

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

November 10, 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

Tel : +81-6-6647-6600

Scheduled date to file quarterly securities report : November 13, 2023

Scheduled date to commence dividend payments : December 1, 2023

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

1. Consolidated financial results for the six months ended March 2024 (from April 1, 2023 to September 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	%
Six months ended Mar. 2024	76,830	13.8	10,477	51.2	10,515	47.8	7,789	29.0
Mar. 2023	67,487	63.2	6,929	—	7,115	—	5,241	—

(Note) Comprehensive income Six months ended Mar. 2024 : ¥10,711 million 6.8% Six months ended Mar. 2023 : ¥10,027 million —%

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Six months ended Mar. 2024	28.76	28.71
Mar. 2023	18.29	18.29

(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
Six months ended Mar. 2024	181,772	63,648	34.8	235.21
Year ended Mar. 2023	170,623	61,180	35.7	217.30

(Reference) Equity Six months ended Mar. 2024 : ¥63,334 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 ending Mar. 2024	2.50	2.50			
Year ending Mar. 2024 (Forecast)			3.50	3.50	12.00

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

- The Company plans to pay the 3Q-end dividend and Year-end dividend for the year ending Mar. 2024 of 3.50 yen per share, an increase of 1.00 yen per share compared with the 2Q-end for the year ending Mar. 2024.
- 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 36.00 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
Year ending Mar. 2024	157,584	10.9	22,878	35.2	22,635	35.6	14,004	43.8	52.01

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

※ 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)	Six 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	Six months ended Mar. 2024	18,092,466
	Year ended Mar. 2023	6,902,126

③ Average number of shares outstanding during the period	Six months ended Mar. 2024	270,856,205
	Six months ended Mar. 2023	286,551,765

(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 Second Quarter (As of September 30, 2023)
Assets		
Current assets		
Cash and deposits	29,106	32,482
Accounts receivable	1,679	1,614
Merchandise	429	419
Supplies	3,374	3,883
Other	4,149	4,268
Total current assets	38,739	42,669
Non-current assets		
Property, plant and equipment		
Buildings and structures	94,648	98,003
Accumulated depreciation	(52,459)	(55,619)
Buildings and structures, net	42,188	42,383
Land	5,712	5,712
Leased assets	32,255	34,072
Accumulated depreciation	(14,610)	(16,351)
Leased assets, net	17,644	17,721
Right-of-use assets	31,635	36,422
Accumulated depreciation	(706)	(899)
Right-of-use assets, net	30,929	35,522
Other	56,042	64,880
Accumulated depreciation	(35,978)	(40,774)
Other, net	20,063	24,106
Total property, plant and equipment	116,539	125,447
Intangible assets	763	723
Investments and other assets		
Deferred tax assets	4,216	2,697
Guarantee deposits	8,693	8,701
Other	1,672	1,532
Total investments and other assets	14,581	12,931
Total non-current assets	131,883	139,102
Total assets	170,623	181,772

Quarterly Consolidated Balance sheet – 2

(Millions of yen)

	End of Previous Term (As of March 31, 2023)	End of Second Quarter (As of September 30, 2023)
Liabilities		
Current liabilities		
Accounts payable	394	306
Short-term borrowings	800	700
Current portion of bonds payable	342	342
Current portion of long-term borrowings	6,102	6,329
Lease obligations	14,599	16,563
Income taxes payable	612	1,767
Contract liabilities	2,488	2,734
Provision for redemption points	1,849	2,261
Other	10,638	9,503
Total current liabilities	37,828	40,509
Non-current liabilities		
Bonds payable	628	457
Long-term borrowings	15,696	17,780
Lease obligations	44,789	48,906
Asset retirement obligations	6,794	6,715
Other	3,705	3,753
Total non-current liabilities	71,614	77,613
Total liabilities	109,442	118,123
Net assets		
Shareholders' equity		
Share capital	25,326	25,326
Capital surplus	26,002	26,002
Retained earnings	7,506	13,476
Treasury shares	(3,503)	(10,004)
Total shareholders' equity	55,331	54,801
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	7	15
Deferred gains or losses on hedges	(0)	1
Revaluation reserve for land	(138)	(138)
Foreign currency translation adjustment	5,742	8,655
Total accumulated other comprehensive income	5,610	8,533
Share acquisition rights	237	313
Non-controlling interests	0	0
Total net assets	61,180	63,648
Total liabilities and net assets	170,623	181,772

Quarterly Consolidated Income Statement

(Millions of yen)

	Previous Term (From April 1, 2022 to September 30, 2022)	Current Term (From April 1, 2023 to September 30, 2023)
Net sales	67,487	76,830
Cost of sales	58,430	63,742
Gross profit	9,056	13,087
Selling, general and administrative expenses	2,126	2,609
Operating profit	6,929	10,477
Non-operating income		
Interest and dividend income	3	19
Subsidy income	209	—
Foreign exchange gains	276	246
Share of profit of entities accounted for using equity method	82	71
Other	152	135
Total non-operating income	723	473
Non-operating expenses		
Interest expenses	432	330
Other	105	104
Total non-operating expenses	538	435
Ordinary profit	7,115	10,515
Extraordinary income		
Gain on sale of shares of associates	—	159
Compensation income	—	721
Gain on reversal of share acquisition rights	84	—
Total extraordinary income	84	881
Extraordinary losses		
Loss on retirement of non-current assets	111	219
Impairment losses	5	63
Total extraordinary losses	116	283
Profit before income taxes	7,083	11,113
Income taxes - current	450	1,673
Income taxes - deferred	1,391	1,650
Total income taxes	1,842	3,324
Profit	5,241	7,789
Loss attributable to non-controlling interests	(0)	(0)
Profit attributable to owners of parent	5,241	7,789

Quarterly Consolidated Statement of Comprehensive income

(Millions of yen)

	Previous Term (From April 1, 2022 to September 30, 2022)	Current Term (From April 1, 2023 to September 30, 2023)
Profit	5,241	7,789
Other comprehensive income		
Foreign currency translation adjustment	4,728	2,968
Share of other comprehensive income of entities accounted for using equity method	57	(45)
Total other comprehensive income	4,786	2,922
Comprehensive income	10,027	10,711
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	10,027	10,711
Comprehensive income attributable to non-controlling interests	(0)	(0)