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## Consolidated Financial Results for the Nine Months Ended November 30, 2023 [Japanese GAAP]

January 10, 2024

Company name: ABC-MART,INC.

Stock exchange listing: Tokyo

Code number: 2670

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

Representative: Minoru Noguchi

Contact: Yasuo Ishii

Phone: +81-334765452

Scheduled date of filing quarterly securities report: January 11, 2024

Scheduled date of commencing dividend payments: -

Availability of supplementary briefing material on quarterly financial results: Yes

Schedule of quarterly financial results briefing session: Yes (for institutional investors and analysts)

President and Representative Director  
Director, Corporate Planning Office Manager

(Amounts of less than one million yen are rounded down.)

### 1. Consolidated Financial Results for the Nine Months Ended November 30, 2023 (March 1, 2023 to November 30, 2023)

#### (1) Consolidated Operating Results (% indicates changes from the previous corresponding period.)

|                                     | 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, 2023 | 252,328         | 21.0 | 41,533           | 43.3 | 43,275          | 45.7 | 29,807                                  | 44.0 |
| November 30, 2022                   | 208,571         | 15.5 | 28,991           | 46.1 | 29,710          | 45.1 | 20,706                                  | 43.8 |

(Note) Comprehensive income: Nine months ended November 30, 2023: ¥ 34,969 million [ 15.3%]  
 Nine months ended November 30, 2022: ¥ 30,320 million [ 84.1%]

|                                     | Basic earnings per share | Diluted earnings per share |
|-------------------------------------|--------------------------|----------------------------|
|                                     | Yen                      | Yen                        |
| Nine months ended November 30, 2023 | 120.38                   | -                          |
| November 30, 2022                   | 83.62                    | -                          |

(Note) As the Company conducted a 3-for-1 stock split of common shares on September 1, 2023, "Net income per share" is calculated as if the stock split had been conducted at the beginning of the previous fiscal year.

#### (2) Consolidated Financial Position

|                         | Total assets    | Net assets      | Capital adequacy ratio |
|-------------------------|-----------------|-----------------|------------------------|
|                         | Millions of yen | Millions of yen | %                      |
| As of November 30, 2023 | 384,467         | 331,443         | 85.6                   |
| February 28, 2023       | 355,850         | 310,974         | 86.9                   |

(Reference) Equity: As of November 30, 2023: ¥ 329,217 million  
 As of February 28, 2023: ¥ 309,095 million

### 2. Dividends

|   | Annual dividends |                 |                 |          |        |
|---|------------------|-----------------|-----------------|----------|--------|
|   | 1st quarter-end  | 2nd quarter-end | 3rd quarter-end | Year-end | Total  |
|   | Yen              | Yen             | Yen             | Yen      | Yen    |
| Fiscal year ended February 28, 2023             | -                | 85.00           | -               | 85.00    | 170.00 |
| Fiscal year ending February 29, 2024            | -                | 85.00           | -               | -        | -      |
| Fiscal year ending February 29, 2024 (Forecast) | -                | -               | -               | 37.00    | -      |

(Note) Revision to the forecast for dividends announced most recently: Yes

(Note) Since the Company conducted a 3-for-1 stock split of shares of common stock on September 1, 2023, the year-end dividend per share for the fiscal year ending February 29, 2024 (forecast) is shown as "-" for the total annual dividend per share to reflect the effect of this stock split. If the stock split is not taken into account, the year-end dividend per share for the fiscal year ending February 29, 2024 (forecast) is 111 yen per share, and the annual dividend per share is 196 yen per share.

3. Consolidated Financial Results Forecast for the Fiscal Year Ending February 29, 2024(March 1, 2023 to February 29, 2024)

(% indicates changes from the previous corresponding period.)

|           | Net sales       |      | Operating profit |      | Ordinary profit |      | Profit attributable to owners of parent |      | Basic earnings per share |
|-----------|-----------------|------|------------------|------|-----------------|------|---|------|--------------------------|
|           | Millions of yen | %    | Millions of yen  | %    | Millions of yen | %    | Millions of yen                         | %    | Yen                      |
| Full year | 332,200         | 14.5 | 50,700           | 19.9 | 52,000          | 19.9 | 35,500                                  | 17.3 | 143.37                   |

(Note) Revision to the financial results forecast announced most recently: No

(Note) Net income per share in the forecast for the fiscal year ending February 29, 2024 (full year) takes into account the effect of the stock split.

\* Notes:

(1) Changes in significant subsidiaries during the nine months ended November 30, 2023

(changes in specified subsidiaries resulting in changes in scope of consolidation): No

New - (Company name: )

Exclusion: - (Company name: )

(2) Accounting policies adopted specially for the preparation of quarterly consolidated financial statements: Yes

(3) Changes in accounting policies, changes in accounting estimates and retrospective restatement

1) Changes in accounting policies due to the revision of accounting standards: Yes

2) Changes in accounting policies other than 1) above: No

3) Changes in accounting estimates: No

4) Retrospective restatement: No

(4) Total number of issued shares (common shares)

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

November 30, 2023: 247,618,938 shares

February 28, 2023: 247,618,938 shares

2) Number of treasury shares at the end of the period:

November 30, 2023: 2,157 shares

February 28, 2023: 1,764 shares

3) Average number of shares outstanding during the period:

Nine months ended November 30, 2023: 247,616,890 shares

Nine months ended November 30, 2022: 247,617,390 shares

(Note) The Company conducted a 3-for-1 stock split of common stock on September 1, 2023. Therefore, "Number of issued shares at the end of the period," "Number of treasury shares at the end of the period," and "Average number of shares outstanding during the period" are calculated on the assumption that the stock split was conducted at the beginning of the previous fiscal year.

**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 29, 2024 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  
Quarterly Consolidated Balance Sheets

(Millions of yen)

|  | As of February 28, 2023 | As of November 30, 2023 |
|--|-------------------------|-------------------------|
| <b>Assets</b>                              |                         |                         |
| Current assets                             |                         |                         |
| Cash and deposits                          | 138,918                 | 143,356                 |
| Notes and accounts receivable - trade      | 15,096                  | 21,131                  |
| Securities                                 | 9,529                   | 8,903                   |
| Inventories                                | 88,584                  | 106,128                 |
| Other                                      | 9,432                   | 7,699                   |
| Allowance for doubtful accounts            | (170)                   | (206)                   |
| <b>Total current assets</b>                | <b>261,391</b>          | <b>287,012</b>          |
| Non-current assets                         |                         |                         |
| Property, plant and equipment              |                         |                         |
| Buildings and structures                   | 36,216                  | 39,680                  |
| Accumulated depreciation                   | (20,329)                | (21,565)                |
| Buildings and structures, net              | 15,887                  | 18,114                  |
| Tools, furniture and fixtures              | 19,350                  | 21,808                  |
| Accumulated depreciation                   | (15,197)                | (17,233)                |
| Tools, furniture and fixtures, net         | 4,153                   | 4,575                   |
| Land                                       | 19,310                  | 19,576                  |
| Construction in progress                   | 610                     | 235                     |
| Other                                      | 461                     | 431                     |
| Accumulated depreciation                   | (389)                   | (381)                   |
| Other, net                                 | 71                      | 50                      |
| <b>Total property, plant and equipment</b> | <b>40,033</b>           | <b>42,551</b>           |
| Intangible assets                          |                         |                         |
| Trademark right                            | 162                     | 113                     |
| Software                                   | 3,187                   | 3,607                   |
| Goodwill                                   | 80                      | 242                     |
| Other                                      | 1,199                   | 790                     |
| <b>Total intangible assets</b>             | <b>4,629</b>            | <b>4,754</b>            |
| Investments and other assets               |                         |                         |
| Investment securities                      | 18,906                  | 18,216                  |
| Shares of subsidiaries and associates      | 614                     | 609                     |
| Long-term loans receivable                 | 237                     | 184                     |
| Leasehold and guarantee deposits           | 27,010                  | 27,961                  |
| Retirement benefit asset                   | 236                     | -                       |
| Deferred tax assets                        | 2,245                   | 2,584                   |
| Other                                      | 563                     | 627                     |
| Allowance for doubtful accounts            | (18)                    | (35)                    |
| <b>Total investments and other assets</b>  | <b>49,796</b>           | <b>50,148</b>           |
| <b>Total non-current assets</b>            | <b>94,459</b>           | <b>97,454</b>           |
| <b>Total assets</b>                        | <b>355,850</b>          | <b>384,467</b>          |

(Millions of yen)

|   | As of February 28, 2023 | As of November 30, 2023 |
|---|-------------------------|-------------------------|
| <b>Liabilities</b>                                    |                         |                         |
| Current liabilities                                   |                         |                         |
| Notes and accounts payable - trade                    | 12,484                  | 23,781                  |
| Short-term borrowings                                 | 5,959                   | 4,118                   |
| Income taxes payable                                  | 9,330                   | 6,847                   |
| Contract liabilities                                  | 1,039                   | 881                     |
| Provision for bonuses                                 | 1,037                   | 1,979                   |
| Provisions  | 301                     | 299                     |
| Asset retirement obligations                          | 208                     | 319                     |
| Notes payable - facilities                            | 3,974                   | 744                     |
| Other   | 9,277                   | 12,099                  |
| Total current liabilities                             | 43,613                  | 51,072                  |
| Non-current liabilities                               |                         |                         |
| Retirement benefit liability                          | 156                     | 242                     |
| Asset retirement obligations                          | 395                     | 476                     |
| Other   | 710                     | 1,231                   |
| Total non-current liabilities                         | 1,263                   | 1,951                   |
| Total liabilities                                     | 44,876                  | 53,023                  |
| <b>Net assets</b>                                     |                         |                         |
| Shareholders' equity                                  |                         |                         |
| Share capital   | 19,972                  | 19,972                  |
| Capital surplus                                       | 24,043                  | 24,043                  |
| Retained earnings                                     | 244,387                 | 259,627                 |
| Treasury shares                                       | (3)                     | (4)                     |
| Total shareholders' equity                            | 288,400                 | 303,639                 |
| Accumulated other comprehensive income                |                         |                         |
| Valuation difference on available-for-sale securities | 6,060                   | 5,752                   |
| Foreign currency translation adjustment               | 14,634                  | 19,825                  |
| Total accumulated other comprehensive income          | 20,694                  | 25,578                  |
| Non-controlling interests                             | 1,878                   | 2,225                   |
| Total net assets                                      | 310,974                 | 331,443                 |
| Total liabilities and net assets                      | 355,850                 | 384,467                 |

Quarterly Consolidated Statements of Income and Comprehensive Income  
Quarterly Consolidated Statements of Income (For the nine months)

(Millions of yen)

|   | For the nine months<br>ended November 30, 2022 | For the nine months<br>ended November 30, 2023 |
|---|--|--|
| Net sales   | 208,571  | 252,328  |
| Cost of sales   | 100,194  | 121,691  |
| Gross profit  | 108,376  | 130,637  |
| Selling, general and administrative expenses                                |  |  |
| Packing and transportation costs  | 2,987  | 3,176  |
| Advertising expenses  | 4,472  | 5,303  |
| Storage costs   | 2,044  | 2,497  |
| Remuneration, salaries and allowances for directors<br>(and other officers) | 20,976   | 24,020   |
| Bonuses   | 391  | 436  |
| Provision for bonuses   | 1,804  | 1,977  |
| Retirement benefit expenses   | 619  | 520  |
| Legal and other welfare expenses  | 3,332  | 3,825  |
| Rent expenses on land and buildings   | 22,174   | 24,903   |
| Depreciation  | 4,186  | 4,079  |
| Utilities expenses  | 1,929  | 2,183  |
| Commission expenses   | 6,047  | 7,249  |
| Taxes and dues  | 1,247  | 1,534  |
| Amortization of goodwill  | 474  | 97   |
| Other   | 6,698  | 7,298  |
| Total selling, general and administrative expenses                          | 79,385   | 89,103   |
| Operating profit  | 28,991   | 41,533   |
| Non-operating income  |  |  |
| Interest income   | 111  | 428  |
| Dividend income   | 285  | 499  |
| Foreign exchange gains  | -  | 356  |
| Rent income for house   | 648  | 573  |
| Advertising medium income   | 25   | 25   |
| Other   | 143  | 234  |
| Total non-operating income  | 1,214  | 2,118  |
| Non-operating expenses  |  |  |
| Interest expenses   | 8  | 8  |
| Foreign exchange losses   | 117  | -  |
| Rental expenses   | 335  | 326  |
| Other   | 33   | 41   |
| Total non-operating expenses  | 494  | 376  |
| Ordinary profit   | 29,710   | 43,275   |

(Millions of yen)

|  | For the nine months<br>ended November 30, 2022 | For the nine months<br>ended November 30, 2023 |
|--|--|--|
| Extraordinary income                             |  |  |
| Gain on sale of non-current assets               | 21   | 24   |
| Gain on sale of securities                       | 734  | 437  |
| Employment adjustment subsidies for covid19      | 46   | -  |
| Total extraordinary income                       | 801  | 462  |
| Extraordinary losses                             |  |  |
| Loss on retirement of non-current assets         | 147  | 251  |
| Loss on valuation of investment securities       | 305  | -  |
| Impairment losses                                | 458  | 248  |
| Loss due to covid19                              | 24   | -  |
| Other  | -  | 0  |
| Total extraordinary losses                       | 935  | 499  |
| Profit before income taxes                       | 29,576   | 43,238   |
| Income taxes - current                           | 8,954  | 13,435   |
| Income taxes - deferred                          | (193)  | (142)  |
| Total income taxes                               | 8,760  | 13,292   |
| Profit   | 20,815   | 29,945   |
| Profit attributable to non-controlling interests | 109  | 137  |
| Profit attributable to owners of parent          | 20,706   | 29,807   |

## Quarterly Consolidated Statements of Comprehensive Income (For the nine months)

(Millions of yen)

|  | For the nine months<br>ended November 30, 2022 | For the nine months<br>ended November 30, 2023 |
|--|--|--|
| Profit   | 20,815   | 29,945   |
| Other comprehensive income                                     |  |  |
| Valuation difference on available-for-sale securities          | 3,796  | (307)  |
| Foreign currency translation adjustment                        | 5,708  | 5,331  |
| Total other comprehensive income                               | 9,504  | 5,024  |
| Comprehensive income   | 30,320   | 34,969   |
| Comprehensive income attributable to                           |  |  |
| Comprehensive income attributable to owners of parent          | 30,035   | 34,691   |
| Comprehensive income attributable to non-controlling interests | 284  | 278  |