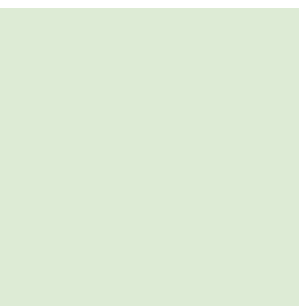
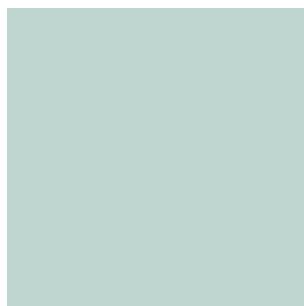


# FACTBOOK

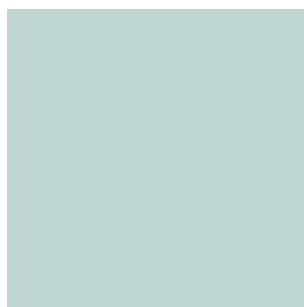
ABC-MART, INC.

For the fiscal year ended February 28, 2019



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**Securities Code: 2670 /  
TSE 1st Section**

## Corporate Profile (as of February 28, 2019)

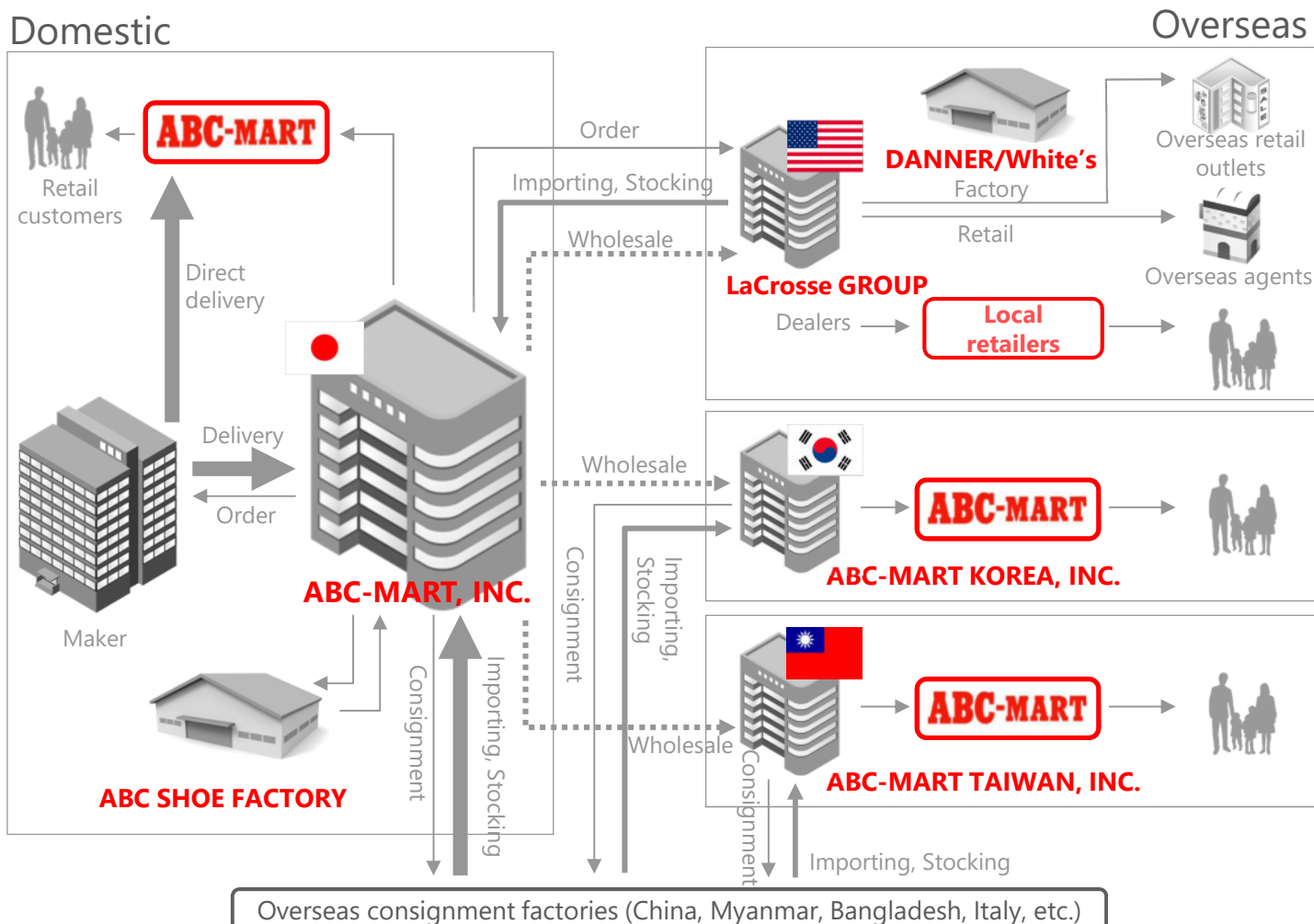
Name of Company	ABC-MART, INC.
URL	<a href="http://www.abc-mart.co.jp/">http://www.abc-mart.co.jp/</a>
Headquarters	19F, Shibuya Mark City West 1-12-1 Dogenzaka, Shibuya-ku, Tokyo 150-0043 JAPAN (Registered address: 1-11-5 Jinnan, Shibuya-ku, Tokyo 150-0041 JAPAN)
Date of Establishment	June 6, 1985
Capital	¥19,972 million
Representative	Minoru Noguchi Representative Director, President and Executive Officer
Number of Employees	8,722 (5,082 Part-time employees and others included)

## Business Policy

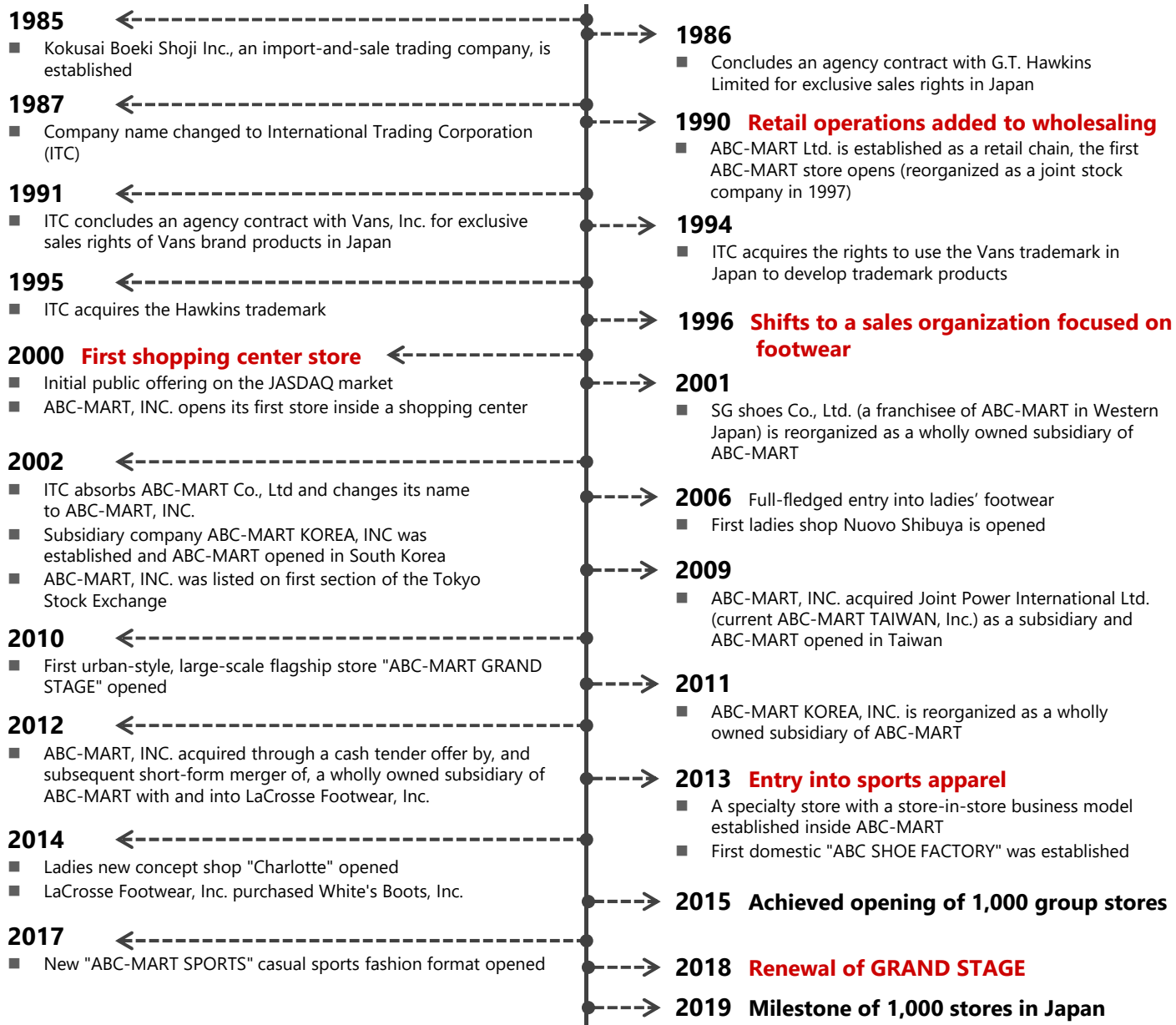
**From a lifestyle creation company  
focused on shoes,  
into the ABC-MART global shoe store**

New ABC-MART outlets will be opened to directly deliver shoes to our customers. Our ultimate aim is to establish a globally recognized store brand.

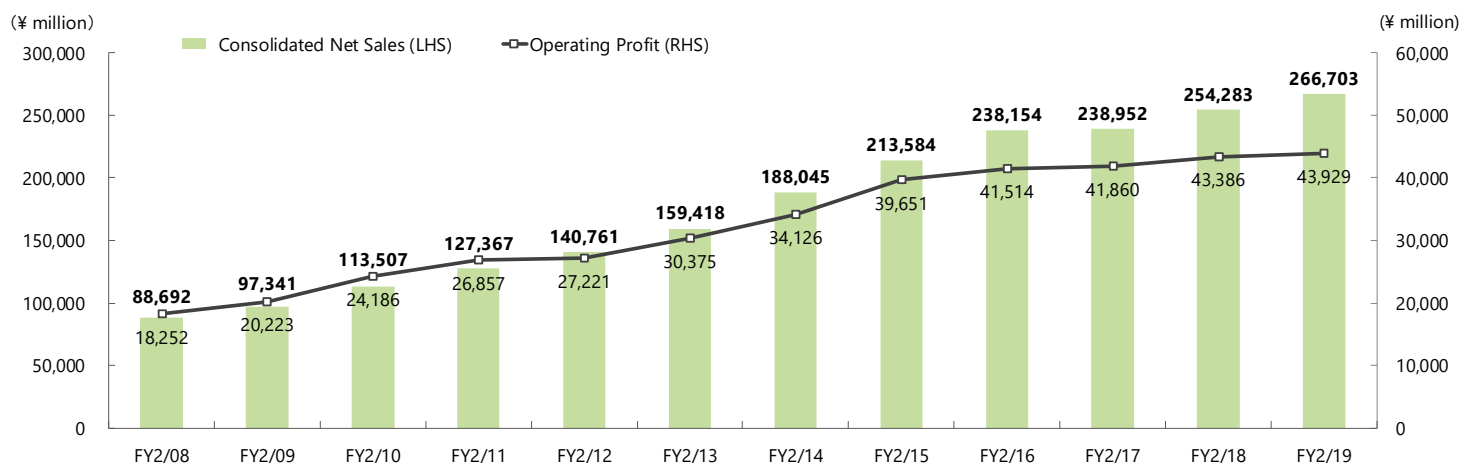
## Business Content



## History



## Trend of Business Performance



## The Strength of ABC-MART

We strive to satisfy all customers by aiming for **new and innovative retail** with a focus on manufacturing, marketing and customer service, and IT capability.

### The accumulation of on-site excellence

#### Store Strategy

- Speedy store openings conforming to communities and trade areas
- Development of stores with a wide range of formats and business types
- Store renewal that responds smartly to market changes

#### Product and Brand Strategy

- Maintenance, strengthening and development of house brands
- Development information from our overseas network
- Partnership with global brands

#### Operation Strategy

- Omni-channel strategy
- Providing services through official app
- Proactive IT investment

#### Human Resource Development

- In-the-field experience and staff training
- Promoting employment diversity and improving work-life balance
- Career development and team building

## Product Planning and Development

### Integrated Production and Sales System for House Brands

Information on trends from our overseas network

Collection of raw customer feedback

Production at cooperating factories in Italy, China, South East Asia, etc. and a domestic factory

### Partnering with Global Brands

Dealing directly with makers (bulk ordering)

Enables low product prices

Promotes development of the ABC-MART original models

**Enables production of appealing products at reasonable prices**

## In-house Product Brands

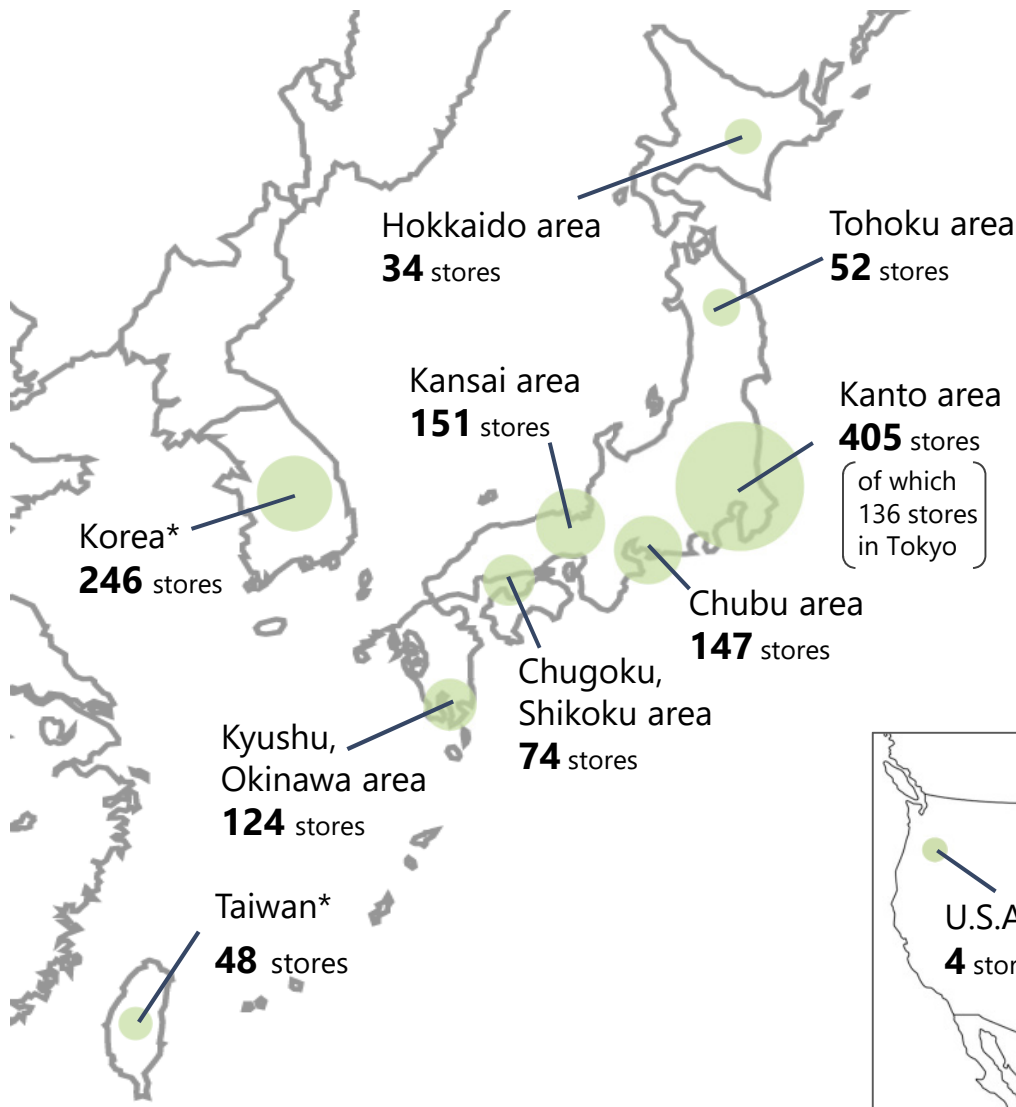


## Brands of Stores



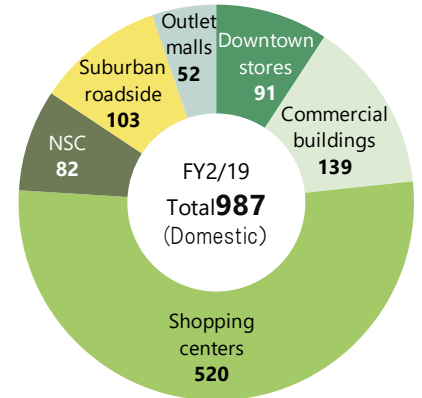
## Distribution map of stores (as of February 28, 2019)

\*: Number of overseas outlets (Korea, Taiwan, U.S.A.) as of end-December 2018

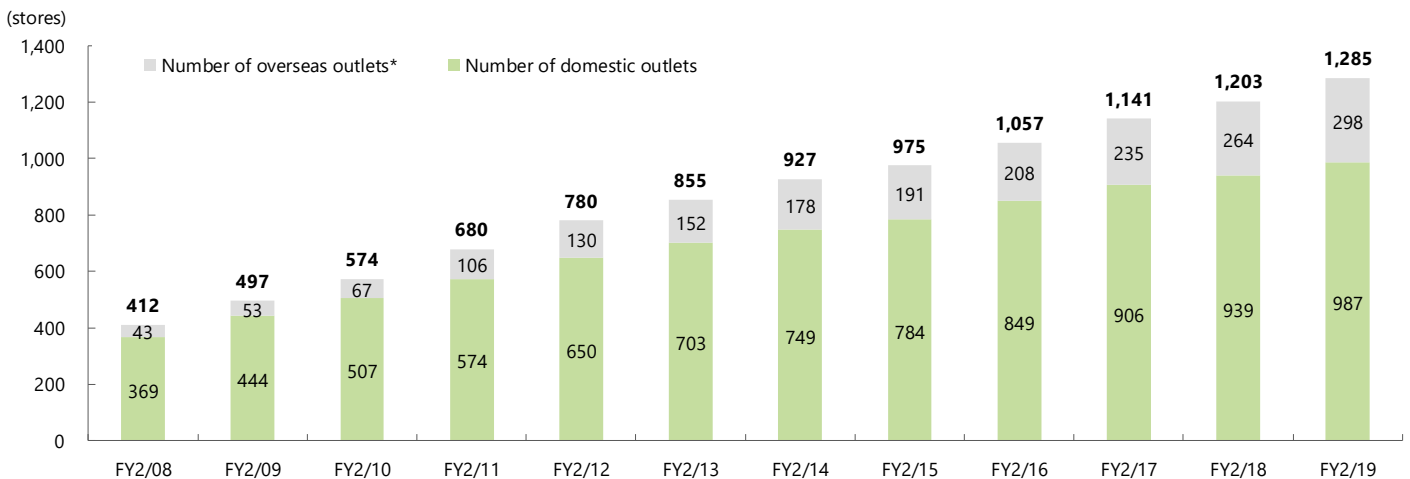


**Number of group stores**  
1,285 stores

### Number of stores by store formats



## ABC-MART Store Network Expansion (as of February 28, 2019)



\*: Number of overseas outlets (Korea, Taiwan, U.S.A.) as of end-December 2018

# Consolidated Balance Sheet



(¥ million)	FY2/15	FY2/16	FY2/17	FY2/18	FY2/19
<b>Assets</b>					
Total assets	233,661	238,575	253,916	279,697	296,941
<b>Current assets</b>	<b>160,298</b>	<b>169,249</b>	<b>187,158</b>	<b>205,919</b>	<b>220,610</b>
Cash and deposits	96,493	100,748	117,261	126,963	139,914
Notes and accounts receivable - trade	7,873	8,147	8,333	9,386	10,423
Inventories	49,367	54,503	54,315	64,390	65,665
Deferred tax assets	2,049	1,864	1,759	—	—
Other	4,555	4,009	5,510	5,198	4,648
Allowance for doubtful accounts	(41)	(24)	(22)	(19)	(42)
<b>Non-current assets</b>	<b>73,363</b>	<b>69,326</b>	<b>66,757</b>	<b>73,777</b>	<b>76,330</b>
<b>Property, plant and equipment</b>	<b>36,115</b>	<b>32,223</b>	<b>28,429</b>	<b>32,507</b>	<b>36,328</b>
Buildings and structures	25,395	25,672	27,101	28,179	30,266
Accumulated depreciation	(12,512)	(12,906)	(14,214)	(15,022)	(16,089)
Buildings and structures, net	12,883	12,766	12,886	13,157	14,176
Tools, furniture and fixtures	9,006	9,540	10,301	12,463	13,612
Accumulated depreciation	(5,834)	(6,447)	(7,125)	(8,242)	(8,818)
Tools, furniture and fixtures, net	3,171	3,092	3,175	4,221	4,794
Land	19,629	14,728	12,157	14,111	17,099
Construction in progress	327	1,567	139	931	203
Other	438	438	453	474	432
Accumulated depreciation	(334)	(368)	(382)	(388)	(378)
Other, net	103	69	70	86	54
<b>Intangible assets</b>	<b>12,543</b>	<b>11,139</b>	<b>9,445</b>	<b>8,075</b>	<b>6,840</b>
Trademark right	2,948	2,563	2,462	1,996	1,570
Goodwill	7,511	6,236	5,129	4,109	2,876
Other	2,083	2,339	1,853	1,968	2,392
<b>Investments and other assets</b>	<b>24,704</b>	<b>25,963</b>	<b>28,882</b>	<b>33,194</b>	<b>33,162</b>
Investment securities	60	552	53	52	46
Shares of subsidiaries and associates	102	102	2,647	2,647	2,647
Long-term loans receivable	2,458	2,243	2,119	1,953	1,802
Lease and guarantee deposits	20,892	21,809	22,697	25,180	24,961
Net defined benefit asset	—	—	26	83	—
Deferred tax assets	—	—	—	2,751	3,087
Other	1,208	1,272	1,354	543	634
Allowance for doubtful accounts	(18)	(16)	(17)	(19)	(17)

Note: The Company applied the "Partial Amendments to Accounting Standards for Tax Effect Accounting" (Accounting Standards Board of Japan (ASBJ) Statement No. 28 issued on February 16, 2018) early, from FY2/19. For FY2/18 and FY2/19 only, the Company presents "Deferred tax assets" under Investments and other assets.



# Consolidated Balance Sheet



(¥ million)	FY2/15	FY2/16	FY2/17	FY2/18	FY2/19
<b>Liabilities</b>					
Total liabilities	78,126	34,923	33,835	37,189	37,626
<b>Current liabilities</b>	<b>41,070</b>	<b>31,975</b>	<b>30,875</b>	<b>34,924</b>	<b>35,580</b>
Notes and accounts payable - trade	14,176	10,675	11,811	15,262	13,877
Short-term loans payable	6,355	3,191	1,574	2,775	2,189
Current portion of long-term loans payable	1,000	500	—	—	—
Income taxes payable	9,815	7,778	7,815	7,961	7,721
Provision for bonuses	702	831	881	906	915
Provision	291	424	363	337	361
Asset retirement obligations	14	19	10	16	23
Notes payable - facilities	722	892	1,019	883	1,227
Other	7,992	7,661	7,400	6,780	9,264
<b>Non-current liabilities</b>	<b>37,056</b>	<b>2,947</b>	<b>2,959</b>	<b>2,264</b>	<b>2,045</b>
Convertible bond-type bonds with share acquisition rights	33,000	—	—	—	—
Long-term loans payable	500	—	—	—	—
Provision	113	—	—	—	—
Net defined benefit liability	870	799	741	682	703
Asset retirement obligations	291	312	331	370	377
Other	2,280	1,835	1,886	1,212	964
<b>Net assets</b>					
Total net assets	155,535	203,652	220,080	242,507	259,315
<b>Shareholders' equity</b>	<b>142,384</b>	<b>192,125</b>	<b>210,588</b>	<b>230,399</b>	<b>249,542</b>
Capital stock	3,482	19,972	19,972	19,972	19,972
Capital surplus	7,488	23,978	23,979	23,979	23,979
Retained earnings	131,413	148,175	166,637	186,448	205,591
Treasury shares	(0)	(2)	(2)	(2)	(2)
<b>Accumulated other comprehensive income</b>	<b>12,697</b>	<b>11,006</b>	<b>8,886</b>	<b>11,306</b>	<b>8,833</b>
Valuation difference on available-for-sale securities	14	(2)	8	13	8
Foreign currency translation adjustment	12,683	11,009	8,877	11,293	8,825
<b>Non-controlling interests</b>	<b>453</b>	<b>520</b>	<b>606</b>	<b>801</b>	<b>938</b>
Total liabilities and net assets	233,661	238,575	253,916	279,697	296,941

# Consolidated Statement of Income



(¥ million)	FY2/15	FY2/16	FY2/17	FY2/18	FY2/19
Net sales	213,584	238,154	238,952	254,283	266,703
Cost of sales	98,523	111,161	110,068	118,631	126,158
Gross profit	115,060	126,993	128,884	135,651	140,545
Selling, general and administrative expenses	75,408	85,479	87,023	92,265	96,615
Packing and transportation expenses	2,435	2,664	2,814	3,073	3,432
Advertising expenses	6,311	6,548	6,805	6,898	6,465
Warehousing expenses	2,226	2,530	2,500	2,806	3,090
Directors' compensations, salaries and allowances	20,235	23,495	23,819	24,762	25,894
Bonuses	1,561	1,551	1,591	1,635	1,678
Provision for bonuses	696	832	879	904	914
Retirement benefit expenses	523	461	415	427	528
Legal and employee benefits expenses	2,775	3,143	3,327	3,573	3,867
Rents	19,885	23,413	24,988	26,735	28,044
Depreciation	4,019	4,314	4,065	4,214	4,506
Utilities expenses	2,189	2,179	2,083	2,136	2,193
Commission fee	4,144	4,791	4,884	5,305	5,608
Taxes and dues	873	1,138	1,258	1,769	1,815
Amortization of goodwill	1,161	1,272	845	861	847
Other	6,369	7,142	6,743	7,160	7,728
Operating profit	39,651	41,514	41,860	43,386	43,929
Non-operating income	1,273	1,129	1,252	1,626	1,876
Interest income	169	131	126	119	93
Foreign exchange gains	—	—	36	55	—
Rent income	743	744	798	1,096	1,146
Advertising medium income	56	68	52	53	38
Other	303	184	240	301	597
Non-operating expenses	519	448	252	511	672
Interest expenses	54	52	10	10	10
Foreign exchange losses	67	93	—	—	79
Rent expenses	230	265	196	464	498
Other	166	37	46	36	84
Ordinary profit	40,405	42,196	42,860	44,501	45,133



# Consolidated Statement of Income



(¥ million)	FY2/15	FY2/16	FY2/17	FY2/18	FY2/19
Extraordinary income	4	1,524	792	100	53
Gain on sales of non-current assets	4	1,524	792	100	53
Extraordinary losses	425	2,719	663	834	1,000
Loss on sales of non-current assets	—	690	—	—	—
Loss on retirement of non-current assets	171	171	148	211	168
Impairment loss	253	1,761	510	623	830
Other	—	95	4	—	1
Profit before income taxes	39,985	41,001	42,989	43,767	44,186
Income taxes - current	16,100	15,088	14,615	14,730	14,243
Income taxes - deferred	(536)	(304)	(68)	(839)	(520)
Total income taxes	15,564	14,784	14,547	13,890	13,722
Profit	24,421	26,217	28,442	29,876	30,464
Profit attributable to non-controlling interests	47	86	76	161	178
Profit attributable to owners of parent	24,373	26,130	28,365	29,714	30,285

## Overview of Financial Results for FY2/19

In the fiscal year under review (from March 1, 2018 to February 28, 2019), the business environment featured an increasingly uncertain outlook owing to such factors as concerns over the impact on the global economy of trade friction and geopolitical risks. In Japan, a succession of natural disasters prompted concerns of a temporary lull in consumer spending but there was solid improvement in corporate earnings and growth in spending by inbound visitors. Spurred by labor shortages and expanded online shopping, capital investment increased, with particularly sharp growth in logistics and IT fields. On the domestic consumption front, competition became overheated on the rapid growth of internet-based sales, making it imperative to reinforce omni-channel strategies.

In the shoes industry, demand for casual sports shoes and particularly sneakers expanded amid an ongoing global shift toward casual fashions.

In this circumstance, the ABC-MART Group (the "Group") responded by reinforcing its IT strategy, striving to capture demand for sports shoes and sports apparel, and strengthened its existing store network. Over the year, we opened 119 new stores in Japan and overseas, bringing the total number of outlets of the Group to 1,285.

As a result of the above, in the fiscal year under review net sales rose 4.9% year on year to ¥266,703 million underpinned by earnings improvement at overseas subsidiaries and a good performance from existing domestic stores. From a profit perspective, gross profit declined as the shift to a point system with smartphones in Japan led to increased usage of discount coupons by new members. Operating profit rose 1.3% year on year to ¥43,929 million, ordinary profit increased 1.4% year on year to ¥45,133 million, and profit attributable to owners of parent rose 1.9% year on year to ¥30,285 million.

## Sales by Category

(%)	FY2/15	FY2/16	FY2/17	FY2/18	FY2/19
Ratio of in-house products (domestic)	46.5	40.4	37.5	35.6	33.1
(¥ million)	FY2/15	FY2/16	FY2/17	FY2/18	FY2/19
Net sales	213,584	238,154	238,952	254,283	266,703
Sports	107,860	127,955	132,764	144,331	155,699
Leather Casual	41,503	43,775	37,459	37,211	36,435
Ladies'	23,122	21,174	21,456	20,871	18,937
Kids	11,955	13,545	14,492	16,238	17,778
Business	11,121	11,431	10,795	10,679	10,562
Sandals	6,151	6,550	7,589	9,820	10,457
Others	11,869	13,721	14,394	15,130	16,831

# Consolidated Statement of Cash Flows



(¥ million)	FY2/15	FY2/16	FY2/17	FY2/18	FY2/19
<b>Cash flows from operating activities</b>					
Net cash provided by (used in) operating activities	29,691	22,552	32,847	27,697	34,943
Profit before income taxes	39,985	41,001	42,989	43,767	44,186
Depreciation	4,019	4,314	4,275	4,417	4,700
Increase (decrease) in provision for bonuses	46	129	49	24	10
Increase (decrease) in allowance for doubtful accounts	24	(19)	(0)	(0)	22
Interest and dividend income	(170)	(132)	(127)	(121)	(94)
Interest expenses	54	52	10	10	10
Foreign exchange losses (gains)	21	112	(81)	(11)	(21)
Loss (gain) on sales and retirement of non-current assets	166	(662)	(643)	111	116
Impairment loss	253	1,761	510	623	830
Decrease (increase) in notes and accounts receivable - trade	(1,816)	325	(575)	(886)	(1,241)
Decrease (increase) in inventories	(7,980)	(5,678)	(560)	(9,287)	(2,189)
Increase (decrease) in notes and accounts payable - trade	4,943	(3,025)	1,548	3,463	(784)
Other, net	3,317	1,323	162	756	3,260
Subtotal	42,866	39,502	47,556	42,865	48,805
Interest and dividend income received	147	121	111	112	85
Interest expenses paid	(55)	(50)	(8)	(11)	(9)
Income taxes paid	(13,267)	(17,020)	(14,811)	(15,269)	(13,936)

# Consolidated Statement of Cash Flows



(¥ million)	FY2/15	FY2/16	FY2/17	FY2/18	FY2/19
<b>Cash flows from investing activities</b>					
Net cash provided by (used in) investing activities	(9,568)	(3,726)	(4,062)	(9,877)	(9,756)
Payments into time deposits	(506)	(120)	(18)	—	—
Proceeds from withdrawal of time deposits	—	536	11	2	—
Purchase of property, plant and equipment	(6,099)	(10,985)	(4,741)	(8,887)	(9,181)
Proceeds from sales of property, plant and equipment	5	10,192	5,309	824	1,433
Purchase of intangible assets	(366)	(829)	(462)	(638)	(1,053)
Payments for store removal	(89)	(95)	(128)	(117)	(137)
Proceeds from redemption of investment securities	—	—	—	498	—
Purchase of investment securities	—	(536)	—	—	—
Purchase of shares of subsidiaries	(8)	—	—	—	—
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(1,314)	—	—	—	—
Purchase of shares of subsidiaries and associates	—	—	(2,544)	—	—
Payments of loans receivable	(65)	(130)	(146)	(100)	(105)
Collection of loans receivable	101	228	276	277	275
Payments for lease and guarantee deposits	(2,526)	(2,645)	(2,570)	(2,379)	(1,436)
Proceeds from collection of lease and guarantee deposits	1,316	840	849	767	681
Other payments	(144)	(247)	(136)	(135)	(268)
Other proceeds	128	67	241	11	36
<b>Cash flows from financing activities</b>					
Net cash provided by (used in) financing activities	(3,675)	(13,567)	(12,019)	(8,699)	(11,722)
Net increase (decrease) in short-term loans payable	2,617	(3,155)	(1,614)	1,200	(584)
Repayments of long-term loans payable	(1,003)	(1,000)	(500)	—	—
Cash dividends paid	(5,267)	(9,368)	(9,900)	(9,899)	(11,137)
Proceeds from changes in ownership interests in subsidiaries that do not result in change in scope of consolidation	—	—	10	—	—
Other payments	(22)	(43)	(15)	(0)	(0)
<b>Effect of exchange rate change on cash and cash equivalents</b>	<b>604</b>	<b>(564)</b>	<b>(177)</b>	<b>572</b>	<b>(503)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>17,051</b>	<b>4,694</b>	<b>16,587</b>	<b>9,693</b>	<b>12,961</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>78,755</b>	<b>95,807</b>	<b>100,501</b>	<b>117,089</b>	<b>126,782</b>
<b>Cash and cash equivalents at end of period</b>	<b>95,807</b>	<b>100,501</b>	<b>117,089</b>	<b>126,782</b>	<b>139,743</b>

# Consolidated Statement of Changes in Equity



## FY2/18

¥ million	Shareholders' equity					Accumulated other comprehensive income			Non-controlling interests	Total net assets
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Total accumulated other comprehensive income		
Balance at beginning of current period	19,972	23,979	166,637	(2)	210,588	8	8,877	8,886	606	220,080
Changes of items during period										
Dividends of surplus			(9,903)		(9,903)					(9,903)
Profit attributable to owners of parent			29,714		29,714					29,714
Net changes of items other than shareholders' equity						4	2,416	2,420	195	2,615
Total changes of items during period	—	—	19,810	—	19,810	4	2,416	2,420	195	22,426
Balance at end of current period	19,972	23,979	186,448	(2)	230,399	13	11,293	11,306	801	242,507

## FY2/19

¥ million	Shareholders' equity					Accumulated other comprehensive income			Non-controlling interests	Total net assets
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Total accumulated other comprehensive income		
Balance at beginning of current period	19,972	23,979	186,448	(2)	230,399	13	11,293	11,306	801	242,507
Changes of items during period										
Dividends of surplus			(11,141)		(11,141)					(11,141)
Profit attributable to owners of parent			30,285		30,285					30,285
Net changes of items other than shareholders' equity						(4)	(2,468)	(2,472)	136	(2,336)
Total changes of items during period	—	—	19,143	—	19,143	(4)	(2,468)	(2,472)	136	16,807
Balance at end of current period	19,972	23,979	205,591	(2)	249,542	8	8,825	8,833	938	259,315

## Results by Segment

(¥ million)	FY2/15	FY2/16	FY2/17	FY2/18	FY2/19
Net sales	213,584	238,154	238,952	254,283	266,703
Domestic	160,126	174,875	180,101	187,604	192,742
Overseas	54,366	64,264	59,759	67,657	75,063
Elimination	(908)	(984)	(908)	(979)	(1,102)
Operating profit	39,651	41,514	41,860	43,386	43,929
Domestic	36,124	37,160	37,843	39,298	38,905
Overseas	3,495	4,345	3,982	4,049	4,980
Elimination	31	8	34	38	44
Assets	233,661	238,575	253,916	279,697	296,941
Domestic	174,283	180,392	194,815	215,433	231,537
Overseas	59,558	58,433	59,359	64,514	65,743
Elimination	(180)	(249)	(258)	(251)	(339)
(%)	FY2/15	FY2/16	FY2/17	FY2/18	FY2/19
Composition ratio to net sales	100.0	100.0	100.0	100.0	100.0
Domestic	75.0	73.4	75.4	73.8	72.3
Overseas	25.4	27.0	25.0	26.6	28.1
Elimination	-0.4	-0.4	-0.4	-0.4	-0.4
Operating profit margin	18.6	17.4	17.5	17.1	16.5
Domestic	22.6	21.2	21.0	20.9	20.2
Overseas	6.4	6.8	6.7	6.0	6.6

### Domestic

Our merchandise strategies during the fiscal year under review included focusing on sales of casual lines of sports shoes and fashion sneakers. In addition, we expanded the range of sports apparel and accessories we handled particularly in large stores in major urban centers, and promoted merchandising enabling the total coordination of shoes and other items.

During the fiscal year under review, we reinforced our store network by opening 65 new stores centering on commercial facilities and shopping centers in prime locations. Among these, we opened 11 new stores under our new "ABC-MART SPORTS" casual sports fashion format. With regard to existing stores, we made headway with remodeling flagship stores in major urban centers. We remodeled 40 stores, including changing their formats, increasing floor areas, and relocating stores to better sites. As a result, our domestic network reached 987 stores (store closures: 17 stores in Japan). In the fiscal year under review, we upgraded the "ABC Mart Grand Stage format" geared toward flagship stores in major urban centers. We gave the walls digital signage displaying brand advertisements and product displays and provided spaces offering next-generation customer service experience. We opened new-style "ABC-MART Grand Stage" stores in Ginza and Harajuku last fall, and we plan to open others centering on major urban centers in the future.

Looking at sales growth figures at domestic stores, sales increased 2.5% year on year on an all-store basis and 1.5% year on year on an existing-store basis as we benefited from growth in numbers of both Japanese and foreign customers particularly in city centers.

As a result of the above, domestic sales increased by 2.7% year on year to ¥192,742 million and domestic operating profit decreased 1.0% year on year to ¥38,905million.

### Overseas

We expanded our overseas store network with the opening of 43 new stores in South Korea and 11 in Taiwan. That brought the total number of overseas outlets at the end of the fiscal year (as of December 31, 2018) to 298, comprising 246 in South Korea, 48 in Taiwan, and four in the U.S.A. (store closures: 17 stores in South Korea, 3 in Taiwan).

Overseas business results benefited from increased customer numbers and the depreciation of the yen. As a result, net sales in South Korea increased by 9.7% year on year to ¥51,345 million, in Taiwan rose by 22.4% year on year to ¥6,255 million, and in the U.S.A. expanded by 11.0% year on year to ¥17,461 million. Overseas consolidated subsidiaries all close their accounts on December 31.

As a result of the above, overseas sales increased by 10.9% to ¥75,063 million, while overseas operating profit rose 23.0% year on year to ¥4,980 million.

# Consolidated Profitability Indicators



(¥ million)	FY2/15	FY2/16	FY2/17	FY2/18	FY2/19
Net sales	213,584	238,154	238,952	254,283	266,703
Gross profit	115,060	126,993	128,884	135,651	140,545
SG&A expenses	75,408	85,479	87,023	92,265	96,615
Operating profit	39,651	41,514	41,860	43,386	43,929
Ordinary profit	40,405	42,196	42,860	44,501	45,133
Profit attributable to owners of parent	24,373	26,130	28,365	29,714	30,285

(%)	FY2/15	FY2/16	FY2/17	FY2/18	FY2/19
Gross profit on net sales	53.9	53.3	53.9	53.3	52.7
SG&A expenses ratio	35.3	35.9	36.4	36.3	36.2
Operating profit margin	18.6	17.4	17.5	17.1	16.5
Ordinary profit margin	18.9	17.7	17.9	17.5	16.9
Net profit margin	11.4	11.0	11.9	11.7	11.4

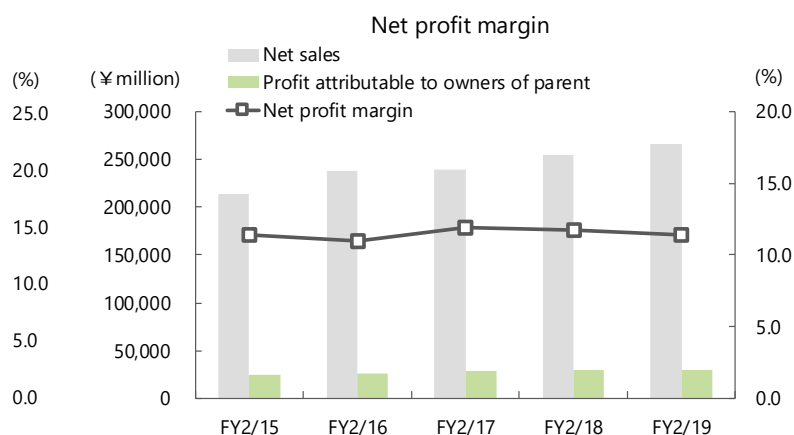
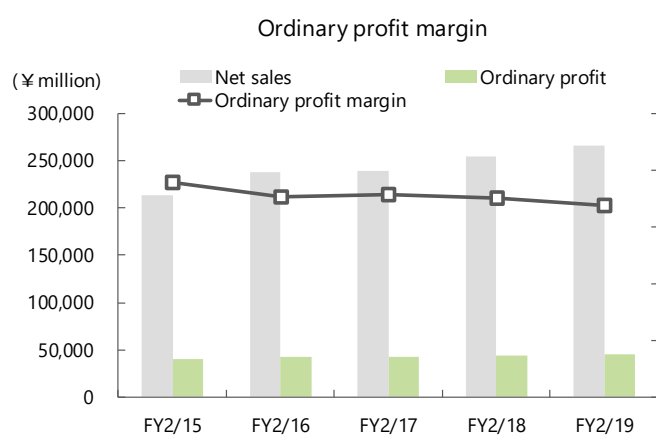
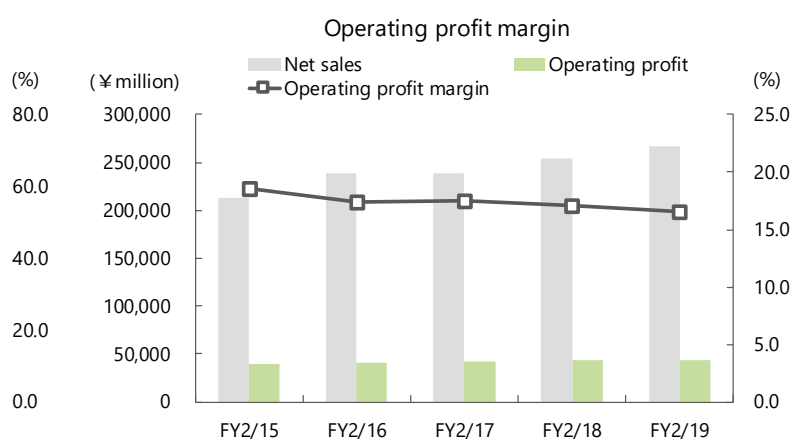
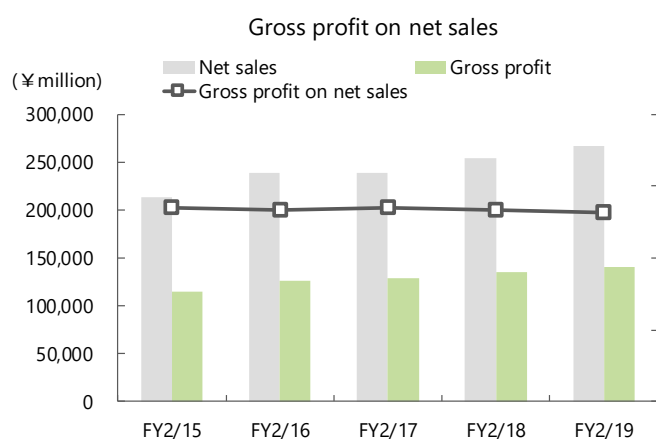
Gross profit on net sales=Gross profit/Net sales

SG&A expenses ratio=SG&A expenses/Net sales

Operating profit margin=Operating profit/Net sales

Ordinary profit margin=Ordinary profit/Net sales

Net profit margin=Profit attributable to owners of parent/Net sales



# Consolidated Efficiency Indicators



(times)	FY2/15	FY2/16	FY2/17	FY2/18	FY2/19
Total assets turnover	0.91	1.00	0.94	0.91	0.90
Non-current assets turnover	2.91	3.44	3.58	3.45	3.49
Current assets turnover	1.33	1.41	1.28	1.23	1.21

(days)	FY2/15	FY2/16	FY2/17	FY2/18	FY2/19
Inventories turnover	84.36	83.53	82.97	92.43	89.87
Accounts receivable turnover	13.45	12.49	12.73	13.47	14.26
Accounts payable turnover	24.23	16.36	18.04	21.91	18.99

Total assets turnover=Net sales/Total assets

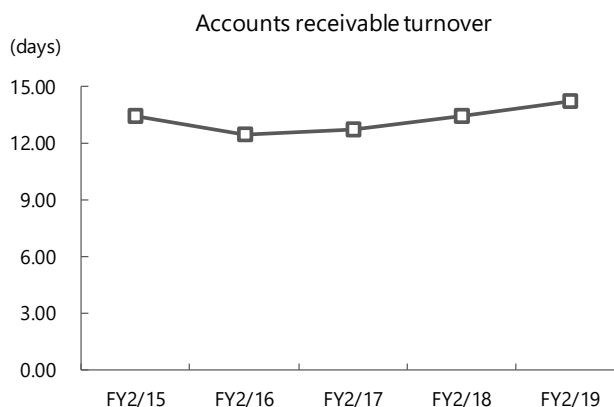
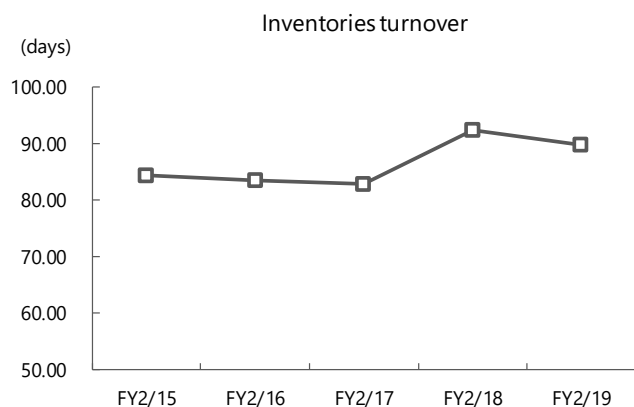
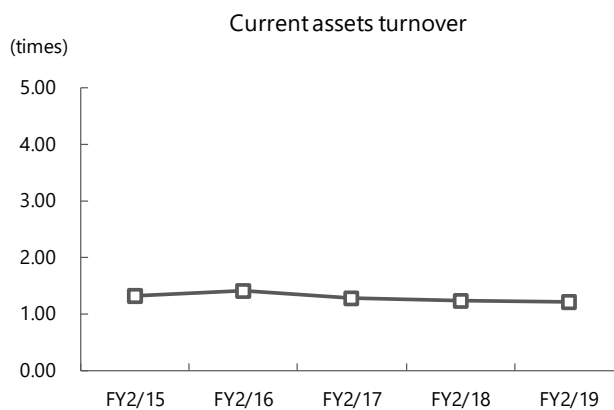
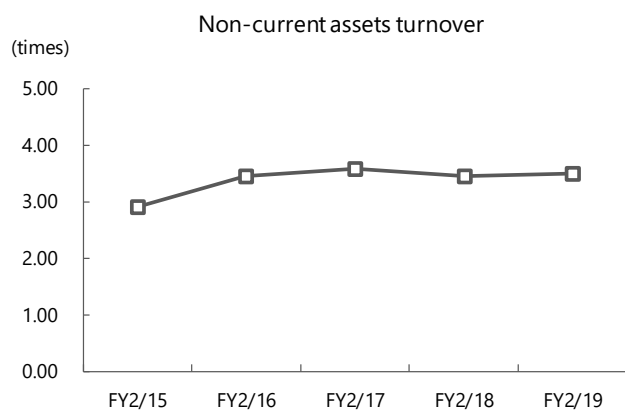
Non-current assets turnover=Net sales/Non-current assets

Current assets turnover=Net sales/Current assets

Inventories turnover=Inventories/Net salesx365

Accounts receivable turnover=Accounts receivable/Net salesx365

Accounts payable turnover=Accounts payable/Net salesx365





# Consolidated Stability Indicators



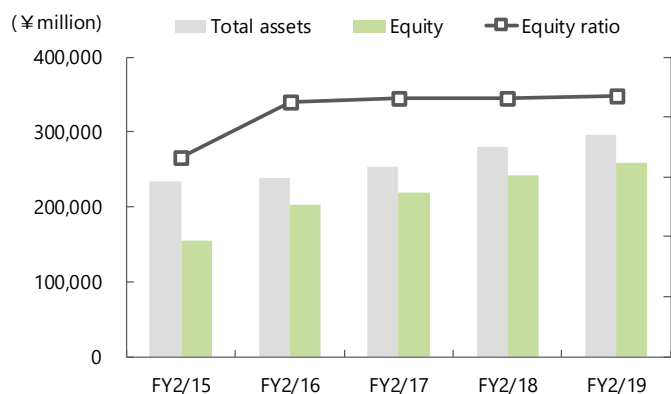
(¥ million)	FY2/15	FY2/16	FY2/17	FY2/18	FY2/19
Equity	155,082	203,131	219,474	241,706	258,376
Total assets	233,661	238,575	253,916	279,697	296,941
Non-current assets	73,363	69,326	66,757	73,777	76,330
Current assets	160,298	169,249	187,158	205,919	220,610
Current liabilities	41,070	31,975	30,875	34,924	35,580
Interest-bearing debt	40,855	3,691	1,574	2,775	2,189

(%)	FY2/15	FY2/16	FY2/17	FY2/18	FY2/19
Equity ratio	66.4	85.1	86.4	86.4	87.0
D/E ratio	26.3	1.8	0.7	1.1	0.8
Fixed ratio	47.3	34.1	30.4	30.5	29.5
Current ratio	390.3	529.3	606.2	589.6	620.0
ROA	11.3	11.1	11.5	11.1	10.5
ROE	17.0	14.6	13.4	12.9	12.1

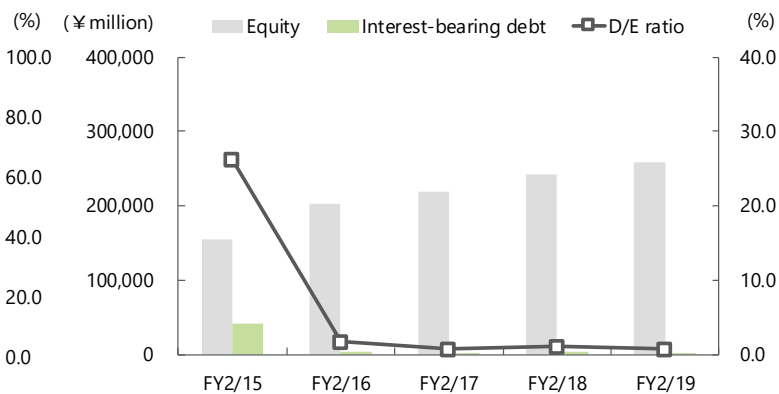
Interest-bearing debt=Short-term loans payable+Current portion of long-term loans payable  
 +Convertible bond-type bonds with share acquisition rights+Long-term loans payable

Equity ratio=Equity/Total assets      Current ratio=Current assets/Current liabilities  
 D/E ratio=Interest-bearing debt/Equity      ROA=Profit attributable to owners of parent/Average total assets  
 Fixed ratio=Non-current assets/Equity      ROE=Profit attributable to owners of parent/Average equity

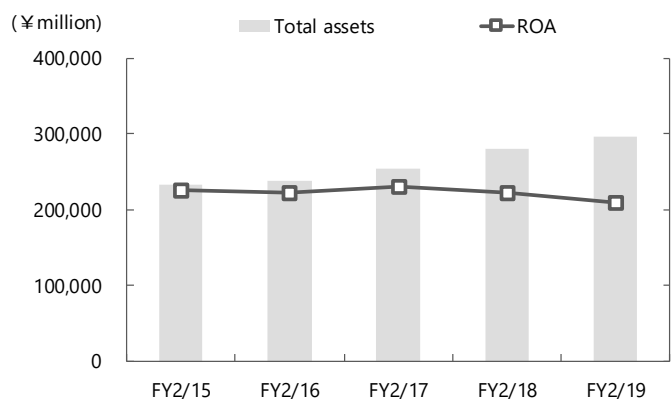
### Equity ratio



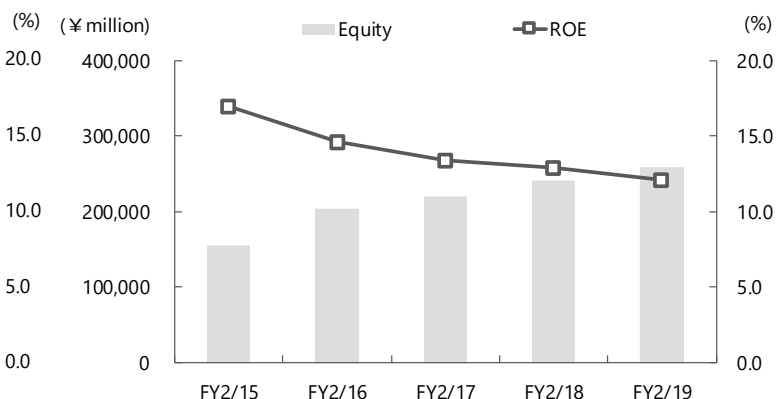
### D/E ratio



### ROA



### ROE



## Per Share Indicators

(¥)	FY2/15	FY2/16	FY2/17	FY2/18	FY2/19
Stock price at term end	6,720	6,490	6,770	6,800	6,380
Closing stock price range for the last 12 months	4,045-6,720	5,780-7,860	6,240-7,410	5,560-7,190	5,750-7,350
Earnings per share (EPS)	323.71	331.17	343.69	360.04	366.95
Diluted EPS	295.49	—	—	—	—
Book-value per share (BPS)	2,059.68	2,461.25	2,659.27	2,928.63	3,130.62
Dividend per share (DPS)	100.00	120.00	120.00	130.00	170.00

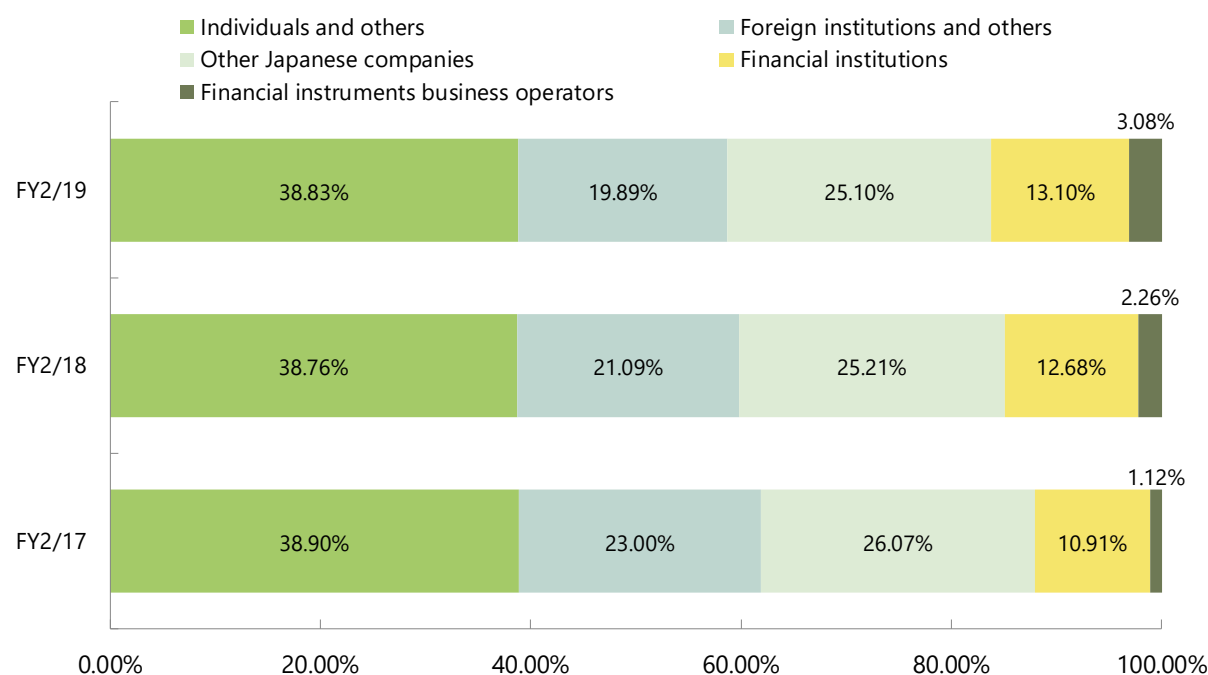
## Status of Major Shareholders

As of February 28, 2019

Top 10 Shareholders	Number of Shares (thousand shares)	Shareholding Ratio (%)
Masahiro Miki	21,380	25.90
EM Planning LLC	20,666	25.03
Michiko Miki	9,484	11.49
The Master Trust Bank of Japan, Ltd. (trust account)	3,242	3.92
Japan Trustee Services Bank, Ltd. (trust account)	1,979	2.39
STATE STREET BANK WEST CLIENT-TREATY 505234	1,133	1.37
JPMorgan Securities Japan Co., Ltd.	1,058	1.28
JAPAN POST INSURANCE Co., Ltd.	709	0.85
BNYM AS AGT/CLTS NON TREATY JASDEC	684	0.82
ORBIS SICAV	651	0.78

Note: In addition to the above, ABC-MART, INC. holds 393 shares (0.00%) in treasury shares.

## Breakdown of Types of Shareholders



# Reference) Non-consolidated Balance Sheet



(¥ million)	FY2/15	FY2/16	FY2/17	FY2/18	FY2/19
<b>Assets</b>					
Total assets	199,557	205,497	220,036	240,482	256,821
Current assets	133,116	141,307	156,314	172,754	183,785
Cash and deposits	89,536	92,744	107,431	116,298	128,452
Accounts receivable - trade	3,031	3,925	3,947	4,374	4,807
Merchandise	34,767	39,133	38,289	45,917	45,824
Deferred tax assets	1,488	1,463	1,256	—	—
Other	4,293	4,041	5,389	6,162	4,700
Non-current assets	66,440	64,189	63,722	67,728	73,035
Property, plant and equipment	29,265	25,327	21,983	24,735	28,570
Buildings and structures	11,152	10,814	11,131	11,529	12,735
Tools, furniture and fixtures	517	861	1,089	1,340	1,128
Land	17,218	12,106	9,651	11,476	14,557
Construction in progress	294	1,492	52	319	105
Other	81	52	58	69	44
Intangible assets	593	1,002	952	1,128	1,555
Investments and other assets	36,582	37,858	40,785	41,864	42,908
Investment securities	60	44	53	52	46
Shares of subsidiaries and associates	21,046	21,046	23,588	23,588	23,588
Long-term loans receivable	3,288	3,013	2,829	1,953	2,312
Lease and guarantee deposits	11,065	12,564	13,069	13,343	13,665
Deferred tax assets	—	—	—	2,411	2,689
Other	1,119	1,189	1,243	513	606

Note: The Company applied the "Partial Amendments to Accounting Standards for Tax Effect Accounting" (Accounting Standards Board of Japan (ASBJ) Statement No. 28 issued on February 16, 2018) early, from FY2/19. For FY2/18 and FY2/19 only, the Company presents "Deferred tax assets" under Investments and other assets.

# Reference) Non-consolidated Balance Sheet



(¥ million)	FY2/15	FY2/16	FY2/17	FY2/18	FY2/19
<b>Liabilities</b>					
Total liabilities	67,898	27,198	25,639	28,833	29,139
<b>Current liabilities</b>	<b>33,678</b>	<b>26,539</b>	<b>24,947</b>	<b>28,152</b>	<b>28,429</b>
Notes payable - trade	8,913	5,650	5,864	7,467	6,687
Accounts payable - trade	3,323	3,353	3,540	4,716	4,386
Short-term loans payable	4,453	3,018	1,438	2,736	2,149
Current portion of long-term loans payable	1,000	500	—	—	—
Income taxes payable	8,934	7,216	7,040	7,194	6,856
Provision for bonuses	683	809	855	871	879
Notes payable - facilities	722	892	1,019	883	1,227
Other	5,646	5,097	5,188	4,282	6,241
<b>Non-current liabilities</b>	<b>34,219</b>	<b>659</b>	<b>691</b>	<b>680</b>	<b>710</b>
Convertible bond-type bonds with share acquisition rights	33,000	—	—	—	—
Long-term loans payable	500	—	—	—	—
Other	719	659	691	680	710
<b>Net assets</b>					
Total net assets	131,658	178,299	194,397	211,649	227,681
<b>Shareholders' equity</b>	<b>131,643</b>	<b>178,294</b>	<b>194,383</b>	<b>211,635</b>	<b>227,672</b>
Capital stock	3,482	19,972	19,972	19,972	19,972
Capital surplus	7,488	23,978	23,978	23,978	23,978
Legal capital surplus	7,488	23,978	23,978	23,978	23,978
Retained earnings	120,672	134,345	150,433	167,686	183,723
Legal retained earnings	55	55	55	55	55
Other retained earnings					
Retained earnings brought forward	120,617	134,289	150,378	167,630	183,667
Treasury shares	(0)	(2)	(2)	(2)	(2)
<b>Valuation and translation adjustments</b>	<b>14</b>	<b>4</b>	<b>13</b>	<b>13</b>	<b>8</b>
Valuation difference on available-for-sale securities	14	4	13	13	8
<b>Total liabilities and net assets</b>	<b>199,557</b>	<b>205,497</b>	<b>220,036</b>	<b>240,482</b>	<b>256,821</b>

# Reference) Non-consolidated Statement of Income



(¥ million)	FY2/15	FY2/16	FY2/17	FY2/18	FY2/19
Net sales	159,655	174,167	178,930	186,243	191,347
Cost of sales	68,100	74,881	76,613	80,575	84,210
Gross profit	91,554	99,286	102,317	105,668	107,136
Selling, general and administrative expenses	55,848	62,533	64,944	66,982	68,756
Operating profit	35,706	36,752	37,372	38,686	38,380
Non-operating income	1,259	1,245	1,827	2,212	2,070
Interest and dividend income	—	—	458	742	290
Interest income	93	85	—	—	—
Foreign exchange gains	—	—	47	20	—
Rent Income	908	895	914	1,009	1,092
Advertising medium income	56	68	52	53	38
Other	201	196	355	386	649
Non-operating expenses	313	265	169	178	287
Interest expenses	34	24	7	7	6
Foreign exchange losses	62	74	—	—	37
Rent expenses	143	149	143	148	172
Other	72	16	18	22	70
Ordinary profit	36,653	37,732	39,030	40,719	40,162
Extraordinary income	4	1,521	800	99	53
Gain on sales of non-current assets	4	1,521	792	99	53
Other	—	—	7	—	—
Extraordinary losses	335	2,637	605	682	579
Loss on sales of non-current assets	—	690	—	—	—
Loss on retirement of non-current assets	86	89	139	137	86
Impairment loss	249	1,761	461	545	491
Other	—	95	4	—	1
Profit before income taxes	36,322	36,616	39,225	40,136	39,636
Income taxes - current	14,697	13,611	13,104	13,419	12,733
Income taxes - deferred	(479)	(36)	129	(439)	(275)
Total income taxes	14,218	13,574	13,233	12,980	12,458
Profit	22,104	23,041	25,992	27,156	27,178

# Reference) Non-consolidated Statement of Changes in Equity



## FY2/18

¥ million)	Shareholders' equity								Valuation and translation adjustments		Total net assets
	Capital stock	Capital surplus		Retained earnings			Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Total valuation and translation adjustments	
		Legal capital surplus	Total capital surplus	Legal retained earnings	Other retained earnings	Total retained earnings					
Balance at beginning of current period	19,972	23,978	23,978	55	150,378	150,433	(2)	194,383	13	13	194,397
Changes of items during period											
Dividends of surplus					(9,903)	(9,903)		(9,903)			(9,903)
Profit					27,156	27,156		27,156			27,156
Net changes of items other than shareholders' equity									(0)	(0)	(0)
Total changes of items during period	—	—	—	—	17,252	17,252	—	17,252	(0)	(0)	17,251
Balance at end of current period	19,972	23,978	23,978	55	167,630	167,686	(2)	211,635	13	13	211,649

## FY2/19

¥ million)	Shareholders' equity								Valuation and translation adjustments		Total net assets
	Capital stock	Capital surplus		Retained earnings			Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Total valuation and translation adjustments	
		Legal capital surplus	Total capital surplus	Legal retained earnings	Other retained earnings	Total retained earnings					
Balance at beginning of current period	19,972	23,978	23,978	55	167,630	167,686	(2)	211,635	13	13	211,649
Changes of items during period											
Dividends of surplus					(11,141)	(11,141)		(11,141)			(11,141)
Profit					27,178	27,178		27,178			27,178
Net changes of items other than shareholders' equity									(4)	(4)	(4)
Total changes of items during period	—	—	—	—	16,036	16,036	—	16,036	(4)	(4)	16,032
Balance at end of current period	19,972	23,978	23,978	55	183,667	183,723	(2)	227,672	8	8	227,681

The logo for ABC MART, featuring the words "ABC" stacked above "MART" in a bold, red, sans-serif font. The text is centered within a yellow square, which is itself centered within a horizontal bar composed of five colored segments: yellow, green, yellow, green, and yellow.

**ABC  
MART**

**Contact**

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<http://www.abc-mart.co.jp/ir/>