

Summary of Consolidated Financial Results for the Three Months Ended May 31, 2013 (Q1 FY2014) (Based on Japanese GAAP)

July 10, 2013

Company name ABC-MART, INC.
 Stock exchange listing Tokyo
 Stock Code 2670 URL <http://www.abc-mart.co.jp/ir/>
 Representative President and Representative Director Minoru Noguchi
 Inquiries Director, Corporate Planning Office Manager Jo Kojima TEL 03-3476-5452
 Scheduled date to file Quarterly Securities Report July 11, 2013
 Scheduled date to commence dividend payments -
 Preparation of supplementary material on quarterly earnings yes
 Holding of quarterly earnings performance review yes (for institutional investors and analysts)

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the three months ended May 31, 2013 (from March 1, 2013 to May 31, 2013)

(1) Consolidated operating results (cumulative)

Percentages indicate year-on-year changes

	Net sales		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended May 31, 2013	48,165	21.2	10,090	20.6	10,297	24.7	5,377	15.3
Three months ended May 31, 2012	39,753	10.8	8,369	12.8	8,254	14.2	4,665	29.9

(Note) Comprehensive income:

Three months ended May 2013 7,082 million yen (29.1%) Three months ended May 2012 5,483 million yen (28.9%)

	Net income per share		Diluted net income per share	
	Yen		Yen	
Three months ended May 31, 2013	71.42		65.19	
Three months ended May 31, 2012	61.97		-	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of May 31, 2013	180,183	114,738	63.5	1,519.79
As of February 28, 2013	174,159	109,764	62.9	1,453.95

(Reference) Shareholders' Equity:

As of May 31, 2013 114,431 million yen As of February 28, 2013 109,474 million yen

2. Cash dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended February 28, 2013	-	22.00	-	28.00	50.00
Year ending February 28, 2014	-				
Year ending February 28, 2014 (Forecast)		25.00	-	25.00	50.00

(None) Revisions to dividend forecasts published most recently: None

3. Forecast for the year ending February 28, 2014 (from March 1, 2013 to February 28, 2014)

Percentages indicate year-on-year changes

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending August 31, 2013	88,100	14.3	17,150	2.3	17,280	(0.6)	9,620	(2.7)	127.77
Full year	177,200	11.2	32,200	6.0	32,480	5.6	18,570	7.4	246.63

(None) Revisions to financial forecasts published most recently: None

4. Notes

- (1) Changes in significant subsidiaries during the three months ended May 31, 2013
 (changes in specified subsidiaries resulting in the change in scope of consolidation): no
- (2) Application of special accounting for preparing quarterly consolidated financial statements: yes
- (3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements after error corrections
- Changes in accounting policies due to revisions to accounting standards and other regulations: yes
- Changes in accounting policies due to other reasons: no
- Changes in accounting estimates: yes
- Restatement of prior period financial statements after error corrections: no

(4) Number of issued shares

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

As of May 31, 2013	75,294,429 shares	As of February 28, 2013	75,294,429 shares
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Number of shares of treasury stock at the end of the period

As of May 31, 2013	164 shares	As of February 28, 2013	164 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended May 31, 2013	75,294,265 shares	Three months ended May 31, 2012	75,294,265 shares
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NOTICE REGARDING QUARTERLY REVIEW PROCEDURES FOR THE CONSOLIDATED FINANCIAL RESULTS

This quarterly consolidated financial results statement is exempt from the quarterly review procedures based upon the Financial Instruments and Exchange Act. At this time of disclosure of this quarterly consolidated financial results statement, the quarterly financial statement review procedures based upon the Financial Instruments and Exchange Act has not been completed.

FORWARD LOOKING STATEMENTS AND OTHER SPECIAL ITEMS

The forecast for the year ending February 28, 2014 is based on ABC-MART, INC.'s hypotheses, plans and estimates at the date of publication. It is possible that some uncertain factors will cause the Company's future performance to differ significantly from the contents of forecast.

Quarterly consolidated financial statements
Consolidated balance sheets

(Thousands of yen)

	As of February 28, 2013	As of May 31, 2013
Assets		
Current assets		
Cash and deposits	68,852,158	66,219,360
Notes and accounts receivable-trade	5,064,083	6,519,757
Merchandise and finished goods	32,682,063	37,035,799
Work in process	44,833	44,716
Raw materials and supplies	485,939	407,757
Currency option	1,314,421	354,619
Deferred tax assets	1,166,442	1,194,203
Other	3,480,723	5,129,036
Allowance for doubtful accounts	(23,645)	(27,763)
Total current assets	113,067,021	116,877,488
Noncurrent assets		
Property, plant and equipment		
Buildings and structures	20,886,196	21,806,663
Accumulated depreciation	(9,553,405)	(9,905,533)
Buildings and structures, net	11,332,790	11,901,130
Tools, furniture and fixtures	6,266,116	6,789,287
Accumulated depreciation	(3,604,799)	(3,932,064)
Tools, furniture and fixtures, net	2,661,316	2,857,222
Land	17,483,893	17,526,442
Construction in progress	60,071	117,616
Other	468,848	553,975
Accumulated depreciation	(418,561)	(436,293)
Other, net	50,286	117,681
Total property, plant and equipment	31,588,359	32,520,093
Intangible assets		
Right of trademark	2,465,569	2,606,822
Goodwill	6,821,704	7,210,479
Other	1,506,138	1,534,097
Total intangible assets	10,793,412	11,351,400
Investments and other assets		
Investment securities	109,651	115,591
Stocks of subsidiaries and affiliates	84,175	84,175
Lease and guarantee deposits	16,494,299	17,207,537
Other	2,022,501	2,026,871
Total investments and other assets	18,710,627	19,434,175
Total noncurrent assets	61,092,399	63,305,669
Total assets	174,159,421	180,183,157

(Thousands of yen)

	As of February 28, 2013	As of May 31, 2013
Liabilities		
Current liabilities		
Notes and accounts payable-trade	7,477,486	11,701,561
Short-term loans payable	4,135,826	2,090,247
Current portion of long-term loans payable	1,002,800	1,002,800
Income taxes payable	7,455,270	4,142,872
Provision for bonuses	642,716	1,096,509
Provision	178,038	194,157
Asset retirement obligations	17,861	16,738
Notes payable-facilities	936,279	1,088,598
Other	4,114,601	5,405,999
Total current liabilities	25,960,880	26,739,485
Noncurrent liabilities		
Convertible bond-type bonds with subscription rights to shares	33,000,000	33,000,000
Long-term loans payable	2,502,800	2,501,400
Provision	798,867	902,429
Asset retirement obligations	218,207	231,153
Currency option	265,084	248,157
Other	1,648,895	1,821,716
Total noncurrent liabilities	38,433,856	38,704,856
Total liabilities	64,394,736	65,444,342
Net assets		
Shareholders' equity		
Capital stock	3,482,930	3,482,930
Capital surplus	7,488,686	7,488,686
Retained earnings	96,311,831	99,581,020
Treasury stock	(522)	(522)
Total shareholders' equity	107,282,926	110,552,115
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	13,432	17,114
Foreign currency translation adjustment	2,177,708	3,862,504
Total accumulated other comprehensive income	2,191,141	3,879,618
Minority interests	290,616	307,080
Total net assets	109,764,684	114,738,815
Total liabilities and net assets	174,159,421	180,183,157

Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative)

Consolidated statements of income (cumulative)

(Thousands of yen)

	Three months ended May 31, 2012	Three months ended May 31, 2013
Net sales	39,753,162	48,165,007
Cost of sales	16,280,373	20,735,858
Gross profit	23,472,788	27,429,149
Selling, general and administrative expenses		
Packing and transportation expenses	527,393	519,314
Advertising expenses	2,248,341	2,067,943
Warehousing expenses	311,562	476,308
Directors' compensations, salaries and allowances	4,017,540	4,623,942
Bonuses	4,783	-
Provision for bonuses	447,738	469,190
Legal and employee benefits expenses	496,892	576,861
Rents	3,816,284	4,404,750
Depreciation	676,371	911,854
Utilities expenses	407,866	452,681
Commission fee	666,555	834,971
Taxes and dues	157,641	198,320
Provision of allowance for doubtful accounts	-	2,555
Amortization of goodwill	64,270	240,145
Other	1,260,462	1,559,648
Total selling, general and administrative expenses	15,103,704	17,338,487
Operating income	8,369,084	10,090,662
Non-operating income		
Interest income	8,949	11,456
Foreign exchange gains	20,553	-
Rent Income for house	97,286	143,110
Gain on valuation of derivatives	-	108,174
Advertising medium income	14,700	12,810
Other	31,652	67,415
Total non-operating income	173,141	342,967
Non-operating expenses		
Interest expenses	16,396	18,557
Foreign exchange losses	-	3,362
Rent expenses	58,423	76,620
Loss on valuation of derivatives	169,126	-
Other	43,402	37,195
Total non-operating expenses	287,348	135,736
Ordinary income	8,254,877	10,297,892
Extraordinary income		
Gain on sales of noncurrent assets	535	37
Total extraordinary income	535	37
Extraordinary loss		
Loss on sales of noncurrent assets	343	-
Loss on retirement of noncurrent assets	36,603	38,069
Impairment loss	48,372	27,760
Loss on cancellation of derivatives	-	1,051,049
Total extraordinary losses	85,319	1,116,880

(Thousands of yen)

	Three months ended May 31, 2012	Three months ended May 31, 2013
Income before income taxes and minority interests	8,170,093	9,181,049
Income taxes-current	3,502,837	3,799,919
Income taxes-deferred	(5,310)	3,262
Total income taxes	3,497,526	3,803,182
Income before minority interests	4,672,566	5,377,867
Minority interests in income	6,916	438
Net income	4,665,649	5,377,428

Consolidated statements of comprehensive income (cumulative)

(Thousands of yen)

	Three months ended May 31, 2012	Three months ended May 31, 2013
Income before minority interests	4,672,566	5,377,867
Other comprehensive income		
Valuation difference on available-for-sale securities	4,667	3,682
Foreign currency translation adjustment	806,745	1,700,820
Total other comprehensive income	811,412	1,704,502
Comprehensive income	5,483,978	7,082,370
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	5,451,817	7,065,906
Comprehensive income attributable to minority interests	32,161	16,463

Consolidated statements of cash flows

(Thousands of yen)

	Three months ended May 31, 2012	Three months ended May 31, 2013
Net cash provided by (used in) operating activities		
Income before income taxes and minority interests	8,170,093	9,181,049
Depreciation and amortization	676,371	911,854
Increase (decrease) in provision for bonuses	431,778	452,876
Increase (decrease) in allowance for doubtful accounts	(1,066)	2,408
Interest and dividends income	(8,949)	(11,456)
Interest expenses	16,396	18,557
Foreign exchange losses (gains)	(23,272)	(76,180)
Loss (gain) on valuation of securities	16,582	-
Loss (gain) on valuation of derivatives	169,126	(108,174)
Loss on cancellation of derivatives	-	1,051,049
Loss (gain) on sales and retirement of noncurrent assets	36,411	38,032
Impairment loss	48,372	27,760
Decrease (increase) in notes and accounts receivable-trade	(1,865,829)	(2,139,471)
Decrease (increase) in inventories	(2,981,350)	(3,755,088)
Increase (decrease) in notes and accounts payable-trade	3,233,036	3,780,974
Other, net	278,473	829,673
Subtotal	8,196,172	10,203,866
Interest and dividends income received	6,860	6,261
Interest expenses paid	(8,738)	(10,754)
Income taxes paid	(5,832,170)	(6,989,827)
Net cash provided by (used in) operating activities	2,362,123	3,209,546
Net cash provided by (used in) investing activities		
Purchase of property, plant and equipment	(1,322,417)	(1,027,786)
Proceeds from sales of property, plant and equipment	4,978	1,215
Purchase of intangible assets	(89,072)	(78,642)
Payments for store removal	(19,249)	(17,152)
Payments of loans receivable	(155,000)	(50,000)
Collection of loans receivable	19,920	21,196
Payments for lease and guarantee deposits	(916,169)	(694,745)
Proceeds from collection of lease and guarantee deposits	645,712	188,732
Other payments	(103,534)	(47,810)
Other proceeds	60,658	10,863
Net cash provided by (used in) investing activities	(1,874,172)	(1,694,129)
Net cash provided by (used in) financing activities		
Net increase (decrease) in short-term loans payable	859,056	(2,082,016)
Repayment of long-term loans payable	(1,251,400)	(1,400)
Cash dividends paid	(1,717,190)	(2,085,573)
Other, net	(695)	(5,459)
Net cash provided by (used in) financing activities	(2,110,229)	(4,174,449)
Effect of exchange rate change on cash and cash equivalents	63,398	22,453
Net increase (decrease) in cash and cash equivalents	(1,558,880)	(2,636,579)
Cash and cash equivalents at beginning of period	41,990,939	68,772,082
Cash and cash equivalents at end of period	40,432,059	66,135,502