

Summary of Financial Results for the First Quarter Ended May 31, 2018

[Japan GAAP] (Consolidated)

July 4, 2018

C o m p a n y AEON DELIGHT Co., Ltd. Listed on the TSE1
S t o c k C o d e 9787 URL: <http://www.aeondelight.co.jp>
R e p r e s e n t a t i v e Kazumasa Hamada, President and CEO
C o n t a c t Yukio Furukawa, Director and Senior Managing Director, Business T E L: +81-6-6260-5632
 Management
 Expected date of filing of quarterly report: July 13, 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 three months ended May 2018

(March 1, 2018 through May 31, 2018)

(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 2018	76,480	1.3	4,637	13.6	4,668	13.4	2,908	4.9
Three months ended May 2017	75,514	0.1	4,082	4.4	4,116	5.3	2,773	3.4

(Note) Comprehensive income

Three months ended May 2018: 2,950 million yen (0.7%)

Three months ended May 2017: 2,930 million yen (7.2%)

	Net income per share		Diluted net income per share	
	Yen		Yen	
Three months ended May 2018	55.31		55.18	
Three months ended May 2017	52.77		52.64	

(2) Consolidated financial position

	Total assets	Net assets	Shareholders' equity ratio
	Million yen	Million yen	%
As of May 2018	147,122	101,783	67.1
As of Feb. 2018	146,828	100,561	66.4

(Reference) Shareholders' equity

As of May 2018: 98,667 million yen

As of February 2018: 97,427million 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. 2018	-	30.00	-	31.00	61.00
Year ending Feb. 2019	-				
Year ending Feb. 2019 (forecast)		31.00	-	32.00	63.00

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

3. Forecast of consolidated business results for the fiscal year ending February 2019

(March 1, 2018 through February 28, 2019)

(% 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
For the six months ending Aug. 2018	152,000	0.1	9,000	2.2	9,000	1.4	5,600	0.5	106.51
Year ending Feb. 2019	305,000	3.1	18,500	10.0	18,500	7.0	11,000	6.6	209.21

(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 May 2018	54,169,633 shares
As of February 2018	54,169,633 shares

②Treasury stock at the end of period

As of May 2018	1,564,532 shares
As of February 2018	1,590,132 shares

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

Three months ended May 2018	52,585,901 shares
Three months ended May 2017	52,563,622 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.

Quarterly Consolidated Financial Statements
(Quarterly Consolidated Balance Sheet)

(Million yen)

	Previous Fiscal Year (February 28, 2018)	Current First Quarter (May 31, 2018)
Assets		
Current assets		
Cash and deposits	39,536	38,464
Notes and accounts receivable-trade	37,437	39,265
Electronically recorded monetary obligations	2,765	2,332
Inventories	3,088	2,962
Deposit of subsidiaries and affiliates	32,000	32,000
Other	5,517	6,097
Allowance for doubtful accounts	-130	-156
Total current assets	120,214	120,964
Fixed assets		
Tangible fixed assets		
Buildings and structures, net	1,593	1,563
Land	1,975	2,032
Other, net	6,491	6,377
Total tangible fixed assets	10,060	9,973
Intangible fixed assets		
Goodwill	6,255	6,182
Other	1,780	1,683
Total intangible fixed assets	8,036	7,865
Investments and other assets		
Investment securities	5,334	5,204
Other	3,793	3,627
Allowance for doubtful accounts	-610	-513
Total investments and other assets	8,516	8,318
Total fixed assets	26,613	26,158
Total assets	146,828	147,122

(Million yen)

	Previous Fiscal Year (February 28, 2018)	Current First Quarter (May 31, 2018)
Liabilities		
Current liabilities		
Notes and accounts payable-trade	23,684	23,424
Electronically recorded monetary obligations	4,474	5,272
Short-term loans payable	225	251
Current portion of long-term loans payable	-	2
Income taxes payable	3,059	1,825
Reserve for bonuses	1,244	2,317
Reserve for directors' bonuses	133	52
Other	10,663	9,502
Total current liabilities	43,486	42,650
Fixed liabilities		
Long-term loans payable	-	17
Reserve for directors' retirement benefits	178	128
Liabilities relating to retirement benefits	1,585	1,587
Asset retirement obligation	51	52
Other	965	903
Total fixed liabilities	2,780	2,689
Total liabilities	46,267	45,339
Net assets		
Shareholders' equity		
Capital	3,238	3,238
Capital surplus	19,020	19,074
Retained earnings	74,115	75,394
Treasury stock	-430	-424
Total shareholders' equity	95,943	97,282
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,574	1,537
Foreign currency translation adjustment	313	252
Total accumulated adjustment relating to retirement benefits	-402	-405
Total accumulated other comprehensive income	1,484	1,385
Stock acquisition rights	303	333
Non-controlling interests	2,829	2,782
Total net assets	100,561	101,783
Total liabilities and net assets	146,828	147,122

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, 2017– May 31, 2017)	Current First Quarter (March 1, 2018– May 31, 2018)
Net sales	75,514	76,480
Cost of sales	65,719	66,256
Gross profit	9,794	10,223
Selling, general and administrative expenses	5,711	5,585
Operating income	4,082	4,637
Non-operating revenues		
Interest income	9	9
Dividend income	22	30
Equity in earnings of affiliates	13	15
Other	37	22
Total non-operating revenues	84	78
Non-operating expenses		
Interest expenses	7	4
Foreign exchange losses	2	10
Other	40	31
Total non-operating expenses	50	47
Ordinary income	4,116	4,668
Extraordinary profit		
Gain on sale of investment securities	2	-
Total extraordinary profit	2	-
Extraordinary loss		
Loss on business liquidation	3	-
Total extraordinary loss	3	-
Income before income taxes and others	4,116	4,668
Corporate, inhabitant and enterprise taxes	1,346	1,655
Income taxes-deferred	-110	-58
Total income taxes	1,235	1,596
Net income	2,880	3,071
Net income attributable to non-controlling interests	107	162
Net income attributable to owners of parent	2,773	2,908

(Quarterly Consolidated Statement of Comprehensive Income)

(For the three months period)

(Million yen)

	Previous First Quarter (March 1, 2017– May 31, 2017)	Current First Quarter (March 1, 2018– May 31, 2018)
Net income	2,880	3,071
Other comprehensive income		
Valuation difference on available-for-sale securities	123	-35
Foreign currency translation adjustment	-95	-83
Remeasurements of defined benefit plans	21	-2
Total other comprehensive income	50	-120
Comprehensive income	2,930	2,950
(Breakdown)		
Comprehensive income attributable to owners of parent	2,850	2,809
Comprehensive income attributable to non-controlling interests	80	141

● Notes on quarterly consolidated financial statements

(Notes on going concern assumption)

First quarter of FY2019 (March 1, 2018 – May 31, 2018)

None

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

First quarter of FY2019 (March 1, 2018 – May 31, 2018)

None