

Consolidated Financial Results for the three months ended March 31, 2023

August 5, 2022

ROUND ONE Corporation

TSE Prime Market

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

Representative : Masahiko Sugino, C.E.O. and President and Executive Officer

Inquiries : Shinji Sasae, Director and Senior Managing Executive Officer, and General Manager of Administration Division

Scheduled date of annual general meeting of shareholders : Yes (for institutional investors) Tel : +81-6-6647-6600

Scheduled date to file quarterly securities report : August 8, 2022

Scheduled date to commence dividend payments : None

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

1. Consolidated financial results for the three months ended March 2023 (from April 1, 2022 to June 30, 2022)

(1) Consolidated operating results (cumulative)

(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	%
Three months ended Mar. 2023	30,912	69.4	2,359	—	2,582	—	2,025	—
Mar. 2022	18,243	224.0	(3,572)	—	(3,575)	—	(3,925)	—

(Note) Comprehensive income Three months ended Mar. 2023 : ¥5,069 million —% Three months ended Mar. 2022 : ¥(3,902) million —%

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended Mar. 2023	21.22	21.22
Mar. 2022	(44.26)	—

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
Three months ended Mar. 2023	163,358	58,781	35.8	612.41
Year ended Mar. 2022	157,698	54,603	34.4	569.09

(Reference) Equity Three months ended Mar. 2023 : ¥58,455 million Year ended Mar. 2022 : ¥54,320 million

2. Cash dividends

	Annual dividends per share				
	1Q-end	2Q-end	3Q-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended Mar. 2022	—	10.00	—	10.00	20.00
Year ended Mar. 2023	—	—	—	—	—
Year ending Mar. 2023 (Forecast)	—	12.00	—	4.00	—

(Note) Revisions to the forecast of cash dividends most recently announced : Yes

- The Company plans to pay the 2Q-end dividend for the year ending Mar. 2023 of 12.00 yen per share, an increase of 2.00 yen per share compared with the previous year.
- With an effective date of October 1, 2022, the Company will perform a 3-for-1 split of its common stock. For the year-end dividend for the year ending Mar. 2023 above, the Company took the stock split into consideration. Due to the stock split, the total dividend for the year ending Mar. 2023 is not disclosed. If the stock split is not considered, the year-end dividend for the year ending Mar. 2023 would be 12.00 yen and the total dividend for the year ending Mar. 2023 would be 24.00 yen.

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.)

	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	64,761	56.6	6,644	—	6,688	—	4,863	—	50.95
Year ending Mar. 2023	132,624	37.5	16,057	—	15,780	194.4	11,209	184.7	117.43

(Note) Revisions to the forecast of consolidated financial results most recently announced : Yes

With an effective date of October 1, 2022, the Company will perform a 3-for-1 split of its common stock. For the basic earnings per share for the year ending Mar. 2023 above, the Company did not take the stock split into consideration. If the stock split is considered, the basic earnings per share for the year ending Mar. 2023 would be 39.14 yen.

※ Notes

(1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in the change in scope of consolidation) : None

(2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements : None

(3) 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 : None

④ Restatement : None

(4) Number of issued shares (common shares)

① Number of issued shares at the end of the period (including treasury shares)

Three months ended Mar. 2023	95,454,114
Year ended Mar. 2022	95,452,914

② Number of treasury shares at the end of the period

Three months ended Mar. 2023	1,922
Year ended Mar. 2022	1,335

③ Average number of shares outstanding during the period

Three months ended Mar. 2023	95,451,584
Three months ended Mar. 2022	88,699,045

※ Quarterly financial results reports are exempt from quarterly review 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.

Quarterly Consolidated Balance sheet - 1

(Millions of yen)

	End of Previous Term (As of March 31, 2022)	End of First Quarter (As of June 30, 2022)
Assets		
Current assets		
Cash and deposits	46,316	45,197
Accounts receivable	1,061	923
Merchandise	364	393
Supplies	2,701	3,293
Other	3,859	3,470
Total current assets	54,303	53,277
Non-current assets		
Property, plant and equipment		
Buildings and structures	88,816	92,393
Accumulated depreciation	(48,375)	(50,290)
Buildings and structures, net	40,440	42,103
Land	5,736	5,732
Leased assets	27,845	32,482
Accumulated depreciation	(12,684)	(14,750)
Leased assets, net	15,161	17,731
Right-of-use assets	4,362	4,203
Accumulated depreciation	(748)	(461)
Right-of-use assets, net	3,613	3,742
Other	49,587	54,819
Accumulated depreciation	(30,363)	(33,322)
Other, net	19,224	21,496
Total property, plant and equipment	84,176	90,807
Intangible assets	816	810
Investments and other assets		
Deferred tax assets	8,288	8,267
Guarantee deposits	8,578	8,583
Other	1,534	1,610
Total investments and other assets	18,401	18,461
Total non-current assets	103,395	110,080
Total assets	157,698	163,358

Quarterly Consolidated Balance sheet – 2

(Millions of yen)

	End of Previous Term (As of March 31, 2022)	End of First Quarter (As of June 30, 2022)
Liabilities		
Current liabilities		
Accounts payable	243	226
Short-term borrowings	700	700
Current portion of bonds payable	342	342
Current portion of long-term borrowings	6,216	6,206
Lease obligations	8,456	9,258
Income taxes payable	947	384
Contract liabilities	2,084	2,454
Other	10,756	10,576
Total current liabilities	29,747	30,149
Non-current liabilities		
Bonds payable	971	799
Long-term borrowings	41,278	39,753
Lease obligations	12,556	14,548
Asset retirement obligations	6,824	6,838
Long-term guarantee deposits	361	360
Other	11,354	12,124
Total non-current liabilities	73,347	74,426
Total liabilities	103,095	104,576
Net assets		
Shareholders' equity		
Share capital	25,021	25,022
Capital surplus	25,697	25,698
Retained earnings	(126)	944
Treasury shares	(2)	(3)
Total shareholders' equity	50,590	51,662
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	0	4
Deferred gains or losses on hedges	0	0
Revaluation reserve for land	(138)	(138)
Foreign currency translation adjustment	3,867	6,927
Total accumulated other comprehensive income	3,730	6,793
Share acquisition rights	282	325
Non-controlling interests	0	0
Total net assets	54,603	58,781
Total liabilities and net assets	157,698	163,358

Quarterly Consolidated Income Statement

(Millions of yen)

	Previous Term (From April 1, 2021 to June 30, 2021)	Current Term (From April 1, 2022 to June 30, 2022)
Net sales	18,243	30,912
Cost of sales	20,966	27,488
Gross profit (loss)	(2,722)	3,424
Selling, general and administrative expenses	849	1,064
Operating income (loss)	(3,572)	2,359
Non-operating income		
Interest and dividend income	3	1
Subsidy income	228	129
Foreign exchange gains	—	200
Share of profit of entities accounted for using equity method	—	47
Other	77	92
Total non-operating income	308	471
Non-operating expenses		
Interest expenses	238	220
Share of loss of entities accounted for using equity method	3	—
Other	70	27
Total non-operating expenses	312	248
Ordinary profit (loss)	(3,575)	2,582
Extraordinary losses		
Loss on retirement of non-current assets	27	29
Total extraordinary losses	27	29
Profit (loss) before income taxes	(3,602)	2,553
Income taxes - current	30	227
Income taxes - deferred	292	300
Total income taxes	323	527
Profit (loss)	(3,925)	2,025
Loss attributable to non-controlling interests	(0)	(0)
Profit (loss) attributable to owners of parent	(3,925)	2,025

Quarterly Consolidated Statement of Comprehensive income

(Millions of yen)

	Previous Term (From April 1, 2021 to June 30, 2021)	Current Term (From April 1, 2022 to June 30, 2022)
Profit (loss)	(3,925)	2,025
Other comprehensive income		
Foreign currency translation adjustment	23	3,000
Share of other comprehensive income of entities accounted for using equity method	—	43
Total other comprehensive income	23	3,043
Comprehensive income	(3,902)	5,069
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(3,902)	5,069
Comprehensive income attributable to non-controlling interests	(0)	(0)