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July 11, 2023

Consolidated Financial Results for the Three Months Ended May 31, 2023 (Under Japanese GAAP)

Company name: AEON DELIGHT Co., Ltd.
 Listing: Tokyo Stock Exchange
 Securities code: 9787
 URL: <https://www.aeondelight.co.jp>
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 Scheduled date to file quarterly securities report: July 14, 2023
 Scheduled date to commence dividend payments: -
 Preparation of supplementary material on quarterly financial results: Yes
 Holding of quarterly financial results briefing: None

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated financial results for the three months ended May 31, 2023 (from March 1, 2023 to May 31, 2023)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended								
May 31, 2023	79,118	10.2	3,447	5.0	3,487	5.7	2,299	2.4
May 31, 2022	71,786	-	3,282	-	3,300	-	2,246	-

Note: Comprehensive income For the three months ended May 31, 2023: ¥2,636 million [-9.4%]
 For the three months ended May 31, 2022: ¥2,910 million [-%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended		
May 31, 2023	46.79	46.75
May 31, 2022	44.91	44.88

Note: The "Accounting Standard for Revenue Recognition" (ASBJ Statement No. 29, March 31, 2020) and others are applied since the beginning of the first quarter of the fiscal year under review. The figures for first quarter of the fiscal year ending February 2023 are after the application of these accounting standards, and the year-on-year percentage changes are not presented.

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
	Millions of yen	Millions of yen	%
As of			
May 31, 2023	149,916	98,569	65.0
February 28, 2023	150,628	99,391	65.3

Reference: Equity
 As of May 31, 2023: ¥97,514 million
 As of February 28, 2023: ¥98,396 million

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended February 28, 2023	-	42.00	-	43.00	85.00
Fiscal year ending February 29, 2024	-				
Fiscal year ending February 29, 2024 (Forecast)		43.00	-	43.00	86.00

Note: Revisions to the forecast of cash dividends most recently announced: None

3. Forecast of consolidated financial results for the year ending February 29, 2024 (from March 1, 2023 to February 29, 2024)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	310,000	2.0	16,000	1.2	16,000	0.0	10,400	2.4	214.32

Note: 1. Revisions to the forecast of cash dividends most recently announced: None

2. At the meeting of the Board of Directors held on October 4, 2022, the Company resolved to acquire treasury stock. "Earnings per share" in the forecast of consolidated financial results for the year ending February 29, 2024, is based on the impact of the acquisition of treasury stock.

*** Notes**

- (1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in the change in scope of consolidation): None
- (2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements: None
- (3) Changes in accounting policies, changes in accounting estimates, and restatement
- (i) Changes in accounting policies due to revisions to accounting standards and other regulations: None
 - (ii) Changes in accounting policies due to other reasons: None
 - (iii) Changes in accounting estimates: None
 - (iv) Restatement: None

(4) Number of issued shares (common shares)

- (i) Total number of issued shares at the end of the period (including treasury shares)

As of May 31, 2023	50,669,633 shares
As of February 28, 2023	50,669,633 shares

- (ii) Number of treasury shares at the end of the period

As of May 31, 2023	1,729,747 shares
As of February 28, 2023	1,270,047 shares

- (iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Three months ended May 31, 2023	49,153,561 shares
Three months ended May 31, 2022	50,021,215 shares

* Quarterly financial results reports are exempt from quarterly review conducted by certified public accountants or an audit corporation.

* Proper use of earnings forecasts, and other special matters

The forward-looking statements 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. Therefore, 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
(1) Quarterly consolidated balance sheets

(Million yen)

	Previous Fiscal Year (February 28, 2023)	Current First Quarter (May 31, 2023)
Assets		
Current assets		
Cash and deposits	57,600	54,797
Notes and accounts receivable - trade, and contract assets	47,065	48,174
Electronically recorded monetary claims	8,825	8,423
Securities	7,008	8,008
Inventories	2,363	2,479
Other	6,766	6,013
Allowance for doubtful accounts	-95	-137
Total current assets	129,534	127,758
Noncurrent assets		
Property, plant and equipment		
Buildings and structures, net	1,494	1,424
Tools, furniture and fixtures, net	2,967	3,289
Land	434	394
Other, net	1,604	1,703
Total property, plant and equipment	6,499	6,812
Intangible fixed assets		
Goodwill	3,046	3,176
Other	3,324	3,410
Total intangible fixed assets	6,371	6,587
Investments and other assets		
Investment securities	4,021	4,136
Other	4,220	4,640
Allowance for doubtful accounts	-19	-20
Total investment and other assets	8,222	8,757
Total noncurrent assets	21,093	22,157
Total assets	150,628	149,916

(Million yen)

	Previous Fiscal Year (February 28, 2023)	Current First Quarter (May 31, 2023)
Liabilities		
Current liabilities		
Notes and accounts payable-trade	25,901	26,083
Electronically recorded obligations - operating	5,116	4,582
Short-term borrowings	182	335
Accounts payable	7,265	6,443
Income taxes payable	2,571	1,480
Provision for bonuses	1,389	2,589
Accrued directors' and corporate auditors' remuneration	52	16
Allowance for sales discounts	86	60
Other	5,840	7,018
Total current liabilities	48,406	48,610
Noncurrent liabilities		
Long-term debt	-	34
Provision for directors' retirement benefits	74	49
Retirement benefit liability	1,187	1,149
Asset retirement obligations	419	420
Allowance for sales discounts	11	6
Other	1,137	1,075
Total noncurrent liabilities	2,830	2,735
Total liabilities	51,237	51,346
Net assets		
Shareholder's equity		
Capital stock	3,238	3,238
Capital surplus	4,739	4,739
Retained earnings	91,421	91,597
Treasury stock	-3,415	-4,781
Total shareholders' equity	95,983	94,793
Other accumulated comprehensive income		
Valuation difference on securities	1,130	1,187
Foreign currency translation adjustments	1,435	1,670
Remeasurements of defined benefit plans	-153	-137
Total other accumulated comprehensive income	2,413	2,721
Share subscription rights	86	99
Non-controlling shareholders' equity	908	955
Total net assets	99,391	98,569
Total liabilities and net assets	150,628	149,916

(2) 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, 2022- May 31, 2022)	Current First Quarter (March 1, 2023- May 31, 2023)
Net sales	71,786	79,118
Cost of sales	62,041	68,891
Gross profit	9,745	10,226
Selling, general and administrative expenses	6,462	6,778
Operating income	3,282	3,447
Non-operating income		
Interest income	6	17
Dividends income	35	34
Equity in income of affiliates	20	24
Other	33	17
Total non-operating income	96	94
Non-operating expenses		
Interest expenses	4	4
Other	74	50
Total non-operating expenses	78	54
Ordinary income	3,300	3,487
Extraordinary income		
Gain on sales of investment security	6	-
Total extraordinary income	6	-
Profit before income taxes	3,306	3,487
Income taxes	422	1,300
Income taxes-deferred	626	-136
Total income taxes	1,049	1,163
Net income	2,257	2,324
Net income attributable to owners of non-controlling shareholders	11	24
Net income attributable to owners of parent	2,246	2,299

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

(Million yen)

	Previous First Quarter (March 1, 2022- May 31, 2022)	Current First Quarter (March 1, 2023- May 31, 2023)
Net income	2,257	2,324
Other comprehensive income		
Valuation difference on securities	55	57
Foreign currency translation adjustments	583	238
Remeasurements of defined benefit plans	14	16
Total other comprehensive income	653	312
Comprehensive income	2,910	2,636
(Breakdown)		
Comprehensive income attributable to owners of parent	2,897	2,608
Comprehensive income attributable to non-controlling interests	12	28

(3) Notes on quarterly consolidated financial statements

(Notes on going concern assumption)

None

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

The Company resolved to acquire treasury stock pursuant to the provisions of Article 156 of the Companies Act, which is applied by replacing the terms pursuant to the provisions of Article 165-3 of the same Act, and acquired 459,700 shares of treasury stock at the meeting of the Board of Directors held on October 4, 2022. As a result, treasury stock increased by 1,366 million yen in the three months period of the fiscal year under review. As a result, treasury stock at the end of the first quarter of the current fiscal year amounted to -4,781 million yen.