

Consolidated Financial Results for the year ended March 31, 2021

May 12, 2021

ROUND ONE Corporation

TSE First section

Stock Code : 4680 URL : <https://www.round1.co.jp/>

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Scheduled date of annual general meeting of shareholders : June 26, 2021

Scheduled date to file annual securities report : June 28, 2021

Scheduled date to commence dividend payments : June 28, 2021

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated financial results for the fiscal year ended March 2021 (from April 1, 2020 to March 31, 2021)

(1) Consolidated operating results

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Year ended Mar. 2021	60,967	(41.8)	(19,286)	—	(19,811)	—	(17,973)	—
Year ended Mar. 2020	104,779	3.4	8,880	(22.4)	8,721	(22.3)	4,794	(33.0)

(Note) Comprehensive income Year ended Mar. 2021 : ¥(17,439) million –% Year ended Mar. 2020 : ¥4,375 million (43.3)%

	Basic earnings per share	Diluted earnings per share	Return on equity	Ratio of ordinary profit to total assets	Ratio of operating profit to net sales
	Yen	Yen	%	%	%
Year ended Mar. 2021	(202.19)	—	(34.0)	(13.8)	(31.6)
Year ended Mar. 2020	50.33	—	7.5	6.9	8.5

(Reference) Share of profit (loss) of entities accounted for using equity method Year ended Mar. 2021 : ¥(45) million Year ended Mar. 2020 : ¥(5) million

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
Year ended Mar. 2021	150,576	40,892	27.0	458.60
Year ended Mar. 2020	135,839	65,141	47.8	681.91

(Reference) Equity Year ended Mar. 2021 : ¥40,677 million Year ended Mar. 2020 : ¥64,958 million

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Year ended Mar. 2021	(7,528)	(6,344)	24,088	44,851
Year ended Mar. 2020	20,585	(12,108)	3,626	34,515

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	1Q-end	2Q-end	3Q-end	Year-end	Total			
Year ended Mar. 2020	—	10.00	—	10.00	20.00	1,905	39.7	3.0
Year ended Mar. 2021	—	10.00	—	10.00	20.00	1,839	—	3.5
Year ending Mar. 2022 (Forecast)	—	10.00	—	10.00	20.00		55.3	

3. Forecasts of consolidated financial results for the fiscal year ending March 2022 (from April 1, 2021 to March 31, 2022)

(% for period is percentage change comparing to previous period, % for quarter is percentage change comparing to the same quarter in previous period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
2Q-end	47,170	102.8	(780)	—	(1,130)	—	(940)	—	(10.60)
Year ending Mar. 2022	106,140	74.1	6,120	—	5,390	—	3,210	—	36.19

※ Notes

- (1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in the change in scope of consolidation) : None
- (2) Changes in accounting policies, changes in accounting estimates, and restatement
- ① Changes in accounting policies due to revisions to accounting standards and other regulations : None
- ② Changes in accounting policies due to other reasons : None
- ③ Changes in accounting estimates : Yes
- ④ Restatement : None
- (3) Number of issued shares (common shares)
- ① Number of issued shares at the end of the period (including treasury shares)
- ② Number of treasury shares at the end of the period
- ③ Average number of shares outstanding during the period

Year ended Mar. 2021	95,452,914	Year ended Mar. 2020	95,452,914
Year ended Mar. 2021	6,753,635	Year ended Mar. 2020	193,415
Year ended Mar. 2021	88,892,921	Year ended Mar. 2020	95,260,640

(Reference) Overview of non-consolidated financial results

Non-consolidated financial results for the fiscal year ended in March 2021 (from April 1, 2020 to March 31, 2021)

(1) Non-consolidated operating results

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Year ended Mar. 2021	53,331	(36.7)	(11,363)	—	(11,487)	—	(9,893)	—
Year ended Mar. 2020	84,233	(0.9)	8,770	(10.1)	8,839	(9.5)	5,349	(16.8)

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Year ended Mar. 2021	(111.30)	—
Year ended Mar. 2020	56.15	—

(2) Non-consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
Year ended Mar. 2021	141,026	47,416	33.5	532.15
Year ended Mar. 2020	122,131	64,119	52.4	671.18

(Reference) Equity Year ended Mar. 2021 : ¥47,201 million Year ended Mar. 2020 : ¥63,936 million

※ Financial results reports are exempt from audit conducted by certified public accountants or an audit corporation.

※ Proper use of earnings forecasts, and other special matters

- 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

(Millions of yen)

	End of Previous Term (As of March 31, 2020)	End of Current Term (As of March 31, 2021)
Assets		
Current assets		
Cash and deposits	34,515	44,851
Accounts receivable	971	810
Merchandise	414	378
Supplies	2,194	2,439
Other	4,134	5,538
Total current assets	42,230	54,019
Non-current assets		
Property, plant and equipment		
Buildings and structures	82,289	84,439
Accumulated depreciation	(40,780)	(44,351)
Buildings and structures, net	41,508	40,088
Bowling equipment	7,856	7,814
Accumulated depreciation	(4,318)	(4,924)
Bowling equipment, net	3,537	2,890
Amusement equipment	11,181	14,704
Accumulated depreciation	(6,154)	(8,133)
Amusement equipment, net	5,026	6,570
Land	5,736	5,736
Leased assets	29,711	28,355
Accumulated depreciation	(11,874)	(13,657)
Leased assets, net	17,837	14,697
Right-of-use assets	—	2,015
Accumulated depreciation	—	(135)
Right-of-use assets, net	—	1,880
Other	17,295	18,749
Accumulated depreciation	(10,585)	(11,357)
Other, net	6,709	7,392
Total property, plant and equipment	80,355	79,257
Intangible assets	737	799
Investments and other assets		
Deferred tax assets	3,368	7,490
Guarantee deposits	8,802	8,749
Other	343	259
Total investments and other assets	12,515	16,499
Total non-current assets	93,608	96,556
Total assets	135,839	150,576

Consolidated Balance sheet - 2

(Millions of yen)

	End of Previous Term (As of March 31, 2020)	End of Current Term (As of March 31, 2021)
Liabilities		
Current liabilities		
Accounts payable	204	254
Short-term borrowings	1,561	700
Current portion of bonds payable	1,167	1,192
Current portion of long-term borrowings	6,398	6,461
Lease obligations	8,533	7,427
Income taxes payable	997	13
Other	9,114	8,208
Total current liabilities	27,977	24,258
Non-current liabilities		
Bonds payable	2,507	1,314
Long-term borrowings	15,776	57,565
Lease obligations	9,697	9,506
Asset retirement obligations	6,105	6,730
Long-term guarantee deposits	456	361
Other	8,176	9,947
Total non-current liabilities	42,720	85,425
Total liabilities	70,697	109,683
Net assets		
Shareholders' equity		
Share capital	25,021	25,021
Capital surplus	22,638	22,638
Retained earnings	17,657	(2,155)
Treasury shares	(340)	(5,342)
Total shareholders' equity	64,976	40,161
Accumulated other comprehensive income		
Revaluation reserve for land	(138)	(138)
Foreign currency translation adjustment	119	654
Total accumulated other comprehensive income	(18)	515
Share acquisition rights	183	215
Non-controlling interests	0	0
Total net assets	65,141	40,892
Total liabilities and net assets	135,839	150,576

Consolidated Income Statement

(Millions of yen)

	Previous Term (From April 1, 2019 to March 31, 2020)	Current Term (From April 1, 2020 to March 31, 2021)
Net sales	104,779	60,967
Cost of sales	92,401	77,210
Gross profit (loss)	12,377	(16,242)
Selling, general and administrative expenses	3,497	3,043
Operating profit (loss)	8,880	(19,286)
Non-operating income		
Interest and dividend income	12	17
Subsidy income	82	506
Other	300	291
Total non-operating income	395	815
Non-operating expenses		
Interest expenses	483	730
Share of loss of entities accounted for using equity method	5	45
Financing expenses	—	481
Other	65	82
Total non-operating expenses	553	1,340
Ordinary profit (loss)	8,721	(19,811)
Extraordinary income		
Gain on reversal of share acquisition rights	—	3
Total extraordinary income	—	3
Extraordinary losses		
Loss on retirement of non-current assets	467	122
Impairment losses	1,086	1,899
Total extraordinary losses	1,553	2,022
Profit (loss) before income taxes	7,168	(21,829)
Income taxes - current	1,350	169
Income taxes - deferred	1,022	(4,025)
Total income taxes	2,373	(3,856)
Profit (loss)	4,794	(17,973)
Loss attributable to non-controlling interests	(0)	(0)
Profit (loss) attributable to owners of parent	4,794	(17,973)

Consolidated Statement of Comprehensive income

(Millions of yen)

	Previous Term (From April 1, 2019 to March 31, 2020)	Current Term (From April 1, 2020 to March 31, 2021)
Profit (loss)	4,794	(17,973)
Other comprehensive income		
Foreign currency translation adjustment	(419)	534
Total other comprehensive income	(419)	534
Comprehensive income	4,375	(17,439)
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	4,375	(17,439)
Comprehensive income attributable to non-controlling interests	(0)	(0)

Consolidated Statement of changes in Shareholders' Equity - 1

Previous Term (From April 1,2019 to March 31,2020)

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	25,021	22,638	14,767	(337)	62,089
Changes during period					
Dividends of surplus			(1,905)		(1,905)
Profit (loss) attributable to owners of parent			4,794		4,794
Purchase of treasury shares				(2)	(2)
Net changes in items other than shareholders' equity					
Total changes during period	—	—	2,889	(2)	2,886
Balance at end of period	25,021	22,638	17,657	(340)	64,976

	Accumulated other comprehensive income			Share acquisition rights	Non-controlling interests	Total net assets
	Revaluation reserve for land	Foreign currency translation adjustment	Total accumulated other comprehensive income			
Balance at beginning of period	(138)	539	400	114	—	62,604
Changes during period						
Dividends of surplus						(1,905)
Profit (loss) attributable to owners of parent						4,794
Purchase of treasury shares						(2)
Net changes in items other than shareholders' equity		(419)	(419)	68	0	(350)
Total changes during period	—	(419)	(419)	68	0	2,536
Balance at end of period	(138)	119	(18)	183	0	65,141

Consolidated Statement of changes in Shareholders' Equity - 2

Current Term (From April 1,2020 to March 31,2021)

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	25,021	22,638	17,657	(340)	64,976
Changes during period					
Dividends of surplus			(1,839)		(1,839)
Profit (loss) attributable to owners of parent			(17,973)		(17,973)
Purchase of treasury shares				(5,001)	(5,001)
Net changes in items other than shareholders' equity					
Total changes during period	—	—	(19,813)	(5,001)	(24,814)
Balance at end of period	25,021	22,638	(2,155)	(5,342)	40,161

	Accumulated other comprehensive income			Share acquisition rights	Non-controlling interests	Total net assets
	Revaluation reserve for land	Foreign currency translation adjustment	Total accumulated other comprehensive income			
Balance at beginning of period	(138)	119	(18)	183	0	65,141
Changes during period						
Dividends of surplus						(1,839)
Profit (loss) attributable to owners of parent						(17,973)
Purchase of treasury shares						(5,001)
Net changes in items other than shareholders' equity		534	534	32	0	566
Total changes during period	—	534	534	32	0	(24,248)
Balance at end of period	(138)	654	515	215	0	40,892

Consolidated Statement of Cash Flow

(Millions of yen)

	Previous Term (From April 1, 2019 to March 31, 2020)	Current Term (From April 1, 2020 to March 31, 2021)
Cash flows from operating activities		
Profit (loss) before income taxes	7,168	(21,829)
Depreciation	14,241	15,529
Impairment losses	1,086	1,899
Interest and dividend income	(8)	(17)
Interest expenses	483	730
Loss on retirement of non-current assets	467	122
Share of loss (profit) of entities accounted for using equity method	5	45
Subsidy income	(82)	(506)
Decrease (increase) in trade receivables	205	164
Decrease (increase) in inventories	(98)	(179)
Increase (decrease) in trade payables	(145)	49
Decrease (increase) in consumption taxes refund receivable	—	(806)
Increase (decrease) in accrued consumption taxes	561	(898)
Other, net	(553)	(954)
Subtotal	23,330	(6,650)
Interest and dividends received	0	11
Interest paid	(483)	(706)
Subsidies received	82	504
Income taxes refund	2	623
Income taxes paid	(2,347)	(1,312)
Net cash provided by (used in) operating activities	20,585	(7,528)
Cash flows from investing activities		
Purchase of property, plant and equipment	(12,184)	(6,410)
Payments for asset retirement obligations	(135)	—
Payments of guarantee deposits	(194)	(116)
Payments for investments in capital of subsidiaries and associates	(203)	—
Proceeds from refund of guarantee deposits	712	182
Other, net	(103)	(1)
Net cash provided by (used in) investing activities	(12,108)	(6,344)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	119	(861)
Repayments of lease obligations	(9,958)	(9,682)
Proceeds from long-term borrowings	15,800	48,350
Repayments of long-term borrowings	(3,199)	(6,498)
Proceeds from issuance of bonds	2,000	—
Redemption of bonds	(825)	(1,167)
Repayments deposits received	(30)	—
Proceeds deposits received	1,628	789
Proceeds from share issuance to non-controlling shareholders	0	0
Purchase of treasury shares	(2)	(5,001)
Dividends paid	(1,905)	(1,839)
Net cash provided by (used in) financing activities	3,626	24,088
Effect of exchange rate change on cash and cash equivalents	(112)	121
Net increase (decrease) in cash and cash equivalents	11,990	10,336
Cash and cash equivalents at beginning of period	22,524	34,515
Cash and cash equivalents at end of period	34,515	44,851