



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

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

November 8, 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: November 12, 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 Second Quarter of the Fiscal Year Ending March 31, 2022 (April 1, 2021 – September 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	%
Q2 of the Fiscal Year Ending March 31, 2022	55,295	—	12,604	—	12,891	—	7,999	—
Q2 of the Fiscal Year Ended March 31, 2021	48,713	16.3	11,073	28.1	11,782	25.9	7,372	27.1

	Net income per share	Diluted net income per share
	Yen	Yen
Q2 of the Fiscal Year Ending March 31, 2022	98.02	—
Q2 of the Fiscal Year Ended March 31, 2021	90.33	—

(Reference) Net sales at all chain stores (millions of yen) Q2 of the Fiscal Year Ending March 31, 2022 73,756 (YoY —%)
 Q2 of the Fiscal Year Ended March 31, 2021 68,288 (YoY +23.4%)

(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	%
Q2 of the Fiscal Year Ending March 31, 2022	116,194	92,746	79.8
FY March 2021	112,876	90,593	80.3

(Reference) Equity (millions of yen) Q2 of the Fiscal Year Ending March 31, 2022 92,746 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	—	0.00	—	64.00	64.00
FY March 2022 (forecast)	—	—	—	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
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) Full year (cumulative) 156,174 (YoY change +6.5%)

(Note) As the Company applies the Accounting Standard for Revenue Recognition (ASBJ Statement No. 29) from the beginning of the Fiscal Year ending March 31, 2022, the above forecast of financial results represents the figures to which the said accounting standard is applied. Hence, the rates of increase/decrease stated are those 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)	Q2 FY March 2022	81,846,816 shares	FY March 2021	81,846,816 shares
② Number of treasury shares at the end of period	Q2 FY March 2022	236,434 shares	FY March 2021	236,384 shares
③ Average number of shares outstanding during the period	Q2 FY March 2022	81,610,382 shares	Q2 FY March 2021	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, November 8, 2021.

Quarterly Financial Statements

(1) Quarterly Balance Sheet

(Millions of yen)

	Fiscal Year Ended March 31, 2021	Second-Quarter Accounting Period (Ended September 30, 2021)
Assets		
Current assets		
Cash and deposits	57,813	56,617
Accounts receivable-trade	798	917
Accounts receivable-due to franchise stores	11,884	13,152
Merchandise	14,077	14,772
Inventory goods	21	27
Guarantee deposits to be recovered within one year	362	422
Other	739	502
Allowance for doubtful accounts	△1	△1
Total current assets	85,696	86,411
Non-current assets		
Tangible non-current assets		
Buildings(net)	10,725	13,602
Land	3,990	4,003
Other(net)	5,385	5,119
Total tangible non-current assets	20,101	22,726
Intangible non-current assets	769	706
Investment and other assets		
Guarantee deposits	4,349	4,253
Other	1,964	2,101
Allowance for doubtful accounts	△5	△5
Total investment and other assets	6,307	6,349
Total non-current assets	27,179	29,782
Total assets	112,876	116,194
Liabilities		
Current liabilities		
Accounts payable-trade	3,939	5,103
Accounts payable to franchise stores	1,850	1,634
Short-term borrowings	1,350	1,350
Corporate income taxes payable	5,575	4,852
Provisions for executive bonuses	37	16
Other	6,336	6,843
Total current liabilities	19,090	19,800
Non-current liabilities		
Long-term guarantee deposits received	898	913
Asset retirement obligations	1,446	1,534
Other	847	1,198
Total non-current liabilities	3,191	3,646
Total liabilities	22,282	23,447
Net assets		
Shareholders' equity		
Capital stock	1,622	1,622
Legal capital surplus	1,342	1,342
Retained earnings	87,327	86,693
Treasury shares	△67	△67
Total shareholders' equity	90,225	92,591
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	1	1
Deferred gains or losses on hedges	367	153
Total valuation and translation adjustments	368	154
Total net assets	90,593	92,746
Total liabilities and net assets	112,876	116,194

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

(Millions of yen)

	Preceding Second-Quarter Cumulative Period (April 1, 2020 – September 30, 2020)	Current Second-Quarter Cumulative Period (April 1, 2021 – September 30, 2021)
Operating revenue	13,700	15,526
Net sales	35,013	39,768
Total operating revenue	48,713	55,295
Cost of sales	29,073	33,065
Adjusted operating profit before SG&A	19,639	22,229
Selling, general and administrative expenses	8,565	9,624
Operating profit	11,073	12,604
Non-operating income		
Interest income	188	142
Purchase discounts	131	137
Other	416	31
Total non-operating income	736	312
Non-operating expenses		
Interest expenses	27	24
Other	—	0
Total non-operating expenses	27	25
Ordinary profit	11,782	12,891
Extraordinary income		
Gain on sale of non-current assets	—	0
Total extraordinary income	—	0
Extraordinary loss		
Loss on retirement of non-current assets	6	50
Impairment loss	12	35
Total extraordinary loss	19	86
Profit before income taxes	11,763	12,805
Income taxes-current	4,175	4,645
Income taxes-deferred	216	160
Total corporate income taxes	4,391	4,805
Net income	7,372	7,999