

# Summary of Consolidated Financial Results for the Nine Months Ended November 30, 2021(Q3 FY2022) (Based on Japanese GAAP)

January 12, 2022

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  
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 Scheduled date to file Quarterly Securities Report: January 13, 2022  
 Scheduled date to commence dividend payments: –  
 Preparation of supplementary material on quarterly financial results: Yes  
 Holding of quarterly financial results meeting: Yes (for institutional investors and analysts)

(Amounts less than one million yen are rounded down)

## 1. Consolidated financial results for the nine months ended November 30, 2021 (from March 1, 2021 to November 30, 2021)

(1) Consolidated operating results (cumulative) Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended November 30, 2021	180,571	12.6	19,845	33.5	20,475	29.1	14,394	40.0
Nine months ended November 30, 2020	160,430	(21.0)	14,867	(55.6)	15,862	(53.8)	10,282	(55.3)

(Note) Comprehensive income:

Nine months ended November 30, 2021 16,473 million yen (18.8%) Nine months ended November 30, 2020 13,867 million yen (△28.3%)

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Nine months ended November 30, 2021	174.40		–	
Nine months ended November 30, 2020	124.57		–	

## (2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of November 30, 2021	316,718	281,385	88.4	3,391.31
As of February 28, 2021	317,832	278,943	87.3	3,363.55

(Reference) Shareholders' Equity:

As of November 30, 2021 279,916 million yen As of February 28, 2021 277,624 million yen

## 2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended February 28, 2021	–	85.00	–	85.00	170.00
Year ending February 28, 2022	–	85.00	–	–	–
Year ending February 28, 2022 (Forecast)	–	–	–	85.00	170.00

(Note) Revisions to dividend forecasts published most recently: No

## 3. Forecast of consolidated financial results for the year ending February 28, 2022 (from March 1, 2021 to February 28, 2022)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	254,600	15.6	30,400	55.8	31,200	46.6	20,950	9.0	253.82

(Note) Revisions to financial forecasts published most recently: No

#### 4. Notes

- (1) Changes in significant subsidiaries during the nine months ended November 30, 2021  
(changes in specified subsidiaries resulting in the change in scope of consolidation): No
- (2) Application of special accounting methods for preparing quarterly consolidated financial statements: Yes
- (3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements
- Changes in accounting policies due to revisions to accounting standards and other regulations: No
- Changes in accounting policies due to other reasons: No
- Changes in accounting estimates: No
- Restatement of prior period financial statements: No

(4) Number of issued shares (common shares)

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

As of November 30, 2021	82,539,646 shares	As of February 28, 2021	82,539,646 shares
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Number of treasury shares at the end of the period

As of November 30, 2021	470 shares	As of February 28, 2021	470 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Nine months ended November 30, 2021	82,539,176 shares	Nine months ended November 30, 2020	82,539,176 shares
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**THIS QUARTERLY CONSOLIDATED FINANCIAL RESULTS STATEMENT IS EXEMPT FROM THE QUARTERLY REVIEW PROCEDURES.**

#### **FORWARD LOOKING STATEMENTS AND OTHER SPECIAL ITEMS**

The forecast for the year ending February 28, 2022 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**

(Millions of yen)

	As of February 28, 2021	As of November 30, 2021
<b>Assets</b>		
Current assets		
Cash and deposits	138,669	126,721
Notes and accounts receivable - trade	10,275	14,807
Securities	7,957	9,944
Inventories	63,356	65,399
Other	4,997	5,209
Allowance for doubtful accounts	(34)	(67)
Total current assets	225,222	222,013
Non-current assets		
Property, plant and equipment		
Buildings and structures	33,283	35,424
Accumulated depreciation	(17,900)	(18,829)
Buildings and structures, net	15,382	16,594
Tools, furniture and fixtures	16,091	17,212
Accumulated depreciation	(11,092)	(12,444)
Tools, furniture and fixtures, net	4,998	4,767
Land	17,078	16,518
Construction in progress	221	2,910
Other	457	462
Accumulated depreciation	(391)	(400)
Other, net	66	62
Total property, plant and equipment	37,748	40,854
Intangible assets		
Trademark right	740	486
Goodwill	1,199	695
Other	3,126	3,805
Total intangible assets	5,066	4,987
Investments and other assets		
Investment securities	17,161	16,601
Shares of subsidiaries and associates	2,563	2,563
Long-term loans receivable	1,495	1,471
Leasehold and guarantee deposits	25,453	25,503
Deferred tax assets	2,523	2,241
Other	613	496
Allowance for doubtful accounts	(16)	(16)
Total investments and other assets	49,795	48,862
Total non-current assets	92,610	94,704
Total assets	317,832	316,718

(Millions of yen)

	As of February 28, 2021	As of November 30, 2021
<b>Liabilities</b>		
<b>Current liabilities</b>		
Notes and accounts payable - trade	14,468	15,279
Short-term borrowings	1,232	1,765
Income taxes payable	8,720	2,496
Provision for bonuses	996	1,798
Provisions	237	197
Asset retirement obligations	152	178
Notes payable - facilities	782	829
Other	10,554	10,834
<b>Total current liabilities</b>	<b>37,145</b>	<b>33,380</b>
<b>Non-current liabilities</b>		
Retirement benefit liability	552	790
Asset retirement obligations	359	348
Other	831	813
<b>Total non-current liabilities</b>	<b>1,743</b>	<b>1,952</b>
<b>Total liabilities</b>	<b>38,888</b>	<b>35,332</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Share capital	19,972	19,972
Capital surplus	24,043	24,043
Retained earnings	224,811	225,175
Treasury shares	(2)	(2)
<b>Total shareholders' equity</b>	<b>268,825</b>	<b>269,189</b>
<b>Accumulated other comprehensive income</b>		
Valuation difference on available-for-sale securities	2,229	3,069
Foreign currency translation adjustment	6,569	7,657
<b>Total accumulated other comprehensive income</b>	<b>8,799</b>	<b>10,727</b>
<b>Non-controlling interests</b>	<b>1,318</b>	<b>1,469</b>
<b>Total net assets</b>	<b>278,943</b>	<b>281,385</b>
<b>Total liabilities and net assets</b>	<b>317,832</b>	<b>316,718</b>

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

**Consolidated statements of income (cumulative)**

(Millions of yen)

	Nine months ended November 30, 2020	Nine months ended November 30, 2021
Net sales	160,430	180,571
Cost of sales	78,907	87,601
Gross profit	81,523	92,970
Selling, general and administrative expenses		
Packing and transportation costs	2,656	2,812
Advertising expenses	4,232	4,733
Storage costs	2,335	2,121
Remuneration, salaries and allowances for directors (and other officers)	17,522	19,074
Bonuses	379	388
Provision for bonuses	1,716	1,797
Retirement benefit expenses	374	550
Legal and other welfare expenses	2,928	2,957
Rent expenses on land and buildings	18,173	20,166
Depreciation	3,744	4,025
Utilities expenses	1,496	1,530
Commission expenses	4,317	5,066
Taxes and dues	1,134	1,232
Amortization of goodwill	577	583
Other	5,063	6,082
Total selling, general and administrative expenses	66,655	73,124
Operating profit	14,867	19,845
Non-operating income		
Interest income	48	49
Dividend income	304	90
Foreign exchange gains	51	8
Rent Income for house	707	783
Advertising medium income	25	25
Other	344	180
Total non-operating income	1,481	1,139
Non-operating expenses		
Interest expenses	3	18
Rental expenses	362	463
Other	120	27
Total non-operating expenses	486	509
Ordinary profit	15,862	20,475

(Millions of yen)

	Nine months ended November 30, 2020	Nine months ended November 30, 2021
Extraordinary income		
Gain on sales of non-current assets	5	803
Gain on sales of investment securities	420	74
Employment adjustment subsidies for covid19	774	502
Total extraordinary income	1,200	1,381
Extraordinary losses		
Loss on retirement of non-current assets	131	149
Impairment loss	272	190
Loss due to covid19	1,308	285
Other	16	–
Total extraordinary losses	1,728	624
Profit before income taxes	15,334	21,231
Income taxes - current	4,987	6,906
Income taxes - deferred	(45)	(97)
Total income taxes	4,942	6,808
Profit	10,392	14,423
Profit attributable to non-controlling interests	110	28
Profit attributable to owners of parent	10,282	14,394

**Consolidated statements of comprehensive income (cumulative)**

(Millions of yen)

	Nine months ended November 30, 2020	Nine months ended November 30, 2021
Profit	10,392	14,423
Other comprehensive income		
Valuation difference on available-for-sale securities	5,292	839
Foreign currency translation adjustment	(1,816)	1,210
Total other comprehensive income	3,475	2,050
Comprehensive income	13,867	16,473
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	13,757	16,322
Comprehensive income attributable to non-controlling interests	110	150