



Financial Results for the Fiscal Year Ended (FYE) 06/20/2019 [Japan GAAP] (Consolidated)

08/02/2019

Company Name JOYFUL HONDA CO., LTD. Exchange listed on TSE-1
 Security Code 3191 URL <http://www.joyfulhonda.com/>
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Scheduled date of ordinary shareholders' meeting 09/19/2019
 Scheduled filing date of the securities report 09/20/2019
 Scheduled commencement date of dividends payment 09/20/2019
 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 million yen)

1. Consolidated Business Results for FYE 06/20/2019 (06/21/2018 - 06/20/2019)

(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 06/20/2019	148,226	(0.3)	8,400	5.2	9,751	10.8	4,384	(21.6)
FYE 06/20/2018	148,676	(4.0)	7,981	7.9	8,800	9.7	5,594	(8.7)

(Note) Comprehensive income: FYE 06/20/2019 3,085 million yen [(45.6%)]
 FYE 06/20/2018 5,669 million yen [(17.7%)]

	Profit per share	Profit per share - fully diluted	Profit to shareholders equity	Ordinary income to Assets	Operating income to Net sales
	yen	yen	%	%	%
FYE 06/20/2019	63.34	-	4.2	6.2	5.7
FYE 06/20/2018	76.85	-	4.3	5.0	5.4

(Reference) Equity method investment gain (loss): FYE 06/20/2019 133 million yen
 FYE 06/20/2018 73 million yen

(Note) On 06/21/2018, 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 06/20/2018).

(2) Consolidated Financial Positions

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	million yen	million yen	%	yen
FYE 06/20/2019	161,739	105,132	65.0	1,518.51
FYE 06/20/2018	152,187	103,741	68.2	1,498.59

(Reference) Shareholders' equity: FYE 06/20/2019 105,132 million yen
 FYE 06/20/2018 103,741 million yen

(Note) On 06/21/2018, 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 06/20/2018).

(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 06/20/2019	12,325	(5,268)	3,996	27,458
FYE 06/20/2018	7,456	4,097	(51,897)	16,405

2. Dividends

	Annual dividends					Amount of annual dividends (Total)	Dividend payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	End of 1Q	End of 2Q	End of 3Q	End of the year	Total			
	yen	yen	yen	yen	yen	million yen	%	%
FYE 06/20/2018	-	24.00	-	24.00	48.00	1,669	29.8	1.6
FYE 06/20/2019	-	12.50	-	12.50	25.00	1,741	39.7	1.7
FYE 06/20/2020 (forecast)	-	13.00	-	13.00	26.00		28.4	

(Note) On 06/21/2018, the company performed a stock split of common shares at a ratio of 2-1. The effective date of the stock split is 06/21/2018. End-of-the-year dividends for FYE 06/20/2018 were paid out based on the number of shares before the stock split. Thus, end-of-the-year dividends for FYE 06/20/2018 are recorded based on the number of shares before the stock split. Interim dividends and end-of-the-year dividends projected for FYE 06/20/2019 and FYE 06/20/2020 are recorded based on the number of shares after the stock split.

3. Projected Consolidated Business Results for FYE 06/20/2020 (06/21/2019 - 06/20/2020)

(Percentages represent 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)	75,150	0.3	4,750	13.3	5,105	5.0	3,125	107.7	45.14
Full year	148,740	0.3	9,125	8.6	10,010	2.7	6,375	45.4	92.08

*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 : None
 2) Change in accounting policies other than item 1) above : None
 3) Change in accounting estimates : None
 4) Retrospective restatements : None

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

1) Number of outstanding shares at the end of the period (including treasury stock)	FYE 06/20/2019	103,225,760 shares	FYE 06/20/2018	103,225,760 shares
2) Number of treasury stock at the end of the period	FYE 06/20/2019	33,991,666 shares	FYE 06/20/2018	34,000,146 shares
3) Average number of shares during the period	FYE 06/20/2019	69,228,631 shares	FYE 06/20/2018	72,797,654 shares

(Note) On 06/21/2018, 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 06/20/2018).

* 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

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 exist. Thus, actual business results may vary.

For items concerning the business results forecast (consolidated business results forecast for FYE 06/20/2020), please refer to attachment P. 5 (Forecasts for the Next Term).

Consolidated Financial Statement and Main Notes

(1) Consolidated Balance Sheets

(Unit: million yen)

	Previous Consolidated Accounting Year (06/20/2018)	Current Consolidated Accounting Year (06/20/2019)
Assets		
Current assets		
Cash and deposits	19,938	32,488
Accounts receivable-trade	2,535	2,473
Inventories	16,315	16,478
Other	1,591	1,630
Allowance for doubtful accounts	(0)	(1)
Total current assets	40,380	53,068
Noncurrent assets		
Property, plant and equipment		
Buildings and structures	78,204	77,364
Machinery, equipment and vehicles	1,665	1,678
Land	60,995	60,995
Other	6,545	5,427
Accumulated depreciation	(51,418)	(51,749)
Total property, plant and equipment	95,992	93,716
Intangible assets	1,831	1,786
Investments and other assets		
Investment securities	8,905	7,371
Stocks of subsidiaries and affiliates	1,109	761
Deferred tax assets	2,293	3,465
Other	1,674	1,570
Total investments and other assets	13,982	13,168
Total noncurrent assets	111,806	108,670
Total assets	152,187	161,739

(Unit: million yen)

	Previous Consolidated Accounting Year (06/20/2018)	Current Consolidated Accounting Year (06/20/2019)
Liabilities		
Current liabilities		
Accounts payable-trade	7,460	8,140
Short-term loans payable	40	40
Current portion of long-term loans payable	2,675	4,450
Income taxes payable	1,238	1,844
Provision for bonuses	219	271
Provision for directors' bonuses	35	46
Other	7,346	7,556
Total current liabilities	19,015	22,350
Noncurrent liabilities		
Long-term loans payable	21,044	25,307
Liabilities related to employee retirement benefits	1,335	1,589
Asset retirement obligations	2,213	2,532
Long-term guarantee deposited	4,405	4,363
Provision for employees' share-based remuneration	-	30
Provision for directors' share-based remuneration	22	57
Other	408	375
Total noncurrent liabilities	29,430	34,255
Total liabilities	48,445	56,606
Net assets		
Shareholders' equity		
Capital stock	12,000	12,000
Capital surplus	12,520	12,520
Retained earnings	136,787	139,465
Treasury stock	(58,811)	(58,798)
Total shareholders' equity	102,496	105,187
Cumulative amount of other comprehensive income		
Valuation difference on available-for-sale securities	1,263	4
Adjusted cumulative amount of retirement benefits for employees	(18)	(59)
Total cumulative amount of other comprehensive income	1,244	(54)
Total net assets	103,741	105,132
Total liabilities and net assets	152,187	161,739

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

(Unit: million yen)

	Previous Consolidated Accounting Year (From 06/21/2017 to 06/20/2018)	Current Consolidated Accounting Year (From 06/21/2018 to 06/20/2019)
Net sales	148,676	148,226
Cost of sales	108,186	107,048
Gross profit	40,489	41,178
Operating revenue		
Rent income of real estate	4,071	4,245
Income from service fees	659	602
Insurance agent commission	50	56
Total operating revenue	4,781	4,905
Operating gross profit	45,270	46,083
Selling, general and administrative expenses	37,288	37,683
Operating income	7,981	8,400
Non-operating income		
Interest income	101	206
Dividends income	45	51
Equity in earnings of affiliates	73	133
Commission fee	393	388
Technical advisory fee	50	32
Other	477	599
Total non-operating income	1,141	1,412
Non-operating expenses		
Interest expenses	52	53
Commission fee	262	-
Other	8	7
Total non-operating expenses	323	61
Ordinary income	8,800	9,751
Extraordinary income		
Gain on sales of noncurrent assets	71	0
Subsidy income	152	172
Compensation income	83	-
Gain on sales of investment securities	55	1
Total extraordinary income	363	174
Extraordinary loss		
Loss on retirement of noncurrent assets	348	423
Loss on reduction of noncurrent assets	152	172
Loss on sales of noncurrent assets	-	2
Impairment loss	507	2,579
Loss on sales of investment securities	24	0
Loss on valuation of investment securities	-	15
Loss on sales of shares of subsidiaries and associates	-	20
Other	4	1
Total extraordinary loss	1,036	3,214
Profit before taxes and other adjustments	8,127	6,711
Income taxes-current	2,463	2,928
Income taxes-deferred	68	(602)
Total income taxes	2,532	2,326

Profit	5,594	4,384
Profit attributable to parent company shareholders	5,594	4,384

Consolidated statement of comprehensive income

(Unit: million yen)

	Previous Consolidated Accounting Year (From 06/21/2017 to 06/20/2018)	Current Consolidated Accounting Year (From 06/21/2018 to 06/20/2019)
Net income	5,594	4,384
Other comprehensive income		
Valuation difference on available-for-sale securities	143	(1,258)
Adjusted amount of retirement benefits for employees	(69)	(40)
Share of other comprehensive income of associates accounted for using equity method	0	(0)
Total other comprehensive income	74	(1,299)
Comprehensive income	5,669	3,085
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	5,669	3,085

(3) Consolidated statements of changes in net assets

Previous Consolidated Accounting Year (From 06/21/2017 to 06/20/2018)

(Unit: million yen)

	Shareholders' equity				Total shareholders' equity
	Capital stock	Capital surplus	Retained earnings	Treasury stock	
Balance at the beginning of this period	12,000	12,503	133,657	(1,795)	156,366
Changes of items during the period					
Dividends from surplus			(2,465)		(2,465)
Profit attributable to parent company shareholders			5,594		5,594
Purchase of treasury stock				(57,423)	(57,423)
Disposal of treasury stock		17		407	424
Net changes of items other than shareholders' equity					
Total changes of items during the period	-	17	3,129	(57,016)	(53,869)
Balance for the end of this period	12,000	12,520	136,787	(58,811)	102,496

	Cumulative amount of other comprehensive income			Total net assets
	Valuation difference on available-for-sale securities	Adjusted cumulative amount of retirement benefits for employees	Total cumulative amount of other comprehensive income	
Balance at the beginning of this period	1,119	50	1,170	157,536
Changes of items during the period				
Dividends from surplus				(2,465)
Profit attributable to parent company shareholders				5,594
Purchase of treasury stock				(57,423)
Disposal of treasury stock				424
Net changes of items other than shareholders' equity	144	(69)	74	74
Total changes of items during the period	144	(69)	74	(53,794)
Balance for the end of this period	1,263	(18)	1,244	103,741

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

(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	12,520	136,787	(58,811)	102,496
Changes of items during the period					
Dividends from surplus			(1,706)		(1,706)
Profit attributable to parent company shareholders			4,384		4,384
Purchase of treasury stock					-
Disposal of treasury stock				13	13
Net changes of items other than shareholders' equity					
Total changes of items during the period	-	-	2,678	13	2,691
Balance for the end of this period	12,000	12,520	139,465	(58,798)	105,187

	Cumulative amount of other comprehensive income			Total net assets
	Valuation difference on available-for-sale securities	Adjusted cumulative amount of retirement benefits for employees	Total cumulative amount of other comprehensive income	
Balance at the beginning of this period	1,263	(18)	1,244	103,741
Changes of items during the period				
Dividends from surplus				(1,706)
Profit attributable to parent company shareholders				4,384
Purchase of treasury stock				-
Disposal of treasury stock				13
Net changes of items other than shareholders' equity	(1,259)	(40)	(1,299)	(1,299)
Total changes of items during the period	(1,259)	(40)	(1,299)	1,391
Balance for the end of this period	4	(59)	(54)	105,132

(4) Consolidated statements of cash flows

(Unit: million yen)

	Previous Consolidated Accounting Year (From 06/21/2017 to 06/20/2018)	Current Consolidated Accounting Year (From 06/21/2018 to 06/20/2019)
Net cash provided by (used in) operating activities		
Profit before taxes and other adjustments	8,127	6,711
Depreciation and amortization	3,256	3,203
Impairment loss	507	2,579
Loss on reduction of noncurrent assets	152	172
Subsidy income	(152)	(172)
Compensation income	(83)	-
Equity in (earnings) losses of affiliates	(73)	(133)
Increase (decrease) in allowance for doubtful accounts	(4)	0
Increase (decrease) in provision for bonuses	(12)	52
Increase (decrease) in provision for directors' bonuses	3	11
Increase (decrease) in provision for directors' retirement benefits	(90)	-
Increase (decrease) in provision for employees' share-based remuneration	-	34
Increase (decrease) in provision for directors' share-based remuneration	24	43
Increase (decrease) in liabilities for retirement benefits	(1,289)	194
Interest and dividends income	(147)	(258)
Interest expenses	52	53
Loss (gain) on valuation of investment securities	-	15
Loss (gain) on sales of investment securities	(31)	(1)
Loss (gain) on sales of shares of subsidiaries and associates	-	20
Loss on retirement of noncurrent assets	348	423
Loss (gain) on sales of noncurrent assets	(71)	1
Decrease (increase) in notes and accounts receivable-trade	45	62
Decrease (increase) in inventories	61	(162)
Increase (decrease) in notes and accounts payable-trade	(514)	680
Increase (decrease) in accrued consumption taxes	(95)	478
Other	(411)	277
Subtotal	9,601	14,289
Interest and dividends income received	142	250
Interest expenses paid	(53)	(54)
Proceeds from subsidy income	152	172
Proceeds from compensation	83	-
Income taxes paid	(2,469)	(2,370)
Income taxes refund	-	38
Net cash provided by (used in) operating activities	7,456	12,325
Net cash provided by (used in) investing activities		
Payments into time deposits	(3,500)	(5,000)
Proceeds from withdrawal of time deposits	12,500	3,500
Purchase of property, plant and equipment	(4,985)	(2,614)
Proceeds from sales of property, plant and equipment	334	1
Payments for retirement of property, plant and equipment	(223)	(319)
Purchase of intangible assets	(157)	(432)
Purchase of investment securities	(9,034)	(2,231)
Proceeds from sales of investment securities	2,560	40
Proceeds from redemption of investment securities	5,400	1,300
Proceeds from sales of shares of subsidiaries and associates	-	461
Proceeds from collection of guarantee deposits	1,391	27
Other	(187)	(2)
Net cash provided by (used in) investing activities	4,097	(5,268)

Net cash provided by (used in) financing activities		
Increase in short-term loans payable	66,530	20,780
Decrease in short-term loans payable	(66,530)	(20,780)
Proceeds from long-term loans payable	10,000	10,000
Repayments of long-term loans payable	(2,047)	(3,962)
Proceeds from disposal of treasury stock	422	-
Purchase of treasury stock	(57,423)	-
Repayments of lease obligations	(383)	(334)
Cash dividends paid	(2,465)	(1,706)
Net cash provided by (used in) financing activities	(51,897)	3,996
Net increase (decrease) in cash and cash equivalents	(40,343)	11,053
Cash and cash equivalents at the beginning of the year	56,748	16,405
Cash and cash equivalents at the end of the year	16,405	27,458