

Financial Results for the year ended March 31, 2013

May 10, 2013

ROUND ONE corporation

TSE and OSE first section

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

C.E.O. and President

Masahiko Sugino

Managing Director and General Manager of Administrative Division Shinji Sasae

Tel : +72-224-5115

Date of Regular General Shareholder's Meeting : June 22, 2013.

Dividend will be paid on after June 24, 2013

Date of presentation expected date of securities report : June 24, 2013.

1. Business Results for the year ended in March 2013. (April 1, 2012 to March 31, 2013)

(1) Operating Results

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

	Sales		Operating Income		Ordinary Income		Net Income	
	¥mn	%	¥mn	%	¥mn	%	¥mn	%
FY2012 (2013/3)	85,903	(4.1)	11,565	(27.9)	8,217	(28.4)	601	(78.4)
FY2011 (2012/3)	89,568	6.2	16,036	40.5	11,481	65.7	2,781	-

(Note) Comprehensive income FY2012 : ¥738mn (73.2)% FY2011 : ¥2,761mn -%

	Earnings per Share	Net Income per share, fully diluted	Return on Equity	Return on Assets	Operating Income to sales ratio
			%	%	%
FY2012 (2013/3)	6.31	-	0.8	3.8	13.5
FY2011 (2012/3)	29.19	-	3.5	4.8	17.9

(Note) Investment gains and losses by the equity method FY 2012 : None , FY 2011 : None

(2) Financial Status

	Total Assets	Net Assets	Shareholder's Equity Ratio	Shareholder's Equity Per Share
	¥mn	¥mn	%	¥
FY2012 (2013/3)	206,217	78,714	38.2	¥826.11
FY2011 (2012/3)	228,236	79,882	35.0	¥838.35

(Note) Shareholder's equity FY2012 : ¥78,714mn , FY2011 : ¥79,882mn

(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 quarter
	¥mn	¥mn	¥mn	¥mn
FY2012 (2013/3)	26,418	4,371	(34,564)	24,274
FY2011 (2012/3)	32,852	24,036	(45,981)	28,003

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	%	%
FY2011 (2012/3)	-	10.00	-	10.00	20.00	1,905	68.5	2.4
FY2012 (2013/3)	-	10.00	-	10.00	20.00	1,905	317.0	2.4
FY2013(2014/3)(estimate)	-	10.00	-	10.00	20.00	-	-	-

3.Forecasts for the FY2013. (April 1, 2013 to March 31, 2014)

	Sales (Consolidate)		Operating Income (Consolidate)		Ordinary Income (Consolidate)		Net Income (Consolidate)		Earnings per share (Consolidate)
	¥mn	%	¥mn	%	¥mn	%	¥mn	%	¥
1'st half	42,800	(1.1)	5,400	(9.5)	3,800	(0.3)	1,700	(15.8)	¥17.84
FY2013(2014/3)	86,000	0.1	11,600	0.3	8,400	2.2	(7,500)	-	(¥78.71)

4. Others

- (1) The change of the important subsidiary in FY2012. (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 : Yes
 - ② Without above ① : None
 - ③ Change in accounting estimate : Yes
 - 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.

FY2012	95,452,914	FY2011	95,452,914
FY2012	170,071	FY2011	167,811
FY2012	95,284,037	FY2011	95,286,321

(Reference) Non-consolidate business results

1. Business Results for the year ended in March 2013. (April 1, 2012 to March 31, 2013)

(1) Operating Results

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

	Sales		Operating Income		Ordinary Income		Net Income	
	¥mn	%	¥mn	%	¥mn	%	¥mn	%
FY2012 (2013/3)	85,193	(4.3)	4,585	(46.4)	8,262	(27.9)	646	(76.7)
FY2011 (2012/3)	89,037	6.0	8,551	114.7	11,467	63.2	2,771	-

	Earnings per Share	Net Income per share, fully diluted
FY2012 (2013/3)	¥6.79	-
FY2011 (2012/3)	¥29.09	-

(2) Financial Status

	Total Assets	Net Assets	Shareholder's Equity Ratio	Shareholder's Equity Per Share
	¥mn	¥mn	%	
FY2012 (2013/3)	164,938	78,748	47.7	¥826.47
FY2011 (2012/3)	169,439	80,008	47.2	¥839.68

(Note) Shareholder's equity FY2012(2013/3) : ¥78,748mn , FY2011(2012/3) : ¥80,008mn

2. Forecasts for the FY2013. (April 1, 2013 to March 31, 2014)

	Sales		Ordinary Income		Net Income		Earnings per share
	¥mn	%	¥mn	%	¥mn	%	
1'st half	42,400	(1.4)	3,800	(1.6)	1,700	(17.8)	¥17.84
FY2012(2013/3)	85,000	(0.2)	8,400	1.7	(7,500)	-	(¥78.71)

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.

Consolidated Balance sheets - 1

(million of yen)

Item	Term	End of Previous Term (as of March 31, 2012)	End of Current Term (as of March 31, 2013)
		Amount	Amount
(Assets)			
1.Current assets			
Cash and deposit		28,003	24,274
<u>Cash and deposit (non-exempt properties)</u>		<u>1,484</u>	<u>1,050</u>
Accounts receivable		557	605
Merchandise		190	209
Supplies		1,232	976
Others		3,711	4,102
<u>Others (non-exempt properties)</u>		<u>50</u>	<u>39</u>
Current assets total		35,230	31,257
2.Fixed assets			
Tangible fixed assets			
Buildings and structures		90,013	82,579
<u>Buildings and structures (non-exempt properties)</u>		<u>6,888</u>	<u>5,154</u>
Bowling equipment		273	548
Arcade game machine		191	115
Land		52,036	46,312
<u>Land (non-exempt properties)</u>		<u>5,495</u>	<u>4,053</u>
Lease asset		22,164	19,916
Others		2,252	1,386
Tangible fixed assets total		179,317	160,065
Intangible fixed asset		209	177
Investments and other assets			
Investments in capital		172	157
Long-term loans		8	-
Deferred tax assets		4,977	4,606
Key money deposited		7,574	9,331
<u>Key money deposited (non-exempt properties)</u>		<u>210</u>	<u>126</u>
Others		536	495
Investments and other assets total		13,479	14,717
Fixed assets total		193,005	174,960
Total assets		228,236	206,217

Note (1) Figures are rounded down to the nearest million yen.

(2) Red letters indicate assets of consolidated subsidiaries.

(silent partnerships relating to special-purpose companies)

Consolidated Balance sheets - 2

(million of yen)

Item	Term	End of Previous Term (as of March 31, 2012)	End of Current Term (as of March 31, 2013)
		Amount	Amount
(Liabilities)			
1.Current liabilities			
Account payable		211	196
Short-term loans		1,238	515
Bonds to be redeemed within one year		1,413	1,063
Long-term loans to be repaid within one year		15,166	26,573
<u>Long-term loans to be repaid within one year (non-exempt properties)</u>		<u>1,804</u>	<u>2,996</u>
Lease obligation		10,610	10,023
Account corporate tax etc.		393	746
Others		4,851	5,231
Current liabilities total		35,689	47,346
Fixed liabilities			
Bonds		10,026	4,762
Long-term loans		73,406	50,250
<u>Long-term loans (non-exempt properties)</u>		<u>7,861</u>	<u>4,065</u>
Officer's retirement allowance		222	243
Lease obligation		14,006	12,803
Asset retirement obligations		6,149	6,223
Key money received		525	869
Others		464	937
Fixed liabilities total		112,663	80,157
Liabilities total		148,353	127,503
(Net assets)			
1.Shareholder's equity			
Capital stock		25,021	25,021
Capital reserve		25,496	25,496
Profit reserve		30,625	29,321
Treasury stock		(318)	(319)
Shareholder's equity total		80,825	79,519
2.Difference from revaluation and exchange rate changes			
Difference for land revaluation		(921)	(921)
Foreign currency translation adjustments		(21)	115
Accumulated other Comprehensive income		(943)	(805)
Net assets total		79,882	78,714
Total liabilities and net assets		228,236	206,217

Note (1) Figures are rounded down to the nearest thousand yen.

(2) Red letters indicate liabilities of consolidated subsidiaries.

(silent partnerships relating to special-purpose companies)

Consolidated Profit & Loss Statements

(million of yen)

	Previous Term	Current Term
	From April 1, 2011 to March 31, 2012	From April 1, 2012 to March 31, 2013
	Amount	Amount
Sales	89,568	85,903
Cost of sales	71,779	72,575
Gross profit	17,789	13,328
Selling, general & administrative expenses	1,753	1,762
Operating income	16,036	11,565
Non-operating income		
Interest and dividend income	44	34
Exchange gain	7	132
Insurance income	39	25
Sales promotion income	28	27
Co-sponsor fee	16	46
Others	160	120
	296	388
Non-operating expenses		
Interest expense	4,351	3,316
Bond issue expense	85	-
Financing expense	107	-
Others	306	420
	4,850	3,736
Ordinary income	11,481	8,217
Extraordinary gain		
Gain on sales of property, plant and equipment	257	434
Reversal of provision for loss on disaster	115	-
	373	434
Extraordinary loss		
Loss on sales of property, plant and equipment	3,665	466
Loss on disposal of property, plant and equipment	305	241
Impairment loss	1,669	6,430
Loss on closing of store	-	249
Others	70	-
	5,710	7,387
Pretax net income for the current term	6,144	1,264
Income taxes - current	247	1,154
Income taxes - differed	3,115	(491)
Total income taxes	3,362	663
Pre-adjustment minority interest income	2,781	601
Net income	2,781	601

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

Pre-adjustment minority interest income	2,781	601
Other comprehensive income		
Foreign currency translation adjustments	(20)	137
Difference for land revaluation	-	-
Total other comprehensive income	(20)	137
Comprehensive income	2,761	738
(Detail)		
Comprehensive income attributable to owner of the parent	2,761	738
Comprehensive income attributable to minority interest	-	-

Consolidated Statements of Shareholders Equity

(million of yen)

	Previous Term	Current Term
	From April 1, 2011 to March 31, 2012	From April 1, 2012 to March 31, 2013
	Amount	Amount
Shareholder's equity		
Capital stock		
Balance as of term beginning	25,021	25,021
Change in current term		
Share issued	-	-
Change in current term total	-	-
Balance as of term ending	25,021	25,021
Capital reserve		
Balance as of term beginning	25,496	25,496
Change in current term		
Share issued	-	-
Change in current term total	-	-
Balance as of term ending	25,496	25,496
Profit reserve		
Balance as of term beginning	29,749	30,625
Change in current term		
Dividend of profit reserve	(1,905)	(1,905)
Net income	2,781	601
Change in current term total	875	(1,304)
Balance as of term ending	30,625	29,321
Treasury stock		
Balance as of term beginning	(317)	(318)
Change in current term		
Purchase of treasury stock	(1)	(1)
Change in current term total	(1)	(1)
Balance as of term ending	(318)	(319)
Shareholder's equity total		
Balance as of term beginning	79,950	80,825
Change in current term		
Share issued	-	-
Dividend of profit reserve	(1,905)	(1,905)
Net income	2,781	601
Purchase of treasury stock	(1)	(1)
Change in current term total	874	(1,305)
Balance as of term ending	80,825	79,519
Accumulated other Comprehensive income		
Difference for land revaluation		
Balance as of term beginning	(921)	(921)
Change in current term		
Change in current term without capital stock items	-	-
Change in current term total	-	-
Balance as of term ending	(921)	(921)
Foreign currency translation adjustments		
Balance as of term beginning	(1)	(21)
Change in current term		
Change in current term without capital stock items	(20)	137
Change in current term total	(20)	137
Balance as of term ending	(21)	115
Total accumulated other Comprehensive income		
Balance as of term beginning	(922)	(943)
Change in current term		
Change in current term without capital stock items	(20)	137
Change in current term total	(20)	137
Balance as of term ending	(943)	(805)
Net assets total		
Balance as of term beginning	79,028	79,882
Change in current term		
Dividend of profit reserve	(1,905)	(1,905)
Net income	2,781	601
Purchase of treasury stock	(1)	(1)
Change in current term without capital stock items	(20)	137
Change in current term total	854	(1,168)
Balance as of term ending	79,882	78,714

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

Consolidated Statements of Cash Flow

(million of yen)

	Previous Term From April 1, 2011 to March 31, 2012	Current Term From April 1, 2012 to March 31, 2013
	Amount	Amount
Cash flow from operating activities		
Net income before taxes	6,144	1,264
Depreciation expenses	19,702	18,960
impairment loss	1,669	6,430
Bond issue costs	85	-
Increase in officer's retirement allowance	18	20
Transfer allowance for loss due to disease	(363)	-
Interest and dividend received	(44)	(34)
Interest paid	4,351	3,316
Fixed assets sales gain	3,407	31
Fixed assets disposal losses	305	241
Increase in accounts receivables	(143)	(46)
Increase in inventory	(75)	240
Increase in account payable	22	(16)
Increase in temporary payable	6	19
Others	1,432	(263)
Subtotal	36,519	30,164
Interest and dividends received	11	4
Interest paid	(4,458)	(3,390)
Corporate taxes refund	1,737	908
Corporate taxes paid	(957)	(1,269)
Total cash flow from operating activities	32,852	26,418
Cash flow from investing activities		
Decrease in cash and deposit (non-exempt properties)	4,282	434
Payment for acquisition of fixed asset investment	(2,587)	(5,241)
Proceeds from sales of fixed asset	22,492	10,470
Payment for fulfillment of asset retirement obligation	-	(31)
Collection of long - term loans receivables	12	-
Payment for key money deposit	(2,549)	(1,684)
Proceeds from collection of key money deposit	2,732	398
Others	(347)	25
Total cash flow from investing activities	24,036	4,371
Cash flow from financing activities		
Decrease in short-term loan	(5,294)	(722)
Payment for lease obligation	(10,724)	(11,969)
Proceeds from long-term loans	22,775	13,790
Proceeds from long-term loans (non-exempt properties)	3,872	-
Payment for long-term loans (non-exempt properties)	(36,055)	(2,604)
Payment for long-term loans	(21,749)	(25,539)
Proceeds for bond issue	4,014	-
Payment for bond redemption	(913)	(5,613)
Payment for acquisition treasury stock	(1)	(1)
Dividend payments	(1,905)	(1,903)
Total cash flow from financing activities	(45,981)	(34,564)
Effect of exchange rate changes on cash and cash equivalents	(21)	45
Increase / decrease in cash and cash equivalents	10,886	(3,729)
Cash and cash equivalents at beginning of term	17,007	28,003
Increase / decrease in cash and cash equivalents (Change in accounting scope)	109	-
Cash and cash equivalents at end of Interim	28,003	24,274

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