

Translation

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Summary of Consolidated Financial Results for the Six Months Ended February 29, 2024 (Based on Japanese GAAP)

April 12, 2024

Company name: BIC CAMERA INC.
 Stock exchange listing: Tokyo
 Stock code: 3048 URL <https://www.biccamera.co.jp/ir/>
 Representative: Representative Director and President Toru Akiho
 Inquiries: Director and Managing Director Toru Abe TEL 03-3987-8785
 Scheduled date to file Quarterly Securities Report: April 12, 2024
 Scheduled date to commence dividend payments: May 17, 2024
 Preparation of supplementary material on quarterly financial results: Yes
 Holding of quarterly financial results meeting: Yes (for institutional investors and analysts)

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the six months ended February 29, 2024 (from September 1, 2023 to February 29, 2024)

(1) Consolidated operating results (cumulative)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ended February 29, 2024	447,524	9.8	9,754	32.1	10,963	30.2	5,554	32.1
Six months ended February 28, 2023	407,653	3.9	7,382	(21.8)	8,422	(21.0)	4,205	(11.9)

Note: Comprehensive income Six months ended February 29, 2024 ¥10,454 million [74.0%]
 Six months ended February 28, 2023 ¥6,009 million [(19.7)%]

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Six months ended February 29, 2024	32.45		32.42	
Six months ended February 28, 2023	24.57		24.54	

(2) Consolidated financial position

	Total assets		Net assets		Equity ratio	
	Millions of yen		Millions of yen		%	
As of February 29, 2024	491,698		184,428		29.5	
As of August 31, 2023	449,840		176,383		30.5	

Reference: Equity As of February 29, 2024: ¥144,857 million
 As of August 31, 2023: ¥137,173 million

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended August 31, 2023	–	5.00	–	10.00	15.00
Year ending August 31, 2024	–	9.00			
Year ending August 31, 2024 (Forecast)			–	12.00	21.00

Note: Revision to the forecast for dividends announced most recently: Yes

3. Forecast of consolidated financial results for the year ending August 31, 2024 (from September 1, 2023 to August 31, 2024)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	904,000	10.8	19,500	37.2	21,400	29.2	8,800	199.6	51.41

Note: Revision to the financial results forecast announced most recently: Yes

4. Notes

- (1) Changes in significant subsidiaries during the six months ended February 29, 2024
(changes in specified subsidiaries resulting in the change in scope of consolidation): No
- (2) Application of special accounting methods for preparing quarterly consolidated financial statements: No
- (3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements
- Changes in accounting policies due to revisions to accounting standards and other regulations: No
- Changes in accounting policies due to other reasons: No
- Changes in accounting estimates: No
- Restatement of prior period financial statements: No

(4) Number of issued shares (common shares)

Total number of issued shares at the end of the period (including treasury shares)

As of February 29, 2024	188,146,304 shares	As of August 31, 2023	188,146,304 shares
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Number of treasury shares at the end of the period

As of February 29, 2024	16,963,705 shares	As of August 31, 2023	16,974,305 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Six months ended February 29, 2024	171,180,634 shares	Six months ended February 28, 2023	171,166,766 shares
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* Quarterly financial results reports are exempt from quarterly review conducted by certified public accountants or an audit corporation.

* Proper use of forecasts of financial results, and other special matters

(Caution concerning forward-looking statements)

The forward-looking statements, including the earnings forecasts, shown in this document are based on information currently available to the Company and on certain assumptions deemed to be reasonable. Consequently, the statements herein do not constitute assurances regarding the Company's actual results. Actual financial results may differ substantially due to various factors.

(How to obtain supplementary materials on quarterly financial results)

The Company plans to hold a quarterly financial results meeting for institutional investors and analysts on Thursday, April 18, 2024. The images (video) and explanation contents (audio) of the presentation will be posted on the Company's website along with the materials on the quarterly financial results.

Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of August 31, 2023	As of February 29, 2024
Assets		
Current assets		
Cash and deposits	75,135	75,474
Accounts receivable - trade	44,540	49,059
Merchandise and finished goods	105,260	120,298
Raw materials and supplies	575	736
Program right	269	339
Other	21,662	28,912
Allowance for doubtful accounts	(198)	(193)
Total current assets	247,245	274,628
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	25,547	26,051
Land	47,747	47,747
Other, net	9,809	9,443
Total property, plant and equipment	83,104	83,241
Intangible assets		
Goodwill	5,303	13,916
Other	26,687	25,623
Total intangible assets	31,990	39,540
Investments and other assets		
Guarantee deposits	40,641	40,443
Other	47,599	54,582
Allowance for doubtful accounts	(740)	(738)
Total investments and other assets	87,500	94,287
Total non-current assets	202,595	217,069
Total assets	449,840	491,698

(Millions of yen)

	As of August 31, 2023	As of February 29, 2024
Liabilities		
Current liabilities		
Accounts payable - trade	39,919	47,857
Short-term borrowings	78,000	104,591
Current portion of bonds payable	200	200
Current portion of long-term borrowings	20,304	18,449
Income taxes payable	2,817	3,941
Contract liabilities	31,112	31,514
Provision for bonuses	4,358	4,675
Provision for loss on store closings	135	230
Asset retirement obligations	433	540
Other	27,581	32,694
Total current liabilities	204,862	244,695
Non-current liabilities		
Bonds payable	200	100
Long-term borrowings	24,022	16,656
Contract liabilities	8,781	8,744
Provision for goods warranties	178	156
Provision for loss on store closings	387	226
Provision for loss on business of subsidiaries and associates	47	–
Retirement benefit liability	19,347	20,667
Asset retirement obligations	10,387	10,661
Other	5,241	5,361
Total non-current liabilities	68,593	62,573
Total liabilities	273,456	307,269
Net assets		
Shareholders' equity		
Share capital	25,929	25,929
Capital surplus	27,081	27,076
Retained earnings	99,438	103,282
Treasury shares	(21,684)	(21,670)
Total shareholders' equity	130,764	134,617
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	5,517	9,313
Remeasurements of defined benefit plans	892	925
Total accumulated other comprehensive income	6,409	10,239
Share acquisition rights	211	154
Non-controlling interests	38,998	39,417
Total net assets	176,383	184,428
Total liabilities and net assets	449,840	491,698

Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative)
Consolidated statements of income (cumulative)

(Millions of yen)

	Six months ended February 28, 2023	Six months ended February 29, 2024
Net sales	407,653	447,524
Cost of sales	300,271	332,170
Gross profit	107,382	115,354
Selling, general and administrative expenses	99,999	105,599
Operating profit	7,382	9,754
Non-operating income		
Interest income	17	30
Dividend income	97	107
Share of profit of entities accounted for using equity method	–	79
Commission income	799	828
Other	396	404
Total non-operating income	1,311	1,450
Non-operating expenses		
Interest expenses	116	142
Share of loss of entities accounted for using equity method	74	–
Other	80	99
Total non-operating expenses	270	241
Ordinary profit	8,422	10,963
Extraordinary income		
Gain on sale of non-current assets	20	4
Reversal of provision for loss on business of subsidiaries and associates	–	47
Insurance claim income	64	–
Other	–	7
Total extraordinary income	85	60
Extraordinary losses		
Loss on sale of non-current assets	–	0
Loss on retirement of non-current assets	71	78
Impairment losses	–	595
Loss on valuation of investment securities	465	–
Other	13	1
Total extraordinary losses	550	676
Profit before income taxes	7,956	10,348
Income taxes - current	2,178	2,947
Income taxes - deferred	432	757
Total income taxes	2,611	3,705
Profit	5,345	6,642
Profit attributable to non-controlling interests	1,140	1,088
Profit attributable to owners of parent	4,205	5,554

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Six months ended February 28, 2023	Six months ended February 29, 2024
Profit	5,345	6,642
Other comprehensive income		
Valuation difference on available-for-sale securities	648	3,796
Remeasurements of defined benefit plans, net of tax	15	14
Total other comprehensive income	663	3,811
Comprehensive income	6,009	10,454
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	4,894	9,384
Comprehensive income attributable to non-controlling interests	1,114	1,069

Consolidated statements of cash flows

(Millions of yen)

	Six months ended February 28, 2023	Six months ended February 29, 2024
Cash flows from operating activities		
Profit before income taxes	7,956	10,348
Depreciation	4,872	5,090
Impairment losses	–	595
Amortization of goodwill	347	598
Increase (decrease) in allowance for doubtful accounts	(28)	(7)
Increase (decrease) in provision for bonuses	(131)	317
Increase (decrease) in provision for goods warranties	(45)	(22)
Increase (decrease) in retirement benefit liability	709	607
Interest and dividend income	(115)	(138)
Interest expenses	116	142
Share of loss (profit) of entities accounted for using equity method	74	(79)
Loss (gain) on sale of non-current assets	(20)	(4)
Loss on retirement of non-current assets	71	78
Loss (gain) on valuation of investment securities	465	–
Decrease (increase) in trade receivables	(997)	(3,118)
Decrease (increase) in inventories	(18,536)	(12,901)
Increase (decrease) in trade payables	787	7,629
Increase (decrease) in contract liabilities	(1,363)	364
Other, net	(5,417)	(3,730)
Subtotal	(11,253)	5,771
Interest and dividends received	103	128
Interest paid	(118)	(133)
Income taxes paid	(1,939)	(1,862)
Subsidies received	–	19
Net cash provided by (used in) operating activities	(13,209)	3,924
Cash flows from investing activities		
Purchase of property, plant and equipment	(2,978)	(1,680)
Proceeds from sale of property, plant and equipment	22	104
Purchase of intangible assets	(1,738)	(1,489)
Purchase of investment securities	(119)	(509)
Payments for acquisition of businesses	–	(16,061)
Net decrease (increase) in short-term loans receivable	(414)	0
Payments of guarantee deposits	(72)	(101)
Proceeds from refund of guarantee deposits	290	1,461
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(1,359)	–
Other, net	164	35
Net cash provided by (used in) investing activities	(6,207)	(18,242)

(Millions of yen)

	Six months ended February 28, 2023	Six months ended February 29, 2024
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	17,656	26,591
Proceeds from long-term borrowings	–	2,000
Repayments of long-term borrowings	(11,933)	(11,220)
Redemption of bonds	(115)	(100)
Dividends paid	(1,708)	(1,709)
Dividends paid to non-controlling interests	(674)	(716)
Repayments of lease liabilities	(259)	(181)
Other, net	(8)	(5)
Net cash provided by (used in) financing activities	2,955	14,657
Effect of exchange rate change on cash and cash equivalents	(0)	0
Net increase (decrease) in cash and cash equivalents	(16,460)	339
Cash and cash equivalents at beginning of period	89,536	75,135
Increase in cash and cash equivalents resulting from inclusion of subsidiaries in consolidation	219	–
Cash and cash equivalents at end of period	73,295	75,474