



Summary of Consolidated Financial Results for the Year Ended February 28, 2022(FY2022) (Based on Japanese GAAP)

April 13, 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
 Inquiries: Director, Corporate Planning Office Manager Jo Kojima TEL 03-3476-5452
 Scheduled date of ordinary general meeting of shareholders: May 26, 2022
 Scheduled date to file Securities Report: May 30, 2022
 Scheduled date to commence dividend payments: May 27, 2022
 Preparation of supplementary material on financial results: Yes
 Holding of financial results meeting: Yes (for institutional investors and analysts)

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the year ended February 28, 2022 (from March 1, 2021 to February 28, 2022)

(1) Consolidated operating results 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	%
Year ended February 28, 2022	243,946	10.8	27,446	40.7	28,260	32.8	17,382	(9.6)
Year ended February 28, 2021	220,267	(19.1)	19,513	(55.0)	21,283	(52.0)	19,226	(35.3)

(Note) Comprehensive income:

Year ended February 2022 19,945 million yen (-5.8%) Year ended February 2021 21,165 million yen (-24.9%)

	Earnings per share	Diluted earnings per share	Profit attributable to owners of parent/equity	Ordinary profit/total assets	Operating profit/net sales
	Yen	Yen	%	%	%
Year ended February 28, 2022	210.60	—	6.2	8.9	11.3
Year ended February 28, 2021	232.94	—	7.0	6.8	8.9

(Reference) Equity in earnings of affiliated companies:

Year ended February 2022 - million yen Year ended February 2021 - million yen

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of February 28, 2022	317,720	284,881	89.2	3,432.30
As of February 28, 2021	317,832	278,943	87.3	3,363.55

(Reference) Shareholders' Equity:

As of February 28, 2022 283,298 million yen As of February 28, 2021 277,624 million yen

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Year ended February 28, 2022	25,157	(7,458)	(13,918)	151,770
Year ended February 28, 2021	23,487	(11,316)	(15,016)	146,454

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Dividend payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Year ended February 28, 2021	—	85.00	—	85.00	170.00	14,031	73.0	5.1
Year ended February 28, 2022	—	85.00	—	85.00	170.00	14,031	80.7	5.0
Year ending February 28, 2023 (Forecast)	—	85.00	—	85.00	170.00	—	—	—

3. Forecast of consolidated financial results for the year ending February 28, 2023 (from March 1, 2022 to February 28, 2023)

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
Six months ending August 31, 2022	132,200	9.0	15,900	11.1	16,000	8.4	10,500	0.4	127.21
Full year	271,700	11.4	32,000	16.6	32,200	13.9	20,900	20.2	253.21

4. Notes

- (1) Changes in significant subsidiaries during the year ended February 28, 2022
(changes in specified subsidiaries resulting in the change in scope of consolidation): No
- (2) 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

(3) Number of issued shares (common shares)

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

As of February 28, 2022	82,539,646 shares	As of February 28, 2021	82,539,646 shares
-------------------------	-------------------	-------------------------	-------------------

Number of treasury shares at the end of the period

As of February 28, 2022	472 shares	As of February 28, 2021	470 shares
-------------------------	------------	-------------------------	------------

Average number of shares during the period

Year ended February 28, 2022	82,539,175 shares	Year ended February 28, 2021	82,539,176 shares
------------------------------	-------------------	------------------------------	-------------------

(Reference) Summary of Nonconsolidated Financial Statements

1. Nonconsolidated financial results for the year ended February 28, 2022 (from March 1, 2021 to February 28, 2022)

(1) Nonconsolidated operating results

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	%
Year ended February 28, 2022	169,776	11.8	25,053	48.9	26,286	38.0	16,452	(11.6)
Year ended February 28, 2021	151,909	(21.7)	16,828	(55.8)	19,043	(51.9)	18,611	(31.3)

	Net income per share	Diluted net income per share
	Yen	Yen
Year ended February 28, 2022	199.33	-
Year ended February 28, 2021	225.49	-

(2) Nonconsolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of February 28, 2022	272,980	248,144	90.9	3,006.38
As of February 28, 2021	278,123	245,962	88.4	2,979.94

(Reference) Shareholders' Equity:

As of February 28, 2022 248,144 million yen As of February 28, 2021 245,962 million yen

2. Forecast of nonconsolidated financial results for the year ending February 28, 2023 (from March 1, 2022 to February 28, 2023)

Percentages indicate year-on-year changes

	Net sales		Ordinary income		Net income		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending August 31, 2022	90,430	6.5	14,200	9.9	9,450	2.1	114.49
Full year	181,700	7.0	28,200	7.3	18,750	14.0	227.16

THIS CONSOLIDATED FINANCIAL RESULTS STATEMENT AND THIS FINANCIAL RESULTS STATEMENT ARE EXEMPT FROM THE AUDIT PROCEDURES.

FORWARD LOOKING STATEMENTS AND OTHER SPECIAL ITEMS

The forecast for the year ending February 28, 2023 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.

Consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of February 28, 2021	As of February 28, 2022
Assets		
Current assets		
Cash and deposits	138,669	141,767
Notes and accounts receivable - trade	10,275	11,091
Securities	7,957	10,181
Inventories	63,356	59,847
Other	4,997	4,180
Allowance for doubtful accounts	(34)	(145)
Total current assets	225,222	226,923
Non-current assets		
Property, plant and equipment		
Buildings and structures	33,283	34,711
Accumulated depreciation	(17,900)	(19,233)
Buildings and structures, net	15,382	15,478
Tools, furniture and fixtures	16,091	17,116
Accumulated depreciation	(11,092)	(12,757)
Tools, furniture and fixtures, net	4,998	4,359
Land	17,078	19,198
Construction in progress	221	293
Other	457	438
Accumulated depreciation	(391)	(394)
Other, net	66	44
Total property, plant and equipment	37,748	39,373
Intangible assets		
Trademark right	740	393
Goodwill	1,199	509
Other	3,126	3,935
Total intangible assets	5,066	4,837
Investments and other assets		
Investment securities	17,161	14,567
Shares of subsidiaries and associates	2,563	609
Long-term loans receivable	1,495	1,450
Leasehold and guarantee deposits	25,453	25,960
Retirement benefit asset	–	1
Deferred tax assets	2,523	3,416
Other	613	596
Allowance for doubtful accounts	(16)	(16)
Total investments and other assets	49,795	46,585
Total non-current assets	92,610	90,796
Total assets	317,832	317,720

(Millions of yen)

	As of February 28, 2021	As of February 28, 2022
Liabilities		
Current liabilities		
Notes and accounts payable - trade	14,468	13,161
Short-term borrowings	1,232	1,350
Income taxes payable	8,720	4,884
Provision for bonuses	996	984
Provisions	237	226
Asset retirement obligations	152	205
Notes payable - facilities	782	933
Other	10,554	9,521
Total current liabilities	37,145	31,268
Non-current liabilities		
Retirement benefit liability	552	313
Asset retirement obligations	359	345
Other	831	911
Total non-current liabilities	1,743	1,570
Total liabilities	38,888	32,838
Net assets		
Shareholders' equity		
Share capital	19,972	19,972
Capital surplus	24,043	24,043
Retained earnings	224,811	228,162
Treasury shares	(2)	(2)
Total shareholders' equity	268,825	272,176
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	2,229	1,991
Foreign currency translation adjustment	6,569	9,131
Total accumulated other comprehensive income	8,799	11,122
Non-controlling interests	1,318	1,582
Total net assets	278,943	284,881
Total liabilities and net assets	317,832	317,720

Consolidated statements of income and consolidated statements of comprehensive income
Consolidated statements of income

(Millions of yen)

	Fiscal year ended February 28, 2021	Fiscal year ended February 28, 2022
Net sales	220,267	243,946
Cost of sales	110,004	119,058
Gross profit	110,262	124,887
Selling, general and administrative expenses		
Packing and transportation costs	3,594	3,693
Advertising expenses	6,239	6,274
Storage costs	3,037	2,751
Remuneration, salaries and allowances for directors (and other officers)	23,877	25,720
Bonuses	1,752	1,723
Provision for bonuses	995	982
Retirement benefit expenses	294	461
Legal and other welfare expenses	3,834	3,926
Rent expenses on land and buildings	24,788	27,207
Depreciation	5,103	5,472
Utilities expenses	1,989	2,075
Commission expenses	5,857	6,724
Taxes and dues	1,608	1,648
Amortization of goodwill	764	786
Other	7,010	7,990
Total selling, general and administrative expenses	90,748	97,440
Operating profit	19,513	27,446
Non-operating income		
Interest income	59	47
Dividend income	695	131
Foreign exchange gains	315	6
Rent Income	968	1,049
Advertising medium income	34	34
Other	367	232
Total non-operating income	2,441	1,501
Non-operating expenses		
Interest expenses	6	20
Rental expenses	516	630
Other	147	36
Total non-operating expenses	671	687
Ordinary profit	21,283	28,260

(Millions of yen)

	Fiscal year ended February 28, 2021	Fiscal year ended February 28, 2022
Extraordinary income		
Gain on sale of non-current assets	5	821
Gain on sale of investment securities	9,221	74
Employment adjustment subsidies for covid19	849	608
Total extraordinary income	10,076	1,505
Extraordinary losses		
Loss on retirement of non-current assets	210	208
Impairment losses	628	1,194
Loss on valuation of investment securities	–	273
Loss on valuation of shares of subsidiaries and associates	–	1,954
Loss due to covid19	1,389	294
Other	16	–
Total extraordinary losses	2,245	3,925
Profit before income taxes	29,115	25,840
Income taxes - current	9,874	9,078
Income taxes - deferred	(144)	(711)
Total income taxes	9,729	8,367
Profit	19,385	17,473
Profit attributable to non-controlling interests	159	90
Profit attributable to owners of parent	19,226	17,382

Consolidated statements of comprehensive income

(Millions of yen)

	Fiscal year ended February 28, 2021	Fiscal year ended February 28, 2022
Profit	19,385	17,473
Other comprehensive income		
Valuation difference on available-for-sale securities	2,225	(263)
Foreign currency translation adjustment	(445)	2,735
Total other comprehensive income	1,779	2,472
Comprehensive income	21,165	19,945
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	20,990	19,681
Comprehensive income attributable to non-controlling interests	174	264

Consolidated statements of changes in equity

Fiscal year ended February 28, 2021

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	19,972	24,043	219,616	(2)	263,630
Changes during period					
Dividends of surplus	–	–	(14,031)	–	(14,031)
Profit attributable to owners of parent	–	–	19,226	–	19,226
Net changes in items other than shareholders' equity	–	–	–	–	–
Total changes during period	–	–	5,195	–	5,195
Balance at end of period	19,972	24,043	224,811	(2)	268,825

	Accumulated other comprehensive income			Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Total accumulated other comprehensive income		
Balance at beginning of period	4	7,030	7,035	1,143	271,809
Changes during period					
Dividends of surplus	–	–	–	–	(14,031)
Profit attributable to owners of parent	–	–	–	–	19,226
Net changes in items other than shareholders' equity	2,225	(461)	1,764	174	1,939
Total changes during period	2,225	(461)	1,764	174	7,134
Balance at end of period	2,229	6,569	8,799	1,318	278,943

Fiscal year ended February 28, 2022

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	19,972	24,043	224,811	(2)	268,825
Changes during period					
Dividends of surplus	–	–	(14,031)	–	(14,031)
Profit attributable to owners of parent	–	–	17,382	–	17,382
Purchase of treasury shares	–	–	–	(0)	(0)
Net changes in items other than shareholders' equity	–	–	–	–	–
Total changes during period	–	–	3,350	(0)	3,350
Balance at end of period	19,972	24,043	228,162	(2)	272,176

	Accumulated other comprehensive income			Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Total accumulated other comprehensive income		
Balance at beginning of period	2,229	6,569	8,799	1,318	278,943
Changes during period					
Dividends of surplus	–	–	–	–	(14,031)
Profit attributable to owners of parent	–	–	–	–	17,382
Purchase of treasury shares	–	–	–	–	(0)
Net changes in items other than shareholders' equity	(238)	2,561	2,323	264	2,587
Total changes during period	(238)	2,561	2,323	264	5,938
Balance at end of period	1,991	9,131	11,122	1,582	284,881

Consolidated statements of cash flows

(Millions of yen)

	Fiscal year ended February 28, 2021	Fiscal year ended February 28, 2022
Cash flows from operating activities		
Profit before income taxes	29,115	25,840
Depreciation	5,406	5,671
Increase (decrease) in provision for bonuses	10	(15)
Increase (decrease) in allowance for doubtful accounts	(0)	102
Interest and dividend income	(755)	(179)
Interest expenses	6	20
Loss (gain) on valuation of securities	–	273
Foreign exchange losses (gains)	(281)	(15)
Loss (gain) on sale of investment securities	(9,221)	(74)
Loss on valuation of shares of subsidiaries and associates	–	1,954
Loss (gain) on sale and retirement of non-current assets	204	(613)
Impairment losses	628	1,194
Decrease (increase) in trade receivables	239	587
Decrease (increase) in inventories	4,253	4,746
Increase (decrease) in trade payables	(1,177)	(1,455)
Other, net	2,919	(405)
Subtotal	31,347	37,633
Interest and dividends received	397	528
Interest paid	(5)	(18)
Income taxes paid	(8,251)	(12,985)
Net cash provided by (used in) operating activities	23,487	25,157
Cash flows from investing activities		
Purchase of property, plant and equipment	(5,367)	(8,383)
Proceeds from sale of property, plant and equipment	12	1,950
Purchase of intangible assets	(1,237)	(1,595)
Purchase of short-term and long-term investment securities	(93,586)	(1,017)
Proceeds from sale of short-term and long-term investment securities	88,944	2,358
Payments for store removal	(96)	(176)
Loan advances	(100)	(200)
Proceeds from collection of loans receivable	269	189
Payments of leasehold and guarantee deposits	(1,478)	(1,445)
Proceeds from refund of leasehold and guarantee deposits	1,473	997
Other payments	(155)	(161)
Other proceeds	5	27
Net cash provided by (used in) investing activities	(11,316)	(7,458)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(984)	108
Dividends paid	(14,032)	(14,026)
Other payments	(0)	(0)
Net cash provided by (used in) financing activities	(15,016)	(13,918)
Effect of exchange rate change on cash and cash equivalents	126	1,535
Net increase (decrease) in cash and cash equivalents	(2,719)	5,316
Cash and cash equivalents at beginning of period	149,173	146,454
Cash and cash equivalents at end of period	146,454	151,770