

Summary of Financial Results for the Third Quarter Ended November 30, 2020 [Japan GAAP] (Consolidated)

January 13, 2021

Company	AEON DELIGHT CO., LTD.	Listed on the TSE1
Stock Code	9787	URL: https://www.aeondelight.co.jp
Representative	Kazumasa Hamada, President	
Contact	Noriaki Ikuta, Managing Executive Officer, Head of Group Strategy, Digital Solution Division	T E L: +81-3-6840-5712
Expected date of filing of quarterly report:	January 14, 2021	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 2020 (March 1, 2020 through November 30, 2020)

(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. 2020	224,398	-3.5	11,214	-7.4	11,245	-7.7	6,326	-14.2
Nine months ended Nov. 2019	232,643	2.6	12,104	35.8	12,189	31.0	7,369	89.3

(Note) Comprehensive income

Nine months ended November 2020: 6,405 million yen (86.5%)

Nine months ended November 2019: 7,403 million yen (81.8%)

	Net income per share	Diluted net income per share
	Yen	Yen
Nine months ended Nov. 2020	126.58	126.42
Nine months ended Nov. 2019	147.61	147.32

(2) Consolidated financial position

	Total assets	Net assets	Shareholders' equity ratio
	Million yen	Million yen	%
As of Nov. 2020	129,936	82,356	62.6
As of Feb. 2020	136,917	81,286	57.6

(Reference) Shareholders' equity

As of November 2020: 81,363 million yen

As of February 2020: 78,886 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. 2020	-	32.00	-	33.00	65.00
Year ending Feb. 2021	-	35.00	-	-	-
Year ending Feb. 2021 (forecast)	-	-	-	35.00	70.00

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

3. Forecast of consolidated business results for the fiscal year ending February 2021

(March 1, 2020 through February 28, 2021)

(% 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
Year ending Feb. 2021	315,000	2.1	16,500	3.1	16,500	3.4	10,000	7.0	200.13

(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
- | | |
|--|--------|
| ① Changes in accounting policies associated with revision of accounting standards: | : None |
| ② Changes in accounting policies other than ① | : None |
| ③ Changes in accounting estimates | : None |
| ④ Restatement | : None |
- (4) Shares outstanding (common stock)
- | | |
|---|-------------------|
| ① Number of shares outstanding at the end of period (treasury stock included) | |
| As of November 2020 | 54,169,633 shares |
| As of February 2020 | 54,169,633 shares |
| ② Treasury stock at the end of period | |
| As of November 2020 | 4,148,918 shares |
| As of February 2020 | 4,202,659 shares |
| ③ Average number of stock during period (quarterly cumulative period) | |
| Nine months ended November 2020 | 49,979,376 shares |
| Nine months ended November 2019 | 49,927,069 shares |

***Quarterly financial summary is not subject to the quarterly review procedures by certified public accountants or auditing firms.**

***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.

2. Quarterly Consolidated Financial Statements
(Quarterly Consolidated Balance Sheets)

(Million yen)

	Previous Fiscal Year (February 29, 2020)	Current Third Quarter (November 30, 2020)
Assets		
Current assets		
Cash and deposits	62,355	54,084
Notes and accounts receivable	39,535	40,018
Electronically recorded monetary claims	3,077	3,191
Inventories	1,822	2,066
Other	5,813	6,408
Allowance for doubtful accounts	-242	-200
Total current assets	112,362	105,570
Fixed assets		
Tangible fixed assets		
Buildings and structures, net	1,458	1,428
Tools, furniture and fixtures, net	4,846	4,336
Land	2,032	2,032
Other, net	1,334	2,097
Total tangible fixed assets	9,671	9,894
Intangible fixed assets		
Goodwill	5,975	5,147
Other	1,209	1,626
Total intangible fixed assets	7,185	6,774
Investments and other assets		
Investment securities	3,623	3,591
Other	4,111	4,117
Allowance for doubtful accounts	-36	-11
Total investment and other assets	7,698	7,696
Total fixed assets	24,554	24,365
Total assets	136,917	129,936

(Million yen)

	Previous Fiscal Year (February 29, 2020)	Current Third Quarter (November 30, 2020)
Liabilities		
Current liabilities		
Notes and accounts payable-trade	23,388	22,481
Electronically recorded obligations - operating	4,814	3,920
Short-term borrowings	249	369
Current portion of long-term loans payable	3	3
Income taxes payable	2,795	1,879
Provision for bonuses	1,333	2,728
Accrued directors' and corporate auditors' remuneration	91	52
Allowance for sales discounts	677	214
Other	15,509	11,496
Total current liabilities	48,864	43,147
Fixed liabilities		
Long-term debt	11	8
Provision for directors' retirement benefits	178	112
Obligations for retirement pay	1,930	1,839
Asset retirement obligations	60	60
Allowance for sales discounts	1,576	323
Other	3,010	2,087
Total fixed liabilities	6,767	4,432
Total liabilities	55,631	47,580
Net assets		
Shareholder's equity		
Capital stock	3,238	3,238
Capital surplus	13,880	13,223
Retained earnings	72,063	74,990
Treasury stock	-10,208	-10,165
Total shareholders' equity	78,972	81,286
Other accumulated comprehensive income		
Valuation difference on securities	487	787
Foreign currency translation adjustments	18	-193
Remeasurements of defined benefit plans	-592	-516
Total other accumulated comprehensive income	-86	77
Share subscription rights	186	165
Non-controlling shareholders' equity	2,213	827
Total net assets	81,286	82,356
Total liabilities and net assets	136,917	129,936

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, 2019- November 30, 2019)	Current Third Quarter (March 1, 2020- November 30, 2020)
Net sales	232,643	224,398
Cost of sales	203,629	196,836
Gross profit	29,014	27,561
Selling, general and administrative expenses	16,909	16,347
Operating income	12,104	11,214
Non-operating income		
Interest income	30	14
Dividends income	66	64
Equity in income of affiliates	53	67
Other	73	91
Total non-operating income	224	238
Non-operating expenses		
Interest expenses	21	29
Other	117	177
Total non-operating expenses	139	206
Ordinary income	12,189	11,245
Extraordinary income		
Gain on sales of investment security	111	32
Subsidies for employment adjustment	-	358
Other	17	-
Total extraordinary income	129	390
Extraordinary loss		
Loss on valuation of investment security	3	443
Loss on sales of investment security	14	1
Impairment loss	-	119
Loss due to response to new infections	-	412
Loss on transfer of business	-	1,253
Other	252	191
Total extraordinary loss	270	2,421
Profit before income taxes	12,048	9,214
Income taxes	4,440	3,218
Income taxes-deferred	4	-240
Total income taxes	4,445	2,977
Net income	7,603	6,237
Net income attributable to non-controlling interests	233	-89
Net income attributable to owners of parent	7,369	6,326

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

(Million yen)

	Previous Third Quarter (March 1, 2019- November 30, 2019)	Current Third Quarter (March 1, 2020- November 30, 2020)
Net income	7,603	6,237
Other comprehensive income		
Valuation difference on securities	-16	301
Foreign currency translation adjustments	-244	-211
Remeasurements of defined benefit plans	61	77
Total other comprehensive income	-199	167
Comprehensive income	7,403	6,405
(Breakdown)		
Comprehensive income attributable to owners of parent	7,171	6,490
Comprehensive income attributable to non-controlling interests	231	-85

(3) Notes on quarterly consolidated financial statements

(Notes on going concern assumption)

Current Third Quarter (March 1, 2020–November 30, 2020)

None

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

Current Third Quarter (March 1, 2020–November 30, 2020)

During the first quarter of the current fiscal year, capital surplus decreased by 664 million yen due to the additional acquisition of shares of consolidated subsidiary A to Z Service Co., Ltd. from non-controlling interests. As of the end of the third quarter of the current fiscal year, capital surplus amounted to 13,223 million yen.