

Summary of Financial Results for the Year Ended February 28, 2022

[Japan GAAP] (Consolidated)

April 7, 2022

Company AEON DELIGHT Co., Ltd. Listed on the TSE
 Stock Code 9787 URL: <https://www.aeondelight.co.jp>
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 Planned date for annual shareholders' meeting: May 18, 2022 Planned date for commencement of dividend payment: May 6, 2022
 Planned date for filing of annual securities report: May 19, 2022
 Preparation of supplementary financial document: Yes
 Results briefing: Yes (for institutional investors and analysts)

(Rounded down to million yen)

1. Consolidated business results for the fiscal year ended February 2022 (March 1, 2021 through February 28, 2022)

(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	%
Year ended Feb. 2022	317,657	5.9	15,733	3.3	15,789	3.4	10,665	-8.7
Year ended Feb. 2021	300,085	-2.8	15,230	-4.8	15,268	-4.3	11,680	25.0

(Note) Comprehensive income:

Year ended February 2022: 11,529million yen (-6.5%)

Year ended February 2021: 12,329 million yen (36.4%)

	Net income per share	Diluted net income per share	Return on equity	Ratio of ordinary income to total assets	Ratio of operating income to net sales
	Yen	Yen	%	%	%
Year ended Feb. 2022	213.26	213.12	11.7	11.3	5.0
Year ended Feb. 2021	233.69	233.47	14.1	11.2	5.1

(Reference) Investment earnings/loss on equity-method:

Year ended February 2022: 85million yen

Year ended February 2021: 79 million yen

(2) Consolidated financial position

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of Feb. 2022	142,859	95,421	66.2	1,890 76
As of Feb. 2021	136,565	88,281	64.0	1,746 88

(Reference) Shareholders' equity:

As of February 2022: 94,577million yen

As of February 2021: 87,347 million yen

(3) Consolidated results of cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at the end of period
	Million yen	Million yen	Million yen	Million yen
Year ended Feb. 2022	12,598	-386	-4,572	67,520
Year ended Feb. 2021	10,403	-7,325	-5,324	58,937

2. Dividends

	Annual dividend					Total dividend (Total)	Dividend payout ratio (Consolidated)	Rate of total dividend to net assets (Consolidated)
	End of 1Q	End of 2Q	End of 3Q	Year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
Year ended Feb. 2021	-	35.00	-	47.00	82.00	4,099	35.1	4.9
Year ended Feb. 2022								
Ordinary dividend	-	37.00	-	37.00	74.00	3,701	34.7	
Commemorative dividend*	-	5.00	-	5.00	10.00	500	4.7	
Total	-	42.00	-	42.00	84.00	4,201	39.4	4.6
Year ending Feb. 2023 (forecast)	-	42.00	-	43.00	85.00	-	39.7	-

* 15th anniversary of AEON delight

**3. Forecast of consolidated business results for the fiscal year ending February 2023
(March 1, 2022 through February 28, 2023)**

	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. 2023	310,000	-2.4	17,000	8.1	17,000	7.7	10,700	0.3	213.91

***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.)

(2) 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

(3) Shares outstanding (common stock)

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

As of February 2022 54,169,633 shares
As of February 2021 54,169,633 shares

② Treasury stock at the end of period:

As of February 2022 4,148,409 shares
As of February 2021 4,167,473 shares

③ Average number of stock during period

Year ended February 2022 50,010,395 shares
Year ended February 2021 49,984,105 shares

***Financial summary is not subject to auditing 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.

Consolidated Financial Statements
(Consolidated Balance Sheet)

(Million yen)

	Previous Fiscal Year (February 28, 2021)	Current Fiscal Year (February 28, 2022)
Assets		
Current assets		
Cash and deposits	59,773	68,282
Notes and accounts receivable	39,176	40,708
Electronically recorded monetary claims	3,182	4,220
Inventories	2,006	2,074
Other	6,082	5,861
Allowance for doubtful accounts	-212	-134
Total current assets	110,008	121,013
Fixed assets		
Tangible fixed assets		
Buildings and structures, net	1,671	1,629
Tools, furniture and fixtures, net	4,264	3,589
Land	2,000	466
Other, net	1,545	1,394
Total tangible fixed assets	9,481	7,080
Intangible fixed assets		
Goodwill	3,938	3,360
Other	1,579	2,293
Total intangible fixed assets	5,518	5,653
Investments and other assets		
Investment securities	3,960	3,720
Deferred tax assets	4,840	2,951
Other	2,766	2,470
Allowance for doubtful accounts	-11	-30
Total investment and other assets	11,557	9,111
Total fixed assets	26,556	21,845
Total assets	136,565	142,859

(Million yen)

	Previous Fiscal Year (February 28, 2021)	Current Fiscal Year (February 28, 2022)
Liabilities		
Current liabilities		
Notes and accounts payable-trade	22,170	22,070
Electronically recorded obligations - operating	4,188	4,415
Short-term borrowings	299	247
Accounts payable	7,227	7,126
Income taxes payable	1,147	2,326
Provision for bonuses	1,325	1,363
Accrued directors' and corporate auditors' remuneration	81	84
Asset retirement obligations	127	6
Allowance for sales discounts	130	120
Other	7,425	6,131
Total current liabilities	44,123	43,892
Fixed liabilities		
Deferred tax liabilities	876	946
Provision for directors' retirement benefits	114	84
Retirement benefit liability	1,594	1,486
Asset retirement obligations	234	416
Allowance for sales discounts	192	80
Other	1,147	531
Total fixed liabilities	4,160	3,544
Total liabilities	48,283	47,437
Net assets		
Shareholder's equity		
Capital stock	3,238	3,238
Capital surplus	13,226	13,239
Retained earnings	80,344	86,559
Treasury stock	-10,123	-10,077
Total shareholders' equity	86,685	92,958
Other accumulated comprehensive income		
Valuation difference on securities	1,042	921
Foreign currency translation adjustments	-30	961
Remeasurements of defined benefit plans	-349	-263
Total other accumulated comprehensive income	662	1,619
Share subscription rights	119	86
Non-controlling shareholders' equity	814	757
Total net assets	88,281	95,421
Total liabilities and net assets	136,565	142,859

Consolidated Statement of Income and Statement of Comprehensive Income
(Consolidated Statement of Income)

(Million yen)

	Previous fiscal year (March 1, 2020 - February 28, 2021)	Current fiscal year (March 1, 2021 - February 28, 2022)
Net sales	300,085	317,657
Cost of sales	262,910	278,158
Gross profit	37,175	39,498
Selling, general and administrative expenses	21,945	23,764
Operating income	15,230	15,733
Non-operating income		
Interest income	20	32
Dividends income	68	73
Equity in income of affiliates	79	85
Other	265	257
Total non-operating income	432	448
Non-operating expenses		
Interest expenses	38	29
Other	356	362
Total non-operating expenses	395	392
Ordinary income	15,268	15,789
Extraordinary income		
Gain on sale of fixed assets	-	1,223
Gain on sales of investment security	33	-
Subsidies for employment adjustment	435	199
Total extraordinary income	469	1,422
Extraordinary loss		
Impairment loss	1,659	441
Loss due to response to new infections	482	172
Loss on transfer of business	1,253	-
Other	1,690	242
Total extraordinary loss	5,086	856
Income before income taxes	10,651	16,355
Income taxes	2,383	3,787
Income taxes-deferred	-3,302	2,003
Total income taxes	-919	5,790
Net income	11,570	10,565
Net income (loss) attributable to non-controlling interests	-110	-99
Net income attributable to owners of parent	11,680	10,665

(Consolidated Statement of Comprehensive Income)

(Million yen)

	Previous fiscal year (March 1, 2020 - February 28, 2021)	Current fiscal year (March 1, 2021 - February 28, 2022)
Net income	11,570	10,565
Other comprehensive income		
Valuation difference on securities	556	-121
Foreign currency translation adjustments	-46	996
Remeasurements of defined benefit plans	248	88
Total other comprehensive income	759	963
Comprehensive income	12,329	11,529
(Breakdown)		
Comprehensive income attributable to owners of parent	12,429	11,622
Comprehensive income attributable to non- controlling interests	-99	-92

Consolidated Statement of Cash Flows

(Million yen)

	Previous fiscal year (March 1, 2020 - February 28, 2021)	Current fiscal year (March 1, 2021 - February 28, 2022)
Net cash provided by (used in) operating activities		
Income before income taxes	10,651	16,355
Depreciation and amortization	2,427	2,755
Impairment loss	1,659	441
Amortization of goodwill	801	722
Increase (decrease) in accrued bonuses	-5	32
Increase (decrease) in allowance sales discount	-527	-122
Increase (decrease) in provision for directors' retirement	-64	-29
Increase (decrease) in liabilities relating to retirement benefits	-136	-29
Interest and dividend income	-88	-106
Interest expenses	38	29
Loss (gain) on sale of fixed assets	-0	-1,225
Equity in loss (gain) of affiliates	-79	-74
Loss (gain) on sale of investment securities	462	1
Loss (gain) on transfer of business	1,253	-
Loss (gain) on sale of investment securities	-27	0
Decrease (increase) in notes and accounts receivable- trade	192	-2,186
Decrease (increase) in inventories	-183	-59
Increase (decrease) in notes and accounts payable-trade	-1,840	-66
Increase (decrease) in accounts payable	877	-357
Increase (decrease) in accrued consumption taxes	198	-931
Decrease (increase) in accounts receivable-other	492	502
Increase (decrease) in advances received	-692	164
Increase (decrease) in advance revenue	-680	-588
Other	361	-215
Sub-total	15,090	15,013
Interest and dividend received	187	207
Interest expenses paid	-35	-29
Income taxes paid	-4,838	-2,592
Net cash provided by (used in) operating activities	10,403	12,598
Net cash provided by (used in) investing activities		
Payments into time deposits	-935	-780
Proceeds from withdrawal of time deposits	1,294	869
Purchase of property, plant and equipment and intangible fixed assets	-2,469	-3,478
Proceeds from sale of tangible and intangible fixed assets	39	3,254
Purchase of investment securities	-82	-21
Proceeds from sales and redemption of investment securities	93	69
Purchase of shares of subsidiaries accompanying changes in the scope of consolidation	-	-117
Payments for transfer of business	-4,502	-
Payments for deposit of consumption of subsidiaries and associates	-31,000	-
Proceeds from refund of consumer deposits of subsidiaries and associates	31,000	-
Other	-762	-181
Net cash provided by (used in) investing activities	-7,325	-386
Cash flow from financing activities		
Net increase (decrease) in short-term borrowings	60	-74
Repayment of long-term loans payable	-14	-
Cash dividends paid	-3,397	-4,450
Payments from changes in ownership interests in subsidiaries that do not result in change in scope of consolidation	-1,853	-
Other	-118	-47
Cash flow from financing activities	-5,324	-4,572
Effect of exchange rate change on cash and cash equivalents	32	925
Net increase (decrease) in cash and cash equivalents	-2,214	8,564
Cash and cash equivalents at beginning of period	61,151	58,937
Increase (decrease) in cash and cash equivalents resulting from change in scope of consolidation	-	18
Cash and cash equivalents at end of period	58,937	67,520