

Summary of Financial Results for the First Quarter Ended May 31, 2016

[Japan GAAP] (Consolidated)

July 6, 2016

Company AEON DELIGHT Co., Ltd. Listed on the TSE1
 Stock Code 9787 URL: <http://www.aeondelight.co.jp>
 Representative Ippei Nakayama, President and CEO
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 Expected date of filing of quarterly report: July 14, 2016 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 2016

(March 1, 2016 through May 31, 2016)

(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 2016	75,472	7.0	3,911	7.9	3,908	7.0	2,681	29.0
Three months ended May 2015	70,529	6.1	3,625	2.4	3,652	2.6	2,078	3.1

(Note) Comprehensive income

Three months ended May 2016: 2,734 million yen (28.6%)

Three months ended May 2015: 2,126 million yen (17.6%)

	Net income per share	Diluted net income per share
	Yen	Yen
Three months ended May 2016	51.03	50.90
Three months ended May 2015	39.58	39.48

(2) Consolidated financial position

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of May 2016	134,111	85,325	61.9	1,578.51
As of Feb. 2016	131,349	84,000	62.1	1,552.84

(Reference) Shareholders' equity

As of May 2016: 82,950 million yen

As of February 2016: 81,578 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. 2016	-	26.00	-	26.00	52.00
Year ending Feb. 2017	-	-	-	-	-
Year ending Feb. 2017 (forecast)	-	28.00	-	27.00	55.00

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

Breakdown of the dividends for the second quarter of the fiscal year ending Feb. 2017 (forecast):

Ordinary dividend 27.00 yen, Commemorative dividend 1.00 yen

3. Forecast of consolidated business results for the fiscal year ending February 2017

(March 1, 2016 through February 28, 2017)

(% 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. 2016	150,000	5.1	8,500	4.7	8,500	4.4	4,800	2.5	91.37
Year ending Feb. 2017	305,000	8.5	17,500	4.7	17,500	4.9	10,000	3.5	190.35

(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: | : Yes |
| 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 May 2016	54,169,633 shares
As of February 2016	54,169,633 shares

② Treasury stock at the end of period

As of May 2016	1,619,861 shares
As of February 2016	1,634,461 shares

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

Three months ended May 2016	52,540,822 shares
Three months ended May 2015	52,524,898 shares

*** Implementation status of quarterly review procedures**

This financial summary is not subject to the quarterly review procedures pursuant to the Financial Instruments and Exchange Act. At the time of disclosure of this report, the procedures for review of consolidated financial statements pursuant to the Financial Instruments and Exchange Act are being conducted.

***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 29, 2016)	Current First Quarter (May 31, 2016)
Assets		
Current assets		
Cash and deposits	20,386	21,646
Notes and accounts receivable-trade	35,768	39,384
Electronically recorded monetary obligations	3,744	3,489
Investment securities	100	-
Inventories	2,897	2,738
Deposit of subsidiaries and affiliates	37,362	35,213
Other	5,776	5,675
Allowance for doubtful accounts	-360	-372
Total current assets	105,674	107,773
Fixed assets		
Tangible fixed assets		
Buildings and structures, net	1,642	1,621
Land	1,978	1,975
Other, net	3,464	4,057
Total tangible fixed assets	7,086	7,653
Intangible fixed assets		
Goodwill	7,989	7,724
Other	2,408	2,555
Total intangible fixed assets	10,397	10,280
Investments and other assets		
Investment securities	4,463	4,573
Other	4,221	4,322
Allowance for doubtful accounts	-494	-493
Total investments and other assets	8,190	8,403
Total fixed assets	25,674	26,337
Total assets	131,349	134,111

(Million yen)

	Previous Fiscal Year (February 29, 2016)	Current First Quarter (May 31, 2016)
Liabilities		
Current liabilities		
Notes and accounts payable-trade	23,487	26,120
Electronically recorded monetary obligations	4,970	5,525
Income taxes payable	4,083	1,615
Reserve for bonuses	1,241	2,194
Reserve for directors' bonuses	115	47
Other	10,923	10,670
Total current liabilities	44,821	46,172
Fixed liabilities		
Reserve for directors' retirement benefits	202	206
Net defined benefit liability	1,714	1,690
Asset retirement obligation	42	43
Other	568	674
Total fixed liabilities	2,527	2,613
Total liabilities	47,348	48,786
Net assets		
Shareholders' equity		
Capital	3,238	3,238
Capital surplus	18,862	18,938
Retained earnings	59,393	60,708
Treasury stock	-441	-437
Total shareholders' equity	81,052	82,448
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	648	658
Foreign currency translation adjustment	372	306
Remeasurements of defined benefit plans	-495	-463
Total accumulated other comprehensive income	525	502
Stock acquisition rights	221	272
Non-controlling interests	2,200	2,102
Total net assets	84,000	85,325
Total liabilities and net assets	131,349	134,111

[Quarterly Consolidated Statement of Income and Quarterly Statement of Comprehensive Income]
[Quarterly Consolidated Statement of Income]
[First Quarter of FY2017]

(Million yen)

	Previous First Quarter (March 1, 2015– May 31, 2015)	Current First Quarter (March 1, 2016– May 31, 2016)
Net sales	70,529	75,472
Cost of sales	61,664	66,001
Gross profit	8,864	9,471
Selling, general and administrative expenses	5,239	5,560
Operating income	3,625	3,911
Non-operating revenues		
Interest income	24	18
Dividend income	16	21
Equity in earnings of affiliates	-	14
Other	13	32
Total non-operating revenues	53	86
Non-operating expenses		
Interest expenses	2	3
Foreign exchange losses	3	20
Accident compensation expenses	0	34
Other	20	30
Total non-operating expenses	26	89
Ordinary income	3,652	3,908
Extraordinary profit		
Gain on transfer from business divestitures	-	469
Gain on sale of investment securities	12	-
Total extraordinary profit	12	469
Extraordinary loss		
Loss on disaster	-	48
Others	-	5
Total extraordinary loss	-	54
Income before income taxes and others	3,664	4,323
Corporate, inhabitant and enterprise taxes	1,335	1,462
Income taxes-deferred	206	75
Total income taxes	1,541	1,537
Net income	2,123	2,786
Net income attributable to non-controlling interests	44	105
Net income attributable to owners of parent	2,078	2,681

[Quarterly Consolidated Statement of Comprehensive Income]

[First Quarter of FY2017]

(Million yen)

	Previous First Quarter (March 1, 2015– May 31, 2015)	Current First Quarter (March 1, 2016– May 31, 2016)
Net income	2,123	2,786
Other comprehensive income		
Valuation difference on available-for-sale securities	-9	10
Foreign currency translation adjustment	-7	-94
Remeasurements of defined benefit plans	20	31
Total other comprehensive income	2	-52
Comprehensive income	2,126	2,734
(Breakdown)		
Comprehensive income attributable to shareholders of the parent company	2,109	2,657
Comprehensive income attributable to non-controlling interests	17	76

● Notes on quarterly consolidated financial statements

(Notes on going concern assumption)

First quarter of FY2017 (March 1, 2016 – May 31, 2016)

None

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

First quarter of FY2017 (March 1, 2016 – May 31, 2016)

None