

Summary of Financial Results for the First Quarter Ended May 31, 2021 [Japan GAAP] (Consolidated)

July 7, 2021

Company AEON DELIGHT Co., Ltd. Listed on the TSE1
 Stock Code 9787 URL: <https://www.aeondelight.co.jp>
 Representative Kazumasa Hamada, President and CEO, Group CEO
 Contact Keiji Sagata, Managing Director, Group Strategy and ESG TEL: +81-3-6840-5712
 Expected date of filing of quarterly report: July 14, 2021 Expected starting date of dividend payment: -
 Preparation of quarterly supplementary financial document: Yes
 Quarterly results briefing: No (for institutional investors and analysts)

(Rounded down to million yen)

1. Consolidated business results for the three months ended May 2021 (March 1, 2021 through May 31, 2021)

(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	%
Three months ended May 2021	79,688	8.4	3,728	7.9	3,751	8.4	2,507	-16.2
Three months ended May 2020	73,532	-7.0	3,455	-9.1	3,459	-9.5	2,991	44.5

(Note) Comprehensive income

Three months ended May 2021: 2,912 million yen (19.0%)

Three months ended May 2020: 2,448 million yen (18.5%)

	Net income per share	Diluted net income per share
	Yen	Yen
Three months ended May 2021	50.15	50.10
Three months ended May 2020	59.86	59.79

(2) Consolidated financial position

	Total assets	Net assets	Shareholders' equity ratio
	Million yen	Million yen	%
As of May 2021	135,795	88,875	64.8
As of Feb. 2021	136,565	88,281	64.0

(Reference) Shareholders' equity

As of May 2021: 87,929 million yen

As of February 2021: 87,347 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. 2021	-	35.00	-	47.00	82.00
Year ending Feb. 2022	-				
Year ending Feb. 2022 (forecast)					
Ordinary dividend		37.00	-	37.00	74.00
Commemorative dividend		5.00	-	5.00	10.00
Total		42.00	-	42.00	84.00

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

The commemorative dividend is paid in commemoration of the 15th anniversary of AEON DELIGHT.

3. Forecast of consolidated business results for the fiscal year ending February 2022 (March 1, 2021 through February 28, 2022)

(% 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. 2022	325,000	8.3	16,500	8.3	16,500	8.1	10,500	-10.1	209.99

(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): Yes

Excluded: 1 (General Services, Inc.)

Note: Please refer to ' 2. Quarterly Consolidated Financial Statements and significant notes (3) Notes on quarterly consolidated financial statements (Changes in significant subsidiaries during the first quarter of the current fiscal year) ' on page 7 of the attached document.

(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 : Yes

③ Changes in accounting estimates : None

④ Restatement : None

Note: Please refer to ' 2. Quarterly Consolidated Financial Statements and significant notes (3) Notes on quarterly consolidated financial statements (Changes in accounting policies) ' on page 7 of the attached document.

(4) Shares outstanding (common stock)

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

As of May 2021 54,169,633 shares

As of February 2021 54,169,633 shares

② Treasury stock at the end of period

As of May 2021 4,160,573 shares

As of February 2021 4,167,473 shares

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

Three months ended May 2021 50,005,610 shares

Three months ended May 2020 49,971,367 shares

***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 and significant notes
(Quarterly Consolidated Balance Sheets)

	(Million yen)	
	Previous Fiscal Year (February 28, 2021)	Current First Quarter (May 31, 2021)
Assets		
Current assets		
Cash and deposits	59,773	57,977
Notes and accounts receivable	39,176	40,360
Electronically recorded monetary claims	3,182	3,338
Inventories	2,006	2,001
Other	6,082	6,339
Allowance for doubtful accounts	-212	-120
Total current assets	110,008	109,897
Fixed assets		
Tangible fixed assets		
Buildings and structures, net	1,671	1,647
Tools, furniture and fixtures, net	4,264	4,160
Land	2,000	2,000
Other, net	1,545	1,509
Total tangible fixed assets	9,481	9,317
Intangible fixed assets		
Goodwill	3,938	3,783
Other	1,579	1,675
Total intangible fixed assets	5,518	5,459
Investments and other assets		
Investment securities	3,960	3,872
Other	7,607	7,268
Allowance for doubtful accounts	-11	-19
Total investment and other assets	11,557	11,120
Total fixed assets	26,556	25,898
Total assets	136,565	135,795

(Million yen)

	Previous Fiscal Year (February 28, 2021)	Current First Quarter (May 31, 2021)
Liabilities		
Current liabilities		
Notes and accounts payable-trade	22,170	22,080
Electronically recorded obligations - operating	4,188	4,179
Short-term borrowings	299	273
Income taxes payable	1,147	904
Provision for bonuses	1,325	2,332
Accrued directors' and corporate auditors' remuneration	81	15
Asset retirement obligations	127	127
Allowance for sales discounts	130	124
Other	14,652	13,024
Total current liabilities	44,123	43,062
Fixed liabilities		
Provision for directors' retirement benefits	114	64
Obligations for retirement pay	1,594	1,569
Asset retirement obligations	234	234
Allowance for sales discounts	192	163
Other	2,024	1,826
Total fixed liabilities	4,160	3,858
Total liabilities	48,283	46,920
Net assets		
Shareholder's equity		
Capital stock	3,238	3,238
Capital surplus	13,226	13,231
Retained earnings	80,344	80,501
Treasury stock	-10,123	-10,106
Total shareholders' equity	86,685	86,864
Other accumulated comprehensive income		
Valuation difference on securities	1,042	973
Foreign currency translation adjustments	-30	422
Remeasurements of defined benefit plans	-349	-330
Total other accumulated comprehensive income	662	1,065
Share subscription rights	119	124
Non-controlling shareholders' equity	814	821
Total net assets	88,281	88,875
Total liabilities and net assets	136,565	135,795

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

(Million yen)

	Previous First Quarter (March 1, 2020- May 31, 2020)	Current First Quarter (March 1, 2021- May 31, 2021)
Net sales	73,532	79,688
Cost of sales	64,569	69,922
Gross profit	8,963	9,765
Selling, general and administrative expenses	5,507	6,036
Operating income	3,455	3,728
Non-operating income		
Interest income	5	4
Dividends income	31	33
Equity in income of affiliates	18	18
Other	29	24
Total non-operating income	84	80
Non-operating expenses		
Interest expenses	9	8
Other	70	49
Total non-operating expenses	80	57
Ordinary income	3,459	3,751
Extraordinary income		
Gain on sales of investment security	32	-
Subsidies for employment adjustment	-	74
Total extraordinary income	32	74
Extraordinary loss		
Loss due to response to new infections	172	52
Other	133	0
Total extraordinary loss	305	52
Profit before income taxes	3,186	3,773
Income taxes	276	870
Income taxes-deferred	-11	395
Total income taxes	265	1,266
Net income	2,921	2,507
Loss attributable to non-controlling interests	-70	-0
Net income attributable to owners of parent	2,991	2,507

(Quarterly Consolidated Statement of Comprehensive Income)

(For the three months period)

(Million yen)

	Previous First Quarter (March 1, 2020- May 31, 2020)	Current First Quarter (March 1, 2021- May 31, 2021)
Net income	2,921	2,507
Other comprehensive income		
Valuation difference on securities	-103	-69
Foreign currency translation adjustments	-396	455
Remeasurements of defined benefit plans	27	19
Total other comprehensive income	-472	405
Comprehensive income	2,448	2,912
(Breakdown)		
Comprehensive income attributable to owners of parent	2,526	2,910
Comprehensive income attributable to non-controlling interests	-78	1

(3) Notes on quarterly consolidated financial statements

(Notes on going concern assumption)

Current First Quarter (March 1, 2021-May 31, 2021)

None

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

Current First Quarter (March 1, 2021-May 31, 2021)

None

(Changes in significant subsidiaries during the first quarter of the current fiscal year)

During the first quarter of the current fiscal year, General Services, Inc. was excluded from the scope of consolidation due to the completion of liquidation.

(Changes in accounting policies)

(Change in method for inventory valuation)

Merchandise was previously stated at cost based on the moving average method. However, from the first quarter of the current fiscal year, the Company has adapted the weighted-average method. The purpose of this change in valuation method was to enable faster and more appropriate periodical calculation of profit and loss on the occasion of the renewal of the core system.

Since the impact of this change is immaterial, it has not been applied retrospectively.