

The second quarter Results for the year ended March 31, 2019

November 9, 2018

ROUND ONE corporation

TSE First section

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C.E.O. and President

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Expected date of submission of this report : November 12, 2018.

Expected date of dividend payment : December 4, 2018.

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

1. Business Results for the year ended in September 2018. (April 1, 2018 to September 30, 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	%
2'nd Quarter 2018.	48,869	5.7	4,660	9.2	4,511	10.7	3,001	22.2
2'nd Quarter 2017.	46,241	8.4	4,269	58.4	4,074	97.5	2,456	153.9

(Note) Comprehensive income 2'nd Quarter 2018 : ¥3,951mn 57.5% 2'nd Quarter 2017 : ¥2,508mn 764.4%

	Earnings per share	Net income per share, fully diluted
	¥	
2'nd Quarter 2018.	31.50	—
2'nd Quarter 2017.	25.79	—

(2) Financial Status

	Total assets	Net assets	Equity ratio	Net assets per share
	¥mn	¥mn	%	¥
2'nd Quarter 2018.	109,386	59,755	54.6	626.47
FY2017 (2018/3)	106,652	56,720	53.1	595.40

(Note) Shareholder's equity 2'nd Quarter 2018. : ¥59,679mn , FY2017 : ¥56,682mn

2.Dividend Payment

	Annual dividend per share				
	1Q	2Q	3Q	Term	Annual
	¥	¥	¥	¥	¥
FY2017 (2018/3)	—	10.00	—	10.00	20.00
FY2018 (2019/3)	—	10.00			
FY2018(2019/3)(estimate)			—	10.00	20.00

(Note) Revision to the latest forecast of dividends: None

3.Consolidated forecasts 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		Operating Income		Ordinary Income		Profit attributable to owners of parent		Earnings per share
	¥mn	%	¥mn	%	¥mn	%	¥mn	%	¥
FY2018(2019/3)	101,400	5.7	11,550	9.6	11,000	7.1	6,320	(24.9)	66.34

(Note) Revision to the latest forecast of business results: None

Note

- (1) The change of the important subsidiary during the term. (Change in consolidation scope in subsidiary.) None
- (2) Accounting methods particularly implemented for quarterly consolidated financial statements. None
- (3) Change in accounting policy, accounting estimate, and retrospective restatement.
- ① Change in accounting standard : None
 - ② Without above ① : None
 - ③ Change in accounting estimate : None
 - ④ Retrospective restatement : None

(4) 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.

2Q 2018	95,452,914	FY2017	95,452,914
2Q 2018	190,500	FY2017	189,233
2Q 2018	95,262,930	2Q 2017	95,265,529

※ This report is not included in the scope of auditor's quarterly review.

※ 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 2'nd quarter (as of September 30, 2018)
		Amount	Amount
(Assets)			
Current assets			
Cash and deposits		23,439	20,714
Accounts receivable		932	671
Merchandises		393	415
Supplies		1,470	1,978
Other		2,012	2,353
Current assets total		28,249	26,132
Non-current assets			
Property, plant and equipment			
Buildings and structures		74,446	76,241
Accumulated depreciation		(37,186)	(37,234)
Buildings and structures(Net)		37,260	39,006
Land		5,736	5,736
Leased assets		27,221	28,108
Accumulated depreciation		(13,533)	(12,934)
Leased assets(Net)		13,687	15,173
Other		20,665	25,038
Accumulated depreciation		(14,991)	(17,084)
Other(Net)		5,674	7,953
Property, plant and equipment total		62,358	67,871
Intangible assets		213	429
Investments and other assets			
Deferred tax assets		5,843	5,282
Guarantee deposits		9,758	9,465
Other		228	205
Investments and other assets total		15,830	14,953
Non-current assets total		78,403	83,253
Total assets		106,652	109,386

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 2'nd quarter (as of September 30, 2018)
		Amount	Amount
(Liabilities)			
Current liabilities			
Accounts payable		960	256
Short-term loans payable		920	2,005
Current portion of bonds		935	—
Current portion of long-term loans payable		4,450	3,826
Lease obligations		8,250	9,293
Income taxes payable etc.		1,628	864
Other		7,645	7,900
Current liabilities total		24,791	24,146
Non-current liabilities			
Long-term loans payable		7,408	7,035
Provision for directors' retirement benefits		271	—
Lease obligations		7,276	7,323
Asset retirement obligations		6,216	6,136
Other		3,967	4,990
Non-current liabilities total		25,141	25,485
Liabilities total		49,932	49,631
(Net assets)			
Shareholder's equity			
Capital stock		25,021	25,021
Capital surplus		22,638	22,638
Retained earnings		9,513	11,562
Treasury shares		(334)	(336)
Shareholder's equity total		56,838	58,885
Accumulated other comprehensive income			
Revaluation reserve for land		(138)	(138)
Foreign currency translation adjustment		(17)	932
Accumulated other comprehensive income total		(156)	793
Share acquisition rights		37	76
Net assets total		56,720	59,755
Total liabilities and net assets		106,652	109,386

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

Consolidated Income Statement

(million of yen)

	Previous 2'nd quarter From April 1, 2017 to September 30, 2017	Current 2'nd quarter From April 1, 2018 to September 30, 2018
	Amount	Amount
Net sales	46,241	48,869
Cost of sales	40,846	42,737
Gross profit	5,395	6,131
Selling, general and administrative expenses	1,125	1,471
Operating income	4,269	4,660
Non-operating income		
Interest and dividend income	8	9
Operations consignment fee	23	23
Sale promotion premium income	21	35
Other	45	44
Non-operating income total	98	112
Non-operating expenses		
Interest expenses	265	230
Other	28	30
Non-operating expenses total	293	261
Ordinary income	4,074	4,511
Extraordinary losses		
Loss on retirement of non-current assets	262	244
Loss on sales of non-current assets	—	75
Extraordinary losses total	262	319
Pretax net income for the current term	3,811	4,192
Income taxes - current	591	509
Income taxes - deferred	763	681
Total income taxes	1,355	1,190
Profit	2,456	3,001
Profit attributable to owners of parent	2,456	3,001

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

Quarterly Consolidated Statement of Comprehensive income

(million of yen)

	Previous 2'nd quarter From April 1, 2017 to September 30, 2017	Current 2'nd quarter From April 1, 2018 to September 30, 2018
Profit	2,456	3,001
Other comprehensive income		
Foreign currency translation adjustment	52	950
Total other comprehensive income	52	950
Quarterly comprehensive income	2,508	3,951
(Detail)		
Comprehensive income attributable to owner of the parent	2,508	3,951
Comprehensive income attributable to non-controlling interests	—	—

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