



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

Ending March 31, 2023 [Japanese GAAP] (Unconsolidated)

November 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: November 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 Second Quarter of the Fiscal Year Ending March 31, 2023 (April 1, 2022 – September 30, 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	%
Q2 of the Fiscal Year Ending March 31, 2023	60,208	8.9	12,159	△3.5	12,435	△3.5	7,748	△3.1
Q2 of the Fiscal Year Ended March 31, 2022	55,295	—	12,604	—	12,891	—	7,999	—

	Net income per share	Diluted net income per share
	Yen	Yen
Q2 of the Fiscal Year Ending March 31, 2023	94.95	—
Q2 of the Fiscal Year Ended March 31, 2022	98.02	—

(Reference) Net sales at all chain stores (millions of yen) Q2 of the Fiscal Year Ending March 31, 2023 81,928 (YoY 11.1%)
 Q2 of the Fiscal Year Ended March 31, 2022 73,756 (YoY —%)

(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 second 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 Second 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, 2023	127,624	106,090	83.1
FY March 2022	125,145	103,559	82.8

(Reference) Equity (millions of yen) Q2 of the Fiscal Year Ending March 31, 2023 106,090 FY March 2022 103,559

2. Dividends

	Annual dividends per share				
	Q1-end	Q2-end	Q3-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
FY March 2022	—	0.00	—	68.00	68.00
FY March 2023	—	0.00	—	68.00	68.00
FY March 2023 (forecast)	—	—	—	68.00	68.00

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

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
Full year	125,213	7.7	21,774	△18.8	22,355	△18.4	14,897	△18.6	182.55

(Note) Revision from the most recently released forecast of financial results: Yes

(Reference) Net sales at all chain stores (millions of yen) Full year (cumulative) 168,634 (YoY change +7.7%)

※ 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 2023	81,846,816 shares	FY March 2022	81,846,816 shares
② Number of treasury shares at the end of period	Q2 FY March 2023	236,497 shares	FY March 2022	236,434 shares
③ Average number of shares outstanding during the period	Q2 FY March 2023	81,610,347 shares	Q2 FY March 2022	81,610,382 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, November 7, 2022.

Quarterly Financial Statements

(1) Quarterly Balance Sheet

(Millions of yen)

	Fiscal Year Ended March 31, 2022	Second-Quarter Accounting Period (Ended September 30, 2022)
Assets		
Current assets		
Cash and deposits	64,283	64,492
Accounts receivable-trade	1,213	1,393
Accounts receivable-due to franchise stores	11,944	10,977
Merchandise	15,257	16,774
Inventory goods	25	33
Guarantee deposits to be recovered within one year	389	449
Other	1,154	1,748
Allowance for doubtful accounts	△1	△1
Total current assets	94,266	95,869
Non-current assets		
Tangible non-current assets		
Buildings(net)	14,666	15,701
Land	4,003	4,003
Other(net)	5,278	5,474
Total tangible non-current assets	23,949	25,180
Intangible non-current assets	818	780
Investment and other assets		
Guarantee deposits	4,165	3,997
Other	1,945	1,797
Allowance for doubtful accounts	△0	△0
Total investment and other assets	6,110	5,794
Total non-current assets	30,878	31,754
Total assets	125,145	127,624
Liabilities		
Current liabilities		
Accounts payable-trade	4,857	5,071
Accounts payable to franchise stores	1,983	1,785
Short-term borrowings	1,350	1,350
Corporate income taxes payable	4,960	4,838
Provisions for executive bonuses	35	15
Other	4,711	4,792
Total current liabilities	17,897	17,854
Non-current liabilities		
Long-term guarantee deposits received	938	957
Asset retirement obligations	1,649	1,732
Other	1,100	989
Total non-current liabilities	3,687	3,679
Total liabilities	21,585	21,533
Net assets		
Shareholders' equity		
Capital stock	1,622	1,622
Legal capital surplus	1,342	1,342
Retained earnings	99,997	102,197
Treasury shares	△67	△67
Total shareholders' equity	102,896	105,095
Valuation and translation adjustments		
Deferred gains or losses on hedges	663	995
Total valuation and translation adjustments	663	995
Total net assets	103,559	106,090
Total liabilities and net assets	125,145	127,624

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

(Millions of yen)

	Preceding Second-Quarter Cumulative Period (April 1, 2021 – September 30, 2021)	Current Second-Quarter Cumulative Period (April 1, 2022 – September 30, 2022)
Operating revenue	15,526	17,049
Net sales	39,768	43,158
Total operating revenue	55,295	60,208
Cost of sales	33,065	38,028
Adjusted operating profit before SG&A	22,229	22,180
Selling, general and administrative expenses	9,624	10,020
Operating profit	12,604	12,159
Non-operating income		
Interest income	142	126
Purchase discounts	137	141
Other	31	31
Total non-operating income	312	299
Non-operating expenses		
Interest expenses	24	21
Other	0	1
Total non-operating expenses	25	23
Ordinary profit	12,891	12,435
Extraordinary income		
Gain on sales of non-current assets	0	1
Total extraordinary income	0	1
Extraordinary loss		
Loss on retirement of non-current assets	50	7
Impairment loss	35	—
Total extraordinary loss	86	7
Profit before income taxes	12,805	12,429
Income taxes-current	4,645	4,627
Income taxes-deferred	160	52
Total corporate income taxes	4,805	4,680
Net income	7,999	7,748