

# Summary of Financial Results for the Fiscal Year Ended March 31, 2022



## [Japanese GAAP] (Unconsolidated)

May 9, 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 ordinary general meeting of shareholders: June 29, 2022 Scheduled date to commence dividend payments: June 30, 2022  
 Scheduled date to submit the Annual Securities Report: June 29, 2022  
 Availability of supplementary materials on financial results: Yes  
 Holding of a briefing session on financial results: Yes (for securities analysts and institutional investors)

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

### 1. Financial Results for the Fiscal Year Ended March 31, 2022 (April 1, 2021 – March 31, 2022)

#### (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	%
FY March 2022	116,264	-	26,802	-	27,395	-	18,303	-
FY March 2021	105,815	14.6	23,955	25.0	25,409	22.9	17,039	27.5

	Net income per share	Diluted net income per share	Return on equity	Ordinary profit /total assets	Operating profit /total operating revenue
	Yen	Yen	%	%	%
FY March 2022	224.28	-	18.9	23.0	23.1
FY March 2021	208.80	-	20.3	24.2	22.6

(Reference) Equity in earnings of affiliates FY March 2022 –Millions of yen FY March 2021 –Millions of yen

Net sales at all chain stores (millions of yen) FY March 2022 156,597 (YoY -%)  
 FY March 2021 146,653 (YoY +20.2%)

(Note) The Company has applied the Accounting Standard for Revenue Recognition (ASBJ Statement No. 29, March 31, 2020), etc. from the start of this business year, and each of the values for the year ending March 2022 are the figures after the application of this standard. Consequently, the percentage increase or decrease from the previous fiscal year has not been noted.

#### (2) Financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
FY March 2022	125,145	103,559	82.8	1,268.96
FY March 2021	112,876	90,593	80.3	1,110.08

(Reference) Equity (millions of yen) FY March 2022 103,559 FY March 2020 90,593

(Note) The Company has applied the Accounting Standard for Revenue Recognition (ASBJ Statement No. 29, March 31, 2020), etc. from the start of this business year, and each of the values for the year ending March 2022 are the figures after the application of this standard.

#### (3) Cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
FY March 2022	18,451	△9,631	△5,350	44,283
FY March 2021	21,319	△4,540	△4,206	40,813

### 2. Dividends

	Annual dividends per share					Total dividends paid	Dividend payout ratio	Dividends to net assets ratio
	Q1-end	Q2-end	Q3-end	Year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
FY March 2021	—	0.00	—	64.00	64.00	5,223	30.7	6.2
FY March 2022	—	0.00	—	68.00	68.00	5,549	30.3	5.7
FY March 2023 (forecast)	—	0.00	—	68.00	68.00		33.1	

3. Forecast of Financial Results for the Fiscal Year Ending March 31, 2023 (April 1, 2022 – March 31, 2023)

(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)	59,971	8.5	11,867	△5.9	12,179	△5.5	7,602	△5.0	93.15
Full year	124,110	6.7	24,461	△8.7	25,063	△8.5	16,782	△8.3	205.65

(Reference) Net sales at all chain stores (millions of yen) Q2 (cumulative) 79,995 (YoY change 8.5%)  
Full year (cumulative) 166,690 (YoY change 6.4%)

※ Notes

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

- |  |      |
|--|------|
| ① Changes in accounting policies due to revisions in accounting standards: | Yea  |
| 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)	FY March 2022	81,846,816 shares	FY March 2021	81,846,816 shares
② Number of treasury shares at the end of period	FY March 2022	236,434 shares	FY March 2021	236,384 shares
③ Average number of shares outstanding during the period	FY March 2022	81,610,382 shares	FY March 2021	81,610,432 shares

※ The Summary of Financial Results is not subject to audit by certified public accountants or auditing corporations.

※ 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. For matters related to forecasts of financial results, please see 1. Overview of Operating Results (4) Outlook on page 6 of Summary of Financial Results (Attachment).

(Availability of supplementary materials on financial results)

Supplementary materials on financial results are disclosed on TDnet on Monday, May 9, 2022

# Financial Statements and Principal Notes

## (1) Balance Sheet

(Millions of yen)

Fiscal Year Ended March 31, 2021    Fiscal Year Ended March 31, 2022

Assets		
Current assets		
Cash and deposits	57,813	64,283
Accounts receivable-trade	798	1,213
Accounts receivable-due to franchise stores	11,884	11,944
Merchandise	14,077	15,257
Inventory goods	21	25
Prepaid expenses	123	144
Accounts receivable-other	38	32
Guarantee deposits to be recovered within one year	362	389
Other	577	977
Allowance for doubtful accounts	△1	△1
<b>Total current assets</b>	<b>85,696</b>	<b>94,266</b>
Non-current assets		
Tangible non-current assets		
Buildings	17,557	22,084
Accumulated depreciation	△6,832	△7,417
Buildings (net)	10,725	14,666
Structures	4,065	4,612
Accumulated depreciation	△2,348	△2,487
Structures (net)	1,716	2,125
Vehicles	115	133
Accumulated depreciation	△44	△72
Vehicles (net)	71	60
Tools, furniture and fixtures	3,670	4,294
Accumulated depreciation	△1,591	△1,883
Tools, furniture and fixtures (net)	2,078	2,411
Land	3,990	4,003
Lease assets	1,664	1,664
Accumulated depreciation	△916	△1,025
Lease assets (net)	748	639
Construction in progress	771	42
<b>Total tangible non-current assets</b>	<b>20,101</b>	<b>23,949</b>
Intangible non-current assets		
Trademark rights	2	1
Telephone subscription rights	44	44
Software	722	771
Other	0	0
<b>Total intangible non-current assets</b>	<b>769</b>	<b>818</b>
Investment and other assets		
Investment securities	3	1
Capital	0	0
Long-term prepaid expenses	608	661
Deferred tax assets	1,336	1,273
Guarantee deposits	4,349	4,165
Other	15	9
Allowance for doubtful accounts	△5	△0
<b>Total investment and other assets</b>	<b>6,307</b>	<b>6,110</b>
<b>Total non-current assets</b>	<b>27,179</b>	<b>30,878</b>
<b>Total assets</b>	<b>112,876</b>	<b>125,145</b>

(Millions of yen)

Fiscal Year Ended March 31, 2021 Fiscal Year Ended March 31, 2022

Liabilities		
Current liabilities		
Accounts payable-trade	3,939	4,857
Accounts payable to franchise stores	1,850	1,983
Due to franchise stores	155	252
Short-term borrowings	1,350	1,350
Lease obligations	130	137
Accounts payable-other	3,944	2,906
Corporate income taxes payable	5,575	4,960
Consumption taxes payable	1,409	505
Expenses payable	505	560
Contract liabilities	—	189
Advances received	14	—
Deposits received	44	52
Provisions for executive bonuses	37	35
Accumulated impairment loss on leased assets	0	—
Other	131	106
Total current liabilities	19,090	17,897
Non-current liabilities		
Contract liabilities	—	390
Lease obligations	847	710
Long-term guarantee deposits received	898	938
Asset retirement obligations	1,446	1,649
Total non-current liabilities	3,191	3,687
Total liabilities	22,282	21,585
Net assets		
Shareholders' equity		
Capital stock	1,622	1,622
Capital surplus		
Legal capital surplus	1,342	1,342
Total capital surplus	1,342	1,342
Retained earnings		
Legal retained earnings	178	178
Other regained earnings		
General reserve	23,150	23,150
Retained earnings brought forward	63,999	76,669
Total retained earnings	87,327	99,997
Treasury shares	△67	△67
Total shareholders' equity	90,225	102,896
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	1	—
Deferred gains or losses on hedges	367	663
Total valuation and translation adjustments	368	663
Total net assets	90,593	103,559
Total liabilities and net assets	112,876	125,145

## (2) Statement of Income

(Millions of yen)

	Previous Fiscal Year (April 1, 2020 – March 31, 2021)	Current Fiscal Year (April 1, 2021 – March 31, 2022)
<b>Operating revenue</b>		
Income from franchise stores	25,073	32,715
Other operating revenue	4,047	96
Operating revenue	29,121	32,812
Net sales	76,694	83,452
Total operating revenue	105,815	116,264
<b>Cost of sales</b>		
Beginning goods	13,660	14,077
Cost of purchased goods	64,472	71,387
Total	78,132	85,464
Ending goods	14,077	15,257
Cost of sales	64,055	70,207
Adjusted operating profit before SG&A	41,760	46,056
Selling, general and administrative expenses	17,804	19,254
Operating profit	23,955	26,802
<b>Non-operating income</b>		
Interest income	320	269
Purchase discounts	268	291
Other	920	83
Total non-operating income	1,508	643
<b>Non-operating expenses</b>		
Interest expenses	54	48
Other	0	2
Total non-operating expenses	54	50
Ordinary profit	25,409	27,395
<b>Extraordinary income</b>		
Gain on sales of non-current assets	4	2
Total extraordinary income	4	2
<b>Extraordinary loss</b>		
Loss on retirement of non-current assets	13	47
Impairment loss	43	36
Total extraordinary loss	57	83
Profit before income taxes	25,356	27,313
Income taxes-current	8,358	8,896
Income taxes-deferred	△41	113
Total corporate income taxes	8,316	9,010
Net income	17,039	18,303

## (3) Statement of Changes in Shareholders' Equity

Previous Fiscal Year (April 1, 2020 – March 31, 2021)

(Millions of yen)

	Shareholders' equity								
	Capital stock	Capital surplus		Retained earnings				Treasury shares	Total shareholders' equity
		Legal capital surplus	Total capital surplus	Legal regained earnings	Other retained earnings		Total regained earnings		
					General reserve	Retained earnings brought forward			
Balance at beginning of current period	1,622	1,342	1,342	178	23,150	51,039	74,368	△66	77,266
Cumulative effect of changed accounting policy						—	—		—
Balance at beginning of current period reflecting changed accounting policy	1,622	1,342	1,342	178	23,150	51,039	74,368	△66	77,266
Changes of items during period									
Dividends of surplus						△4,080	△4,080		△4,080
Net income						17,039	17,039		17,039
Acquisition of treasury shares								△0	△0
Net changes of items during period other than shareholders' equity									
Total changes of items during period	—	—	—	—	—	12,959	12,959	△0	12,958
Balance at end of current period	1,622	1,342	1,342	178	23,150	63,999	87,327	△67	90,225

	Valuation and translation adjustments			Total net assets
	Valuation and translation adjustments	Valuation and translation adjustments	Valuation and translation adjustments	
Balance at beginning of current period	1	235	236	77,503
Cumulative effect of changed accounting policy				—
Balance at beginning of current period reflecting changed accounting policy	1	235	236	77,503
Changes of items during period				
Dividends of surplus				△4,080
Net income				17,039
Acquisition of treasury shares				△0
Net changes of items during period other than shareholders' equity	0	131	131	131
Total changes of items during period	0	131	131	13,090
Balance at end of current period	1	367	368	90,593

Current Fiscal Year (April 1, 2021 – March 31, 2022)

(Millions of yen)

	Shareholders' equity								
	Capital stock	Capital surplus		Retained earnings				Treasury shares	Total shareholders' equity
		Legal capital surplus	Total capital surplus	Legal regained earnings	Other retained earnings		Total regained earnings		
					General reserve	Retained earnings brought forward			
Balance at beginning of current period	1,622	1,342	1,342	178	23,150	63,999	87,327	△67	90,225
Cumulative effect of changed accounting policy						△410	△410		△410
Balance at beginning of current period reflecting changed accounting policy	1,622	1,342	1,342	178	23,150	63,588	86,917	△67	89,815
Changes of items during period									
Dividends of surplus						△5,223	△5,223		△5,223
Net income						18,303	18,303		18,303
Acquisition of treasury shares								—	—
Net changes of items during period other than shareholders' equity									
Total changes of items during period	—	—	—	—	—	13,080	13,080	—	13,080
Balance at end of current period	1,622	1,342	1,342	178	23,150	76,669	99,997	△67	102,896

	Valuation and translation adjustments			Total net assets
	Valuation and translation adjustments	Valuation and translation adjustments	Valuation and translation adjustments	
Balance at beginning of current period	1	367	368	90,593
Cumulative effect of changed accounting policy				△410
Balance at beginning of current period reflecting changed accounting policy	1	367	368	90,183
Changes of items during period				
Dividends of surplus				△5,223
Net income				18,303
Acquisition of treasury shares				—
Net changes of items during period other than shareholders' equity	△1	296	295	295
Total changes of items during period	△1	296	295	13,376
Balance at end of current period	—	663	663	103,559

## (4) Statement of Cash Flows

(Millions of yen)

	Previous Fiscal Year (April 1, 2020 – March 31, 2021)	Current Fiscal Year (April 1, 2021 – March 31, 2022)
<b>Cash flows from operating activities</b>		
Net income before income taxes	25,356	27,313
Depreciation	1,479	1,797
Depreciation of intangible non-current assets	172	215
Depreciation of long-term prepaid expenses	26	30
Impairment loss	43	36
Change in allowance for executive bonuses ( $\Delta$ indicates decrease)	6	$\Delta$ 2
Change in provisions for retirement benefits for executives ( $\Delta$ indicates decrease)	$\Delta$ 500	–
Change in allowance for doubtful accounts ( $\Delta$ indicates decrease)	$\Delta$ 23	$\Delta$ 5
Interest and dividend income received	$\Delta$ 323	$\Delta$ 272
Interest expenses paid	54	48
Gain on sale of non-current assets	$\Delta$ 4	$\Delta$ 2
Loss on retirement of tangible non-current assets	13	47
Withdrawal from accumulated impairment loss on leased assets	$\Delta$ 6	$\Delta$ 0
Change in accounts receivable ( $\Delta$ indicates increase)	$\Delta$ 662	$\Delta$ 414
Change in accounts receivable-due to franchise stores ( $\Delta$ indicates increase)	1,790	$\Delta$ 60
Change in inventory assets ( $\Delta$ indicates increase)	$\Delta$ 418	$\Delta$ 1,184
Change in accounts receivable-other ( $\Delta$ indicates increase)	5	6
Change in accounts payable ( $\Delta$ indicates decrease)	392	1,050
Change in accounts payable to franchise stores ( $\Delta$ indicates decrease)	106	97
Change in accounts payable-other ( $\Delta$ indicates decrease)	$\Delta$ 186	$\Delta$ 218
Change in consumption taxes payable ( $\Delta$ indicates decrease)	1,083	$\Delta$ 903
Change in accrued expenses ( $\Delta$ indicates decrease)	55	55
Change in other current liabilities ( $\Delta$ indicates decrease)	24	$\Delta$ 10
Change in guarantee deposits received ( $\Delta$ indicates decrease)	34	40
Other	94	93
Subtotal	28,618	27,758
Interest and dividends received	323	272
Interest expenses paid	$\Delta$ 54	$\Delta$ 48
Corporate income taxes paid	$\Delta$ 7,568	$\Delta$ 9,530
Cash flows from operating activities	21,319	27,758
<b>Cash flows from investing activities</b>		
Net cash used for deposits in term deposits	$\Delta$ 17,000	$\Delta$ 20,000
Proceeds from refunds of term deposits	17,000	17,000
Net cash used for acquisition of tangible non-current assets	$\Delta$ 4,128	$\Delta$ 6,275
Proceeds from sales of tangible non-current assets	4	2
Net cash used for retirement of tangible non-current assets	$\Delta$ 36	$\Delta$ 109
Net cash used for acquisition of intangible non-current assets	$\Delta$ 448	$\Delta$ 280
Net cash used for acquisition of long-term prepaid expenses	$\Delta$ 87	$\Delta$ 127
Net cash used for guarantee deposits paid	$\Delta$ 250	$\Delta$ 242
Proceeds from collection of guarantee deposits	407	398
Other	–	2
Cash flows from investing activities	$\Delta$ 4,540	$\Delta$ 9,631
<b>Cash flows from financing activities</b>		
Net cash used for repayments of lease obligations	$\Delta$ 124	$\Delta$ 130
Dividends paid	$\Delta$ 4,081	$\Delta$ 5,220
Net cash used for acquisition of treasury shares	$\Delta$ 0	–
Cash flows from financing activities	$\Delta$ 4,206	$\Delta$ 5,350
Change in cash and cash equivalents ( $\Delta$ indicates decrease)	12,572	3,469
Cash and cash equivalents at beginning of period	28,240	40,813
Cash and cash equivalents at end of period	40,813	44,283