

Consolidated Financial Results for the fiscal year ended March 31, 2022

May 11, 2022

ROUND ONE Corporation

TSE Prime Market

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

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Scheduled date of annual general meeting of shareholders : June 25, 2022

Scheduled date to file annual securities report : June 27, 2022

Scheduled date to commence dividend payments : June 27, 2022

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

1. Consolidated financial results for the fiscal year ended March 2022 (from April 1, 2021 to March 31, 2022)

(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. 2022	96,421	58.2	(1,726)	—	5,360	—	3,937	—
Year ended Mar. 2021	60,967	(41.8)	(19,286)	—	(19,811)	—	(17,973)	—

(Note) Comprehensive income Year ended Mar. 2022 : ¥7,152 million —% Year ended Mar. 2021 : ¥(17,439) million —%

	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. 2022	41.99	—	8.3	3.5	(1.8)
Year ended Mar. 2021	(202.19)	—	(34.0)	(13.8)	(31.6)

(Reference) Share of profit (loss) of entities accounted for using equity method Year ended Mar. 2022 : ¥(1) million Year ended Mar. 2021 : ¥(45) 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. 2022	157,698	54,603	34.4	569.09
Year ended Mar. 2021	150,576	40,892	27.0	458.60

(Reference) Equity Year ended Mar. 2022 : ¥54,320 million Year ended Mar. 2021 : ¥40,677 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. 2022	28,304	(8,473)	(19,302)	46,316
Year ended Mar. 2021	(7,528)	(6,344)	24,088	44,851

2. Cash dividends

	Annual dividends per share					Total cash dividends	Payout ratio	Ratio of dividends to net assets
	1Q-end	2Q-end	3Q-end	Year-end	Total	(Total)	(Consolidated)	(Consolidated)
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Year ended Mar. 2021	—	10.00	—	10.00	20.00	1,839	—	3.5
Year ended Mar. 2022	—	10.00	—	10.00	20.00	1,841	47.6	3.9
Year ending Mar. 2023 (Forecast)	—	10.00	—	10.00	20.00		21.2	

3. Forecasts of consolidated financial results for the fiscal year ending March 2023 (from April 1, 2022 to March 31, 2023)

(% 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	61,810	49.5	4,660	—	4,300	—	2,650	—	27.76
Year ending Mar. 2023	129,670	34.5	14,070	—	13,400	150.0	9,000	128.6	94.29

※ 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 : Yes
- ② Changes in accounting policies due to other reasons : None
- ③ Changes in accounting estimates : None
- 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. 2022	95,452,914	Year ended Mar. 2021	95,452,914
Year ended Mar. 2022	1,335	Year ended Mar. 2021	6,753,635
Year ended Mar. 2022	93,768,421	Year ended Mar. 2021	88,892,921

(Reference) Overview of non-consolidated financial results

Non-consolidated financial results for the fiscal year ended in March 2022 (from April 1, 2021 to March 31, 2022)

(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. 2022	63,725	19.5	(5,226)	—	4,382	—	3,540	—
Year ended Mar. 2021	53,331	(36.7)	(11,363)	—	(11,487)	—	(9,893)	—

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Year ended Mar. 2022	37.76	—
Year ended Mar. 2021	(111.30)	—

(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. 2022	137,623	57,514	41.6	599.60
Year ended Mar. 2021	141,026	47,416	33.5	532.15

(Reference) Equity Year ended Mar. 2022 : ¥57,232 million Year ended Mar. 2021 : ¥47,201 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, 2021)	End of Current Term (As of March 31, 2022)
Assets		
Current assets		
Cash and deposits	44,851	46,316
Accounts receivable	810	1,061
Merchandise	378	364
Supplies	2,439	2,701
Other	5,538	3,859
Total current assets	54,019	54,303
Non-current assets		
Property, plant and equipment		
Buildings and structures	84,439	88,816
Accumulated depreciation	(44,351)	(48,375)
Buildings and structures, net	40,088	40,440
Bowling equipment	7,814	8,038
Accumulated depreciation	(4,924)	(5,472)
Bowling equipment, net	2,890	2,566
Amusement equipment	14,704	20,526
Accumulated depreciation	(8,133)	(11,616)
Amusement equipment, net	6,570	8,909
Land	5,736	5,736
Leased assets	28,355	27,845
Accumulated depreciation	(13,657)	(12,684)
Leased assets, net	14,697	15,161
Right-of-use assets	2,015	4,362
Accumulated depreciation	(135)	(748)
Right-of-use assets, net	1,880	3,613
Other	18,749	21,022
Accumulated depreciation	(11,357)	(13,274)
Other, net	7,392	7,748
Total property, plant and equipment	79,257	84,176
Intangible assets	799	816
Investments and other assets		
Deferred tax assets	7,490	8,288
Guarantee deposits	8,749	8,578
Other	259	1,534
Total investments and other assets	16,499	18,401
Total non-current assets	96,556	103,395
Total assets	150,576	157,698

Consolidated Balance sheet - 2

(Millions of yen)

	End of Previous Term (As of March 31, 2021)	End of Current Term (As of March 31, 2022)
Liabilities		
Current liabilities		
Accounts payable	254	243
Short-term borrowings	700	700
Current portion of bonds payable	1,192	342
Current portion of long-term borrowings	6,461	6,216
Lease obligations	7,427	8,456
Income taxes payable	13	947
Contract liabilities	—	2,084
Other	8,208	10,756
Total current liabilities	24,258	29,747
Non-current liabilities		
Bonds payable	1,314	971
Long-term borrowings	57,565	41,278
Lease obligations	9,506	12,556
Asset retirement obligations	6,730	6,824
Long-term guarantee deposits	361	361
Other	9,947	11,354
Total non-current liabilities	85,425	73,347
Total liabilities	109,683	103,095
Net assets		
Shareholders' equity		
Share capital	25,021	25,021
Capital surplus	22,638	25,697
Retained earnings	(2,155)	(126)
Treasury shares	(5,342)	(2)
Total shareholders' equity	40,161	50,590
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	—	0
Deferred gains or losses on hedges	—	0
Revaluation reserve for land	(138)	(138)
Foreign currency translation adjustment	654	3,867
Total accumulated other comprehensive income	515	3,730
Share acquisition rights	215	282
Non-controlling interests	0	0
Total net assets	40,892	54,603
Total liabilities and net assets	150,576	157,698

Consolidated Income Statement

(Millions of yen)

	Previous Term (From April 1, 2020 to March 31, 2021)	Current Term (From April 1, 2021 to March 31, 2022)
Net sales	60,967	96,421
Cost of sales	77,210	94,403
Gross profit (loss)	(16,242)	2,018
Selling, general and administrative expenses	3,043	3,744
Operating loss	(19,286)	(1,726)
Non-operating income		
Interest and dividend income	17	11
Subsidy income	506	7,931
Other	291	553
Total non-operating income	815	8,496
Non-operating expenses		
Interest expenses	730	828
Share of loss of entities accounted for using equity method	45	1
Share issuance costs	—	338
Other	563	240
Total non-operating expenses	1,340	1,409
Ordinary profit (loss)	(19,811)	5,360
Extraordinary income		
Gain on reversal of share acquisition rights	3	5
Penalty income	—	907
Total extraordinary income	3	912
Extraordinary losses		
Loss on retirement of non-current assets	122	128
Impairment losses	1,899	1,679
Loss on store closings	—	192
Total extraordinary losses	2,022	2,000
Profit (loss) before income taxes	(21,829)	4,272
Income taxes - current	169	860
Income taxes - deferred	(4,025)	(525)
Total income taxes	(3,856)	335
Profit (loss)	(17,973)	3,937
Loss attributable to non-controlling interests	(0)	(0)
Profit (loss) attributable to owners of parent	(17,973)	3,937

Consolidated Statement of Comprehensive income

(Millions of yen)

	Previous Term (From April 1, 2020 to March 31, 2021)	Current Term (From April 1, 2021 to March 31, 2022)
Profit (loss)	(17,973)	3,937
Other comprehensive income		
Foreign currency translation adjustment	534	3,192
Share of other comprehensive income of entities accounted for using equity method	—	22
Total other comprehensive income	534	3,214
Comprehensive income	(17,439)	7,152
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(17,439)	7,152
Comprehensive income attributable to non-controlling interests	(0)	(0)

Consolidated Statement of changes in Shareholders' Equity - 1

Previous 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
Cumulative effects of changes in accounting policies					—
Restated balance	25,021	22,638	17,657	(340)	64,976
Changes during period					
Dividends of surplus			(1,839)		(1,839)
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
Cumulative effects of changes in accounting policies			—			—
Restated balance	(138)	119	(18)	183	0	65,141
Changes during period						
Dividends of surplus			—			(1,839)
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 changes in Shareholders' Equity - 2

Current Term (From April 1,2021 to March 31,2022)

(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	(2,155)	(5,342)	40,161
Cumulative effects of changes in accounting policies			(67)		(67)
Restated balance	25,021	22,638	(2,222)	(5,342)	40,094
Changes during period					
Dividends of surplus			(1,841)		(1,841)
Profit attributable to owners of parent			3,937		3,937
Disposal of treasury shares		3,059		5,342	8,401
Purchase of treasury shares				(2)	(2)
Net changes in items other than shareholders' equity					—
Total changes during period	—	3,059	2,095	5,340	10,495
Balance at end of period	25,021	25,697	(126)	(2)	50,590

	Accumulated other comprehensive income					Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Revaluation reserve for land	Foreign currency translation adjustment	Total accumulated other comprehensive income			
Balance at beginning of period	—	—	(138)	654	515	215	0	40,892
Cumulative effects of changes in accounting policies					—			(67)
Restated balance	—	—	(138)	654	515	215	0	40,825
Changes during period								
Dividends of surplus					—			(1,841)
Profit attributable to owners of parent					—			3,937
Disposal of treasury shares					—			8,401
Purchase of treasury shares					—			(2)
Net changes in items other than shareholders' equity	0	0		3,213	3,214	67	0	3,282
Total changes during period	0	0	—	3,213	3,214	67	0	13,778
Balance at end of period	0	0	(138)	3,867	3,730	282	0	54,603

Consolidated Statement of Cash Flow

(Millions of yen)

	Previous Term (From April 1, 2020 to March 31, 2021)	Current Term (From April 1, 2021 to March 31, 2022)
Cash flows from operating activities		
Profit (loss) before income taxes	(21,829)	4,272
Depreciation	15,529	16,445
Impairment losses	1,899	1,679
Loss on store closings	—	192
Interest and dividend income	(17)	(11)
Interest expenses	730	828
Share issuance costs	—	338
Loss on retirement of non-current assets	122	128
Share of loss (profit) of entities accounted for using equity method	45	1
Subsidy income	(506)	(7,931)
Penalty income	—	(907)
Decrease (increase) in trade receivables	164	(235)
Decrease (increase) in inventories	(179)	(126)
Increase (decrease) in trade payables	49	(14)
Increase (decrease) in contract liabilities	—	2,084
Decrease (increase) in consumption taxes refund receivable	(806)	840
Increase (decrease) in accrued consumption taxes	(898)	317
Other, net	(954)	2,210
Subtotal	(6,650)	20,113
Interest and dividends received	11	7
Interest paid	(706)	(854)
Subsidies received	504	7,931
Penalty received	—	907
Income taxes refund	623	668
Income taxes paid	(1,312)	(468)
Net cash provided by (used in) operating activities	(7,528)	28,304
Cash flows from investing activities		
Purchase of property, plant and equipment	(6,410)	(7,259)
Payments for asset retirement obligations	—	(110)
Purchase of shares of subsidiaries and associates	—	(1,257)
Payments of guarantee deposits	(116)	(99)
Proceeds from refund of guarantee deposits	182	253
Other, net	(1)	—
Net cash provided by (used in) investing activities	(6,344)	(8,473)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(861)	—
Repayments of lease obligations	(9,682)	(9,601)
Proceeds from long-term borrowings	48,350	—
Repayments of long-term borrowings	(6,498)	(16,531)
Redemption of bonds	(1,167)	(1,192)
Proceeds deposits received	789	1,836
Proceeds from share issuance to non-controlling shareholders	0	0
Purchase of treasury shares	(5,001)	(2)
Proceeds from sale of treasury shares	—	8,029
Dividends paid	(1,839)	(1,841)
Net cash provided by (used in) financing activities	24,088	(19,302)
Effect of exchange rate change on cash and cash equivalents	121	936
Net increase (decrease) in cash and cash equivalents	10,336	1,464
Cash and cash equivalents at beginning of period	34,515	44,851
Cash and cash equivalents at end of period	44,851	46,316