

# Summary of Financial Results for the Fiscal Year Ended March 31, 2024



## [Japanese GAAP] (Unconsolidated)

May 7, 2024

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 26, 2024 Scheduled date to commence dividend payments: June 27, 2024  
 Scheduled date to submit the Annual Securities Report: June 26, 2024  
 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, 2023 (April 1, 2023 – March 31, 2024)

(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 2024	132,651	3.4	23,142	△4.0	23,666	△4.0	15,986	△4.0
FY March 2023	128,289	10.3	24,106	△10.1	24,664	△10.0	16,656	△9.0

	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 2024	195.88	—	13.3	16.7	17.4
FY March 2023	204.10	—	15.3	18.9	18.8

(Reference) Equity in earnings of affiliates FY March 2024 —Millions of yen FY March 2023 —Millions of yen

Net sales at all chain stores (millions of yen) FY March 2024 175,250 (YoY 3.2%)  
 FY March 2023 169,856 (YoY 8.5%)

(2) Financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
FY March 2024	148,362	125,428	84.5	1,536.92
FY March 2023	135,746	114,236	84.2	1,399.78

(Reference) Equity (millions of yen) FY March 2024 125,428 FY March 2023 114,236

(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 2024	15,228	△8,999	△5,681	48,187
FY March 2023	8,813	230	△5,685	47,640

### 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			
FY March 2023	—	0.00	—	68.00	68.00	5,549	33.3	5.1
FY March 2024	—	0.00	—	68.00	68.00	5,549	34.7	4.6
FY March 2025 (forecast)	—	0.00	—	68.00	68.00		34.0	

### 3. Forecast of Financial Results for the Fiscal Year Ending March 31, 2025 (April 1, 2024 – March 31, 2025)

(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)	66,455	1.3	11,113	△7.3	11,388	△7.1	7,064	△7.1	86.57
Full year	138,564	4.5	23,632	2.1	24,167	2.1	16,325	2.1	200.04

(Reference) Net sales at all chain stores (millions of yen) Q2 (cumulative) 90,240 (YoY change 4.3%)  
 Full year (cumulative) 183,980 (YoY change 5.0%)

※ Notes

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

- ① Changes in accounting policies due to revisions in accounting standards: None
- 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 2024	81,846,816 shares	FY March 2023	81,846,816 shares
② Number of treasury shares at the end of period	FY March 2024	236,635 shares	FY March 2023	236,547 shares
③ Average number of shares outstanding during the period	FY March 2024	81,610,231 shares	FY March 2023	81,610,325 shares

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

(Availability of supplementary materials on financial results)

Supplementary materials on financial results were disclosed on TDnet on Monday, May 7, 2024

# Financial Statements and Principal Notes

## (1) Balance Sheet

(Millions of yen)

Fiscal Year Ended March 31, 2023    Fiscal Year Ended March 31, 2024

Assets		
Current assets		
Cash and deposits	62,640	68,187
Accounts receivable-trade	1,993	2,545
Accounts receivable-due to franchise stores	13,459	14,407
Merchandise	21,911	25,270
Inventory goods	35	28
Prepaid expenses	202	192
Accounts receivable-other	34	60
Guarantee deposits to be recovered within one year	425	474
Other	690	1,483
Allowance for doubtful accounts	△1	△1
<b>Total current assets</b>	<b>101,390</b>	<b>112,648</b>
Non-current assets		
Tangible non-current assets		
Buildings	25,611	28,084
Accumulated depreciation	△8,264	△9,343
Buildings (net)	17,346	18,740
Structures	5,131	5,474
Accumulated depreciation	△2,643	△2,832
Structures (net)	2,487	2,642
Vehicles	136	150
Accumulated depreciation	△99	△125
Vehicles (net)	37	25
Tools, furniture and fixtures	4,854	5,487
Accumulated depreciation	△2,262	△2,665
Tools, furniture and fixtures (net)	2,592	2,822
Land	4,003	4,003
Lease assets	1,664	1,664
Accumulated depreciation	△1,134	△1,237
Lease assets (net)	530	427
Construction in progress	150	94
<b>Total tangible non-current assets</b>	<b>27,149</b>	<b>28,755</b>
Intangible non-current assets		
Trademark rights	1	1
Telephone subscription rights	44	44
Software	661	715
Other	176	—
<b>Total intangible non-current assets</b>	<b>884</b>	<b>760</b>
Investment and other assets		
Investment securities	1	1
Capital	0	0
Long-term prepaid expenses	767	804
Deferred tax assets	1,478	1,336
Guarantee deposits	4,066	4,045
Other	9	9
Allowance for doubtful accounts	△0	△0
<b>Total investment and other assets</b>	<b>6,322</b>	<b>6,197</b>
<b>Total non-current assets</b>	<b>34,355</b>	<b>35,714</b>
<b>Total assets</b>	<b>135,746</b>	<b>148,362</b>

(Millions of yen)

Fiscal Year Ended March 31, 2023 Fiscal Year Ended March 31, 2024

Liabilities		
Current liabilities		
Accounts payable-trade	5,060	5,051
Accounts payable to franchise stores	2,107	2,154
Due to franchise stores	231	256
Short-term borrowings	1,350	1,350
Lease obligations	132	119
Accounts payable-other	3,466	3,444
Corporate income taxes payable	3,800	4,054
Consumption taxes payable	—	855
Expenses payable	584	635
Contract liabilities	191	198
Deposits received	47	52
Provisions for executive bonuses	27	23
Other	172	139
Total current liabilities	17,172	18,334
Non-current liabilities		
Contract liabilities	300	200
Lease obligations	577	458
Long-term guarantee deposits received	963	978
Asset retirement obligations	2,495	2,962
Total non-current liabilities	4,337	4,599
Total liabilities	21,510	22,934
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	87,776	98,212
Total retained earnings	111,105	121,541
Treasury shares	△67	△68
Total shareholders' equity	114,002	124,438
Valuation and translation adjustments		
Deferred gains or losses on hedges	233	990
Total valuation and translation adjustments	233	990
Total net assets	114,236	125,428
Total liabilities and net assets	135,746	148,362

## (2) Statement of Income

(Millions of yen)

	Previous Fiscal Year (April 1, 2022 – March 31, 2023)	Current Fiscal Year (April 1, 2023 – March 31, 2024)
<b>Operating revenue</b>		
Income from franchise stores	35,311	35,872
Other operating revenue	119	130
Operating revenue	35,430	36,003
Net sales	92,858	96,647
Total operating revenue	128,289	132,651
<b>Cost of sales</b>		
Beginning goods	15,257	21,911
Cost of purchased goods	90,183	88,780
Total	105,440	110,691
Ending goods	21,911	25,270
Cost of sales	83,529	85,420
Adjusted operating profit before SG&A	44,759	47,230
Selling, general and administrative expenses	20,652	24,087
Operating profit	24,106	23,142
<b>Non-operating income</b>		
Interest income	253	327
Purchase discounts	282	171
Other	71	64
Total non-operating income	607	563
<b>Non-operating expenses</b>		
Interest expenses	41	35
Other	8	4
Total non-operating expenses	50	40
Ordinary profit	24,664	23,666
<b>Extraordinary income</b>		
Gain on sales of non-current assets	4	1
Total extraordinary income	4	1
<b>Extraordinary loss</b>		
Loss on retirement of non-current assets	13	31
Total extraordinary loss	13	31
Profit before income taxes	24,655	23,636
Income taxes-current	8,014	7,841
Income taxes-deferred	△15	△190
Total corporate income taxes	7,998	7,650
Net income	16,656	15,986

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

Previous Fiscal Year (April 1, 2022 – March 31, 2023)

(Millions of yen)

	Shareholders' equity								
	Capital stock	Capital surplus		Legal regained earnings	Retained earnings			Treasury shares	Total shareholders' equity
		Legal capital surplus	Total capital surplus		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	76,669	99,997	△67	102,896
Changes of items during period									
Dividends of surplus						△5,549	△5,549		△5,549
Net income						16,656	16,656		16,656
Acquisition of treasury shares								△0	△0
Net changes of items during period other than shareholders' equity									
Total changes of items during period	—	—	—	—	—	11,107	11,107	△0	11,106
Balance at end of current period	1,622	1,342	1,342	178	23,150	87,776	111,105	△67	114,002

	Valuation and translation adjustments		Total net assets
	Valuation and translation adjustments	Valuation and translation adjustments	
Balance at beginning of current period	663	663	103,559
Changes of items during period			
Dividends of surplus			△5,549
Net income			16,656
Acquisition of treasury shares			△0
Net changes of items during period other than shareholders' equity	△430	△430	△430
Total changes of items during period	△430	△430	10,676
Balance at end of current period	233	233	114,236

Current Fiscal Year (April 1, 2023 – March 31, 2024)

(Millions of yen)

	Shareholders' equity								
	Capital stock	Capital surplus		Legal regained earnings	Retained earnings			Treasury shares	Total shareholders' equity
		Legal capital surplus	Total capital surplus		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	87,776	111,105	△67	114,002
Changes of items during period									
Dividends of surplus						△5,549	△5,549		△5,549
Net income						15,986	15,986		15,986
Acquisition of treasury shares								△0	△0
Net changes of items during period other than shareholders' equity									
Total changes of items during period	—	—	—	—	—	10,436	10,436	△0	10,436
Balance at end of current period	1,622	1,342	1,342	178	23,150	98,212	121,541	△68	124,438

	Valuation and translation adjustments		Total net assets
	Valuation and translation adjustments	Valuation and translation adjustments	
Balance at beginning of current period	233	233	114,236
Changes of items during period			
Dividends of surplus			△5,549
Net income			15,986
Acquisition of treasury shares			△0
Net changes of items during period other than shareholders' equity	756	756	756
Total changes of items during period	756	756	11,192
Balance at end of current period	990	990	125,428

## (4) Statement of Cash Flows

(Millions of yen)

	Previous Fiscal Year (April 1, 2022 – March 31, 2023)	Current Fiscal Year (April 1, 2023 – March 31, 2024)
<b>Cash flows from operating activities</b>		
Net income before income taxes	24,655	23,636
Depreciation	2,064	2,433
Depreciation of intangible non-current assets	240	299
Depreciation of long-term prepaid expenses	37	41
Change in allowance for executive bonuses ( $\Delta$ indicates decrease)	$\Delta$ 7	$\Delta$ 4
Change in allowance for doubtful accounts ( $\Delta$ indicates decrease)	0	0
Interest and dividend income received	$\Delta$ 257	$\Delta$ 330
Interest expenses paid	41	35
Gain on sale of non-current assets	$\Delta$ 4	$\Delta$ 1
Loss on retirement of tangible non-current assets	13	31
Change in accounts receivable ( $\Delta$ indicates increase)	$\Delta$ 780	$\Delta$ 552
Change in accounts receivable-due to franchise stores ( $\Delta$ indicates increase)	$\Delta$ 1,514	$\Delta$ 948
Change in inventory assets ( $\Delta$ indicates increase)	$\Delta$ 6,663	$\Delta$ 3,352
Decrease (increase) in consumption taxes refund receivable	$\Delta$ 322	322
Change in accounts receivable-other ( $\Delta$ indicates increase)	$\Delta$ 2	$\Delta$ 25
Change in accounts payable ( $\Delta$ indicates decrease)	327	37
Change in accounts payable to franchise stores ( $\Delta$ indicates decrease)	$\Delta$ 21	24
Change in accounts payable-other ( $\Delta$ indicates decrease)	459	10
Change in consumption taxes payable ( $\Delta$ indicates decrease)	$\Delta$ 505	855
Change in accrued expenses ( $\Delta$ indicates decrease)	23	50
Change in other current liabilities ( $\Delta$ indicates decrease)	$\Delta$ 61	$\Delta$ 114
Change in guarantee deposits received ( $\Delta$ indicates decrease)	25	14
Other	$\Delta$ 0	59
<b>Subtotal</b>	<b>17,747</b>	<b>22,524</b>
Interest and dividends received	257	330
Interest expenses paid	$\Delta$ 41	$\Delta$ 35
Corporate income taxes paid	$\Delta$ 9,149	$\Delta$ 7,591
<b>Cash flows from operating activities</b>	<b>8,813</b>	<b>15,228</b>
<b>Cash flows from investing activities</b>		
Net cash used for deposits in term deposits	$\Delta$ 15,000	$\Delta$ 25,000
Proceeds from refunds of term deposits	20,000	20,000
Net cash used for acquisition of tangible non-current assets	$\Delta$ 4,261	$\Delta$ 3,652
Proceeds from sales of tangible non-current assets	4	1
Net cash used for retirement of tangible non-current assets	$\Delta$ 39	$\Delta$ 58
Net cash used for acquisition of intangible non-current assets	$\Delta$ 354	$\Delta$ 149
Net cash used for acquisition of long-term prepaid expenses	$\Delta$ 181	$\Delta$ 111
Net cash used for guarantee deposits paid	$\Delta$ 290	$\Delta$ 354
Proceeds from collection of guarantee deposits	353	326
<b>Cash flows from investing activities</b>	<b>230</b>	<b><math>\Delta</math>8,999</b>
<b>Cash flows from financing activities</b>		
Net cash used for repayments of lease obligations	$\Delta$ 137	$\Delta$ 132
Dividends paid	$\Delta$ 5,547	$\Delta$ 5,548
Net cash used for acquisition of treasury shares	$\Delta$ 0	$\Delta$ 0
<b>Cash flows from financing activities</b>	<b><math>\Delta</math>5,685</b>	<b><math>\Delta</math>5,681</b>
Change in cash and cash equivalents ( $\Delta$ indicates decrease)	3,357	547
Cash and cash equivalents at beginning of period	44,283	47,640
Cash and cash equivalents at end of period	47,640	48,187