



**Financial Results for the Fiscal Year Ended (FYE) 06/20/2020 [Japan GAAP]**  
(Unconsolidated)

08/03/2020

Company Name	JOYFUL HONDA CO., LTD.	Exchange listed on	TSE-1
Security Code	3191	URL	<a href="http://www.joyfulhonda.com/">http://www.joyfulhonda.com/</a>
Representative	(Title) Representative Director, President & CEO	(Name)	Taketoshi Hosoya
Contact	(Title) Director, Senior Executive Officer, General Manager, Administration Group	(Name)	Ikuo Hirayama (TEL) 029 (822) 2215
Scheduled date of ordinary shareholders' meeting	09/17/2020		
Scheduled filing date of the securities report	09/18/2020		
Scheduled commencement date of dividends payment	09/18/2020		
Preparation of supplementary materials for financial results report	: None		
Convening financial results briefing	: Yes (Briefing video to be posted on corporate website)		

(Amounts rounded down to the nearest million yen)

1. Business Results for FYE 06/20/2020 (06/21/2019 - 06/20/2020)

(1) Operating Results (Percent represents comparison changes from the previous year)

	Net sales		Operating income		Ordinary income		Profit	
	million yen	%	million yen	%	million yen	%	million yen	%
FYE 06/20/2020	124,909	4.9	9,187	18.2	10,593	15.9	10,949	141.1
FYE 06/20/2019	119,104	(0.4)	7,775	2.2	9,140	6.2	4,540	(20.4)

	Profit per share	Profit per share - fully diluted	Profit to shareholders equity	Ordinary income to Assets	Operating income to Net sales
	yen	yen	%	%	%
FYE 06/20/2020	158.10	-	10.8	6.9	7.4
FYE 06/20/2019	65.59	-	4.8	6.2	6.5

(Reference) Equity method investment gain (loss):  
 FYE 06/20/2020 105 million yen  
 FYE 06/20/2019 133 million yen

(2) Financial Positions

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	million yen	million yen	%	yen
FYE 06/20/2020	157,766	106,218	67.3	1,533.48
FYE 06/20/2019	150,975	95,643	63.4	1,381.45

(Reference) Shareholders' equity:  
 FYE 06/20/2020 106,218 million yen  
 FYE 06/20/2019 95,643 million yen

(3) Cash Flows

	Net cash provided by (used in) operating activities	Net cash provided by (used in) investing activities	Net cash provided by (used in) financing activities	Cash and cash equivalents at the end of the year
	million yen	million yen	million yen	million yen
FYE 06/20/2020	12,038	6,020	(6,837)	37,875
FYE 06/20/2019	-	-	-	-

(Note) As the Company prepared consolidated financial statements in FYE 06/20/2019, cash flows for FYE 06/20/2019 are omitted.

## 2. Dividends

	Annual dividends					Amount of annual dividends (Total)	Dividend payout ratio	Ratio of dividends to net assets
	End of 1Q	End of 2Q	End of 3Q	End of the year	Total			
	yen	yen	yen	yen	yen	million yen	%	%
FYE 06/20/2019	-	12.50	-	12.50	25.00	1,741	38.1	1.8
FYE 06/20/2020	-	13.00	-	17.50	30.50	2,124	19.3	2.1
FYE 06/20/2021 (forecast)	-	-	-	-	-		-	

(Note) The dividend forecast for FYE 06/20/2021 is yet to be determined.

## 3. Projected Business Results for FYE 06/20/2021 (06/21/2020- 06/20/2021)

The forecast for FYE 06/20/2021 is yet to be determined due to the difficulty in reasonably calculating business results forecasts at the present stage because of the spread of COVID-19. Going forward, the company will publish the forecast when it is possible to make reasonable calculations.

### \*NOTES

#### (1) Change in accounting policies or estimates and retrospective restatements

- |  |   |      |
|--|---|------|
| 1) Change in accounting policies in accordance with revision of accounting standards | : | None |
| 2) Change in accounting policies other than item 1) above                            | : | None |
| 3) Change in accounting estimates  | : | None |
| 4) Retrospective restatements  | : | None |

#### (2) Number of outstanding shares (common stock)

1) Number of outstanding shares at the end of the period (including treasury stock)	FYE 06/20/2020	103,225,760 shares	FYE 06/20/2019	103,225,760 shares
2) Number of treasury stock at the end of the period	FYE 06/20/2020	33,959,986 shares	FYE 06/20/2019	33,991,346 shares
3) Average number of shares during the period	FYE 06/20/2020	69,255,049 shares	FYE 06/20/2019	69,228,951 shares

\* The financial results fall outside the scope of the review by a certified public accountant or an audit corporation.

\* Explanation for appropriate use of operating results forecasts and other special notes

The forecast for FYE 06/20/2021 is yet to be determined due to the difficulty in reasonably calculating business results forecasts at the present stage because of the spread of COVID-19. Going forward, the company will publish the forecast when it is possible to make reasonable calculations.

Financial Statement and Main Notes

(1) Balance Sheets

(Unit: million yen)

	Previous Accounting Year (06/20/2019)	Current Accounting Year (06/20/2020)
<b>Assets</b>		
Current assets		
Cash and deposits	25,302	38,906
Accounts receivable-trade	2,043	3,059
Merchandise	12,111	14,165
Costs on construction contracts in progress	-	302
Raw materials and supplies	60	59
Prepaid expenses	726	697
Other	564	806
Allowance for doubtful accounts	(0)	(1)
<b>Total current assets</b>	<b>40,808</b>	<b>57,996</b>
Noncurrent assets		
Property, plant and equipment		
Buildings	65,533	68,551
Structures	8,665	8,384
Machinery and equipment	1,406	739
Vehicles	36	41
Tools, furniture and fixtures	2,611	3,849
Land	60,589	56,105
Leased assets	747	761
Construction in progress	321	219
Accumulated depreciation	(47,947)	(51,289)
<b>Total property, plant and equipment</b>	<b>91,963</b>	<b>87,363</b>
Intangible assets		
Leasehold interests in land	913	1,014
Software	534	517
Leased assets	-	7
Other	117	174
<b>Total intangible assets</b>	<b>1,566</b>	<b>1,714</b>
Investments and other assets		
Investment securities	7,365	5,482
Stocks of subsidiaries and affiliates	4,537	261
Investments in capital	16	0
Deferred tax assets	3,222	3,481
Other	1,495	1,466
<b>Total investments and other assets</b>	<b>16,637</b>	<b>10,691</b>
<b>Total noncurrent assets</b>	<b>110,166</b>	<b>99,769</b>
<b>Total assets</b>	<b>150,975</b>	<b>157,766</b>

(Unit: million yen)

	Previous Accounting Year (06/20/2019)	Current Accounting Year (06/20/2020)
<b>Liabilities</b>		
Current liabilities		
Accounts payable-trade	5,684	7,356
Short-term borrowings from subsidiaries and associates	5,000	-
Current portion of long-term loans payable	4,397	4,397
Lease obligations	164	177
Accounts payable - other	2,542	3,315
Accrued expenses	611	849
Income taxes payable	1,628	2,378
Advances received on construction contracts in progress	-	951
Deposits received	391	739
Unearned revenue	159	100
Provision for bonuses	186	223
Provision for directors' bonuses	37	42
Other	685	1,184
Total current liabilities	21,488	21,717
Noncurrent liabilities		
Long-term loans payable	25,134	20,741
Lease obligations	239	179
Provision for retirement benefits	863	1,854
Asset retirement obligations	2,482	2,571
Long-term guarantee deposited	4,965	4,371
Provision for loss of subsidiaries and associates	78	36
Provision for employees' share-based remuneration	21	40
Provision for directors' share-based remuneration	57	36
Total noncurrent liabilities	33,843	29,831
Total liabilities	55,331	51,548
Net assets		
Shareholders' equity		
Capital stock	12,000	12,000
Capital surplus		
Other capital surplus	12,232	12,232
Total capital surpluses	12,232	12,232
Retained earnings		
Legal retained earnings	273	451
Other retained earnings		
General reserve	126,330	128,330
Retained earnings brought forward	3,601	10,596
Total retained earnings	130,205	139,377
Treasury stock	(58,798)	(58,751)
Total shareholders' equity	95,639	104,859
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	4	1,358
Total valuation and translation adjustments	4	1,358
Total net assets	95,643	106,218
Total liabilities and net assets	150,975	157,766

## (2) Statement of Income

(Unit: million yen)

	Previous Accounting Year (From 06/21/2018 to 06/20/2019)	Current Accounting Year (From 06/21/2019 to 06/20/2020)
Net sales	119,104	124,909
Cost of sales	87,487	89,969
Gross profit	31,617	34,940
Operating revenue		
Rent income of real estate	5,655	5,400
Income from service fees	602	506
Other	-	0
Total operating revenue	6,258	5,907
Operating gross profit	37,875	40,847
Selling, general and administrative expenses	30,099	31,659
Operating income	7,775	9,187
Non-operating income		
Interest income	206	150
Dividends income	355	529
Commission fee	323	352
Technical advisory fee	32	14
Rental income from buildings	68	52
Rental income from land	112	98
Other	359	451
Total non-operating income	1,458	1,650
Non-operating expenses		
Interest expenses	90	73
Commission fee	-	162
Other	4	7
Total non-operating expenses	94	244
Ordinary income	9,140	10,593
Extraordinary income		
Gain on sales of noncurrent assets	0	19
Subsidy income	172	-
Compensation income	-	5
Gain on sales of shares of subsidiaries and associates	368	-
Gain on sales of investment securities	1	204
Gain on extinguishment of tie-in shares	-	8,362
Gain on sale of businesses	-	1,550
Total extraordinary income	542	10,142
Extraordinary loss		
Loss on retirement of noncurrent assets	397	195
Loss on sales of non-current assets	-	101
Loss on tax purpose reduction entry of non-current assets	172	-
Impairment loss	2,556	4,833
Loss on sales of investment securities	0	526
Loss on valuation of investment securities	15	953
Other	-	14
Total extraordinary loss	3,142	6,624
Profit before income taxes	6,540	14,110
Income taxes-current	2,655	3,605

Income taxes-deferred	(655)	(443)
Total income taxes	2,000	3,161
Profit	4,540	10,949

## (3) Statements of changes in net assets

Previous Accounting Year (From 06/21/2018 to 06/20/2019)

(Unit: million yen)

	Shareholders' equity				
	Capital stock	Capital surplus		Retained earnings	
		Other capital surplus	Total capital surpluses	Legal retained earnings	Other retained earnings
					General reserve
Balance at the beginning of this period	12,000	12,232	12,232	103	122,330
Changes of items during the period					
Provision of legal retained earnings			-	170	
Provision of general reserve			-		4,000
Dividends from surplus			-		
Profit			-		
Purchase of treasury stock			-		
Disposal of treasury stock			-		
Net changes of items other than shareholders' equity			-		
Total changes of items during the period	-	-	-	170	4,000
Balance at the end of this period	12,000	12,232	12,232	273	126,330

	Shareholders' equity				Valuation and translation adjustments	Total net assets
	Retained earnings		Treasury stock	Total shareholders' equity	Valuation difference on available-for-sale securities	
	Other retained earnings	Total retained earnings				
	Retained earnings brought forward					
Balance at the beginning of this period	4,938	127,371	(58,811)	92,792	1,263	94,055
Changes of items during the period						
Provision of legal retained earnings	(170)	-		-		-
Provision of general reserve	(4,000)	-		-		-
Dividends from surplus	(1,706)	(1,706)		(1,706)		(1,706)
Profit	4,540	4,540		4,540		4,540
Purchase of treasury stock		-		-		-
Disposal of treasury stock		-	13	13		13
Net changes of items other than shareholders' equity		-		-	(1,258)	(1,258)
Total changes of items during the period	(1,336)	2,833	13	2,847	(1,258)	1,588
Balance at the end of this period	3,601	130,205	(58,798)	95,639	4	95,643

Current Accounting Year (From 06/21/2019 to 06/20/2020)

(Unit: million yen)

	Shareholders' equity				
	Capital stock	Capital surplus		Retained earnings	
		Other capital surplus	Total capital surpluses	Legal retained earnings	Other retained earnings
				General reserve	
Balance at the beginning of this period	12,000	12,232	12,232	273	126,330
Changes of items during the period					
Provision of legal retained earnings			-	177	
Provision of general reserve			-		2,000
Dividends from surplus			-		
Profit			-		
Purchase of treasury stock			-		
Disposal of treasury stock			-		
Net changes of items other than shareholders' equity			-		
Total changes of items during the period	-	-	-	177	2,000
Balance for the end of this period	12,000	12,232	12,232	451	128,330

	Shareholders' equity				Valuation and translation adjustments	Total net assets
	Retained earnings		Treasury stock	Total shareholders' equity	Valuation difference on available-for-sale securities	
	Other retained earnings	Total retained earnings				
	Retained earnings brought forward					
Balance at the beginning of this period	3,601	130,205	(58,798)	95,639	4	95,643
Changes of items during the period						
Provision of legal retained earnings	(177)	-		-		-
Provision of general reserve	(2,000)	-		-		-
Dividends from surplus	(1,776)	(1,776)		(1,776)		(1,776)
Profit	10,949	10,949		10,949		10,949
Purchase of treasury stock		-	(0)	(0)		(0)
Disposal of treasury stock		-	47	47		47
Net changes of items other than shareholders' equity		-		-	1,354	1,354
Total changes of items during the period	6,995	9,172	46	9,219	1,354	10,574
Balance for the end of this period	10,596	139,377	(58,751)	104,859	1,358	106,218



## (4) Statements of cash flows

(Unit: million yen)

	Current Accounting Year (From 06/21/2019 to 06/20/2020)
Net cash provided by (used in) operating activities	
Profit before income taxes	14,110
Depreciation and amortization	2,690
Impairment loss	4,833
Insurance claim income	(119)
Compensation income	(5)
Increase (decrease) in allowance for doubtful accounts	0
Increase (decrease) in provision for bonuses	(154)
Increase (decrease) in provision for directors' bonuses	5
Increase (decrease) in provision for employees' share-based remuneration	15
Increase (decrease) in provision for directors' share-based remuneration	24
Increase (decrease) in provision for retirement benefits	370
Increase (decrease) in provision for losses of affiliates and subsidiaries	(42)
Interest and dividends income	(680)
Interest expenses	73
Loss (gain) on extinguishment of tie-in shares	(8,362)
Loss (gain) on sale of businesses	(1,550)
Loss (gain) on valuation of investment securities	953
Loss (gain) on sales of investment securities	322
Loss on retirement of noncurrent assets	195
Loss (gain) on sales of noncurrent assets	81
Decrease (increase) in notes and accounts receivable-trade	(574)
Decrease (increase) in inventories	1,080
Increase (decrease) in notes and accounts payable-trade	273
Increase (decrease) in accrued consumption taxes	267
Other	517
Subtotal	14,327
Interest and dividends income received	697
Interest expenses paid	(73)
Proceeds from insurance income	119
Proceeds from compensation	5
Income taxes paid	(3,037)
Net cash provided by (used in) operating activities	12,038
Net cash provided by (used in) investing activities	
Proceeds from withdrawal of time deposits	4,000
Purchase of property, plant and equipment	(2,180)
Proceeds from sales of property, plant and equipment	63
Payments for retirement of property, plant and equipment	(155)
Purchase of intangible assets	(187)
Purchase of investment securities	(76)
Proceeds from sales of investment securities	1,637
Proceeds from redemption of investment securities	1,000
Proceeds from sale of businesses	1,919
Other	(0)
Net cash provided by (used in) investing activities	6,020
Net cash provided by (used in) financing activities	
Repayments of short-term borrowings from affiliates and subsidiaries	(500)
Repayments of long-term loans payable	(4,393)
Purchase of treasury stock	(0)

Proceeds from sales of treasury shares	0
Repayments of lease obligations	(168)
Cash dividends paid	(1,776)
Net cash provided by (used in) financing activities	(6,837)
Net increase (decrease) in cash and cash equivalents	11,221
Cash and cash equivalents at the beginning of the year	20,311
Increase (decrease) in cash and cash equivalents resulting from merger of consolidated subsidiaries	6,342
Cash and cash equivalents at the end of the year	37,875