



Financial Results for 2Q of the Fiscal Year Ending (FYE) 06/20/2015 [Japan GAAP] (Consolidated)

02/03/2015

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) Director and General Manager of Accounting Department	(Name)	Goro Yoshihara (TEL) 029 (822) 2215
Scheduled date for submission of quarterly report			02/03/2015
Scheduled commencement date of dividends payment			-

Preparation of supplementary materials for quarterly reports : None
 Convening quarterly results briefing : Yes (for institutional investors and analysts)
 (Amounts rounded down to the nearest millions of yen)

1. Consolidated Business Results for 2Q of FYE 06/20/2015 (06/21/2014 - 12/20/2014)

(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 06/20/2015	82,077	(6.5)	3,596	(22.0)	4,304	(19.3)	2,544	(20.9)
2Q of FYE 06/20/2014	87,802	-	4,610	-	5,334	-	3,218	-

(Note) Comprehensive income: 2Q of FYE 06/20/2015 2,615 million yen [(19.3%)]
 2Q of FYE 06/20/2014 3,239 million yen (-%)

	Net income per share	Net income per share – fully diluted
	yen	yen
2Q of FYE 06/20/2015	98.60	-
2Q of FYE 06/20/2014	125.05	-

(Note) The company has not prepared quarterly consolidated financial statements for 2Q results for FYE 06/20/2014. Thus, figures representing year-on-year changes between 2Q of FYE 06/20/2013 and FYE 06/20/2014 are not recorded.

(2) Consolidated Financial Positions

	Total assets	Net assets	Shareholders' equity ratio
	million yen	million yen	%
2Q of FYE 06/20/2015	181,263	147,856	81.6
FYE 06/20/2014	177,270	146,198	82.5

(Reference) Shareholders' equity: 2Q of FYE 06/20/2015 147,856 million yen
 FYE 06/20/2014 146,198 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 06/20/2014	-	0.00	-	50.00	50.00
FYE 06/20/2015	-	0.00	-	-	-
FYE 06/20/2015 (forecast)	-	-	-	60.00	60.00

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

3. Projected Consolidated Business Results for FYE 06/20/2015 (06/21/2014 - 06/20/2015)

(Percent represents comparison changes from the previous year)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	million yen	%	million yen	%	million yen	%	million yen	%	yen
Full year	165,370	(6.5)	7,160	(21.5)	8,390	(20.7)	5,020	(21.7)	194.53

(Note) Modification of the business results forecast released most recently: Yes

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

(Note) For details, please see the P. 5 of the attached materials (2. Items concerning Summary Information (NOTES) (3) Changes in Accounting Policy/Changes in Accounting Estimates/Restatements)

(4) Number of outstanding shares (common stock)

1) Number of outstanding shares at the end of the period (including treasury stock)	2Q of FYE 06/20/2015	25,806,440 shares	FYE 06/20/2014	25,806,440 shares
2) Number of treasury stock at the end of the period	2Q of FYE 06/20/2015	80 shares	FYE 06/20/2014	80 shares
3) Average number of shares during the period (cumulative for all quarters)	2Q of FYE 06/20/2015	25,806,360 shares	2Q of FYE 06/20/2014	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 consolidate 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.

Quarterly Consolidated Financial Statements

(1) Quarterly Consolidated Balance Sheets

(Unit: million yen)

	Previous Consolidated Accounting Year (06/20/2014)	Current 2Q Consolidated Accounting Period (12/20/2014)
Assets		
Current assets		
Cash and deposits	75,224	78,481
Accounts receivable-trade	2,036	2,717
Inventories	19,639	21,046
Other	1,967	1,445
Allowance for doubtful accounts	(3)	(3)
Total current assets	98,865	103,687
Noncurrent assets		
Property, plant and equipment		
Buildings and structures	73,726	74,496
Machinery, equipment and vehicles	1,591	1,621
Land	33,170	33,130
Other	5,711	5,310
Accumulated depreciation	(45,763)	(46,787)
Total property, plant and equipment	68,437	67,771
Intangible assets	1,976	1,880
Investments and other assets		
Investment securities	875	1,025
Stocks of subsidiaries and affiliates	772	838
Deferred tax assets	3,009	2,789
Other	3,333	3,270
Total investments and other assets	7,991	7,924
Total noncurrent assets	78,405	77,575
Total assets	177,270	181,263

(Unit: million yen)

	Previous Consolidated Accounting Year (06/20/2014)	Current 2Q Consolidated Accounting Period (12/20/2014)
Liabilities		
Current liabilities		
Accounts payable-trade	10,571	13,911
Short-term loans payable	100	100
Current portion of long-term loans payable	329	319
Income taxes payable	1,683	1,629
Provision for bonuses	239	185
Provision for directors' bonuses	48	23
Other	6,688	6,446
Total current liabilities	19,660	22,615
Noncurrent liabilities		
Long-term loans payable	375	216
Liabilities related to employee retirement benefits	2,562	2,105
Asset retirement obligations	3,524	3,565
Long-term guarantee deposited	4,371	4,368
Other	576	536
Total noncurrent liabilities	11,411	10,791
Total liabilities	31,072	33,406
Net assets		
Shareholders' equity		
Capital stock	12,000	12,000
Capital surplus	12,503	12,503
Retained earnings	121,837	123,424
Treasury stock	(0)	(0)
Total shareholders' equity	146,340	147,928
Cumulative amount of other comprehensive income		
Valuation difference on available-for-sale securities	43	21
Deferred gains or losses on hedges	(0)	(0)
Adjusted cumulative amount of retirement benefits for employees	(184)	(92)
Total cumulative amount of other comprehensive income	(142)	(71)
Total net assets	146,198	147,856
Total liabilities and net assets	177,270	181,263

(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 06/21/2013 to 12/20/2013)	Current Consolidated Cumulative 2Q (From 06/21/2014 to 12/20/2014)
Net sales	87,802	82,077
Cost of sales	66,560	61,983
Gross profit	21,242	20,094
Operating revenue		
Rent income of real estate	1,835	1,874
Income from service fees	327	343
Insurance agent commission	13	15
Total operating revenue	2,176	2,233
Operating gross profit	23,418	22,328
Selling, general and administrative expenses	18,807	18,731
Operating income	4,610	3,596
Non-operating income		
Interest income	27	20
Dividends income	5	5
Equity in earnings of affiliates	84	66
Technical advisory fee	153	101
Commission fee	232	212
Other	325	343
Total non-operating income	828	748
Non-operating expenses		
Interest expenses	6	3
Commission fee	64	28
Other	33	9
Total non-operating expenses	104	40
Ordinary income	5,334	4,304
Extraordinary loss		
Loss on sales of noncurrent assets	0	32
Loss on retirement of noncurrent assets	146	111
Loss on sales of investment securities	-	6
Total extraordinary loss	147	150
Net income before taxes and other adjustments	5,187	4,153
Income taxes-current	1,737	1,585
Income taxes-deferred	231	24
Total income taxes	1,969	1,609
Income before minority interests	3,218	2,544
Net income per share	3,218	2,544

Quarterly consolidated statement of comprehensive income
Consolidated Cumulative 2Q

(Unit: million yen)

	Previous Consolidated Cumulative 2Q (From 06/21/2013 to 12/20/2013)	Current Consolidated Cumulative 2Q (From 06/21/2014 to 12/20/2014)
Income before minority interests	3,218	2,544
Other comprehensive income		
Valuation difference on available-for-sale securities	20	(21)
Adjusted amount of retirement benefits for employees	-	92
Share of other comprehensive income of associates accounted for using equity method	0	0
Total other comprehensive income	20	70
Comprehensive income	3,239	2,615
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	3,239	2,615

(3) Quarterly consolidated statements of cash flows

(Unit: million yen)

	Previous Consolidated Cumulative 2Q (From 06/21/2013 to 12/20/2013)	Current Consolidated Cumulative 2Q (From 06/21/2014 to 12/20/2014)
Net cash provided by (used in) operating activities		
Net income before taxes and other adjustments	5,187	4,153
Depreciation and amortization	1,906	1,797
Amortization of negative goodwill	(54)	(54)
Equity in (earnings) losses of affiliates	(84)	(66)
Increase (decrease) in allowance for doubtful accounts	0	0
Increase (decrease) in provision for bonuses	(58)	(53)
Increase (decrease) in provision for directors' bonuses	(42)	(24)
Increase (decrease) in provision for retirement benefits	48	-
Increase (decrease) in liabilities for retirement benefits	-	201
Interest and dividends income	(32)	(25)
Interest expenses	6	3
Loss (gain) on sales of investment securities	-	6
Loss on retirement of noncurrent assets	146	111
Loss (gain) on sales of noncurrent assets	0	32
Decrease (increase) in notes and accounts receivable-trade	(482)	(680)
Decrease (increase) in inventories	(2,347)	(1,407)
Increase (decrease) in notes and accounts payable-trade	3,003	3,339
Increase (decrease) in accrued consumption taxes	14	252
Other	(540)	(357)
Subtotal	6,671	7,229
Interest and dividends income received	32	25
Interest expenses paid	(7)	(3)
Income taxes paid	(2,140)	(1,652)
Income taxes refund	-	22
Net cash provided by (used in) operating activities	4,556	5,621
Net cash provided by (used in) investing activities		
Payments into time deposits	(2,500)	(2,500)
Proceeds from withdrawal of time deposits	1,800	2,500
Purchase of property, plant and equipment	(1,583)	(1,072)
Purchase of intangible assets	(23)	(26)
Payments for retirement of property, plant and equipment	(108)	(58)
Purchase of investment securities	-	(688)
Proceeds from sales of investment securities	-	498
Other	7	10
Net cash provided by (used in) investing activities	(2,407)	(1,337)
Net cash provided by (used in) financing activities		
Increase in short-term loans payable	200	200
Decrease in short-term loans payable	(200)	(200)
Repayments of long-term loans payable	(461)	(169)
Repayments of lease obligations	(142)	(112)
Cash dividends paid	(514)	(1,286)
Net cash provided by (used in) financing activities	(1,118)	(1,569)
Net increase (decrease) in cash and cash equivalents	1,029	2,714
Cash and cash equivalents at the beginning of the year	35,599	38,228
Cash and cash equivalents at the end of the quarter	36,629	40,943