

**Term 2020.3 (Apr. 2019~Jun. 2019)
Outline of Financial Results**



Analysis of present states and future prospects



**Southland (Hayward, California)
July 27, 2019 open!**

ROUND ONE Corporation

C.E.O. and President Masahiko Sugino

Tokyo Stock Exchange First Section

Code Number: 4680

August 7, 2019

Analysis of consolidated operating results ①

Apr. 2019~Jun. 2019 Actual [Year-on-year]



(Unit ¥bn) ※ Figures below ¥10 million have been truncated.

		Unit	Term 2019.3 Actual (2018.4~2018.6)	Term 2020.3 Actual (2019.4~2019.6)	Differ(%)
Stores	Total stores at the end of the term ①	Store	128	136	+6.3
	No. of months total stores operation	Month	380	410	+7.9
P / L	Bowling		5.52	5.91	+7.1
	Amusement		10.78	12.85	+19.2
	Karaoke (including other sales of the USA)		2.36	2.76	+16.9
	Spo-cha		3.03	3.25	+7.3
	Others		0.69	0.76	+9.8
	Total sales		22.40	25.55	+14.1
	Cost of sales		20.54	22.39	+9.0
	Gross profit		1.86	3.16	+69.9
	S.G.A. expenses		0.66	0.80	+21.1
	Operating income		1.19	2.36	+96.8
	Non-operating income & expenses		(0.06)	(0.01)	+70.6
	Ordinary income ②		1.13	2.34	+106.6
	Ordinary income margin		5.1%	9.2%	—
	Extraordinary income & loss ③		(0.11)	(0.24)	(121.4)
	Net income before tax		1.02	2.09	+105.0
Corporate tax		0.23	0.65	+172.1	
Net income		0.78	1.44	+84.4	

① [Differ in number of stores]

Japan (104 stores): 1 store opening, 2 store closings
The USA (32 stores): 9 store openings

② [Ordinary income]

Term 2019.3 1st Q Actual Ordinary income ¥1.13bn

Japan Ordinary income & loss +¥0.93bn

[Breakdown] Increase in sales	+¥1.57bn
Increase in lease fee	¥(0.19)bn
Increase in interest exp.	¥(0.14)bn
Increase in promotion exp. (Amusement merchandise exp., etc.)	¥(0.11)bn
Increase in depreciation exp.	¥(0.09)bn
Increase in purchase	¥(0.04)bn
Others	¥(0.07)bn

The USA Ordinary income & loss +¥0.27bn

[Breakdown] Increase in sales due to increase in No. of months total stores operation	+¥1.63bn
Decrease in existing stores sales	¥(0.05)bn
Increase in expenses due to increase in No. of months total stores operation	¥(1.50)bn
Decrease in initial investment	+¥0.18bn
Others	+¥0.01bn

Term 2020.3 1st Q Actual Ordinary income ¥2.34bn

③ [Extraordinary income & loss breakdown]

Term 2019.3 1st Q Actual Extraordinary loss ¥(0.11)bn
 • Loss on sale of fixed assets, etc. ¥(0.07)bn
 • Loss on disposal of fixed assets, etc. ¥(0.03)bn
 Term 2020.3 1st Q Actual Extraordinary loss ¥(0.24)bn
 • Loss on disposal of fixed assets, etc. ¥(0.24)bn

Analysis of consolidated operating results ②

Apr. 2019~Jun. 2019 Actual [Actual and Plan]



(Unit ¥bn) ※ Figures below ¥10 million have been truncated.

		Unit	Term 2020.3 Plan (2019.4~2019.6)	Term 2020.3 Actual (2019.4~2019.6)	Differ(%)
Stores	Total stores at the end of the term	Store	136	136	—
	No. of months total stores operation	Month	410	410	—
P / L	Bowling		5.90	5.91	+0.1
	Amusement		12.79	12.85	+0.5
	Karaoke (including other sales of the USA)		2.74	2.76	+0.6
	Spo-cha		3.12	3.25	+4.1
	Others		0.70	0.76	+8.1
	Total sales		25.28	25.55	+1.1
	Cost of sales		22.47	22.39	(0.4)
	Gross profit		2.80	3.16	+12.8
	S.G.A. expenses		0.71	0.80	+12.6
	Operating income		2.09	2.36	+12.9
	Non-operating income & expenses		(0.06)	(0.01)	+69.9
	Ordinary income ①		2.02	2.34	+15.6
	Ordinary income margin		8.0%	9.2%	—
	Extraordinary income & loss ②		(0.10)	(0.24)	(147.1)
	Net income before tax		1.92	2.09	+8.7
Corporate tax		0.63	0.65	+2.4	
Net income		1.28	1.44	+11.9	

① [Ordinary income]

Term 2020.3 1st Q Plan	Ordinary income	¥2.02bn
	Japan Ordinary income & loss	+¥0.48bn
	[Breakdown] Increase in sales	+¥0.41bn
	Decrease in lease fee	+¥0.09bn
	Insurance payment receivable	+¥0.05bn
	Decrease in supplies exp.	+¥0.03bn
	Increase in interest exp.	¥(0.11)bn
	Increase in advertising exp.	¥(0.03)bn
	Others	+¥0.04bn
	The USA Ordinary income & loss	¥(0.16)bn
	[Breakdown] Decrease in sales	¥(0.13)bn
	Others	¥(0.03)bn
Term 2020.3 1st Q Actual	Ordinary income	¥2.34bn

② [Extraordinary income & loss breakdown]

Term 2020.3 1st Q Plan Extraordinary loss ¥(0.10)bn
 • Loss on disposal of fixed assets, etc. ¥(0.10)bn

Term 2020.3 1st Q Actual Extraordinary loss ¥(0.24)bn
 • Loss on disposal of fixed assets, etc. ¥(0.24)bn

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



※ Figures below ¥10 million have been truncated.

		Unit	Term 2019.3			Term 2020.3					
			Consolidated	Japan	The USA	Consolidated		Japan		The USA ^③	
			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 ^②	¥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.

No change has been made since announcement on May 8, 2019.

Japan Sales and Year-on-year comparison of existing stores (Actual and plan)



Japan sales (Actual and plan)

Please refer to page 14 and 17 for the number of stores.
*Figures below ¥10 million have been truncated.

	Unit									Term
		1st Q			2nd Q	1st half	3rd Q	4th Q	2nd half	
		Plan	Actual	Differ(%)	Plan	Plan	Plan	Plan	Plan	
Bowling	¥bn	5.26	5.26	+0.0	5.63	10.90	4.84	6.63	11.48	22.38
Amusement	¥bn	9.39	9.56	+1.7	10.90	20.30	9.08	9.95	19.04	39.34
Karaoke	¥bn	1.79	1.85	+3.5	2.03	3.83	1.73	2.08	3.82	7.65
Spo-cha	¥bn	3.12	3.25	+4.1	3.65	6.77	2.67	4.18	6.85	13.63
Others	¥bn	0.70	0.76	+8.1	0.73	1.44	0.67	0.78	1.45	2.90
Total sales	¥bn	20.29	20.70	+2.0	22.95	43.25	19.02	23.62	42.65	85.90
No. of total stores in Japan (at the end of every term)		104	104	—	103	103	103	103	103	103

Japan year-on-year comparison of existing stores (Actual and plan)

*Percentage is rounded off to one decimal place.

	Unit									Term
		1st Q			2nd Q	1st half	3rd Q	4th Q	2nd half	
		Plan	Actual	Differ(%)	Plan	Plan	Plan	Plan	Plan	
Bowling	%	+5.1	+5.0	(0.1)	+3.5	+4.3	+1.8	+1.0	+1.4	+2.8
Amusement	%	+9.1	+11.0	+1.9	+4.3	+6.5	(1.2)	(3.7)	(2.5)	+1.9
Karaoke	%	+3.7	+7.3	+3.6	+2.3	+2.9	+0.6	+0.2	+0.4	+1.7
Spo-cha	%	+0.7	+5.2	+4.5	(0.4)	+0.1	+3.8	(0.7)	+1.0	+0.5
Others	%	+2.7	+11.0	+8.3	+1.2	+2.0	+0.4	+1.0	+0.7	+1.3
Total sales	%	+6.0	+8.1	+2.1	+3.1	+4.4	+0.5	(1.4)	(0.6)	+1.9
Number of at/Sun/Hol vs pre year	Days	+3	+3	—	±0	+3	(1)	±0	(1)	+2
No. of existing stores in Japan (at the end of every term)		103	103	—	103	103	103	103	103	103

The USA Sales and Year-on-year comparison of existing stores (Actual and plan)



The USA sales (Actual and plan)

Please refer to page 14, 15 and 17 for the number of stores.
 ※ Figures below ¥10 million have been truncated.

	Unit	1st Q			2nd Q	1st half	3rd Q	4th Q	2nd half	Term
		Plan	Actual	Differ(%)	Plan	Plan	Plan	Plan	Plan	Plan
		Bowling	¥bn	0.64	0.64	+0.8	0.67	1.31	0.65	0.90
Amusement	¥bn	3.39	3.29	(2.9)	3.72	7.12	3.60	5.17	8.77	15.89
Karaoke, etc. ①	¥bn	0.95	② 0.91	(4.8)	1.04	1.99	1.13	1.49	2.63	4.63
Total sales	¥bn	4.98	4.85	(2.8)	5.44	10.43	5.39	7.57	12.97	23.40
No. of total stores in the USA (at the end of every term)		32	32	—	34	34	39	43	43	43

※ In calculation of sales plan exchange rate \$1 = ¥110.00 is used, in calculation of sales actual exchange rate \$1 = ¥109.90 is used.

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

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

The USA year-on-year comparison of existing stores (Actual and plan)

※ Percentage is rounded off to one decimal place.

	Unit	1st Q			2nd Q	1st half	3rd Q	4th Q	2nd half	Term
		Plan	Actual	Differ(%)	Plan	Plan	Plan	Plan	Plan	Plan
		Bowling	%	(0.3)	(3.2)	(2.9)	(0.7)	(0.5)	(0.4)	(0.3)
Amusement	%	(0.9)	(3.8)	(2.9)	(2.3)	(1.7)	(0.6)	(4.9)	(3.1)	(2.5)
Karaoke, etc.	%	+1.6	② +3.0	+1.4	+5.0	+3.4	+0.0	+5.1	+2.7	+3.0
Total sales	%	(0.4)	(2.4)	(2.0)	(0.7)	(0.5)	(0.4)	(2.3)	(1.5)	(1.1)
No. of total stores in the USA (at the end of every term)		21	21	—	25	25	26	29	29	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 +0.2% in 1st Q.

Term 2020.3 Quarterly consolidated Actual and plan



(Unit ¥bn) ※ Figures below ¥10 million have been truncated.

									Term
	1st Q			2nd Q	1st half	3rd Q	4th Q	2nd half	
	Plan	Actual	Differ(%)	Plan	Plan	Plan	Plan	Plan	
Total sales	25.28	25.55	+1.1	28.39	53.68	24.41	31.20	55.62	109.30
Cost of sales	22.47	22.39	(0.4)	23.99	46.47	23.12	24.78	47.91	94.38
Gross margin	2.80	3.16	+12.8	4.40	7.21	1.28	6.42	7.71	14.92
S.G.A. expenses	0.71	0.80	+12.6	0.82	1.54	0.75	0.75	1.51	3.05
Operating income	2.09	2.36	+12.9	3.57	5.67	0.52	5.67	6.20	11.87
Non-operating income & expenses	(0.06)	(0.01)	+69.9	(0.07)	(0.14)	(0.04)	(0.08)	(0.13)	(0.27)
Ordinary income	2.02	2.34	+15.6	3.50	5.53	0.48	5.58	6.07	11.60
Ordinary income margin	8.0%	9.2%	—	12.3%	10.3%	2.0%	17.9%	10.9%	10.6%
Extraordinary income & loss	(0.10)	(0.24)	(147.1)	(0.10)	(0.20)	(0.10)	(0.70)	(0.80)	(1.00)
Net income before tax	1.92	2.09	+8.7	3.40	5.33	0.38	4.88	5.27	10.60
Corporate tax	0.63	0.65	+2.4	1.16	1.80	0.13	1.76	1.90	3.70
Net income (by Quarter)	1.28	1.44	+11.9	2.24	3.53	0.24	3.12	3.37	6.90

Term 2020.3 Consolidated plan Cash flow



No change has been made since announcement on May 8, 2019.

※ 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)

No change has been made since announcement on May 8, 2019.

(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)



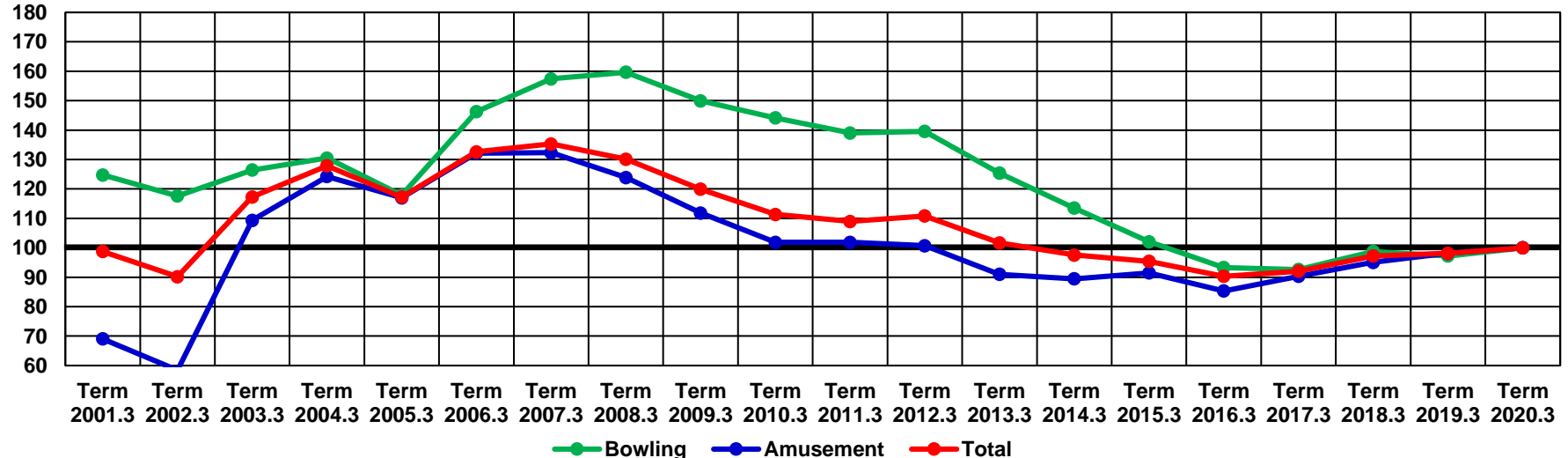
No change has been made since announcement on May 8, 2019.

(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)



No change has been made since announcement on May 8, 2019.

※ 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%	¥4.4%
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).
- ◆ **"Bowling for Health" lessons** ◆
 - 170 bowlers in every store×100 stores=17 thousand bowlers.
- ◆ **New bowling form checker function** ◆ ※Stores with ROUND1 LIVE only
 - Due to "ROUND1 LIVE" implementation throwing a ball video from the front and the back can be filmed. Starting March, function, allowing users to replay throwing a ball video by touching one of the frames on the score monitor, is available.
- ◆ **Smooth check-in function** ◆ ※Stores with ROUND1 LIVE only
 - Starting July 30 in all facilities new service allowing users, who register in the App frequently used number of games and use time in advance, to check-in smoothly by attaching the App membership card to the automatic payment system. Users who use the plan registered in advance can check-in in only 30 seconds (Bowling, Karaoke, Spo-cha).
- ◆ **Installment of new karaoke machines** ◆
 - The latest karaoke machine "JOYSOUND MAX GO" (XING) has been installed by July 19 in all stores with karaoke.



Bowling Form Checker image

JOYSOUND MAX GO



"JOYSOUND MAX GO" ©XING

The USA

- ◆ **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 set).
- ◆ **Extension of working hours** ◆
 - Expansion of the stores with weekend closing time extended from 2 AM to 5 AM. Applied in 4 stores at the end of June, will be applied in 2 more stores on July 12.
- ◆ **Hard liquor sale** ◆
 - Sale of hard liquor started in stores sequentially. On sale in 3 stores at the end of June. Start of sale in 3 more stores is planned in the end of August.
- ◆ **Official mobile App for the USA stores release** ◆
 - Official mobile App for the USA stores released on May 23.



New equipment and system implementation



ROUND1 LIVE implementation



Installation completed in June.
System is planned to be completely released in August.

What is "ROUND1 LIVE" ?

Network service providing users new original experience connecting and sharing various content real time with the users of Round One stores across Japan via multiple monitors and cameras installed in Bowling and Karaoke.

"ROUND1 LIVE" content

"LIVE de Free Matching"	Content connecting Bowling and Karaoke users real time and using Matching function. "LIVE de Duet" is the Japan`s first system allowing distant companions sing together.
"LIVE de Appointed Matching"	
"LIVE de Duet" (only in Karaoke)	
"Battle Bowling"・"Battle Karaoke"	
"LIVE de Cash Back Quest" "LIVE de Cash Back Mission"	
"Free LIVE"	Content using distributing function allowing users across Japan participate in various events. Anyone can be a content distributor. "Nationwide LIVE Challenge Match" allows fans from distant areas to compete with their favorite Probowlers.
"Nationwide LIVE Fan Meetings"	
"Nationwide LIVE Challenge Match" (only in Bowling)	
"Nationwide LIVE Off-line Gathering"	LIVE network function connecting many users at the same time. "Nationwide LIVE group network" allows entire company or other large group to host large bowling tournament.
"Nationwide LIVE group network"	

New equipment and system implementation



New projects on ROUND1 LIVE implementation

STLB (Special Thanks Live Bowling)



LED Wall Vision



Throwing a ball video monitor



Send stumps and messages to Probowlers

ProChallenge Project allowing users across Japan to challenge bowling with the famous female probowlers starts in August in "Nationwide LIVE Challenge Match" function.

Video of the probowler's throw can be viewed on LED Wall Vision monitors behind lanes and on special monitors, nationwide participants score by game is added to ranking. New prochallenge format allowing participants to communicate with probowler by sending stamps and messages is achieved. Female probowlers appearing on the television will participate in "ProChallenge Project".



This project will be released only in stores with "ROUND1 LIVE" implemented.

"ROUND ONE de Anniversary"

Assistance in displaying special image and original message on the bowling floor large screen, celebration, surprises. Floor jacking during bowling play by synchronizing all lane screens.
*Message can be appointed.



Corporate bowling tournament promotion



Using "Nationwide LIVE group network" companies can host real time bowling tournament for branches and stores across Japan. Chat, share rankings and first ball ceremony with distant colleagues. After the game benefits like tournament photos, videos and scores are provided. At the present time promotion activity targeted on companies is being engaged.

*Similar service is provided in Karaoke, excluding ranking function.

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	July 2019 (opened)	The USA	Nº33	Southland / Hayward, California	Standard, Roadside (Within mega shopping center)	49,679sq. ft.
2	August 2019	The USA	Nº34	Meadowood / Reno, Nevada	Standard, Roadside (Within mega shopping center)	41,992sq. ft.
3	Autumn 2019	The USA	Nº35	Park Place / Tucson, Arizona	Standard, Roadside (Within mega shopping center)	45,587sq. ft.
4	Autumn 2019	The USA	Nº36	Meadows / Las Vegas, Nevada	Standard, Roadside (Within mega shopping center)	45,480sq. ft.
5	Autumn 2019	The USA	Nº37	The Mall at Fairfield Commons / Beavercreek, Ohio	Standard, Roadside (Within mega shopping center)	50,711sq. ft.
6	Winter 2019	The USA	Nº38	Fashion District / Philadelphia, Pennsylvania	Standard, Roadside (Within mega shopping center)	57,864sq. ft.
7	Winter 2019	The USA	Nº39	Valley River Center / Eugene, Oregon	Standard, Roadside (Within mega shopping center)	61,886sq. ft.
8	Winter 2020	The USA	Nº40	Towson Town Center / Towson, Maryland	Standard, Roadside (Within mega shopping center)	53,985sq. ft.
9	Winter 2020	The USA	Nº41	Burbank Town Center / Burbank, California	Standard, Roadside (Within mega shopping center)	44,092sq. ft.
10	Spring 2020	The USA	Nº42	Vancouver / Vancouver, Washington	Standard, Roadside (Within mega shopping center)	50,249sq. ft.
11	Spring 2020	The USA	Nº43	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	Nº44	Westfield Galleria at Roseville / Roseville, California	6	Spring 2021	Nº49	Quail Springs / Oklahoma City, Oklahoma
2	Summer 2020	Nº45	Freehold / Freehold, New Jersey	7	Spring 2021	Nº50	Rivertown Crossings / Grandville, Michigan
3	Summer 2020	Nº46	Northwoods / North Charlston, South Carolina	8	Spring 2021	Nº51	Potomac Mills / Woodbridge, Virginia
4	Spring 2021	Nº47	Towne East Square / Wichita, Kansas	9	Spring 2021	Nº52	Pembroke / Pembroke Pines, Florida
5	Spring 2021	Nº48	Deptford / Deptford, New Jersey	10	Winter 2021	Nº53	Park City Center / Lancaster, Pennsylvania

- * 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 25 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 33 stores as of the end of July, 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.	18	October 2017	Great Lakes Crossing / Auburn Hills, Michigan	51,743sq.ft.
2	September 2012	Moreno Valley / Moreno Valley, California	44,448sq.ft.	19	November 2017	Northwoods / Peoria, Illinois	58,825sq.ft.
3	August 2013	Lakewood / Lakewood, California	43,523sq.ft.	20	January 2018	Four Seasons / Greensboro, North Carolina	61,708sq.ft.
4	October 2014	Stratford / Bloomingdale, Illinois	39,893sq.ft.	21	March 2018	Great Lakes / Mentor, Ohio	50,996sq.ft.
5	December 2014	Arlington Parks / Arlington, Texas	64,911sq.ft.	22	June 2018	Maine / South Portland, Maine	44,056sq. ft.
6	May 2015	Main Place / Santa Ana, California	40,676sq.ft.	23	June 2018	Coronado Center / Albuquerque, New Mexico	48,505sq. ft.
7	July 2015	Southcenter / Tukwila, Washington	41,672sq.ft	24	August 2018	South Town Center / Sandy, Utah	47,900sq. ft.
8	September 2015	Eastridge / San Jose, California	52,064sq. ft.	25	September 2018	Millcreek / Erie, Pennsylvania	50,747sq. ft.
9	December 2015	Silver City / Taunton, Massachusetts ✖	64,697sq. ft.	26	November 2018	Jefferson / Louisville, Kentucky	54,412sq. ft.
10	May 2016	Grapevine Mills / Grapevine, Texas ✖	81,316sq.ft.	27	December 2018	Gateway / Lincoln, Nebraska	48,825sq. ft.
11	August 2016	Sunvalley / Concord, California	47,295sq. ft.	28	December 2018	North Riverside Park / North Riverside, Illinois	45,836sq. ft.
12	December 2016	Exton / Exton, Pennsylvania	58,362sq. ft.	29	February 2019	Southridge / Greendale, Wisconsin	47,295sq. ft.
13	January 2017	Southwest / Littleton, Colorado	60,498sq. ft.	30	March 2019	Northridge / Salinas, California	52,419sq. ft.
14	March 2017	Stonecrest / Lithonia, Georgia	50,533sq.ft.	31	March 2019	Holyoke / Holyoke, Massachusetts	52,455sq. ft.
15	March 2017	Fox Valley / Aurora, Illinois	51,708sq.ft.	32	March 2019	Promenade Temecula / Temecula, California	50,071sq. ft.
16	July 2017	Broadway Mall / Hicksville, New York	50,604sq.ft.	33	July 2019	Southland / Hayward, California	49,679sq. ft.
17	September 2017	Crystal Run / Middletown, New York	46,085sq.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]

No change has been made since announcement on May 8, 2019.

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)%

※ Initial year`s operating income includes opening expenses and rent allocated for construction period. Except head office expenses.

※ 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

※ 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 104 stores (at the end of June 2019) Number of stores breakdown

Stores by store type				No. of stores at the end of term
Standard		Stadium		
Downtown	Roadside	Downtown	Roadside	
10	46	1	47	104

(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	
83	21	104

Consolidated 136 stores (at the end of June 2019) Number of stores breakdown

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

Area	Japan							The USA	Total	
	Hokkaido / Tohoku	Hokuriku / Koshinetsu	Kanto	Chubu / Tokai	Kansai	Chugoku / Shikoku	Kyushu / Okinawa			Subtotal
No. of stores	11	4	32	12	26	8	11	104	32	136
Share	8.1%	2.9%	23.5%	8.8%	19.1%	5.9%	8.1%	76.5%	23.5%	100.0%

Notices and contact for inquiries regarding IR



Notices regarding this material

This material is not provided for the purpose of soliciting investors. No responsibility is accepted by company or its information providers for any loss or damage that may occur as a result of use of this material. Information contained in this material is current as of the date of preparation. While utmost care has been taken in the preparation of this material, no warranty is given as to the realization of its contests. Should it contain any errors, no responsibility is accepted by company or its information providers. If incorrect figures or other misinformation should come to our attention, we will announce corrections through our website.

ROUND ONE Corporation reserves all rights to all content in this material, and it can not be reproduced, transmitted, etc. for any purpose without the permission of the company.

IR polices (Silent period)

In order to ensure fairness to investors, the company will, in principle, withhold answers to any questions regarding IR for about two weeks before the announcement of financial results (including quarterly results).

Even during this period, however, company will respond to inquiries and questions regarding fundamental facts about its operations, information that has already been disclosed, and ongoing events or projects.

Thank you for your cooperation and understanding.

Website addresses (Japanese only)

◎ [Website for PC / Smartphone]

<http://www.round1.co.jp/> or

round one

Search

◎ [Website for cell phone] (For customers / IR information, etc. are not available)

docomo, Soft Bank, au

<http://www.round1.co.jp/mobile/>



※ Please note that you are responsible for connection fees and communication fees (packet fees) when accessing our website for cell phone, and that you may not be able to access it with some types of cell phones.

For inquiries, please contact Administrative Division of ROUND ONE Corporation.

Tel:+66-647-6600 / Mon – Fri 10:00 – 19:00 (Japanese only)