



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

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

February 7, 2022

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: February 14, 2022 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 Third Quarter of the Fiscal Year Ending March 31, 2022 (April 1, 2021 – December 31, 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	%
Q3 of the Fiscal Year Ending March 31, 2022	91,778	—	22,585	—	23,053	—	14,313	—
Q3 of the Fiscal Year Ended March 31, 2021	83,102	16.1	20,132	23.6	21,277	21.4	13,336	22.9

	Net income per share	Diluted net income per share
	Yen	Yen
Q3 of the Fiscal Year Ending March 31, 2022	175.39	—
Q3 of the Fiscal Year Ended March 31, 2021	163.42	—

(Reference) Net sales at all chain stores (millions of yen) Q3 of the Fiscal Year Ending March 31, 2022 125,963 (YoY —%)
 Q3 of the Fiscal Year Ended March 31, 2021 117,696 (YoY +22.0%)

(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 third 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 third quarter of the preceding fiscal year are not stated.

(2) Financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
Q3 of the Fiscal Year Ending March 31, 2022	120,569	99,036	82.1
FY March 2021	112,876	90,593	80.3

(Reference) Equity (millions of yen) Q3 of the Fiscal Year Ending March 31, 2022 99,036 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 third 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	—		
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 ①above: 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)	Q3 FY March 2022	81,846,816 shares	FY March 2021	81,846,816 shares
② Number of treasury shares at the end of period	Q3 FY March 2022	236,434 shares	FY March 2021	236,384 shares
③ Average number of shares outstanding during the period	Q3 FY March 2022	81,610,382 shares	Q3 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 Monday, February 7, 2022.

Quarterly Financial Statements

(1) Quarterly Balance Sheet

(Millions of yen)

	Fiscal Year Ended March 31, 2021	Third-Quarter Accounting Period (Ended December 31, 2021)
Assets		
Current assets		
Cash and deposits	57,813	64,969
Accounts receivable-trade	798	1,872
Accounts receivable-due to franchise stores	11,884	10,121
Merchandise	14,077	12,054
Inventory goods	21	33
Guarantee deposits to be recovered within one year	362	420
Other	739	453
Allowance for doubtful accounts	△1	△1
Total current assets	85,696	89,924
Non-current assets		
Tangible non-current assets		
Buildings(net)	10,725	14,327
Land	3,990	4,003
Other(net)	5,385	5,289
Total tangible non-current assets	20,101	23,621
Intangible non-current assets	769	814
Investment and other assets		
Guarantee deposits	4,349	4,165
Other	1,964	2,048
Allowance for doubtful accounts	△5	△5
Total investment and other assets	6,307	6,208
Total non-current assets	27,179	30,644
Total assets	112,876	120,569
Liabilities		
Current liabilities		
Accounts payable-trade	3,939	3,298
Accounts payable to franchise stores	1,850	1,620
Short-term borrowings	1,350	1,350
Corporate income taxes payable	5,575	4,394
Provisions for executive bonuses	37	29
Other	6,336	7,172
Total current liabilities	19,090	17,865
Non-current liabilities		
Long-term guarantee deposits received	898	919
Asset retirement obligations	1,446	1,599
Other	847	1,148
Total non-current liabilities	3,191	3,666
Total liabilities	22,282	21,532
Net assets		
Shareholders' equity		
Capital stock	1,622	1,622
Legal capital surplus	1,342	1,342
Retained earnings	87,327	96,008
Treasury shares	△67	△67
Total shareholders' equity	90,225	98,906
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	1	1
Deferred gains or losses on hedges	367	129
Total valuation and translation adjustments	368	130
Total net assets	90,593	99,036
Total liabilities and net assets	112,876	120,569

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

(Millions of yen)

	Preceding Third-Quarter Cumulative Period (April 1, 2020 – December 31, 2020)	Current Third-Quarter Cumulative Period (April 1, 2021 – December 31, 2021)
Operating revenue	23,453	26,395
Net sales	59,648	65,382
Total operating revenue	83,102	91,778
Cost of sales	49,456	54,625
Adjusted operating profit before SG&A	33,645	37,153
Selling, general and administrative expenses	13,512	14,567
Operating profit	20,132	22,585
Non-operating income		
Interest income	262	214
Purchase discounts	203	225
Commission income	257	—
Other	463	66
Total non-operating income	1,185	506
Non-operating expenses		
Interest expenses	41	36
Other	0	1
Total non-operating expenses	41	38
Ordinary profit	21,277	23,053
Extraordinary income		
Gain on sale of non-current assets	2	2
Total extraordinary income	2	2
Extraordinary loss		
Loss on retirement of non-current assets	8	51
Impairment loss	26	35
Total extraordinary loss	34	86
Profit before income taxes	21,245	22,968
Income taxes-current	7,681	8,403
Income taxes-deferred	227	251
Total corporate income taxes	7,908	8,654
Net income	13,336	14,313