

**Term 2019.3 (Apr. 2018~Mar. 2019)  
Outline of Financial Results**



**Analysis of present states and future prospects**



**Promenade Temecula(Temecula, California)  
March 30, 2019 open!**

**ROUND ONE Corporation**

**C.E.O. and President Masahiko Sugino**

**Tokyo Stock Exchange First Section**

**Code Number: 4680**

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# Analysis of consolidated operating results ①

## Apr. 2018~Mar. 2019 Actual [Year-on-year]



※(Unit ¥bn) ※Figures below ¥10 million have been truncated. Percentage is rounded off to one decimal place.

		Unit	Term 2018.3 Actual (2017.4~2018.3)	Term 2019.3 Actual (2018.4~2019.3)	Differ(%)
Stores	Total stores at the end of the term ①	Store	129	137	+6.2
	No. of months total stores operation	Month	1,496	1,560	+4.3
P / L	Bowling		24.52	24.29	(0.9)
	Amusement		45.34	49.68	+9.6
	Karaoke (including other sales of the USA)		9.84	10.94	+11.1
	Spo-cha		13.28	13.46	+1.3
	Others		2.90	2.92	+0.7
	Total sales		95.91	101.31	+5.6
	Cost of sales		83.06	86.85	+4.6
	Gross profit		12.84	14.46	+12.6
	S.G.A. expenses		2.30	3.01	+30.9
	Operating income		10.53	11.44	+8.6
	Non-operating income & expenses		(0.26)	(0.22)	+17.1
	Ordinary income ②		10.26	11.22	+9.3
	Ordinary income margin		10.7%	11.1%	—
	Extraordinary income & loss ③		(1.09)	(1.13)	(2.9)
	Net income before tax		9.16	10.08	+10.0
Corporate tax		0.75	2.92	+286.8	
Net income		8.41	7.15	(14.9)	

① [Differ in number of stores]  
Japan (105 stores): 1 store opening, 4 store closings  
The USA (32 stores): 11 store openings

② [Ordinary income]

Term 2018.3 Actual Ordinary income	¥10.26bn
Japan Ordinary income & loss	+¥0.44bn
[Breakdown] Increase in sales	+¥0.64bn
Decrease in repairing exp.	+¥0.41bn
Decrease in personnel exp.	+¥0.30bn
Increase in promotion exp. (Due to amusement merchandise exp. increase)	¥(0.56)bn
Increase in purchase	¥(0.13)bn
Increase in advertising exp.	¥(0.12)bn
Others	¥(0.10)bn
The USA Ordinary income & loss	+¥0.52bn
[Breakdown] Increase in sales due to increase in No. of months total stores operation	+¥4.81bn
Increase in expenses due to increase in No. of months total stores operation	¥(3.80)bn
Increase in initial investment	¥(0.65)bn
Others	+¥0.16bn
Term 2019.3 Actual Ordinary income	¥11.22bn

③ [Extraordinary income & loss breakdown]

- Term 2018.03 Actual Extraordinary loss ¥(1.09)bn
- Impairment loss ¥(0.71)bn
  - Loss on disposal of fixed assets, etc. ¥(0.38)bn
- Term 2019.03 Actual Extraordinary loss ¥(1.13)bn
- Impairment loss ¥(0.60)bn
  - Loss on disposal of fixed assets, etc. ¥(0.52)bn

# Analysis of consolidated operating results ②

## Apr. 2018~Mar. 2019 Actual [Actual and Plan]



※(Unit ¥bn) ※Figures below ¥10 million have been truncated. Percentage is rounded off to one decimal place.

		Unit	Term 2019.3 Plan (2018.4~2019.3)	Term 2019.3 Actual (2018.4~2019.3)	Differ(%)
Stores	Total stores at the end of the term ①	Store	138	137	(0.7)
	No. of months total stores operation ①	Month	1,575	1,560	(1.0)
P / L	Bowling		24.90	24.29	(2.4)
	Amusement		49.67	49.68	+0.0
	Karaoke (including other sales of the USA)		10.61	10.94	+3.1
	Spo-cha		13.35	13.46	+0.9
	Others		2.86	2.92	+2.2
	Total sales		101.40	101.31	(0.1)
	Cost of sales		87.07	86.85	(0.2)
	Gross profit		14.32	14.46	+1.0
	S.G.A. expenses		2.77	3.01	+8.7
	Operating income		11.55	11.44	(0.9)
	Non-operating income & expenses		(0.55)	(0.22)	+59.3
	Ordinary income ②		11.00	11.22	+2.0
	Ordinary income margin		10.8%	11.1%	—
	Extraordinary income & loss		(1.31)	③ (1.13)	+13.7
	Net income before tax		9.69	10.08	+4.1
Corporate tax		3.37	2.92	(13.1)	
Net income		6.32	7.15	+13.3	

① [Differ in number of stores]  
Total stores at the end of the term: Japan (1) store  
No. of months total stores operation:  
Japan (5) months / the USA (10) months

② [Ordinary income]

Term 2019.3 Plan	Ordinary income	¥11.00bn
<b>Japan Ordinary income &amp; loss</b>		+¥0.35bn
[Breakdown] Increase in sales		+¥0.37bn
Decrease in lease exp.		+¥0.42bn
Decrease in repairing exp.		+¥0.26bn
Increase in supplies exp.		¥(0.32)bn
Increase in personnel exp.		¥(0.13)bn
Increase in purchase		¥(0.12)bn
Others		¥(0.13)bn
<b>The USA Ordinary income &amp; loss</b>		¥(0.13)bn
[Breakdown] Decrease in sales due to change in opening date		¥(0.32)bn
Decrease in expenses due to change in opening date		+¥0.25bn
Decrease in sales (Mainly new store sales decrease)		¥(0.41)bn
Decrease in promotion exp. (Due to amusement merchandise exp. decrease)		+¥0.19bn
Decrease in personnel exp.		+¥0.05bn
Others		+¥0.11bn
<b>Term 2019.3 Actual</b>	<b>Ordinary income</b>	<b>¥11.22bn</b>

③ [Extraordinary income & loss breakdown]

Term 2019.03 Actual Extraordinary loss ¥(1.13)bn  
 • Impairment loss ¥(0.60)bn (Plan ¥(0.91)bn)  
 • Loss on disposal of fixed assets, etc. ¥(0.52)bn (Plan ¥(0.40)bn)

# Term 2020.3 Consolidated plan store openings and closings, P / L

※ Figures below ¥10 million have been truncated. Percentage is rounded off to one decimal place.

		Unit	Term 2019.3			Term 2020.3					
			Consolidated	Japan	The USA	Consolidated		Japan		The USA <sup>③</sup>	
			Actual	Actual	Actual	Plan	Differ(%)	Plan	Differ(%)	Plan	Differ(%)
Stores ①	Store openings and closings	Store	+8	(3)	+11	+9	+12.5	(2)	+33.3	+11	—
	No. of total stores (at the end of term)	Store	137	105	32	146	+6.6	103	(1.9)	43	+34.4
	[Break down] Own stores (land & building and building structure)	Store	21	21	—	21	(8.7)	21	(8.7)	—	—
	Leased stores (interior structure only)	Store	116	84	32	125	+9.6	82	—	43	+34.4
	No. of months total stores operation	Month	1,560	1,265	295	1,667	+6.9	1,241	(1.9)	426	+44.4
P/L	Bowling	¥bn	24.29	22.14	2.15	25.25	+3.9	22.38	+1.1	2.87	+33.2
	Amusement	¥bn	49.68	38.79	10.89	55.23	+11.2	39.34	+1.4	15.89	+45.9
	Karaoke (including other sales of the USA)	¥bn	10.94	7.65	3.29	12.28	+12.3	7.65	(0.0)	4.63	+40.8
	Spo-cha	¥bn	13.46	13.46	—	13.63	+1.2	13.63	+1.2	—	—
	Others	¥bn	2.92	2.92	—	2.90	(0.8)	2.90	(0.8)	—	—
	Total sales	¥bn	101.31	84.97	16.34	109.30	+7.9	85.90	+1.1	23.40	+43.2
	Operating income	¥bn	11.44	9.76	1.63	11.87	+3.7	9.34	(4.3)	2.53	+54.8
	Ordinary income	¥bn	11.22	9.68	1.53	11.60	+3.4	9.20	(5.0)	2.40	+56.7
	Ordinary income margin	%	11.1%	11.4%	9.4%	10.6%	—	10.7%	—	10.3%	—
	Extraordinary income & loss <sup>②</sup>	¥bn	(1.13)	(0.59)	(0.53)	(1.00)	+11.6	(0.30)	+49.7	(0.70)	(31.0)
Net income before tax	¥bn	10.08	9.09	0.99	10.60	+5.1	8.90	(2.1)	1.70	+70.5	
Corporate tax	¥bn	2.92	2.66	0.26	3.70	+26.3	3.25	+22.1	0.45	+68.5	
Net income	¥bn	7.15	6.42	0.72	6.90	(3.6)	5.65	(12.1)	1.25	+71.2	

(Note) ① Term 2019.3 Actual: Openings (1 store in Japan, 11 stores in the USA), Closings (4 stores in Japan)  
Term 2020.3 Plan: Openings (11 stores in the USA), closings (2 stores in Japan)

② Extraordinary income & loss includes Japan and the USA royalty.

[Term 2019.3 Actual] Extraordinary income & loss: Impairment loss ¥(0.60)bn (9 stores in Japan ¥(0.15)bn, 1 store in the USA ¥(0.45)bn), Loss on disposal of amusement substrates, etc. ¥(0.52)bn  
Royalty ¥0.08bn

[Term 2020.3 Plan] Extraordinary income & loss: Impairment loss ¥(0.60)bn (3 stores in Japan ¥(0.60)bn), Loss on disposal of amusement substrates, etc. ¥(0.40)bn  
Royalty ¥0.70bn

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

※ Consolidated plan is adjusted, hence total operating income for Japan and the USA does not match consolidated operating income.

# Term 2020.3 Plan Basis for planning



※ Figures below ¥10 million have been truncated.  
Percentage is rounded off to one decimal place.

## [Japan sales ¥0.92bn increase major factors (Compared to previous term)]

◆ Year-on-year existing stores sales +1.9% per year	¥1.56bn increase	(Previous term actual ¥84.05bn ⇒ Current term plan ¥85.62bn)
◆ New stores sales (Nara Mi Nara 4~7 months)	¥0.25bn increase	(Previous term actual ¥0.02bn ⇒ Current term plan ¥0.27bn)
◆ Closed stores sales (6 stores, 28 operation months decrease)	¥0.89bn decrease	(Previous term actual ¥0.89bn ⇒ Current term plan ¥-bn)

## [Japan ordinary expenses ¥1.34bn increase major factors (Compared to previous term)]

Increase factors	◆ Lease expenses increase	¥0.96bn increase	(Previous term actual ¥8.43bn ⇒ Current term plan ¥9.40bn)
	◆ Depreciation expenses	¥0.45bn increase	(Previous term actual ¥2.37bn ⇒ Current term plan ¥2.83bn)
	◆ Amusement promotion expenses increase (Due to amusement merchandise exp. increase)	¥0.14bn increase	(Previous term actual ¥7.14bn ⇒ Current term plan ¥7.29bn)
Decrease factors	◆ Rent expenses decrease	¥0.12bn decrease	(Previous term actual ¥14.93bn ⇒ Current term plan ¥14.81bn)
	◆ Communication expenses decrease	¥0.08bn decrease	(Previous term actual ¥2.98bn ⇒ Current term plan ¥2.90bn)

## [The USA ordinary income & loss ¥0.87bn increase major factors (Compared to previous term)]

◆ No. of months total stores operation at the end of the term increase	¥1.44bn increase	(Previous term actual 295 months ⇒ Current term plan 426 months)
◆ Rent for construction period, etc.	¥0.23bn decrease	(Including some of the stores opening in Term 2021.3)
◆ Advertising exp. (SNS advertisement)	¥0.11bn decrease	

# Japan sales and year-on-year existing store sales (Actual and plan)



## Term 2019.3 Actual Japan sales and year-on-year existing store sales

Please refer to page 16 for the number of stores.  
※ Figures below ¥10 million have been truncated. Percentage is rounded off to one decimal place.

	Unit		1st half						2nd half						Term	
			1st Q		2nd Q		1st half		3rd Q		4th Q		2nd half			
			Sales	Year-on-year	Sales	Year-on-year	Sales	Year-on-year	Sales	Year-on-year	Sales	Year-on-year	Sales	Year-on-year	Sales	Year-on-year
Bowling	¥bn	%	5.05	(1.3)	5.55	(1.2)	10.60	(1.3)	4.86	(2.9)	6.66	(1.3)	11.53	(2.0)	22.14	(1.6)
Amusement	¥bn	%	8.60	+1.5	10.52	+2.0	19.13	+1.8	9.26	+1.2	10.39	+7.4	19.65	+4.4	38.79	+3.1
Karaoke	¥bn	%	1.74	+0.5	2.03	(0.3)	3.77	+0.1	1.76	(4.8)	2.10	+1.4	3.87	(1.5)	7.65	(0.7)
Spo-cha	¥bn	%	3.03	+2.7	3.64	+2.9	6.67	+2.8	2.57	(10.1)	4.21	+1.2	6.78	(3.4)	13.46	(0.4)
Others	¥bn	%	0.69	(0.9)	0.74	(0.5)	1.44	(0.7)	0.68	+0.4	0.79	+8.3	1.47	+4.5	2.92	+1.9
Total sales	¥bn	%	19.13	+0.8	22.51	+1.0	41.64	+0.9	19.15	(2.1)	24.17	+3.3	43.33	+0.9	84.97	+0.9
Number of Sat/Sun/Hol vs pre year	Days		±0		±0		±0		(1)		+1		±0		±0	
No. of total stores / No. of existing stores (at the end of every term)			105/104		106/104		106/104		105/104		105/104		105/104		105/104	

## Term 2020.3 Plan Japan sales and year-on-year existing store sales

※ Figures below ¥10 million have been truncated. Percentage is rounded off to one decimal place.

	Unit		1st half						2nd half						Term	
			1st Q		2nd Q		1st half		3rd Q		4th Q		2nd half			
			Sales	Year-on-year	Sales	Year-on-year	Sales	Year-on-year	Sales	Year-on-year	Sales	Year-on-year	Sales	Year-on-year	Sales	Year-on-year
Bowling	¥bn	%	5.26	+5.1	5.63	+3.5	10.90	+4.3	4.84	+1.8	6.63	+1.0	11.48	+1.4	22.38	+2.8
Amusement	¥bn	%	9.39	+9.1	10.90	+4.3	20.30	+6.5	9.08	(1.2)	9.95	(3.7)	19.04	(2.5)	39.34	+1.9
Karaoke	¥bn	%	1.79	+3.7	2.03	+2.3	3.83	+2.9	1.73	+0.6	2.08	+0.2	3.82	+0.4	7.65	+1.7
Spo-cha	¥bn	%	3.12	+0.7	3.65	(0.4)	6.77	+0.1	2.67	+3.8	4.18	(0.7)	6.85	+1.0	13.63	+0.5
Others	¥bn	%	0.70	+2.7	0.73	+1.2	1.44	+2.0	0.67	+0.4	0.78	+1.0	1.45	+0.7	2.90	+1.3
Total sales	¥bn	%	20.29	+6.0	22.95	+3.1	43.25	+4.4	19.02	+0.5	23.62	(1.4)	42.65	(0.6)	85.90	+1.9
Number of Sat/Sun/Hol vs pre year	Days		+3		±0		+3		(1)		±0		(1)		+2	
No. of total stores / No. of existing stores (at the end of every term)			104/103		103/103		103/103		103/103		103/103		103/103		103/103	

# The USA sales and year-on-year existing store sales (Actual and plan)



## Term 2019.3 Actual The USA sales and year-on-year existing store sales (Year-on-year figures compared in \$)

Please refer to page 13, 14 and 16 for the number of stores.

※ Figures below ¥10 million have been truncated.  
Percentage is rounded off to one decimal place.

	Unit		1st Q		2nd Q		1st half		3rd Q		4th Q		2nd half		Term	
			Sales	Year-on-year	Sales	Year-on-year	Sales	Year-on-year	Sales	Year-on-year	Sales	Year-on-year	Sales	Year-on-year	Sales	Year-on-year
			<b>Bowling</b>	¥bn	%	0.46	(6.1)	0.52	(6.3)	0.99	(6.2)	0.50	(12.2)	0.66	(8.1)	1.16
<b>Amusement</b>	¥bn	%	2.18	(1.3)	2.68	(0.3)	4.86	(0.8)	2.48	(3.7)	3.55	(5.9)	6.03	(5.0)	10.89	(3.1)
<b>Karaoke, etc.①②</b>	¥bn	%	0.62	+7.9	0.74	+16.0	1.36	+12.1	0.88	+19.4	1.03	+11.1	1.92	+14.8	3.29	+13.7
<b>Total sales</b>	¥bn	%	3.27	(0.4)	3.95	+1.6	7.22	+0.7	3.87	(0.5)	5.24	(3.1)	9.11	(2.0)	16.34	(0.8)
No. of total stores / No. of existing stores (at the end of every term)			23 / 15		25 / 16		25 / 16		28 / 19		32 / 20		32 / 20		32 / 20	
\$ exchange rate			¥		109.1		110.2		110.2		111.1		110.9		110.9	

※ In year-on-year comparison of existing stores, figures for stores with operating period more than 12 month are compared in dollar.

※ Figures for stores with operating period more than 24 months are +2.3% in 1st Q, +4.1% in 2nd Q, +3.3% in 1st half, +4.4% in 3rd Q, (0.3)% in 4th Q, +1.6% in 2nd half, +2.4% in Term.

## Term 2020.3 Plan The USA sales and year-on-year existing store sales (Year-on-year figures compared in \$)

※ In calculation of sales plan exchange rate \$1 = ¥110.00 is used.

※ Figures below ¥10 million have been truncated.  
Percentage is rounded off to one decimal place.

	Unit		1st Q		2nd Q		1st half		3rd Q		4th Q		2nd half		Term	
			Sales	Year-on-year	Sales	Year-on-year	Sales	Year-on-year	Sales	Year-on-year	Sales	Year-on-year	Sales	Year-on-year	Sales	Year-on-year
			<b>Bowling</b>	¥bn	%	0.64	(0.3)	0.67	(0.7)	1.31	(0.5)	0.65	(0.4)	0.91	(0.3)	1.56
<b>Amusement</b>	¥bn	%	3.39	(0.9)	3.73	(2.3)	7.12	(1.7)	3.60	(0.6)	5.17	(4.9)	8.77	(3.1)	15.90	(2.5)
<b>Karaoke, etc.①②</b>	¥bn	%	0.96	+1.6	1.04	+5.0	2.00	+3.4	1.14	+0.0	1.50	+5.1	2.64	+2.7	4.63	+3.0
<b>Total sales</b>	¥bn	%	4.99	(0.4)	5.44	(0.7)	10.44	(0.5)	5.39	(0.4)	7.57	(2.3)	12.96	(1.5)	23.40	(1.1)
No. of total stores / No. of existing stores (at the end of every term)			32 / 21		34 / 25		34 / 25		39 / 26		43 / 29		43 / 29		43 / 29	

※ In year-on-year comparison of existing stores, figures for stores with operating period more than 12 month are compared in dollar.

※ Figures for stores with operating period more than 24 months are (0.1)% in 1st Q, (1.5)% in 2nd Q, (0.8)% in 1st half, (0.3)% in 3rd Q, (0.9)% in 4th Q, (0.7)% in 2nd half, (0.7)% in Term.

① Karaoke, etc. is mostly food & beverage sales.

② Actual sales for recently implemented "All Inclusive Party Plan" (all you can play and eat party plan) are included in Karaoke, etc.



# Term 2020.3 Consolidated plan Cash flow



※ Figures below ¥10 million have been truncated.

		Unit	Term 2019.3 Actual	Term 2020.3 Plan
Cash	Net income before tax adjustment	¥bn	10.08	10.60
	Income tax, etc.	¥bn	(1.95)	(1.97)
	Non-cash loss (impairment loss, etc.)	¥bn	+0.25	+1.00
	Dividend payments	¥bn	(1.90)	(1.90)
	Depreciation ①	¥bn	+12.48	+14.53
	Payment for lease obligation	¥bn	(10.29)	(12.08)
	Simplified cash flow	¥bn	+8.66	+10.17
	Equipment investment (excluded finance lease) ②	¥bn	(9.53)	(10.14)
	Simplified free cash flow	¥bn	(0.87)	+0.02
	Cash reserve	¥bn	22.52	22.82
	Interest-bearing liabilities (excluding lease liabilities)	¥bn	13.51	13.79
	Net interest-bearing liabilities	¥bn	(9.00)	(9.03)

(Note) Term 2019.3 Actual:

- ① Breakdown of depreciation...Japan: ¥9.64bn / the USA: ¥2.83bn
- ② Breakdown of equipment investment ¥(9.53)bn
  - ◆New stores: ¥7.29bn (Japan: 1 store / ¥1.03bn, the USA: 11 stores / ¥6.25bn)
  - ◆Existing stores: ¥2.24bn (Japan: ¥1.25bn, the USA: ¥0.99bn) remodeling, etc.

Term 2020.3 Plan:

- ① Breakdown of depreciation...Japan: ¥10.70bn / the USA: ¥3.82bn
- ② Breakdown of equipment investment ¥(10.14)bn
  - ◆New stores: ¥7.06bn (the USA: 11 stores / ¥7.06bn)
  - ◆Existing stores: ¥3.07bn (Japan: ¥3.07bn) remodeling, etc.



# Trend in P/L status

## Trend in P / L (Consolidated)

※(Unit ¥bn) ※Figures below ¥10 million have been truncated.  
Percentage is rounded off to one decimal place.

Term	2011.3	2012.3	2013.3	2014.3	2015.3	2016.3	2017.3	2018.3	2019.3	2020.3 Plan
No. of stores at the end of term	109	110	113	114	118	122	122	129	137	146
Total sales	84.3	89.5	85.9	84.2	83.9	83.5	87.7	95.9	101.3	109.3
Ordinary income	6.9	11.4	8.2	7.8	6.1	5.4	5.8	10.2	11.2	11.6
Ordinary income margin	8.2%	12.8%	9.6%	9.3%	7.3%	6.5%	6.7%	10.7%	11.1%	10.6%
Net income	(12.6)	2.7	0.6	(19.7)	(4.5)	0.4	2.7	8.4	7.1	6.9
ROI (Return on investment) ①	2.9%	5.0%	4.0%	5.1%	5.9%	5.9%	6.8%	12.0%	12.4%	11.4%
ROE (Return on equity) ②	(15.4)%	3.5%	0.8%	(28.9)%	(8.4)%	0.9%	5.4%	15.6%	12.0%	10.3%
ROA (Return on assets) ③	(5.0)%	1.2%	0.3%	(11.8)%	(3.8)%	0.4%	2.7%	8.1%	6.4%	5.6%

① ROI calculation: Ordinary income ÷ [(Net assets at the beginning of term + Net assets at the end of term) ÷ 2] + [(Interest-bearing liabilities including lease liabilities at the beginning of term + Interest-bearing liabilities including lease liabilities at the end of term) ÷ 2]

② ROE calculation: Net income ÷ [(Shareholder equity at the beginning of term + Shareholder equity at the end of term) ÷ 2]

③ ROA calculation: Net income ÷ [(Total assets at the beginning of term + Total assets at the end of term) ÷ 2]

## Trend in P / L (Japan)

Term	2011.3	2012.3	2013.3	2014.3	2015.3	2016.3	2017.3	2018.3	2019.3	2020.3 Plan
No. of stores at the end of term	108	109	111	111	113	113	107	108	105	103
Total sales	83.9	89.0	85.1	82.9	81.9	78.3	80.5	84.3	84.9	85.9
Ordinary income	7.0	11.4	8.2	7.8	6.2	5.0	5.3	9.2	9.6	9.2
Ordinary income margin	8.4%	12.9%	9.7%	9.4%	7.6%	6.5%	6.6%	11.0%	11.4%	10.7%
Net income	(12.5)	2.7	0.6	(19.6)	(4.4)	0.2	2.8	7.5	6.4	5.6

## Trend in P / L (The USA)

Term	2011.3	2012.3	2013.3	2014.3	2015.3	2016.3	2017.3	2018.3	2019.3	2020.3 Plan
No. of stores at the end of term	1	1	2	3	5	9	15	21	32	43
Total sales	0.3	0.5	0.7	1.2	1.9	5.1	7.2	11.5	16.3	23.4
Ordinary income	(0.0)	0.0	(0.0)	0.0	(0.0)	0.3	0.5	0.9	1.5	2.4
Ordinary income margin	—	4.8%	—	1.0%	—	6.7%	7.1%	8.7%	9.4%	10.3%
Net income	(0.0)	0.0	(0.0)	(0.0)	(0.0)	0.2	(0.1)	0.8	0.7	1.2

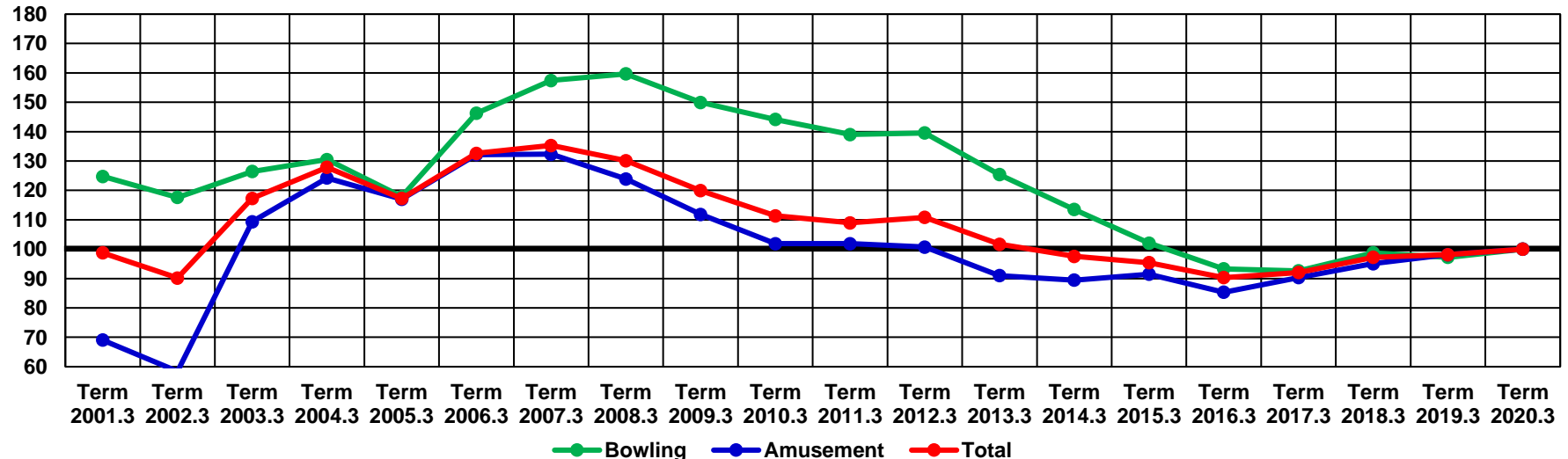
# Trend in year-on-year sales comparison of existing stores (Japan)

(Unit: %)

Term	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	2018.3	2019.3	2020.3 Plan
Bowling	(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)	+6.2	(1.6)	+2.8
Amusement	(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	+5.0	+3.1	+1.9
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	+1.6	(0.7)	+1.7
Spo-cha	-	-	-	-	-	-	-	(16.1)	(9.8)	(9.2)	(4.5)	+7.5	+0.2	+5.1	+3.7	+5.0	(2.5)	+8.1	(0.4)	+0.5
Others	+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	+0.7	+1.9	+1.3
Total sales	(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	+5.3	+0.9	+1.9
No. of existing stores	19	25	38	39	40	46	57	69	79	89	104	106	108	111	111	112	105	107	104	103

(Unit: %)

## Trend in year-on-year sales comparison of existing stores in Japan (Term 2020.3 is 100 basis)



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

[Note] The USA stores are excluded.

# Trend in assets (Consolidated)



※ Figures below ¥10 million have been truncated. Percentage is rounded off to one decimal place.

Term	2011.3	2012.3	2013.3	2014.3	2015.3	2016.3	2017.3	2018.3	2019.3	2020 Plan
Total assets	¥252.1bn	¥228.2bn	¥206.2bn	¥127.1bn	¥111.5bn	¥104.5bn	¥101.7bn	¥106.8bn	¥117.3bn	¥130.9bn
Net assets	¥79.0bn	¥79.8bn	¥78.7bn	¥57.5bn	¥51.6bn	¥49.7bn	¥50.8bn	¥56.7bn	¥62.6bn	¥71.2bn
Equity ratio	31.3%	35.0%	38.2%	45.3%	46.3%	47.6%	50.0%	53.0%	53.3%	¥54.4%
Cash reserve	¥22.7bn	¥29.4bn	¥25.3bn	¥25.1bn	¥27.7bn	¥23.1bn	¥20.1bn	¥23.4bn	¥22.5bn	¥22.8bn
Interest-bearing liabilities	¥136.1bn	¥110.9bn	¥90.2bn	¥36.8bn	¥27.0bn	¥22.8bn	¥16.4bn	¥13.7bn	¥13.5bn	¥13.7bn
Guarantee debts ①	¥8.2bn	—	—	—	—	—	—	—	—	—
Net interest-bearing liabilities ②	¥121.6bn	¥81.4bn	¥64.9bn	¥11.6bn	¥(0.6)bn	¥(0.3)bn	¥(3.7)bn	¥(9.7)bn	¥(9.0)bn	¥(9.0)bn
Lease liabilities	¥28.4bn	¥27.3bn	¥24.6bn	¥19.6bn	¥16.3bn	¥16.0bn	¥17.9bn	¥15.5bn	¥19.0bn	¥23.7bn
Net interests-bearing liabilities including balance lease liabilities ③	¥150.1bn	¥108.8bn	¥89.5bn	¥31.2bn	¥15.6bn	¥15.6bn	¥14.2bn	¥5.8bn	¥10.0bn	¥14.6bn
New lease contract amount	¥13.7bn	¥10.6bn	¥9.1bn	¥8.1bn	¥7.1bn	¥8.8bn	¥10.9bn	¥8.0bn	¥13.0bn	¥16.7bn

(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 store openings, etc. and guarantee debts will be eliminated. 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 lease liabilities"..."Net interest-bearing liabilities" + "Lease liabilities".

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

# Measures taken for existing stores

## Japan

- ◆ **Elementary, junior high school age free campaign** ◆
  - Campaign is continued for junior high school age or under in Bowling, Karaoke, Amusement (medals)
- ◆ **Events implementation** ◆
  - Cash-back to event achievers (¥1,000) (in bowling and karaoke)
- ◆ **"Bowling for Health" lessons** ◆
  - 150 bowlers in every store × 101 stores = 15 thousand bowlers
- ◆ **Installment of new amusement machines** ◆
  - Installments of music game "mimai DELUXE" (SEGA) planned for July 2019
  - Installment of music game "WACCA" (MARVELOUS) planned for summer 2019
- ◆ **Price revision** ◆
 

(Prices will be revised sequentially starting from stores with "ROUND1 LIVE" installed)

  - Starting April, 1 Bowling prices will be raised by around 5%
  - Karaoke prices will be raised by around 2%



"mimai DELUXE" © SEGA



"WACCA" © MARVELOUS

## The USA

- ◆ **Events implementation** ◆
  - Draft beer, wine and other alcohol drinks for \$1.99 on sale
  - Ice cream for \$0.99 on sale
- ◆ **Party plan** ◆
  - All you can play in Bowling, Karaoke, Billiard, Arcade Games and all you can eat
  - "ALL INCLUSIVE PARTY" plan is under implementation (children and adults prices setted)
- ◆ **Price revision** ◆
  - Starting April, 1 "ALL INCLUSIVE PARTY" plan fee will be raised by around 10% as well as other prices



# New equipment and system implementation



## ROUND1 LIVE implementation



Implementation date	Contents
January 2019 (released)	"LIVE de Free Matching"
January 2019 (released)	"LIVE de Appointed Matching"
March 2019 (released)	"Nationwide LIVE Fan Meetings"
March 2019 (released)	"Nationwide LIVE Challenge Match" (Bowling only)
April 2019 (released)	"LIVE de Duet" (Karaoke only)
Middle May 2019	"Battle Bowling" and "Battle Karaoke"
Around June 2019	"LIVE de Cashback Quest" , "LIVE de Cashback Mission"
Planned to be sequentially released by the end of August 2019	Nationwide group LIVE network
	Nationwide offline LIVE gathering
	Free LIVE
Implementation date	Equipment
End of April 2019	Installed in 73 stores
End of June	Installation work planned (96 stores)

# New stores scheduled



## New store openings planned in term 2020.3

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

	Opening date	Nation	Store name / region		Store type	Operating floor area
1	Summer 2019	The USA	№33	Southland / Hayward, California	Standard, Roadside (Within mega shopping center)	49,679sq. ft.
2	Summer 2019	The USA	№34	Meadowood / Reno, Nevada	Standard, Roadside (Within mega shopping center)	41,992sq. ft.
3	Autumn 2019	The USA	№35	Meadows / Las Vegas, Nevada	Standard, Roadside (Within mega shopping center)	45,480sq. ft.
4	Autumn 2019	The USA	№36	Park Place / Tucson, Arizona	Standard, Roadside (Within mega shopping center)	45,587sq. ft.
5	Autumn 2019	The USA	№37	Valley River Center / Eugene, Oregon	Standard, Roadside (Within mega shopping center)	61,886sq. ft.
6	Autumn 2019	The USA	№38	The Mall at Fairfield Commons / Beavercreek, Ohio	Standard, Roadside (Within mega shopping center)	50,711sq. ft.
7	Winter 2019	The USA	№39	Towson Town Center / Towson, Maryland	Standard, Roadside (Within mega shopping center)	53,985sq. ft.
8	Winter 2020	The USA	№40	Burbank Town Center / Burbank, California	Standard, Roadside (Within mega shopping center)	44,092sq. ft.
9	Spring 2020	The USA	№41	Fashion District / Philadelphia, Pennsylvania	Standard, Roadside (Within mega shopping center)	57,864sq. ft.
10	Spring 2020	The USA	№42	Vancouver / Vancouver, Washington	Standard, Roadside (Within mega shopping center)	50,249sq. ft.
11	Spring 2020	The USA	№43	South County Center / St. Louis, Missouri	Standard, Roadside (Within mega shopping center)	50,142sq. ft.

## New store openings planned in term 2021.3 and after

	Opening date	Store name / region			Opening date	Store name / region	
1	Spring 2020	№44	Westfield Galleria at Roseville / Roseville, California	4	Spring 2021	№47	Quail Springs / Oklahoma City, Oklahoma
2	Summer 2020	№45	Northwoods / North Charleston, South Carolina	5	Spring 2021	№48	Rivertown Crossings / Grandville, Michigan
3	Spring 2021	№46	Deptford / Deptford, New Jersey				

- ※ Information in this New stores schedule concerns only stores with concluded lease agreements as of release date, number of store openings in performance plan may differ.
- ※ Lease agreements of 29 stores are under negotiation at present time.
- ※ Except for the opened stores tentative store names are indicated.
- ※ For the term 2021.3 and after in addition to Japan and the USA new store openings in China, Russia and other Asia region is under discussion.

# Existing stores and principles of conditions for future stores openings in the USA



[Operating 32 stores as of the end of April, 2019]

	Opening date	Store name / region	Operating floor area		Opening date	Store name / region	Operating floor area
1	August 2010	Puente Hills / City of Industry, California	60,000sq.ft.	17	September 2017	Crystal Run / Middletown, New York	46,085sq.ft.
2	September 2012	Moreno Valley / Moreno Valley, California	44,448sq.ft.	18	October 2017	Great Lakes Crossing / Auburn Hills, Michigan	51,743sq.ft.
3	August 2013	Lakewood / Lakewood, California	43,523sq.ft.	19	November 2017	Northwoods / Peoria, Illinois	58,825sq.ft.
4	October 2014	Stratford / Bloomingdale, Illinois	39,893sq.ft.	20	January 2018	Four Seasons / Greensboro, North Carolina	61,708sq.ft.
5	December 2014	Arlington Parks / Arlington, Texas	64,911sq.ft.	21	March 2018	Great Lakes / Mentor, Ohio	50,996sq.ft.
6	May 2015	Main Place / Santa Ana, California	40,676sq.ft.	22	June 2018	Maine / South Portland, Maine	44,056sq. ft.
7	July 2015	Southcenter / Tukwila, Washington	41,672sq.ft	23	June 2018	Coronado Center / Albuquerque, New Mexico	48,505sq. ft.
8	September 2015	Eastridge / San Jose, California	52,064sq. ft.	24	August 2018	South Town Center / Sandy, Utah	47,900sq. ft.
9	December 2015	Silver City / Taunton, Massachusetts ✖	64,697sq. ft.	25	September 2018	Millcreek / Erie, Pennsylvania	50,747sq. ft.
10	May 2016	Grapevine Mills / Grapevine, Texas ✖	81,316sq.ft.	26	November 2018	Jefferson / Louisville, Kentucky	54,412sq. ft.
11	August 2016	Sunvalley / Concord, California	47,295sq. ft.	27	December 2018	Gateway / Lincoln, Nebraska	48,825sq. ft.
12	December 2016	Exton / Exton, Pennsylvania	58,362sq. ft.	28	December 2018	North Riverside Park / North Riverside, Illinois	45,836sq. ft.
13	January 2017	Southwest / Littleton, Colorado	60,498sq. ft.	29	February 2019	Southridge / Greendale, Wisconsin	47,295sq. ft.
14	March 2017	Stonecrest / Lithonia, Georgia	50,533sq.ft.	30	March 2019	Northridge / Salinas, California	52,419sq. ft.
15	March 2017	Fox Valley / Aurora, Illinois	51,708sq.ft.	31	March 2019	Holyoke / Holyoke, Massachusetts	52,455sq. ft.
16	July 2017	Broadway Mall / Hicksville, New York	50,604sq.ft.	32	March 2019	Promenade Temecula / Temecula, California	50,071sq. ft.

✖ Kids play zone is operated in some areas. Opened in Grapevine Mills in October 2016 and in Silver City in March 2017. Classification by color refers to "High Profitability (yellow)", "Average Profitability (green)" and "Low Profitability (pink)" stores. Classification by color is updated four times a year for disclosure.



## Existing stores and principles of conditions for future stores openings in the USA



### [Principles of conditions for future stores openings]

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 about 67%, Bowling about 13% , Food & beverage about 13%, Karaoke (excluding Food & beverage ) about 1%, Party about 3%, Other about 3%
Investment amount	About \$7.20mn (¥0.79bn) · · lease about \$2.00mn (¥0.22bn), cash about \$5.20mn (¥0.57bn) Breakdown: Facility related about ¥0.28bn , Furniture & fixtures about ¥0.14bn, Amusement machines (leased) about ¥0.22bn, Bowling equipment about ¥0.08bn, Opening expenses about ¥0.07bn
Lease fee conditions	Service life 7 years (For amusement machines changed in term 2018.3from 3 to 7 years) ⇒ after 8th year lease fees become less which helps the profitability

In calculation of investment amount exchange rate \$1 = ¥110 is used.

### [Present state: facility investment and earnings]

※ Figures are updated once a year for disclosure.

Classification by profitability		High profitability store	Average profitability store	Low profitability store
Year budget	Total sales	\$7.40mn(¥0.81bn)	\$6.00mn(¥0.66bn)	\$3.90mn(¥0.43bn)
	Operating income (1st year)	\$1.10mn(¥0.12bn)	\$0.30mn(¥0.03bn)	\$(0.90)mn(¥(0.10)bn)
	Operating income (2nd~7th year)	\$2.00mn(¥0.22bn)	\$1.20mn(¥0.13bn)	\$(0.00)mn(¥(0.00)bn)
	Operating income (8th year~)	\$2.20mn(¥0.24bn)	\$1.40mn(¥0.15bn)	\$0.10mn(¥0.01bn)
	Operating income rate (2nd ~ 7th year)	27.0%	20.0%	(0.0)%

(Note 1) Initial year`s operating income includes opening expenses and rent allocated for construction period. Except head office expenses.

(Note 2) Average profitability store figures are average of all stores.

# Statistical snapshot of stores

## Trend in number of stores

Japan	~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	Term 2019.3	Term 2020.3 (Plan)
No. of store openings	112	3	1	3	—	2	1	2	1	1	—
No. of store closings	※ 7	—	—	※ 1	—	—	※ 1	※ 8	—	※ 4	※ 2
No. of stores at the end of term	105	108	109	111	111	113	113	107	108	105	103

The USA	~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	Term 2019.3	Term 2020.3 (Plan)
No. of store openings	—	1	—	1	1	2	4	6	6	11	11
No. of store closings	—	—	—	—	—	—	—	—	—	—	—
No. of stores at the end of term	—	1	1	2	3	5	9	15	21	32	43

Consolidated	~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	Term 2019.3	Term 2020.3 (Plan)
No. of stores at the end of term	105	109	110	113	114	118	122	122	129	137	146

(Note) ※ Reason for closure of 23 stores (expiration of contract periods: 12 stores, removing intra-company competition: 6 stores, construction of new large stores in the neighborhood: 3 stores, reconstruction: 1 store, closure of trial store (trial period about 2 years): 1 store).

## Japan 105 stores (at the end of March 2019) Number of stores breakdown

Stores by store type				No. of stores at the end of term
Standard		Stadium		
Downtown	Roadside	Downtown	Roadside	
10	47	1	47	105

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

Stores by ownership		No. of stores at the end of term
Leased stores	Own stores	
84	21	105

(Note) Own stores include 8 stores with owning right for land & building, and 13 stores with owning right for building with tenants.

## Consolidated 137 stores (at the end of March 2019) Number of stores breakdown

Area	Japan								The USA	Total
	Hokkaido / Tohoku	Hokuriku / Koshinetsu	Kanto	Chubu / Tokai	Kansai	Chugoku / Shikoku	Kyushu / Okinawa	Subtotal		
No. of stores	11	4	33	12	26	8	11	105	32	137
Share	8.0%	2.9%	24.1%	8.8%	19.0%	5.8%	8.0%	76.6%	23.4%	100.0%

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