

Summary of Financial Results for the Second Quarter Ended August 31, 2014 [Japan GAAP] (Consolidated)

October 3, 2014

Company AEON DELIGHT Co., Ltd. Listed on the TSE1
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 Contact Susumu Takahashi, General Manager, Group Strategy Div. Expected starting date of dividend payment: November 10, 2014
 Expected date of filing of quarterly report: October 14, 2014
 Preparation of quarterly supplementary financial document: Yes
 Quarterly results briefing: Yes (for institutional investors and analysts)

(Rounded down to million yen)

1. Consolidated business results for the six months ended August 2014

(March 1, 2014 through August 31, 2014)

(1) Consolidated results of operations (% change from the previous corresponding period)

	Net sales		Operating income		Ordinary income		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Six months ended Aug. 2014	134,049	0.4	7,702	1.7	7,725	2.0	4,380	5.6
Six months ended Aug. 2013	133,552	5.3	7,575	6.5	7,571	6.3	4,147	5.1

(Note) Comprehensive income

Six months ended August 2014: 4,104 million yen (-12.7%)

Six months ended August 2013: 4,699 million yen (18.8%)

	Net income per share		Diluted net income per share	
	Yen		Yen	
Six months ended Aug. 2014	83.42		83.23	
Six months ended Aug. 2013	79.04		78.83	

(2) Consolidated financial position

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of Aug. 2014	122,334	74,154	59.1	1,377.34
As of Feb. 2014	112,122	71,316	62.0	1,324.84

(Reference) Shareholders' equity:

As of August 2014: 72,325 million yen

As of February 2014: 69,553 million yen

2. Dividends

	Annual dividend				
	End of 1Q	End of 2Q	End of 3Q	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended Feb. 2014	—	24.00	—	24.00	48.00
Year ending Feb. 2015	—	25.00	—	25.00	50.00
Year ending Feb. 2015 (forecast)	—	25.00	—	25.00	50.00

(Note) Revisions to dividend forecast for the current quarter: None

3. Forecast of consolidated business results for the year ending February 2015

(March 1, 2014 through February 28, 2015)

(% change from the previous corresponding period)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Year ending Feb. 2015	270,000	5.0	16,000	5.9	16,000	6.0	8,600	5.4	163.81

(Note) Revisions to business forecast for the current quarter: None

※Notes

(1) Changes in significant subsidiaries during the period (changes in specified subsidiaries accompanying changes in the scope of consolidation): None

(2) Application of accounting procedures specific to preparation of the consolidated quarterly financial statements:
None

(3) Changes in accounting policies, accounting estimates and restatement

①Changes in accounting policies associated with revision of accounting standards: : None

②Changes in accounting policies other than ① : None

③Changes in accounting estimates : None

④Restatement : None

(4) Shares outstanding (common stock)

①Number of shares outstanding at the end of period (treasury stock included)

As of August 2014 54,169,633 shares

As of February 2014 54,169,633 shares

②Treasury stock at the end of period

As of August 2014 1,658,971 shares

As of February 2014 1,669,701 shares

③Average number of stock during period (quarterly cumulative period)

Six months ended August 2014 52,504,746 shares

Six months ended August 2013 52,468,231 shares

※ Implementation status of quarterly review procedures

This financial summary is not subject to the quarterly review procedures pursuant to the Financial Instruments and Exchange Act. At the time of disclosure of this report, the procedures for review of consolidated financial statements pursuant to the Financial Instruments and Exchange Act have are being conducted.

※Explanation regarding appropriate use of business forecasts and other special instructions

Forecasts regarding future performance in this material are based on information currently available to the company and certain assumptions that the company deems to be reasonable at the time this report was prepared. The company does not make promises about the achievements. Actual results may differ significantly from the forecasts due to various factors.

Quarterly Consolidated Financial Statements

Quarterly Consolidated Balance Sheet

(Million yen)

	Previous Fiscal Year (February 28, 2014)	Current Second Quarter (August 31, 2014)
Assets		
Current assets		
Cash and deposits	12,565	14,884
Notes and accounts receivable-trade	34,952	36,989
Electronically recorded monetary obligations	2,468	6,421
Inventories	2,504	2,574
Deposit of subsidiaries and affiliates	32,420	35,485
Other	5,725	4,977
Allowance for doubtful accounts	-290	-160
Total current assets	90,347	101,172
Fixed assets		
Tangible fixed assets		
Buildings and structures (net)	1,046	1,047
Land	278	278
Other (net)	2,933	3,084
Total tangible fixed assets	4,258	4,410
Intangible fixed assets		
Goodwill	10,078	9,483
Other	1,609	1,735
Total intangible fixed assets	11,687	11,218
Investments and other assets		
Investment securities	3,897	3,465
Other	2,131	2,357
Allowance for doubtful accounts	-199	-291
Total investments and other assets	5,829	5,531
Total fixed assets	21,775	21,161
Total assets	112,122	122,334

(Million yen)

	Previous Fiscal Year (February 28, 2014)	Current Second Quarter (August 31, 2014)
Liabilities		
Current liabilities		
Notes and accounts payable-trade	21,895	25,983
Electronically recorded monetary obligations	4,806	7,318
Current portion of bonds	5	-
Income taxes payable	3,633	3,122
Reserve for bonuses	975	1,409
Reserve for directors' bonuses	95	55
Other	7,894	8,946
Total current liabilities	39,306	46,834
Fixed liabilities		
Reserve for retirement benefits	555	558
Reserve for directors' retirement benefits	170	178
Asset retirement obligation	20	26
Other	753	581
Total fixed liabilities	1,500	1,344
Total liabilities	40,806	48,179
Net assets		
Shareholders' equity		
Capital	3,238	3,238
Capital surplus	18,818	18,832
Retained earnings	46,235	46,335
Treasury stock	-449	-446
Total shareholders' equity	67,842	70,978
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,365	1,096
Foreign currency translation adjustment	346	249
Total accumulated other comprehensive income	1,711	1,346
Stock acquisition rights	165	187
Minority interest	1,597	1,641
Total net assets	71,316	74,154
Total liabilities and net assets	112,122	122,334

Quarterly Consolidated Statement of Income and Quarterly Statement of Comprehensive Income
(Quarterly Consolidated Statement of Income)
(For the six months period)

(Million yen)

	Previous Second Quarter (March 1, 2013 – August 31, 2013)	Current Second Quarter (March 1, 2014 – August 31, 2014)
Net sales	133,552	134,049
Cost of sales	116,570	116,770
Gross profit	16,981	17,278
Selling, general and administrative expenses	9,406	9,575
Operating income	7,575	7,702
Non-operating revenues		
Interest income	44	48
Dividend income	28	28
Other	19	9
Total non-operating revenues	92	85
Non-operating expenses		
Interest expenses	1	2
Other	94	59
Total non-operating expenses	96	62
Ordinary income	7,571	7,725
Extraordinary profit		
Gain on sale of investment securities	12	15
Total extraordinary profit	12	15
Extraordinary loss		
Loss on retirement of fixed assets	6	-
Total extraordinary loss	6	-
Income before income taxes and minority interests	7,578	7,740
Income taxes-current	3,183	3,096
Income taxes-deferred	162	156
Total income taxes	3,346	3,252
Net income before minority interests	4,231	4,487
Minority interests in income	84	107
Net income	4,147	4,380

(Quarterly Consolidated Statement of Comprehensive Income)

(For the six months period)

(Million yen)

	Previous Second Quarter (March 1, 2013 – August 31, 2013)	Current Second Quarter (March 1, 2014 – August 31, 2014)
Net income before minority interests	4,231	4,487
Other comprehensive income		
Valuation difference on available-for-sale securities	263	-269
Foreign currency translation adjustment	204	-114
Total other comprehensive income	468	-383
Comprehensive income	4,699	4,104
(Breakdown)		
Comprehensive income attributable to shareholders of the parent company	4,583	4,014
Comprehensive income attributable to minority shareholders	116	89

Quarterly Consolidated Statement of Cash Flows

(Million yen)

	Previous Second Quarter (March 1, 2013 – August 31, 2013)	Current Second Quarter (March 1, 2014 – August 31, 2014)
Net cash provided by (used in) operating activities		
Income before income taxes and minority interests	7,578	7,740
Depreciation and amortization	580	646
Amortization of goodwill	572	551
Increase (decrease) in provision for bonuses	433	434
Increase (decrease) in provision for retirement benefits	-7	2
Increase (decrease) in provision for directors' retirement	-5	8
Interest and dividends income	-73	-76
Interest expenses	1	2
Decrease (increase) in notes and accounts receivable-trade	-4,341	-6,219
Decrease (increase) in inventories	-296	-71
Increase (decrease) in notes and accounts payable-trade	11,449	6,630
Increase (decrease) in accounts payable-other	185	-507
Decrease (increase) in accounts receivable-other	-722	873
Increase (decrease) in accrued consumption tax etc.	277	890
Other	548	514
Subtotal	16,180	11,421
Interest and dividends income received	73	73
Interest expenses paid	-1	-2
Income taxes paid	-3,168	-3,674
Net cash provided by (used in) operating activities	13,083	7,818
Net cash provided by (used in) investing activities		
Payments into time deposits	-60	-300
Proceeds from withdrawal of time deposits	260	300
Purchase of property, plant and equipment and intangible fixed assets	-896	-836
Proceeds from sales of property, plant and equipment and intangible fixed assets	0	1
Payments for deposit of subsidiaries and affiliates	-99,700	-109,065
Collection of deposit of subsidiaries and affiliates	92,000	106,000
Collection of loans receivable	409	8
Other	-427	-86
Net cash provided by (used in) investing activities	-8,414	-3,977
Net cash provided by (used in) financing activities		
Cash dividends paid	-1,206	-1,261
Other	-59	-29
Net cash provided by (used in) financing activities	-1,265	-1,290
Effect of exchange rate change on cash and cash equivalents	127	-31
Net increase (decrease) in cash and cash equivalents	3,529	2,518
Cash and cash equivalents at beginning of period	9,676	12,028
Cash and cash equivalents at end of period	13,206	14,546