



Financial Results for the Fiscal Year Ended (FYE) 06/20/2016 [Japan GAAP] (Consolidated)

08/04/2016

Company Name	JOYFUL HONDA CO., LTD.	Exchange listed on	TSE-1
Security Code	3191	URL	http://www.joyfulhonda.com/
Representative	(Title) President and CEO	(Name)	Kenichiro Yagasaki
Contact	(Title) Managing Director and General Manager of Accounting Department	(Name)	Goro Yoshihara (TEL) 029 (822) 2215
Scheduled date of ordinary shareholders' meeting	09/16/2016		
Scheduled commencement date of dividends payment	09/20/2016		
Scheduled filing date of the securities report	09/20/2016		
Preparation of supplementary materials for financial results report	: None		
Convening financial results briefing	: Yes (for institutional investors and analysts)		

(Amounts rounded down to the nearest millions of yen)

1. Consolidated Business Results for FYE 06/20/2016 (06/21/2015 - 06/20/2016)

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

	Net sales		Operating income		Ordinary income		Profit attributable to parent company shareholders	
	million yen	%	million yen	%	million yen	%	million yen	%
FYE 06/20/2016	158,737	(2.2)	7,706	13.5	8,946	10.8	5,453	19.6
FYE 06/20/2015	162,351	(8.2)	6,788	(25.6)	8,070	(23.7)	4,560	(28.9)

(Note) Comprehensive income: FYE 06/20/2016 5,730 million yen [18.4%]
 FYE 06/20/2015 4,840 million yen [(24.9%)]

	Profit per share	Profit per share - fully diluted	Profit to shareholders equity	Ordinary income to Assets	Operating income to Net sales
	yen	yen	%	%	%
FYE 06/20/2016	105.67	-	3.6	4.9	4.9
FYE 06/20/2015	88.36	-	3.1	4.5	4.2

(Reference) Equity method investment gain (loss): FYE 06/20/2016 117 million yen
 FYE 06/20/2015 92 million yen

(Note) On 06/21/2015, the company performed a stock split of common shares at a ratio of 2-1. In parallel with this, profit per share has been calculated on the assumption that the relevant stock split was performed at the beginning of the previous consolidated fiscal year (FYE 06/20/2015).

(2) Consolidated Financial Positions

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	million yen	million yen	%	yen
FYE 06/20/2016	182,902	154,045	84.2	2,984.64
FYE 06/20/2015	180,541	150,082	83.1	2,907.85

(Reference) Shareholders' equity: FYE 06/20/2016 154,045 million yen
 FYE 06/20/2015 150,082 million yen

(Note) On 06/21/2015, the company performed a stock split of common shares at a ratio of 2-1. In parallel with this, net assets per share has been calculated on the assumption that the relevant stock split was performed at the beginning of the previous consolidated fiscal year (FYE 06/20/2015).

(3) Consolidated 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 06/20/2016	9,413	(9,993)	(2,133)	40,088
FYE 06/20/2015	8,377	(2,049)	(1,816)	42,740

2. Dividends

	Annual dividends					Amount of annual dividends (Total)	Dividend payout ratio (Consolidated)	Dividends on equity (Consolidated)
	End of 1Q	End of 2Q	End of 3Q	End of the year	Total			
	yen	yen	yen	yen	yen	million yen	%	%
FYE 06/20/2015	-	0.00	-	60.00	60.00	1,548	34.0	1.0
FYE 06/20/2016	-	0.00	-	31.00	31.00	1,599	29.3	1.0
FYE 06/20/2017 (forecast)	-	0.00	-	32.00	32.00		26.6	

(Note) On 06/21/2015, the company performed a stock split of common shares at a ratio of 2-1. The effective date of the stock split 06/21/2015. End-of-the-year dividends for FYE 06/20/2015 was paid out based on the number of pre-split shares. Furthermore, end-of-the-year dividends projected for FYE 06/20/2016 are recorded based on the number of shares after the stock split was performed.

3. Projected Consolidated Business Results for FYE 06/20/2017 (06/21/2016 - 06/20/2017)

(Percentage represents changes from the previous year for the full year, and on a year-on-year basis for quarterly results)

	Net sales		Operating income		Ordinary income		Profit attributable to parent company shareholders		Profit per share
	million yen	%	million yen	%	million yen	%	million yen	%	yen
2Q (cumulative)	81,820	2.3	4,450	5.4	5,140	4.6	3,260	1.5	63.16
Full year	163,200	2.8	8,370	8.6	9,550	6.7	6,200	13.7	120.13

*NOTES

- (1) Changes in major subsidiaries during the fiscal year under review (Change in specific subsidiaries that will accompany a change in scope of consolidation) : None

Newly consolidated: company (companies) (name of company)

Excluded company (companies) (name of company)

- (2) Change in accounting policies or estimates and retrospective restatements

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

(Note) For details, please refer to attachment P. 18 (Changes in Accounting Policy).

- (3) Number of outstanding shares (common stock)

1) Number of outstanding shares at the end of the period (including treasury stock)	FYE 06/20/2016	51,612,880 shares	FYE 06/20/2015	51,612,880 shares
2) Number of treasury stock at the end of the period	FYE 06/20/2016	160 shares	FYE 06/20/2015	160 shares
3) Average number of shares during the period	FYE 06/20/2016	51,612,720 shares	FYE 06/20/2015	51,612,720 shares

(Note) On 06/21/2015, the company performed a stock split of common shares at a ratio of 2-1. In parallel with this, the number of outstanding shares at the end of the period (including treasury stock), the number of treasury stock at the end of the period, and the average number of shares during the period have been assessed based on the assumption of the stock split having been performed at the beginning of the previous consolidated fiscal year (FYE 06/20/2015).

* Indication of audit procedure implementation status

This summary of financial results is not subject to auditing processes based on the Financial Instruments and Exchange Act. Auditing processes based on the Financial Instruments and Exchange Act have not been completed for the consolidated financial statements contained herein as of the time of disclosure of this summary of financial results.

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

Statements concerning the future such as forecasts for business results contained in this document have been prepared based on information that was obtainable as of the day in which the document was presented and on the assumption that various factors of uncertainty exists. Thus, actual business results may vary.

For items concerning the business results forecast (consolidated business results forecast for FYE 06/20/2017), please refer to attachment P. 4 (Forecasts for the Next Term).

Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Unit: million yen)

	Previous Consolidated Accounting Year (06/20/2015)	Current Consolidated Accounting Year (06/20/2016)
Assets		
Current assets		
Cash and deposits	80,278	72,126
Accounts receivable-trade	2,280	2,410
Inventories	19,355	17,521
Other	1,575	1,619
Allowance for doubtful accounts	(1)	(1)
Total current assets	103,488	93,676
Noncurrent assets		
Property, plant and equipment		
Buildings and structures	74,916	76,160
Machinery, equipment and vehicles	1,607	1,765
Land	33,128	44,304
Other	5,128	5,464
Accumulated depreciation	(47,413)	(49,824)
Total property, plant and equipment	67,367	77,870
Intangible assets	1,848	1,817
Investments and other assets		
Investment securities	1,200	2,830
Stocks of subsidiaries and affiliates	865	982
Deferred tax assets	2,534	2,419
Other	3,240	3,309
Allowance for doubtful accounts	(3)	(3)
Total investments and other assets	7,836	9,537
Total noncurrent assets	77,052	89,226
Total assets	180,541	182,902

(Unit: million yen)

	Previous Consolidated Accounting Year (06/20/2015)	Current Consolidated Accounting Year (06/20/2016)
Liabilities		
Current liabilities		
Accounts payable-trade	10,102	8,467
Short-term loans payable	100	140
Current portion of long-term loans payable	301	123
Income taxes payable	1,292	1,794
Provision for bonuses	213	223
Provision for directors' bonuses	43	33
Other	7,650	6,580
Total current liabilities	19,703	17,362
Noncurrent liabilities		
Long-term loans payable	74	342
Liabilities related to employee retirement benefits	2,181	2,506
Asset retirement obligations	3,602	3,678
Long-term guarantee deposited	4,258	4,218
Other	637	748
Total noncurrent liabilities	10,755	11,494
Total liabilities	30,458	28,857
Net assets		
Shareholders' equity		
Capital stock	12,000	12,000
Capital surplus	12,503	12,503
Retained earnings	125,441	129,127
Treasury stock	(0)	(0)
Total shareholders' equity	149,944	153,630
Cumulative amount of other comprehensive income		
Valuation difference on available-for-sale securities	141	583
Deferred gains or losses on hedges	(0)	-
Adjusted cumulative amount of retirement benefits for employees	(3)	(169)
Total cumulative amount of other comprehensive income	137	414
Total net assets	150,082	154,045
Total liabilities and net assets	180,541	182,902

(2) Consolidated Income Statement and Consolidated Statement of Comprehensive Income
Consolidated Statement of Income

(Unit: million yen)

	Previous Consolidated Accounting Year (From 06/21/2014 to 06/20/2015)	Current Consolidated Accounting Year (From 06/21/2015 to 06/20/2016)
Net sales	162,351	158,737
Cost of sales	122,118	118,201
Gross profit	40,232	40,535
Operating revenue		
Rent income of real estate	3,805	3,909
Income from service fees	683	694
Insurance agent commission	21	23
Total operating revenue	4,510	4,627
Operating gross profit	44,742	45,163
Selling, general and administrative expenses	37,954	37,456
Operating income	6,788	7,706
Non-operating income		
Interest income	41	33
Dividends income	10	28
Equity in earnings of affiliates	92	117
Commission fee	388	375
Technical advisory fee	192	189
Other	603	512
Total non-operating income	1,328	1,256
Non-operating expenses		
Interest expenses	6	2
Commission fee	28	11
Other	11	2
Total non-operating expenses	46	16
Ordinary income	8,070	8,946
Extraordinary income		
Subsidy income	-	64
Gain on sales of noncurrent assets	0	0
Total extraordinary income	0	64
Extraordinary loss		
Loss on reduction of noncurrent assets	-	64
Loss on retirement of noncurrent assets	267	163
Loss on sales of noncurrent assets	33	-
Impairment loss	6	274
Other	19	3
Total extraordinary loss	328	505
Profit before taxes and other adjustments	7,743	8,505
Income taxes-current	2,976	3,103
Income taxes-deferred	205	(51)
Total income taxes	3,182	3,051
Profit	4,560	5,453
Profit attributable to parent company shareholders	4,560	5,453

Consolidated statement of comprehensive income

(Unit: million yen)

	Previous Consolidated Accounting Year (From 06/21/2014 to 06/20/2015)	Current Consolidated Accounting Year (From 06/21/2015 to 06/20/2016)
Profit	4,560	5,453
Other comprehensive income		
Valuation difference on available-for-sale securities	98	442
Adjusted amount of retirement benefits for employees	181	(165)
Share of other comprehensive income of associates accounted for using equity method	0	0
Total other comprehensive income	279	276
Comprehensive income	4,840	5,730
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	4,840	5,730

(3) Consolidated statements of changes in net assets

Previous Consolidated Accounting Year (From 06/21/2014 to 06/20/2015)

(Unit: million yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at the beginning of this period	12,000	12,503	121,837	(0)	146,340
Cumulative effect (amount) resulting from the changing in accounting policy			333		333
Balance at the beginning of the period which reflects the changing in accounting policy	12,000	12,503	122,170	(0)	146,674
Changes of items during the period					
Dividends from surplus			(1,290)		(1,290)
Profit attributable to parent company shareholders			4,560		4,560
Net changes of items other than shareholders' equity					
Total changes of items during the period	-	-	3,270	-	3,270
Balance for the end of this period	12,000	12,503	125,441	(0)	149,944

	Cumulative amount of other comprehensive income				Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Adjusted cumulative amount of retirement benefits for employees	Total cumulative amount of other comprehensive income	
Balance at the beginning of this period	43	(0)	(184)	(142)	146,198
Cumulative effect (amount) resulting from the changing in accounting policy					333
Balance at the beginning of the period which reflects the changing in accounting policy	43	(0)	(184)	(142)	146,532
Changes of items during the period					
Dividends from surplus					(1,290)
Profit attributable to parent company shareholders					4,560
Net changes of items other than shareholders' equity	98	0	181	279	279
Total changes of items during the period	98	0	181	279	3,550
Balance for the end of this period	141	(0)	(3)	137	150,082

Current Consolidated Accounting Year (From 06/21/2015 to 06/20/2016)

(Unit: million yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at the beginning of this period	12,000	12,503	125,441	(0)	149,944
Changes of items during the period					
Dividends from surplus			(1,548)		(1,548)
Profit attributable to parent company shareholders			5,453		5,453
Change of scope of consolidation			(218)		(218)
Net changes of items other than shareholders' equity					
Total changes of items during the period	-	-	3,686	-	3,686
Balance for the end of this period	12,000	12,503	129,127	(0)	153,630

	Cumulative amount of other comprehensive income				Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Adjusted cumulative amount of retirement benefits for employees	Total cumulative amount of other comprehensive income	
Balance at the beginning of this period	141	(0)	(3)	137	150,082
Changes of items during the period					
Dividends from surplus					(1,548)
Profit attributable to parent company shareholders					5,453
Change of scope of consolidation					(218)
Net changes of items other than shareholders' equity	442	0	(165)	276	276
Total changes of items during the period	442	0	(165)	276	3,963
Balance for the end of this period	583	-	(169)	414	154,045

(4) Consolidated statements of cash flows

(Unit: million yen)

	Previous Consolidated Accounting Year (From 06/21/2014 to 06/20/2015)	Current Consolidated Accounting Year (From 06/21/2015 to 06/20/2016)
Net cash provided by (used in) operating activities		
Profit before taxes and other adjustments	7,743	8,505
Depreciation and amortization	3,624	3,643
Impairment loss	6	274
Loss on reduction of noncurrent assets	-	64
Subsidy income	-	(64)
Amortization of negative goodwill	(81)	-
Equity in (earnings) losses of affiliates	(92)	(117)
Increase (decrease) in allowance for doubtful accounts	1	0
Increase (decrease) in provision for bonuses	(26)	9
Increase (decrease) in provision for directors' bonuses	(4)	(10)
Increase (decrease) in liabilities for retirement benefits	415	86
Interest and dividends income	(52)	(61)
Interest expenses	6	2
Loss on retirement of noncurrent assets	267	163
Loss (gain) on sales of noncurrent assets	33	(0)
Decrease (increase) in notes and accounts receivable-trade	(244)	(112)
Decrease (increase) in inventories	284	1,919
Increase (decrease) in notes and accounts payable-trade	(469)	(1,676)
Increase (decrease) in accrued consumption taxes	642	(410)
Other	(315)	(240)
Subtotal	11,740	11,973
Interest and dividends income received	54	65
Interest expenses paid	(6)	(2)
Proceeds from subsidy income	-	64
Income taxes paid	(3,433)	(2,749)
Income taxes refund	22	61
Net cash provided by (used in) operating activities	8,377	9,413
Net cash provided by (used in) investing activities		
Payments into time deposits	(37,500)	(33,500)
Proceeds from withdrawal of time deposits	37,500	39,000
Purchase of property, plant and equipment	(1,657)	(14,130)
Purchase of intangible assets	(122)	(198)
Purchase of investment securities	(688)	(998)
Proceeds from sales of investment securities	498	-
Other	(79)	(165)
Net cash provided by (used in) investing activities	(2,049)	(9,993)
Net cash provided by (used in) financing activities		
Increase in short-term loans payable	400	400
Decrease in short-term loans payable	(400)	(400)
Repayments of long-term loans payable	(329)	(301)
Repayments of lease obligations	(198)	(283)
Cash dividends paid	(1,289)	(1,548)
Net cash provided by (used in) financing activities	(1,816)	(2,133)
Net increase (decrease) in cash and cash equivalents	4,511	(2,713)
Cash and cash equivalents at the beginning of the year	38,228	42,740
Increase (decrease) in cash and cash equivalents resulting from change of scope of consolidation	-	61
Cash and cash equivalents at the end of the year	42,740	40,088