

Term 2019.3 (Apr. 2018~Jun. 2018)
Outline of Financial Results



Analysis of present states and future prospects



Coronado Center (Albuquerque, New Mexico)
June 30, 2018 open!

ROUND ONE Corporation

C.E.O. and President Masahiko Sugino

Tokyo Stock Exchange First Section

Code Number: 4680

August 8, 2018

Analysis of consolidated operating results ①

Apr. 2018~Jun. 2018 Actual [Year-on-year]



※(Unit ¥bn) ※Figures below ¥10 million have been truncated. Percentage is rounded off to one decimal place.

		Unit	Term 2018.3 Actual (2017.4~2017.6)	Term 2019.3 Actual (2018.4~2018.6)	Differ(%)
Stores	Total stores at the end of the term ①	Store	122	128	+4.9
	No. of months total stores operation	Month	366	380	+3.8
P / L	Bowling		5.52	5.52	(0.1)
	Amusement		10.03	10.78	+7.5
	Karaoke (including other sales of the USA)		2.16	2.36	+9.3
	Spo-cha		2.95	3.03	+2.7
	Others		0.70	0.69	(0.8)
	Total sales		21.37	22.40	+4.8
	Cost of sales		19.84	20.54	+3.5
	Gross margin		1.53	1.86	+21.6
	S.G.A. expenses		0.55	0.66	+19.0
	Operating income		0.97	1.19	+23.0
	Non-operating income & expenses		(0.09)	(0.06)	+29.2
	Ordinary income ②		0.88	1.13	+28.6
	Ordinary income margin		4.1%	5.1%	—
Extraordinary income & loss ③		(0.06)	(0.11)	(74.3)	
Net income before tax		0.81	1.02	+25.0	
Corporate tax		0.46	④ 0.23	(48.1)	
Net income		0.35	0.78	+120.0	

① [Differ in number of stores]

Japan (105 stores): 1 store opening, 3 store closings
The USA (23 stores): 8 store openings

② [Ordinary income]

Term 2018.3 1st Q Actual Ordinary income ¥0.88bn

[Japan]	Increase in sales	+¥0.14bn
	Decrease in lease fee	+¥0.14bn
	Decrease in repairing exp.	+¥0.10bn
	Decrease in communication exp.	+¥0.05bn
	Increase in promotion exp. (Due to amusement merchandise exp. increase)	¥(0.10)bn
	Increase in rent exp.	¥(0.04)bn
	Others	¥(0.00)bn
[The USA]	P/L (※Table below)	¥(0.04)bn

Term 2019.3 1st Q Actual Ordinary income ¥1.13bn

※[The USA P/L status]

	Term 2018.3 1st Q Actual	Term 2019.3 1st Q Actual	Differ
Sales	¥2.39bn	¥3.27bn	¥0.88bn increase
Expenses	¥2.26bn	¥3.18bn	¥0.92bn increase
Ordinary income	¥0.12bn	¥0.08bn	¥0.04bn decrease

※ Please refer to next page for the USA P/L details

③ [Extraordinary income & loss breakdown]

Term 2018.03 1st Q Actual Extraordinary loss ¥(0.06)bn
· Loss on disposal of fixed assets ¥(0.06)bn

Term 2019.03 1st Q Actual Extraordinary loss ¥(0.11)bn
· Loss on sale of fixed assets ¥(0.07)bn
· Loss on disposal of fixed assets ¥(0.03)bn


④ Please refer to next page for corporate tax details

Analysis of consolidated operating results ②

Apr. 2018~Jun. 2018 Actual [Year-on-year]



◆Major factors in the USA ordinary income difference◆

Term 2018.3 1st Q Actual	Ordinary income	¥0.12bn
	Sales increase due to increase in number of months of total stores operation (45 months ⇒ 63 months)	+¥0.88bn
	Expenses increase due to increase in number of months of total stores operation (45 months ⇒ 63 months)	¥(0.76)bn
	Increase in initial investment cost	¥(0.21)bn...①
	Decrease in lease depreciation exp.	+¥0.15bn...②
	Increase in advertisement exp. (Increase in web, radio and other advertising exp.)	¥(0.05)bn
	Increase in tax exp. (Due to booking month lag)	¥(0.02)bn
	Others	¥(0.03)bn
Term 2019.3 1st Q Actual	Ordinary income	¥0.08bn

① Increase in initial investment cost of new stores (pre-open)

Term 2018.3 1st Q Actual ¥0.04bn / Term 2019.3 1st Q Actual ¥0.26bn

[Major factors]・Accrual of rent for construction period ※ (Term 2018.3 1st Q Actual none / Term 2019.3 1st Q Actual ¥0.11bn)

・Other opening expenses (Term 2018.3 1st Q Actual ¥0.04bn / Term 2019.3 1st Q Actual ¥0.14bn)

② Decrease in lease depreciation exp.

Term 2018.3 1st Q Actual ¥0.30bn / Term 2019.3 1st Q Actual ¥0.15bn

[Major factors]・Decrease due to change in service life of leased machines from 3 to 7 years, etc. ※

※ Effect of change in accounting method for the USA subsidiary in term 2018.3

◆Concerning consolidated corporate tax accrual amount◆

Major factors for accrual of corporate tax ¥0.23 compared to net income before tax ¥1.02 (tax rate 23%): 30% of asset of potentially closing store (due to expiration of contract period) ¥0.40, that was impaired during past years, was accrued as deferred tax asset, hence corporate tax was reduced by ¥0.12.

Analysis of consolidated operating results ③

Apr. 2018~Jun. 2018 Actual [Actual and Plan]



※(Unit ¥bn) ※Figures below ¥10 million have been truncated. Percentage is rounded off to one decimal place.

		Unit	Term 2019.3 Plan (2018.4~2018.6)	Term 2019.3 Actual (2018.4~2018.6)	Differ(%)
Stores	Total stores at the end of the term	Store	128	128	—
	No. of months total stores operation	Month	380	380	—
P / L	Bowling		5.64	5.52	(2.1)
	Amusement		10.66	10.78	+1.2
	Karaoke (including other sales of the USA)		2.30	2.36	+2.4
	Spo-cha		2.97	3.03	+1.8
	Others		0.69	0.69	+0.5
	Total sales		22.28	22.40	+0.5
	Cost of sales		20.18	20.54	+1.7
	Gross margin		2.09	1.86	(11.2)
	S.G.A. expenses		0.69	0.66	(4.3)
	Operating income		1.40	1.19	(14.7)
	Non-operating income & expenses		(0.11)	(0.06)	+44.4
	Ordinary income ①		1.28	1.13	(11.9)
	Ordinary income margin		5.8%	5.1%	—
	Extraordinary income & loss		(0.10)	② (0.11)	(11.6)
Net income before tax		1.18	1.02	(13.9)	
Corporate tax		0.39	0.23	(38.5)	
Net income		0.79	0.78	(1.9)	

① [Ordinary income]

Term 2019.3 1st Q Plan	Ordinary income	¥1.28bn
[Japan]	Increase in sales	+¥0.27bn
	Decrease in repairing exp.	+¥0.07bn
	Increase in promotion exp. (Due to amusement merchandise exp. increase)	¥(0.13)bn
	Increase in utility exp. (Due to fuel adjustment cost increase)	¥(0.07)bn
	Increase in supplies exp. (Due to karaoke supplies exp. increase)	¥(0.05)bn
	Increase in personnel exp.	¥(0.05)bn
	Others	¥(0.05)bn
[The USA]	Decrease in sales (Mainly new store sales decrease)	¥(0.15)bn
	Decrease in commission exp. (License application exp. decrease)	+¥0.04bn
	Decrease in rent exp.	+¥0.04bn
	Increase in tax exp. (Use tax exp. decrease)	¥(0.03)bn
	Others	¥(0.03)bn
Term 2019.3 1st Q Actual	Ordinary income	¥1.13bn

② [Extraordinary income & loss breakdown]

Term 2019.03 1st Q Actual Extraordinary loss ¥(0.11)bn
 ・ Loss on sale of fixed assets ¥(0.07)bn
 ・ Loss on disposal of fixed assets ¥(0.03)bn

Term 2019.3 Consolidated plan store openings and closings, P / L



No change has been made since announcement on May 8, 2018.

※ Figures below ¥10 million have been truncated.
Percentage is rounded off to one decimal place.

		Unit	Term 2018.3			Term 2019.3					
			Consolidated	Japan	The USA	Consolidated		Japan		The USA ^③	
			Actual	Actual	Actual	Plan	Differ(%)	Plan	Differ(%)	Plan	Differ(%)
Stores ①	Store openings and closings	Store	+7	+1	+6	+9	+28.6	(2)	—	+11	+83.3
	No. of total stores (at the end of term)	Store	129	108	21	138	+7.0	106	(1.9)	32	+52.4
	[Break down] Own stores (land & building and building structure)	Store	24	24	—	24	—	24	—	—	—
	Leased stores (interior structure only)	Store	105	84	21	114	+8.6	82	(2.4)	32	+52.4
	No. of months total stores operation	Month	1,496	1,290	206	1,575	+5.3	1,270	(1.6)	305	+48.1
P/L	Bowling	¥bn	24.52	22.72	1.79	24.90	+1.5	22.50	(1.0)	2.40	+33.7
	Amusement	¥bn	45.34	37.70	7.64	49.67	+9.6	38.23	+1.4	11.44	+49.8
	Karaoke (including other sales of the USA)	¥bn	9.84	7.70	2.13	10.61	+7.7	7.66	(0.6)	2.95	+38.0
	Spo-cha	¥bn	13.28	13.28	—	13.35	+0.5	13.35	+0.5	—	—
	Others	¥bn	2.90	2.90	—	2.86	(1.4)	2.86	(1.4)	—	—
	Total sales	¥bn	95.91	84.33	11.57	101.40	+5.7	84.60	+0.3	16.80	+45.1
	Operating income	¥bn	10.53	9.49	1.04	11.55	+9.6	9.63	+1.5	1.85	+77.4
	Ordinary income	¥bn	10.26	9.33	0.93	11.00	+7.1	9.42	+0.9	1.58	+69.4
	Ordinary income margin	%	10.7%	11.1%	8.1%	10.8%	—	11.1%	—	9.4%	—
	Extraordinary income & loss ②	¥bn	(1.09)	(1.09)	—	(1.31)	(19.2)	(0.94)	+13.8	(0.36)	—
	Net income before tax	¥bn	9.16	8.23	0.93	9.69	+5.7	8.47	+2.9	1.21	+30.5
Corporate tax	¥bn	0.75	0.72	0.03	3.37	+344.9	3.00	+314.5	0.36	—	
Net income	¥bn	8.41	7.51	0.89	6.32	(24.9)	5.47	(27.2)	0.85	(5.5)	

(Note) ① Term 2018.3 Actual: Openings (1 store in Japan, 6 stores in the USA), Term 2019.3 Plan: Openings (1 store in Japan, 11 stores in the USA), closings (3 stores in Japan)

② Breakdown of extraordinary income & loss:

[Term 2018.3 Actual] Impairment loss ¥(0.71)bn (11 stores in Japan), Loss on disposal of amusement substrates, etc. ¥(0.38)bn

[Term 2019.3 Plan] Impairment loss ¥(0.91)bn (6 stores in Japan ¥(0.54)bn, 1 store in the USA ¥(0.36)), Loss on disposal of amusement substrates, etc. ¥(0.40)bn

③ In calculation of the USA plan exchange rate \$1 = ¥109 is used.

※ Consolidated plan for Term 2019.3 is adjusted, hence total operating income for Japan and the USA does not match consolidated operating income.

Japan Sales and Year-on-year comparison of existing stores (Actual and plan)



Japan sales (Actual and plan)

Please refer to page 14 and 17 for the number of stores.
 ※Figures below ¥10 million have been truncated.

	Unit	1st half					2nd half			Term
		1st Q			2nd Q	1st half	3rd Q	4th Q	2nd half	
		Plan	Actual	Differ(%)	Plan	Plan	Plan	Plan	Plan	
Bowling	¥bn	5.12	5.05	(1.4)	5.58	10.71	4.96	6.82	11.79	22.50
Amusement	¥bn	8.34	8.60	+3.1	10.71	19.05	9.40	9.76	19.17	38.23
Karaoke	¥bn	1.71	1.74	+1.7	1.99	3.71	1.84	2.10	3.95	7.66
Spo-cha	¥bn	2.97	3.03	+1.8	3.47	6.45	2.78	4.11	6.90	13.35
Others	¥bn	0.69	0.69	+0.5	0.74	1.44	0.67	0.74	1.42	2.86
Total sales	¥bn	18.85	19.13	+1.5	22.51	41.36	19.67	23.55	43.23	84.60
No. of total stores in Japan (at the end of every term)		105	105	—	106	106	106	106	106	106

Japan year-on-year comparison of existing stores (Actual and plan)

※Percentage is rounded off to one decimal place.

	Unit	1st half					2nd half			Term
		1st Q			2nd Q	1st half	3rd Q	4th Q	2nd half	
		Plan	Actual	Differ(%)	Plan	Plan	Plan	Plan	Plan	
Bowling	%	+0.1	(1.3)	(1.4)	(0.8)	(0.4)	(1.0)	+0.3	(0.3)	(0.3)
Amusement	%	(1.5)	+1.5	+3.0	+3.7	+1.3	+2.2	+0.2	+1.2	+1.3
Karaoke	%	(1.2)	+0.5	+1.7	(2.6)	(2.0)	(1.6)	+0.3	(0.6)	(1.3)
Spo-cha	%	+0.9	+2.7	+1.8	(1.2)	(0.2)	(2.5)	(0.8)	(1.5)	(0.9)
Others	%	(1.4)	(0.9)	+0.5	(1.0)	(1.2)	(1.8)	+1.2	(0.2)	(0.7)
Total sales	%	(0.7)	+0.8	+1.5	+1.1	+0.3	+0.2	+0.1	+0.1	+0.2
Number of at/Sun/Hol vs pre year	Days	±0	±0	—	±0	±0	(1)	+1	±0	±0
No. of existing stores in Japan (at the end of every term)		104	104	—	104	104	105	105	105	105

The USA Sales and Year-on-year comparison of existing stores (Actual and plan)



The USA sales (Actual and plan)

Please refer to page 14, 15 and 17 for the number of stores.
 ※Figures below ¥10 million have been truncated.

	Unit	1st Q			2nd Q	1st half	3rd Q	4th Q	2nd half	Term
		Plan	Actual	Differ(%)	Plan	Plan	Plan	Plan	Plan	Plan
		Bowling	¥bn	0.51	0.46	(9.5)	0.59	1.10	0.55	0.73
Amusement	¥bn	2.31	2.18	(5.8)	2.85	5.17	2.59	3.67	6.26	11.44
Karaoke, etc. ①	¥bn	0.59	② 0.62	+4.5	0.69	1.28	0.70	0.95	1.66	2.95
Total sales	¥bn	3.43	3.27	(4.6)	4.14	7.57	3.85	5.37	9.22	16.80
No. of total stores in the USA (at the end of every term)		23	23	—	26	26	30	32	32	32

※ In calculation of sales plan exchange rate \$1 = ¥109.00 is used, in calculation of sales actual exchange rate \$1 = ¥109.10 is used.

① Karaoke, etc. sales is mostly food & beverage sales.

② Sales for recently implemented "All Inclusive Party Plan" (all you can play and eat party plan) are included in Karaoke, etc.

The USA year-on-year comparison of existing stores (Actual and plan)

※Percentage is rounded off to one decimal place.

	Unit	1st Q			2nd Q	1st half	3rd Q	4th Q	2nd half	Term
		Plan	Actual	Differ(%)	Plan	Plan	Plan	Plan	Plan	Plan
		Bowling	%	(2.2)	(6.1)	(3.9)	(2.0)	(2.1)	(3.7)	+1.9
Amusement	%	(0.1)	(1.3)	(1.2)	(0.8)	(0.5)	(2.6)	+1.3	(0.4)	(0.4)
Karaoke, etc. ①	%	(0.3)	② +7.9	+8.2	+0.0	(0.1)	(2.0)	+3.9	+1.2	+0.6
Total sales	%	(0.5)	(0.4)	+0.1	(0.8)	(0.7)	(2.6)	+1.8	(0.1)	(0.4)
No. of existing stores in the USA (at the end of every term)		15	15	—	16	16	19	20	20	20

※ Year-on-year comparison of existing stores is calculated in dollar amount.

Term 2019.3 Quarterly consolidated Actual and plan



※(Unit ¥bn) ※Figures below ¥10 million have been truncated. Percentage is rounded off to one decimal place.

									Term
	1st Q			2nd Q	1st half	3rd Q	4th Q	2nd half	
	Plan	Actual	Differ(%)	Plan	Plan	Plan	Plan	Plan	
Total sales	22.28	22.40	+0.5	26.65	48.94	23.53	28.92	52.46	101.40
Cost of sales	20.18	20.54	+1.7	22.37	42.56	21.58	22.93	44.51	87.07
Gross margin	2.09	1.86	(11.2)	4.28	6.37	1.94	5.99	7.94	14.32
S.G.A. expenses	0.69	0.66	(4.3)	0.68	1.37	0.67	0.71	1.39	2.77
Operating income	1.40	1.19	(14.7)	3.59	5.00	1.26	5.28	6.55	11.55
Non-operating income & expenses	(0.11)	(0.06)	+44.4	(0.15)	(0.27)	(0.13)	(0.14)	(0.28)	(0.55)
Ordinary income	1.28	1.13	(11.9)	3.44	4.73	1.12	5.14	6.27	11.00
Ordinary income margin	5.8%	5.1%	—	12.9%	9.7%	4.8%	17.8%	12.0%	10.8%
Extraordinary income & loss	(0.10)	(0.11)	(11.6)	(0.10)	(0.20)	(0.10)	(1.01)	(1.11)	(1.31)
Net income before tax	1.18	1.02	(13.9)	3.34	4.53	1.02	4.13	5.16	9.69
Corporate tax	0.39	0.23	(38.5)	1.14	1.53	0.34	1.49	1.84	3.37
Net income (by Quarter)	0.79	0.78	(1.9)	2.20	3.00	0.68	2.63	3.32	6.32

Term 2019.3 Consolidated plan Cash flow



No change has been made since announcement on May 8, 2018.

※Figures below ¥10 million have been truncated.

		Unit	Term 2018.3 Actual	Term 2019.3 Plan
Cash	Net income	¥bn	8.41	6.32
	Income tax adjustment (provision / payment / refund / refund receivable in total) ①	¥bn	+0.51	+0.94
	Non-cash loss (impairment loss, etc.)	¥bn	+1.72	+1.75
	Dividend	¥bn	(1.90)	(1.90)
	Depreciation (excluded lease) ②	¥bn	+4.02	+4.47
	Simplified cash flow	¥bn	+12.77	+11.58
	Equipment investment (excluded finance lease) ③	¥bn	(6.43)	(8.37)
	Simplified free cash flow	¥bn	+6.34	+3.21
	Cash reserve	¥bn	23.43	24.26
	Interest-bearing liabilities (excluded lease liabilities)	¥bn	13.71	11.32
Net interest-bearing liabilities	¥bn	(9.72)	(12.93)	

(Note) **Term 2018.3 Actual:**

- ① Breakdown of income tax adjustment +¥0.51bn
◆ Provision +¥0.75bn, refund +¥0.38bn, payment ¥(0.62)bn
- ② Breakdown of depreciation···Japan: ¥2.56bn / the USA: ¥1.46bn
- ③ Breakdown of equipment investment ¥(6.43)bn
◆ New stores: ¥3.98bn (Japan: 1 store / ¥0.67bn, the USA: 6 stores / ¥3.31bn)
◆ Existing stores: ¥2.44bn (Japan: ¥2.24bn, the USA: ¥0.20bn) remodeling, etc.

Term 2019.3 Plan:

- ① Breakdown of income tax adjustment +¥0.94bn
◆ Provision ¥3.37bn, payment ¥(2.42)bn
- ② Breakdown of depreciation···Japan: ¥2.45bn / the USA: ¥2.01bn
- ③ Breakdown of equipment investment ¥(8.37)bn
◆ New stores: ¥6.37bn (Japan: 1 store / ¥0.60bn, the USA: 11 stores / ¥5.77bn)
◆ Existing stores: ¥2.00bn (Japan: ¥1.95bn, the USA: ¥0.05bn) remodeling, etc.

Trend in P/L status

Trend in P / L (Consolidated)

No change has been made since announcement on May 8, 2018, except for adding ROE data.

※(Unit ¥bn) ※Figures below ¥10 million have been truncated. Percentage is rounded off to one decimal place.

Term	2010.3	2011.3	2012.3	2013.3	2014.3	2015.3	2016.3	2017.3	2018.3	2019.3 Plan
No. of stores at the end of term	105	109	110	113	114	118	122	122	129	138
Total sales	82.1	84.3	89.5	85.9	84.2	83.9	83.5	87.7	95.9	101.4
Ordinary income	7.8	6.9	11.4	8.2	7.8	6.1	5.4	5.8	10.2	11.0
Ordinary income margin	9.6%	8.2%	12.8%	9.6%	9.3%	7.3%	6.5%	6.7%	10.7%	10.8%
Net income	3.3	(12.6)	2.7	0.6	(19.7)	(4.5)	0.4	2.7	8.4	6.3
ROI (Return on investment) ①	3.5%	2.9%	5.0%	4.0%	5.1%	5.9%	5.9%	6.8%	12.0%	12.3%
ROE (Return on equity) ②	4.3%	(15.4) %	3.5%	0.8%	(28.9) %	(8.4) %	0.9%	5.4%	15.6%	10.7%
ROA (Return on assets) ③	1.5%	(5.0) %	1.2%	0.3%	(11.8) %	(3.8) %	0.4%	2.7%	8.1%	5.7%

① ROI calculation: Ordinary income ÷ [{(Net assets at the beginning of term + Net assets at the end of term) ÷ 2} + {(Interest-bearing liabilities including lease liabilities at the beginning of term + Interest-bearing liabilities including lease liabilities at the end of term) ÷ 2}]

② ROE calculation: Net income ÷ {(Shareholder equity at the beginning of term + Shareholder equity at the end of term) ÷ 2}

③ ROA calculation: Net income ÷ {(Total assets at the beginning of term + Total assets at the end of term) ÷ 2}

Trend in P / L (Japan)

Term	2010.3	2011.3	2012.3	2013.3	2014.3	2015.3	2016.3	2017.3	2018.3	2019.3 Plan
No. of stores at the end of term	105	108	109	111	111	113	113	107	108	106
Total sales	82.1	83.9	89.0	85.1	82.9	81.9	78.3	80.5	84.3	84.6
Ordinary income	7.8	7.0	11.4	8.2	7.8	6.2	5.1	5.4	9.3	9.4
Ordinary income margin	9.6%	8.3%	12.8%	9.7%	9.4%	7.6%	6.6%	6.7%	11.1%	11.1%
Net income	3.3	(12.5)	2.7	0.6	(19.6)	(4.4)	0.2	2.8	7.5	5.4

Trend in P / L (The USA)

Term	2010.3	2011.3	2012.3	2013.3	2014.3	2015.3	2016.3	2017.3	2018.3	2019.3 Plan
No. of stores at the end of term		1	1	2	3	5	9	15	21	32
Total sales		0.3	0.5	0.7	1.2	1.9	5.1	7.2	11.5	16.8
Ordinary income		(0.0)	0.0	(0.0)	(0.0)	(0.0)	0.2	0.4	0.9	1.5
Ordinary income margin		—	2.6%	—	—	—	4.7%	6.1%	8.1%	9.4%
Net income		(0.0)	0.0	(0.0)	(0.0)	(0.0)	0.2	(0.1)	0.8	0.8

Trend in year-on-year sales comparison of existing stores (Japan)



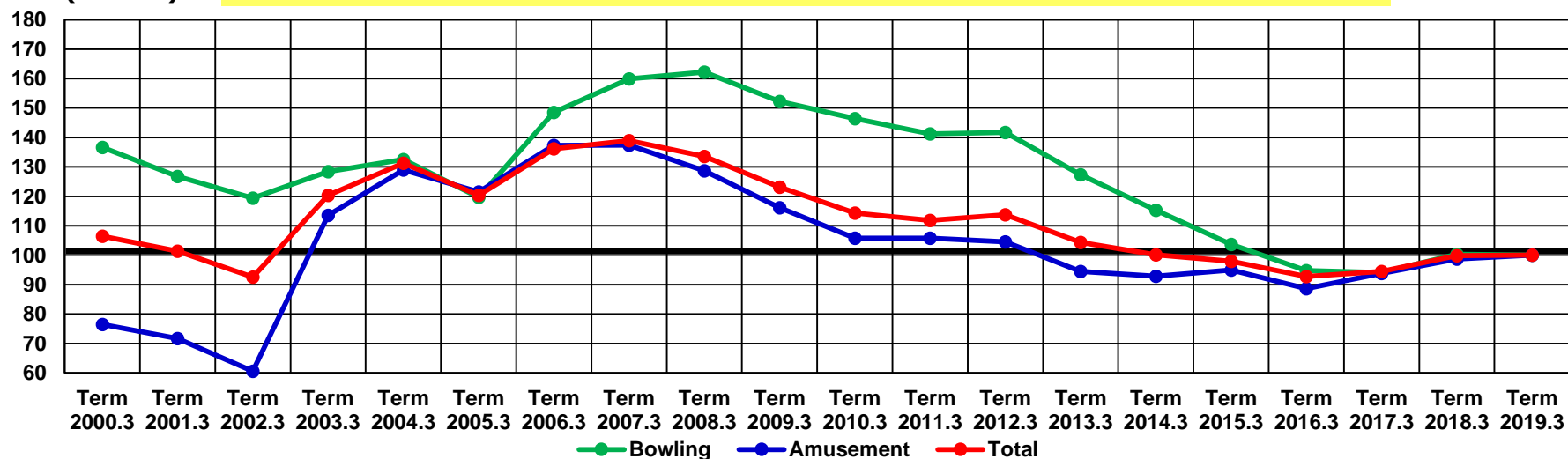
No change has been made since announcement on May 8, 2018.

(Unit: %)

Term	2000.3	2001.3	2002.3	2003.3	2004.3	2005.3	2006.3	2007.3	2008.3	2009.3	2010.3	2011.3	2012.3	2013.3	2014.3	2015.3	2016.3	2017.3	2018.3	2019.3 Plan
Bowling	(10.2)	(7.8)	(6.1)	+7.0	+3.1	(10.7)	+19.4	+7.1	+1.4	(6.5)	(4.0)	(3.7)	+0.4	(11.3)	(10.5)	(11.2)	(9.4)	(0.7)	+6.2	(0.3)
Amusement	(6.3)	(6.6)	(18.3)	+46.6	+12.0	(6.2)	+11.5	+0.1	(6.8)	(10.8)	(9.8)	+0.0	(1.1)	(10.7)	(1.7)	+2.2	(7.2)	+5.5	+5.0	+1.3
Karaoke	-	-	-	-	-	-	(4.5)	+4.0	(1.2)	(7.3)	(13.1)	+3.4	+15.8	(3.7)	(1.8)	+0.4	(7.4)	+0.6	+1.6	(1.3)
Spo-cha	-	-	-	-	-	-	-	-	(16.1)	(9.8)	(9.2)	(4.5)	+7.5	+0.2	+5.1	+3.7	+5.0	(2.5)	+8.1	(0.9)
Others	+13.9	+37.3	+7.8	+21.5	+13.7	(14.3)	(11.3)	(9.2)	+13.2	+11.4	(3.9)	(14.5)	+1.3	(6.6)	(9.9)	(1.8)	+9.9	+1.2	+0.7	(0.7)
Total sales	(7.6)	(5.0)	(9.5)	+23.1	+8.3	(9.1)	+11.6	+2.0	(4.0)	(8.5)	(7.7)	(2.2)	+1.7	(9.0)	(4.2)	(2.3)	(5.6)	+1.9	+5.3	+0.2
No. of existing stores	10	19	25	38	39	40	46	57	69	79	89	104	106	108	111	111	112	105	107	105

(Unit: %)

Trend in year-on-year sales comparison of existing stores in Japan (Term 2019.3 is 100 basis)



[Note] Karaoke sales for term 2001.3~2005.3 are included to "Others".

[Note] The USA stores are excluded.

Trend in assets (Consolidated)



No change has been made since announcement on May 8, 2018.

※ Figures below ¥10 million have been truncated.
Percentage is rounded off to one decimal place.

Term	2010.3	2011.3	2012.3	2013.3	2014.3	2015.3	2016.3	2017.3	2018.3	2019.3 Plan
Total assets	¥251.2bn	¥252.1bn	¥228.2bn	¥206.2bn	¥127.1bn	¥111.5bn	¥104.5bn	¥101.7bn	¥106.8bn	¥114.4bn
Net assets	¥85.6bn	¥79.0bn	¥79.8bn	¥78.7bn	¥57.5bn	¥51.6bn	¥49.7bn	¥50.8bn	¥56.7bn	¥61.1bn
Equity ratio	34.1%	31.3%	35.0%	38.2%	45.3%	46.3%	47.6%	50.0%	53.0%	53.4%
Cash reserve	¥30.8bn	¥22.7bn	¥29.4bn	¥25.3bn	¥25.1bn	¥27.7bn	¥23.1bn	¥20.1bn	¥23.4bn	¥24.2bn
Interest-bearing liabilities	¥138.8bn	¥136.1bn	¥110.9bn	¥90.2bn	¥36.8bn	¥27.0bn	¥22.8bn	¥16.4bn	¥13.7bn	¥11.3bn
Guarantee debts ①	¥31.8bn	¥8.2bn	—	—	—	—	—	—	—	—
Net interest-bearing liabilities ②	¥139.8bn	¥121.6bn	¥81.4bn	¥64.9bn	¥11.6bn	¥(0.6)bn	¥(0.3)bn	¥(3.7)bn	¥(9.7)bn	¥(12.9)bn
Lease liabilities	¥25.9bn	¥28.4bn	¥27.3bn	¥24.6bn	¥19.6bn	¥16.3bn	¥16.0bn	¥17.9bn	¥15.5bn	¥21.0bn
Net interest-bearing liabilities ③ including balance lease liabilities	¥165.8bn	¥150.1bn	¥108.8bn	¥89.5bn	¥31.2bn	¥15.6bn	¥15.6bn	¥14.2bn	¥5.8bn	¥8.1bn
New lease contract amount	¥12.2bn	¥13.7bn	¥10.6bn	¥9.1bn	¥8.1bn	¥7.1bn	¥8.8bn	¥10.9bn	¥8.0bn	¥15.5bn

(Note) ① Guarantee debts... loans made by subsidiaries during development periods for which ROUND ONE Corporation is jointly and severally liable. These loans will be repaid after store openings, etc. and guarantee debts will be eliminated. However, these loans are classified as interest-bearing liabilities because they are switched to long-term loans.

② "Net interest-bearing liabilities"... ("Interest-bearing liabilities" + "Guarantee debts") – "Cash reserve".

③ "Net interest-bearing liabilities including lease liabilities"... "Net interest-bearing liabilities" + "Lease liabilities".

※ The lease above indicates finance lease for amusement machines and karaoke machines.

Measures taken for existing stores

◆ Elementary, junior high school age free campaign ◆

- Campaign is continued for junior high school age or under in Bowling, Karaoke, Amusement (medals)

◆ Events implementation ◆

- Strap giveaway to groups of more than 6 people (※as for medal game users, group of 6 people with spending amount over ¥6,600)
Giveaway of collaboration of popular "BiSH" and "HELLO KITTY" themed straps, and "Golden Bomber" themed straps (the above straps replaced monthly)
- Giveaway of "BiSH" and "HELLO KITTY" collaboration mascot plush to MEGA pack users
- Cash-back to event achievers (¥1,000) (in bowling and karaoke)



◆ Campaign implementation ◆ ※Excluding some stores

- [Round One DE Kanpai] Campaign offering draft beer and other alcoholic drinks (limited items) for ¥100~ a drink is continued (started June)
- Offering 6 flavors of ice cream for ¥100 "R-1 ICE" (started July)

◆ "Bowling for Health" lessons (Bringing up 150 league bowlers in every store) ◆

- 150 bowlers in every store × 101 stores = 15 thousand bowlers

◆ Bowling Petit Dinner Set release ◆ ※Only for group reservations

- Good value option of group reservation fee + ¥480 - a set of one drink + one food item + potato side dish - is available (starting August)



"Fate/Grand Order Arcade"
©SEGA

◆ Out-of-school study in Bowling and Spo-cha ◆

- Implementation of Round One Out-of-school Plan as a school event targeting junior high and high schools (starting around September)

◆ Installment of new amusement machines ◆

- Installment of arcade game "Fate/Grand Order Arcade" (SEGA) (started July, 26 in all stores)
- Installment of medal game "LetsriGO !" (SEGA) planned starting September
- Installment of arcade game "MOBILE SUIT GUNDAM: EXTREME VS 2" (BANDAI NAMCO) planned starting autumn



"MOBILE SUIT GUNDAM: EXTREME VS 2"
©SOTSU・SUNRISE
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New equipment and system implementation



◆ Implementation of automatic reception and payment system ◆

[By implementing automatic reception and payments systems all areas (excluding amusement) are to be self service]

- Reception desk is not attended by our staff. Staff assistance may be requested by using call staff function
 - ⇒ · Reception, reservation, membership registration / renewal, tournament participation reservation / reception, checkout will be conducted by customers
 - Bowling lane arrangement will be also automatized. Customers will be able to choose karaoke rooms
- Payments will be on advance basis

[Implementation of staff tablets is to improve efficiency]

- By simultaneous implementation of staff tablets, our staff will have access to information needed via tablets
 - ⇒ · Tablets will be synchronized with headsets, scoring equipment, ordering devices, staff call devices and other systems, which will enable our staff to assist customers only when needed

◆ Implementation of new system "(Tentative name) ROUND ONE LIVE" ◆ (Bowling and Karaoke)

[Renewal of overall bowling area]

- Create private room-like atmosphere
 - ⇒ · New bowling benches and 32 inches tablets to be installed at every lane
- Create an overwhelming impact and presence
 - ⇒ · Large scale masking monitors, over head monitors, bench monitors and others to be installed
 - ⇒ · 3 side monitors enable customers to use LIVE contents, and play with distant companion via monitors as if they were present

[New special functions and bonuses are available to small to large groups using LIVE connection]

- Multiple contents are available to customers using image and sound connection
 - ⇒ · LIVE mode allows customers to play and communicate with friends at the same time
 - Function allowing battle games between different lanes and tournaments between different groups
- LIVE distribution contents allow to choose a role of star or audience
 - ⇒ · anyone can be a star with LIVE distribution contents
 - Fan meetings with stars and celebrities, challenge to play with Probowlers via LIVE Challenges

◆ Implementation period ◆

Implementation period December, 2018~June, 2019

New stores scheduled



New store openings planned in term 2019.3

(The USA: 10 or more store openings per year is a target)

	Opening date	Nation	Store name / region	Store type	Operating floor area
1	June 2018 (opened)	The USA	Maine Mall / South Portland, Maine	Standard, Roadside (Within mega shopping center)	44,056sq. ft.
2	June 2018 (opened)	The USA	Coronado Center / Albuquerque, New Mexico	Standard, Roadside (Within mega shopping center)	48,505sq. ft.
3	July 2018 (opened)	Japan	Nara Mi Nara / Nara, Nara	Stadium, Roadside (Within mega shopping center)	130,462sq. ft.
4	August 2018	The USA	(Tentative name) Shops at South Town / Sandy, Utah	Standard, Roadside (Within mega shopping center)	47,900sq. ft.
5	August 2018	The USA	(Tentative name) Millcreek Mall / Erie, Pennsylvania	Standard, Roadside (Within mega shopping center)	50,747sq. ft.
6	September 2018	The USA	(Tentative name) Northridge Mall / Salinas, California	Standard, Roadside (Within mega shopping center)	52,419sq. ft.
7	November 2018	The USA	(Tentative name) Jefferson Mall / Louisville, Kentucky	Standard, Roadside (Within mega shopping center)	54,412sq. ft.
8	Winter 2018	The USA	(Tentative name) Gateway Mall / Lincoln, Nebraska	Standard, Roadside (Within mega shopping center)	39,227sq. ft.
9	Winter 2018	The USA	(Tentative name) Southridge Mall / Greendale, Wisconsin	Standard, Roadside (Within mega shopping center)	47,295sq. ft.
10	Winter 2018	The USA	(Tentative name) North Riverside Park Mall / North Riverside, Illinois	Standard, Roadside (Within mega shopping center)	45,836sq. ft.
11	Spring 2019	The USA	(Tentative name) Promenade Temecula / Temecula, California	Standard, Roadside (Within mega shopping center)	50,071sq. ft.
12	Spring 2019	The USA	(Tentative name) Holyoke Mall at Ingleside / Holyoke, Massachusetts	Standard, Roadside (Within mega shopping center)	52,455sq. ft.

New store openings planned in term 2020.3 and after

	Opening date	Store name / region		Opening date	Store name / region
1	Spring 2019	(Tentative name) Southland Mall / Hayward, California	5	Winter 2019	(Tentative name) Park Place / Tucson, Arizona
2	Spring 2019	(Tentative name) Burbank Town Center / Burbank, California	6	Winter 2019	(Tentative name) Towson Town Center / Towson, Maryland
3	Autumn 2019	(Tentative name) Meadowood Mall / Reno, Nevada	7	Winter 2019	(Tentative name) Westfield Galleria at Roseville / Roseville, California
4	Autumn 2019	(Tentative name) Meadows Mall / Las Vegas, Nevada	8	Spring 2020	(Tentative name) Vancouver / Vancouver, Washington

※ Information in this New stores schedule concerns only stores with concluded lease agreements as of release date, number of store openings in performance plan may differ.
 ※ Lease agreements of 19 stores (opening Spring 2019 and after) are under negotiation at present time.

Existing stores and principles of conditions for future stores openings in the USA



[Operating 23 stores as of the end of August, 2018]

	Opening date	Store name / region	Operating floor area		Opening date	Store name / region	Operating floor area
1	August 2010	Puente Hills Mall / City of Industry, California	60,000sq.ft.	13	January 2017	Southwest Plaza / Littleton, Colorado	66,085sq. ft.
2	September 2012	Moreno Valley Mall / Moreno Valley, California	44,448sq.ft.	14	March 2017	The Mall at Stonecrest / Lithonia, Georgia	50,533sq.ft.
3	August 2013	Lakewood Center Mall / Lakewood, California	43,523sq.ft.	15	March 2017	Fox Valley Mall / Aurora, Illinois	51,708sq.ft.
4	October 2014	Stratford Square Mall / Bloomingdale, Illinois	39,893sq.ft.	16	July 2017	Broadway Mall / Hicksville, New York	50,604sq.ft.
5	December 2014	Arlington Parks / Arlington, Texas	64,911sq.ft.	17	September 2017	Galleria at Crystal Run / Middletown, New York	46,085sq.ft.
6	May 2015	Main Place Mall / Santa Ana, California	40,676sq.ft.	18	October 2017	Great Lakes Crossing / Auburn Hills, Michigan	51,743sq.ft.
7	July 2015	Westfield Southcenter / Tukwila, Washington	41,672sq.ft.	19	November 2017	Northwoods Mall / Peoria, Illinois	58,825sq.ft.
8	September 2015	Eastridge Shopping Center / San Jose, California	52,064sq. ft.	20	January 2018	Four Seasons Town Centre / Greensboro, North Carolina	61,708sq.ft.
9	December 2015	Silver City Galleria / Taunton, Massachusetts ✖	64,697sq. ft.	21	March 2018	Great Lakes Mall/ Mentor, Ohio	50,996sq.ft.
10	May 2016	Grapevine Mills / Grapevine, Texas ✖	81,316sq.ft.	22	June 2018	Maine Mall/ South Portland, Maine	44,056sq. ft.
11	August 2016	Sunvalley Mall / Concord, California	47,295sq. ft.	23	June 2018	Coronado Center / Albuquerque, New Mexico	48,505sq. ft.
12	December 2016	Exton Square Mall/ Exton, Pennsylvania	59,537sq.ft.				

✖ Kids play zone is operated in some areas. Opened in Grapevine Mills in October, 2016 and in Silver City Galleria in March, 2017.

Classification by color refers to "High Profitability (yellow)", "Average Profitability (green)" and "Low Profitability (pink)" stores. Classification by color is updated four times a year for disclosure.

Existing stores and principles of conditions for future stores openings in the USA



[Principles of conditions for future stores openings]

No change has been made since announcement on May 8, 2018.

Expansion candidates	Opening in large shopping malls throughout the USA (There are approximately 900 malls that apply to our conditions)
Operating floor area	42,000sq.ft. ~ 64,000sq.ft.
Demographics	Over 150,000 within 5 miles, Over 400,000 within 10 miles
Target customers	shopping mall customers (young adults at night, mainly college students) / projected male – female rate is 50 - 50
Avg. spending / customer	About \$14
Sales share	Amusement about 66%, Bowling about 16% , Food & beverage about 14%, Karaoke (excluding Food & beverage) about 1%, Other about 3%
Investment amount	About \$7.20mn (¥0.78bn) · · lease about \$2.00mn (¥0.21bn), cash about \$5.20mn (¥0.56bn) Breakdown: Facility related about ¥0.28bn , Furniture & fixtures about ¥0.14bn, Amusement machines (leased) about ¥0.21bn, Bowling equipment about ¥0.08bn, Opening expenses about ¥0.07bn
Lease fee conditions	Service life 7 years (For amusement machines changed in previous term from 3 to 7 years) ⇒ after 8th year lease fees become less which helps the profitability

In calculation of investment amount exchange rate \$1 = ¥109 is used.

[Present state: facility investment and earnings]

※ Figures are updated once a year for disclosure.

Classification by profitability		High profitability store	Average profitability store	Low profitability store
Year budget	Total sales	\$7.40mn	\$6.00mn	\$3.80mn
	Operating income (1st year)	\$1.10mn	\$0.30mn	\$(1.00)mn
	Operating income (2nd~7th year)	\$2.00mn	\$1.20mn	\$(0.10)mn
	Operating income (8th year~)	\$2.20mn	\$1.40mn	\$0.00mn
	Operating income rate (2nd ~ 7th year)	27.0%	20.0%	(2.6)%

(Note 1) Initial year`s operating income includes opening expenses and rent allocated for construction period. Except head office expenses.

(Note 2) Average profitability store figures are average of all stores.

Statistical snapshot of stores



Trend in number of stores

Japan	~Term 2009.3	Term 2010.3	Term 2011.3	Term 2012.3	Term 2013.3	Term 2014.3	Term 2015.3	Term 2016.3	Term 2017.3	Term 2018.3	Term 2019.3 (Plan)
No. of store openings	101	11	3	1	3	—	2	1	2	1	1
No. of store closings	※ 7	—	—	—	※ 1	—	—	※ 1	※ 8	—	※ 3
No. of stores at the end of term	94	105	108	109	111	111	113	113	107	108	106

The USA	~Term 2009.3	Term 2010.3	Term 2011.3	Term 2012.3	Term 2013.3	Term 2014.3	Term 2015.3	Term 2016.3	Term 2017.3	Term 2018.3	Term 2019.3 (Plan)
No. of store openings	—	—	1	—	1	1	2	4	6	6	11
No. of store closings	—	—	—	—	—	—	—	—	—	—	—
No. of stores at the end of term	—	—	1	1	2	3	5	9	15	21	32

Consolidated	~Term 2009.3	Term 2010.3	Term 2011.3	Term 2012.3	Term 2013.3	Term 2014.3	Term 2015.3	Term 2016.3	Term 2017.3	Term 2018.3	Term 2019.3 (Plan)
No. of stores at the end of term	94	105	109	110	113	114	118	122	122	129	138

(Note) ※ Reason for closure of 20 stores (expiration of contract periods: 9 stores, removing intra-company competition: 6 stores, construction of new large stores in the neighborhood: 3 stores, reconstruction: 1 store, closure of trial store (trial period about 2 years): 1 store).

Japan 105 stores (at the end of June 2018) Number of stores breakdown

(Note) All the USA stores are standard roadside type, leased stores only.

stores by store type				No. of stores at the end of term
Standard		Stadium		
Downtown	Roadside	Downtown	Roadside	
10	48	1	46	105

stores by ownership		No. of stores at the end of term
Leased stores	Own stores	
82	23	105

Consolidated 129 stores (at the end of June 2018) Number of stores breakdown

(Note) Own stores include 8 stores with owning right for land & building, and 15 stores with owning right for building with tenants.

Area	Japan							The USA	Total	
	Hokkaido / Tohoku	Hokuriku / Koshinetsu	Kanto	Chubu / Tokai	Kansai	Chugoku / Shikoku	Kyushu / Okinawa			
No. of stores	11	4	33	12	26	8	11	105	23	128
Share	8.5%	3.1%	25.6%	9.3%	22.5%	6.2%	8.5%	83.7%	16.3%	100.0%

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