



## Financial Results for 2Q of the Fiscal Year Ending (FYE) 06/20/2014 [Japan GAAP] (Consolidated)

4/18/2014

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) President and CEO	(Name)	Kenichiro Yagasaki
Contact	(Title) Director and General Manager of Accounting Department	(Name)	Goro Yoshihara (TEL) 029 (822) 2215
Scheduled date for submission of quarterly report	-		
Scheduled commencement date of dividends payment	-		

Preparation of supplementary materials for quarterly reports : None  
 Convening quarterly results briefing : None

(Amounts rounded down to the nearest millions of yen)

### 1. Consolidated Business Results for 2Q of FYE 06/20/2014 (06/21/2013 - 12/20/2013)

#### (1) Quarterly Operating Results

(Percentages represent year-on-year changes)

	Net sales		Operating income		Ordinary income		Net income	
	million yen	%	million yen	%	million yen	%	million yen	%
2Q of FYE 06/20/2014	87,802	-	4,610	-	5,334	-	3,218	-
2Q of FYE 06/20/2013	-	-	-	-	-	-	-	-

(Note) Comprehensive income: 2Q of FYE 06/20/2014 3,239 million yen (-%)  
 2Q of FYE 06/20/2013 - million yen (-%)

	Net income per share	Net income per share – fully diluted
	yen	yen
2Q of FYE 06/20/2014	125.05	-
2Q of FYE 06/20/2013	-	-

#### (2) Consolidated Financial Positions

	Total assets	Net assets	Shareholders' equity ratio
	million yen	million yen	%
2Q of FYE 06/20/2014	176,876	143,055	80.9
FYE 06/20/2013	172,619	140,331	81.3

(Reference) Shareholders' equity: 2Q of FYE 06/20/2014 143,055 million yen  
 FYE 06/20/2013 140,331 million yen

### 2. Dividends

	Annual dividends				
	End of 1Q	End of 2Q	End of 3Q	End of the year	Total
	yen	yen	yen	yen	yen
FYE 06/20/2013	-	0.00	-	20.00	20.00
FYE 06/20/2014	-	0.00			
FYE 06/20/2014 (forecast)			-	50.00	50.00

(Note) Modification of the dividends forecast released most recently: None

3. Projected Consolidated Business Results for FYE 06/20/2014 (06/21/2013 - 06/20/2014)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	million yen	%	million yen	%	million yen	%	million yen	%	yen
Full year	176,714	(0.1)	9,154	(9.3)	10,436	(9.5)	6,343	(8.3)	245.80

(Note) Modification of the business results forecast released most recently: None

\*NOTES

- (1) Significant movements during the current consolidated quarter : None
- (2) Adoption of special accounting treatment used in preparation of the quarterly consolidated financial statements : None
- (3) 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

(4) Number of outstanding shares (common stock)

1) Number of outstanding shares at the end of the period (including treasury stock)	2Q of FYE 06/20/2014	25,806,440 shares	FYE 06/20/2013	25,806,440 shares
2) Number of treasury stock at the end of the period	2Q of FYE 06/20/2014	70,680 shares	FYE 06/20/2013	70,680 shares
3) Average number of shares during the period (cumulative for all quarters)	2Q of FYE 06/20/2014	25,735,760 shares	2Q of FYE 06/20/2015	25,735,760 shares

\* Indication of quarterly review procedure implementation status

While this quarterly earnings summary falls outside the scope of that which must be subject to quarterly review based on the Financial Instruments and Exchange Act, a quarterly review procedure has been conducted for the quarterly consolidated financial statements as of the time of disclosure of this quarterly earnings summary.

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

The results forecasts and other figures contained herein concerning the future are based on current information in possession of the company pertaining thereto and on certain presumptions that are assessed as rational; this information does not constitute a commitment to achieve the relevant figures. The actual results may vary greatly due to various factors.

Quarterly Consolidated Financial Statements

(1) Quarterly Consolidated Balance Sheets

(Unit: million yen)

	Previous Consolidated Accounting Year (06/20/2013)	Current 2Q Consolidated Accounting Period (12/20/2013)
<b>Assets</b>		
Current assets		
Cash and deposits	71,895	73,625
Accounts receivable-trade	2,064	2,547
Inventories	17,349	19,696
Other	2,309	2,019
Allowance for doubtful accounts	(3)	(3)
Total current assets	93,615	97,885
Noncurrent assets		
Property, plant and equipment		
Buildings and structures	72,786	73,590
Land	32,638	33,064
Other	7,023	7,301
Accumulated depreciation	(42,987)	(44,507)
Total property, plant and equipment	69,459	69,448
Intangible assets	1,813	1,744
Investments and other assets	7,730	7,798
Total noncurrent assets	79,003	78,991
Total assets	172,619	176,876

(Unit: million yen)

	Previous Consolidated Accounting Year (06/20/2013)	Current 2Q Consolidated Accounting Period (12/20/2013)
<b>Liabilities</b>		
<b>Current liabilities</b>		
Accounts payable-trade	10,614	13,617
Short-term loans payable	100	100
Current portion of long-term loans payable	707	415
Income taxes payable	2,125	1,790
Provision for bonuses	242	183
Provision for directors' bonuses	65	23
Other	6,821	6,548
<b>Total current liabilities</b>	<b>20,676</b>	<b>22,680</b>
<b>Noncurrent liabilities</b>		
Long-term loans payable	705	535
Provision for retirement benefits	2,154	2,202
Asset retirement obligations	3,448	3,484
Other	5,302	4,917
<b>Total noncurrent liabilities</b>	<b>11,611</b>	<b>11,140</b>
<b>Total liabilities</b>	<b>32,287</b>	<b>33,820</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Capital stock	12,000	12,000
Capital surplus	12,583	12,583
Retained earnings	115,938	118,642
Treasury stock	(197)	(197)
<b>Total shareholders' equity</b>	<b>140,325</b>	<b>143,029</b>
<b>Cumulative amount of other comprehensive income</b>		
Valuation difference on available-for-sale securities	6	27
Deferred gains or losses on hedges	(0)	(0)
<b>Total cumulative amount of other comprehensive income</b>	<b>5</b>	<b>26</b>
<b>Total net assets</b>	<b>140,331</b>	<b>143,055</b>
<b>Total liabilities and net assets</b>	<b>172,619</b>	<b>176,876</b>

(2) Quarterly Consolidated Income Statement and Quarterly Consolidated Statement of Comprehensive Income  
Quarterly Consolidated Statement of Income  
Consolidated Cumulative 2Q

	(Unit: million yen)
	Current Consolidated Cumulative 2Q (From 06/21/2013 to 12/20/2013)
Net sales	87,802
Cost of sales	66,560
Gross profit	21,242
Operating revenue	
Rent income of real estate	1,835
Income from service fees	327
Insurance agent commission	13
Total operating revenue	2,176
Operating gross profit	23,418
Selling, general and administrative expenses	18,807
Operating income	4,610
Non-operating income	
Interest income	27
Dividends income	5
Equity in earnings of affiliates	84
Technical advisory fee	153
Commission fee	232
Other	325
Total non-operating income	828
Non-operating expenses	
Interest expenses	6
Commission fee	64
Other	33
Total non-operating expenses	104
Ordinary income	5,334
Extraordinary loss	
Loss on sales of noncurrent assets	0
Loss on retirement of noncurrent assets	146
Total extraordinary loss	147
Net income before taxes and other adjustments	5,187
Income taxes-current	1,737
Income taxes-deferred	231
Total income taxes	1,969
Income before minority interests	3,218
Net income	3,218

Quarterly consolidated statement of comprehensive income

Consolidated Cumulative 2Q

(Unit: million yen)

	Current Consolidated Cumulative 2Q (From 06/21/2013 to 12/20/2013)
Income before minority interests	3,218
Other comprehensive income	
Valuation difference on available-for-sale securities	20
Share of other comprehensive income of associates accounted for using equity method	0
Total other comprehensive income	20
Comprehensive income	3,239
Comprehensive income attributable to	
Comprehensive income attributable to owners of the parent	3,239

## (3) Quarterly consolidated statements of cash flows

(Unit: million yen)

	Current Consolidated Cumulative 2Q (From 06/21/2013 to 12/20/2013)
Net cash provided by (used in) operating activities	
Net income before taxes and other adjustments	5,187
Depreciation and amortization	1,906
Amortization of negative goodwill	(54)
Equity in (earnings) losses of affiliates	(84)
Increase (decrease) in allowance for doubtful accounts	0
Increase (decrease) in provision for bonuses	(58)
Increase (decrease) in provision for directors' bonuses	(42)
Increase (decrease) in provision for retirement benefits	48
Interest and dividends income	(32)
Interest expenses	6
Loss on retirement of noncurrent assets	146
Loss (gain) on sales of noncurrent assets	0
Decrease (increase) in notes and accounts receivable-trade	(482)
Decrease (increase) in inventories	(2,347)
Increase (decrease) in notes and accounts payable-trade	3,003
Increase (decrease) in accrued consumption taxes	14
Other	(540)
Subtotal	6,671
Interest and dividends income received	32
Interest expenses paid	(7)
Income taxes paid	(2,140)
Net cash provided by (used in) operating activities	4,556
Net cash provided by (used in) investing activities	
Payments into time deposits	(2,500)
Proceeds from withdrawal of time deposits	1,800
Purchase of property, plant and equipment	(1,583)
Purchase of intangible assets	(23)
Payments for retirement of property, plant and equipment	(108)
Other	7
Net cash provided by (used in) investing activities	(2,407)
Net cash provided by (used in) financing activities	
Increase in short-term loans payable	200
Decrease in short-term loans payable	(200)
Repayments of long-term loans payable	(461)
Repayments of lease obligations	(142)
Cash dividends paid	(514)
Net cash provided by (used in) financing activities	(1,118)
Net increase (decrease) in cash and cash equivalents	1,029
Cash and cash equivalents at the beginning of the year	35,599
Cash and cash equivalents at the end of the quarter	36,629