 28, 2021: 12,207,800 shares
 - August 31, 2020: 12,211,800 shares
 - 3) Average number of shares during the period:
 - Six months ended February 28, 2021: 175,936,647 shares
 - Six months ended February 29, 2020: 175,933,602 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.

(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 Friday, April 16, 2021.

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, 2020	As of February 28, 2021
Assets		
Current assets		
Cash and deposits	117,211	102,561
Accounts receivable - trade	40,986	41,895
Merchandise and finished goods	100,925	106,716
Raw materials and supplies	649	589
Program right	123	181
Other	14,188	13,751
Allowance for doubtful accounts	(274)	(251)
Total current assets	273,809	265,444
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	29,314	29,099
Land	46,983	46,984
Other, net	14,076	12,988
Total property, plant and equipment	90,374	89,072
Intangible assets		
Goodwill	3,240	6,639
Other	22,139	23,834
Total intangible assets	25,379	30,473
Investments and other assets		
Guarantee deposits	41,731	41,782
Other	41,156	39,086
Allowance for doubtful accounts	(376)	(363)
Total investments and other assets	82,510	80,506
Total non-current assets	198,265	200,052
Total assets	472,074	465,496

(Millions of yen)

	As of August 31, 2020	As of February 28, 2021
Liabilities		
Current liabilities		
Accounts payable - trade	58,301	40,544
Short-term borrowings	32,176	58,350
Current portion of bonds payable	200	200
Current portion of long-term borrowings	21,477	24,502
Income taxes payable	3,143	3,673
Provision for bonuses	3,241	3,336
Provision for point card certificates	13,159	12,956
Provision for loss on store closings	278	253
Asset retirement obligations	341	237
Other	41,636	34,085
Total current liabilities	173,957	178,140
Non-current liabilities		
Bonds payable	800	700
Long-term borrowings	93,959	75,851
Provision for goods warranties	592	498
Provision for loss on store closing	467	453
Retirement benefit liability	17,201	17,796
Asset retirement obligations	9,285	9,448
Other	6,019	5,694
Total non-current liabilities	128,326	110,443
Total liabilities	302,283	288,584
Net assets		
Shareholders' equity		
Share capital	25,929	25,929
Capital surplus	27,140	27,142
Retained earnings	98,630	103,790
Treasury shares	(16,734)	(16,729)
Total shareholders' equity	134,965	140,133
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	2,616	2,818
Remeasurements of defined benefit plans	(503)	(324)
Total accumulated other comprehensive income	2,112	2,494
Share acquisition rights	88	124
Non-controlling interests	32,624	34,159
Total net assets	169,791	176,912
Total liabilities and net assets	472,074	465,496

(2) Consolidated statements of income

(Millions of yen)

	From September 1, 2019 to February 29, 2020	From September 1, 2020 to February 28, 2021
Net sales	436,588	421,211
Cost of sales	318,050	302,547
Gross profit	118,537	118,664
Selling, general and administrative expenses	110,871	108,411
Operating income	7,665	10,252
Non-operating income		
Interest income	32	23
Dividend income	108	76
Share of profit of entities accounted for using equity method	—	171
Commission income	733	701
Sponsorship money income	302	472
Other	459	753
Total non-operating income	1,637	2,198
Non-operating expenses		
Interest expenses	133	165
Rental costs	24	115
Other	48	54
Total non-operating expenses	206	334
Ordinary income	9,096	12,117
Extraordinary income		
Gain on sales of non-current assets	1	1
Total extraordinary income	1	1
Extraordinary losses		
Loss on sales of non-current assets	0	—
Loss on retirement of non-current assets	52	79
Loss on sales of investment securities	11	15
Provision for loss on store closings	85	81
Other	0	12
Total extraordinary losses	150	187
Profit before income taxes	8,947	11,931
Income taxes - current	2,765	2,985
Income taxes - deferred	445	1,107
Total income taxes	3,211	4,092
Profit	5,736	7,838
Profit attributable to non-controlling interests	881	2,156
Profit attributable to owners of parent	4,854	5,682

(3) Consolidated statements of Comprehensive income

(Millions of yen)

	From September 1, 2019 to February 29, 2020	From September 1, 2020 to February 28, 2021
Profit	5,736	7,838
Other comprehensive income		
Valuation difference on available-for-sale securities	33	202
Remeasurements of defined benefit plans, net of tax	172	161
Total other comprehensive income	206	364
Comprehensive income	5,942	8,202
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	5,075	6,063
Comprehensive income attributable to non-controlling interests	867	2,138

(4) Quarterly consolidated statement of comprehensive income

(Millions of yen)

	From September 1, 2019 to February 29, 2020	From September 1, 2020 to February 28, 2021
Cash flows from operating activities		
Profit before income taxes	8,947	11,931
Depreciation	4,094	4,987
Amortization of goodwill	180	250
Increase (decrease) in allowance for doubtful accounts	61	(36)
Increase (decrease) in provision for bonuses	(275)	46
Increase (decrease) in provision for point card certificates	(132)	(203)
Increase(decrease) in provision for goods warranties	(110)	(93)
Increase (decrease) in retirement benefit liability	794	838
Increase (decrease) in provision for loss on store closings	15	(38)
Interest and dividend income	(141)	(99)
Interest expenses	133	165
Share of loss (profit) of entities accounted for using equity method	—	(171)
Loss (gain) on sales of non-current assets	(1)	(1)
Loss on retirement of non-current assets	52	79
Loss (gain) on sales of investment securities	11	15
Decrease (increase) in trade receivables	(876)	179
Decrease (increase) in inventories	2,882	(5,299)
Increase (decrease) in trade payables	(13,935)	(18,422)
Other, net	(2,101)	(7,796)
Subtotal	(400)	(13,671)
Interest and dividends received	112	78
Interest paid	(133)	(168)
Income taxes paid	(2,656)	(1,347)
Subsidies received	97	—
Net cash provided by (used in) operating activities	(2,979)	(15,108)
Cash flows from investing activities		
Purchase of property, plant and equipment	(4,925)	(2,170)
Proceeds from sales of property, plant and equipment	1	3
Purchase of intangible assets	(1,989)	(3,269)
Purchase of investment securities	(100)	—
Proceeds from sales of investment securities	80	10
Payments of guarantee deposits	(1,003)	(228)
Proceeds from refund of guarantee deposits	568	271
Purchase of shares of subsidiaries resulting in change in scope of consolidation	—	(2,819)
Other, net	(182)	271
Net cash provided by (used in) investing activities	(7,550)	(7,931)

(Millions of yen)

	From September 1, 2019 to February 29, 2020	From September 1, 2020 to February 28, 2021
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	16,631	26,174
Proceeds from long-term borrowings	1,800	4,000
Repayments of long-term borrowings	(4,763)	(20,936)
Redemption of bonds	—	(100)
Dividends paid	(1,756)	(530)
Dividends paid to non-controlling interests	(525)	(603)
Repayments of lease obligations	(482)	(353)
Other, net	(0)	(0)
Net cash provided by (used in) financing activities	10,903	7,649
Effect of exchange rate change on cash and cash equivalents	0	0
Net increase (decrease) in cash and cash equivalents	373	(15,390)
Cash and cash equivalents at beginning of period	25,791	117,211
Increase in cash and cash equivalents resulting from inclusion of subsidiaries in consolidation	—	625
Cash and cash equivalents at end of period	26,165	102,446

Sales by product line

Item			From September 1, 2020 to February 28, 2021		
			Sales (Millions of yen)	Composition ratio (%)	Previous year comparison (%)
	Audio visual products	Cameras	11,578	2.8	(28.1)
		TVs	25,359	6.0	11.4
		BD/DVD recorders, Video cameras	7,514	1.8	(9.7)
		Audios	6,450	1.5	(14.1)
		Others	15,082	3.6	(11.7)
		Subtotal	65,985	15.7	(8.1)
	Home appliances	Refrigerators	19,966	4.7	4.4
		Washing machines	19,944	4.7	7.6
		Kitchen appliances	17,884	4.2	(6.1)
		Seasonal home electronics	33,123	7.9	33.5
		Personal care electronics	18,497	4.4	(11.8)
		Others	26,791	6.4	(7.6)
		Subtotal	136,207	32.3	3.6
	Information communications equipment products	PCs	39,817	9.4	(3.3)
		PC peripherals	15,854	3.8	10.1
		Cellular phones	54,349	12.9	1.5
		Others	28,258	6.7	(3.9)
		Subtotal	138,280	32.8	(0.2)
	Other products	Video games	25,103	6.0	17.9
		Watches	5,808	1.4	(45.2)
		Used PCs	5,019	1.2	0.8
		Sporting goods	4,451	1.1	(17.5)
		Toys	6,185	1.5	(16.9)
		Glasses and Contact lenses	2,196	0.5	(30.2)
		Liquors and Soft drinks	3,119	0.7	(23.6)
		Medicines and Daily goods	4,444	1.0	(52.9)
		Others	18,114	4.3	(18.4)
		Subtotal	74,442	17.7	(15.9)
	Retail goods sales		414,915	98.5	(3.6)
	BS digital broadcasting business		5,419	1.3	1.4
	Other business		876	0.2	0.9
	Total		421,211	100.0	(3.5)

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