

# Summary of Reference data

## Fiscal Year August 2015 1H

(September 1, 2015 to February 29, 2016)



**BIC CAMERA** (Tokyo Stock Exchange, 1st Section : 3048)

**1. First Half of FY2015**

**2. Earnings Forecast for FY2015**

**3. Kojima 〈Subsidiary〉**

**4. Medium-term management plan**

**Reference**

# 〈Consolidated〉 Result Highlights

| JPY Million ; %                                   | FY2014 2Q('14/9-'15/2) |              | FY2015 2Q('15/9-'16/2) |              |              |                |
|---|------------------------|--------------|------------------------|--------------|--------------|----------------|
|   | Results                | Sales ratio  | Results                | Sales Ratio  | YoY          | Forecast       |
| <b>Net sales</b>                                  | <b>393,487</b>         | <b>100.0</b> | <b>394,481</b>         | <b>100.0</b> | <b>100.3</b> | <b>407,000</b> |
| Gross profit                                      | 102,138                | 26.0         | 105,534                | 26.8         | 103.3        |                |
| SG&A expenses                                     | 93,816                 | 23.8         | 93,820                 | 23.8         | 100.0        |                |
| Personnel expenses                                | 29,874                 | 7.6          | 30,164                 | 7.6          | 101.0        |                |
| Points expenses                                   | 13,155                 | 3.3          | 12,638                 | 3.2          | 96.1         |                |
| Other   | 50,786                 | 12.9         | 51,016                 | 12.9         | 100.5        |                |
| <b>Operating income</b>                           | <b>8,322</b>           | <b>2.1</b>   | <b>11,714</b>          | <b>3.0</b>   | <b>140.8</b> | <b>9,100</b>   |
| Non-operating income                              | 1,310                  | 0.3          | 1,028                  | 0.3          | 78.5         |                |
| Non-operating expenses                            | 1,248                  | 0.3          | 681                    | 0.2          | 54.6         |                |
| <b>Ordinary income</b>                            | <b>8,385</b>           | <b>2.1</b>   | <b>12,061</b>          | <b>3.1</b>   | <b>143.8</b> | <b>9,300</b>   |
| Extraordinary income                              | 569                    | 0.1          | 193                    | 0.0          | 33.9         |                |
| Extraordinary losses                              | 211                    | 0.1          | 120                    | 0.0          | 57.0         |                |
| Income before income taxes and minority interests | 8,744                  | 2.2          | 12,134                 | 3.1          | 138.8        |                |
| <b>Profit attributable to owners of parent</b>    | <b>4,871</b>           | <b>1.2</b>   | <b>7,319</b>           | <b>1.9</b>   | <b>150.3</b> | <b>5,100</b>   |

# 〈Non-Consolidated〉 Results Highlights

| JPY Million ; %                                   | FY2014 2Q('14/9-'15/2) |              | FY2015 2Q('15/9-'16/2) |              |              |                |
|---|------------------------|--------------|------------------------|--------------|--------------|----------------|
|   | Results                | Sales ratio  | Results                | Sales Ratio  | YoY          | Forecast       |
| <b>Net sales</b>                                  | <b>221,120</b>         | <b>100.0</b> | <b>216,228</b>         | <b>100.0</b> | <b>97.8</b>  | <b>230,000</b> |
| Gross profit                                      | 57,013                 | 25.8         | 57,909                 | 26.8         | 101.6        |                |
| SG&A expenses                                     | 50,935                 | 23.0         | 50,037                 | 23.1         | 98.2         |                |
| Personnel expenses                                | 13,598                 | 6.1          | 14,237                 | 6.6          | 104.7        |                |
| Points expenses                                   | 10,885                 | 4.9          | 9,308                  | 4.3          | 85.5         |                |
| Other   | 26,451                 | 12.0         | 26,490                 | 12.3         | 100.1        |                |
| <b>Operating income</b>                           | <b>6,078</b>           | <b>2.7</b>   | <b>7,872</b>           | <b>3.6</b>   | <b>129.5</b> | <b>6,500</b>   |
| Non-operating income                              | 1,213                  | 0.5          | 1,132                  | 0.5          | 93.3         |                |
| Non-operating expenses                            | 335                    | 0.2          | 312                    | 0.1          | 93.2         |                |
| <b>Ordinary income</b>                            | <b>6,956</b>           | <b>3.1</b>   | <b>8,692</b>           | <b>4.0</b>   | <b>125.0</b> | <b>7,200</b>   |
| Extraordinary income                              | 305                    | 0.1          | 0                      | 0.0          | 0.0          |                |
| Extraordinary losses                              | 11                     | 0.0          | 15                     | 0.0          | 139.3        |                |
| Income before income taxes and minority interests | 7,250                  | 3.3          | 8,676                  | 4.0          | 119.7        |                |
| <b>Net income</b>                                 | <b>4,560</b>           | <b>2.1</b>   | <b>5,671</b>           | <b>2.6</b>   | <b>124.4</b> | <b>4,300</b>   |

# 〈Consolidated〉 Net sales

**Net Sales 394.4bln yen**

**YoY +0.9bln yen  
vs forecast (12.5)bln yen**

**Bic Camera  
216.2bln yen**

YoY(4.8)bln yen

- ◆ All stores (Existing stores) YoY 97.8%
- ◆ E-commerce YoY 99.1%
- ◆ Tax-free sales YoY 165.8%

**Kojima〈subsidiary〉  
111.4bln yen**

YoY + 1.0bln yen

- ◆ All stores YoY 101.0%
  - as of Feb. 2016 142 stores  
(Include K&B 97stores)
  - as of Aug. 2015 144 stores
- ◆ Existing stores YoY 100.9%
- ◆ E-commerce YoY 138.8%

**Other  
subsidiaries  
66.8bln yen**

YoY+4.8bln yen

- ◆ Ranet 54.0bln yen (YoY 95.9%, (2.2)bln yen)
- ◆ Sofmap 31.4bln yen (YoY 90.4%, (3.3)bln yen)
- ◆ Nippon BS Broadcasting 4.8bln yen (YoY 112.5%, +0.5bln yen)

# 〈Consolidated〉 Operating income

**Operating income 11.7bln yen**

**YoY +3.3bln yen  
vs forecast +2.6bln yen**

**Bic Camera  
7.8bln yen**  
YoY + 1.7bln yen

- ◆ Gross profit (YoY +0.8bln yen)  
Gross profit ratio 26.8% (YoY +1.0P)
- ◆ SG&A expenses (YoY (0.8)bln yen)  
SG&A expenses ratio 23.1% (YoY +0.1P)

**Kojima** 〈subsidiary〉  
(conslidated basis)  
**0.5bln yen**  
YoY + 0.2bln yen

Kojima  
0.15 bln yen  
YoY +0.35 bln yen

- ◆ Gross profit (YoY + 0.15bln yen)  
Gross profit ratio 26.4% (YoY(0.1)P)
- ◆ SG&A expenses (YoY  $\Delta$ 0.2bln yen)  
SG&A expenses ratio 26.3% (YoY(0.5)P)

Valuation difference on consolidated 0.3bln yen (YoY (0.1)bln yen)

**Other  
subsidiaries  
3.3bln yen**  
YoY + 1.3bln yen

- ◆ Ranet 1.3bln yen (YoY +0.7bln yen)
- ◆ Sofmap 0.0bln yen (YoY +0.4bln yen)
- ◆ Nippon BS Broadcasting 1.1bln yen (YoY +0.0bln yen)

# 〈Consolidated〉 Ordinary income / Net income

**Ordinary income 12.0bln yen**

YoY +3.6bln yen  
vs forecast +2.7bln yen

Non-operating income  
and expenses  
YoY +0.2bln yen

◆ Appropriate the timing of the Commission fee is shifted

**Profit attributable to owners of parent 7.3bln yen**

YoY +2.4bln yen  
vs forecast +2.2bln yen

|   |   | FY2014     | FY2015   |
|---|---|------------|--|
| Extraordinary<br>income and losses<br>YoY (0.2)bln yen                  | ◆ Extraordinary income and losses   | 0.3bln yen | → 0.0bln yen   |
| Total income taxes<br>YoY +0.5bln yen                                   | ◆ Total income taxes<br>• income taxes-current<br>• income taxes-deferred | 3.8bln yen | → 4.4bln yen<br>2.9bln yen → 4.1bln yen<br>0.8bln yen → 0.2bln yen |
| Profit attributable to non-<br>controlling interests<br>YoY +0.3bln yen | ◆ Profit attributable to non-<br>controlling interests                    | 0.0bln yen | → 0.3bln yen   |

# 〈Consolidated〉 Balance Sheet

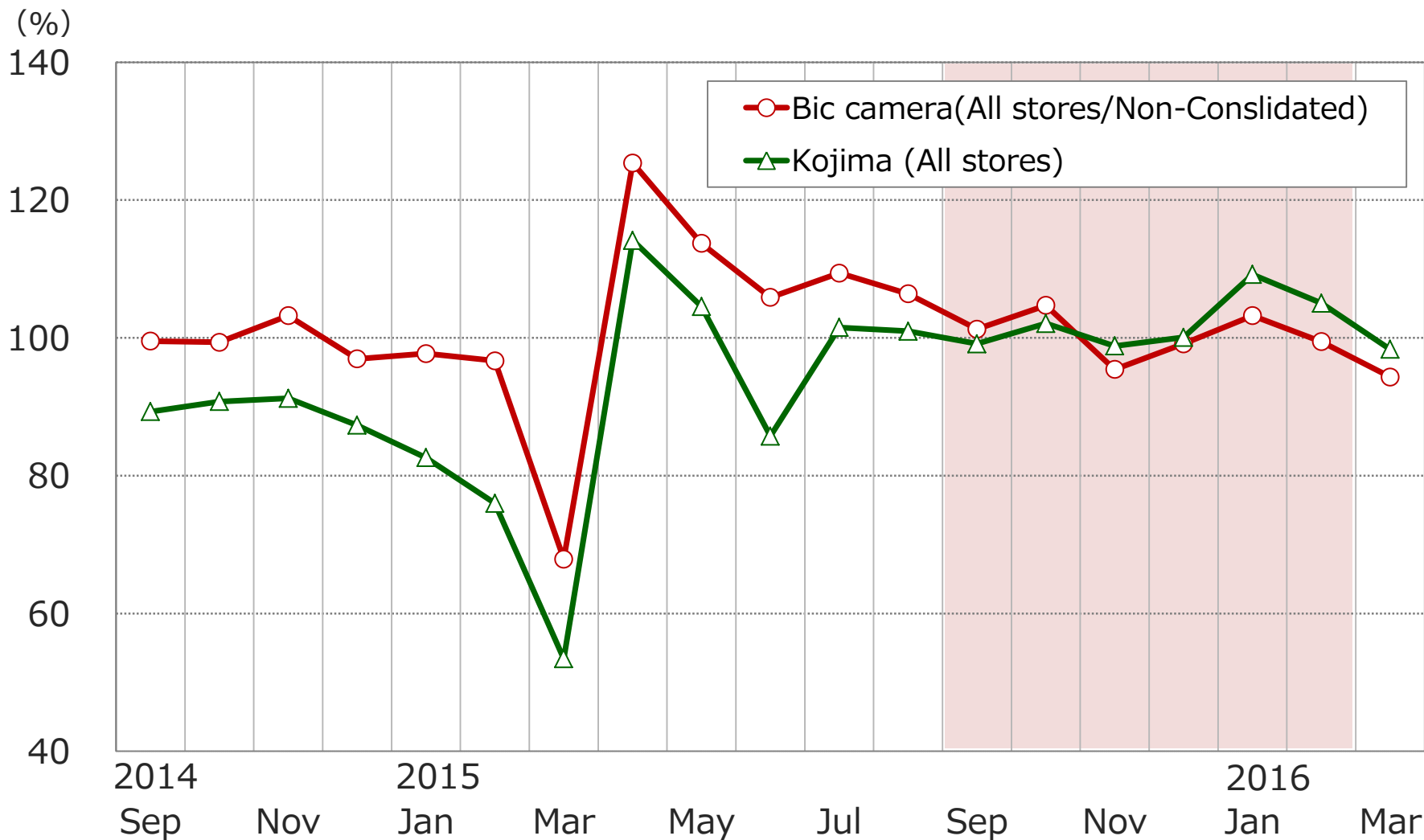
| JPY million                             | As of<br>Feb 29, 2015 | As of<br>Feb 28, 2016 | Amount of<br>increase | As of<br>Aug 31, 2015 |
|---|-----------------------|-----------------------|-----------------------|-----------------------|
| Total current assets                    | 167,524               | 167,501               | (22)                  | 153,362               |
| Cash and deposits                       | 23,759                | 19,367                | (4,392)               | 22,410                |
| Accounts receivable - trade             | 28,801                | 31,627                | +2,825                | 29,663                |
| Merchandise and finished goods          | 94,116                | 96,289                | +2,172                | 81,677                |
| Total property, plant and equipment     | 77,135                | 76,509                | (625)                 | 76,611                |
| Total Intangible assets                 | 24,843                | 23,971                | (871)                 | 24,045                |
| Total investments and other assets      | 82,229                | 74,846                | (7,383)               | 75,560                |
| Total non-current assets                | 184,207               | 175,327               | (8,880)               | 176,217               |
| <b>Total assets</b>                     | <b>351,731</b>        | <b>342,828</b>        | <b>(8,903)</b>        | <b>329,580</b>        |
| Total current liabilities               | 145,415               | 154,136               | +8,721                | 145,562               |
| Account payable-trade                   | 43,810                | 44,050                | +240                  | 44,038                |
| Interest bearing debt                   | 57,941                | 66,139                | +8,197                | 56,769                |
| Provision for point card certificates   | 11,027                | 11,288                | +260                  | 11,563                |
| Total non-current liabilities           | 93,354                | 61,482                | (31,872)              | 63,171                |
| Interest bearing debt                   | 63,343                | 32,222                | (31,121)              | 33,199                |
| <b>Total liabilities</b>                | <b>238,770</b>        | <b>215,618</b>        | <b>(23,151)</b>       | <b>208,733</b>        |
| <b>Total net assets</b>                 | <b>112,961</b>        | <b>127,209</b>        | <b>+14,248</b>        | <b>120,846</b>        |
| <b>Total liabilities and net assets</b> | <b>351,731</b>        | <b>342,828</b>        | <b>(8,903)</b>        | <b>329,580</b>        |



# <Consolidated> Sales by Product line

| JPY Million, %                                       | FY2014 2Q      |              | FY 2015 2Q('15/9-'16/2) |                |                |              |              |
|--|----------------|--------------|-------------------------|----------------|----------------|--------------|--------------|
|  | Results        | Sales Ratio  | Results                 | Bic Camera     | Kojima         | Sales Ratio  | YoY          |
| <b>Audio visual products</b>                         | <b>72,391</b>  | <b>18.4</b>  | <b>65,485</b>           | <b>40,912</b>  | <b>20,468</b>  | <b>16.6</b>  | <b>90.5</b>  |
| Cameras  | 23,965         | 6.1          | 19,533                  | 15,004         | 3,721          | 5.0          | 81.5         |
| TVs  | 17,371         | 4.4          | 17,239                  | 8,142          | 8,894          | 4.4          | 99.2         |
| BD/DVD recorders, Video cameras                      | 9,664          | 2.5          | 8,122                   | 4,465          | 3,440          | 2.1          | 84.0         |
| Audios   | 9,228          | 2.3          | 8,834                   | 6,136          | 2,241          | 2.2          | 95.7         |
| <b>Home appliances</b>                               | <b>106,196</b> | <b>27.0</b>  | <b>113,507</b>          | <b>60,109</b>  | <b>51,223</b>  | <b>28.8</b>  | <b>106.9</b> |
| Refrigerators  | 14,141         | 3.6          | 14,803                  | 6,820          | 7,907          | 3.8          | 104.7        |
| Washing machines                                     | 12,532         | 3.2          | 13,928                  | 6,404          | 7,444          | 3.5          | 111.1        |
| Kitchen appliances                                   | 16,947         | 4.2          | 17,909                  | 9,982          | 7,460          | 4.5          | 105.7        |
| Seasonal home electronics                            | 19,932         | 5.1          | 18,613                  | 8,159          | 10,329         | 4.7          | 93.4         |
| Personal care electronics                            | 17,187         | 4.4          | 21,990                  | 15,035         | 6,139          | 5.6          | 127.9        |
| <b>Information communications equipment Products</b> | <b>136,708</b> | <b>34.7</b>  | <b>133,077</b>          | <b>68,387</b>  | <b>29,716</b>  | <b>33.7</b>  | <b>97.3</b>  |
| PCs  | 33,557         | 8.5          | 29,468                  | 19,204         | 7,632          | 7.5          | 87.8         |
| PC peripherals                                       | 13,302         | 3.4          | 12,870                  | 6,782          | 3,365          | 3.2          | 96.7         |
| Cellular phones                                      | 59,094         | 15.0         | 59,872                  | 24,606         | 9,219          | 15.2         | 101.3        |
| <b>Other products</b>                                | <b>72,874</b>  | <b>18.5</b>  | <b>76,544</b>           | <b>46,820</b>  | <b>9,049</b>   | <b>19.4</b>  | <b>105.0</b> |
| Video Games  | 13,826         | 3.5          | 13,203                  | 8,196          | 2,157          | 3.3          | 95.5         |
| Watches  | 11,725         | 3.0          | 12,352                  | 11,942         | 213            | 3.1          | 105.3        |
| Medicine and Daily goods                             | 3,310          | 0.8          | 5,575                   | 4,973          | 399            | 1.4          | 168.4        |
| Retail goods sales                                   | 388,171        | 98.6         | 388,614                 | 216,228        | 110,457        | 98.5         | 100.1        |
| Other business                                       | 5,316          | 1.4          | 5,866                   | 0              | 983            | 1.5          | 110.4        |
| <b>Total</b>   | <b>393,487</b> | <b>100.0</b> | <b>394,481</b>          | <b>216,228</b> | <b>111,441</b> | <b>100.0</b> | <b>100.3</b> |

# Monthly Net Sales [POS system]



# 〈Consolidated〉 New Stores

## Bic Camera Abeno Q's MALL store



Open May 19, 2016  
 Floor space About 2,500m<sup>2</sup>  
 Location Abeno-ku, Osaka

## Opening schedule

|             |            |  |
|-------------|------------|--|
| 2015<br>Sep | Kojima     | Kojima×Bic Camera<br>KohokuTokyu S.C.store   |
|             | Outlet     | Outlet Machida store                         |
| Oct         | Kojima     | Kojima×Bic Camera<br>Utsunomiya main store   |
| 2016<br>Mar | Kojima     | Kojima×Bic Camera<br>Hachioji Takakura store |
| May         | Bic Camera | Abeno Q's MALL store                         |
| Aug~<br>Sep | Bic Camera | Hiroshima store<br>(tentative name)          |

## **Air BIC CAMERA** (Joint venture with Japan Airport Terminal)

Store name Air BICCAMERA Haneda Airport international terminal store  
 Open April 27, 2016  
 Location Haneda Airport International Passenger Terminal  
 Management Air BIC Inc. (Investment ratio 49%)

**1. First Half of FY2015**

**2. Earnings Forecast for FY2015**

**3. Kojima 〈Subsidiary〉**

**4. Medium-term management plan**

**Reference**

# 〈Consolidated〉 Earnings Forecast for FY2015

| JPY million ; % |   | FY2014  |             | FY2015 forecast (Modified) |              |              | FY2015 forecast (previous) |             |
|-----------------|---|---------|-------------|----------------------------|--------------|--------------|----------------------------|-------------|
|                 |   | Result  | Sales ratio | Amount                     | Sales ratio  | YoY          | Amount                     | Sales ratio |
| Total           | Net sales                               | 795,368 | 100.0       | <b>800,000</b>             | <b>100.0</b> | <b>100.6</b> | 820,000                    | 100.0       |
|                 | Operating income                        | 18,800  | 2.4         | <b>22,000</b>              | <b>2.8</b>   | <b>117.0</b> | 21,200                     | 2.6         |
|                 | Ordinary income                         | 20,401  | 2.6         | <b>22,500</b>              | <b>2.8</b>   | <b>110.3</b> | 21,300                     | 2.6         |
|                 | Profit attributable to owners of parent | 6,804   | 0.9         | <b>13,000</b>              | <b>1.6</b>   | <b>191.1</b> | 11,800                     | 1.4         |
|                 | Gross profit                            |         | 26.4        |                            | <b>26.8</b>  |              |                            | 26.4        |
|                 | SG&A expenses                           |         | 24.0        |                            | <b>24.0</b>  |              |                            | 23.8        |
|                 | Points expenses                         |         | 3.3         |                            | <b>3.3</b>   |              |                            | 3.4         |
| 2H              | Net sales                               | 401,881 | 100.0       | <b>405,519</b>             | 100.0        | 100.9        | 413,000                    | 100.0       |
|                 | Operating income                        | 10,477  | 2.6         | <b>10,286</b>              | 2.5          | 98.2         | 12,100                     | 2.9         |
|                 | Ordinary income                         | 12,015  | 3.0         | <b>10,439</b>              | 2.6          | 86.9         | 12,000                     | 2.9         |
|                 | Profit attributable to owners of parent | 1,932   | 0.5         | <b>5,681</b>               | 1.4          | 294.0        | 6,700                      | 1.6         |
|                 | Gross profit                            |         | 26.8        |                            | 26.8         |              |                            | 26.7        |
|                 | SG&A expenses                           |         | 24.1        |                            | 24.2         |              |                            | 23.8        |
|                 | Points expenses                         |         | 3.3         |                            | 3.3          |              |                            | 3.5         |

# <Non-Consolidated> Earnings Forecast for FY2015

| JPY million ; % |                  | FY2014  |             | FY2015 forecast (Modified) |              |              | FY2015 forecast (previous) |             |
|-----------------|------------------|---------|-------------|----------------------------|--------------|--------------|----------------------------|-------------|
|                 |                  | Result  | Sales ratio | Amount                     | Sales ratio  | YoY          | Amount                     | Sales ratio |
| Total           | Net sales        | 444,879 | 100.0       | <b>442,000</b>             | <b>100.0</b> | <b>99.4</b>  | 460,000                    | 100.0       |
|                 | Operating income | 13,216  | 3.0         | <b>14,500</b>              | <b>3.3</b>   | <b>109.7</b> | 14,000                     | 3.0         |
|                 | Ordinary income  | 14,807  | 3.3         | <b>16,000</b>              | <b>3.6</b>   | <b>108.1</b> | 15,500                     | 3.4         |
|                 | Net income       | 8,112   | 1.8         | <b>10,000</b>              | <b>2.3</b>   | <b>123.3</b> | 9,300                      | 2.0         |
|                 | Gross profit     |         | 26.2        |                            | <b>26.9</b>  |              |                            | 26.3        |
|                 | SG&A expenses    |         | 23.3        |                            | <b>23.7</b>  |              |                            | 23.3        |
|                 | Points expenses  |         | 4.7         |                            | <b>4.7</b>   |              |                            | 4.8         |
| 2H              | Net sales        | 223,759 | 100.0       | 225,772                    | 100.0        | 100.9        | 230,000                    | 100.0       |
|                 | Operating income | 7,138   | 3.2         | 6,628                      | 2.9          | 92.9         | 7,500                      | 3.3         |
|                 | Ordinary income  | 7,851   | 3.5         | 7,308                      | 3.2          | 93.1         | 8,300                      | 3.6         |
|                 | Net income       | 3,551   | 1.6         | 4,329                      | 1.9          | 121.9        | 5,000                      | 2.2         |
|                 | Gross profit     |         | 26.7        |                            | 27.1         |              |                            | 26.7        |
|                 | SG&A expenses    |         | 23.5        |                            | 24.1         |              |                            | 23.4        |
|                 | Points expenses  |         | 4.4         |                            | 4.7          |              |                            | 4.8         |

**1. First Half of FY2015**

**2. Earnings Forecast for FY2015**

**3. Kojima 〈Subsidiary〉**

**4. Medium-term management plan**

**Reference**

# 〈Subsidiary〉 Results Highlights (Kojima)

| JPY Million ; %                                   | FY2014 2Q('14/9-'15/2) |              | FY2015 2Q('15/9-'16/2) |              |              |                |
|---|------------------------|--------------|------------------------|--------------|--------------|----------------|
|   | Results                | Sales ratio  | Results                | Sales Ratio  | YoY          | Forecast       |
| <b>Net sales</b>                                  | <b>110,379</b>         | <b>100.0</b> | <b>111,441</b>         | <b>100.0</b> | <b>101.0</b> | <b>110,900</b> |
| Gross profit                                      | 29,265                 | 26.5         | 29,420                 | 26.4         | 100.5        |                |
| SG&A expenses                                     | 29,467                 | 26.7         | 29,262                 | 26.3         | 99.3         |                |
| Personnel expenses                                | 9,094                  | 8.2          | 8,625                  | 7.7          | 94.8         |                |
| Other   | 20,373                 | 18.5         | 20,637                 | 18.5         | 101.3        |                |
| <b>Operating income</b>                           | <b>(202)</b>           | <b>(0.2)</b> | <b>157</b>             | <b>0.1</b>   | <b>—</b>     | <b>100</b>     |
| Non-operating income                              | 332                    | 0.3          | 142                    | 0.1          | 42.7         |                |
| Non-operating expenses                            | 894                    | 0.8          | 348                    | 0.3          | 38.9         |                |
| <b>Ordinary income</b>                            | <b>(764)</b>           | <b>(0.7)</b> | <b>(48)</b>            | <b>(0.0)</b> | <b>—</b>     | <b>(170)</b>   |
| Extraordinary income                              | 92                     | 0.1          | 119                    | 0.1          | 129.6        |                |
| Extraordinary losses                              | 119                    | 0.1          | 99                     | 0.1          | 83.0         |                |
| Income before income taxes and minority interests | (791)                  | (0.7)        | (27)                   | (0.0)        | —            |                |
| <b>Net income</b>                                 | <b>(926)</b>           | <b>(0.8)</b> | <b>(36)</b>            | <b>(0.1)</b> | <b>—</b>     | <b>(370)</b>   |

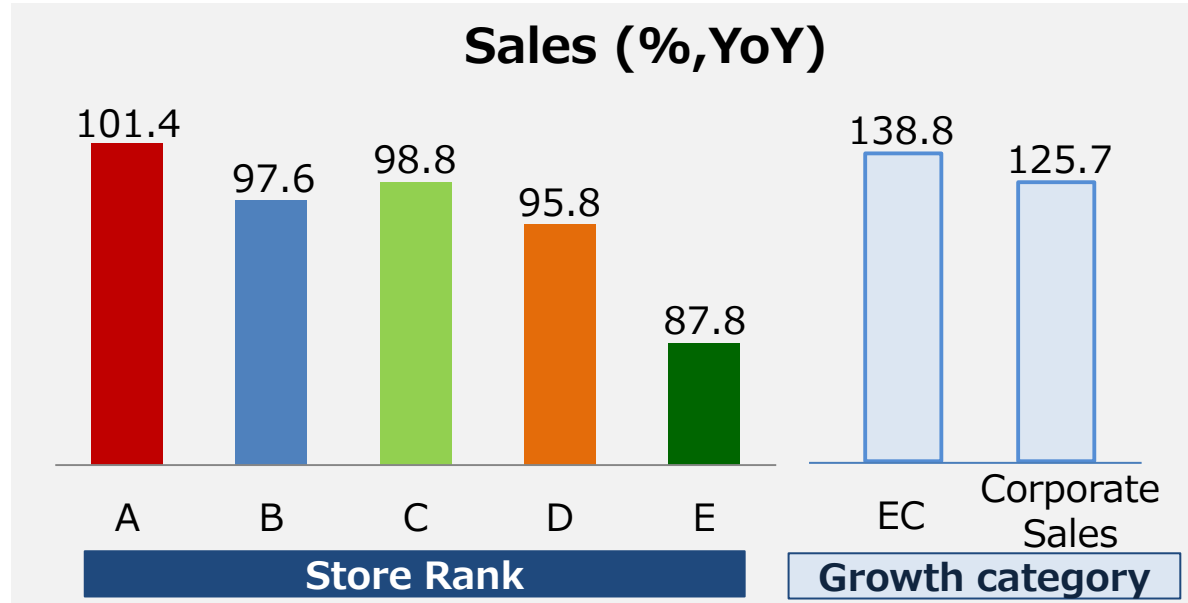


# Enhancement of competitiveness (Kojima)

〈Subsidiary〉

## Improve Existing store

Renovated priority the highly competitive store "Rank A Store".



## New stores

New stores opened in Big Shopping mall and supermarket .

| Open           | Store  | Location          |
|----------------|--|-------------------|
| April 2015     | Kojima×Biccamera Aeon Mall Okinawa Rycom store | Big shopping mall |
| September 2015 | Kojima×Biccamera Kohoku Tokyu S.C.store        | Big shopping mall |
| October 2015   | Kojima×Biccamera Utsunomiya Main store         | Supermarket       |
| March 2016     | Kojima×Biccamera Hachioji Takakura store       | Supermarket       |

# 〈Subsidiary〉 Earnings Forecast for FY2015 (Kojima)

| JPY million ; % |                  | FY2014  |             | FY2015 forecast |              |              |
|-----------------|------------------|---------|-------------|-----------------|--------------|--------------|
|                 |                  | Result  | Sales ratio | Amount          | Sales ratio  | YoY          |
| Total           | Net sales        | 226,124 | 100.0       | <b>230,000</b>  | <b>100.0</b> | <b>101.7</b> |
|                 | Operating income | 904     | 0.4         | <b>2,000</b>    | <b>0.9</b>   | <b>221.2</b> |
|                 | Ordinary income  | 1,225   | 0.5         | <b>1,000</b>    | <b>0.4</b>   | <b>81.6</b>  |
|                 | Net income       | (6,346) | (2.8)       | <b>540</b>      | <b>0.2</b>   | <b>-</b>     |
|                 | Gross profit     |         | 26.9        |                 | <b>26.8</b>  |              |
|                 | SG&A expenses    |         | 26.5        |                 | <b>25.9</b>  |              |
| 2H              | Net sales        | 115,745 | 100.0       | <b>118,559</b>  | 100.0        | 102.4        |
|                 | Operating income | 1,106   | 1.0         | <b>1,842</b>    | 1.6          | 166.4        |
|                 | Ordinary income  | 1,990   | 1.7         | <b>1,048</b>    | 0.9          | 52.7         |
|                 | Net income       | (5,419) | (4.7)       | <b>676</b>      | 0.6          | <b>-</b>     |
|                 | Gross profit     |         | 27.3        |                 | 26.3         |              |
|                 | SG&A expenses    |         | 26.3        |                 | 24.8         |              |

**1. First Half of FY2015**

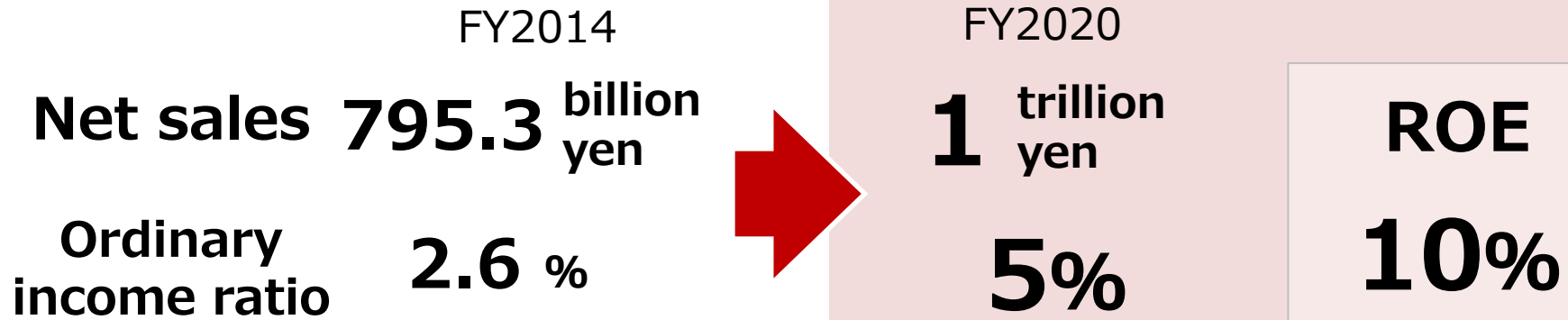
**2. Earnings Forecast for FY2015**

**3. Kojima 〈Subsidiary〉**

**4. Medium-term management plan**

**Reference**

# Medium-term management plan



## Sustainable growth

### New Stores

- Reconstruction of the store network
- Opening Store in the metropolitan area

### Inbound tourists

- Improved recognition in foreign individual tourists
- Synergies with "Air BICCAMERA"
- Enhancement of services through alliances with foreign companies

### E-commerce

- Omni channel
- Expansion of product lineup
- Improvement of delivery quality

### New field "Non-Home appliances"

- Make use of new line-up product
- Deployment of new type stores

## Improve productivity

Reduction of logistics costs, Reduction of inventory and Review of the business.

**1. First Half of FY2015**

**2. Earnings Forecast for FY2015**

**3. Kojima 〈Subsidiary〉**

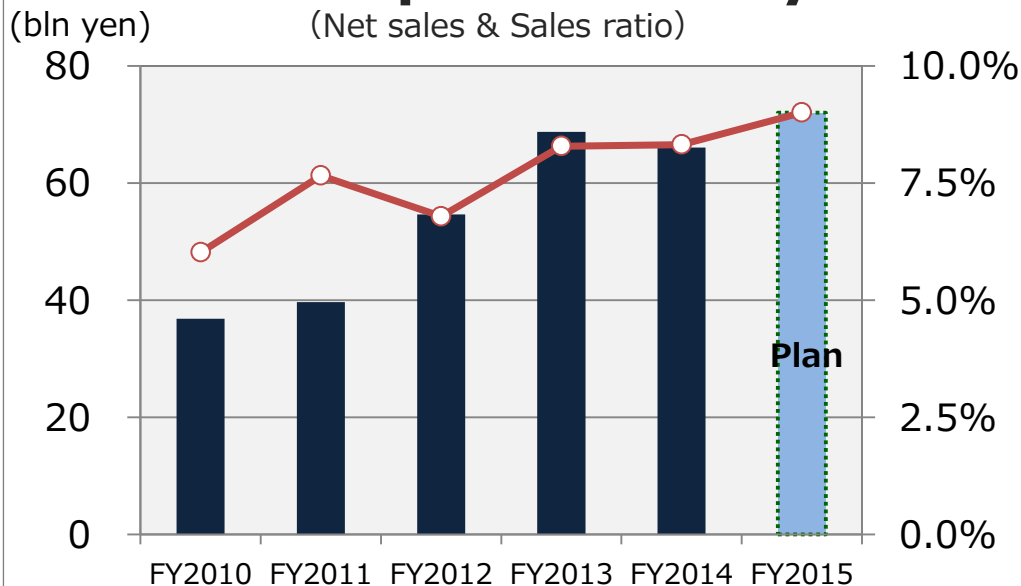
**4. Medium-term management plan**

**Reference**

# 〈Consolidated〉 E-commerce

- EC sales results of FY2015 1H  
Net sales 36.1bln yen  
⇒ YoY 106.9%, Sales ratio 9.2%
- EC Systems Integration complete within FY2015  
⇒ Expect synergy by Logistics Reorganization

## EC sales plan 72bln yen



## Application for smartphones

Improvement of customer loyalty and Promote re-visit stores.

# 〈Non-Consolidated〉 Inbound tourists

- Tax-free sales (Non-consolidated, FY2015 1H)
  - YoY 165.8% (FY2015 1Q 199.8%, 2Q 143.8%)
  - Sales ratio 11.2% (FY2015 1Q 11.5%, 2Q 10.9%)
- Government target number of inbound tourists in 2020  
previous 20mln people ⇒ New 40mln people

## Attract of inbound tourists

### Business Alliance with China's biggest LCC "Spring Airlines"

- the promotion of attract stores in their airplanes and airports

### Joint Venture Company with Japan Airport Terminal

- New store "Air BIC CAMERA" locate in Haneda airport.
- Customer referrals to our stores

### New business "BiC Drug"

- "Bic Drug" sell medicine, health food and consumer electronics which Inbound tourists prefer
- Deployment of new type stores.

### Opened Cross-border EC store

- Alliance with the largest retailer of consumer electronics in China "GOME Electrical Appliances"
- Improved recognition in china



BIC DRUG SHIDAX  
Shinjuku central road shop



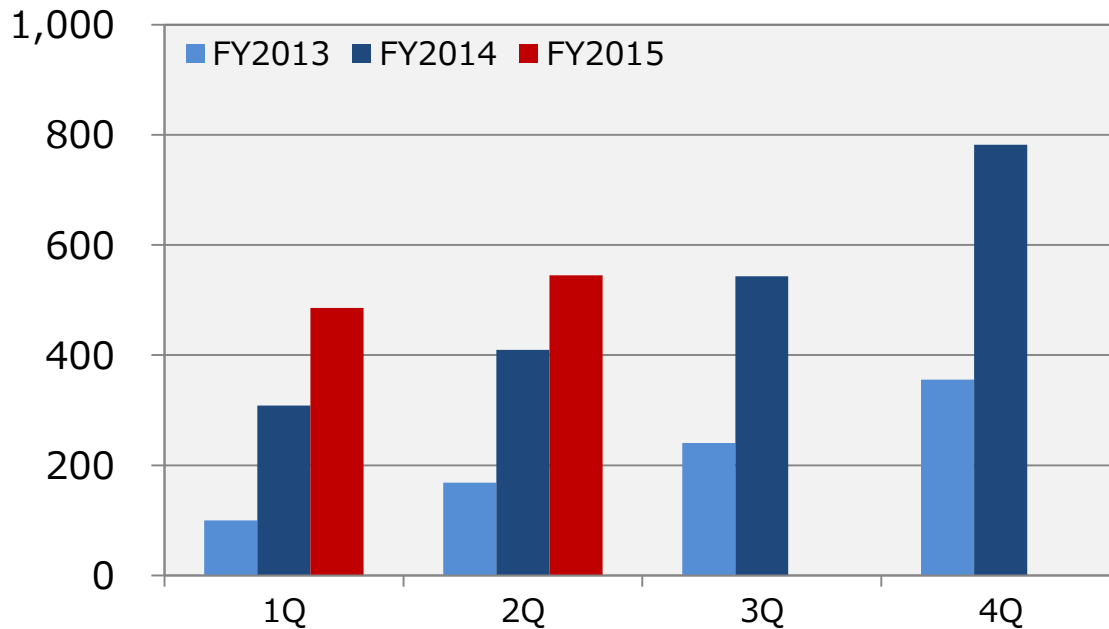
Air BIC CAMERA

# <Consolidated> Private brand products(PB)

- PB sales (FY2015 1H)
  - Sales ratio 3.2% (FY2014 1H 2.2%)
  - Maintain a high gross profit ratio

## Expanding Sales of PB

(A ratio of the sales to the FY2013 1Q)



RED

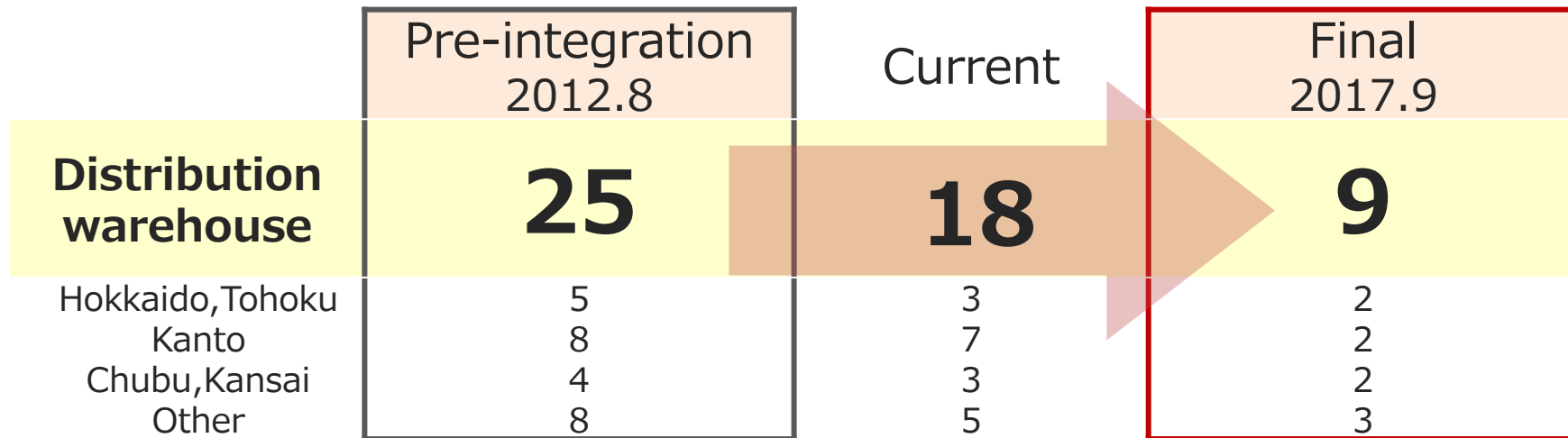
WHITE



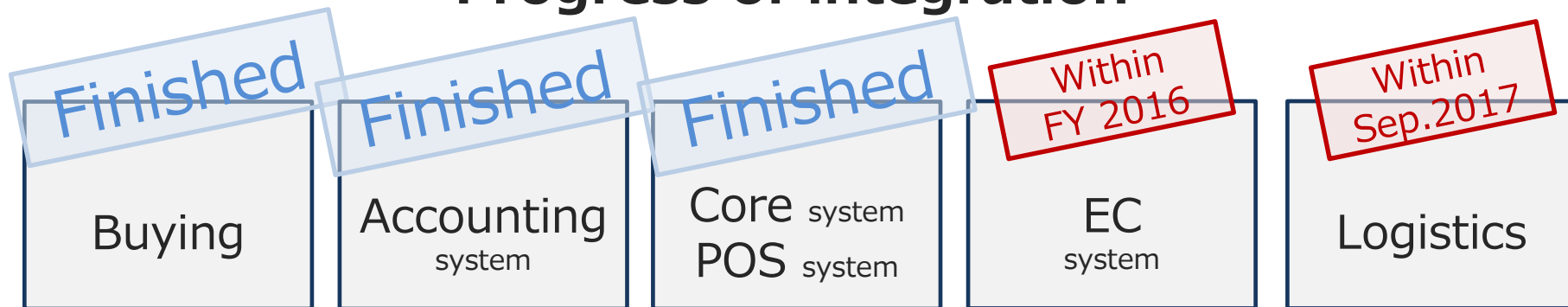


# <Consolidated> Plan of Logistics Reorganization & Integration of business

Logistics Reorganization will complete within September 2017



## Progress of integration



# <Consolidated> Bic Camera Group Store Network concentrating to metropolitan area

(Feb 29, 2016)

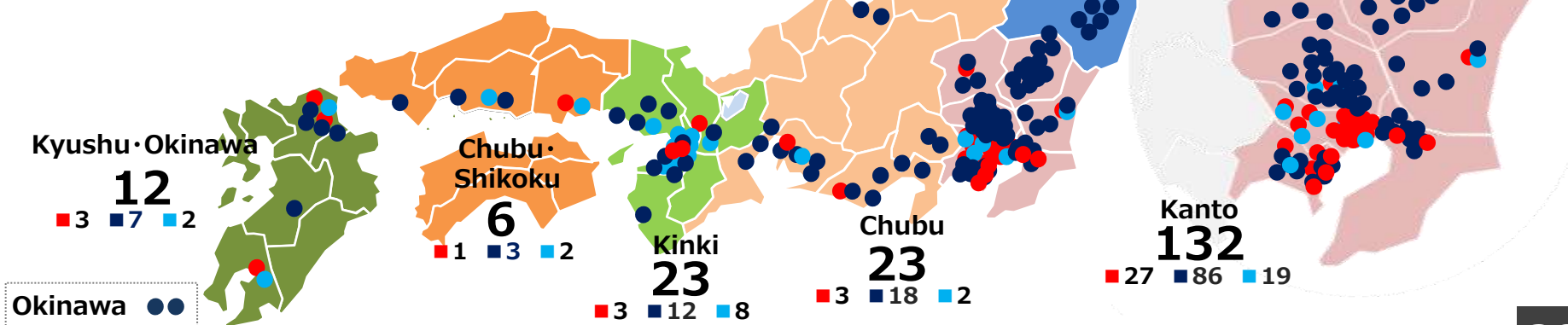
## store in metropolitan area

|                                 | Bic camera | Sofmap    | Kojima     | K&B |
|---------------------------------|------------|-----------|------------|-----|
| Total                           | <b>38*</b> | <b>35</b> | <b>142</b> | 97  |
| Kanto<br>(Tokyo, Yokohama, etc) | 27         | 19        | 86         | 58  |
| Aichi<br>(Nagoya, etc)          | 1          | 1         | 5          | 5   |
| Osaka                           | 2          | 6         | 6          | 3   |
| Fukuoka                         | 2          | 1         | 4          | 4   |
| Sub total                       | 32         | 27        | 101        | 70  |
| Ratio                           | 84%        | 77%       | 71%        |     |

\*Includes Bic Camera Outlets (4 stores)

Total  
**215** stores

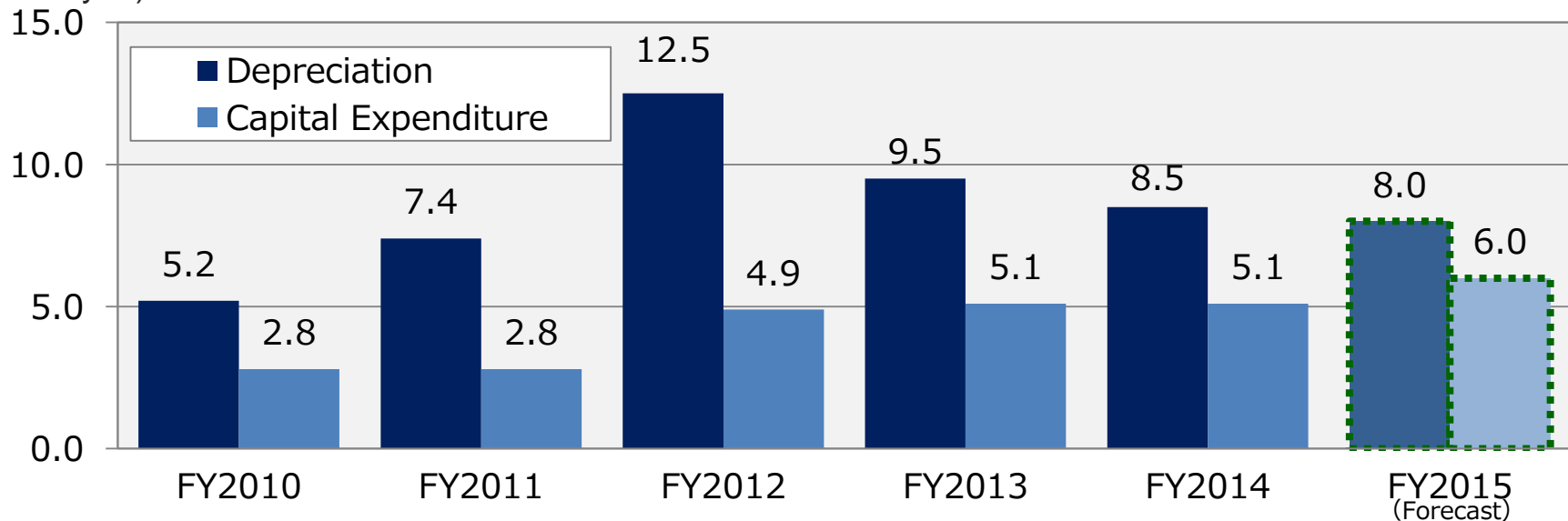
- Bic camera
- Kojima
- Sofmap



# <Consolidated> Capital Expenditure / Depreciation

|                     | FY2014   | FY2015 (Forecast)  |
|---------------------|--|--|
| Depreciation        | 5.1 billion yen  | <b>6.0 billion yen</b>   |
| Capital Expenditure | 8.5 billion yen  | <b>8.0 billion yen</b>   |
|                     | <ul style="list-style-type: none"> <li>•System</li> <li>•Renovation of existing stores</li> <li>•Land</li> </ul> | <ul style="list-style-type: none"> <li>•Renovation of existing stores</li> <li>•Land</li> <li>•System</li> </ul> |

(Billion yen)



# 〈Consolidated〉 Return to Shareholders

|                                      |       | FY2010 | FY2011 | FY2012 | FY2013 | FY2014 | FY2015<br>(Project) |
|--------------------------------------|-------|--------|--------|--------|--------|--------|---------------------|
| Dividends per Share (JPY)            | Total | 10     | 10     | 10     | 10     | 10     | <b>10</b>           |
|                                      | 1H    | 0      | 5      | 5      | 5      | 5      | <b>5</b>            |
|                                      | 2H    | 10     | 5      | 5      | 5      | 5      | <b>5</b>            |
| Total cash dividends (JPY million)   |       | 1,717  | 1,717  | 1,717  | 1,717  | 1,772  | —                   |
| Payout ratio (%)                     |       | 19.0   | 42.9   | 70.5   | 17.4   | 25.5   | <b>14.0</b>         |
| Ratio of dividends to net assets (%) |       | 2.6    | 2.4    | 2.3    | 2.2    | 1.9    | —                   |

Info) The Company will conduct a stock split at 1:100 of common stock with 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, 2009

This document mentions future prospects on our business operations and industry trends based on our current plans, estimates, possibilities or expectations.

Expressions of these future prospects are associated with various risks and uncertainties. Already known or unknown risks, uncertainties and other factors may cause different outcomes from the matters included in the expressions for future prospects. We cannot promise that our expressions and expectations for future prospects will be correct, and outcomes may be substantially different from the future prospects.

Expressions relating to future prospects in this document were made as of April 2016 based on the information available as of April 2016, and expressions for future prospects are not to be updated or changed to reflect future incidents and situations.

**April 2016**  
**Bic Camera Inc.**