

Financial Results for the year ended March 31, 2019

May 8, 2019

## ROUND ONE corporation

TSE First section

Code No.4680 URL <http://www.round1.co.jp/>

C.E.O. and President

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Expected date of Regular General Shareholder's Meeting : June 22, 2019.

Expected date of presentation of securities report : June 24, 2019.

Expected date of dividend payment : June 24, 2019.

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

### 1. Business Results for the year ended in March 2019. ( April 1, 2018 to March 31, 2019 )

#### (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	%
FY2018 (2019/3)	101,318	5.6	11,443	8.6	11,220	9.3	7,159	(14.9)
FY2017 (2018/3)	95,910	9.3	10,537	57.7	10,267	75.3	8,411	207.5

(Note) Comprehensive income FY2018 : ¥7,716mn Δ0.0%

FY2017 : ¥7,719mn 153.1%

	Earnings per share	Net income per share, fully diluted	Return on equity	Ordinary income to total assets ratio	Operating income to sales ratio
	¥		%	%	%
FY2018 (2019/3)	75.15	—	12.0	10.0	11.3
FY2017 (2018/3)	88.29	—	15.6	9.9	11.0

(Note) Investment gains and losses by the equity method FY 2018 : None , FY 2017 : None

#### (2) Financial Status

	Total assets	Net assets	Equity ratio	Net assets per share
	¥mn	¥mn	%	¥
FY2018 (2019/3)	117,346	62,604	53.3	655.99
FY2017 (2018/3)	106,652	56,720	53.1	595.40

(Note) Shareholder's equity

FY2018 : ¥62,490mn , FY2017 : ¥56,682mn

#### (3) Cash Flow

	Cash flow from operating activities	Cash flow from investing activities	Cash flow from financing activities	Cash and cash equivalents at end of period
	¥mn	¥mn	¥mn	¥mn
FY2018 (2019/3)	20,871	(10,783)	(11,159)	22,524
FY2017 (2018/3)	24,210	(7,448)	(13,286)	23,439

### 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	22.7	3.5
FY2018 (2019/3)	—	10.00	—	10.00	20.00	1,905	26.6	3.2
FY2019(2020/3)(estimate)	—	10.00	—	10.00	20.00		27.6	

### 3.Forecasts for the FY2019. ( April 1, 2019 to March 31, 2020 )

( % 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	53,680	9.8	5,670	21.7	5,530	22.6	3,530	17.6	37.06
FY2019(2020/3)	109,300	7.9	11,870	3.7	11,600	3.4	6,900	(3.6)	72.43

#### 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.

FY2018	95,452,914	FY2017	95,452,914
FY2018	191,240	FY2017	189,233
FY2018	95,262,491	FY2017	95,264,893

### (Reference) Non-consolidate business results

#### 1. Business Results for the year ended in March 2019. ( April 1, 2018 to March 31, 2019 )

##### (1) Operating Results

( % is percentage change comparing to previous term.)

	Sales		Operating Income		Ordinary Income		Net Income	
	¥mn	%	¥mn	%	¥mn	%	¥mn	%
FY2018 (2019/3)	84,976	0.8	9,761	4.0	9,769	4.7	6,429	(14.4)
FY2017 (2018/3)	84,331	4.7	9,381	108.3	9,335	72.4	7,511	163.4

	Earnings per Share	Net Income per share, fully diluted
	¥	
FY2018 (2019/3)	67.49	—
FY2017 (2018/3)	78.85	—

##### (2) Financial Status

	Total Assets	Net Assets	Shareholder's Equity Ratio	Shareholder's Equity Per Share
	¥mn	¥mn	%	¥
FY2018 (2019/3)	104,491	60,609	57.9	635.04
FY2017 (2018/3)	98,691	56,011	56.7	587.97

(Note) Shareholder's equity FY2018(2019/3) : ¥60,495mn , FY2017(2018/3) : ¥55,974mn

※ 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, 2018)	End of Current Term (as of March 31, 2019)
		Amount	Amount
<b>( Assets )</b>			
<b>Current assets</b>			
Cash and deposits		23,439	22,524
Accounts receivable		932	1,182
Merchandises		393	429
Supplies		1,470	2,105
Other		2,012	2,429
<b>Current assets total</b>		<b>28,249</b>	<b>28,671</b>
<b>Non-current assets</b>			
Property, plant and equipment			
Buildings and structures		74,446	78,669
Accumulated depreciation		(37,186)	(38,121)
Buildings and structures(Net)		37,260	40,547
Bowling equipment		4,894	7,108
Accumulated depreciation		(3,056)	(3,579)
Bowling equipment(Net)		1,837	3,528
Amusement machines		3,396	6,139
Accumulated depreciation		(3,372)	(4,885)
Amusement machines(Net)		24	1,254
Land		5,736	5,736
Leased assets		27,221	30,990
Accumulated depreciation		(13,533)	(12,968)
Leased assets(Net)		13,687	18,021
Other		12,374	14,174
Accumulated depreciation		(8,562)	(9,356)
Other(Net)		3,811	4,817
<b>Property, plant and equipment total</b>		<b>62,358</b>	<b>73,905</b>
<b>Intangible assets</b>		<b>213</b>	<b>690</b>
<b>Investments and other assets</b>			
Deferred tax assets		5,843	4,571
Guarantee deposits		9,758	9,323
Other		228	182
<b>Investments and other assets total</b>		<b>15,830</b>	<b>14,078</b>
<b>Non-current assets total</b>		<b>78,403</b>	<b>88,674</b>
<b>Total assets</b>		<b>106,652</b>	<b>117,346</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, 2018)	End of Current Term (as of March 31, 2019)
		Amount	Amount
<b>( Liabilities )</b>			
<b>Current liabilities</b>			
Accounts payable		960	350
Short-term loans payable		920	1,441
Current portion of bonds		935	825
Current portion of long-term loans payable		4,450	2,899
Lease obligations		8,250	9,497
Income taxes payable etc.		1,628	1,208
Other		7,645	8,865
<b>Current liabilities total</b>		<b>24,791</b>	<b>25,088</b>
<b>Non-current liabilities</b>			
Bonds payable		—	1,675
Long-term loans payable		7,408	6,675
Provision for retirement benefits for directors		271	—
Lease obligations		7,276	9,568
Deferred tax liabilities		47	184
Asset retirement obligations		6,216	6,099
Long-term guarantee deposited		464	461
Other		3,455	4,989
<b>Non-current liabilities total</b>		<b>25,141</b>	<b>29,653</b>
<b>Liabilities total</b>		<b>49,932</b>	<b>54,741</b>
<b>(Net assets)</b>			
<b>Shareholder's equity</b>			
Capital stock		25,021	25,021
Capital surplus		22,638	22,638
Retained earnings		9,513	14,767
Treasury shares		(334)	(337)
<b>Shareholder's equity total</b>		<b>56,838</b>	<b>62,089</b>
<b>Accumulated other comprehensive income</b>			
Revaluation reserve for land		(138)	(138)
Foreign currency translation adjustment		(17)	539
<b>Accumulated other comprehensive income total</b>		<b>(156)</b>	<b>400</b>
<b>Share acquisition rights</b>		<b>37</b>	<b>114</b>
<b>Net assets total</b>		<b>56,720</b>	<b>62,604</b>
<b>Total liabilities and net assets</b>		<b>106,652</b>	<b>117,346</b>

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

## Consolidated Income Statement

(million of yen)

	Previous Term	Current Term
	From April 1, 2017 to March 31, 2018	From April 1, 2018 to March 31, 2019
	Amount	Amount
Net sales	95,910	101,318
Cost of sales	83,067	86,858
Gross profit	12,842	14,460
Selling, general and administrative expenses	2,304	3,016
<b>Operating income</b>	<b>10,537</b>	<b>11,443</b>
<b>Non-operating income</b>		
Interest and dividend income	18	16
Reward for sales cooperation	21	35
Operations consignment fee	46	47
Subsidy income	78	71
Other	105	146
<b>Non-operating income total</b>	<b>270</b>	<b>318</b>
<b>Non-operating expenses</b>		
Interest expenses	495	471
Other	45	70
<b>Non-operating expenses total</b>	<b>540</b>	<b>541</b>
<b>Ordinary income</b>	<b>10,267</b>	<b>11,220</b>
<b>Extraordinary losses</b>		
Loss on sales of non-current assets	—	75
Loss on retirement of non-current assets	381	453
Impairment loss	717	602
<b>Extraordinary losses total</b>	<b>1,098</b>	<b>1,131</b>
<b>Pretax net income for the current term</b>	<b>9,168</b>	<b>10,089</b>
Income taxes - current	1,611	1,523
Income taxes - deferred	(853)	1,405
Total income taxes	757	2,929
Profit	8,411	7,159
<b>Profit attributable to owners of parent</b>	<b>8,411</b>	<b>7,159</b>

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

<b>Profit</b>	8,411	7,159
Other comprehensive income		
Foreign currency translation adjustments	(691)	556
Total other comprehensive income	(691)	556
<b>Comprehensive income</b>	<b>7,719</b>	<b>7,716</b>
(Detail)		
Comprehensive income attributable to owner of the parent	7,719	7,716
Comprehensive income attributable to non controlling interest	—	—

## Consolidated Statement of changes in Shareholders Equity

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

(million of yen)

	Shareholders' equity				Total shareholders' equity
	Capital stock	Capital surplus	Retained earnings	Treasury shares	
Balance at beginning of current period	25,021	22,638	3,007	(330)	50,336
Changes of items during period					
Dividends of surplus			(1,905)		(1,905)
Profit attributable to owners of parent			8,411		8,411
Purchase of treasury shares				(3)	(3)
Net changes of items other than shareholders' equity					
Total changes of items during period	–	–	6,506	(3)	6,502
Balance at end of current period	25,021	22,638	9,513	(334)	56,838

	Accumulated other Comprehensive income			Share acquisition rights	Total net assets
	Revaluation reserve for land	Foreign currency translation adjustment	Total accumulated other comprehensive income		
Balance at beginning of current period	(138)	674	535	–	50,872
Changes of items during period					
Dividends of surplus					(1,905)
Profit attributable to owners of parent					8,411
Purchase of treasury shares					(3)
Net changes of items other than shareholders' equity		(691)	(691)	37	(654)
Total changes of items during period	–	(691)	(691)	37	5,848
Balance at end of current period	(138)	(17)	(156)	37	56,720

## Consolidated Statement of changes in Shareholders Equity

Current Term (From April 1,2018 to March 31,2019)

(million of yen)

	Shareholders' equity				Total shareholders' equity
	Capital stock	Capital surplus	Retained earnings	Treasury shares	
Balance at beginning of current period	25,021	22,638	9,513	(334)	56,838
Changes of items during period					
Dividends of surplus			(1,905)		(1,905)
Profit attributable to owners of parent			7,159		7,159
Purchase of treasury shares				(3)	(3)
Net changes of items other than shareholders' equity					
Total changes of items during period	–	–	5,254	(3)	5,250
Balance at end of current period	25,021	22,638	14,767	(337)	62,089

	Accumulated other Comprehensive income			Share acquisition rights	Total net assets
	Revaluation reserve for land	Foreign currency translation adjustment	Total accumulated other comprehensive income		
Balance at beginning of current period	(138)	(17)	(156)	37	56,720
Changes of items during period					
Dividends of surplus					(1,905)
Profit attributable to owners of parent					7,159
Purchase of treasury shares					(3)
Net changes of items other than shareholders' equity		556	556	76	633
Total changes of items during period	–	556	556	76	5,884
Balance at end of current period	(138)	539	400	114	62,604

## Consolidated Statement of Cash Flow

(million of yen)

	Previous Term From April 1, 2017 to March 31, 2018	Current Term From April 1, 2018 to March 31, 2019
	Amount	Amount
<b>Cash flow from operating activities</b>		
Net income before taxes	9,168	10,089
Depreciation expenses	11,843	12,481
Impairment loss	717	602
Increase(decrease) in officer's retirement allowance	(28)	(282)
Interest and dividend received	(18)	(16)
Interest paid	495	471
Fixed assets sales loss(gain)	—	75
Fixed assets disposal losses	381	453
Decrease(increase) in account receivables	(194)	(244)
Decrease(increase) in inventory	(298)	(640)
Increase(decrease) in account payable	316	(638)
Decrease (increase) in consumption taxes refund receivable	372	—
Increase (decrease) in accrued consumption taxes	1,231	(893)
Other	956	1,760
Subtotal	24,943	23,217
Interest and dividends received	4	5
Interest paid	(492)	(463)
Corporate taxes refund	382	—
Corporate taxes paid	(628)	(1,888)
Total cash flow from operating activities	24,210	20,871
<b>Cash flow from investing activities</b>		
Payment for acquisition of fixed asset investment	(7,721)	(10,892)
Proceeds from sales of fixed asset	—	5
Payments for asset retirement obligation	—	(115)
Payment for guarantee deposits	(204)	(113)
Proceeds from collection of guarantee deposits	519	514
Other	(42)	(181)
Total cash flow from investing activities	(7,448)	(10,783)
<b>Cash flow from financing activities</b>		
Increase(decrease) in short-term loan	242	521
Payment for lease obligation	(9,665)	(10,298)
Proceeds from long-term loans	2,300	3,300
Payment for long-term loans	(5,098)	(5,584)
Proceeds from issuance of bonds	—	2,500
Redemption of bonds	(170)	(935)
Repayments deposits received	(60)	(74)
Proceeds deposits received	1,075	1,320
Payment for acquisition treasury stock	(3)	(3)
Dividend payments	(1,905)	(1,905)
Total cash flow from financing activities	(13,286)	(11,159)
<b>Effect of exchange rate changes on cash and cash equivalents</b>	(233)	156
<b>Increase(decrease) in cash and cash equivalents</b>	3,242	(915)
<b>Cash and cash equivalents at beginning of period</b>	20,197	23,439
<b>Cash and cash equivalents at end of period</b>	23,439	22,524

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



