

**Term 2018.3 (Apr. 2017~Dec. 2017)
Outline of Accounts Settlement**



Analysis of present states and future prospects



**Great Lakes Crossings (Auburn Hills, Michigan)
October 21, 2017 open!**

ROUND ONE Corporation

**C.E.O. and President Masahiko Sugino
Tokyo Stock Exchange First Section
Code Number: 4680**

February 9, 2018

Analysis of consolidated operating results ①

Apr. 2017~Dec. 2017 Actual [Year-on-year]



(Unit ¥bn) ※figures are rounded down to the nearest 10 million

		Unit	Term 2017.3 Actual (2016.4~2016.12)	Term 2018.3 Actual (2017.4~2017.12)	Differ
Shops	Total shops at the end of the term	Shop	121	127	①+6
	No. of months total shops operation	Month	1,093	1,112	+19
P / L	Bowling		15.96	17.11	+1.15
	Amusement		29.51	33.15	+3.64
	Karaoke (including the USA shops other sales)		6.60	7.09	+0.48
	Spo-cha		8.38	9.21	+0.83
	Others		2.15	2.15	(0.00)
	Total sales		62.62	68.73	+6.11
	Cost of sales		58.38	61.82	+3.44
	Gross margin		4.23	6.90	+2.66
	S.G.A. expenses		1.66	1.65	(0.01)
	Operating income		2.57	5.25	+2.67
	Non-operating income & expenses		(0.72)	(0.27)	+0.44
	Ordinary income ②		1.85	4.97	+3.12
	Ordinary income margin		3.0%	7.2%	+4.3%
	Extraordinary income & loss ③		(0.68)	(0.32)	+0.35
Net income before tax		1.16	4.65	+3.48	
Corporate tax		0.58	1.61	+1.02	
Net income		0.58	3.03	+2.45	

① [Differ]

Japan: -1 shop openings (1 shop), closings (2shops),
the USA: +7 shops openings (7 shops)

② [Ordinary income]

Term 2017.3 3rd Q Actual	Ordinary income	¥1.85bn
[Japan]	Increase in sales	+¥2.97bn
	Decrease in foreign exchange loss (Non-operating exp.)	+¥0.37bn
	Decrease in communication exp. (KanColle, others)	+¥0.28bn
	Decrease in utility exp.	+¥0.18bn
	Increase in promotion exp. (Due to amusement merchandise exp. increase)	¥(0.59)bn
	Increase in personnel exp.	¥(0.38)bn
	Others	+¥0.13bn
[The USA]	P/L (※Table below)	+¥0.16bn

Term 2018.3 3rd Q Actual	Ordinary income	¥4.97bn
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※[The USA P/L status]

	Term 2017.3 3rd Q Actual	Term 2018.3 3rd Q Actual	Differ
Sales	¥4.80bn	¥7.94bn	¥3.13bn increase
Expenses	¥4.72bn	¥7.69bn	¥2.97bn increase
Ordinary income	¥0.07bn	¥0.24bn	¥0.16bn increase

③ [Extraordinary income & loss breakdown]

Term 2017.3 3rd Q Actual Extraordinary loss ¥(0.68)bn
 ↳ Loss on shops closings (8 shops) ¥(0.40)bn
 ↳ Loss on disposal of fixed assets, etc. ¥(0.27)bn

Term 2018.3 3rd Q Actual Extraordinary loss ¥(0.32)bn
 ↳ Loss on disposal of fixed assets ¥(0.32)bn

Analysis of consolidated operating results ②

Apr. 2017~Dec. 2017 Actual [Actual and Plan]



(Unit ¥bn) ※figures are rounded down to the nearest 10 million

		Unit	Term 2018.3 Plan (2017.4~2017.12) ※announced Nov. 10,2017	Term 2018.3 Actual (2017.4~2017.12)	Differ
Shops	Total shops at the end of the term	Shop	128	127	①(1)
	No. of months total shops operation	Month	1,110	1,112	①+2
P / L	Bowling		16.76	17.11	+0.35
	Amusement		32.00	33.15	+1.15
	Karaoke (including the USA shops other sales)		6.98	7.09	+0.10
	Spo-cha		8.92	9.21	+0.28
	Others		2.13	2.15	+0.01
	Total sales		66.82	68.73	+1.91
	Cost of sales		61.47	61.82	+0.34
	Gross margin		5.34	6.90	+1.56
	S.G.A. expenses		1.69	1.65	(0.04)
	Operating income		3.64	5.25	+1.60
	Non-operating income & expenses		(0.32)	(0.27)	+0.05
	Ordinary income ②		3.31	4.97	+1.65
	Ordinary income margin		5.0%	7.2%	+2.3%
	Extraordinary income & loss		(0.36)	③(0.32)	+0.03
Net income before tax		2.95	4.65	+1.69	
Corporate tax		1.23	1.61	+0.37	
Net income		1.72	3.03	+1.31	

① [Differ]

Total shops at the end of the term: -1 shop
(The USA opening date change)
No. of months total shops operation: +2 months
(Japan +1 month, The USA +1 month)

② [Ordinary income]

Term 2018.3 3rd Q Plan	Ordinary income	¥3.31bn
[Japan]	Increase in sales	+¥1.65bn
	Decrease in lease exp.	+¥0.13bn
	Decrease in supplies exp.	+¥0.12bn
	Decrease in communication exp.	+¥0.05bn
	Decrease in utility exp.	+¥0.03bn
	Increase in promotion exp. (Due to amusement merchandise exp. increase)	¥(0.40)bn
	Increase in personnel exp.	¥(0.09)bn
	Others	+¥0.13bn
[The USA]	P/L (※Table below)	+¥0.04bn

Term 2018.3 3rd Q Actual	Ordinary income	¥4.97bn
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※[The USA P/L status]

	Term 2018.3 3rd Q Plan	Term 2018.3 3rd Q Actual	Differ
Sales	¥7.69bn	¥7.94bn	¥0.25bn increase
Expenses	¥7.49bn	¥7.69bn	(Note) ¥0.20bn increase
Ordinary income	¥0.19bn	¥0.24bn	¥0.04bn increase

(Note) Expenses increase breakdown

- Increase in shop opening exp. ¥0.06bn
- Property tax appropriation ¥0.03bn
- Increase in amusement merchandise exp. ¥0.03bn
- Others ¥0.08bn

③ [Extraordinary income & loss breakdown]

Term 2018.3 3rd Q Actual	Extraordinary loss	¥(0.32)bn
	Loss on disposal of fixed assets	¥(0.32)bn

Term 2018.3 Original plan and Plan after revision Consolidated · Japan · The USA



※ Term Plan after revision = 1st Q~3rd Q Actual + 4th Q Original plan
Plan for 4th Q is not revised due to future uncertain elements.

(Unit ¥bn) ※figures are rounded down to the nearest 10 million

		Consolidated				Japan				The USA			
		1st Q~2nd Q	3rd Q	4th Q	Term	1st Q~2nd Q	3rd Q	4th Q	Term	1st Q~2nd Q	3rd Q	4th Q	Term
		Actual	Actual	Original Plan	Plan after revision	Actual	Actual	Original Plan	Plan after revision	Actual	Actual	Original Plan	Plan after revision
P / L	Bowling	11.58	5.53	7.37	24.49	10.75	5.08	6.75	22.60	0.82	0.44	0.61	1.88
	Amusement	22.12	11.03	12.20	45.35	18.76	9.20	9.64	37.61	3.36	1.82	2.55	7.74
	Karaoke (including the USA shops other sales)	4.66	2.42	2.78	9.87	3.74	1.86	2.09	7.70	0.91	0.55	0.69	2.16
	Spo-cha	6.41	2.79	3.93	13.15	6.41	2.79	3.93	13.15	—	—	—	—
	Others	1.45	0.69	0.77	2.92	1.45	0.69	0.77	2.92	—	—	—	—
	Total sales	46.24	22.49	27.06	95.80	41.13	19.65	23.20	83.99	5.10	2.83	3.86	11.80
	Cost of sales	40.84	20.98	22.06	83.89	36.17	18.18	18.69	73.06	4.66	2.79	3.36	10.83
	Gross margin	5.39	1.50	5.00	11.90	4.96	1.46	4.50	10.93	0.43	0.04	0.49	0.96
	S.G.A. expenses	1.12	0.52	0.54	2.19	1.03	0.47	0.51	2.02	0.08	0.05	0.03	0.17
	Operating income	4.26	0.98	4.45	9.70	3.92	0.99	3.99	8.91	0.34	(0.01)	0.46	0.79
	Non-operating income & expenses	(0.19)	(0.07)	(0.10)	(0.37)	(0.14)	(0.04)	(0.08)	(0.26)	(0.05)	(0.03)	(0.01)	(0.10)
	Ordinary income	4.07	0.90	4.35	9.33	3.78	0.95	3.91	8.64	0.29	(0.05)	0.44	0.68
	Ordinary income margin	8.8%	4.0%	16.1%	9.7%	9.2%	4.9%	16.9%	10.3%	5.7%	(1.8)%	11.5%	5.8%
	Extraordinary income & loss	(0.26)	(0.06)	(1.40)	(1.72)	(0.26)	(0.06)	(1.00)	(1.32)	—	—	(0.40)	(0.40)
Net income before tax	3.81	0.84	2.95	7.60	3.51	0.89	2.91	7.32	0.29	(0.05)	0.04	0.28	
Corporate tax	1.35	0.25	0.40	2.01	1.19	0.34	0.25	1.78	0.16	(0.08)	0.15	0.22	
Net income	2.45	0.58	2.55	5.59	2.32	0.54	2.66	5.53	0.12	0.03	(0.10)	0.06	

※ Original plan is plan announced on May 9, 2017.

Term 2018.3 Consolidated plan Shop openings and closings, P / L



※figures are rounded down to the nearest 10 million

Plan after revision is 1st Q~3rd Q actual results applied to term plan, there is no plan revision for 4th Q

		Unit	Term 2017.3 Actual			Term 2018.3 Plan after revision			Differ		
			Consolidated	Japan	The USA	Consolidated	Japan	The USA ^③	Consolidated	Japan	The USA
Shops ①	Shop openings and closings	Shop	±0	(6)	+6	+10	+1	+9	+10	+7	+3
	No. of total shops (at the end of term)	Shop	122	107	15	132	108	24	+10	+1	+9
	(Break down) Own shops (land & building and building structure)	Shop	24	24	—	24	24	—	—	—	—
	Leased shops (interior structure only)	Shop	98	83	15	108	84	24	+10	+1	+9
	No. of months total shops operation	Month	1,452	1,322	130	1,497	1,289	208	+45	(33)	+78
P/L	Bowling	¥bn	22.91	21.68	1.22	24.49	22.60	1.88	+1.57	+0.91	+0.65
	Amusement	¥bn	40.53	35.90	4.62	45.35	37.61	7.74	+4.82	+1.70	+3.12
	Karaoke (including the USA shops other sales)	¥bn	9.13	7.73	1.39	9.87	7.70	2.16	+0.74	(0.03)	+0.77
	Spo-cha	¥bn	12.27	12.27	—	13.15	13.15	—	+0.87	+0.87	—
	Others	¥bn	2.92	2.92	—	2.92	2.92	—	+0.00	+0.00	—
	Total sales	¥bn	87.77	80.52	7.25	95.80	83.99	11.80	+8.02	+3.47	+4.55
	Operating income	¥bn	6.68	6.18	0.49	9.70	8.91	0.79	+3.02	+2.72	+0.30
	Ordinary income	¥bn	5.85	5.41	0.44	9.33	8.64	0.68	+3.47	+3.23	+0.24
	Ordinary income margin	%	6.7%	6.7%	6.1%	9.7%	10.3%	5.8%	3.1%	3.6%	(0.3)%
Net income ^②	¥bn	2.73	2.85	(0.11)	5.59	5.53	0.06	+2.85	+2.68	+0.17	

(Note) ① Term 2017.3 Actual: Openings (2 shops in Japan, 6 shops in the USA), closings (8 shops in Japan)
 Term 2018.3 Plan after revision : Openings (1 shop in Japan, 9 shops in the USA)
 Number of shop openings in original plan is not revised, hence it differs with number of shops on page 13.

② Net income calculation formula:

[Term 2017.3 Actual] Ordinary income ¥5.85bn — Impairment loss ¥1.90bn※1 — Loss on disposal of amusement substrates, etc. ¥0.36bn — Corporate tax ¥0.85bn =
 Net income ¥2.73bn.

※1: including impairment loss of 11 shops (10 shops in Japan ¥1.18bn, 1 shop in the USA ¥0.3bn), loss on shops closings (8 shops in Japan ¥0.42bn)

[Term 2018.3 Plan after revision] Ordinary income ¥9.33bn — Impairment loss ¥1.30bn※2 — Loss on disposal of amusement substrates, etc. ¥0.42bn — Corporate tax ¥2.01bn =
 Net income ¥5.59bn.

※2: including estimated impairment loss of 8 shops (7 shops in Japan ¥0.9bn, 1 shop in the USA ¥0.4bn).

③ In calculation of the USA Plan exchange rate \$1 = ¥110 is used.

※ Term Plan after revision = 1st Q~3rd Q Actual + 4th Q Original plan

Japan Sales and Year-on-year existing shop sales (Actual and plan)



Plan after revision is 1st Q~3rd Q actual results applied to term plan, there is no plan revision for 4th Q

Japan sales Actual and plan

※figures are rounded down to the nearest 10 million

	Unit	1st Q	2nd Q	1st Q~2nd Q	3rd Q			4th Q	3rd Q~4th Q	Term
		Actual	Actual	Actual	Plan	Actual	Differ	Plan	Plan after revision	Plan after revision※
Bowling	¥bn	5.13	5.62	10.75	4.74	5.08	+0.34	6.75	11.84	22.60
Amusement	¥bn	8.48	10.28	18.76	8.25	9.20	+0.94	9.64	18.84	37.61
Karaoke	¥bn	1.72	2.02	3.74	1.80	1.86	+0.06	2.09	3.96	7.70
Spo-cha	¥bn	2.95	3.46	6.41	2.51	2.79	+0.28	3.93	6.73	13.15
Others	¥bn	0.70	0.75	1.45	0.67	0.69	+0.01	0.77	1.46	2.92
Total sales	¥bn	18.98	22.15	41.13	17.99	19.65	+1.65	23.20	42.85	83.99
No. of total shops in Japan (at the end of every term)		107	108	108	108	108	—	108	108	108

※ Term Plan after revision = 1st Q~3rd Q Actual + 4th Original plan

Japan year-on-year existing shop sales Actual and plan

※figures are rounded to the nearest 1st decimal

	Unit	1st Q	2nd Q	1st Q~2nd Q	3rd Q			4th Q	3rd Q~4th Q	Term
		Actual	Actual	Actual	Plan	Actual	Differ	Plan	Plan after revision	Plan after revision
Bowling	%	+5.0	+9.8	+7.4	(0.5)	+6.7	+7.2	+1.5	+3.7	+5.4
Amusement	%	+0.6	+7.4	+4.2	(1.3)	+9.7	+11.0	+1.2	+5.2	+4.7
Karaoke	%	(2.0)	+4.3	+1.3	(0.6)	+2.7	+3.3	+0.5	+1.5	+1.4
Spo-cha	%	+9.4	+9.5	+9.4	(1.3)	+10.0	+11.3	+1.2	+4.7	+6.9
Others	%	+0.6	+4.3	+2.4	(0.3)	+1.7	+2.0	+0.2	+0.9	+1.7
Total sales	%	+2.8	+7.9	+5.5	(1.0)	+8.0	+9.0	+1.2	+4.2	+4.8
Number of Sat/Sun/Hol vs pre year	Days	(1)	±0	(1)	(1)	(1)	—	+1	±0	(1)
No. of existing shops in Japan (at the end of every term)		106	106	106	107	107	—	107	107	107

The USA Sales and Year-on-year existing shop sales (Actual and plan)



Plan after revision is 1st Q~3rd Q actual results applied to term plan, there is no plan revision for 4th Q

The USA sales Actual and plan

※figures are rounded down to the nearest 10 million

	Unit	1st Q	2nd Q	1st Q~2nd Q	3rd Q			4th Q	3rd Q~4th Q	Term
		Actual	Actual	Actual	Plan	Actual	Differ	Plan	Plan after revision	Plan after revision②
Bowling	¥bn	0.39	0.42	0.82	0.44	0.44	+0.00	0.61	1.06	1.88
Amusement	¥bn	1.54	1.81	3.36	1.62	1.82	+0.20	2.55	4.38	7.74
Karaoke, etc. ①	¥bn	0.44	0.47	0.91	0.51	0.55	+0.03	0.69	1.24	2.16
Total sales	¥bn	2.39	2.71	5.10	2.58	2.83	+0.25	3.86	6.70	11.80
No. of total shops in the USA (at the end of every term)		15	17	17	18	19	+1	24	24	24
Exchange rate	¥	111.0	111.0	111.0	110.0	111.6	+1.6	110.0	110.0	110.0

① Karaoke sales is mostly food & beverage sales.

② Term Plan after revision = 1st Q~3rd Q Actual + 4th Q Original plan

The USA year-on-year existing shop sales Actual and plan

※figures are rounded to the nearest 1st decimal

	Unit	1st Q	2nd Q	1st Q~2nd Q	3rd Q			4th Q	3rd Q~4th Q	Term
		Actual	Actual	Actual	Plan	Actual	Differ	Plan	Plan after revision	Plan after revision
Bowling	%	+3.5	+6.8	+5.2	(2.0)	(1.3)	+0.6	(1.1)	(1.2)	+1.7
Amusement	%	+6.9	+8.9	+8.0	(4.4)	+0.3	+4.7	(0.8)	(0.3)	+3.3
Karaoke, etc. ※	%	+8.3	+15.0	+11.8	+2.5	+1.6	(0.8)	+1.4	+1.6	+5.8
Total sales	%	+6.6	+9.6	+8.2	(2.6)	+0.3	+2.8	(0.4)	(0.1)	+3.5
No. of existing shops in the USA (at the end of every term)		10	11	11	11	11	—	13	13	13

※ Karaoke sales is mostly food & beverage sales.

Term 2018.3 Quarterly consolidated Actual and plan



Plan after revision is 1st Q~3rd Q actual results applied to term plan, there is no plan revision for 4th Q

(Unit ¥bn) ※figures are rounded down to the nearest 10 million

									Term
	1st Q	2nd Q	1st Q~2nd Q	3rd Q			4th Q	3rd Q~4th Q	
	Actual	Actual	Actual	Plan	Actual	Differ	Plan	Plan after revision	
Total sales	21.37	24.86	46.24	20.58	22.49	+1.91	27.06	49.56	95.80
Cost of sales	19.84	20.99	40.84	20.63	20.98	+0.34	22.06	43.04	83.89
Gross margin	1.53	3.86	5.39	(0.05)	1.50	+1.56	5.00	6.51	11.90
S.G.A. expenses	0.55	0.56	1.12	0.56	0.52	(0.04)	0.54	1.07	2.19
Operating income	0.97	3.29	4.26	(0.62)	0.98	+1.60	4.45	5.43	9.70
Non-operating income & expenses	(0.09)	(0.10)	(0.19)	(0.13)	(0.07)	+0.05	(0.10)	(0.18)	(0.37)
Ordinary income	0.88	3.19	4.07	(0.75)	0.90	+1.65	4.35	5.25	9.33
Ordinary income margin	4.1%	12.8%	8.8%	(3.7)%	4.0%	+7.7%	16.1%	10.6%	9.7%
Extraordinary income & loss	(0.06)	(0.19)	(0.26)	(0.10)	(0.06)	+0.03	(1.40)	(1.46)	(1.72)
Net income before tax	0.81	2.99	3.81	(0.85)	0.84	+1.69	2.95	3.79	7.60
Corporate tax	0.46	0.89	1.35	(0.12)	0.25	+0.37	0.40	0.65	2.01
Net income	0.35	2.10	2.45	(0.73)	0.58	+1.31	2.55	3.13	5.59

※ Term Plan after revision = 1st Q~3rd Q Actual + 4th Q Original Plan

Plan revision is based on Actual results for 1st Q~3rd Q, there is no plan revision for 4th Q.

Please refer to page 2 for plan and actual figures difference for 1st Q~3rd Q.

Term 2018.3 Consolidated plan Cash flow



Plan after revision is 1st Q~3rd Q actual results applied to term plan, there is no plan revision for 4th Q

(Unit ¥bn) ※figures are rounded down to the nearest 10 million

		Unit	Term 2017.3 Actual	Term 2018.3 Plan after revision
Cash	Net income	¥bn	2.73	5.59
	Income tax adjustment ① (provision / payment / refund / refund receivable in total)	¥bn	+1.19	+2.17
	Non-cash loss (impairment loss, etc.)	¥bn	+2.27	+1.76
	Dividend	¥bn	(1.90)	(1.90)
	Depreciation (excluded lease depreciation) ②	¥bn	+3.76	+4.06
	Simplified cash flow	¥bn	+8.05	+11.69
	Equipment investment (excluded finance lease)③	¥bn	(5.12)	(6.70)
	Expenditure for security deposit	¥bn	+0.52	+0.20
	Increase in cash due to sale of existing shops④	¥bn	+1.46	—
	Simplified free cash flow	¥bn	+4.91	+5.19
	Cash reserve	¥bn	20.19	22.39
	Interest-bearing liabilities	¥bn	16.44	13.44
Net interest-bearing liabilities	¥bn	(3.75)	(8.95)	

(Note) Term 2017.3 Actual:

- ① Breakdown of income tax adjustment +¥1.19bn
◆ Provision¥0.85bn, refund ¥0.34bn
- ② Breakdown of depreciation・・・Japan: ¥2.87bn / The USA: ¥0.88bn
- ③ Breakdown of equipment investment ¥(5.12)bn
◆ New shops: ¥3.82bn (Japan: 2 shops / ¥0.65bn, the USA: 6 shops / ¥3.16bn)
◆ Existing shops: ¥1.30bn (Japan: ¥1.24bn, the USA: ¥0.06bn) remodeling, etc.
- ④ Sale-and-leaseback of 2 shops is implemented in Term 2017.3.

Term 2018.3 Plan after revision:

- ① Breakdown of income tax adjustment +¥2.17bn
◆ Provision¥2.01bn, payment ¥0.16bn
- ② Breakdown of depreciation・・・Japan: ¥2.61bn / The USA: ¥1.45bn
- ③ Breakdown of equipment investment ¥(6.70)bn
◆ New shops: ¥4.70bn (Japan: 1 shop / ¥0.40bn, the USA: 9 shops / ¥4.30bn)
◆ Existing shops: ¥2.00bn (Japan: ¥1.95bn, the USA: ¥0.05bn) remodeling, etc.

Trend in P/L status

Trend in P / L (Consolidated)

(Figures below indicated measurement unit are ignored)

Term	2009.3	2010.3	2011.3	2012.3	2013.3	2014.3	2015.3	2016.3	2017.3	2018.3 Plan after revision
No. of shops at the end of term	94	105	109	110	113	114	118	122	122	※132
Total sales	¥77.9bn	¥82.1bn	¥84.3bn	¥89.5bn	¥85.9bn	¥84.2bn	¥83.9bn	¥83.5bn	¥87.7bn	¥95.8bn
Operating income	¥13.6bn	¥12.0bn	¥11.4bn	¥16.0bn	¥11.5bn	¥10.0bn	¥6.6bn	¥6.3bn	¥6.6bn	¥9.7bn
Ordinary income	¥9.7bn	¥7.8bn	¥6.9bn	¥11.4bn	¥8.2bn	¥7.8bn	¥6.1bn	¥5.4bn	¥5.8bn	¥9.3bn
Ordinary income margin	12.6%	9.6%	8.2%	12.8%	9.6%	9.3%	7.3%	6.5%	6.7%	9.7%
Net income	¥3.9bn	¥3.3bn	¥(12.6)bn	¥2.7bn	¥0.6bn	¥(19.7)bn	¥(4.5)bn	¥0.4bn	¥2.7bn	¥5.5bn

Trend in P / L (Japan)

Term	2009.3	2010.3	2011.3	2012.3	2013.3	2014.3	2015.3	2016.3	2017.3	2018.3 Plan after revision
No. of shops at the end of term	94	105	108	109	111	111	113	113	107	108
Total sales	¥77.9bn	¥82.1bn	¥83.9bn	¥89.0bn	¥85.1bn	¥82.9bn	¥81.9bn	¥78.3bn	¥80.5bn	¥83.9bn
Operating income	¥13.6bn	¥12.0bn	¥11.4bn	¥16.0bn	¥11.5bn	¥10.0bn	¥6.7bn	¥6.0bn	¥6.1bn	¥8.9bn
Ordinary income	¥9.7bn	¥7.8bn	¥7.0bn	¥11.4bn	¥8.2bn	¥7.8bn	¥6.2bn	¥5.1bn	¥5.4bn	¥8.6bn
Ordinary income margin	12.6%	9.6%	8.3%	12.8%	9.7%	9.4%	7.6%	6.6%	6.7%	10.3%
Net income	¥3.9bn	¥3.3bn	¥(12.5)bn	¥2.7bn	¥0.6bn	¥(19.6)bn	¥(4.4)bn	¥0.2bn	¥2.8bn	¥5.5bn

Trend in P / L (The USA)

Term	2009.3	2010.3	2011.3	2012.3	2013.3	2014.3	2015.3	2016.3	2017.3	2018.3 Plan after revision
No. of shops at the end of term			1	1	2	3	5	9	15	24
Total sales			¥0.3bn	¥0.5bn	¥0.7bn	¥1.2bn	¥1.9bn	¥5.1bn	¥7.2bn	¥11.8bn
Operating income			¥(0.0)bn	¥0.0bn	¥0.0bn	¥(0.0)bn	¥(0.0)bn	¥0.2bn	¥0.4bn	¥0.7bn
Ordinary income			¥(0.0)bn	¥0.0bn	¥(0.0)bn	¥(0.0)bn	¥(0.0)bn	¥0.2bn	¥0.4bn	¥0.6bn
Ordinary income margin			—	2.6%	—	—	—	4.7%	6.1%	5.8%
Net income			¥(0.0)bn	¥0.0bn	¥(0.0)bn	¥(0.0)bn	¥(0.0)bn	¥0.2bn	¥(0.1)bn	¥0.0bn

※ There is no change in number of shops in plan after revision, number of shops on 13 page may differ.

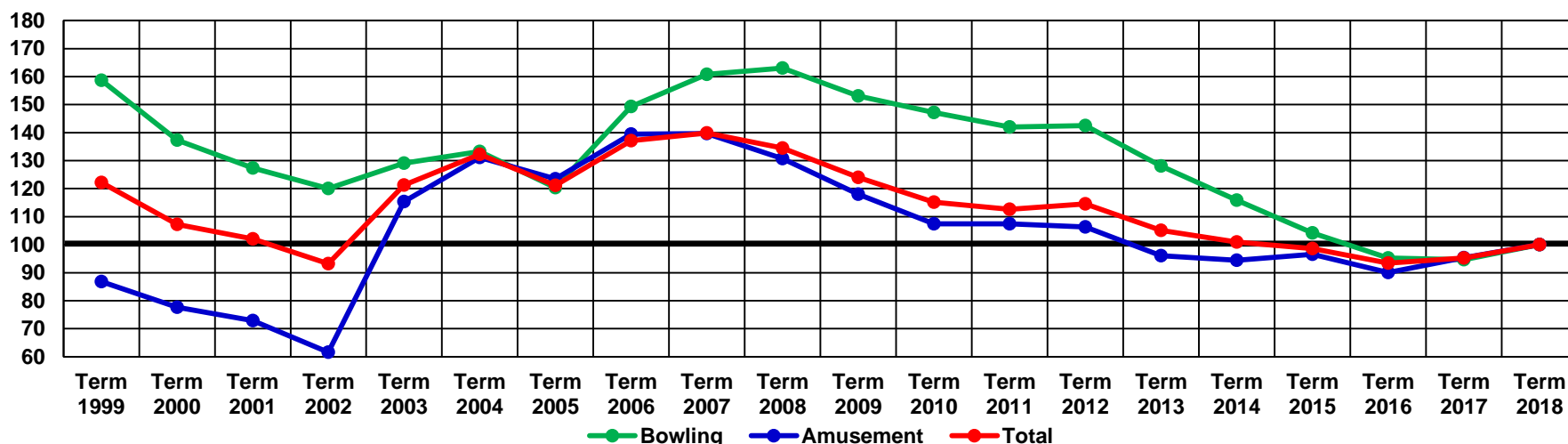
Trend in year-on-year existing shop sales (Japan)

(Unit: %)

Term	1999.3	2000.3	2001.3	2002.3	2003.3	2004.3	2005.3	2006.3	2007.3	2008.3	2009.3	2010.3	2011.3	2012.3	2013.3	2014.3	2015.3	2016.3	2017.3	2018年 Plan after revision
Bowling	(0.5)	(10.2)	(7.8)	(6.1)	+7.0	+3.1	(10.7)	+19.4	+7.1	+1.4	(6.5)	(4.0)	(3.7)	+0.4	(11.3)	(10.5)	(11.2)	(9.4)	(0.7)	+5.4
Amusement	(5.2)	(6.3)	(6.6)	(18.3)	+46.6	+12.0	(6.2)	+11.5	+0.1	(6.8)	(10.8)	(9.8)	+0.0	(1.1)	(10.7)	(1.7)	+2.2	(7.2)	+5.5	+4.7
Karaoke	-	-	-	-	-	-	-	(4.5)	+4.0	(1.2)	(7.3)	(13.1)	+3.4	+15.8	(3.7)	(1.8)	+0.4	(7.4)	+0.6	+1.4
Spo-cha	-	-	-	-	-	-	-	-	-	(16.1)	(9.8)	(9.2)	(4.5)	+7.5	+0.2	+5.1	+3.7	+5.0	(2.5)	+6.9
Others	(2.5)	+13.9	+37.3	+7.8	+21.5	+13.7	(14.3)	(11.3)	(9.2)	+13.2	+11.4	(3.9)	(14.5)	+1.3	(6.6)	(9.9)	(1.8)	+9.9	+1.2	+1.7
Total sales	(2.5)	(7.6)	(5.0)	(9.5)	+23.1	+8.3	(9.1)	+11.6	+2.0	(4.0)	(8.5)	(7.7)	(2.2)	+1.7	(9.0)	(4.2)	(2.3)	(5.6)	+1.9	+4.8
No. of existing shops	6	10	19	25	38	39	40	46	57	69	79	89	104	106	108	111	111	112	105	107

(Unit: %)

Trend in year-on-year existing shop sales Japan (Term 2018.3 is 100 basis)



[Note] Karaoke sales for term 2001.3~2005.3 are included to "Others".

[Note] The USA shops are excluded.

Trend in assets, etc. (consolidated)



(Figures below indicated measurement unit are ignored)

Term	2009.3	2010.3	2011.3	2012.3	2013.3	2014.3	2015.3	2016.3	2017.3	2018.3 Plan after revision
Total assets	¥216.0bn	¥251.2bn	¥252.1bn	¥228.2bn	¥206.2bn	¥127.1bn	¥111.5bn	¥104.5bn	¥101.7bn	¥103.6bn
Net assets	¥72.3bn	¥85.6bn	¥79.0bn	¥79.8bn	¥78.7bn	¥57.5bn	¥51.6bn	¥49.7bn	¥50.8bn	¥54.5bn
Net assets ratio	33.5%	34.1%	31.3%	35.0%	38.2%	45.3%	46.3%	47.6%	50.0%	52.7%
Cash reserve	¥21.5bn	¥30.8bn	¥22.7bn	¥29.4bn	¥25.3bn	¥25.1bn	¥27.7bn	¥23.1bn	¥20.1bn	¥22.3bn
Interest-bearing liabilities	¥117.9bn	¥138.8bn	¥136.1bn	¥110.9bn	¥90.2bn	¥36.8bn	¥27.0bn	¥22.8bn	¥16.4bn	¥13.4bn
Guarantee debts ①	¥41.9bn	¥31.8bn	¥8.2bn	—	—	—	—	—	—	—
Net interest-bearing liabilities ②	¥138.3bn	¥139.8bn	¥121.6bn	¥81.4bn	¥64.9bn	¥11.6bn	¥(0.6)bn	¥(0.3)bn	¥(3.7)bn	¥(8.9)bn
Lease liabilities	¥27.1bn	¥25.9bn	¥28.4bn	¥27.3bn	¥24.6bn	¥19.6bn	¥16.3bn	¥16.0bn	¥17.9bn	¥19.1bn
Net interests-bearing liabilities ③ including balance lease liabilities	¥165.4bn	¥165.8bn	¥150.1bn	¥108.8bn	¥89.5bn	¥31.2bn	¥15.6bn	¥15.6bn	¥14.2bn	¥10.2bn
New lease contract amount	¥14.5bn	¥12.2bn	¥13.7bn	¥10.6bn	¥9.1bn	¥8.1bn	¥7.1bn	¥8.8bn	¥10.9bn	¥10.5bn

(Note) ① Guarantee debts...loans made by subsidiaries during development periods for which ROUND ONE Corporation is jointly and severally liable. These loans will be repaid after shop openings, etc. and guarantee debts will eliminate. However, these loans are classified as interest-bearing liabilities because they are switched to long-term loans.

② "Net interest-bearing liabilities"...("Interest-bearing liabilities" + "Guarantee debts") – "Cash reserve".

③ "Net interest-bearing liabilities including balance lease liabilities"..."Net interest-bearing liabilities" + "Lease liabilities".

※ The lease above indicates finance lease for amusement machines and karaoke machines.

Measures taken for existing shops

◆ Free campaign expansion ◆

- Bowling, Karaoke, Amusement (medals): user target expansion from elementary or under to junior school age or under

◆ Events implementation ◆

- Giveaway of original straps using popular "Golden Bomber" image (Visual kei "air" band) involved in TV commercial (only to the groups of 8 or more bowling, karaoke, spo-cha users)
- Cash-back to event achievers (¥1,000)
Bowling: Repeat 7 score challenge, Perfect score 300 challenge
Karaoke: Match score digits challenge

◆ Campaign implementation ◆

- Draft Beer, Highball and other alcoholic drinks (limited items) are offered for ¥100 a drink, [Round One DE Kanpai] campaign is tested in 15 shops starting February, the 1st

◆ "Bowling for Health" lessons (Bringing up 150 league bowlers in every shop) ◆

- 150 bowlers in every shop × 104 shops = 16 thousand bowlers is a target (At the present time 14 thousand bowlers)

◆ Installment of new amusement machines ◆

- Installment of [SOUL REVERSE] fighting game (SEGA) planed for late February
- Installment of [SWDC] driving game planed for the March



『SOUL REVERSE』

©SEGA

New shops scheduled



New shop openings planned in term 2018.3

(The USA: 10 or more shop openings per year is a target)

	Opening date	Nation	Shop name / region	Shop type	Operating floor area
1	July 2017 (opened)	The USA	Broadway / Hicksville, New York	Standard, Roadside (Within mega shopping center)	50,604sq. ft.
2	September 2017 (opened)	Japan	Kichijoji / Musashino, Tokyo	Standard, Station front	71,601sq. ft.
3	September 2017 (opened)	The USA	Crystal Run Galleria / Middletown, New York	Standard, Roadside (Within mega shopping center)	46,085sq.ft.
4	October 2017 (opened)	The USA	Great Lakes Crossings / Auburn Hills, Michigan	Standard, Roadside (Within mega shopping center)	51,743sq.ft.
5	November 2017 (opened)	The USA	Northwoods / Peoria, Illinois	Standard, Roadside (Within mega shopping center)	58,825sq.ft.
6	January 2018 (opened)	The USA	Four Seasons / Greensboro, North Carolina	Standard, Roadside (Within mega shopping center)	61,708sq.ft.
7	Late March 2018	The USA	(Tentative name) Great Lakes / Mentor, Ohio	Standard, Roadside (Within mega shopping center)	50,996sq.ft.

New shop openings planned in term 2019.3 and after

	Opening date	Shop name / region
1	Late May 2018	(Tentative name) South Towne Center / Sandy, Utah
2	Around June 2018	(Tentative name) Northridge/ Salinas, California
3	Around June 2018	(Tentative name) Coronado / Albuquerque, New Mexico
4	Around July 2018	(Tentative name) Nara Heijo Plaza/ Nara, Nara
5	Around July 2018	(Tentative name) Maine / Portland, Maine
6	Around September 2018	(Tentative name) Millcreek/ Erie, Pennsylvania
7	Autumn 2018	(Tentative name) North Riverside / North Riverside, Illinois
8	Winter 2018	(Tentative name) Southland/ Hayward, California
9	Winter 2018	(Tentative name) Jefferson / Louisville, Kentucky

	Opening date	Shop name / region
10	Spring 2019	(Tentative name) Promenade Temecula / Temecula, California
11	Spring 2019	(Tentative name) Holyoke / Holyoke, Massachusetts
12	Summer 2019	(Tentative name) Southridge / Greendale, Wisconsin
13	Autumn 2019	(Tentative name) Towson Town Center / Towson, Maryland
14	Autumn 2019	(Tentative name) Meadows / Las Vegas, Nevada
15	Autumn 2019	(Tentative name) Meadwood / Reno, Nevada
16	The end of 2019	(Tentative name) Roseville / Roseville, California
17	The end of 2019	(Tentative name) Park Place / Tucson, Arizona

- ✘ Opening of Square One Mall was cancelled due to inability to obtain use permit.
- ✘ Lease agreement of 15 shops (opening Spring 2019 and after) is under negotiation at present time.
- ✘ Information in this New Shops Schedule concerns only shops with concluded lease agreements as of release date, number of shop openings in performance plan may differ.

Existing shops and principles of conditions for future shops openings in the USA



[Operating 20 shops as of the end of January, 2018]

	Opening date	Shop name / region	Shop type	Operating floor area	Classification by profitability
1	August 2010	Puente Hills / Los Angeles, California	Standard, Roadside (In Puente Hills Mall) http://www.puentehills-mall.com/	60,000sq.ft.	High profitability shop
2	September 2012	Moreno Valley / Riverside, California	Standard, Roadside (In Moreno Valley Mall) http://www.morenovalleymall.com/	44,448sq.ft.	Average profitability shop
3	August 2013	Lakewood / Lakewood, California	Standard, Roadside (In Lakewood Center Mall) http://www.shoplakewoodcenter.com/	43,523sq.ft.	High profitability shop
4	October 2014	Stratford / Chicago, Illinois	Standard, Roadside (In Stratford Square Mall) http://www.stratfordmall.com/	39,893sq.ft.	Low profitability shop
5	December 2014	Arlington Parks / Arlington, Texas	Standard, Roadside (In The Parks at Arlington) http://www.theparksatarlington.com/	64,911sq.ft.	Average profitability shop
6	May 2015	Mainplace / Santa Ana, California	Standard, Roadside (In Westfield Mainplace) http://www.shopmainplacemall.com/	40,676sq.ft.	High profitability shop
7	July 2015	Southcenter / Seattle, Washington	Standard Roadside (In Westfield Southcenter) http://www.westfield.com/southcenter/	41,672sq.ft.	Average profitability shop
8	September 2015	Eastridge / San Jose, California	Standard Roadside (In Eastridge Shopping Center) http://www.eastridgecenter.com/	52,064sq. ft.	Average profitability shop
9	December 2015	Silver City / Taunton, Massachusetts ✖	Standard Roadside (In Silver City Galleria) http://www.silvercitygalleria.com/	64,697sq. ft.	Low profitability shop
10	May 2016	Grapevine Mills / Dallas, Texas ✖	Standard Roadside (In Grapevine Mills) http://www.simon.com/mall/grapevine-mills/	81,316sq.ft.	Average profitability shop
11	August 2016	Sunvalley / Concord, California	Standard Roadside (In Sunvalley Shopping Center) http://www.shopsunvalley.com/	47,295sq. ft.	High profitability shop
12	December 2016	Exton / Exton, Pennsylvania	Standard Roadside (In Exton Square Mall) https://www.extonsquare.com/	59,537sq.ft.	Average profitability shop
13	January 2017	Southwest Plaza / Littleton, Colorado	Standard Roadside (In Southwest Plaza Mall) https://www.southwestplaza.com/	66,085sq. ft.	Average profitability shop
14	March 2017	Stonecrest / Lithonia, Georgia	Standard Roadside (In The Mall At Stonecrest) http://www.mallatstonecrest.com/	50,533sq.ft.	High profitability shop
15	March 2017	Fox Valley / Aurora, Illinois	Standard Roadside (In Fox Valley Mall) http://www.shopfoxvalleymall.com/	51,708sq.ft.	Average profitability shop
16	July 2017	Broadway / Hicksville, New York	Standard Roadside (In Broadway Commons Center) http://atbroadwaycommons.com/	50,604sq.ft.	High profitability shop
17	September 2017	Crystal Run Galleria / Middletown, New York	Standard Roadside (In Galleria at Crystal Run) https://www.galleriacrystalrun.com/	46,085sq.ft.	High profitability shop
18	October 2017	Great Lakes Crossings / Auburn Hills, Michigan	Standard Roadside (Great Lakes Crossings Outlets) http://www.greatlakescrossingoutlets.com/	51,743sq.ft.	Average profitability shop
19	November 2017	Northwoods / Peoria, Illinois	Standard Roadside (In Northwoods Mall) https://northwoodsmall.net/	58,825sq.ft.	Average profitability shop
20	January 2018	Four Seasons / Greensboro, North Carolina	Standard Roadside (In Four Seasons Town Centre) https://www.shopfourseasons.com/en.html	61,708sq.ft.	Average profitability shop

Classification by color in the table on the next page refers to "High", "Average" and "Low" profitability shop. Classification by color is updated once a year during settlement of accounts.

✖ Kids Play Zone is operated in some areas. Opened in Grapevine Mills in October, 2016 and in Silver City in March, 2017.

Existing shops and principles of conditions for future shops openings in the USA



[Principles of conditions for future shops openings]

No change since announcement on May 9, 2017 has been made.

Expansion candidates	Opening in large shopping malls throughout the USA (There are approximately 900 malls that apply to our conditions)
Operating floor area	42,000sq.ft.~64,000sq.ft.
Demographics	Over 150,000 within 5 miles, Over 400,000 within 10 miles
Target customers	Shopping mall customers (young adults at night, mainly college students) / Projected male – female rate is 50 - 50
Avg. spending / customer	About \$14
Sales share	Amusement 60%, Bowling 18%, Food & beverage 17%, Karaoke (excluding Food & Beverage) 2%, Other 3%
Investment amount	About \$6 million Breakdown: Facility related \$2.4 million, Amusement machines \$2.2 million, Other facilities (bowling, etc.) \$1.0 million, Opening expenses \$0.4 million
Lease fee conditions	Amusement machines depreciation in 3 years, Other facilities (Bowling) depreciation in 7 years ⇒ after 4th year lease fees become less which helps the profitability

[Present state: facility investment and budget for different operating floor area] (Note 1)

※ Figures are updated once a year during settlement of accounts

Classification by profitability		High profitability shop	Average profitability shop (Note2)	Low profitability shop
Investment amount	Initial investment amount	\$6.00mn	\$6.00mn	\$5.50mn
Year budget	Total sales	\$7.30mn	\$5.95mn	\$3.60mn
	Operating income (1st year)	\$1.10mn	\$0.20mn	\$(0.70)mn
	Operating income (2nd~3rd year)	\$1.50mn	\$0.55mn	\$(0.35)mn
	Operating income (4th year~)	\$2.00mn	\$1.00mn	\$0.10mn
	Operating income rate (4th year~)	27.4%	16.8%	2.8%

(Note 1) Operating income includes opening expenses occurred in initial year. Except head office expenses.

(Note 2) Average profitability shop figures are average of all shops.

Statistical snapshot of shops



Trend in number of shops

Japan	~Term 2008.3	Term 2009.3	Term 2010.3	Term 2011.3	Term 2012.3	Term 2013.3	Term 2014.3	Term 2015.3	Term 2016.3	Term 2017.3	Term 2018.3
No. of shop openings	88	13	11	3	1	3	—	2	1	2	1
No. of shop closings	※ 5	※ 2	—	—	—	※ 1	—	—	※ 1	※ 8	—
No. of shops at the end of term	83	94	105	108	109	111	111	113	113	107	108

The USA	~Term 2008.3	Term 2009.3	Term 2010.3	Term 2011.3	Term 2012.3	Term 2013.3	Term 2014.3	Term 2015.3	Term 2016.3	Term 2017.3	Term 2018.3
No. of shop openings	—	—	—	1	—	1	1	2	4	6	6
No. of shop closings	—	—	—	—	—	—	—	—	—	—	—
No. of shops at the end of term	—	—	—	1	1	2	3	5	9	15	21

Consolidated	~Term 2008.3	Term 2009.3	Term 2010.3	Term 2011.3	Term 2012.3	Term 2013.3	Term 2014.3	Term 2015.3	Term 2016.3	Term 2017.3	Term 2018.3
No. of shops at the end of term	83	94	105	109	110	113	114	118	122	122	129

(Note) ※ Reason for closure of 17 shops (expiration of contract periods: 7 shops, removing intra-company competition: 6 shops, construction of new large shops in the neighborhood: 2 shops, reconstruction: 1 shop, closure of trial shop (trial period about 2 years): 1 shop).

Japan 108 shops (at the end of December 2017) Number of shops breakdown

Shops by shop type				No. of shops at the end of term
Standard		Stadium		
Downtown	Roadside	Downtown	Roadside	
10	51	1	46	108

(Note) All the USA shops are standard roadside type, leased shops only.

Shops by ownership		No. of shops at the end of term
Leased shops	Own shops	
84	24	108

(Note) Own shops include 8 shops with owning right for land & building, and 16 shops with owning right for building with tenants.

Consolidated 127 shops (at the end of December 2017) Number of shops breakdown

Area	Japan							Total	The USA	Total
	Hokkaido / Tohoku	Hokuriku / Koshinetsu	Kanto	Chubu / Tokai	Kansai	Chugoku / Shikoku	Kyushu / Okinawa			
No. of shops	11	4	33	12	29	8	11	108	19	127
Share	8.7%	3.1%	26.0%	9.4%	22.8%	6.3%	8.7%	85.0%	15.0%	100.0%

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