

Financial Results for the year ended March 31, 2018

May 8, 2018

## ROUND ONE corporation

TSE First section

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C.E.O. and President

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Expected date of Regular General Shareholder's Meeting : June 23, 2018.

Expected date of presentation of securities report : June 25, 2018.

Expected date of dividend payment : June 25, 2018.

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

### 1. Business Results for the year ended in March 2018. ( April 1, 2017 to March 31, 2018 )

#### (1) Operating Results

( % is percentage change comparing to previous term.)

	Sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	¥mn	%	¥mn	%	¥mn	%	¥mn	%
FY2017 (2018/3)	95,910	9.3	10,537	57.7	10,267	75.3	8,411	207.5
FY2016 (2017/3)	87,776	5.1	6,681	4.9	5,858	8.4	2,735	509.0

(Note) Comprehensive income FY2017 : ¥7,719mn 153.1% FY2016 : ¥3,049mn -%

	Earnings per share	Net income per share, fully diluted	Return on equity	Ordinary income to total assets ratio	Operating income to sales ratio
	¥		%	%	%
FY2017 (2018/3)	88.29	-	15.6	9.8	11.0
FY2016 (2017/3)	28.71	-	5.4	5.7	7.6

(Note) Investment gains and losses by the equity method FY 2017 : None , FY 2016 : None

#### (2) Financial Status

	Total assets	Net assets	Equity ratio	Net assets per share
	¥mn	¥mn	%	¥
FY2017 (2018/3)	106,898	56,720	53.0	595.40
FY2016 (2017/3)	101,712	50,872	50.0	534.00

(Note) Shareholder's equity FY2017 : ¥56,682mn , FY2016 : ¥50,872mn

#### (3) Cash Flow

	Cash flow by operating activities	Cash flow by investing activities	Cash flow by financing activities	Cash and cash equivalents at the end of period
	¥mn	¥mn	¥mn	¥mn
FY2017 (2018/3)	24,210	(7,448)	(13,286)	23,439
FY2016 (2017/3)	17,217	(3,527)	(16,964)	20,197

### 2. Dividend Payment

	Annual dividend per share					Total amount of dividend	Dividend payout ratio	Ratio of dividends paid to shareholder's equity
	1Q	2Q	3Q	Term	Annual	(annual)	(Consolidated)	(Consolidated)
	¥	¥	¥	¥	¥	¥mn	%	%
FY2017 (2018/3)	-	10.00	-	10.00	20.00	1,905	69.7	3.8
FY2016 (2017/3)	-	10.00	-	10.00	20.00	1,905	22.7	3.5
FY2018(2019/3)(estimate)	-	10.00	-	10.00	20.00		30.1	

### 3. Forecasts for the FY2018. ( April 1, 2018 to March 31, 2019 )

( % 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	%	¥
2nd quarter-end	48,940	5.8	5,000	17.1	4,730	16.1	3,000	22.1	31.49
FY2018(2019/3)	101,400	5.7	11,550	9.6	11,000	7.1	6,320	(24.9)	66.34

#### 4. Others

- (1) The change of the important subsidiary during the term. (Change in consolidation scope in subsidiary.) None
- (2) Change in accounting method, accounting principle, how to disclose, and others to make the consolidated financial statements.
- ① Change in accounting standard : None
  - ② Without above ① : None
  - ③ Change in accounting estimate : None
  - ④ Retrospective restatement : None
- (3) 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.

FY2017	95,452,914	FY2016	95,452,914
FY2017	189,233	FY2016	186,453
FY2017	95,264,893	FY2016	95,268,023

### (Reference) Non-consolidate business results

#### 1. Business Results for the year ended in March 2018. ( April 1, 2017 to March 31, 2018 )

##### (1) Operating Results

( % is percentage change comparing to previous term.)

	Sales		Operating Income		Ordinary Income		Net Income	
	¥mn	%	¥mn	%	¥mn	%	¥mn	%
FY2017 (2018/3)	84,331	4.7	9,381	108.3	9,335	72.4	7,511	163.4
FY2016 (2017/3)	80,525	2.8	4,503	12.4	5,416	5.0	2,851	-

	Earnings per Share	Net Income per share, fully diluted
	¥	
FY2017 (2018/3)	78.85	-
FY2016 (2017/3)	29.93	-

##### (2) Financial Status

	Total Assets	Net Assets	Shareholder's Equity Ratio	Shareholder's Equity Per Share
	¥mn	¥mn	%	¥
FY2017 (2018/3)	98,691	56,011	56.7	587.97
FY2016 (2017/3)	92,565	50,371	54.4	528.74

(Note) Shareholder's equity FY2017(2018/3) : ¥55,974mn , FY2016(2017/3) : ¥50,371mn

※ This report is not included in the scope of audit.

※ 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, no warranty is given as to the realization of the forecasts.
- Future events may cause the actual results to be significantly different from the forecasts.

## Consolidated Balance sheet - 1

(million of yen)

Item	Term	End of Previous Term (as of March 31, 2017)	End of Current Term (as of March 31, 2018)
		Amount	Amount
<b>( Assets )</b>			
<b>Current assets</b>			
Cash and deposit		20,197	23,439
Accounts receivable		744	932
Merchandise		380	393
Supplies		1,218	1,470
Others		2,891	2,689
<b>Current assets total</b>		<b>25,432</b>	<b>28,926</b>
<b>Fixed assets</b>			
Tangible fixed assets			
Buildings and structures		70,314	74,446
Accumulated depreciation		(34,584)	(37,186)
Buildings and structures(Net)		35,730	37,260
Bowling equipment		4,322	4,894
Accumulated depreciation		(2,723)	(3,056)
Bowling equipment(Net)		1,599	1,837
Amusement machines		3,491	3,396
Accumulated depreciation		(3,466)	(3,372)
Amusement machines(Net)		24	24
Land		5,736	5,736
Lease asset		29,075	27,221
Accumulated depreciation		(13,872)	(13,533)
Lease asset(Net)		15,202	13,687
Others		10,499	12,374
Accumulated depreciation		(7,776)	(8,562)
Others(Net)		2,722	3,811
<b>Tangible fixed assets total</b>		<b>61,016</b>	<b>62,358</b>
<b>Intangible fixed assets</b>		<b>179</b>	<b>213</b>
<b>Investments and other assets</b>			
Investments in capital		19	0
Deferred tax assets		4,723	5,412
Guarantee deposits		10,063	9,758
Others		276	228
<b>Investments and other assets total</b>		<b>15,082</b>	<b>15,399</b>
<b>Fixed assets total</b>		<b>76,279</b>	<b>77,972</b>
<b>Total assets</b>		<b>101,712</b>	<b>106,898</b>

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

## Consolidated Balance sheet - 2

(million of yen)

Item	Term	End of Previous Term (as of March 31, 2017)	End of Current Term (as of March 31, 2018)
		Amount	Amount
<b>( Liabilities )</b>			
<b>Current liabilities</b>			
Account payable		676	960
Short-term loans		678	920
Bonds to be redeemed within one year		170	935
Long-term loans to be repaid within one year		4,748	4,450
Lease obligation		9,327	8,250
Corporate tax payable etc.		640	1,628
Others		5,492	7,645
<b>Current liabilities total</b>		<b>21,732</b>	<b>24,791</b>
<b>Fixed liabilities</b>			
Bonds		935	-
Long-term loans		9,909	7,408
Officer's retirement allowance		299	271
Lease obligation		8,646	7,276
Deferred tax liabilities		200	293
Asset retirement obligations		6,257	6,216
Long-term guarantee deposited		473	464
Others		2,384	3,455
<b>Fixed liabilities total</b>		<b>29,106</b>	<b>25,387</b>
<b>Liabilities total</b>		<b>50,839</b>	<b>50,178</b>
<b>(Net assets)</b>			
<b>Shareholder's equity</b>			
Capital stock		25,021	25,021
Capital surplus		22,638	22,638
Profit reserve		3,007	9,513
Treasury stock		(330)	(334)
<b>Shareholder's equity total</b>		<b>50,336</b>	<b>56,838</b>
<b>Difference from revaluation and exchange rate changes</b>			
Difference for land revaluation		(138)	(138)
Foreign currency translation adjustments		674	(17)
<b>Accumulated other comprehensive income</b>		<b>535</b>	<b>(156)</b>
<b>Share acquisition rights</b>		<b>-</b>	<b>37</b>
<b>Net assets total</b>		<b>50,872</b>	<b>56,720</b>
<b>Total liabilities and net assets</b>		<b>101,712</b>	<b>106,898</b>

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

## Consolidated Income Statement

(million of yen)

	Previous Term	Current Term
	From April 1, 2016 to March 31, 2017	From April 1, 2017 to March 31, 2018
	Amount	Amount
Sales	87,776	95,910
Cost of sales	78,840	83,067
Gross profit	8,935	12,842
Selling, general & administrative expenses	2,253	2,304
<b>Operating income</b>	<b>6,681</b>	<b>10,537</b>
<b>Non-operating income</b>		
Interest and dividend income	31	18
Operations consignment fee	46	46
Subsidy income	60	78
Others	96	127
<b>Non-operating income total</b>	<b>234</b>	<b>270</b>
<b>Non-operating expenses</b>		
Interest expense	571	495
Foreign exchange losses	387	4
Others	99	41
<b>Non-operating expenses total</b>	<b>1,058</b>	<b>540</b>
<b>Ordinary income</b>	<b>5,858</b>	<b>10,267</b>
<b>Extraordinary gain</b>		
Gain on sales of property, fixed assets	58	-
Insurance income	66	-
<b>Extraordinary gain total</b>	<b>124</b>	<b>-</b>
<b>Extraordinary loss</b>		
Loss on disposal of property, fixed assets	427	381
Impairment loss	1,598	717
Loss on disaster	68	-
Loss on closing of stores	302	-
<b>Extraordinary loss total</b>	<b>2,396</b>	<b>1,098</b>
<b>Pretax net income for the current term</b>	<b>3,586</b>	<b>9,168</b>
Income taxes - current	287	1,611
Income taxes - deferred	563	(853)
Total income taxes	850	757
Profit	2,735	8,411
<b>Profit attributable to owners of parent</b>	<b>2,735</b>	<b>8,411</b>

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

<b>Profit</b>	2,735	8,411
Other comprehensive income		
Foreign currency translation adjustments	314	(691)
Total other comprehensive income	314	(691)
<b>Comprehensive income</b>	<b>3,049</b>	<b>7,719</b>
(Detail)		
Comprehensive income attributable to owner of the parent	3,049	7,719
Comprehensive income attributable to non controlling interest	-	-

## Consolidated Statement of changes in Shareholders Equity

Previous Term (From April 1,2016 to March 31,2017)

(million of yen)

	Shareholders' equity				Shareholders' equity total
	Capital stock	Capital surplus	Profit reserve	Treasury stock	
Balance as of term beginning	25,021	24,543	272	(328)	49,508
Change in current term					
Dividends of profit reserve		(1,905)			(1,905)
Profit attributable to owners			2,735		2,735
Purchase of treasury stock				(2)	(2)
Change in current term without capital stock items					
Change in current term total	-	(1,905)	2,735	(2)	828
Balance as of term ending	25,021	22,638	3,007	(330)	50,336

	Accumulated other Comprehensive income			Net assets total
	Difference for land revaluation	Foreign currency translation adjustment	Total accumulated other comprehensive income	
Balance as of term beginning	(138)	360	221	49,730
Change in current term				
Dividends of profit reserve				(1,905)
Profit attributable to owners				2,735
Purchase of treasury stock				(2)
Change in current term without capital stock items		314	314	314
Change in current term total	-	314	314	1,142
Balance as of term ending	(138)	674	535	50,872

## Consolidated Statement of changes in Shareholders Equity

Current Term (From April 1,2017 to March 31,2018)

(million of yen)

	Shareholders' equity				Shareholders' equity total
	Capital stock	Capital surplus	Profit reserve	Treasury stock	
Balance as of term beginning	25,021	22,638	3,007	(330)	50,336
Change in current term					
Dividends of profit reserve			(1,905)		(1,905)
Profit attributable to owners of parent			8,411		8,411
Purchase of treasury stock				(3)	(3)
Change in current term without capital stock items					
Change in current term total	-	-	6,506	(3)	6,502
Balance as of term ending	25,021	22,638	9,513	(334)	56,838

	Accumulated other Comprehensive income			Share acquisition rights	Net assets total
	Difference for land revaluation	Foreign currency translation adjustment	Total accumulated other comprehensive income		
Balance as of term beginning	(138)	674	535	-	50,872
Change in current term					
Dividends of profit reserve					(1,905)
Profit attributable to owners of parent					8,411
Purchase of treasury stock					(3)
Change in current term without capital stock items		(691)	(691)	37	(654)
Change in current term total	-	(691)	(691)	37	5,848
Balance as of term ending	(138)	(17)	(156)	37	56,720

## Consolidated Statement of Cash Flow

(million of yen)

	Previous Term From April 1, 2016 to March 31, 2017	Current Term From April 1, 2017 to March 31, 2018
	Amount	Amount
<b>Cash flow from operating activities</b>		
Net income before taxes	3,586	9,168
Depreciation expenses	11,940	11,843
Impairment loss	1,598	717
Increase(decrease) in officer's retirement allowance	20	(28)
Interest and dividend received	(31)	(18)
Interest paid	571	495
Fixed assets sales loss(gain)	(58)	-
Fixed assets disposal losses	427	381
Decrease(increase) in account receivables	(96)	(194)
Decrease(increase) in inventory	(16)	(298)
Increase(decrease) in account payable	194	316
Decrease (increase) in consumption taxes refund receivable	(372)	372
Increase (decrease) in accrued consumption taxes	(315)	1,231
Others	1,125	956
Subtotal	18,572	24,943
Interest and dividends received	13	4
Interest paid	(565)	(492)
Corporate taxes refund	2	382
Corporate taxes paid	(805)	(628)
Total cash flow from operating activities	17,217	24,210
<b>Cash flow from investing activities</b>		
Payment for acquisition of fixed asset investment	(5,237)	(7,721)
Proceeds from sales of fixed asset	1,460	-
Payments for asset retirement obligation	(306)	-
Payment for guarantee deposits	(239)	(204)
Proceeds from collection of guarantee deposits	762	519
Others	32	(42)
Total cash flow from investing activities	(3,527)	(7,448)
<b>Cash flow from financing activities</b>		
Increase(decrease) in short-term loan	-	242
Payment for lease obligation	(9,208)	(9,665)
Proceeds from long-term loans	1,500	2,300
Payment for long-term loans	(7,716)	(5,098)
Payment for bond redemption	(170)	(170)
Repayments deposits received	(30)	(60)
Proceeds deposits received	567	1,075
Payment for acquisition treasury stock	(2)	(3)
Dividend payments	(1,905)	(1,905)
Total cash flow from financing activities	(16,964)	(13,286)
<b>Effect of exchange rate changes on cash and cash equivalents</b>	273	(233)
<b>Increase(decrease) in cash and cash equivalents</b>	(3,002)	3,242
<b>Cash and cash equivalents at beginning of term</b>	23,199	20,197
<b>Cash and cash equivalents at end of term</b>	20,197	23,439

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



