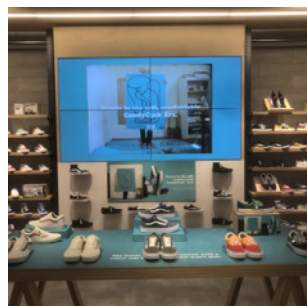
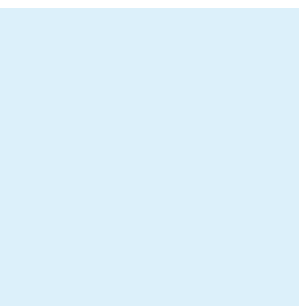
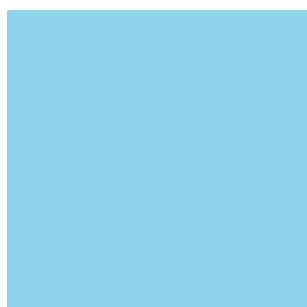


# FACTBOOK

ABC-MART, INC.

For the fiscal year ended February 28, 2021



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

## Corporate Profile (as of February 28, 2021)

Name of Company	ABC-MART, INC.
URL	<a href="https://www.abc-mart.co.jp/">https://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
Share Capital	¥19,972 million
Representative	Minoru Noguchi Representative Director, President and Executive Officer
Number of Employees	8,600 (4,718 Part-time employees and others included)

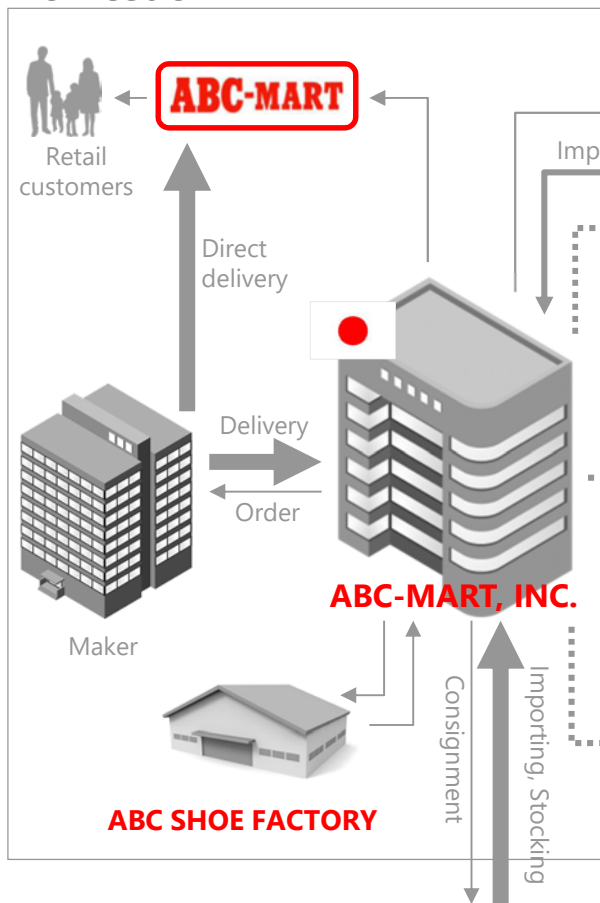
## Business Policy

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

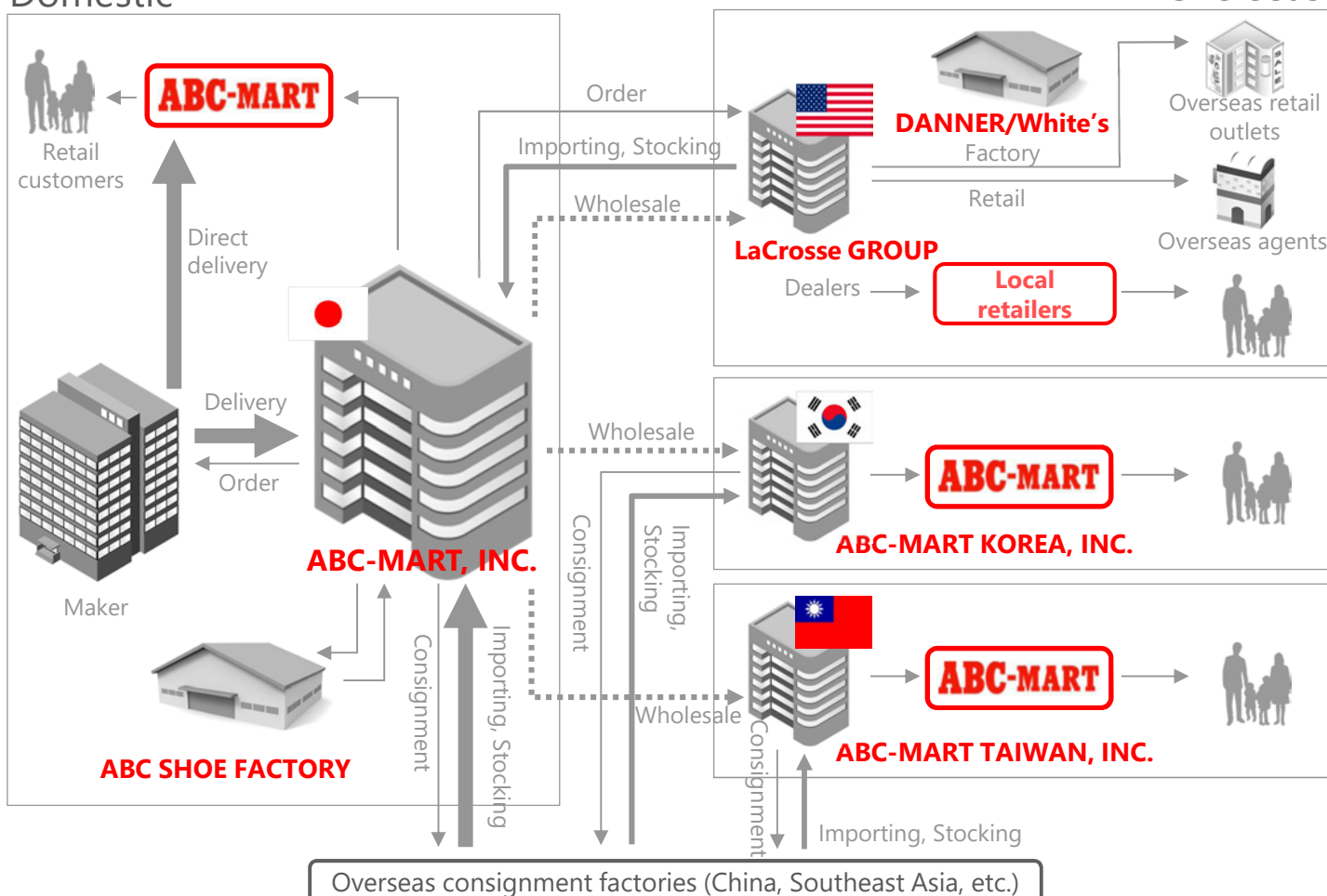
New ABC-MART outlets will be opened to directly deliver shoes to our customers. Our ultimate aim is to establish a globally recognized store brand.

## Business Content

### Domestic

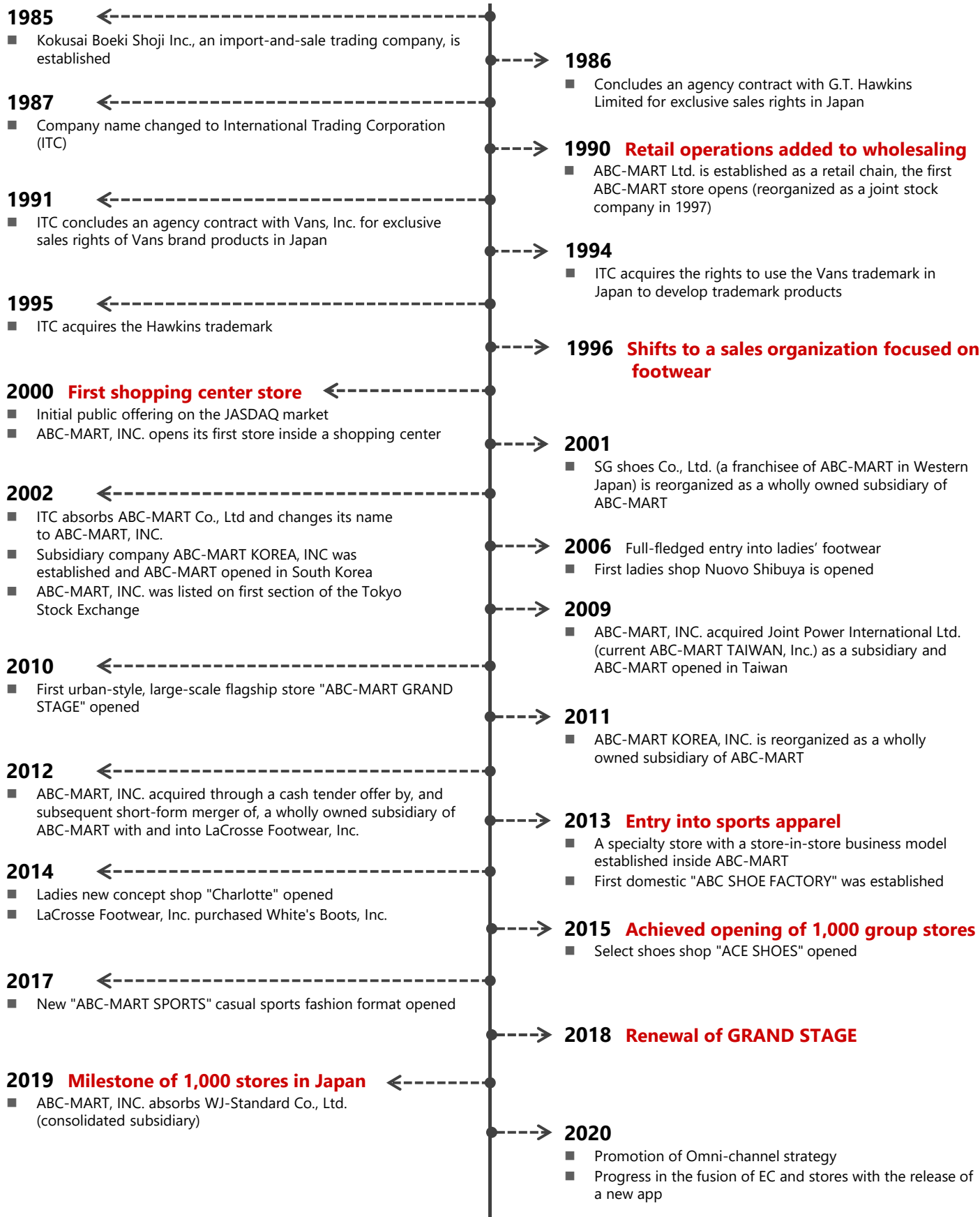


### Overseas



Overseas consignment factories (China, Southeast Asia, etc.)

## History



## 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 Europe, China, Southeast 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**

## Own Brand



ABC SELECT



## Distributor / Licensing

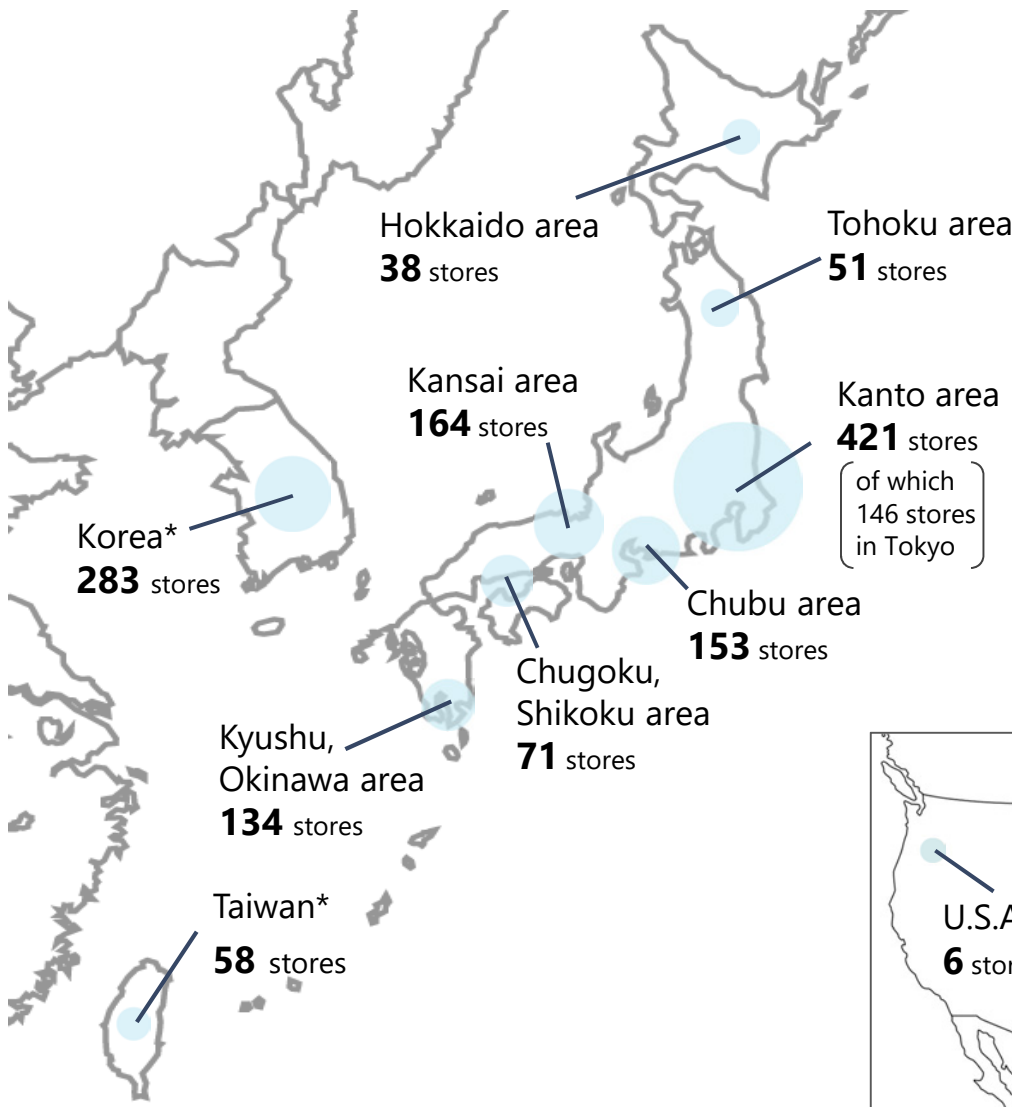


## Store Brand



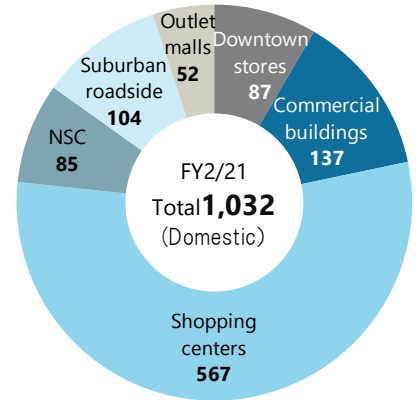
## Distribution map of stores (as of February 28, 2021)

\*: Number of overseas outlets (Korea, Taiwan, U.S.A.) as of end-December 2020

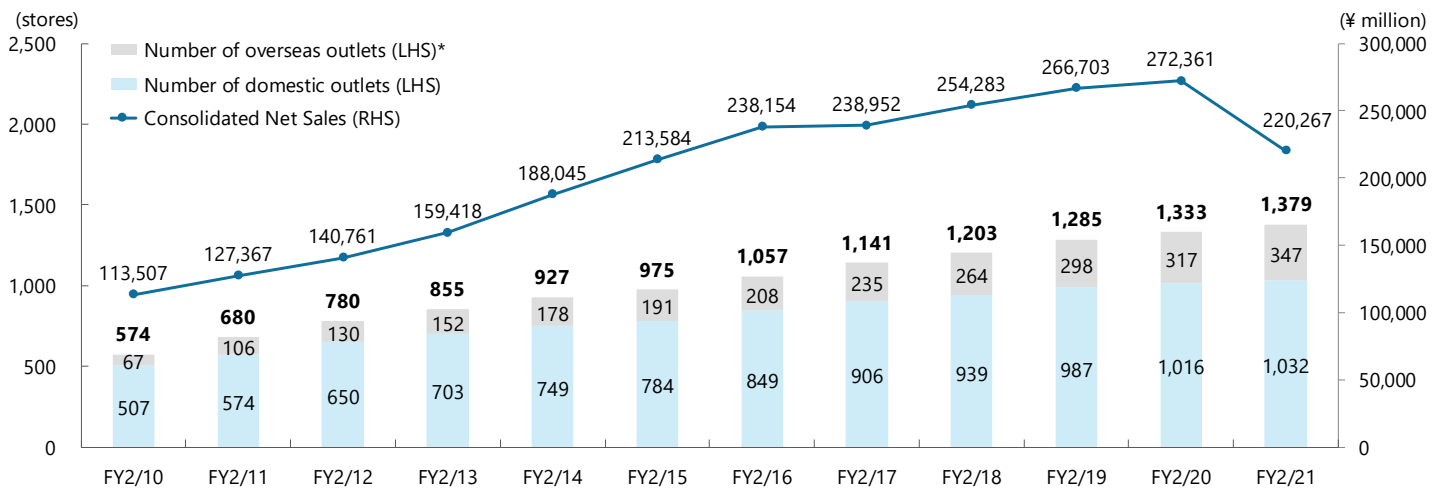


**Number of group stores**  
1,379 stores

### Number of stores by store formats



## Trends in Number of Stores and Net Sales (as of February 28, 2021)



\*: Number of overseas outlets (Korea, Taiwan, U.S.A.) as of end-December 2020

# Consolidated Balance Sheet



(¥ million)	FY2/17	FY2/18	FY2/19	FY2/20	FY2/21
<b>Assets</b>					
Total assets	253,916	279,697	296,941	311,084	317,832
<b>Current assets</b>	<b>187,158</b>	<b>205,919</b>	<b>220,610</b>	<b>233,803</b>	<b>225,222</b>
Cash and deposits	117,261	126,963	139,914	149,344	138,669
Notes and accounts receivable - trade	8,333	9,386	10,423	10,493	10,275
Securities	—	—	—	—	7,957
Inventories	54,315	64,390	65,665	68,011	63,356
Deferred tax assets	1,759	—	—	—	—
Other	5,510	5,198	4,648	5,990	4,997
Allowance for doubtful accounts	(22)	(19)	(42)	(36)	(34)
<b>Non-current assets</b>	<b>66,757</b>	<b>73,777</b>	<b>76,330</b>	<b>77,280</b>	<b>92,610</b>
<b>Property, plant and equipment</b>	<b>28,429</b>	<b>32,507</b>	<b>36,328</b>	<b>37,520</b>	<b>37,748</b>
Buildings and structures	27,101	28,179	30,266	31,559	33,283
Accumulated depreciation	(14,214)	(15,022)	(16,089)	(16,789)	(17,900)
Buildings and structures, net	12,886	13,157	14,176	14,770	15,382
Tools, furniture and fixtures	10,301	12,463	13,612	14,935	16,091
Accumulated depreciation	(7,125)	(8,242)	(8,818)	(9,643)	(11,092)
Tools, furniture and fixtures, net	3,175	4,221	4,794	5,292	4,998
Land	12,157	14,111	17,099	17,029	17,078
Construction in progress	139	931	203	372	221
Other	453	474	432	452	457
Accumulated depreciation	(382)	(388)	(378)	(397)	(391)
Other, net	70	86	54	55	66
<b>Intangible assets</b>	<b>9,445</b>	<b>8,075</b>	<b>6,840</b>	<b>5,914</b>	<b>5,066</b>
Trademark right	2,462	1,996	1,570	1,162	740
Goodwill	5,129	4,109	2,876	2,054	1,199
Other	1,853	1,968	2,392	2,697	3,126
<b>Investments and other assets</b>	<b>28,882</b>	<b>33,194</b>	<b>33,162</b>	<b>33,845</b>	<b>49,795</b>
Investment securities	53	52	46	33	17,161
Shares of subsidiaries and associates	2,647	2,647	2,647	2,647	2,563
Long-term loans receivable	2,119	1,953	1,802	1,660	1,495
Leasehold and guarantee deposits	22,697	25,180	24,961	25,522	25,453
Retirement benefit asset	26	83	—	—	—
Deferred tax assets	—	2,751	3,087	3,357	2,523
Other	1,354	543	634	639	613
Allowance for doubtful accounts	(17)	(19)	(17)	(17)	(16)

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) from FY2/19. The figures for FY2/18 are after retrospective application for comparability.

# Consolidated Balance Sheet



(¥ million)	FY2/17	FY2/18	FY2/19	FY2/20	FY2/21
<b>Liabilities</b>					
Total liabilities	33,835	37,189	37,626	39,275	38,888
Current liabilities	30,875	34,924	35,580	37,170	37,145
Notes and accounts payable - trade	11,811	15,262	13,877	16,413	14,468
Short-term borrowings	1,574	2,775	2,189	2,216	1,232
Income taxes payable	7,815	7,961	7,721	7,150	8,720
Provision for bonuses	881	906	915	985	996
Provisions	363	337	361	219	237
Asset retirement obligations	10	16	23	23	152
Notes payable - facilities	1,019	883	1,227	1,045	782
Other	7,400	6,780	9,264	9,114	10,554
Non-current liabilities	2,959	2,264	2,045	2,105	1,743
Retirement benefit liability	741	682	703	799	552
Asset retirement obligations	331	370	377	453	359
Other	1,886	1,212	964	852	831
<b>Net assets</b>					
Total net assets	220,080	242,507	259,315	271,809	278,943
Shareholders' equity	210,588	230,399	249,542	263,630	268,825
Share capital	19,972	19,972	19,972	19,972	19,972
Capital surplus	23,979	23,979	23,979	24,043	24,043
Retained earnings	166,637	186,448	205,591	219,616	224,811
Treasury shares	(2)	(2)	(2)	(2)	(2)
Accumulated other comprehensive income	8,886	11,306	8,833	7,035	8,799
Valuation difference on available-for-sale securities	8	13	8	4	2,229
Foreign currency translation adjustment	8,877	11,293	8,825	7,030	6,569
Non-controlling interests	606	801	938	1,143	1,318
Total liabilities and net assets	253,916	279,697	296,941	311,084	317,832

# Consolidated Statement of Income



(¥ million)	FY2/17	FY2/18	FY2/19	FY2/20	FY2/21
Net sales	238,952	254,283	266,703	272,361	220,267
Cost of sales	110,068	118,631	126,158	129,087	110,004
Gross profit	128,884	135,651	140,545	143,273	110,262
Selling, general and administrative expenses	87,023	92,265	96,615	99,899	90,748
Packing and transportation costs	2,814	3,073	3,432	3,695	3,594
Advertising expenses	6,805	6,898	6,465	6,991	6,239
Storage costs	2,500	2,806	3,090	3,041	3,037
Remuneration, salaries and allowances for directors (and other officers)	23,819	24,762	25,894	26,964	23,877
Bonuses	1,591	1,635	1,678	1,729	1,752
Provision for bonuses	879	904	914	984	995
Retirement benefit expenses	415	427	528	652	294
Legal and other welfare expenses	3,327	3,573	3,867	4,042	3,834
Rent expenses on land and buildings	24,988	26,735	28,044	27,567	24,788
Depreciation	4,065	4,214	4,506	4,902	5,103
Utilities expenses	2,083	2,136	2,193	2,173	1,989
Commission expenses	4,884	5,305	5,608	6,590	5,857
Taxes and dues	1,258	1,769	1,815	1,786	1,608
Amortization of goodwill	845	861	847	783	764
Other	6,743	7,160	7,728	7,994	7,010
Operating profit	41,860	43,386	43,929	43,374	19,513
Non-operating income	1,252	1,626	1,876	1,681	2,441
Interest income	126	119	93	136	59
Dividend income	—	—	—	—	695
Foreign exchange gains	36	55	—	—	315
Rent Income	798	1,096	1,146	1,011	968
Advertising medium income	52	53	38	37	34
Other	240	301	597	495	367
Non-operating expenses	252	511	672	730	671
Interest expenses	10	10	10	9	6
Foreign exchange losses	—	—	79	88	—
Rental expenses	196	464	498	539	516
Other	46	36	84	93	147
Ordinary profit	42,860	44,501	45,133	44,325	21,283



# Consolidated Statement of Income



(¥ million)	FY2/17	FY2/18	FY2/19	FY2/20	FY2/21
Extraordinary income	792	100	53	5	10,076
Gain on sales of non-current assets	792	100	53	5	5
Gain on sales of investment securities	—	—	—	—	9,221
Employment adjustment subsidies for covid19	—	—	—	—	849
Extraordinary losses	663	834	1,000	960	2,245
Loss on retirement of non-current assets	148	211	168	192	210
Impairment loss	510	623	830	767	628
Loss due to covid19	—	—	—	—	1,389
Other	4	—	1	1	16
Profit before income taxes	42,989	43,767	44,186	43,369	29,115
Income taxes - current	14,615	14,730	14,243	13,792	9,874
Income taxes - deferred	(68)	(839)	(520)	(381)	(144)
Total income taxes	14,547	13,890	13,722	13,410	9,729
Profit	28,442	29,876	30,464	29,958	19,385
Profit attributable to non-controlling interests	76	161	178	252	159
Profit attributable to owners of parent	28,365	29,714	30,285	29,706	19,226

## Overview of Financial Results for FY2/21

In the fiscal year under review (from March 1, 2020 to February 28, 2021), the business environment was extremely challenging amid the spread of infections of the novel coronavirus (COVID-19) with major restrictions on social and economic activities and deterioration in corporate earnings and business sentiment, reduced consumer spending and a sharp drop in demand from inbound tourists. The recovery in economic activities has been sluggish even after the government's state of emergency declaration was lifted, and the future outlook remains unclear. However, online sales rose with the increase in time spent at home, while cashless payments became more popular with the heightened need for no physical contact.

In the shoes industry, online sales expanded amid the concerns that demand would be postponed due to the protracted self-restraint on going out. In terms of product trends, demand for sneakers was high even with the pandemic but demand for formal and business wear fell due to the popularity of working from home and remote working as well as the curtailment of ceremonial occasions, etc.

In this circumstance, the ABC-MART Group (the "Group") responded by reinforcing its IT strategy, strengthening online sales, and enhancing lifestyle casual wear including sports shoes and sports apparel. Over the year, we opened 103 new stores in Japan and overseas, bringing the total number of outlets of the Group to 1,379.

As a result of the above, in the fiscal year under review net sales fell by 19.1% year on year to ¥220,267 million due to the impact of COVID-19, the first decline in revenue since listing. From a profit perspective, ¥2,861 million in unused inventory write-downs were recorded and operating profit fell by 55.0% year on year to ¥19,513 million while ordinary profit fell by 52.0% year on year to ¥21,283 million. An extraordinary income of ¥ 9,221 million was recorded for gain on sale of investment securities, so profit attributable to owners of parent fell by 35.3% year on year to ¥19,226 million.

## Sales by Category

(%)	FY2/17	FY2/18	FY2/19	FY2/20	FY2/21
Ratio of in-house products (domestic)	37.5	35.6	33.1	31.8	30.4

(¥ million)	FY2/17	FY2/18	FY2/19	FY2/20	FY2/21
Net sales	238,952	254,283	266,703	272,361	220,267
Sports	132,764	144,331	155,699	161,023	129,117
Leather Casual	37,459	37,211	36,435	37,413	33,268
Kids	14,492	16,238	17,778	18,271	16,208
Ladies'	21,456	20,871	18,937	17,695	11,435
Sandals	7,589	9,820	10,457	10,974	9,259
Business	10,795	10,679	10,562	9,973	6,503
Others	14,394	15,130	16,831	17,010	14,473

# Consolidated Statement of Cash Flows



(¥ million)	FY2/17	FY2/18	FY2/19	FY2/20	FY2/21
<b>Cash flows from operating activities</b>					
Net cash provided by (used in) operating activities	32,847	27,697	34,943	34,547	23,487
Profit before income taxes	42,989	43,767	44,186	43,369	29,115
Depreciation	4,275	4,417	4,700	5,085	5,406
Increase (decrease) in provision for bonuses	49	24	10	69	10
Increase (decrease) in allowance for doubtful accounts	(0)	(0)	22	(5)	(0)
Interest and dividend income	(127)	(121)	(94)	(138)	(755)
Interest expenses	10	10	10	9	6
Foreign exchange losses (gains)	(81)	(11)	(21)	56	(281)
Loss (gain) on sales of investment securities	—	—	—	—	(9,221)
Loss (gain) on sales and retirement of non-current assets	(643)	111	116	187	204
Impairment loss	510	623	830	767	628
Decrease (increase) in trade receivables	(575)	(886)	(1,241)	(633)	239
Decrease (increase) in inventories	(560)	(9,287)	(2,189)	(2,930)	4,253
Increase (decrease) in trade payables	1,548	3,463	(784)	2,253	(1,177)
Other, net	162	756	3,260	647	2,919
Subtotal	47,556	42,865	48,805	48,737	31,347
Interest and dividends received	111	112	85	132	397
Interest paid	(8)	(11)	(9)	(9)	(5)
Income taxes paid	(14,811)	(15,269)	(13,936)	(14,312)	(8,251)

# Consolidated Statement of Cash Flows



(¥ million)	FY2/17	FY2/18	FY2/19	FY2/20	FY2/21
<b>Cash flows from investing activities</b>					
Net cash provided by (used in) investing activities	(4,062)	(9,877)	(9,756)	(9,029)	(11,316)
Payments into time deposits	(18)	—	—	(5)	—
Proceeds from withdrawal of time deposits	11	2	—	—	—
Purchase of property, plant and equipment	(4,741)	(8,887)	(9,181)	(6,674)	(5,367)
Proceeds from sales of property, plant and equipment	5,309	824	1,433	101	12
Purchase of intangible assets	(462)	(638)	(1,053)	(1,051)	(1,237)
Purchase of short-term and long-term investment securities	—	—	—	—	(93,586)
Proceeds from sales of short-term and long-term investment securities	—	—	—	—	88,944
Payments for store removal	(128)	(117)	(137)	(95)	(96)
Proceeds from redemption of investment securities	—	498	—	—	—
Purchase of shares of subsidiaries and associates	(2,544)	—	—	—	—
Loan advances	(146)	(100)	(105)	(120)	(100)
Collection of loans receivable	276	277	275	268	269
Payments of leasehold and guarantee deposits	(2,570)	(2,379)	(1,436)	(2,053)	(1,478)
Proceeds from refund of leasehold and guarantee deposits	849	767	681	715	1,473
Other payments	(136)	(135)	(268)	(157)	(155)
Other proceeds	241	11	36	43	5
<b>Cash flows from financing activities</b>					
Net cash provided by (used in) financing activities	(12,019)	(8,699)	(11,722)	(15,652)	(15,016)
Net increase (decrease) in short-term borrowings	(1,614)	1,200	(584)	24	(984)
Repayments of long-term borrowings	(500)	—	—	—	—
Dividends paid	(9,900)	(9,899)	(11,137)	(15,676)	(14,032)
Proceeds from changes in ownership interests in subsidiaries that do not result in change in scope of consolidation	10	—	—	—	—
Other payments	(15)	(0)	(0)	(0)	(0)
<b>Effect of exchange rate change on cash and cash equivalents</b>	<b>(177)</b>	<b>572</b>	<b>(503)</b>	<b>(436)</b>	<b>126</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>16,587</b>	<b>9,693</b>	<b>12,961</b>	<b>9,429</b>	<b>(2,719)</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>100,501</b>	<b>117,089</b>	<b>126,782</b>	<b>139,743</b>	<b>149,173</b>
<b>Cash and cash equivalents at end of period</b>	<b>117,089</b>	<b>126,782</b>	<b>139,743</b>	<b>149,173</b>	<b>146,454</b>

# Consolidated Statement of Changes in Equity



## FY2/20

(\$ million)	Shareholders' equity					Accumulated other comprehensive income			Non-controlling interests	Total net assets
	Share capital	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 period	19,972	23,979	205,591	(2)	249,542	8	8,825	8,833	938	259,315
Changes during period										
Dividends of surplus			(15,681)		(15,681)					(15,681)
Profit attributable to owners of parent			29,706		29,706					29,706
Purchase of treasury shares				(0)	(0)					(0)
Increase by merger		63			63					63
Net changes in items other than shareholders' equity						(3)	(1,795)	(1,798)	204	(1,594)
Total changes during period	—	63	14,025	(0)	14,088	(3)	(1,795)	(1,798)	204	12,494
Balance at end of period	19,972	24,043	219,616	(2)	263,630	4	7,030	7,035	1,143	271,809

## FY2/21

(\$ million)	Shareholders' equity					Accumulated other comprehensive income			Non-controlling interests	Total net assets
	Share capital	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 period	19,972	24,043	219,616	(2)	263,630	4	7,030	7,035	1,143	271,809
Changes during period										
Dividends of surplus			(14,031)		(14,031)					(14,031)
Profit attributable to owners of parent			19,226		19,226					19,226
Net changes in items other than shareholders' equity						2,225	(461)	1,764	174	1,939
Total changes during period	—	—	5,195	—	5,195	2,225	(461)	1,764	174	7,134
Balance at end of period	19,972	24,043	224,811	(2)	268,825	2,229	6,569	8,799	1,318	278,943

## Results by Segment

(¥ million)	FY2/17	FY2/18	FY2/19	FY2/20	FY2/21
Net sales	238,952	254,283	266,703	272,361	220,267
Domestic	180,101	187,604	192,742	194,463	151,908
Overseas	59,759	67,657	75,063	78,877	69,191
Elimination	(908)	(979)	(1,102)	(979)	(833)
Operating profit	41,860	43,386	43,929	43,374	19,513
Domestic	37,843	39,298	38,905	38,613	17,107
Overseas	3,982	4,049	4,980	4,709	2,341
Elimination	34	38	44	51	64
Assets	253,916	279,697	296,941	311,084	317,832
Domestic	194,815	215,433	231,537	244,277	251,714
Overseas	59,359	64,514	65,743	67,160	66,514
Elimination	(258)	(251)	(339)	(353)	(395)

(%)	FY2/17	FY2/18	FY2/19	FY2/20	FY2/21
Composition ratio to net sales	100.0	100.0	100.0	100.0	100.0
Domestic	75.4	73.8	72.3	71.4	69.0
Overseas	25.0	26.6	28.1	29.0	31.4
Elimination	-0.4	-0.4	-0.4	-0.4	-0.4
Operating profit margin	17.5	17.1	16.5	15.9	8.9
Domestic	21.0	20.9	20.2	19.9	11.3
Overseas	6.7	6.0	6.6	6.0	3.4

### Domestic

Our sales strategies involved campaigns such as the renewal sale for the ABC-MART official app, the discount sale on all ladies' and children's goods, and the Black Friday Sale, as initiatives to stimulate domestic demand while consumption remained sluggish due to the resurgence of COVID-19. Our product development focused on collaborations with famous artists and sales of limited edition products of global brands promoting the appeal of individual items. Sales promotion activities involved the proactive use of digital advertising for brand strategies and strengthening the approach to both online and in-store customers.

The IT strategy in the fiscal year under review proceeded with the response to cashless payments in stores. E-money (transportation related and others) and Smartphone QR code payments (PayPay, Rakuten Pay, Merpay) were introduced from March and are carried by a little over 60% of stores.

We reinforced our store network by opening 50 new stores centering mainly on suburban shopping centers in Kanto, Kansai and the Kyushu and Okinawa regions. As a result, our domestic network reached 1,032 stores at the end of the fiscal year (store closures: 34 stores in Japan). With regard to existing stores, we made headway with remodeling flagship stores in major urban centers. We remodeled 35 stores, including increasing floor areas and relocating stores to better sites. Among these, we increased the floor area of 16 stores. In the fiscal year under review we proceeded with remodeling, centering on upgrading the format to "GRAND STAGE" and increasing floor areas including the upgrading of multi-format stores with multiple banners (store names) of "ABC-MART" and "GRAND STAGE" or "ABC-MART" and "ABC-MART SPORTS" as well as "Charlotte". The merit of multi-format stores is that by combining stores that have different target customers in one area, we are able to increase the ratio of customers purchasing from multiple formats. Moreover, from an operation standpoint, we are able to manage stores efficiently through unified management of product inventory and sales staff, since there is also sharing of storage rooms and other facilities.

Looking at sales growth figures at domestic stores, sales decreased 21.8% year on year on an all-store basis and 15.3% year on year on an existing-store basis. Demand from inbound tourists disappeared from spring 2020 due to the impact of COVID-19 and there was a large drop in customers, particularly in city centers, due to self-restraint on going out and shorter operating hours to prevent the spread of COVID-19.

As a result of the above, domestic sales decreased by 21.9% year on year to ¥151,908 million and domestic operating profit decreased by 55.7% year on year to ¥17,107 million.

### Overseas

We expanded our overseas store network with the opening of 43 new stores in South Korea and ten in Taiwan. That brought the total number of overseas outlets at the end of the fiscal year (as of December 31, 2020) to 347, comprising 283 in South Korea, 58 in Taiwan, and six in the U.S.A. (store closures: 19 stores in South Korea, four in Taiwan).

Overseas business results were affected by COVID-19 in all countries and there was a slight appreciation in the yen. In South Korea, net sales decreased by 20.4% year on year to ¥40,995 million due to the ongoing avoidance of going to and from urban areas and self-restraint on going out, similar to Japan. In Taiwan, net sales increased by 4.1% year on year to ¥7,600 million due to the quick containment of COVID-19. In the U.S.A., net sales increased by 2.7% to ¥20,587 million due to growth in online sales. Overseas consolidated subsidiaries all close their accounts on December 31.

As a result of the above, overseas sales decreased by 12.3% year on year to ¥69,191 million and overseas operating profit decreased by 50.3% year on year to ¥2,341 million.

# Consolidated Profitability Indicators



(¥ million)	FY2/17	FY2/18	FY2/19	FY2/20	FY2/21
Net sales	238,952	254,283	266,703	272,361	220,267
Gross profit	128,884	135,651	140,545	143,273	110,262
SG&A expenses	87,023	92,265	96,615	99,899	90,748
Operating profit	41,860	43,386	43,929	43,374	19,513
Ordinary profit	42,860	44,501	45,133	44,325	21,283
Profit attributable to owners of parent	28,365	29,714	30,285	29,706	19,226

(%)	FY2/17	FY2/18	FY2/19	FY2/20	FY2/21
Gross profit on net sales	53.9	53.3	52.7	52.6	50.1
SG&A expenses ratio	36.4	36.3	36.2	36.7	41.2
Operating profit margin	17.5	17.1	16.5	15.9	8.9
Ordinary profit margin	17.9	17.5	16.9	16.3	9.7
Net profit margin	11.9	11.7	11.4	10.9	8.7

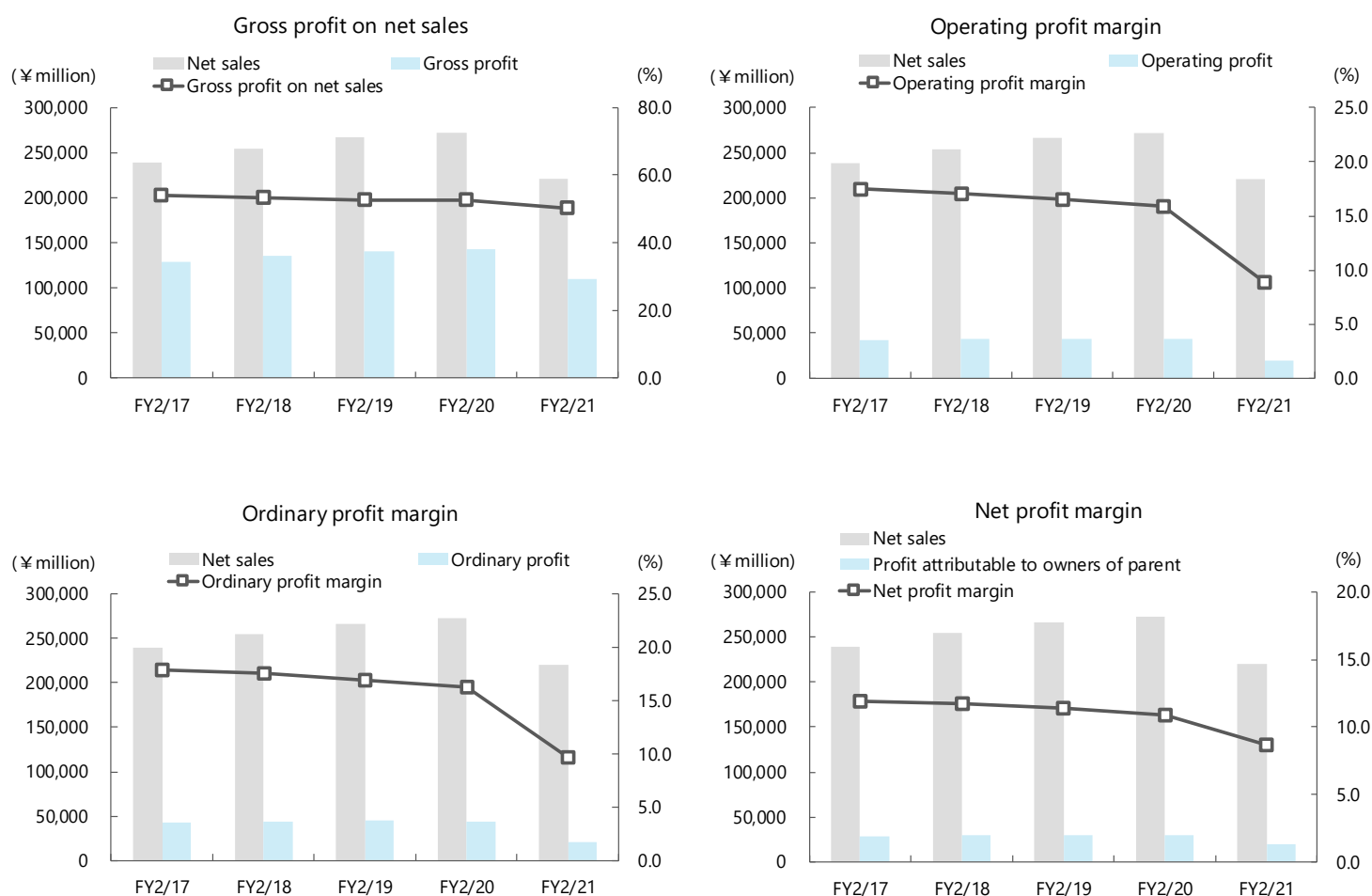
Gross profit on net sales=Gross profit/Net sales

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)	FY2/17	FY2/18	FY2/19	FY2/20	FY2/21
Total assets turnover	0.94	0.91	0.90	0.88	0.69
Non-current assets turnover	3.58	3.45	3.49	3.52	2.38
Current assets turnover	1.28	1.23	1.21	1.16	0.98

(days)	FY2/17	FY2/18	FY2/19	FY2/20	FY2/21
Inventories turnover	82.97	92.43	89.87	91.14	104.99
Accounts receivable turnover	12.73	13.47	14.26	14.06	17.03
Accounts payable turnover	18.04	21.91	18.99	22.00	23.97

Total assets turnover=Net sales/Total assets

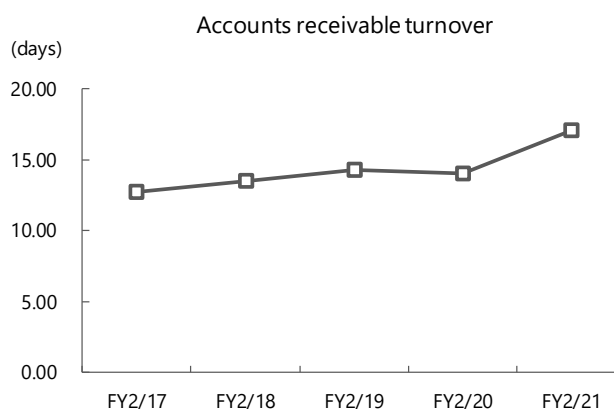
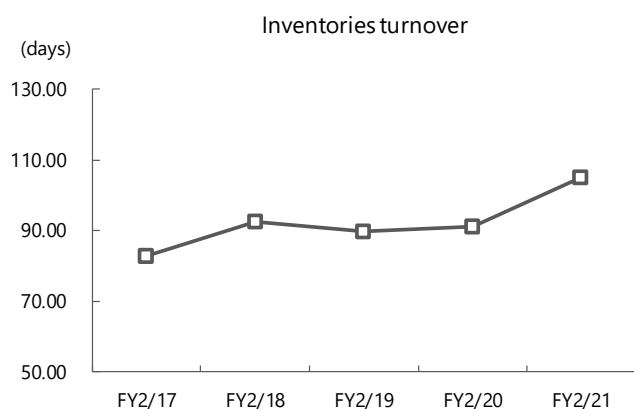
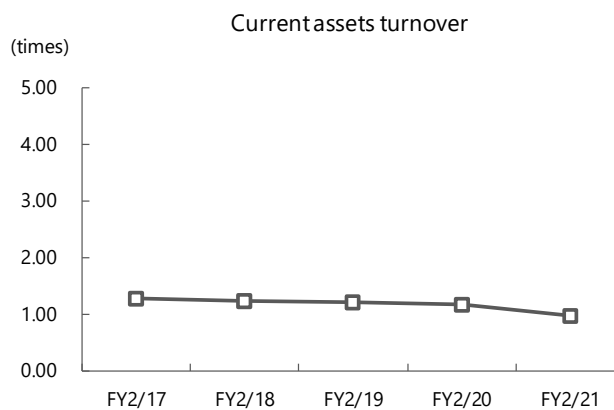
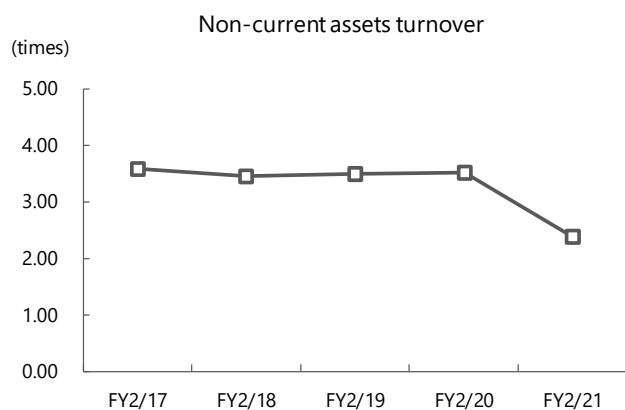
Non-current assets turnover=Net sales/Non-current assets

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)	FY2/17	FY2/18	FY2/19	FY2/20	FY2/21
Equity	219,474	241,706	258,376	270,665	277,624
Total assets	253,916	279,697	296,941	311,084	317,832
Non-current assets	66,757	73,777	76,330	77,280	92,610
Current assets	187,158	205,919	220,610	233,803	225,222
Current liabilities	30,875	34,924	35,580	37,170	37,145
Interest-bearing debt	1,574	2,775	2,189	2,216	1,232

(%)	FY2/17	FY2/18	FY2/19	FY2/20	FY2/21
Equity ratio	86.4	86.4	87.0	87.0	87.3
D/E ratio	0.7	1.1	0.8	0.8	0.4
Fixed ratio	30.4	30.5	29.5	28.6	33.4
Current ratio	606.2	589.6	620.0	629.0	606.3
ROA	11.5	11.1	10.5	9.8	6.1
ROE	13.4	12.9	12.1	11.2	7.0

Interest-bearing debt=Short-term borrowings

Current ratio=Current assets/Current liabilities

Equity ratio=Equity/Total assets

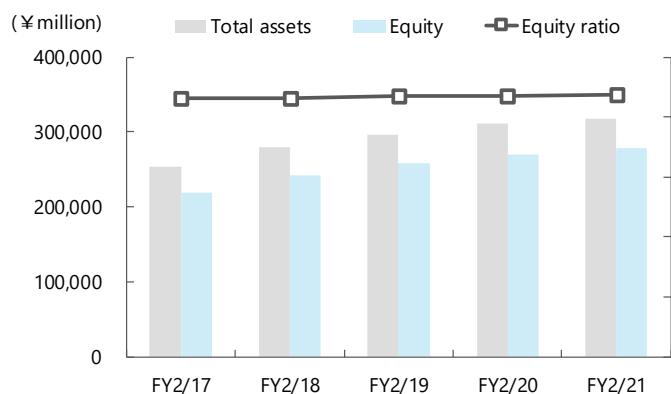
ROA=Profit attributable to owners of parent/Average total assets

D/E ratio=Interest-bearing debt/Equity

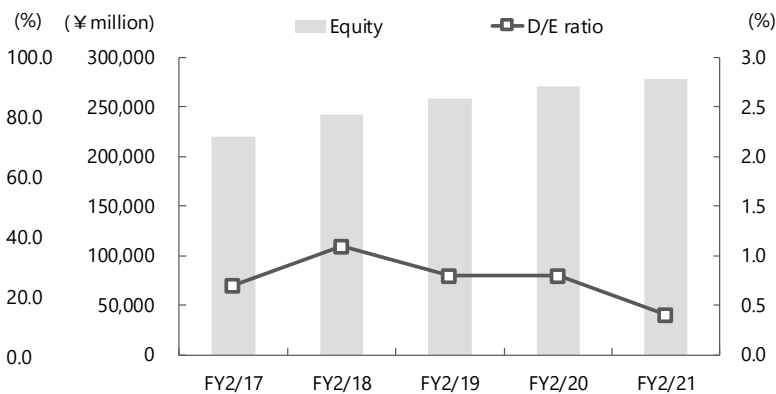
ROE=Profit attributable to owners of parent/Average equity

Fixed ratio=Non-current assets/Equity

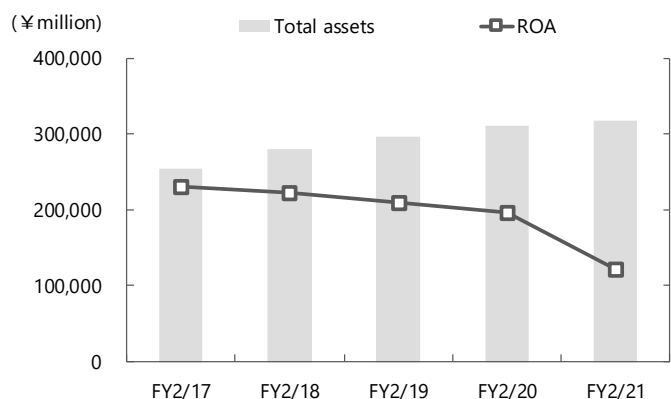
Equity ratio



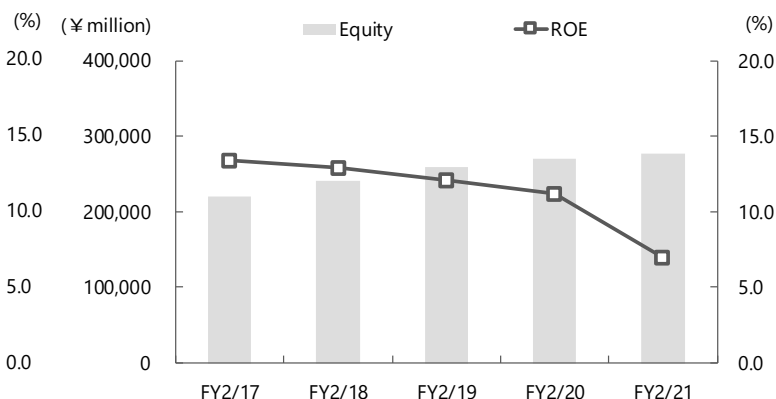
D/E ratio



ROA



ROE





## Per Share Indicators

(¥)	FY2/17	FY2/18	FY2/19	FY2/20	FY2/21
Stock price at term end	6,770	6,800	6,380	6,160	6,060
Closing stock price range for the last 12 months	6,240-7,410	5,560-7,190	5,750-7,350	6,160-7,590	4,675-6,650
Earnings per share (EPS)	343.69	360.04	366.95	359.92	232.94
Diluted EPS	—	—	—	—	—
Book-value per share (BPS)	2,659.27	2,928.63	3,130.62	3,279.24	3,363.55
Dividend per share (DPS)	120.00	130.00	170.00	170.00	170.00

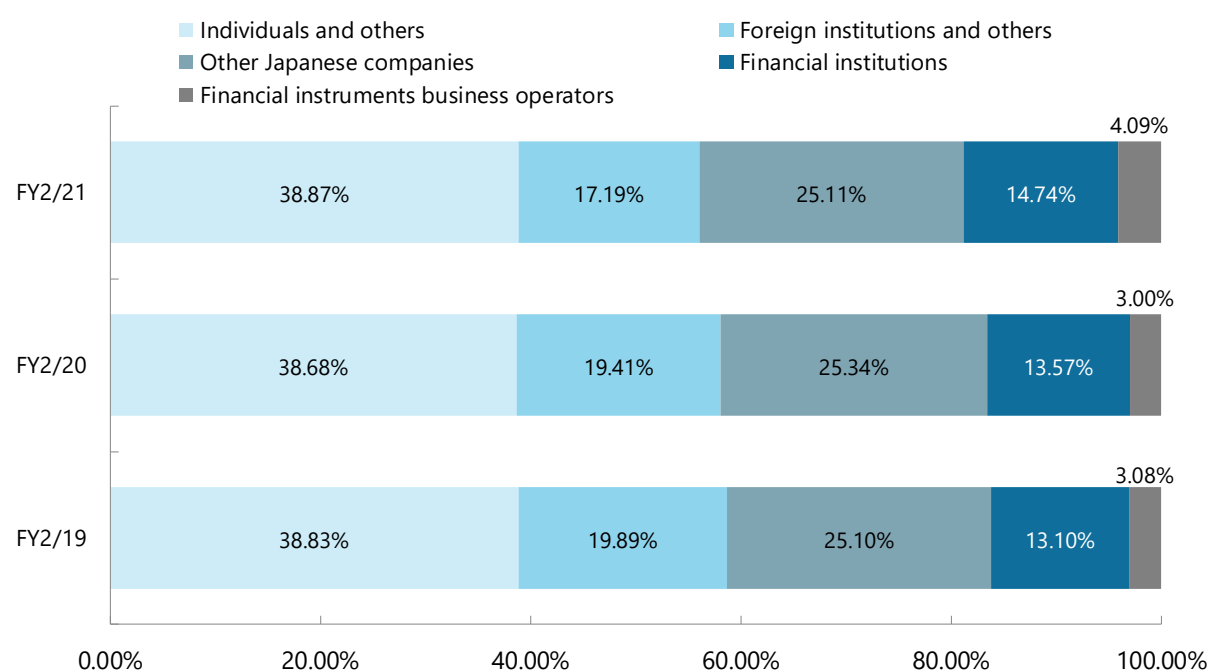
## Status of Major Shareholders

As of February 28, 2021

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)	3,298	3.99
Custody Bank of Japan, Ltd. (trust account)	2,762	3.34
SMBC Nikko Securities Inc.	1,830	2.21
STATE STREET BANK WEST CLIENT-TREATY 505234	988	1.19
STATE STREET BANK AND TRUST COMPANY 505103	858	1.04
JAPAN SECURITIES FINANCE CO., LTD.	720	0.87
Custody Bank of Japan, Ltd. (trust account 9)	602	0.73

Note: In addition to the above, ABC-MART, INC. holds 470 shares (0.00%) in treasury shares.

## Breakdown of Types of Shareholders



# Reference) Non-consolidated Balance Sheet



(¥ million)	FY2/17	FY2/18	FY2/19	FY2/20	FY2/21
<b>Assets</b>					
Total assets	220,036	240,482	256,821	270,444	278,123
Current assets	156,314	172,754	183,785	195,593	186,757
Cash and deposits	107,431	116,298	128,452	138,528	126,780
Accounts receivable - trade	3,947	4,374	4,807	5,173	5,262
Securities	—	—	—	—	7,957
Merchandise	38,289	45,917	45,824	46,216	41,951
Deferred tax assets	1,256	—	—	—	—
Other	5,389	6,162	4,700	5,674	4,805
Non-current assets	63,722	67,728	73,035	74,851	91,366
Property, plant and equipment	21,983	24,735	28,570	29,755	30,228
Buildings and structures	11,131	11,529	12,735	13,383	14,059
Tools, furniture and fixtures	1,089	1,340	1,128	1,482	1,442
Land	9,651	11,476	14,557	14,557	14,598
Construction in progress	52	319	105	283	67
Other	58	69	44	47	60
Intangible assets	952	1,128	1,555	1,774	1,949
Investments and other assets	40,785	41,864	42,908	43,320	59,187
Investment securities	53	52	46	33	17,161
Shares of subsidiaries and associates	23,588	23,588	23,588	23,516	23,432
Long-term loans receivable	2,829	1,953	2,312	2,110	1,885
Leasehold and guarantee deposits	13,069	13,343	13,665	14,041	13,980
Deferred tax assets	—	2,411	2,689	3,005	2,139
Other	1,243	513	606	612	586

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) from FY2/19. The figures for FY2/18 are after retrospective application for comparability.

# Reference) Non-consolidated Balance Sheet



(¥ million)	FY2/17	FY2/18	FY2/19	FY2/20	FY2/21
<b>Liabilities</b>					
Total liabilities	25,639	28,833	29,139	31,287	32,161
Current liabilities	24,947	28,152	28,429	30,647	31,498
Notes payable - trade	5,864	7,467	6,687	10,905	8,631
Accounts payable - trade	3,540	4,716	4,386	3,283	4,315
Short-term borrowings	1,438	2,736	2,149	2,081	1,157
Income taxes payable	7,040	7,194	6,856	6,468	8,230
Provision for bonuses	855	871	879	941	960
Notes payable - facilities	1,019	883	1,227	1,045	782
Other	5,188	4,282	6,241	5,920	7,420
Non-current liabilities	691	680	710	640	663
<b>Net assets</b>					
Total net assets	194,397	211,649	227,681	239,156	245,962
Shareholders' equity	194,383	211,635	227,672	239,151	243,732
Share capital	19,972	19,972	19,972	19,972	19,972
Capital surplus	23,978	23,978	23,978	24,042	24,042
Legal capital surplus	23,978	23,978	23,978	23,978	23,978
Other capital surplus	—	—	—	63	63
Retained earnings	150,433	167,686	183,723	195,139	199,719
Legal retained earnings	55	55	55	55	55
Other retained earnings					
Retained earnings brought forward	150,378	167,630	183,667	195,083	199,663
Treasury shares	(2)	(2)	(2)	(2)	(2)
Valuation and translation adjustments	13	13	8	4	2,229
Valuation difference on available-for-sale securities	13	13	8	4	2,229
Total liabilities and net assets	220,036	240,482	256,821	270,444	278,123

# Reference) Non-consolidated Statement of Income



(¥ million)	FY2/17	FY2/18	FY2/19	FY2/20	FY2/21
Net sales	178,930	186,243	191,347	194,029	151,909
Cost of sales	76,613	80,575	84,210	84,822	70,754
Gross profit	102,317	105,668	107,136	109,207	81,154
Selling, general and administrative expenses	64,944	66,982	68,756	71,134	64,326
Operating profit	37,372	38,686	38,380	38,072	16,828
Non-operating income	1,827	2,212	2,070	1,783	2,466
Interest and dividend income	458	742	290	387	867
Foreign exchange gains	47	20	—	—	312
Rent Income	914	1,009	1,092	964	898
Advertising medium income	52	53	38	37	34
Other	355	386	649	393	353
Non-operating expenses	169	178	287	301	251
Interest expenses	7	7	6	4	4
Foreign exchange losses	—	—	37	72	—
Rental expenses	143	148	172	190	195
Other	18	22	70	33	51
Ordinary profit	39,030	40,719	40,162	39,554	19,043
Extraordinary income	800	99	53	505	10,076
Gain on sales of non-current assets	792	99	53	5	5
Gain on sales of investment securities	—	—	—	—	9,221
Gain on extinguishment of tie-in shares	—	—	—	500	—
Employment adjustment subsidies for covid19	—	—	—	—	849
Other	7	—	—	—	—
Extraordinary losses	605	682	579	940	2,011
Loss on retirement of non-current assets	139	137	86	111	79
Impairment loss	461	545	491	828	526
Loss due to covid19	—	—	—	—	1,389
Other	4	—	1	—	16
Profit before income taxes	39,225	40,136	39,636	39,120	27,107
Income taxes - current	13,104	13,419	12,733	12,312	8,612
Income taxes - deferred	129	(439)	(275)	(289)	(116)
Total income taxes	13,233	12,980	12,458	12,022	8,496
Profit	25,992	27,156	27,178	27,097	18,611

# Reference) Non-consolidated Statement of Changes in Equity



## FY2/20

(\$ million)	Shareholders' equity									Valuation and translation adjustments		Total net assets
	Share capital	Capital surplus			Retained earnings			Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Total valuation and translation adjustments	
		Legal capital surplus	Other capital surplus	Total capital surplus	Legal retained earnings	Other retained earnings Retained earnings brought forward	Total retained earnings					
Balance at beginning of period	19,972	23,978	—	23,978	55	183,667	183,723	(2)	227,672	8	8	227,681
Changes during period												
Dividends of surplus						(15,681)	(15,681)		(15,681)			(15,681)
Profit						27,097	27,097		27,097			27,097
Purchase of treasury shares								(0)	(0)			(0)
Increase by merger			63	63					63			63
Net changes in items other than shareholders' equity										(3)	(3)	(3)
Total changes during period	—	—	63	63	—	11,416	11,416	(0)	11,479	(3)	(3)	11,475
Balance at end of period	19,972	23,978	63	24,042	55	195,083	195,139	(2)	239,151	4	4	239,156

## FY2/21

(\$ million)	Shareholders' equity									Valuation and translation adjustments		Total net assets
	Share capital	Capital surplus			Retained earnings			Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Total valuation and translation adjustments	
		Legal capital surplus	Other capital surplus	Total capital surplus	Legal retained earnings	Other retained earnings Retained earnings brought forward	Total retained earnings					
Balance at beginning of period	19,972	23,978	63	24,042	55	195,083	195,139	(2)	239,151	4	4	239,156
Changes during period												
Dividends of surplus						(14,031)	(14,031)		(14,031)			(14,031)
Profit						18,611	18,611		18,611			18,611
Net changes in items other than shareholders' equity										2,225	2,225	2,225
Total changes during period	—	—	—	—	—	4,580	4,580	—	4,580	2,225	2,225	6,805
Balance at end of period	19,972	23,978	63	24,042	55	199,663	199,719	(2)	243,732	2,229	2,229	245,962



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