

Summary of Financial Results for the Third Quarter Ended November 30, 2017[Japan GAAP] (Consolidated)

January 10, 2018

C o m p a n y	AEON DELIGHT CO., LTD.	Listed on the TSE1
Stock Code	9787	URL: http://www.aeondelight.co.jp
Representative	Ippei Nakayama, President and CEO	
C o n t a c t	Yukio Furukawa, Director and Managing Director, Business Management	T E L: +81-6-6260-5632
Expected date of filing of quarterly report:	January 12, 2018	Expected starting date of dividend payment: -
Preparation of quarterly supplementary financial document:	Yes	
Quarterly results briefing:	None	

(Rounded down to million yen)

1. Consolidated business results for the nine months ended November 2017

(March 1, 2017 through November 30, 2017)

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

	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Nine months ended Nov. 2017	223,842	0.4	12,658	1.6	13,060	4.7	7,651	0.2
Nine months ended Nov. 2016	222,872	5.8	12,455	4.1	12,471	3.8	7,637	9.5

(Note) Comprehensive income

Nine months ended November 2017: 8,597 million yen (8.7%)

Nine months ended November 2016: 7,912 million yen (8.6%)

	Net income per share		Diluted net income per share	
	Yen	Yen	Yen	Yen
Nine months ended Nov. 2017	145.53		145.15	
Nine months ended Nov. 2016	145.33		144.95	

(2) Consolidated financial position

	Total assets	Net assets	Shareholders' equity ratio
	Million yen	Million yen	%
As of Nov. 2017	145,341	97,517	65.1
As of Feb. 2017	139,505	92,089	64.0

(Reference) Shareholders' equity

As of November 2017: 94,544 million yen

As of February 2017: 89,345 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. 2017	—	28.00	—	27.00	55.00
Year ending Feb. 2018	—	30.00	—	—	—
Year ending Feb. 2018 (forecast)	—	—	—	31.00	61.00

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

3. Forecast of consolidated business results for the fiscal year ending February 2018

(March 1, 2017 through February 28, 2018)

(% change from the previous corresponding period)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent		Net income per share	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen	Yen
Year ending Feb. 2018	305,000	3.5	18,000	4.3	18,000	3.6	10,700	4.5	203.60	

(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 November 2017	54,169,633 shares
As of February 2017	54,169,633 shares

②Treasury stock at the end of period

As of November 2017	1,590,023 shares
As of February 2017	1,615,195 shares

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

Nine months ended November 2017	52,572,679 shares
Nine months ended November 2016	52,549,048 shares

***Quarterly financial summary is not subject to the quarterly review procedures**

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

(Precautions regarding forward-looking statements)

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, 2017)	Current Third Quarter (November 30, 2017)
Assets		
Current assets		
Cash and deposits	31,717	35,307
Notes and accounts receivable-trade	36,958	37,276
Electronically recorded monetary obligations	3,577	5,149
Investment securities	-	100
Inventories	3,050	3,009
Deposit of subsidiaries and affiliates	31,713	32,000
Other	5,591	6,005
Allowance for doubtful accounts	-202	-123
Total current assets	112,405	118,725
Fixed assets		
Tangible fixed assets		
Buildings and structures, net	1,644	1,620
Land	1,975	1,975
Other, net	5,469	6,172
Total tangible fixed assets	9,089	9,768
Intangible fixed assets		
Goodwill	7,038	6,444
Other	2,056	1,848
Total intangible fixed assets	9,095	8,292
Investments and other assets		
Investment securities	4,546	5,068
Other	4,905	4,096
Allowance for doubtful accounts	-536	-610
Total investments and other assets	8,915	8,554
Total fixed assets	27,099	26,616
Total assets	139,505	145,341

(Million yen)

	Previous Fiscal Year (February 28, 2017)	Current Third Quarter (November 30, 2017)
Liabilities		
Current liabilities		
Notes and accounts payable-trade	23,474	24,133
Electronically recorded monetary obligations	5,133	5,887
Short-term loans payable	241	218
Current portion of long-term loans payable	30	40
Accounts payable-other	5,641	5,199
Income taxes payable	3,493	1,904
Reserve for bonuses	1,298	2,595
Reserve for directors' bonuses	117	98
Other	4,635	4,721
Total current liabilities	44,065	44,798
Fixed liabilities		
Long-term loans payable	293	337
Reserve for directors' retirement benefits	221	172
Liabilities relating to retirement benefits	1,613	1,519
Asset retirement obligation	49	49
Other	1,172	945
Total fixed liabilities	3,350	3,025
Total liabilities	47,416	47,823
Net assets		
Shareholders' equity		
Capital	3,238	3,238
Capital surplus	18,949	19,020
Retained earnings	66,795	71,449
Treasury stock	-436	-430
Total shareholders' equity	88,546	93,278
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	964	1,353
Foreign currency translation adjustment	251	264
Total accumulated adjustment relating to retirement benefits	-417	-351
Total accumulated other comprehensive income	799	1,266
Stock acquisition rights	263	303
Non-controlling interests	2,480	2,669
Total net assets	92,089	97,517
Total liabilities and net assets	139,505	145,341

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

(Million yen)

	Previous Third Quarter (March 1, 2016 – November 30, 2016)	Current Third Quarter (March 1, 2017 – November 30, 2017)
Net sales	222,872	223,842
Cost of sales	193,993	194,428
Gross profit	28,878	29,414
Selling, general and administrative expenses	16,423	16,755
Operating income	12,455	12,658
Non-operating revenues		
Interest income	44	34
Dividend income	57	57
Investment gain on equity method	55	68
Gain on investments in silent partnership	42	308
Other	48	65
Total non-operating revenues	248	533
Non-operating expenses		
Interest expenses	15	22
Other	216	110
Total non-operating expenses	232	132
Ordinary income	12,471	13,060
Extraordinary profit		
Gain on transfer from business divestitures	469	—
Gain on sale of investment securities	1	111
Total extraordinary profit	470	111
Extraordinary loss		
Settlement package	—	1,201
Loss on disaster	56	—
Other	174	18
Total extraordinary loss	230	1,220
Income before income taxes and minority interests	12,711	11,951
Income taxes-current	4,825	4,205
Income taxes-deferred	-104	-375
Total income taxes	4,720	3,829
Net income	7,990	8,122
Net income attributable to non-controlling interests	353	471
Net income attributable to owners of parent	7,637	7,651

(Quarterly Consolidated Statement of Comprehensive Income)

(For the nine months period)

(Million yen)

	Previous Third Quarter (March 1, 2016 – November 30, 2016)	Current Third Quarter (March 1, 2017 – November 30, 2017)
Net income	7,990	8,122
Other comprehensive income		
Valuation difference on available-for-sale securities	244	391
Foreign currency translation adjustment	-397	18
Adjustment relating to retirement benefits	74	66
Total other comprehensive income	-78	475
Comprehensive income	7,912	8,597
(Breakdown)		
Comprehensive income attributable to owners of parent	7,666	8,118
Comprehensive income attributable to non-controlling interests	246	479

Notes on quarterly consolidated financial statements

●(Notes on going concern assumption)

Third quarter of FY2018 (March 1, 2017 – November 30, 2017)

None

●(Notes if there is a significant change in the amount of shareholders' equity)

Third quarter of FY2018 (March 1, 2017 – November 30, 2017)

None