



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

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

February 6, 2023

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 6, 2023 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, 2023 (April 1, 2022 – December 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	%
Q3 of the Fiscal Year Ending March 31, 2023	100,844	9.9	20,767	△8.0	21,198	△8.0	13,208	△7.7
Q3 of the Fiscal Year Ended March 31, 2022	91,778	—	22,585	—	23,053	—	14,313	—

	Net income per share	Diluted net income per share
	Yen	Yen
Q3 of the Fiscal Year Ending March 31, 2023	161.85	—
Q3 of the Fiscal Year Ended March 31, 2022	175.39	—

(Reference) Net sales at all chain stores (millions of yen) Q3 of the Fiscal Year Ending March 31, 2023 137,871 (YoY 9.5%)
 Q3 of the Fiscal Year Ended March 31, 2022 125,963 (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 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, 2023	130,992	110,464	84.3
FY March 2022	125,145	103,559	82.8

(Reference) Equity (millions of yen) Q3 of the Fiscal Year Ending March 31, 2023 110,464 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	—	—	—
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)	Q3 FY March 2023	81,846,816 shares	FY March 2022	81,846,816 shares
② Number of treasury shares at the end of period	Q3 FY March 2023	236,497 shares	FY March 2022	236,434 shares
③ Average number of shares outstanding during the period	Q3 FY March 2023	81,610,338 shares	Q3 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, February 6, 2023.

Quarterly Financial Statements

(1) Quarterly Balance Sheet

(Millions of yen)

	Fiscal Year Ended March 31, 2022	Third-Quarter Accounting Period (Ended December 31, 2022)
Assets		
Current assets		
Cash and deposits	64,283	70,126
Accounts receivable-trade	1,213	3,142
Accounts receivable-due to franchise stores	11,944	9,450
Merchandise	15,257	14,365
Inventory goods	25	38
Guarantee deposits to be recovered within one year	389	404
Other	1,154	340
Allowance for doubtful accounts	△1	△1
Total current assets	94,266	97,867
Non-current assets		
Tangible non-current assets		
Buildings(net)	14,666	16,504
Land	4,003	4,003
Other(net)	5,278	5,593
Total tangible non-current assets	23,949	26,102
Intangible non-current assets	818	
Investment and other assets		
Guarantee deposits	4,165	4,053
Other	1,945	2,174
Allowance for doubtful accounts	△0	△0
Total investment and other assets	6,110	6,227
Total non-current assets	30,878	33,125
Total assets	125,145	130,992
Liabilities		
Current liabilities		
Accounts payable-trade	4,857	3,041
Accounts payable to franchise stores	1,983	1,698
Short-term borrowings	1,350	1,350
Corporate income taxes payable	4,960	3,511
Provisions for executive bonuses	35	27
Other	4,711	7,237
Total current liabilities	17,897	16,865
Non-current liabilities		
Long-term guarantee deposits received	938	957
Asset retirement obligations	1,649	1,772
Other	1,100	932
Total non-current liabilities	3,687	3,662
Total liabilities	21,585	20,527
Net assets		
Shareholders' equity		
Capital stock	1,622	1,622
Legal capital surplus	1,342	1,342
Retained earnings	99,997	107,657
Treasury shares	△67	△67
Total shareholders' equity	102,896	110,554
Valuation and translation adjustments		
Deferred gains or losses on hedges	663	△89
Total valuation and translation adjustments	663	△89
Total net assets	103,559	110,464
Total liabilities and net assets	125,145	130,992

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

(Millions of yen)

	Preceding Third-Quarter Cumulative Period (April 1, 2021 – December 31, 2021)	Current Third-Quarter Cumulative Period (April 1, 2022 – December 31, 2022)
Operating revenue	26,395	28,739
Net sales	65,382	72,104
Total operating revenue	91,778	100,844
Cost of sales	54,625	64,686
Adjusted operating profit before SG&A	37,153	36,157
Selling, general and administrative expenses	14,567	15,390
Operating profit	22,585	20,767
Non-operating income		
Interest income	214	194
Purchase discounts	225	222
Other	66	48
Total non-operating income	506	465
Non-operating expenses		
Interest expenses	36	31
Other	1	2
Total non-operating expenses	38	34
Ordinary profit	23,053	21,198
Extraordinary income		
Gain on sales of non-current assets	2	4
Total extraordinary income	2	4
Extraordinary loss		
Loss on retirement of non-current assets	51	9
Impairment loss	35	—
Total extraordinary loss	86	9
Profit before income taxes	22,968	21,194
Income taxes-current	8,403	7,790
Income taxes-deferred	251	194
Total corporate income taxes	8,654	7,985
Net income	14,313	13,208