



Financial Results for 2Q of the Fiscal Year Ending (FYE) 06/20/2017 [Japan GAAP] (Consolidated)

02/03/2017

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 Deputy General Manager, Administration Group	(Name)	Goro Yoshihara (TEL) 029 (822) 2215

Scheduled date for submission of quarterly report	02/03/2017	Scheduled commencement date of dividend payment	-
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Preparation of supplementary materials for quarterly reports	: None
Convening quarterly results briefing	: Yes (for institutional investors and analysts)

(Amounts rounded down to the nearest million yen)

1. Consolidated Business Results for 2Q of FYE 06/20/2017 (06/21/2016 - 12/20/2016)

(1) Quarterly Operating Results

(Percentages represent year-on-year changes)

	Net sales		Operating income		Ordinary income		Profit attributable to parent company shareholders	
	million yen	%	million yen	%	million yen	%	million yen	%
2Q of FYE 06/20/2017	77,144	(3.5)	3,534	(16.3)	4,204	(14.4)	2,762	(14.0)
2Q of FYE 06/20/2016	79,963	(2.6)	4,223	17.4	4,913	14.1	3,211	26.2

(Note) Comprehensive income:	2Q of FYE 06/20/2017	3,205 million yen	[1.0%]
	2Q of FYE 06/20/2016	3,174 million yen	[21.4%]

	Profit per share	Profit per share – fully diluted
	yen	yen
2Q of FYE 06/20/2017	53.91	-
2Q of FYE 06/20/2016	62.21	-

(2) Consolidated Financial Positions

	Total assets	Net assets	Shareholders' equity ratio
	million yen	million yen	%
2Q of FYE 06/20/2017	186,455	153,855	82.5
FYE 06/20/2016	182,902	154,045	84.2

(Reference) Shareholders' equity:	2Q of FYE 06/20/2017	153,855 million yen	
	FYE 06/20/2016	154,045 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 06/20/2016	-	0.00	-	31.00	31.00
FYE 06/20/2017	-	0.00			
FYE 06/20/2017 (forecast)			-	32.00	32.00

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

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

(Percent represents comparison changes from the previous year)

	Net sales		Operating income		Ordinary income		Profit attributable to parent company shareholders		Profit per share
	million yen	%	million yen	%	million yen	%	million yen	%	yen
Full year	163,200	2.8	8,370	8.6	9,550	6.7	6,200	13.7	120.13

(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 06/20/2017	51,612,880 shares	FYE 06/20/2016	51,612,880 shares
2) Number of treasury stock at the end of the period	2Q of FYE 06/20/2017	700,740 shares	FYE 06/20/2016	160 shares
3) Average number of shares during the period (cumulative for all quarters)	2Q of FYE 06/20/2017	51,248,692 shares	2Q of FYE 06/20/2016	51,612,720 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; however, this information does not constitute a commitment to achieve the relevant figures. The actual results may vary greatly due to various factors. For the conditions that are a prerequisite to the earnings forecast and the way to use the forecasts, please refer to “(3) Explanation about future forecast information such as consolidated earnings forecasts” in “1. Qualitative information on the current quarterly results” on page 5 of the attached document.

Quarterly Consolidated Financial Statements
(1) Quarterly Consolidated Balance Sheets

(Unit: million yen)

	Previous Consolidated Accounting Year (06/20/2016)	Current 2Q Consolidated Accounting Period (12/20/2016)
Assets		
Current assets		
Cash and deposits	72,126	71,169
Accounts receivable-trade	2,410	2,977
Inventories	17,521	19,906
Other	1,619	1,484
Allowance for doubtful accounts	(1)	(1)
Total current assets	93,676	95,537
Noncurrent assets		
Property, plant and equipment		
Buildings and structures	76,160	76,452
Machinery, equipment and vehicles	1,765	1,712
Land	44,304	44,304
Other	5,464	6,380
Accumulated depreciation	(49,824)	(50,928)
Total property, plant and equipment	77,870	77,922
Intangible assets	1,817	1,863
Investments and other assets		
Investment securities	2,830	4,345
Stocks of subsidiaries and affiliates	982	1,049
Deferred tax assets	2,419	2,344
Other	3,309	3,396
Allowance for doubtful accounts	(3)	(3)
Total investments and other assets	9,537	11,132
Total noncurrent assets	89,226	90,918
Total assets	182,902	186,455

(Unit: million yen)

	Previous Consolidated Accounting Year (06/20/2016)	Current 2Q Consolidated Accounting Period (12/20/2016)
Liabilities		
Current liabilities		
Accounts payable-trade	8,467	12,495
Short-term loans payable	140	50
Current portion of long-term loans payable	123	54
Income taxes payable	1,794	1,512
Provision for bonuses	223	178
Provision for directors' bonuses	33	20
Other	6,580	6,781
Total current liabilities	17,362	21,092
Noncurrent liabilities		
Long-term loans payable	342	322
Liabilities related to employee retirement benefits	2,506	2,534
Asset retirement obligations	3,678	3,716
Long-term guarantee deposited	4,218	4,174
Other	748	757
Total noncurrent liabilities	11,494	11,507
Total liabilities	28,857	32,599
Net assets		
Shareholders' equity		
Capital stock	12,000	12,000
Capital surplus	12,503	12,503
Retained earnings	129,127	130,290
Treasury stock	0	(1,795)
Total shareholders' equity	153,630	152,998
Cumulative amount of other comprehensive income		
Valuation difference on available-for-sale securities	583	941
Adjusted cumulative amount of retirement benefits for employees	(169)	(84)
Total cumulative amount of other comprehensive income	414	857
Total net assets	154,045	153,855
Total liabilities and net assets	182,902	186,455

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

(Unit: million yen)

	Previous Consolidated Cumulative 2Q (From 06/21/2015 to 12/20/2015)	Current Consolidated Cumulative 2Q (From 06/21/2016 to 12/20/2016)
Net sales	79,963	77,144
Cost of sales	59,773	56,974
Gross profit	20,189	20,169
Operating revenue		
Rent income of real estate	1,923	1,919
Income from service fees	351	351
Insurance agent commission	18	24
Total operating revenue	2,293	2,295
Operating gross profit	22,483	22,465
Selling, general and administrative expenses	18,260	18,931
Operating income	4,223	3,534
Non-operating income		
Interest income	18	7
Dividends income	21	29
Equity in earnings of affiliates	70	66
Technical advisory fee	100	98
Commission fee	194	188
Other	288	286
Total non-operating income	693	676
Non-operating expenses		
Interest expenses	1	1
Commission fee	-	0
Other	1	5
Total non-operating expenses	3	7
Ordinary income	4,913	4,204
Extraordinary income		
Gain on sales of noncurrent assets	0	0
Subsidy income	58	-
Total extraordinary income	58	0
Extraordinary loss		
Loss on retirement of noncurrent assets	84	132
Loss on reduction of noncurrent assets	58	-
Other	0	0
Total extraordinary loss	143	133
Profit before taxes and other adjustments	4,828	4,071
Income taxes-current	1,657	1,394
Income taxes-deferred	(39)	(86)
Total income taxes	1,617	1,308
Profit	3,211	2,762
Profit attributable to parent company shareholders	3,211	2,762

Quarterly consolidated statement of comprehensive income
Consolidated Cumulative 2Q

(Unit: million yen)

	Previous Consolidated 2Q (From 06/21/2015 to 12/20/2015)	Current Consolidated 2Q (From 06/21/2016 to 12/20/2016)
Profit	3,211	2,762
Other comprehensive income		
Valuation difference on available-for-sale securities	(38)	358
Adjusted amount of retirement benefits for employees	1	84
Share of other comprehensive income of associates accounted for using equity method	0	0
Total other comprehensive income	(36)	442
Comprehensive income	3,174	3,205
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	3,174	3,205

(3) Quarterly consolidated statements of cash flows

(Unit: million yen)

	Previous Consolidated 2Q (From 06/21/2015 to 12/20/2015)	Current Consolidated 2Q (From 06/21/2016 to 12/20/2016)
Net cash provided by (used in) operating activities		
Profit before taxes and other adjustments	4,828	4,071
Depreciation and amortization	1,781	1,800
Amortization of goodwill	-	2
Equity in (earnings) losses of affiliates	(70)	(66)
Increase (decrease) in allowance for doubtful accounts	0	0
Increase (decrease) in provision for bonuses	(44)	(44)
Increase (decrease) in provision for directors' bonuses	(27)	(12)
Increase (decrease) in liabilities for retirement benefits	40	150
Interest and dividends income	(39)	(37)
Interest expenses	1	1
Loss on retirement of noncurrent assets	84	132
Loss (gain) on sales of noncurrent assets	0	0
Decrease (increase) in notes and accounts receivable-trade	(488)	(566)
Decrease (increase) in inventories	(1,809)	(2,385)
Increase (decrease) in notes and accounts payable-trade	2,218	4,028
Increase (decrease) in accrued consumption taxes	(690)	(371)
Other	(118)	184
Subtotal	5,667	6,885
Interest and dividends income received	38	34
Interest expenses paid	(1)	(1)
Income taxes paid	(1,275)	(1,714)
Income taxes refund	61	-
Net cash provided by (used in) operating activities	4,490	5,203
Net cash provided by (used in) investing activities		
Payments into time deposits	(3,000)	(21,500)
Proceeds from withdrawal of time deposits	2,500	21,500
Purchase of property, plant and equipment	(1,843)	(1,070)
Purchase of intangible assets	(34)	(117)
Payments for retirement of property, plant and equipment	(35)	(92)
Purchase of investment securities	-	(1,000)
Other	1	(115)
Net cash provided by (used in) investing activities	(2,412)	(2,396)
Net cash provided by (used in) financing activities		
Increase in short-term loans payable	200	30
Decrease in short-term loans payable	(200)	(120)
Repayments of long-term loans payable	(159)	(89)
Purchase of treasury shares	-	(1,795)
Repayments of lease obligations	(120)	(189)
Cash dividends paid	(1,547)	(1,599)
Net cash provided by (used in) financing activities	(1,827)	(3,764)
Net increase (decrease) in cash and cash equivalents	250	(957)
Cash and cash equivalents at the beginning of the year	42,740	40,088
Cash and cash equivalents at the end of the quarter	42,990	39,131