

# Financial Results Briefing FY2021/8

(September 1, 2020 to August 31, 2021)

---

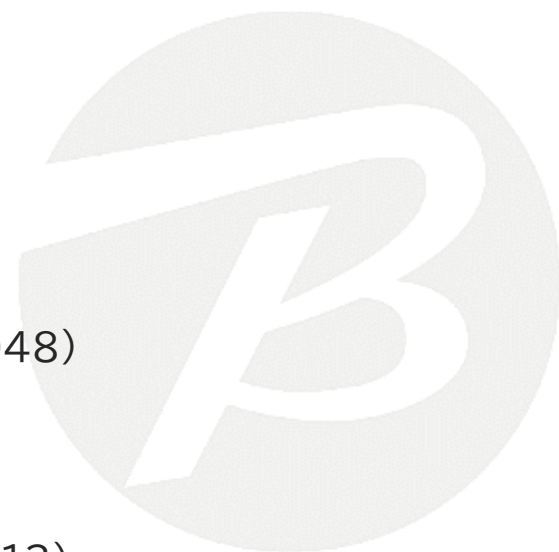
October 19, 2021



(Tokyo Stock Exchange, 1st Section:3048)



(Tokyo Stock Exchange, 1st Section:7513)



# Financial Results Briefing FY2021/8

1. **BicCamera**

2. **KOJIMA**





# BicCamera

(Tokyo Stock Exchange, 1st Section: 3048)

## Purpose

To serve customers as a purchasing agent  
that provide helpful support for their lives

---

**Kazuyoshi Kimura**

Representative Director and President

**1. Financial Results for FY2021/8**

**2. Earnings Forecast for FY2022/8**

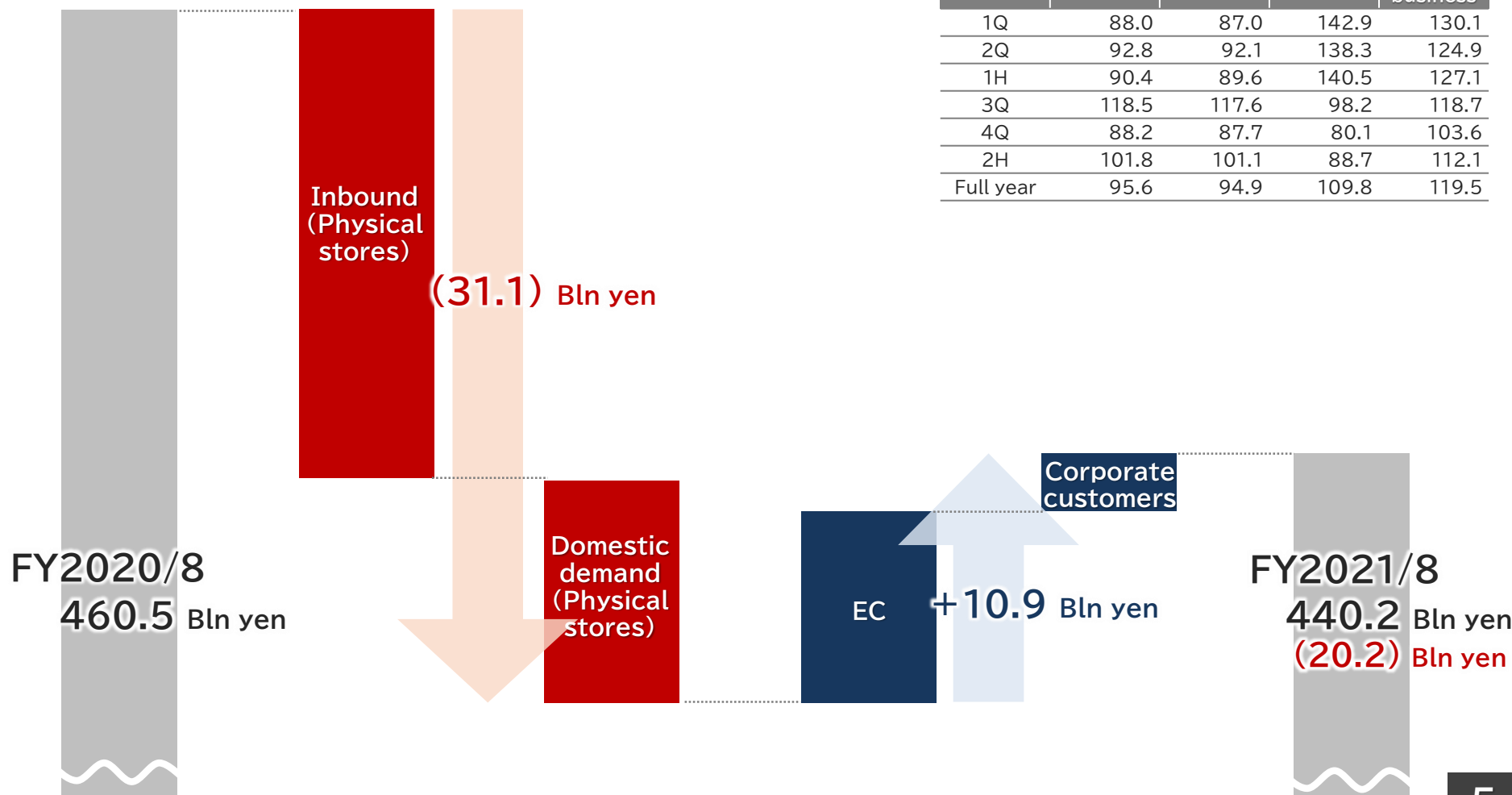
**3. Key Management Issues  
(materiality)**

# <Non-Consolidated> Financial Results Highlights

(million yen, %)	FY2020/8 (Sep. 2019 – Aug. 2020)		FY2021/8 (Sep. 2020 – Aug. 2021)			
	Amount	% to sales	Amount	% to sales	YoY change	Forecast
<b>Net sales</b>	460,501	–	<b>440,298</b>	–	<b>95.6</b>	<b>473,000</b>
Gross profit (Gross profit excluding wholesale sales and consideration of the provision of services)	117,751	25.6 26.7	116,242	26.4 27.8	98.7	26.1 27.6
SG&A expenses	120,739	26.2	<b>115,739</b>	<b>26.3</b>	<b>95.9</b>	25.7
Personnel expenses	30,813	6.7	<b>30,657</b>	<b>7.0</b>	<b>99.5</b>	
Points expenses	20,016	4.3	<b>18,519</b>	<b>4.2</b>	<b>92.5</b>	
Logistics expenses	14,670	3.2	<b>13,258</b>	<b>3.0</b>	<b>90.4</b>	
Rent expenses	21,698	4.7	<b>21,713</b>	<b>4.9</b>	<b>100.1</b>	
Depreciation	5,904	1.3	<b>6,916</b>	<b>1.6</b>	<b>117.1</b>	
Others	27,635	6.0	<b>24,673</b>	<b>5.6</b>	<b>89.3</b>	
<b>Operating income</b>	<b>(2,987)</b>	<b>(0.6)</b>	<b>503</b>	<b>0.1</b>	–	<b>1,900</b>
Non-operating income	3,845	0.8	<b>3,652</b>	<b>0.8</b>	<b>95.0</b>	
Non-operating expenses	230	0.1	<b>255</b>	<b>0.1</b>	<b>110.6</b>	
<b>Ordinary income</b>	<b>627</b>	<b>0.1</b>	<b>3,900</b>	<b>0.9</b>	<b>621.9</b>	<b>4,900</b>
Extraordinary income	858	0.2	<b>213</b>	<b>0.0</b>	<b>24.9</b>	
Extraordinary losses	2,189	0.5	<b>1,779</b>	<b>0.4</b>	<b>81.3</b>	
Profit before income taxes	(703)	(0.2)	<b>2,334</b>	<b>0.5</b>	–	
Total income taxes	(278)	(0.1)	<b>975</b>	<b>0.2</b>	–	
<b>Profit income</b>	<b>(424)</b>	<b>(0.1)</b>	<b>1,358</b>	<b>0.3</b>	–	<b>3,200</b>
Operating income excluding consideration for provision of services	(4,876)	(1.1)	<b>(1,264)</b>	<b>(0.3)</b>	–	70

# 〈Non-Consolidated〉 Net sales

## Change factors in non-consolidated net sales(YoY)



%	Total	Existing store	EC	Corporate customer business
1Q	88.0	87.0	142.9	130.1
2Q	92.8	92.1	138.3	124.9
1H	90.4	89.6	140.5	127.1
3Q	118.5	117.6	98.2	118.7
4Q	88.2	87.7	80.1	103.6
2H	101.8	101.1	88.7	112.1
Full year	95.6	94.9	109.8	119.5

Note) Sales to be included in non-consolidated results: BicCamera's own website, Amazon and Rakuten Bic (wholesale)

# 〈Non-Consolidated〉 Gross profit / SG&A expenses

	FY2020/8		FY2021/8		Change
<b>Gross profit margin</b> <small>(Excluding wholesale sales and consideration of the provision of services)</small>	26.7%	▶	27.8%		+1.1Point
<b>SG&amp;A expenses</b>	120.7 Bln yen	▶	115.7 Bln yen	Fixed costs (1.4)Bln yen Variable cost ratio (0.4)Point	
<b>Break-even point</b>	478.8 Bln yen	▶	437.4 Bln yen		(41.4) Bln yen

# <Consolidated> Main Consolidated Subsidiaries

(million yen, %)		Sofmap			Nippon BS Broadcasting (Non-consolidated)			Ranet		
		FY2020/8	FY2021/8	YoY change	FY2020/8	FY2021/8	YoY change	FY2020/8	FY2021/8	YoY change
Amount	Net sales	42,523	<b>40,584</b>	95.4	10,657	<b>11,269</b>	105.7	111,613	<b>105,229</b>	94.3
	Gross profit	11,744	<b>12,095</b>	103.0	5,535	<b>6,107</b>	110.3	17,809	<b>17,314</b>	97.2
	SG&A expenses	11,685	<b>11,608</b>	99.3	3,392	<b>3,475</b>	102.4	12,917	<b>12,441</b>	96.3
	Operating income	59	<b>486</b>	820.1	2,142	<b>2,632</b>	122.9	4,891	<b>4,872</b>	99.6
	Ordinary income	77	<b>525</b>	673.6	2,150	<b>2,704</b>	125.7	5,067	<b>4,986</b>	98.4
% to sales	Gross profit	27.6	<b>29.8</b>		51.9	<b>54.2</b>		16.0	<b>16.5</b>	
	SG&A expenses	27.5	<b>28.6</b>		31.8	<b>30.8</b>		11.6	<b>11.8</b>	
	Operating income	0.1	<b>1.2</b>		20.1	<b>23.4</b>		4.4	<b>4.6</b>	
	Ordinary income	0.2	<b>1.3</b>		20.2	<b>24.0</b>		4.5	<b>4.7</b>	

Note) Ranet's results for FY2020/8 are those for a period of 13 months due to a change in the accounting year.

Note) The above subsidiaries' results do not include any internal transactions.



# Financial Results Highlights

(million yen, %)	FY2020/8 (Sep. 2019 – Aug. 2020)		FY2021/8 (Sep. 2020 – Aug. 2021)			
	Amount	% to sales	Amount	% to sales	YoY change	Announced forecast
<b>Net sales</b>	<b>847,905</b>	—	<b>834,060</b>	—	<b>98.4</b>	<b>866,000</b>
Gross profit	231,005	27.2	238,558	28.6	103.3	27.9
SG&A expenses	218,939	25.8	220,340	26.4	100.6	25.8
Personnel expenses	68,020	8.0	69,912	8.4	102.8	
Points expenses	26,645	3.1	25,571	3.1	96.0	
Logistics expenses (Shipping)	20,990	2.5	20,519	2.5	97.8	
Rent expenses	34,706	4.1	35,291	4.2	101.7	
Depreciation	8,463	1.0	9,408	1.1	111.2	
Others	60,112	7.1	59,638	7.2	99.2	
<b>Operating income</b>	<b>12,066</b>	<b>1.4</b>	<b>18,217</b>	<b>2.2</b>	<b>151.0</b>	<b>17,700</b>
Non-operating income	3,133	0.4	4,071	0.5	129.9	
Non-operating expenses	509	0.1	659	0.1	129.5	
<b>Ordinary income</b>	<b>14,690</b>	<b>1.7</b>	<b>21,629</b>	<b>2.6</b>	<b>147.2</b>	<b>20,500</b>
Extraordinary income	1,056	0.1	566	0.1	53.6	
Subsidy income	1,048	0.1	262	0.0	25.0	
Extraordinary losses	3,117	0.4	2,655	0.3	85.2	
Impairment losses	1,434	0.2	1,760	0.2	122.8	
Loss due to temporary business suspension	1,332	0.2	211	0.0	15.8	
<b>Profit before income taxes</b>	<b>12,629</b>	<b>1.5</b>	<b>19,540</b>	<b>2.3</b>	<b>154.7</b>	
Total income taxes	3,386	0.4	6,785	0.8	200.4	
Income taxes - deferred	(1,139)	(0.1)	920	0.1	—	
Profit attributable to non-controlling interests	3,793	0.4	3,994	0.5	105.3	
<b>Profit attributable to owners of parent</b>	<b>5,450</b>	<b>0.6</b>	<b>8,761</b>	<b>1.1</b>	<b>160.7</b>	<b>10,200</b>

[Newly consolidated subsidiaries] 1Q~ : WILBY (Operator of the SAKIDORI web magazines)  
2Q~ : Arrow Japan (Operator of mobile carriers' shops)

[Subsidiaries newly subject to the equity method] 1Q~ : Bic Camera Rakuten and Rakuten Bic (Operator of the Rakuten Bic service)

# 〈Consolidated〉 Balance Sheet

(million yen)	As of Aug 31, 2020	As of Aug 31, 2021	Increase / Decrease
Total current assets	273,809	<b>258,077</b>	<b>(15,732)</b>
Cash and deposits	117,211	108,973	(8,238)
Merchandise and finished goods	100,925	98,584	(2,340)
Total property, plant and equipment	90,374	<b>85,774</b>	<b>(4,600)</b>
Total intangible assets	25,379	<b>31,040</b>	<b>5,660</b>
Total investments and other assets	82,510	<b>79,574</b>	<b>(2,936)</b>
Total non-current assets	198,265	<b>196,388</b>	<b>(1,876)</b>
<b>Total assets</b>	<b>472,074</b>	<b>454,466</b>	<b>(17,608)</b>
Total current liabilities	173,957	<b>173,589</b>	<b>(367)</b>
Interest bearing debt	54,514	82,612	28,097
Provision for point card certificates	13,159	13,029	(130)
Total non-current liabilities	128,326	<b>101,353</b>	<b>(26,972)</b>
Interest bearing debt	96,188	68,076	(28,111)
<b>Total liabilities</b>	<b>302,283</b>	<b>274,942</b>	<b>(27,340)</b>
Total net assets	169,791	<b>179,523</b>	<b>9,731</b>
<b>Total liabilities and net assets</b>	<b>472,074</b>	<b>454,466</b>	<b>(17,608)</b>

# 〈Consolidated〉 Cash Flow Statement

(million yen)	FY2020/8 (Sep.2019 - Aug.2020)	FY2021/8 (Sep.2020 - Aug. 2021)	
Cash flows from operating activities	52,004	<b>7,763</b>	<ul style="list-style-type: none"> <li>•Decrease in inventories FY2021/8: 2,904 *FY2020/8: 27,017</li> <li>•Decrease in trade payables FY2021/8: (20,867)</li> </ul>
Cash flows from investing activities	(15,691)	<b>(12,356)</b>	<ul style="list-style-type: none"> <li>•Purchase of non-current assets (tangible/intangible) FY2021/8: (9,371)</li> <li>•Purchase of shares of subsidiaries FY2021/8: (2,819)</li> </ul>
Cash flows from financing activities	55,106	<b>(4,387)</b>	<ul style="list-style-type: none"> <li>•Decrease in borrowings FY2021/8: (1,091)</li> <li>*Increase of 59,059 due to emergency borrowings in FY2020/8</li> </ul>
Cash and cash equivalents at end of period	117,211	<b>108,857</b>	

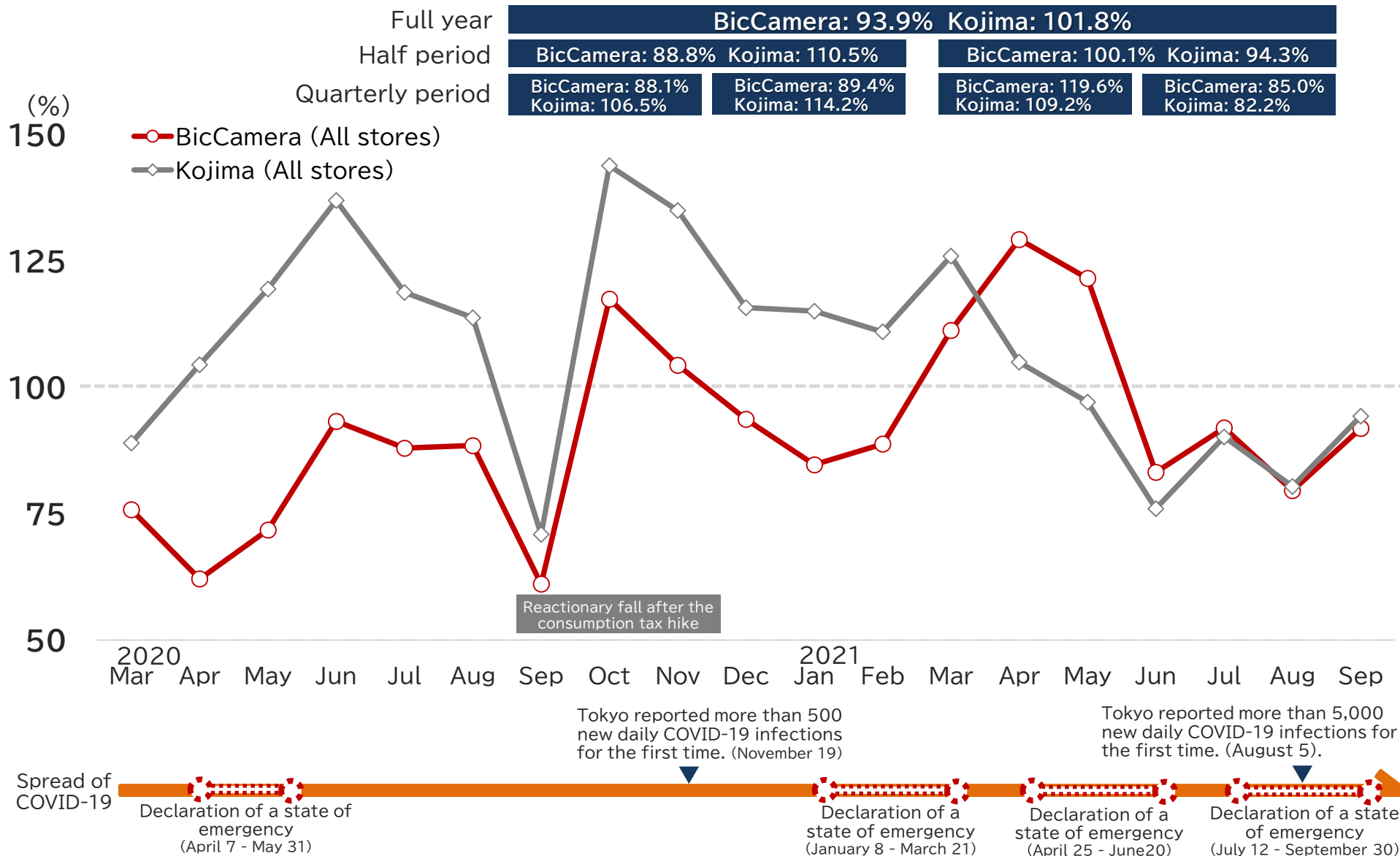
# <Consolidated> Sales by Product line

(million yen, %)	FY2020/8 (Sep.2019 - Aug.2020)		FY2021/8 (Sep.2020 - Aug. 2021)						
	Amount	Composition ratio	Amount	BicCamera		Kojima		Composition ratio	YoY change
				Amount	YoY change	Amount	YoY change		
Audio visual products	132,985	15.7	127,739	72,621	91.4	50,332	103.2	15.3	96.1
Cameras	25,173	3.0	22,571	16,412	87.2	5,778	100.5	2.7	89.7
TVs	47,485	5.6	50,197	22,729	103.7	26,422	106.5	6.0	105.7
Audios	13,806	1.6	11,995	7,529	86.0	4,233	90.8	1.4	86.9
Home appliances	275,280	32.5	279,264	136,192	99.6	141,123	103.5	33.5	101.4
Refrigerators	42,913	5.1	43,085	19,306	103.1	23,497	98.1	5.2	100.4
Washing machines	40,415	4.8	41,986	19,603	105.0	22,211	102.5	5.0	103.9
Kitchen appliances	36,296	4.3	34,170	15,724	87.5	18,268	101.6	4.1	94.1
Seasonal home electronics	65,132	7.7	71,606	30,950	111.9	40,176	107.8	8.6	109.9
Personal care electronics	36,689	4.3	37,838	24,200	98.9	13,200	113.6	4.5	103.1
Information communications equipment Products	269,014	31.7	270,466	141,072	100.0	73,949	101.9	32.4	100.5
PCs	84,726	10.0	77,396	50,874	91.4	23,264	92.8	9.3	91.3
PC peripherals	28,664	3.4	30,845	16,944	106.2	10,991	115.2	3.7	107.6
Cellular phones	100,150	11.8	108,447	41,040	113.4	21,499	108.0	13.0	108.3
Other products	158,312	18.7	143,693	90,411	87.6	30,470	106.1	17.3	90.8
Video Games	40,434	4.8	43,783	29,001	105.4	11,056	111.3	5.3	108.3
Watches	15,889	1.9	11,246	10,542	69.9	621	98.8	1.4	70.8
Used PCs	10,046	1.2	10,106	-	-	-	-	1.2	100.6
Sporting goods	10,083	1.2	10,061	8,322	96.3	1,653	118.5	1.2	99.8
Toys	12,664	1.5	11,455	7,083	88.8	3,216	98.4	1.4	90.5
Glasses and Contact lenses	5,246	0.6	4,360	4,317	83.3	-	-	0.5	83.1
Liquors and Soft drinks	6,829	0.8	5,909	-	-	-	-	0.7	86.5
Medicine and Daily goods	14,243	1.7	8,691	7,132	57.6	1,489	86.2	1.0	61.0
Retail goods sales	835,593	98.6	821,164	440,298	95.6	295,875	103.3	98.5	98.3
BS digital broadcasting business	10,568	1.2	11,188	-	-	-	-	1.3	105.9
Other business	1,743	0.2	1,707	-	-	1,659	89.2	0.2	97.9
<b>Total</b>	<b>847,905</b>	<b>100.0</b>	<b>834,060</b>	<b>440,298</b>	<b>95.6</b>	<b>297,535</b>	<b>103.2</b>	<b>100.0</b>	<b>98.4</b>

Starting from FY2021/8 (Sep. 2020 - Aug. 2021), air purifiers are classified as seasonal home electronics instead of personal care electronics. As a result, the results for the previous fiscal year have also been changed accordingly in this material.

Note) For compilation-related reasons, certain results indicated in the breakdown of Bic Camera and Kojima are classified differently from those in the consolidated results.

# Monthly sales



Note) The above declarations of a state of emergency are those that were applied to Tokyo.  
 Note) Wholesale sales are not included in POS-based results of BicCamera stores (All stores).

# 〈Non-Consolidated〉 New Stores (new openings)



Opened on July 31, 2021

## BicCamera Ikebukuro SELECT

(With renovation completed, the existing store near the east exit of Ikebukuro opened on the same day.)



Opened on March 5, 2021

## BicCamera AMU PLAZA Kumamoto store

Nishi-ku, Kumamoto-shi, Kumamoto Prefecture  
(1F and 2F of JR Kumamoto Shirakawa Building)

Scheduled for opening in  
November 2022

## BicCamera Chiba store (tentative name)

(FY2023/8)



[BicCamera]

Number of stores: 45  
Sales floor space: 244,000 m<sup>2</sup>

As of August 31, 2021

[Consolidated]

Number of stores: 213  
Sales floor space: 680,000 m<sup>2</sup>  
(The floor space includes 89 mobile carriers' shops.)

**1. Financial Results for FY2021/8**

**2. Earnings Forecast for FY2022/8**

**3. Key Management Issues  
(materiality)**

# <Non-Consolidated> Earnings Forecast

(million yen, %)		1H			2H			Full year		
		FY2021/8	FY2022/8		FY2021/8	FY2022/8		FY2021/8	FY2022/8	
		Amount	Forecast	YoY change	Amount	Forecast	YoY change	Amount	Forecast	YoY change
Net sales		226,912	207,000	91.2	213,385	229,000	107.3	440,298	436,000	99.0
Operating income		746	(900)	–	(243)	3,600	–	503	2,700	536.5
Ordinary income		2,871	600	20.9	1,029	4,500	437.1	3,900	5,100	130.7
Profit income		2,031	500	24.6	(672)	2,700	–	1,358	3,200	235.5
% to sales	Gross profit	26.1	23.3		26.7	23.8		26.4	23.6	
	excluding wholesale and consideration for the provision of services	27.5	24.9		28.1	25.6		27.8	25.3	
	SG&A expenses	25.8	23.7		26.9	22.3		26.3	23.0	
	Operating income	0.3	(0.4)		(0.1)	1.6		0.1	0.6	
	Ordinary income	1.3	0.3		0.5	2.0		0.9	1.2	
	Profit income	0.9	0.2		(0.3)	1.2		0.3	0.7	
Operating income excluding consideration for provision of services		(58)	(1,053)	–	(1,206)	3,282	–	(1,264)	2,229	–

FY2022/8: The accounting standard for revenue recognition has been applied.



# <Consolidated> Earnings Forecast (by company)

(million yen, %)		Sofmap			Nippon BS Broadcasting (Non-consolidated)			Ranet		
		FY2021/8	FY2022/8	YoY change	FY2021/8	FY2022/8	YoY change	FY2021/8	FY2022/8	YoY change
Amount	Net sales	40,584	41,800	103.0	11,269	11,500	102.0	105,229	73,200	69.6
	Operating income	486	750	154.1	2,632	1,800	68.4	4,872	4,150	85.2
	Ordinary income	525	760	144.7	2,704	1,802	66.6	4,986	4,200	84.2
% to sales	Gross profit	29.8	29.2		54.2	50.0		16.5	24.0	
	SG&A expenses	28.6	27.4		30.8	34.3		11.8	18.3	
	Operating income	1.2	1.8		23.4	15.7		4.6	5.7	
	Ordinary income	1.3	1.8		24.0	15.7		4.7	5.7	

FY2022/8: The accounting standard for revenue recognition has been applied.

# 〈Consolidated〉 Earnings Forecast

(million yen, %)		1H			2H			Full year		
		FY2021/8	FY2022/8		FY2021/8	FY2022/8		FY2022/8	FY2022/8	
		Amount	Forecast	YoY change	Amount	Forecast	YoY change	Amount	Forecast	YoY change
Net sales		421,211	387,000	91.9	412,848	419,000	101.5	834,060	806,000	96.6
Operating income		10,252	5,000	48.8	7,964	10,700	134.3	18,217	15,700	86.2
Ordinary income		12,117	6,000	49.5	9,512	11,500	120.9	21,629	17,500	80.9
Profit attributable to owners of parent		5,682	3,000	52.8	3,079	5,800	188.4	8,761	8,800	100.4
% to sales	Gross profit	28.2	26.5		29.0	26.8		28.6	26.6	
	SG&A expenses	25.7	25.2		27.1	24.2		26.4	24.7	
	Operating income	2.4	1.3		1.9	2.6		2.2	1.9	
	Ordinary income	2.9	1.6		2.3	2.7		2.6	2.2	
	Profit attributable to owners of parent	1.3	0.8		0.7	1.4		1.1	1.1	

FY2022/8: The accounting standard for revenue recognition has been applied.

# Impact of the Revenue Recognition Accounting Standard

(million yen)		1H			2H			Full year		
		Previous standard (Before the application)	New standard (After the application)	Difference	Previous standard (Before the application)	New standard (After the application)	Difference	Previous standard (Before the application)	New standard (After the application)	Difference
Consolidated	Net sales	403,200	387,000	(16,200)	437,600	419,000	(18,600)	840,800	806,000	(34,800)
	Cost of sales	288,150	284,500	(3,650)	310,750	306,900	(3,850)	598,900	591,400	(7,500)
	Gross profit	115,050	102,500	(12,550)	126,850	112,100	(14,750)	241,900	214,600	(27,300)
	Gross profit ratio	28.5%	26.5%		29.0%	26.8%		28.8%	26.6%	
	SG&A expenses	110,100	97,500	(12,600)	116,050	101,400	(14,650)	226,150	198,900	(27,250)
	Operating income	4,950	5,000	50	10,800	10,700	(100)	15,750	15,700	(50)
Non-consolidated	Net sales	218,500	207,000	(11,500)	241,950	229,000	(12,950)	460,450	436,000	(24,450)
	Cost of sales	161,740	158,790	(2,950)	177,490	174,440	(3,050)	339,230	333,230	(6,000)
	Gross profit	56,760	48,210	(8,550)	64,460	54,560	(9,900)	121,220	102,770	(18,450)
	Gross profit ratio	26.0%	23.3%		26.6%	23.8%		26.3%	23.6%	
	excluding wholesale and consideration for the provision of services	27.7%	24.9%		28.5%	25.6%		28.1%	25.3%	
	SG&A expenses	57,710	49,110	(8,600)	60,860	50,960	(9,900)	118,570	100,070	(18,500)
	Operating income	(950)	(900)	50	3,600	3,600	(0)	2,650	2,700	50

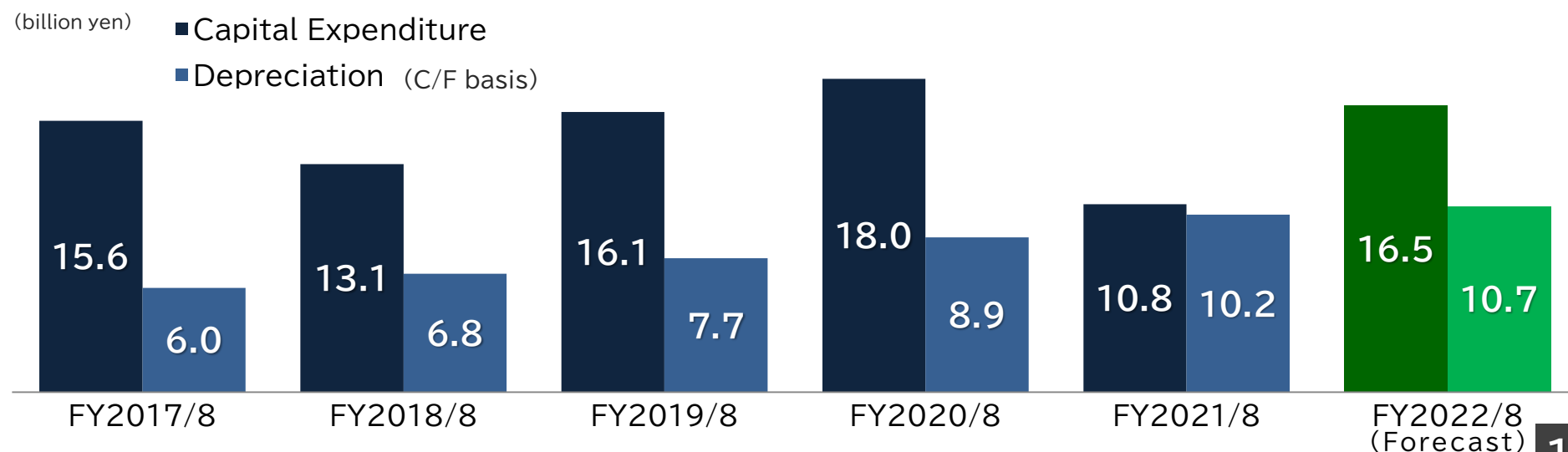
## Breakdown of the impact

(million yen)	Consolidated			Non-Consolidated		
	Points expenses	Processing of net amounts of purchases made on a consignment basis	Total	Points expenses	Processing of net amounts of purchases made on a consignment basis	Total
Net sales	(27,900)	(7,500)	(34,800)	(18,300)	(6,000)	(24,450)
Cost of sales		(7,500)	(7,500)		(6,000)	(6,000)
SG&A expenses	(27,900)		(27,250)	(18,300)		(18,500)
Operating income	0	0	(50)	0	0	50

# <Consolidated> Capital Expenditure / Depreciation

	FY2021/08	FY2022 (Forecast)
Capital Expenditure	<b>10.8 billion yen</b>	<b>16.5 billion yen</b>
Main purposes	<ul style="list-style-type: none"> <li>• IT (EC, core systems and efficiency improvements)</li> <li>• Stores (new stores and existing stores)</li> </ul>	<ul style="list-style-type: none"> <li>• IT (EC and efficiency improvements)</li> <li>• Stores (new stores and existing stores)</li> <li>• Equipment (automation of logistics)</li> <li>• Buildings (natural water home delivery business)</li> </ul>
Depreciation (C/F basis)	<b>10.2 billion yen</b>	<b>10.7 billion yen</b>

## Implementation of carefully selected investments



# Return to Shareholders

		FY2017/8	FY2018/8	FY2019/8	FY2020/8	FY2021/8 (Plan)	FY2022/8 (Forecast)
Total		12	20	20	13	15	15
Dividends per Share (Yen)	1H	5	5	10	10	5	5
	2H	7	15	10	3	10	10
Total cash dividends (million yen)		2,181	3,609	3,543	2,287	2,639	-
Payout ratio (%)		16.2	21.4	25.3	42.0	30.1	30.0
Ratio of dividends to net assets (%)		1.9	2.9	2.7	1.7	1.9	-

## Dividend policy

The Company considers shareholder returns as one of the most important management issues and its basic policy is to distribute profits appropriately according to earnings results.

**1. Financial Results for FY2021/8**

**2. Earnings Forecast for FY2022/8**

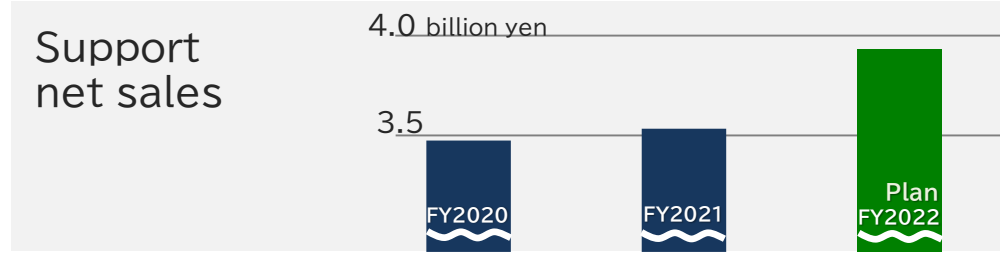
**3. Key Management Issues  
(materiality)**

# 1 Enhancement of Initiatives for Creation of a Recycle-Oriented Society (circular economy) (i)

## Support / Repair

Creating loyal customers by strengthening support and repair services on a groupwide basis.

- ◆ Maximization of support on PC (Monthly fee-bases support and Windows11 support)
- ◆ Establishment of a general support desk



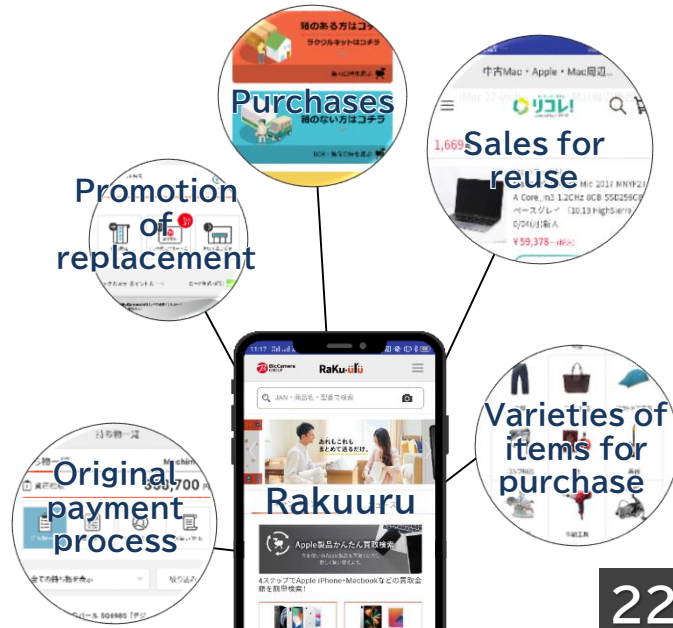
Expansion of customer contact points through the provision of support services



## Purchases and sales for reuse

Promotion of a reuse-based economic cycle

- ◆ Full utilization and functional improvement of the Rakuuru general purchasing service



# 1 Enhancement of Initiatives for Creation of a Recycle-Oriented Society (circular economy) (ii)

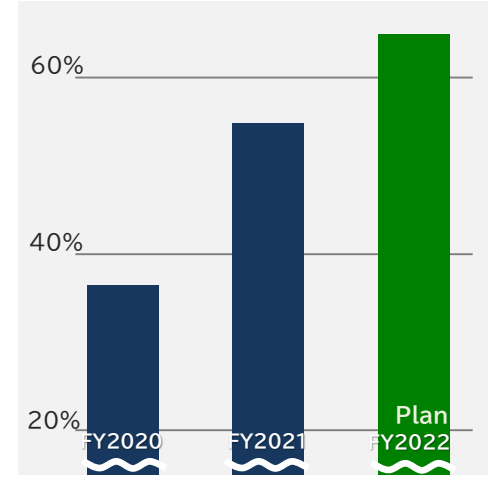
## Last one mile

Efforts are being made to strengthening customer contact points and collect resources in the last one mile areas.

- ◆ Expansion of the scope of installation and construction services provided by SK Service (A new office opened in Yokohama)



Coverage of SK Service in Tokyo's 23 wards



## Subscription

Entered into the subscription service of camera equipment

- ◆ Bic Innovation Capital's first investment project
  - ◆ Expansion of takeout services for rental products
- Response to a shift from merchandise-based consumption to experience-based consumption



### Bic Innovation Capital (CVC)

#### Purpose

Facilitating the growth and expansion of the main business by merging start-up/external companies' advanced technologies, products (development capability) and business ideas with the Group's capital, customer base, human resources, sales capability and brand while also creating new value through the development of new strategic businesses and private branded products, etc.

Establishment date  
July 1, 2021

investment limit  
10.0 billion yen



# 2-1 Strengthening of Merchandising Capability: PB (private brand) products

## PB products continue to grow

PB ratio to net sales

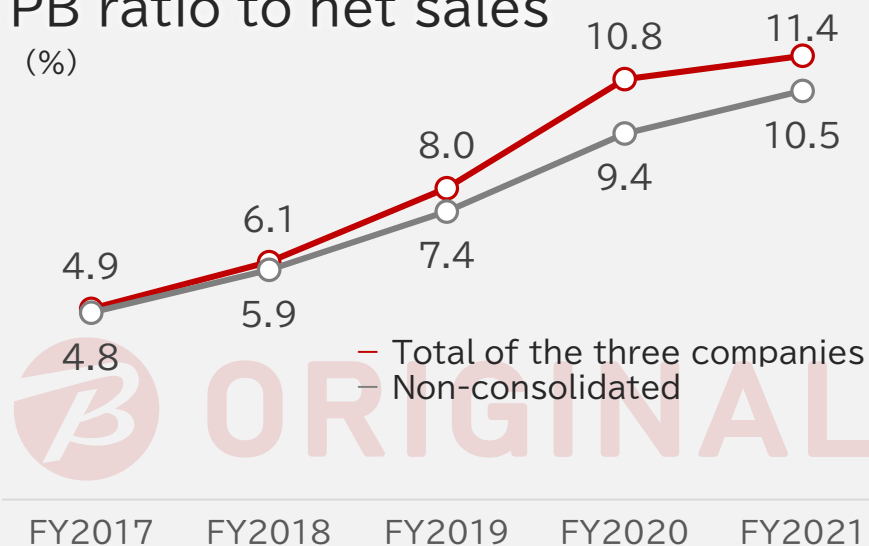
**11.4 %** (10.5% on a non-consolidated basis)  
(FY2021/8)

Annual average growth rate

**+33 %** (Sales in recent three years )

### PB ratio to net sales

(%)



### Improvements in originality

- Focus on functions and design
- Development of products that satisfy consumers' requirements

【Examples】



Non-contact thermometer made in Japan that meets demand for secure and accurate products



An ironing board fully black-colored to create a stronger impression



The product creates space in the area covered by the mask, thereby reducing heat build-up, breathing difficulties, the smudging of makeup, etc.

**B ORIGINAL**

**B ORIGINAL SELECT**

**B ORIGINAL BASIC**

HashTAG

**TAG label**  
by amadana

# 2-2 Strengthening of Sales Capability (i) Stores

## Creation of stores from purchasing agent perspectives

### ◆ Offering of products in line with customer needs

1. Offering products according to customer needs-based segmentation on an item-by-item basis.
2. Selecting recommended products in each segment.

- Ensuring that customers can comfortably select from a rich lineup of products.
- Further rationalizing the lineup of products according to the store size.

Offering of products in line with customer needs  
(Oven toasters)



### ◆ Facilitation of self-service purchasing

A POP is the second purchasing agent.

Supporting self-service purchasing with customer perspectives-based POP and specification sheets.

容量	沸騰時間 (コップ1杯)
0.8L	約60秒
沸騰時消費電力	蒸気
1,300w	カッ ト レス
空だき防止	転倒湯漏れ防止構造
OFF	

食器容量 約 人用		
使用水量 約 L	最大消費電力 W	運転音 db
		40db < 60db < 80db

# 2-2 Strengthening of Sales Capability (ii) EC

## The Group's e-commerce business continues to grow.

Group's EC

**Net sales: 156.4 billion yen**  
(up 8.9% year on year)

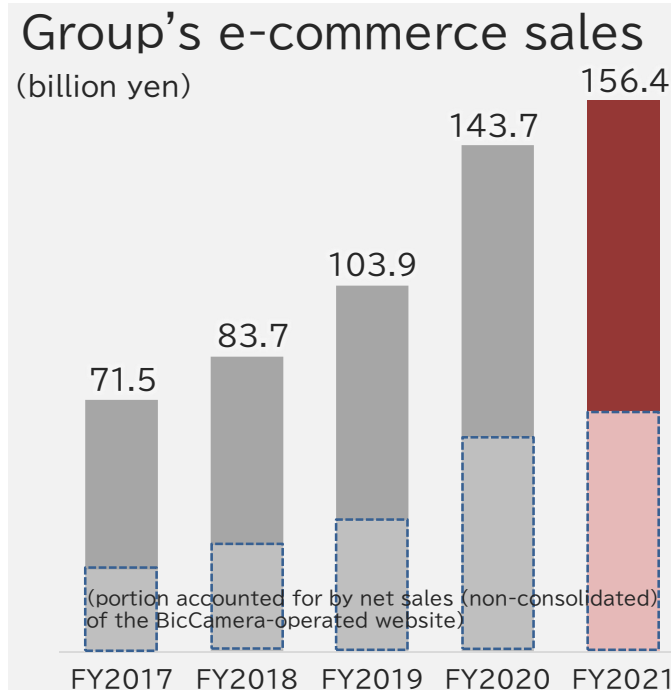
**EC ratio: 18.8%**

## Visualization of earnings

1H of  
FY2021/8  
Operating  
profit ratio

<Before the allocation of headquarters expenses>

**BicCamera EC: 2.9%**  
(Physical stores: 2.0%)



## Automation of logistic bases

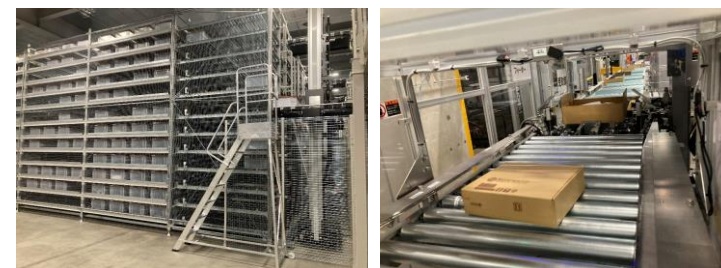
Automation at the Funabashi Center  
(full-scale operation started in September 2021)

Capacity

**Twofold increase**  
( compared to the previous number of deliverable items)

Operation  
cost

**Control of  
personnel expenses**



(Some of) the new automation equipment installed at the Funabashi Center

The results of the Group's e-commerce sales in previous years have been retrospectively modified to reflect the revised scope of the compilation of non-consolidated e-commerce sales.

Note) Net sales of the BicCamera-operated website have been compiled excluding those of Rakuten Bic (wholesale) and Amazon.

## 2-2 Strengthening of Sales Capability (iii) Corporate Sales

### Strengthening of the sales system

Number of operation bases

7 → **34**

Number of personnel in charge

100 → **150**

(BicCamera on a non-consolidated basis: Beginning of FY21/8 → End of the FY)

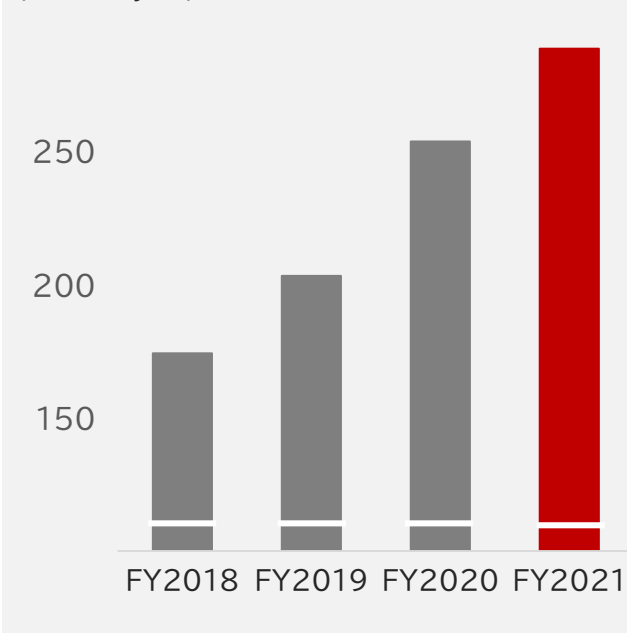
### E-commerce site for corporate customers

Creating an e-commerce website that fully meets corporate customer needs through the enhancement of the product lineup.

Number of items carried

An increase of **25**% in one year (FY2021/8)

Group's corporate sales (million yen)



### Expansion of the menu of services

Extended warranty, digital support, cleaning of air conditioners for business use, etc.

Example: Original services (extended warranty for corporate customers)

# 3 Improvement of Employee Engagement

## Enhancement of the well-being of employees

Moving forward with initiatives for company vitalization through the enhancement of the well-being of employees, our most important corporate assets.

### ◆ Newly installed the Sustainability Promotion Department and Well-being Promotion Department.

#### (1) Promoting diversity

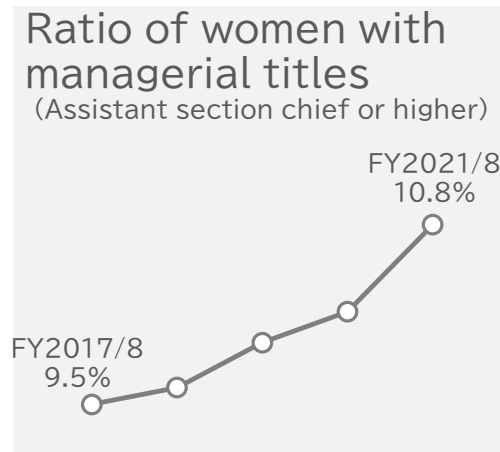
- Creation opportunities for women employees to play more active roles

#### (2) Increasing employees' physical and mental satisfaction

- Improvement in the treatment of employees
- Implementation of workplace COVID-19 vaccination

#### (3) Providing places that make employees willing to work, as well as opportunities and places in which employees engage in operations in which they have an interest.

- Utilization of the self-reporting system and analysis of employee needs



## Reskilling of employees (redeveloping value-creation capabilities)

Implementing an employee reskilling program in both new business and existing business areas

#### (1) Taking advantage of a job rotation effectively

- Creation of opportunities to find personnel for management
- Training to acquire skills necessary for the development of new businesses

#### (2) Providing opportunities for re-developing a variety of professional skills such as those for increasing product knowledge and improving sales skills (thereby ensuring that employees are armed with a significantly greater volume of information than customers have).

- Provision of support for the acquisition of the Home Appliances Advisor qualification and implementation of OJT programs for improving sales skills

Purpose  
(Why)

To serve customers as a purchasing agent that provide helpful support for their lives

Corporate Philosophy  
(Where)

A group of specialty stores persistently seeking to evolve so they are able to leverage their expertise and advanced position to propose richer lifestyles

Corporate Mission  
(What)

Continuing to be a company trusted and needed by customers to achieve continued growth

Corporate  
Commitments  
(What)

- (1) Boosting employee satisfaction on both material and motivational levels
- (2) Increasing customers' shopping satisfaction
- (3) Contributing to local communities and stakeholders
- (4) Offering returns to shareholders

Principles of Conduct  
(How)

Do common tasks thoroughly and act enterprisingly



# **KOJIMA**

(Tokyo Stock Exchange, 1st Section: 7513)

---

## **Yuji Nakazawa**

**Representative Director and President**

# Overview of the full-year financial results

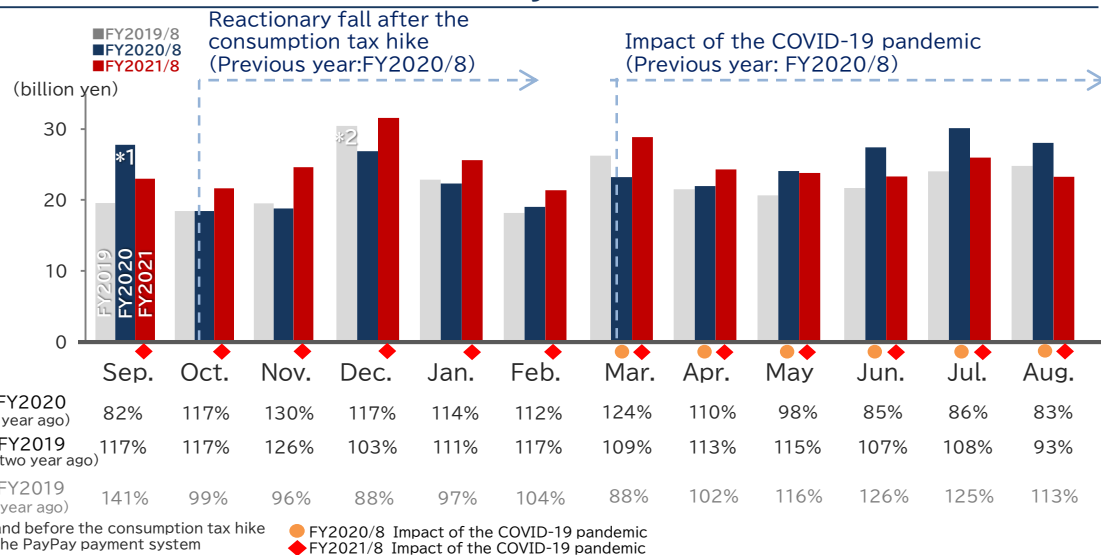
(million yen, %)	FY2020/8 (Sep. 2019 – Aug. 2020)		FY2021/8 (Sep. 2020 – Aug. 2021)			
	Amount	% to sales	Amount	% to sales	YoY change	Announced Forecast
Net sales	288,216	–	297,535	–	103.2	298,000
Gross profit	79,240	27.5	85,737	28.8	108.2	28.4
SG&A expenses	72,018	25.0	76,875	25.8	106.7	25.5
Personnel expenses	21,240	7.4	22,267	7.5	104.8	
Points expenses	6,002	2.1	6,372	2.1	106.2	
Logistics expenses (Shipping)	11,768	4.1	12,515	4.2	106.4	
Rent expenses	8,423	2.9	8,480	2.9	100.7	
Depreciation	1,657	0.6	1,466	0.5	88.5	
Others	22,925	8.0	25,772	8.7	112.4	
Operating income	7,221	2.5	8,861	3.0	122.7	8,800
Non-operating income	361	0.1	613	0.2	169.8	
Non-operating expenses	200	0.1	230	0.1	114.8	
Ordinary income	7,382	2.6	9,244	3.1	125.2	8,800
Extraordinary income	4	0.0	296	0.1	6,821.9	
Extraordinary losses	554	0.2	1,015	0.3	183.3	
Profit before income taxes	6,832	2.4	8,525	2.9	124.8	
Corporate, inhabitant and business tax	1,014	0.4	1,122	0.4	110.7	
Income taxes - deferred	(239)	(0.1)	1,100	0.4	–	
Profit income	6,056	2.1	6,302	2.1	104.1	6,200



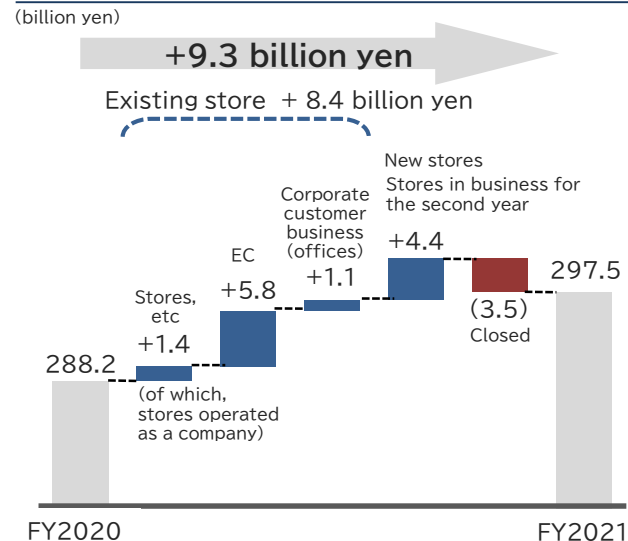
[Kojima]

# Net sales / Operating income

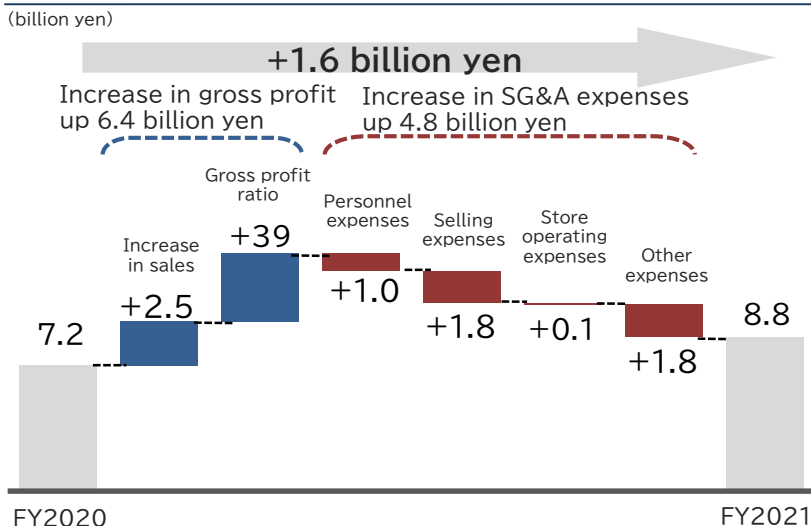
## Monthly sales



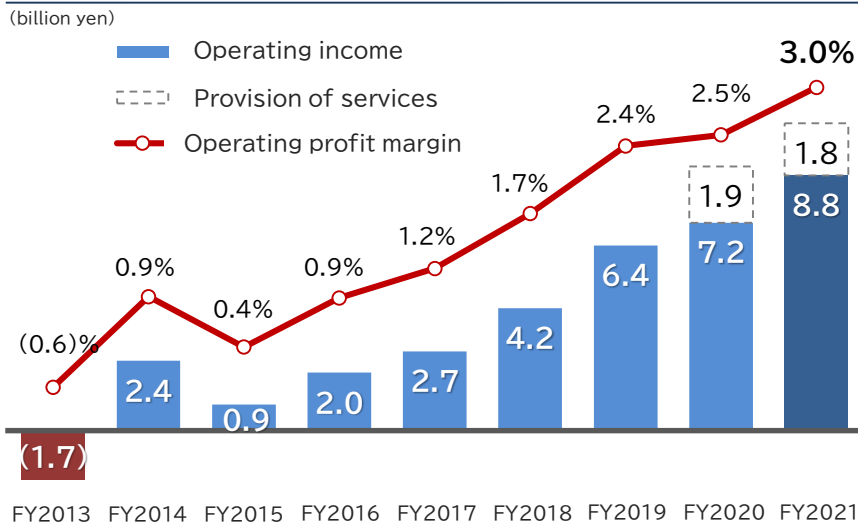
## Net sales by sales channel



## Factors that increase operating income



## Changes in operating profit



# Future Initiatives

## Existing store

### Strengthening of efforts to attract customers

◆ Holding community-based events

Holding community-based events in collaboration with local companies and local governments.

Strengthening customer attraction efforts by organizing new types of events such as "Kojima-no-Asaichi", or in-store morning sales of vegetables and fruits.



[Other events]

- Events with local sports clubs
- Participation in the project celebrating the 150th anniversary of Saitama Prefecture
- Exhibitions and test-driving events of new cars launched by automobile companies such as Toyota and Nissan.



Soccer match event (Shimizu S-Pulse)



Baseball academy event (Tochigi Golden Braves)



Event to promote vegetables produced in Saitama Prefecture (Saitama 150th anniversary project)



An exhibition and test-driving event of fuel cell-powered vehicles (Tochigi Toyota)

◆ Handling products other than consumer electronics

Stepping up efforts to handle products demand for which is strong, such as bicycles, liquors and toys, among other items, to respond to change in lifestyles.



◆ Offering emotional value

Offering emotional value in addition to functional value

Creation of sales floors that not only explain the functional difference of products but also offer a joy and sense of satisfaction obtained from the use and ownership of such products

Featuring the difference of functions



Featuring a sense of satisfaction that users obtain from use of products



## EC

### Fusion with real stores

◆ Checking the inventory of products at stores via the internet



◆ Booking products via the internet

Booking products through the "Kojima net" website  
⇒ Making payments and receiving products at stores

## New openings

### Stores opened /scheduled to be opened



Opened on September 23, 2021



Kojima & BicCamera Nitori Homes Miyahara store (2F Nituri Homes, Kita-ku, Saitama Prefecture)



Opened on October 22, 2021

Kojima & BicCamera Iias Kasugai store (Kasugai, Aichi Prefecture)



Opened on October 27

Kojima & BicCamera Fululu Garden Yachiyo store (Yachiyo, Chiba Prefecture)

Three stores will be opened in the second half.

# Earnings Forecast (FY2022/8)

(million yen, %)		1H			2H			Full year		
		FY2021/8	FY2022/8		FY2021/8	FY2022/8		FY2022/8	FY2022/8	
		Amount	Forecast	YoY change	Amount	Forecast	YoY change	Amount	Forecast	YoY change
Net sales		147,934	131,400	88.8	149,600	140,000	93.6	297,535	271,400	91.2
Operating income		5,114	1,700	33.2	3,746	3,300	88.1	8,861	5,000	56.4
Ordinary income		5,221	1,700	32.6	4,023	3,300	82.0	9,244	5,000	54.1
Profit income		3,513	1,100	31.3	2,788	2,100	75.3	6,302	3,200	50.8
% to sales	Gross profit	28.6	26.7		29.1	27.2		28.8	26.9	
	SG&A expenses	25.1	25.4		26.6	24.8		25.8	25.1	
	Operating income	3.5	1.3		2.5	2.4		3.0	1.8	
	Ordinary income	3.5	1.3		2.7	2.4		3.1	1.8	
	Profit income	2.4	0.8		1.9	1.5		2.1	1.2	

FY2022/8: The accounting standard for revenue recognition has been applied.

\*The adoption has some impact on net sales, gross profit, and selling, general and administrative expense. However, the impact on operating income, ordinary income and profit income is expected to be minor.



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 October 19 2021 based on the information available as of October 19 2021, and expressions for future prospects are not to be updated or changed to reflect future incidents and situations.

October 19, 2021  
**Bic Camera Inc.**  
**Kojima Co., Ltd.**