



Summary of Financial Results for the First Quarter of the Fiscal Year

Ending March 31, 2022 [Japanese GAAP] (Unconsolidated)

August 10, 2021

Company name: Workman Co., Ltd. Stock Exchange Listing: Tokyo
 Securities code: 7564 URL: <https://www.workman.co.jp/>
 Representative: Representative Director & President Hideyuki Kohama
 Contact: Director & Treasurer Yukitaka Iizuka Tel: 03-3847-7740
 Scheduled date of filing quarterly securities report: August 13, 2021 Scheduled date to commence dividend payments: -
 Availability of supplementary briefing material on quarterly financial results: Yes
 Schedule of quarterly financial results briefing session: Yes (for securities analysts and institutional investors)

(All amounts are rounded down to the nearest million yen)

1. Financial Results for the First Quarter of the Fiscal Year Ending March 31, 2022 (April 1, 2021 – June 30, 2021)

(1) Operating results (Percentages represent year-on-year changes)

	Total operating revenue		Operating profit		Ordinary profit		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Q1 of the Fiscal Year Ending March 31, 2022	29,534	—	7,148	—	7,299	—	4,628	—
Q1 of the Fiscal Year Ended March 31, 2021	25,664	24.7	6,163	30.5	6,535	28.9	4,160	30.4

	Net income per share	Diluted net income per share
	Yen	Yen
Q1 of the Fiscal Year Ending March 31, 2022	56.72	—
Q1 of the Fiscal Year Ended March 31, 2021	50.98	—

(Reference) Net sales at all chain stores (millions of yen) Q1 of the Fiscal Year Ending March 31, 2022 39,851 (YoY —%)
 Q1 of the Fiscal Year Ended March 31, 2021 36,443 (YoY +26.3%)

(Note) As the Company applies the Accounting Standard for Revenue Recognition (ASBJ Statement No. 29, March 31, 2020) from the beginning of the accounting period for the first quarter of the fiscal year ending March 31, 2022, figures relating to the first quarter of the fiscal year ending March 31, 2022, are figures to which the said accounting standard is applied. Hence, the rates of increase/decrease compared with the first quarter of the preceding fiscal year are not stated.

(2) Financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
Q1 of the Fiscal Year Ending March 31, 2022	108,869	89,486	82.2
FY March 2021	112,876	90,593	80.3

(Reference) Equity (millions of yen) Q1 of the Fiscal Year Ending March 31, 2022 89,486 FY March 2021 90,593

(Note) As the Company applies the Accounting Standard for Revenue Recognition (ASBJ Statement No. 29, March 31, 2020) from the beginning of the accounting period for the first quarter of the fiscal year ending March 31, 2022, figures relating to the first quarter of the fiscal year ending March 31, 2022, are figures to which the said accounting standard is applied.

2. Dividends

	Annual dividends per share				
	Q1-end	Q2-end	Q3-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
FY March 2021	—	0.00	—	64.00	64.00
FY March 2022	—	—	—	—	—
FY March 2022 (forecast)	—	0.00	—	64.00	64.00

(Note) Revision from the most recently released expected dividend: None

3. Forecast of Financial Results for the Fiscal Year Ending March 31, 2022 (April 1, 2021 – March 31, 2022)

(Percentages represent year-on-year changes)

	Total operating revenue		Operating profit		Ordinary profit		Net income		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Q2 (cumulative)	53,732	9.1	12,425	8.4	12,697	7.8	7,926	7.5	97.13
Full year	114,445	7.0	26,673	7.8	27,200	7.0	18,155	6.5	222.46

(Note) Revision from the most recently released forecast of financial results: None

(Reference) Net sales at all chain stores (millions of yen) Q2 (cumulative) 74,803 (YoY change +9.5%)

Full year (cumulative) 156,200 (YoY change +6.5%)

(Note) As the Company will apply the Accounting Standard for Revenue Recognition (ASBJ Statement No. 29) starting at the beginning of the Fiscal Year ending March 31, 2022, the forecast of financial results for the Fiscal Year Ending March 31, 2022 above represents figures after the application of the said accounting standard. Changes from the previous fiscal year and from the same quarter of the previous fiscal year represent changes calculated on the assumption that the said accounting standard had been applied to the Fiscal Year Ended March 31, 2021.

※ Notes

(1) The application of accounting treatment unique to the preparation of quarterly financial statements: None

(2) Changes in accounting policies, and accounting-based estimates and restatement

- ① Changes in accounting policies due to revisions in accounting standards: Yes
- ② Changes in accounting policies other than ① above: None
- ③ Changes in accounting-based estimates: None
- ④ Restatements: None

(2) Number of outstanding shares (common shares)

① Number of shares outstanding at the end of period (including treasury shares)	Q1 FY March 2022	81,846,816 shares	FY March 2021	81,846,816 shares
② Number of treasury shares at the end of period	Q1 FY March 2022	236,434 shares	FY March 2021	236,384 shares
③ Average number of shares outstanding during the period	Q1 FY March 2022	81,610,382 shares	Q1 FY March 2	81,610,432 shares

※ The Summary of Quarterly Financial Results is not subject to the quarterly review by certified public accountants or an auditing firm.

※ Explanation regarding the appropriate use of the forecast of financial results and other special notes

(Cautionary statements with respect to forward-looking statements)

Forward-looking statements in this material, including forecasts of financial results, are based on information currently available to the Company and certain assumptions judged to be rational, and the Company does not warrant their achievement. Actual financial results may differ significantly from these forecasts for a number of factors.

(How to obtain supplementary explanatory materials for the quarterly financial results)

The Company will disclose supplementary explanatory materials for the quarterly financial results on TDnet on Tuesday, August 10, 2021.

Quarterly Financial Statements

(1) Quarterly Balance Sheet

(Millions of yen)

	Fiscal Year Ended March 31, 2021	First-Quarter Accounting Period (Ended June 30, 2021)
Assets		
Current assets		
Cash and deposits	57,813	55,629
Accounts receivable-trade	798	972
Accounts receivable-due to franchise stores	11,884	12,656
Merchandise	14,077	11,227
Inventory goods	21	22
Guarantee deposits to be recovered within one year	362	423
Other	739	688
Allowance for doubtful accounts	△1	△1
Total current assets	85,696	81,619
Non-current assets		
Tangible non-current assets		
Buildings(net)	10,725	10,973
Land	3,990	3,990
Other(net)	5,385	5,448
Total tangible non-current assets	20,101	20,412
Intangible non-current assets	769	734
Investment and other assets		
Guarantee deposits	4,349	4,287
Other	1,964	1,822
Allowance for doubtful accounts	△5	△5
Total investment and other assets	6,307	6,103
Total non-current assets	27,179	27,250
Total assets	112,876	108,869
Liabilities		
Current liabilities		
Accounts payable-trade	3,939	3,079
Accounts payable to franchise stores	1,850	2,103
Short-term borrowings	1,350	1,350
Corporate income taxes payable	5,575	2,389
Provisions for executive bonuses	37	9
Other	6,336	6,800
Total current liabilities	19,090	15,733
Non-current liabilities		
Long-term guarantee deposits received	898	902
Asset retirement obligations	1,446	1,511
Other	847	1,236
Total non-current liabilities	3,191	3,650
Total liabilities	22,282	19,383
Net assets		
Shareholders' equity		
Capital stock	1,622	1,622
Legal capital surplus	1,342	1,342
Retained earnings	87,327	86,323
Treasury shares	△66	△67
Total shareholders' equity	90,225	89,221
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	1	1
Deferred gains or losses on hedges	367	264
Total valuation and translation adjustments	368	265
Total net assets	90,593	89,486
Total liabilities and net assets	112,876	108,869

(2) Quarterly Statement of Income
(First-Quarter Cumulative Period)

(Millions of yen)

	Preceding First-Quarter Cumulative Period (April 1, 2020 – June 30, 2020)	Current First-Quarter Cumulative Period (April 1, 2021 – June 30, 2021)
Operating revenue	7,439	8,373
Net sales	18,225	21,161
Total operating revenue	25,664	29,534
Cost of sales	15,276	17,516
Adjusted operating profit before SG&A	10,388	12,017
Selling, general and administrative expenses	4,224	4,869
Operating profit	6,163	7,148
Non-operating income		
Interest income	103	75
Purchase discounts	72	73
Other	210	15
Total non-operating income	386	164
Non-operating expenses		
Interest expenses	14	12
Other	0	0
Total non-operating expenses	14	13
Ordinary profit	6,535	7,299
Extraordinary loss		
Loss on retirement of non-current assets	4	1
Impairment loss	5	20
Total extraordinary loss	9	21
Profit before income taxes	6,525	7,277
Income taxes-current	1,966	2,275
Income taxes-deferred	399	373
Total corporate income taxes	2,365	2,648
Net income	4,160	4,628