

Financial Results for the year ended March 31, 2017

May 9, 2017

ROUND ONE corporation

TSE 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 24, 2017.

Dividend will be paid on after June 26, 2017.

Date of presentation expected date of securities report : June 26, 2017.

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

1. Business Results for the year ended in March 2017. (April 1, 2016 to March 31, 2017)

(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	%
FY2016 (2017/3)	87,776	5.1	6,681	4.9	5,858	8.4	2,735	509.0
FY2015 (2016/3)	83,516	(0.5)	6,367	(4.1)	5,402	(12.2)	449	-

(Note) Comprehensive income FY2016 : ¥3,049mn -% FY2015 : ¥10mn -%

	Earnings per share	Net income per share, fully diluted	Return on equity	Ordinary income to total assets ratio	Operating income to sales ratio
	¥		%	%	%
FY2016 (2017/3)	28.71	-	5.4	5.7	7.6
FY2015 (2016/3)	4.71	-	0.9	5.0	7.6

(Note) Investment gains and losses by the equity method FY 2016 : None , FY 2015 : None

(2) Financial Status

	Total assets	Net assets	Equity ratio	Net assets per share
	¥mn	¥mn	%	¥
FY2016 (2017/3)	101,712	50,872	50.0	534.00
FY2015 (2016/3)	104,535	49,730	47.6	521.99

(Note) Shareholder's equity FY2016 : ¥50,872mn , FY2015 : ¥49,730mn

(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
FY2016 (2017/3)	17,217	(3,527)	(16,964)	20,197
FY2015 (2016/3)	15,955	(5,082)	(15,309)	23,199

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	%	%
FY2015 (2016/3)	-	10.00	-	10.00	20.00	1,905	424.6	3.8
FY2016 (2017/3)	-	10.00	-	10.00	20.00	1,905	69.7	3.8
FY2017(2018/3)(estimate)	-	10.00	-	10.00	20.00		52.9	

3.Forecasts for the FY2017. (April 1, 2017 to March 31, 2018)

(% 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	44,550	4.4	3,334	23.7	3,100	50.2	1,780	84.0	18.68
FY2017(2018/3)	92,200	5.0	7,170	7.3	6,700	14.4	3,600	31.6	37.79

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 : Yes
 - 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.

FY2016	95,452,914	FY2015	95,452,914
FY2016	186,453	FY2015	183,656
FY2016	95,268,023	FY2015	95,270,987

(Reference) Non-consolidate business results

1. Business Results for the year ended in March 2017. (April 1, 2016 to March 31, 2017)

(1) Operating Results

(% is percentage change comparing to previous term.)

	Sales		Operating Income		Ordinary Income		Net Income	
	¥mn	%	¥mn	%	¥mn	%	¥mn	%
FY2016 (2017/3)	80,525	2.8	4,503	12.4	5,416	5.0	2,851	-
FY2015 (2016/3)	78,348	(4.4)	4,006	(10.0)	5,159	(17.8)	214	-

	Earnings per Share	Net Income per share, fully diluted
	¥	
FY2016 (2017/3)	29.93	-
FY2015 (2016/3)	2.26	-

(2) Financial Status

	Total Assets	Net Assets	Shareholder's Equity Ratio	Shareholder's Equity Per Share
	¥mn	¥mn	%	¥
FY2016 (2017/3)	92,565	50,371	54.4	528.74
FY2015 (2016/3)	96,330	49,427	51.3	518.82

(Note) Shareholder's equity FY2016(2017/3) : ¥50,371mn , FY2015(2016/3) : ¥49,427mn

※ Financial statements are 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 sheets - 1

(million of yen)

Item	Term	End of Previous Term (as of March 31, 2016)	End of Current Term (as of March 31, 2017)
		Amount	Amount
(Assets)			
1.Current assets			
Cash and deposit		23,199	20,197
Accounts receivable		647	744
Merchandise		388	380
Supplies		1,188	1,218
Others		2,293	2,891
Current assets total		27,717	25,432
2.Fixed assets			
Tangible fixed assets			
Buildings and structures		71,428	70,314
Accumulated depreciation		(35,291)	(34,584)
Buildings and structures(Net)		36,137	35,730
Bowling equipment		3,633	4,322
Accumulated depreciation		(2,390)	(2,723)
Bowling equipment(Net)		1,243	1,599
Amusement machines		3,627	3,491
Accumulated depreciation		(3,592)	(3,466)
Amusement machines(Net)		34	24
Land		6,374	5,736
Lease asset		27,467	29,075
Accumulated depreciation		(14,242)	(13,872)
Lease asset(Net)		13,225	15,202
Others		10,844	10,499
Accumulated depreciation		(7,441)	(7,776)
Others(Net)		3,402	2,722
Tangible fixed assets total		60,417	61,016
Intangible fixed assets			
Investments and other assets		167	179
Investments in capital		51	19
Deferred tax assets		5,135	4,723
Guarantee equipment		10,695	10,063
Others		350	276
Investments and other assets total		16,232	15,082
Fixed assets total		76,817	76,279
Total assets		104,535	101,712

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

Consolidated Balance sheets - 2

(million of yen)

Item	Term	End of Previous Term (as of March 31, 2016)	End of Current Term (as of March 31, 2017)
		Amount	Amount
(Liabilities)			
1.Current liabilities			
Account payable		477	676
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	4,748
Lease obligation		7,494	9,327
Corporate tax payable etc.		620	640
Others		5,286	5,492
Current liabilities total		21,090	21,732
Fixed liabilities			
Bonds		1,105	935
Long-term loans		14,509	9,909
Officer's retirement allowance		278	299
Lease obligation		8,544	8,646
Deferred tax liabilities		-	200
Asset retirement obligations		6,386	6,257
Long-term guarantee deposited		491	473
Others		2,398	2,384
Fixed liabilities total		33,714	29,106
Liabilities total		54,805	50,839
(Net assets)			
1.Shareholder's equity			
Capital stock		25,021	25,021
Capital surplus		24,543	22,638
Profit reserve		272	3,007
Treasury stock		(328)	(330)
Shareholder's equity total		49,508	50,336
2.Difference from revaluation and exchange rate changes			
Difference for land revaluation		(138)	(138)
Foreign currency translation adjustments		360	674
Accumulated other comprehensive income		221	535
Net assets total		49,730	50,872
Total liabilities and net assets		104,535	101,712

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

Consolidated Profit & Loss Statements

(million of yen)

	Previous Term	Current Term
	From April 1, 2015 to March 31, 2016	From April 1, 2016 to March 31, 2017
	Amount	Amount
Sales	83,516	87,776
Cost of sales	75,090	78,840
Gross profit	8,426	8,935
Selling, general & administrative expenses	2,058	2,253
Operating income	6,367	6,681
Non-operating income		
Interest and dividend income	63	31
Operations consignment fee	36	46
Subsidy income	32	60
Others	148	96
	281	234
Non-operating expenses		
Interest expense	834	571
Foreign exchange losses	337	387
Others	74	99
	1,246	1,058
Ordinary income	5,402	5,858
Extraordinary gain		
Gain on sales of property, fixed assets	-	58
Insurance income	-	66
	-	124
Extraordinary loss		
Loss on disposal of property, fixed assets	456	427
Impairment loss	3,052	1,598
Loss on disaster	-	68
Loss on dosing of stores	-	302
	3,508	2,396
Pretax net income for the current term	1,894	3,586
Income taxes - current	674	287
Income taxes - deferred	770	563
Total income taxes	1,444	850
Profit	449	2,735
Profit attributable to owners of parent	449	2,735

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

Profit	449	2,735
Other comprehensive income		
Foreign currency translation adjustments	(438)	314
Total other comprehensive income	(438)	314
Comprehensive income	10	3,049
(Detail)		
Comprehensive income attributable to owner of the parent	10	3,049
Comprehensive income attributable to minority interest	-	-

Consolidated Statements of Shareholders Equity

Previous Term (From April 1, 2015 to March 31, 2016)

(million of yen)

	Shareholders' equity				Shareholders' equity total
	Capital stock	Capital surplus	Profit reserve	Treasury stock	
Balance as of term beginning	25,021	25,496	775	(326)	50,967
Change in current term					
Dividends of profit reserve		(952)	(952)		(1,905)
Profit attributable to owners			449		449
Purchase of treasury stock				(2)	(2)
Change in current term without capital stock items					
Change in current term total	-	(952)	(503)	(2)	(1,458)
Balance as of term ending	25,021	24,543	272	(328)	49,508

	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)	798	659	51,626
Change in current term				
Dividends of profit reserve				(1,905)
Profit attributable to owners				449
Purchase of treasury stock				(2)
Change in current term without capital stock items		(438)	(438)	(438)
Change in current term total	-	(438)	(438)	(1,896)
Balance as of term ending	(138)	360	221	49,730

Consolidated Statements of Shareholders Equity

Current 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 of parent			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 of parent				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 Statements of Cash Flow

(million of yen)

	Previous Term	Current Term
	From April 1, 2015 to March 31, 2016	From April 1, 2016 to March 31, 2017
	Amount	Amount
Cash flow from operating activities		
Net income before taxes	1,894	3,586
Depreciation expenses	11,444	11,940
Impairment loss	3,052	1,598
Increase(decrease) in officer's retirement allowance	(6)	20
Interest and dividend received	(63)	(31)
Interest paid	834	571
Fixed assets sales loss(gain)	-	(58)
Fixed assets disposal losses	456	427
Decrease(increase) in accounts receivables	22	(96)
Decrease(increase) in inventory	(359)	(16)
Increase(decrease) in account payable	152	194
Others	(578)	436
Subtotal	16,848	18,572
Interest and dividends received	42	13
Interest paid	(839)	(565)
Corporate taxes refund	456	2
Corporate taxes paid	(553)	(805)
Total cash flow from operating activities	15,955	17,217
Cash flow from investing activities		
Payment for acquisition of fixed asset investment	(5,636)	(5,237)
Proceeds from sales of fixed asset	-	1,460
Payments for asset retirement obligation	-	(306)
Payment for guarantee equipment	(79)	(239)
Proceeds from collection of guarantee equipment	644	762
Others	(11)	32
Total cash flow from investing activities	(5,082)	(3,527)
Cash flow from financing activities		
Increase(decrease) in short-term loan	28	-
Payment for lease obligation	(8,770)	(9,208)
Proceeds from long-term loans	2,400	1,500
Payment for long-term loans	(6,524)	(7,716)
Payment for bond redemption	(170)	(170)
Repayments deposits received	(1,060)	(30)
Proceeds deposits received	694	567
Payment for acquisition treasury stock	(2)	(2)
Dividend payments	(1,905)	(1,905)
Total cash flow from financing activities	(15,309)	(16,964)
Effect of exchange rate changes on cash and cash equivalents	(140)	273
Increase(decrease) in cash and cash equivalents	(4,577)	(3,002)
Cash and cash equivalents at beginning of term	27,777	23,199
Cash and cash equivalents at end of term	23,199	20,197

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