



Summary of Consolidated Financial Results for the First Six Months ended September 30, 2023 (Japanese GAAP)

November 14, 2023

Listed company name: Fast Fitness Japan, Inc. Listed exchange: Tokyo Stock Exchange
 Code number: 7092 URL: <https://fastfitnessjapan.jp/en/>
 Representative: Kiyooki Yamabe, CEO, Representative Director
 Person to contact: Kazuma Sato, General Manager, Corporate Planning Dept. TEL: 03-6279-0861
 Scheduled date to file Quarterly Securities Report: November 14, 2023
 Scheduled date of payment of dividend: December 4, 2023
 Supplementary materials for quarterly financial results: Yes
 Quarterly financial results briefing: Yes (for institutional investors and analysts)

(Amounts of less than one million yen are rounded down.)

1. Consolidated Financial Results for the First Six Months ended September 30, 2023

(April 1, 2023 – September 30, 2023)

(1) Consolidated operating results

(Percentages represent year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Six months ended September 30, 2023	7,821	8.6	2,000	22.6	2,100	28.1	1,330	29.9
September 30, 2022	7,200	13.4	1,631	6.6	1,639	5.2	1,024	0.1

(Note) Comprehensive income Six months ended September 30, 2023: 1,331 million yen (29.9%)
 Six months ended September 30, 2022: 1,024 million yen (0.1%)

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Six months ended September 30, 2023	71.11		70.18	
September 30, 2022	54.80		54.08	

(2) Consolidated financial position

	Total assets		Net assets		Equity ratio	
	Million yen		Million yen		%	
As of September 30, 2023	21,416		12,295		57.4	
March 31, 2023	21,195		11,221		52.9	

(Reference) Shareholders' equity As of September 30, 2023: 12,295 million yen As of March 31, 2023: 11,221 million yen

2. Dividends

	Dividend per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Annual
Fiscal year ended March 31, 2023	Yen –	Yen 10.00	Yen –	Yen 15.00	Yen 25.00
Fiscal year ending March 31, 2024	–	10.00			
Fiscal year ending March 31, 2024 (forecast)			–	15.00	25.00

(Note) Revisions to dividend forecasts published most recently: None

3. Forecast for Consolidated Financial Results for the Fiscal Year Ending March 31, 2024

(April 1, 2023 – March 31, 2024)

(Percentages represent year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	15,400	4.1	3,100	(7.9)	3,000	(11.8)	1,600	(16.4)	85.50

(Note) Revisions to the earnings forecasts published most recently: Yes

* Notes

(1) Any changes in important subsidiaries during the period: None

(2) Application of special accounting in preparing consolidated quarterly financial statements: None

(3) Any changes in accounting policies and changes or restatement of accounting estimates

- 1) Changes in accounting policies due to the revision of accounting standards: None
- 2) Changes in accounting policies other than the above: None
- 3) Changes in accounting estimates: None
- 4) Restatement: None

(4) Number of outstanding shares (common shares)

- 1) Total number of issued shares at the end of the period (including treasury shares):
 - As of September 30, 2023 18,739,180 shares As of March 31, 2023 18,719,980 shares
- 2) Total number of treasury shares at the end of the period:
 - As of September 30, 2023 15,036 shares As of March 31, 2023 14,394 shares
- 3) Average number of shares during the period:
 - Six months ended September 30, 2023 18,712,698 shares Six months ended September 30, 2022 18,695,026 shares

* The summary of quarterly consolidated financial results is not subject to quarterly review by certified public accountants or audit corporations.

* Statement regarding the proper use of financial forecasts and other special remarks

The forward-looking statements, including results forecasts, in this document are based on information available to the Company at the time of publication of this document. Actual results may differ from the forecasts due to a range of factors.

2. Quarterly Consolidated Financial Statements and Key Notes

(1) Quarterly Consolidated Balance Sheets

(Million yen)

	As of March 31, 2023	As of September 30, 2023
Assets		
Current assets		
Cash and deposits	9,683	10,316
Accounts receivable - trade	1,118	1,059
Merchandise	283	219
Prepaid expenses	355	381
Other	475	501
Allowance for doubtful accounts	(22)	(50)
Total current assets	11,894	12,427
Non-current assets		
Property, plant and equipment		
Buildings and structures	7,437	7,473
Tools, furniture and fixtures	3,857	3,802
Accumulated depreciation	(5,072)	(5,298)
Land	0	0
Construction in progress	1	5
Total property, plant and equipment	6,226	5,983
Intangible assets		
Goodwill	98	84
Software	38	10
Other	4	3
Total intangible assets	141	98
Investments and other assets		
Investment securities	2	3
Long-term prepaid expenses	558	547
Leasehold and guarantee deposits	1,325	1,418
Deferred tax assets	701	689
Long-term loans receivable	248	247
Other	97	0
Total investments and other assets	2,933	2,906
Total non-current assets	9,300	8,988
Total assets	21,195	21,416

(Million yen)

	As of March 31, 2023	As of September 30, 2023
Liabilities		
Current liabilities		
Accounts payable - trade	52	28
Current portion of long-term borrowings	1,569	1,500
Accounts payable - other	792	617
Income taxes payable	637	716
Contract liabilities	1,895	1,889
Provision for bonuses	208	195
Provision for bonuses for directors (and other officers)	16	5
Other	272	422
Total current liabilities	5,445	5,376
Non-current liabilities		
Long-term borrowings	3,239	2,526
Asset retirement obligations	1,091	1,099
Other	198	118
Total non-current liabilities	4,528	3,745
Total liabilities	9,974	9,121
Net assets		
Shareholders' equity		
Share capital	2,183	2,195
Capital surplus	2,123	2,135
Retained earnings	6,960	8,010
Treasury shares	(46)	(47)
Total shareholders' equity	11,220	12,293
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	0	1
Total accumulated other comprehensive income	0	1
Total net assets	11,221	12,295
Total liabilities and net assets	21,195	21,416

(2) Quarterly Consolidated Statement of Income and Comprehensive Income

Quarterly consolidated statement of income

First six-month period

(Million yen)

	Six months ended September 30, 2022	Six months ended September 30, 2023
Net sales	7,200	7,821
Cost of sales	4,137	4,208
Gross profit	3,062	3,613
Selling, general and administrative expenses	1,431	1,613
Operating profit	1,631	2,000
Non-operating income		
Commission income	26	21
Insurance claim income	12	84
Foreign exchange gains	–	0
Penalty income	17	14
Other	0	1
Total non-operating income	56	122
Non-operating expenses		
Interest expenses	18	13
Share issuance costs	0	0
Foreign exchange losses	28	2
Commission expenses	1	1
Other	0	4
Total non-operating expenses	47	22
Ordinary profit	1,639	2,100
Extraordinary income		
Gain on exemption from refund of guarantee deposits received	12	–
Gain on sale of businesses	–	11
Total extraordinary income	12	11
Extraordinary losses		
Loss on retirement of non-current assets	2	50
Impairment losses	60	74
Asset retirement obligations	–	1
Total extraordinary losses	63	125
Profit before income taxes	1,588	1,986
Income taxes - current	485	644
Income taxes - deferred	78	11
Total income taxes	563	656
Profit	1,024	1,330
Profit attributable to owners of parent	1,024	1,330

Quarterly consolidated statement of comprehensive income

First six-month period

(Million yen)

	Six months ended September 30, 2022	Six months ended September 30, 2023
Profit	1,024	1,330
Other comprehensive income		
Valuation difference on available-for-sale securities	0	0
Total other comprehensive income	0	0
Comprehensive income	1,024	1,331
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,024	1,331

(3) Quarterly Consolidated Statements of Cash Flows

(Million yen)

	Six months ended September 30, 2022	Six months ended September 30, 2023
Cash flows from operating activities		
Profit before income taxes	1,588	1,986
Depreciation	482	405
Impairment losses	60	74
Amortization of goodwill	12	13
Share-based payment expenses	10	10
Gain on exemption from refund of guarantee deposits received	(12)	–
Increase (decrease) in allowance for doubtful accounts	–	28
Increase (decrease) in provision for bonuses	27	(13)
Increase (decrease) in provision for bonuses for directors (and other officers)	(20)	(11)
Interest and dividend income	(0)	(0)
Insurance claim income	(7)	(81)
Interest expenses	18	13
Loss (gain) on retirement of non-current assets	2	50
Asset retirement obligations	–	1
Gain on sale of businesses	–	(11)
Decrease (increase) in trade receivables	38	58
Decrease (increase) in inventories	(38)	63
Increase (decrease) in trade payables	(93)	(24)
Decrease (increase) in prepaid expenses	(15)	(11)
Decrease (increase) in long-term prepaid expenses	21	11
Increase (decrease) in contract liabilities	(11)	(5)
Increase (decrease) in accounts payable - other	(149)	31
Increase (decrease) in long-term accounts payable - other	(27)	(84)
Decrease (increase) in other current assets	(189)	(24)
Increase (decrease) in other current liabilities	(176)	(149)
Decrease (increase) in other non-current assets	0	0
Subtotal	1,519	2,330
Interest and dividends received	0	0
Interest paid	(18)	(13)
Income taxes paid	(476)	(565)
Net cash provided by (used in) operating activities	1,024	1,752

(Million yen)

	Six months ended September 30, 2022	Six months ended September 30, 2023
Cash flows from investing activities		
Purchase of property, plant and equipment	(471)	(134)
Purchase of intangible assets	(0)	(0)
Proceeds from (payments for) sale and retirement of non-current assets	0	(2)
Payments for asset retirement obligations	–	(5)
Purchase of investment securities	(0)	(0)
Payments of leasehold and guarantee deposits	(9)	(85)
Proceeds from refund of leasehold and guarantee deposits	0	0
Proceeds from cancellation of insurance funds	23	178
Proceeds from sale of businesses	–	15
Payments for acquisition of businesses	–	(26)
Other	8	5
Net cash provided by (used in) investing activities	(446)	(56)
Cash flows from financing activities		
Repayments of long-term borrowings	(817)	(781)
Purchase of treasury shares	(1)	(0)
Dividends paid	(186)	(280)
Net cash provided by (used in) financing activities	(1,005)	(1,063)
Effect of exchange rate change on cash and cash equivalents	–	-
Net increase (decrease) in cash and cash equivalents	(428)	632
Cash and cash equivalents at beginning of period	9,457	9,683
Cash and cash equivalents at end of period	9,029	10,316