

November 10, 2016

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

Date of presentation expected date of 2'nd Quarter securities report : November 11, 2016.

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

1. Business Results for the quarter ended in September 2016. (From April 1, 2016 to September 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	%
2'nd Quarter 2016.	42,671	4.7	2,694	21.3	2,063	13.1	967	62.7
2'nd Quarter 2015.	40,775	(2.6)	2,221	(40.7)	1,824	(46.5)	594	(74.2)

(Note) Comprehensive income 2'nd Quarter 2016 : ¥290mn (48.5)% 2'nd Quarter 2015 : ¥563mn (77.3)%

	Earnings per Share	Net Income per share, fully diluted
	¥	¥
2'nd Quarter 2016.	10.16	—
2'nd Quarter 2015.	6.24	—

(2) Financial Status

	Total Assets	Net Assets	Shareholder's Equity Ratio	Shareholder's Equity Per Share
	¥mn	¥mn	%	¥
2'nd Quarter 2016.	102,729	49,066	47.8	515.04
Term 2015	104,535	49,730	47.6	521.99

(Note) Shareholder's equity 2'nd Quarter 2016. : ¥49,066mn ,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	—	10.0	—	—	—
Term2016(estimate)	—	—	—	10.0	20.0

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

Dividend funds for the Term 2016 (2'nd Q) include capital surplus.

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

(% for term is percentage change comparing to 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	%	¥
Term	86,200	3.2	6,260	(1.7)	5,500	1.8	1,500	233.9	15.74

(Note) Revision to the latest forecast of business results: Yes

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 2Q	95,452,914	FY2015	95,452,914
End of 2Q	184,613	FY2015	183,656
End of 2Q	95,268,301	FY2015 2Q	95,271,876

※ 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 2'nd quarter (as of September 30, 2016)
Assets		
Current assets		
Cash and deposit	23,199	20,657
Accounts receivable	647	405
Merchandise	388	393
Supplies	1,188	1,178
Others	2,293	2,495
Current assets total	27,717	25,131
Fixed assets		
Tangible fixed assets		
Buildings and structures	71,428	70,502
Accumulated depreciation	(35,291)	(34,648)
Buildings and structures(Net)	36,137	35,853
Land	6,374	6,045
Lease asset	27,467	28,429
Accumulated depreciation	(14,242)	(12,959)
Lease asset(Net)	13,225	15,469
Others	18,105	17,907
Accumulated depreciation	(13,425)	(13,481)
Others(Net)	4,680	4,426
Tangible fixed assets total	60,417	61,795
Intangible fixed asset	167	177
Investments and other assets		
Deferred tax assets	5,135	4,753
Guarantee deposits	10,695	10,518
Others	401	353
Investments and other assets total	16,232	15,624
Fixed assets total	76,817	77,597
Total assets	104,535	102,729

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 2 nd quarter (as of September 30, 2016)
Liabilities		
Current liabilities		
Account payable	477	436
Short-term loans	678	678
Bonds to be redeemed within one year	170	170
Long-term loans to be repaid within one year	6,364	5,457
Lease obligation	7,494	9,199
Corporate tax payable etc.	620	440
Others	5,286	5,816
Current liabilities total	21,090	22,198
Fixed liabilities		
Bonds	1,105	1,020
Long-term loans	14,509	12,096
Officer's retirement allowance	278	289
Lease obligation	8,544	9,012
Asset retirement obligations	6,386	6,224
Others	2,889	2,820
Fixed liabilities total	33,714	31,463
Liabilities total	54,805	53,662
Net assets		
Shareholder's equity		
Capital stock	25,021	25,021
Capital surplus	24,543	23,590
Profit reserve	272	1,239
Treasury stock	(328)	(329)
Shareholder's equity total	49,508	49,522
Accumulated other comprehensive income		
Difference for land revaluation	(138)	(138)
Foreign currency translation adjustments	360	(317)
Total accumulated other comprehensive income	221	(455)
Net assets total	49,730	49,066
Total liabilities and net assets	104,535	102,729

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

Quarterly Consolidated Profit & Loss Statements

(million of yen)

	Previous 2'nd quarter		Current 2'nd quarter	
	From April 1, 2015 to September 30, 2015		From April 1, 2016 to September 30, 2016	
Sales	40,775		42,671	
Cost of sales	37,572		38,900	
Gross profit	3,202		3,770	
Selling, general & administrative expenses	981		1,076	
Operating income(loss)	2,221		2,694	
Non-operating income				
Interest and dividend income	46		12	
Operations consignment fee	18		20	
Sales promotion premium	20		23	
Others	52		44	
Non-operating income total	137		101	
Non-operating expenses				
Interest expense	430		294	
Exchange loss	—		408	
Others	104		29	
Non-operating expenses total	534		732	
Ordinary income(loss)	1,824		2,063	
Extraordinary gain				
Gain on sales of property, fixed assets	—		16	
Insurance income	—		66	
Extraordinary gain total	—		82	
Extraordinary loss				
Loss on disposal of property, fixed assets	190		190	
Impairment loss	292		118	
Loss due to disaster	—		68	
Loss on closing of stores	—		232	
Extraordinary loss total	483		609	
Pretax loss for the current term	1,341		1,536	
Income taxes - current	255		124	
Income taxes - differed	491		444	
Total income taxes	746		568	
Profit	594		967	
Profit attributable to owners of parent	594		967	

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

Quarterly Consolidated Statement of Comprehensive income

(million of yen)

	Previous 2 nd quarter		Current 2 nd quarter	
	From April 1, 2015 to September 30, 2015		From April 1, 2016 to September 30, 2016	
Profit		594		967
Other comprehensive income				
Foreign currency translation adjustments		(30)		(677)
Total other comprehensive income		(30)		(677)
Quarterly comprehensive income		563		290
(Detail)				
Quarterly comprehensive income attributable to owners of parent		563		290
Quarterly comprehensive income attributable to non-controlling interests		—		—

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