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ROUND ONE corporation

TSE First section

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C.E.O. and President

Masahiko Sugino

Managing Director and General Manager of Administrative Division

Shinji Sasae

Tel : +72-224-5115

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(Figures are rounded down to the nearest million yen.)

1. Business Results for the quarter ended in June 2016. (From April 1, 2016 to June 30, 2016)

(1) Operating Results

(% is percentage change comparing to previous term.)

	Sales		Operating Income		Ordinary Income		Loss attributable to owners of parent	
	¥mn	%	¥mn	%	¥mn	%	¥mn	%
1'st Quarter 2016.	20,289	7.7	632	—	172	—	(100)	—
1'st Quarter 2015.	18,833	(4.4)	(71)	—	(216)	—	(585)	—

(Note) Comprehensive income 1'st Quarter 2016 : ¥(644)mn -% 1'st Quarter 2015 : ¥(482)mn -%

	Earnings per Share	Net Income per share, fully diluted
	¥	¥
1'st Quarter 2016.	(1.06)	—
1'st Quarter 2015.	(6.15)	—

(2) Financial Status

	Total Assets	Net Assets	Shareholder's Equity Ratio	Shareholder's Equity Per Share
	¥mn	¥mn	%	¥
1'st Quarter 2016.	103,373	48,132	46.6	505.23
Term 2015	104,535	49,730	47.6	521.99

(Note) Shareholder's equity 1'st Quarter 2016. : ¥48,132mn , Term 2015. : ¥49,730mn

2.Dividend Payment

	Dividend per share				
	1'st Q	2'nd Q	3'rd Q	year end	annual
Term 2015	—	¥ 10.0	—	¥ 10.0	¥ 20.0
Term 2016	—				
Term2016(estimate)		10.0	—	10.0	20.0

(Note) Revision to the latest forecast of devidends: None

3.Forecasts for the Term 2016. (April 1, 2016 to March 31, 2017)

(% for term is percentage change comparing to previous term , % for quarter is percentage change comparing to the same quarter in previous term.)

	Sales (Consolidate)		Operating Income (Consolidate)		Ordinary Income (Consolidate)		Profit attributable to owners of parent (Consolidate)		Earnings per share (Consolidate)
	¥mn	%	¥mn	%	¥mn	%	¥mn	%	¥
1'st half	42,490	4.2	2,140	(3.7)	1,830	0.3	900	51.4	9.45
Term	87,100	4.3	6,060	(4.8)	5,500	1.8	1,500	233.9	15.74

(Note) Revision to the latest forecast of business results: None

Note

(1) The change of the important subsidiary in this Quarter. (Change in consolidation scope in subsidiary.)

None

(2) Apply to simple accounting method and special accounting method make a Quarter report.

None

(3) Change in accounting method, accounting principle, how to disclose, and others to make the consolidated financial statements.

① Change in accounting standard : Yes

② Without above ① : None

③ Change in accounting estimate : None

④ Retrospective restatement : None

(4) Number of shares outstanding during the term. (Common stock)

① Number of shares issued at the term end. (Include treasury stock)

② Number of treasury stock at the term end.

③ Number of average stock.

End of 1Q	95,452,914	FY2015	95,452,914
End of 1Q	184,116	FY2015	183,656
End of 1Q	95,268,964	FY2015 1Q	95,272,337

※ Considering review procedures

- This Consolidated Earnings Report is not subject to the review procedures under the Financial Instruments and Exchange Law. At the time of disclosure of this Consolidated Earnings Report financial statement review procedures under the Financial Instruments and Exchange Law are incompleted.

※ Explanation about the appropriate usage of business prospects and other special notes.

- The above-mentioned business forecasts were based on the information available as of the date of the release of this report.
- Future events may cause the actual results to be significantly different from the forecasts.

Quarterly Consolidated Financial Statements Balance sheets - 1

(million of yen)

	End of Previous Term (as of March 31, 2016)	End of 1'st quarter (as of June 30, 2016)
Assets		
Current assets		
Cash and deposit	23,199	21,266
Accounts receivable	647	341
Merchandise	388	376
Supplies	1,188	1,148
Others	2,293	2,056
Current assets total	27,717	25,189
Fixed assets		
Tangible fixed assets		
Buildings and structures	71,428	71,262
Accumulated depreciation	(35,291)	(35,195)
Buildings and structures(Net)	36,137	36,067
Land	6,374	6,045
Lease asset	27,467	29,868
Accumulated depreciation	(14,242)	(14,641)
Lease asset(Net)	13,225	15,226
Others	18,105	17,620
Accumulated depreciation	(13,425)	(13,456)
Others(Net)	4,680	4,164
Tangible fixed assets total	60,417	61,505
Intangible fixed asset	167	177
Investments and other assets		
Deferred tax assets	5,135	5,377
Guarantee equipment	10,695	10,740
Others	401	383
Investments and other assets total	16,232	16,501
Fixed assets total	76,817	78,184
Total assets	104,535	103,373

Note : Figures are rounded down to the nearest million yen.

Quarterly Consolidated Financial Statements Balance sheets - 2

(million of yen)

	End of Previous Term (as of March 31, 2016)	End of 1'st quarter (as of June 30, 2016)
Liabilities		
Current liabilities		
Account payable	477	411
Short-term loans	678	1,257
Bonds to be redeemed within one year	170	170
Long-term loans to be repaid within one year	6,364	7,427
Lease obligation	7,494	9,133
Corporate tax payable etc.	620	193
Others	5,286	5,473
Current liabilities total	21,090	24,067
Fixed liabilities		
Bonds	1,105	1,105
Long-term loans	14,509	11,896
Officer's retirement allowance	278	284
Lease obligation	8,544	8,859
Asset retirement obligations	6,386	6,276
Others	2,889	2,752
Fixed liabilities total	33,714	31,173
Liabilities total	54,805	55,240
Net assets		
Shareholder's equity		
Capital stock	25,021	25,021
Capital surplus	24,543	23,590
Profit reserve	272	171
Treasury stock	(328)	(329)
Shareholder's equity total	49,508	48,454
Difference from revaluation and exchange rate changes		
Difference for land revaluation	(138)	(138)
Foreign currency translation adjustments	360	(183)
Accumulated other comprehensive income	221	(321)
Net assets total	49,730	48,132
Total liabilities and net assets	104,535	103,373

Note : Figures are rounded down to the nearest million yen.

Quarterly Consolidated Profit & Loss Statements

(million of yen)

	Previous 1'st quarter		Current 1'st quarter	
	From April 1, 2015 to June 30, 2015		From April 1, 2016 to June 30, 2016	
Sales		18,833		20,289
Cost of sales		18,414		19,145
Gross profit		419		1,144
Selling, general & administrative expenses		490		512
Operating income(loss)		(71)		632
Non-operating income				
Interest and dividend income		20		5
Exchange gain		24		—
Sales promotion premium		20		23
Others		28		30
Non-operating income total		94		58
Non-operating expenses				
Interest expense		225		149
Exchange loss		—		366
Others		12		3
Non-operating expenses total		238		518
Ordinary income(loss)		(216)		172
Extraordinary gain				
Gain on sales of property, fixed assets		—		16
Extraordinary gain total		—		16
Extraordinary loss				
Impairment loss		—		118
Loss due to disaster		—		68
Loss on disposal of property, fixed assets		99		25
Loss on closing of stores		—		48
Extraordinary loss total		99		260
Pretax loss for the current term		(315)		(71)
Income taxes - current		61		58
Income taxes - differed		208		(28)
Total income taxes		269		29
Loss		(585)		(100)
Loss attributable to owners of parent		(585)		(100)

Note : Figures are rounded down to the nearest million yen.

Quarterly Consolidated Statement of Comprehensive income

(million of yen)

	Previous 1'st quarter From April 1, 2015 to June 30, 2015	Current 1'st quarter From April 1, 2016 to June 30, 2016
Loss	(585)	(100)
Other comprehensive income		
Foreign currency translation adjustments	103	(543)
Total other comprehensive income	103	(543)
Quarterly comprehensive income	(482)	(644)
(Detail)		
Quarterly comprehensive income attributable to owners of parent	(482)	(644)
Quarterly comprehensive income attributable to non-controlling interests	—	—

Note : Figures are rounded down to the nearest million yen.