

Consolidated Financial Results for the three months ended March 31, 2024

August 7, 2023

ROUND ONE Corporation

TSE Prime Market

Securities 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 : None

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Scheduled date to file quarterly securities report : August 8, 2023

Scheduled date to commence dividend payments : September 6, 2023

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

1. Consolidated financial results for the three months ended March 2024 (from April 1, 2023 to June 30, 2023)

(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. 2024	35,951	16.3	3,884	64.6	3,993	54.6	2,613	29.0
Mar. 2023	30,912	69.4	2,359	—	2,582	—	2,025	—

(Note) Comprehensive income Three months ended Mar. 2024 : ¥4,667million (7.9)% Three months ended Mar. 2023 : ¥5,069 million —%

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended Mar. 2024	9.59	9.58
Mar. 2023	7.07	7.07

(Note) On October 1, 2022, the Company effected a 3-for-1 split of its common stock. Both basic and diluted earnings per share are calculated based on the assumption that the stock split was implemented at the beginning of the year ended Mar. 2023.

(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. 2024	172,156	58,244	33.7	215.27
Year ended Mar. 2023	170,623	61,180	35.7	217.30

(Reference) Equity Three months ended Mar. 2024 : ¥57,964 million Year ended Mar. 2023 : ¥60,942 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. 2023	—	12.00	—	4.00	—
Year ended Mar. 2024	2.50				
Year ending Mar. 2024 (Forecast)		2.50	2.50	2.50	10.00

(Note) Revisions to the forecast of cash dividends most recently announced : None

On October 1, 2022, the Company effected a 3-for-1 split of its common stock. Due to the stock split, the total dividend for the year ended Mar. 2023 is not disclosed. If the stock split is not considered, the year-end dividend for the year ended Mar. 2023 would be 12.00 yen, the total dividend for the year ended Mar. 2023 would be 24.00 yen, and the forecast of total dividend for the year ending Mar. 2024 would be 30.00 yen.

3. Forecasts of consolidated financial results for the fiscal year ending March 2024 (from April 1, 2023 to March 31, 2024)

(% 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	73,420	8.8	9,090	31.2	8,810	23.8	6,000	14.5	21.39
Year ending Mar. 2024	150,410	5.9	20,560	21.5	20,010	19.9	11,680	20.0	41.65

(Note) Revisions to the forecast of consolidated financial results most recently announced : None

※ 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. 2024	287,358,642
	Year ended Mar. 2023	287,358,642
② Number of treasury shares at the end of the period	Three months ended Mar. 2024	18,092,466
	Year ended Mar. 2023	6,902,126
③ Average number of shares outstanding during the period	Three months ended Mar. 2024	272,446,234
	Three months ended Mar. 2023	286,354,754

(Note) With an effective date of October 1, 2022, the Company performed a 3-for-1 split of its common stock.
For the numbers of shares above, the Company took the stock split into consideration.

※ 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, 2023)	End of First Quarter (As of June 30, 2023)
Assets		
Current assets		
Cash and deposits	29,106	26,838
Accounts receivable	1,679	1,199
Merchandise	429	428
Supplies	3,374	3,694
Other	4,149	3,500
Total current assets	38,739	35,661
Non-current assets		
Property, plant and equipment		
Buildings and structures	94,648	96,881
Accumulated depreciation	(52,459)	(54,420)
Buildings and structures, net	42,188	42,460
Land	5,712	5,712
Leased assets	32,255	34,709
Accumulated depreciation	(14,610)	(16,257)
Leased assets, net	17,644	18,451
Right-of-use assets	31,635	33,053
Accumulated depreciation	(706)	(801)
Right-of-use assets, net	30,929	32,252
Other	56,042	61,779
Accumulated depreciation	(35,978)	(38,627)
Other, net	20,063	23,151
Total property, plant and equipment	116,539	122,029
Intangible assets	763	750
Investments and other assets		
Deferred tax assets	4,216	3,359
Guarantee deposits	8,693	8,705
Other	1,672	1,650
Total investments and other assets	14,581	13,714
Total non-current assets	131,883	136,494
Total assets	170,623	172,156

Quarterly Consolidated Balance sheet – 2

(Millions of yen)

	End of Previous Term (As of March 31, 2023)	End of First Quarter (As of June 30, 2023)
Liabilities		
Current liabilities		
Accounts payable	394	285
Short-term borrowings	800	800
Current portion of bonds payable	342	342
Current portion of long-term borrowings	6,102	6,364
Lease obligations	14,599	15,746
Income taxes payable	612	273
Contract liabilities	2,488	2,670
Provision for redemption points	1,849	2,071
Other	10,638	8,610
Total current liabilities	37,828	37,165
Non-current liabilities		
Bonds payable	628	457
Long-term borrowings	15,696	19,345
Lease obligations	44,789	46,283
Asset retirement obligations	6,794	6,700
Other	3,705	3,959
Total non-current liabilities	71,614	76,746
Total liabilities	109,442	113,912
Net assets		
Shareholders' equity		
Share capital	25,326	25,326
Capital surplus	26,002	26,002
Retained earnings	7,506	8,973
Treasury shares	(3,503)	(10,004)
Total shareholders' equity	55,331	50,298
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	7	12
Deferred gains or losses on hedges	(0)	2
Revaluation reserve for land	(138)	(138)
Foreign currency translation adjustment	5,742	7,788
Total accumulated other comprehensive income	5,610	7,665
Share acquisition rights	237	279
Non-controlling interests	0	0
Total net assets	61,180	58,244
Total liabilities and net assets	170,623	172,156

Quarterly Consolidated Income Statement

(Millions of yen)

	Previous Term (From April 1, 2022 to June 30, 2022)	Current Term (From April 1, 2023 to June 30, 2023)
Net sales	30,912	35,951
Cost of sales	27,488	30,808
Gross profit	3,424	5,142
Selling, general and administrative expenses	1,064	1,258
Operating profit	2,359	3,884
Non-operating income		
Interest and dividend income	1	10
Subsidy income	129	—
Foreign exchange gains	200	196
Share of profit of entities accounted for using equity method	47	31
Other	92	83
Total non-operating income	471	322
Non-operating expenses		
Interest expenses	220	165
Other	27	47
Total non-operating expenses	248	212
Ordinary profit	2,582	3,993
Extraordinary losses		
Loss on retirement of non-current assets	29	144
Impairment losses	—	63
Total extraordinary losses	29	208
Profit before income taxes	2,553	3,785
Income taxes - current	227	208
Income taxes - deferred	300	963
Total income taxes	527	1,171
Profit	2,025	2,613
Loss attributable to non-controlling interest	(0)	(0)
Profit attributable to owners of parent	2,025	2,613

Quarterly Consolidated Statement of Comprehensive Income

(Millions of yen)

	Previous Term (From April 1, 2022 to June 30, 2022)	Current Term (From April 1, 2023 to June 30, 2023)
Profit	2,025	2,613
Other comprehensive income		
Foreign currency translation adjustment	3,000	2,052
Share of other comprehensive income of entities accounted for using equity method	43	2
Total other comprehensive income	3,043	2,054
Comprehensive income	5,069	4,667
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	5,069	4,667
Comprehensive income attributable to non-controlling interests	(0)	(0)