



WORKMAN

FY2026 Q1 Financial Results Briefing Materials

August 4, 2025

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- FY2026 Q1 Financial Results

Cumulative Income Statement

(Millions of yen)	FY 3/2025 Q1	FY 3/2026 Q1	YoY (%)
Sales at all chain stores	49,867	56,947	+14.2
Sales to directly managed stores	4,685	6,702	+43.0
Sales to franchise stores	45,182	50,245	+11.2
(Same store sales)	—	—	+9.3
Total operating revenue	37,049	41,560	+12.2
Cost of sales	23,515	24,939	+6.1
Adjusted OP before SG&A	13,534	16,620	+22.8
SG&A	6,499	7,592	+16.8
Operating profit	7,034	9,028	+28.4
Ordinary profit	7,189	9,235	+28.5
Net income	4,510	5,817	+29.0
EPS	55.27	71.28 yen	

➤ Financial Results Highlights

● Sales at all chain stores

- Hot weather drove summer apparel sales growth. Combined with increased spending per customer due to revised pricing strategies for spring/summer products, results exceeded plan by +5.5 points
- The sales composition of summer products increased by 4.5 points, reflecting strong growth from favorable climate conditions, which will create a high hurdle for the next fiscal year

● Total operating revenue

- Sales at directly managed stores increased significantly due to the rise in average number of stores during the period (+27 stores) (YoY +43.0%)
- Product supply and sales at franchise stores: 23,586 million yen (YoY +6.1%)

● Cost of sales

- Profit related to overseas purchases increased through price revisions from product change/elimination
 - ① Average settlement rate: 148.47 yen (Q1 for FY 3/26 143.53 yen)
 - ② Direct overseas purchases: +25.2% (accounts for 58.3% of total purchases)
 - ③ Profit related to overseas purchases: 2,799 million yen (+85.6% YoY)

● Gross operating profit (main factors for rise/drop)

- Revenue from franchise stores: +1,134 million yen
- Gross profit from self-operated stores: +705 million yen
- Profit related to overseas purchases: +1,290 million yen

● In summary

- Achieved an increase in both revenue and profit for the first time in 3 quarters, as well as record-high profit

Cumulative Selling, General and Administrative Expenses (SG&A)

(Millions of yen)	FY 3/2025 Q1	SG&A ratio (%)	FY 3/2026 Q1	SG&A ratio (%)	Change	YoY (%)
Sales at all chain stores	49,867	–	56,947	–	–	+14.2
Labor cost	1,082	2.2	1,255	2.2	+172	+16.0
Selling cost	404	0.8	559	1.0	+155	+38.4
Traveling expenses	117	0.2	122	0.2	+5	+4.8
Freight cost	473	1.0	554	1.0	+80	+16.9
Rent	1,700	3.4	1,762	3.1	+61	+3.6
Supply expenses	197	0.4	332	0.6	+135	+68.3
Outsourcing expenses	1,114	2.2	1,291	2.3	+176	+15.8
Depreciation	712	1.4	847	1.5	+134	+18.8
Other	695	1.4	866	1.5	+170	+24.6
Total	6,499	13.0	7,592	13.3	+1,092	+16.8

*The SG&A ratio is the ratio of SG&A to sales at all chain stores.

➤ Factors of increase/decrease

● Labor cost

- Regular salary increase: +3.6%. Average number of employees during the quarter: +32
- Average number of directly managed stores during the quarter: +23 stores, increased part-time hiring

● Selling cost

- Online and other advertising media: +67 million yen, exhibition expenses: +27 million yen, expenses for flyers and franchise recruitment advertising: +28 million yen

● Freight cost

- Increase in product freight cost due to sales growth

● Rent

- The average number of stores during the quarter: +42, +50 million yen
- External warehouses: +20 million yen

● Supply expenses

- Furniture and fixtures for new stores: +28 million yen, renovation fixtures: +60 million yen
- Warehouse equipment: +28 million yen

● Outsourcing expenses

- SC stores operating cost: +44 million yen
- Distribution center management outsourcing: +59 million yen
- New store and renovation operations: +75 million yen

● Depreciation

- Increase in company-owned properties and rising construction costs

Balance Sheet

(Millions of yen)	FY 3/2025 Q1	End of FY 3/2025	FY 3/2026 Q1	Change
Current assets	110,943	121,066	118,774	△2,291
Cash and deposits	70,691	80,381	79,970	△411
Accounts receivable - due from FCs	14,723	12,594	12,907	+313
Merchandise	17,474	24,084	17,632	△6,452
Other	8,054	4,005	8,264	+4,258
Non-current assets	35,580	41,164	42,534	+1,369
Property, plant and equipment	29,419	32,814	34,013	+1,199
Intangible assets	759	1,090	1,198	+107
Other investments	5,400	7,259	7,322	+62
Total assets	146,524	162,231	161,308	△922
Current liabilities	16,066	22,145	21,701	△443
Non-Current liabilities	4,646	4,783	5,120	+337
Total liabilities	20,712	26,928	26,822	△106
Total net assets	125,811	135,302	134,486	△815
Total liabilities and net assets	146,524	162,231	161,308	△922

➤ Factors of increase/decrease

● Cash and deposits

- Free cash flow: +5,501 million yen
※Investment in short-term bonds decreased by 1,996 million yen due to rising interest rates
- Payments of dividends: △5,884 million yen

● Accounts receivable - due from FCs

- Seasonal inventory adjustments were achieved, leading to appropriate store inventory levels

● Merchandise (factors for increase/decrease)

- While total inventory increased due to the rise in the number of directly managed stores, inventory per store decreased
- At distribution centers, inventory optimization progressed through demand-responsive inventory management in response to climate change and other factors

(Millions of Yen)

Factors	Changes FY 3/25 Q1	Changes FY 3/25
• Directly managed/SC stores	+548	+202
• Distribution centers	△1,341	△1,710
• Goods in transit	+905	△4,964

● Rise in tangible fixed assets






- A total of 17 newly built stores—14 new stores and 3 S&B stores (of which 14 are company-owned stores)

- FY2026 Q1 Financial Results Overview

Store Openings

Progress on track as of Q1, accelerating the rollout of Colors stores

1,063 stores at the end of June 2025 (up 12 stores over end-March 2025)

(Number of stores)	End of FY 3/2025	New store openings			S&B※2	Renovation	Excluding increase /decrease ※3	Closures	End of FY 3/2026 Q1
			Roadside	SC※2					
	317	—	—	—	△3	△31	2	△2	283
	645	2	2	—	3	31	△2	—	679
	62	—	—	—	—	△3	—	—	59
	17	12	9	3	—	3	—	—	32
	10	—	—	—	—	—	—	—	10
Total ※1	1,051	14	11	3	(3)	(34)	—	△2	1,063

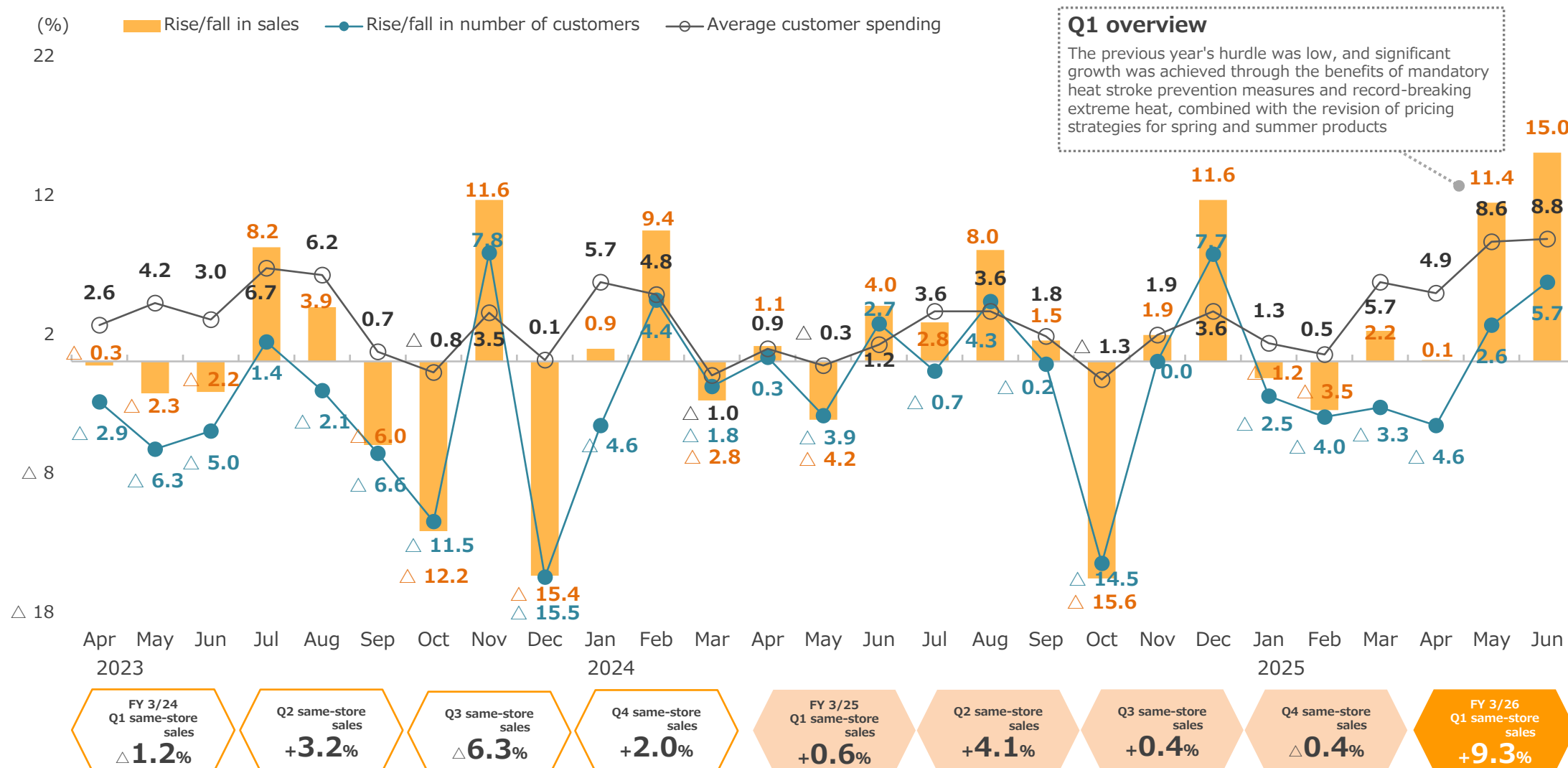
※1. The Total column shows the number of operating stores, with figures in parentheses excluded from the Total.

※2. SC: Shopping centers S&B: Scrap and Build

※3. This column shows the number of stores that operated as WORKMAN Plus in the past but became subject to S&B or were renovated during the period under review.

Monthly Trends and Factors

Rise/Fall in Same-Store Sales, Number of Customers and Average Customer Spending

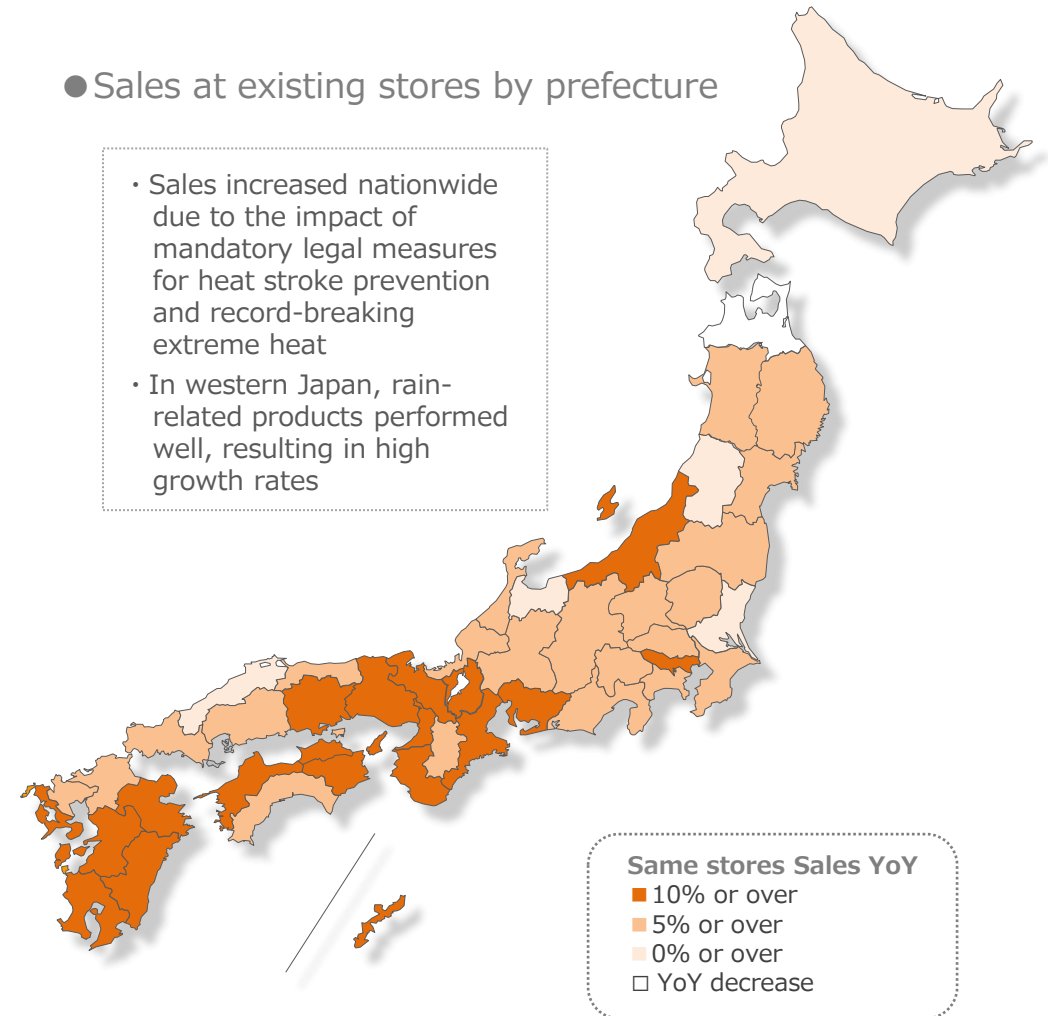


Sales at All Chain Stores **56,947** Million Yen

	All chain stores	Existing stores
Net sales	+14.2%	+9.3%
Number of customers	+6.2%	+1.6%
Average number of customers per day	—	※187 (+5)
Average customer spending	3,249yen (+7.5%)	3,256 yen (+7.6%)
Unit price per item	1,248 yen (+7.4%)	1,251 yen (+7.7%)
Number of items purchased	2.57 items (+0.0%)	2.58 items (△0.0%)

※ The average number of customers per day is an approximate figure as the number of business days varies depending on the format of store operations.

● Sales at existing stores by prefecture

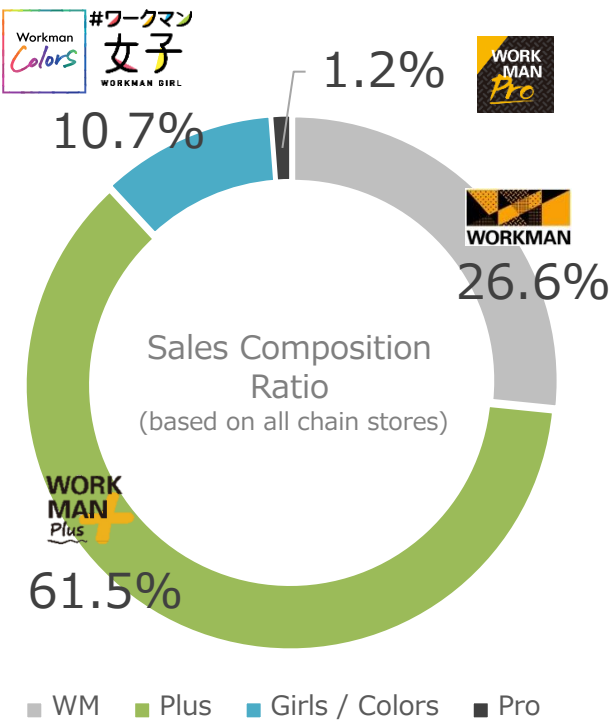
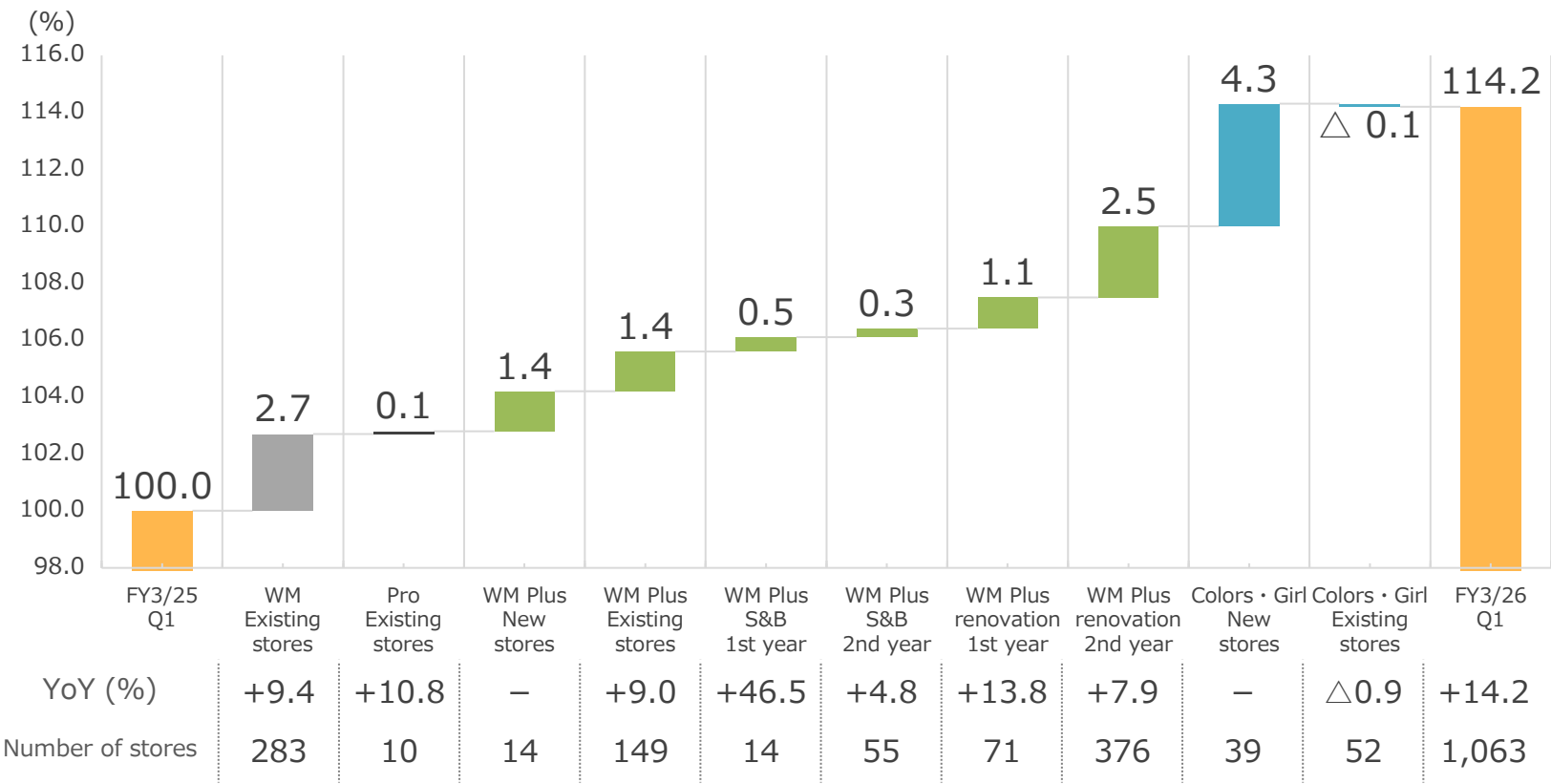


Sales by Business Category



Contribution to sales at all chain stores (Monthly cumulative period)

Increased corporate demand due to mandatory legal measures for heat stroke prevention and accelerated Colors store openings contributed to sales growth



※Same-store sales are calculated by excluding sales in months of new store openings and post-renovation renewal openings.
※“WM Plus Existing stores” covers stores newly opened in the WORKMAN Plus format.
※One WORKMAN Colors store is included in WM Girl Existing stores.

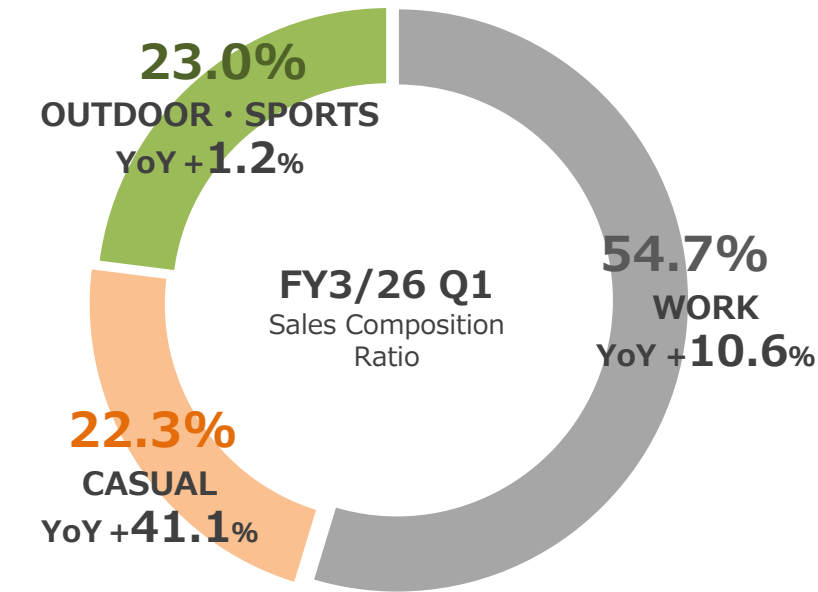
Status of Sales (Results by Product)



Fan-equipped workwear and other summer working apparel performed well, with general consumer products driving sales growth

- Trends in the sales composition ratio by product

※1.Sales are calculated by product. These are not the product of a customer analysis.
※2.Calculations exclude products on manufacturer’s catalogs and some items with low sales volume.







- (Categories)
- Work: Workwear, medical
 - Casual: Casual wear, health care, home furniture
 - Outdoor/sports: Outdoor, sports, motorcycle-related, etc.

Category	FY 3/25 Q1		FY 3/26 Q1	
	Sales	YoY (%)	Sales	YoY (%)
Undergarments · Socks Undergarments, socks, hats, towels, etc.	5,225	+14.0	5,794	+10.9
Casualwear · Sports Sportswear, polo shirts, etc.	8,746	+11.6	10,110	+15.6
Workwear · Outdoor Workwear, outdoor wear, etc.	13,440	+2.9	16,339	+21.6
Women’s · Uniforms White smocks, office uniforms, etc.	4,415	+7.8	5,585	+26.5
Footgear Protective footwear, <i>tabi</i> stocks, high boots, kitchen shoes, etc.	7,696	+1.9	7,884	+2.4
Work supplies Work gloves, protective gear, rainwear, etc.	10,261	△4.5	10,967	+6.9
Other	80	+96.8	264	+227.7
Total	49,867	+4.1	56,947	+14.2

Status of Sales (Sales by Product and Factors)



Sales of PB Products **38,840** Million Yen ・ PB ratio **68.5%** (YoY $\Delta 0.6$ pt)

● Sales results by brand

(Millions of yen)	Number of items (YoY)	Sales value (YoY)	Share (%)
 Workman WORK	439 ($\Delta 13.1\%$)	17,571 (+7.5%)	45.2
 Workman SPORTS	131 ($\Delta 37.3\%$)	4,460 (+0.3%)	11.5
 Workman OUTDOOR	271 ($\Delta 26.8\%$)	7,732 (+6.1%)	19.9
 Workman DAYS	532 (+38.2%)	9,076 (+43.8%)	23.4
Total for PB products	1,373 ($\Delta 6.5\%$)	38,840 (+12.9%)	100.0


● New Brand


Unisex









Men's

Ladies





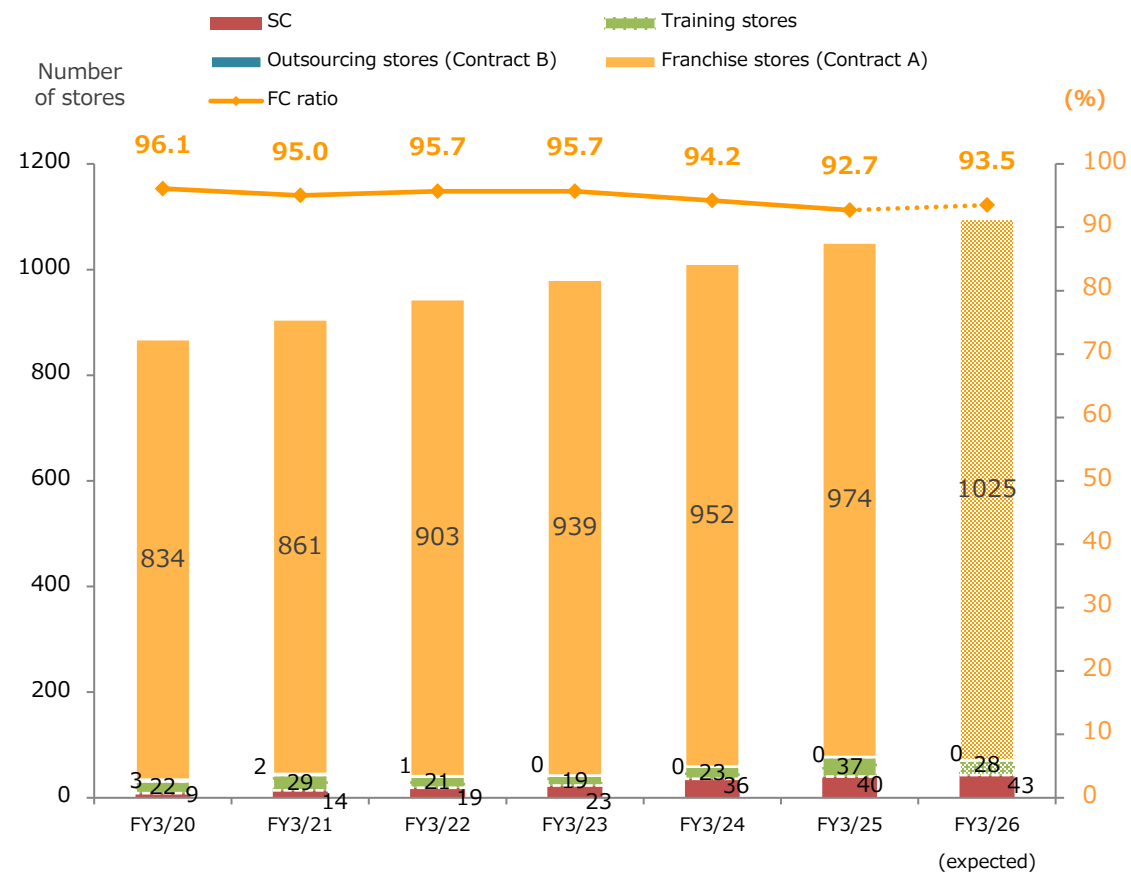
Format of Store Operations

● Ratio of Franchise Stores **91.7%** ($\Delta 1.0$ pts YoY)

● Format of Store Operations for FY 3/26 Q1

Format	End-March 2025	Up	Down	End-June 2025
Franchise stores	974	21	20	975
Outsourcing stores	—	—	—	—
Training stores	37	21	13	45
SC stores	40	3	—	43
Total	1,051	45	33	1,063

● Number of Stores by Format of Operations

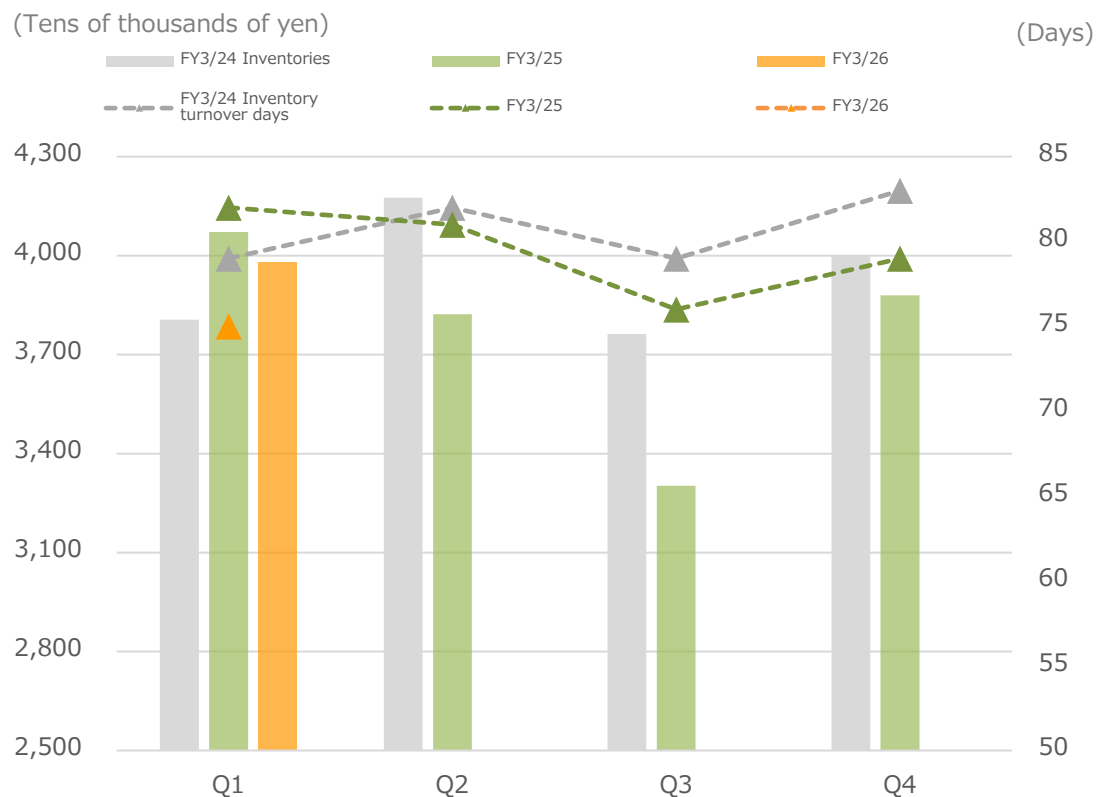


Inventories (Logistics Cost)

Through thorough inventory management, inventories at stores and DCs have been maintained at appropriate levels

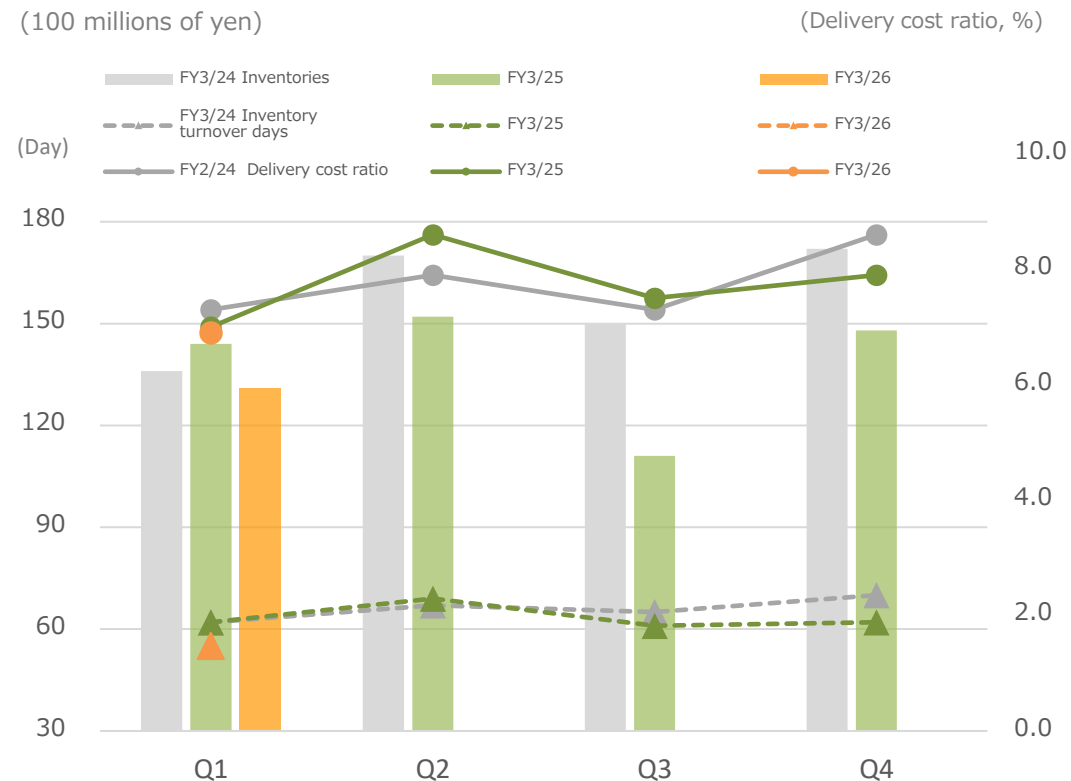
● Selling price inventories per store

- Winter carry-over inventories decreased significantly
- While summer product demand increased, appropriate levels were maintained through sound inventory management



● DC inventories / delivery cost ratio

- Sales-responsive inventory management achieved healthy inventory turnover
- Inventory optimization also resulted in slight improvement in delivery cost ratio



- FY2026 Plans

● Management Policy

We will rebuild our management foundations towards sustainable growth by reinforcing workwear and evolving Colors stores.

Store Opening

Increase store openings, aiming for a 1,500-store network.
New store openings: 48 planned

- Open new stores in locations that leverage the strengths of each business category
- Make Plus stores dominant
Cultivate markets in major urban centers and small commercial areas
- Expand the network of Colors stores
Take on the challenge of new kinds of store operations, e.g. corporate franchising
- Improve existing store sales by implementing S&B

Products

Develop competitive exclusive products.
Review MD taking into account business categories and climate change

- Reinforce workwear
Evolve everyday low-price products (EDLP), collaboration projects, etc.
- Strengthen the line-up of comfortable everyday clothing (basic apparel)
Colors exclusive product sales ratio: 30% ⇒ 50%
- Respond to climate change
 - Review MD plans and secure sales during off-peak times of year
 - Develop new materials and new functions
- Flexible pricing policy
Improve profitability by setting prices based on forward exchange contracts






Sales

Improve existing store sales.
Retain customers by developing the WORKMAN app

- Renovate existing stores
Plan to renovate 100-200 stores per year
- Establish operating methods for each business category
Standardize sales floors to make operations more efficient
- Develop app
 - Provide useful information about collaborations, sales campaigns, etc.
 - Link to EC sites and physical stores
- Theme-based product exhibitions
Maximize sales by linking with sales floors

Store Opening Plans

Store openings and renovations are progressing smoothly in line with the full-year plan

(Number of stores)	End of FY 3/2025	Openings set for FY 3/26			S&B※2	Renovation	Excluding increase/ decrease ※3	Closures	End of FY 3/26	Medium/ longer-term goals
			Roadside	SC※2						
	317	—	—	—	△7	△55	2	△2	255	200
	645	12	12	—	7	55	△2	△1	716	900
	62	—	—	—	—	△29	—	—	33	400
	17	36	30	6	—	29	—	—	82	
	10	—	—	—	—	—	—	—	10	—
Total※1	1,051	48	42	6	(7)	(84)	—	△3	1,096	1,500

These are the plans as of this moment. They may be altered in the future.

※1. The Total column shows the number of operating stores, with figures in parentheses excluded from the Total.

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※3. This column shows the number of stores that operated as WORKMAN Plus in the past but became subject to S&B or were renovated during the period under review.

Promoting corporate franchising primarily focused on shopping centers, while Colors stores are strengthening openings in urban shopping centers

- Corporate franchise recruitment has been launched on our corporate website

法人フランチャイズ加盟のご案内

Home > 法人フランチャイズ加盟のご案内



法人フランチャイズ問い合わせフォームはこちら

※展示会の申し込みフォームではございません。

※An English version of the website is not available.

- Recruitment Requirements

法人FCの応募資格

Workman Colorsの大中モール店対象！
個人FCで運営が難しい繁盛店に限定

- ① 他の加盟店の運営実績がある
(モール内の運営代行実績も可)
- ② 複数店舗が
運営可能な組織力
- ③ 薄利多売の努力を
惜しまない

※新規出店要請にはお応えできません。加盟が可能な店舗は、ワークマンが出店／募集する店になります。

○ フランチャイズ契約

1. 必要資金・・・**6年契約** もしくは商業施設の賃貸契約年数に合わせる

加盟金	75万円 (税金 82.5万円)	合計
保証金	100万円 (お預かり金・無利息)	175万円 (税込 182.5万円)

法人フランチャイジーのメリット

- 商品力があり定価販売率が高い
- ローリスク・ローリターンだが、経営の「安定性」が最大の魅力
(メガFCからハイリスク・ハイリターン事業とポートフォリオが組める)

※Only recruitment requirements for domestic corporations have been published.

Stabilizing profits through forward exchange contracts, with new initiatives for both professional and general customers performing well

● Forward exchange contracts

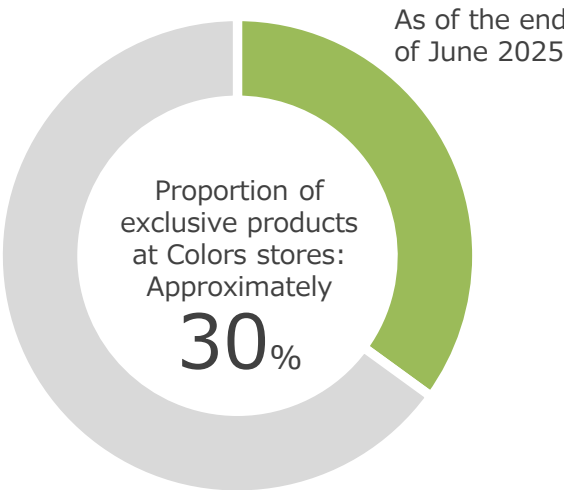


- Hedging completed at roughly equal ratios for each quarter
- Forward exchange contracts for FY ending March 2027 are underway

(FY ending March 2026 Plan)

• Average hedged rate	147.5 yen
• Assumed spot rate	150 yen
▼	
• Full-year assumed rate	148 yen

● Workman Colors exclusive product ratio



Increase the exclusive product ratio to achieve differentiation from existing formats



● Reinforcing workwear

Trending new materials and collaboration projects are increasing popularity, with major AW initiatives also underway



Holding the 2025 Autumn/Winter New Product Presentation to maximize sales through sales floor linkage

●Event Overview



Photo: 2024 Autumn/Winter New Product Presentation

DAY.1	Aug. 31 2025	▶	Creators
DAY.2	Sep. 01 2025	▶	Media & Creators
DAY.3	Sep. 02 2025	▶	Franchise stores & Corporations

@Tokyo International Forum

●Theme

「WORKMAN EXPO」

Six themed pavilions to overcome "hot winter stress" through climate change adaptation and recovery



●Plans to release the application



The new products to be announced at this event are scheduled to be available for pre-order through the application.

Plans for the Fiscal Year Ending March 2026

- In Q1, both sales and profit significantly exceeded the plan, resulting in a strong start

Sales at all chain stores

192,970 Million yen YoY +5.4%

Total operating revenue

147,152 Million yen YoY +7.5%

Operating profit

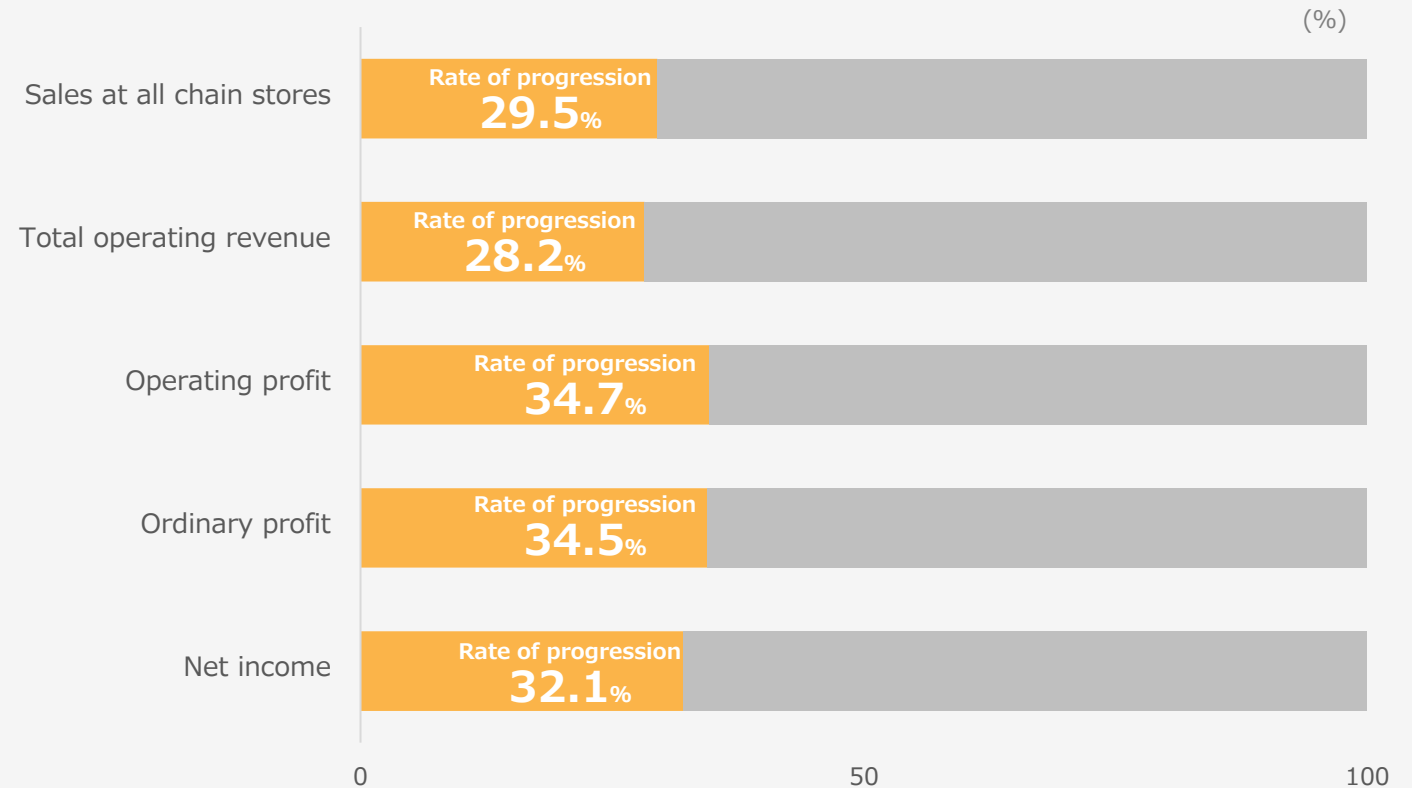
26,005 Million yen YoY +6.6%

Ordinary profit

26,760 Million yen YoY +7.5%

Net income

18,100 Million yen YoY +7.2%





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- We have prepared this document solely for the purpose of facilitating understanding of WORKMAN, and not for the purpose of soliciting investment in the Company. As such, investors are advised to make investment decisions at their own discretion.
 - Whereas every effort has been made to ensure the accuracy of this document, we make no guarantees regarding the completeness thereof. Accordingly, WORKMAN bears no responsibility whatsoever for any losses or damages arising in relation to information contained herein.
 - Financial results forecasts, business plans and other forms of forward-looking statements contained herein have been prepared based on information available to WORKMAN as of the date on which this document was prepared. However, please be aware that actual financial results may vary greatly from the forward-looking statements herein as a result of substantial changes that may occur with respect to the business environment.

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