Summary of Consolidated Financial Results for the First Three Months ended June 30, 2024 (Japanese GAAP)

August 14, 2024

Listed company name: Fast Fitness Japan, Inc. Listed exchange: Tokyo Stock Exchange
Code number: 7092 URL: https://fastfitnessjapan.jp/en/
Representative: Kiyoaki Yamabe, CEO, Representative Director
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Supplementary materials for financial results: Yes
Scheduled date of payment of dividend: –
Financial results briefing: Yes

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

1. Consolidated Financial Results for the First Three Months ended June 30, 2024 (April 1, 2024 – June 30, 2024)

(1) Consolidated operating results

(Percentages represent year-on-year changes.)

	Net sales		Operating profit		EBITDA		Ordinary profit		Profit attributable to owners of parent	
Three months ended	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Million yen	%
June 30, 2024	4,234	6.6	623	(40.9)	850	(32.7)	629	(40.5)	375	(48.2)
June 30, 2023	3,974	12.0	1,053	37.4	1,264	25.7	1,057	38.8	725	40.0

(Note) Comprehensive income Three months ended June 30, 2024: 390 million yen (-46.2%)
Three months ended June 30, 2023: 725 million yen (40.0%)

EBITDA = Operating profit + Depreciation + Amortization of goodwill + Amortization of leasehold and guarantee deposits + Amortization of franchise fees

	Earnings per share	Diluted earnings per share
Three months ended	Yen	Yen
June 30, 2024	20.06	19.80
June 30, 2023	38.77	38.26

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
As of	Million yen	Million yen	%
June 30, 2024	21,217	12,635	59.6
March 31, 2024	21,798	12,900	59.2

(Reference) Shareholders' equity As of June 30, 2024: 12,635 million yen As of March 31, 2024: 12,900 million yen

2. Dividends

	Dividend per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Annual
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2024	–	10.00	–	35.00	45.00
Fiscal year ending March 31, 2025	–				
Fiscal year ending March 31, 2025 (forecast)		15.00	–	18.00 - 30.00	33.00 - 45.00

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

3. Forecast for Consolidated Financial Results for the Fiscal Year Ending March 31, 2025

(April 1, 2024 – March 31, 2025) (Percentages represent year-on-year changes.)

	Net sales		Operating profit		EBITDA		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	18,800 - 19,500	18.8 - 23.2	3,000 - 3,500	(14.4) - (0.1)	4,210 - 4,710	(3.7) - 7.8	2,900 - 3,400	(20.2) - (6.5)	1,550 - 2,050	(27.0) - (3.5)	83.81 - 109.52

(Note) Revisions to the earnings forecasts published most recently: None

* Notes

(1) Significant changes in scope of consolidation during the period: Yes

New: 4 companies (Company name: Saya Pte. Ltd., Eighty 8 Health & Fitness B.V. and 2 other companies)

(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 June 30, 2024	18,739,180 shares	As of March 31, 2024	18,739,180 shares

2) Total number of treasury shares at the end of the period:

As of June 30, 2024	16,456 shares	As of March 31, 2024	16,456 shares

3) Average number of shares during the period:

Three months ended June 30, 2024	18,722,724 shares	Three months ended June 30, 2023	18,705,438 shares

* Review of the accompanying quarterly consolidated financial statements by certified public accountants or audit corporations: Yes (optional)

* 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, 2024	As of June 30, 2024
Assets		
Current assets		
Cash and deposits	10,199	8,430
Accounts receivable - trade	1,098	1,078
Merchandise	132	136
Prepaid expenses	376	411
Other	587	766
Allowance for doubtful accounts	(4)	(5)
Total current assets	12,389	10,818
Non-current assets		
Property, plant and equipment		
Buildings and structures	7,783	8,265
Tools, furniture and fixtures	3,997	4,185
Accumulated depreciation	(5,657)	(5,793)
Land	0	0
Construction in progress	34	6
Total property, plant and equipment	6,159	6,665
Intangible assets		
Goodwill	116	432
Software	13	11
Other	2	1
Total intangible assets	131	446
Investments and other assets		
Investment securities	3	2
Long-term loans receivable	247	255
Leasehold and guarantee deposits	1,531	1,564
Long-term prepaid expenses	546	728
Deferred tax assets	783	731
Long-term accounts receivable	81	99
Other	4	4
Allowance for doubtful accounts	(81)	(99)
Total investments and other assets	3,117	3,286
Total non-current assets	9,408	10,398
Total assets	21,798	21,217

(Million yen)

	As of March 31, 2024	As of June 30, 2024
Liabilities		
Current liabilities		
Accounts payable - trade	77	146
Short-term borrowings	–	20
Current portion of long-term borrowings	1,376	1,335
Accounts payable - other	1,246	1,183
Income taxes payable	689	201
Contract liabilities	1,846	1,809
Provision for bonuses	237	168
Provision for bonuses for directors (and other officers)	15	2
Other	273	498
Total current liabilities	5,762	5,367
Non-current liabilities		
Bonds payable	–	292
Long-term borrowings	1,863	1,542
Asset retirement obligations	1,147	1,225
Other	124	153
Total non-current liabilities	3,134	3,214
Total liabilities	8,897	8,582
Net assets		
Shareholders' equity		
Share capital	2,195	2,195
Capital surplus	2,135	2,135
Retained earnings	8,616	8,336
Treasury shares	(48)	(48)
Total shareholders' equity	12,899	12,619
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1	0
Foreign currency translation adjustment	–	14
Total accumulated other comprehensive income	1	15
Total net assets	12,900	12,635
Total liabilities and net assets	21,798	21,217

(2) Quarterly Consolidated Statement of Income and Comprehensive Income

Quarterly consolidated statement of income

First three-month period

(Million yen)

	Three months ended June 30, 2023	Three months ended June 30, 2024
Net sales	3,974	4,234
Cost of sales	2,108	2,387
Gross profit	1,865	1,847
Selling, general and administrative expenses	811	1,224
Operating profit	1,053	623
Non-operating income		
Commission income	10	11
Insurance claim income	2	2
Penalty income	0	7
Other	1	2
Total non-operating income	15	22
Non-operating expenses		
Interest expenses	6	4
Foreign exchange losses	2	11
Commission expenses	0	1
Other	0	–
Total non-operating expenses	10	16
Ordinary profit	1,057	629
Extraordinary income		
Gain on bargain purchase	–	16
Gain on sale of businesses	11	–
Total extraordinary income	11	16
Extraordinary losses		
Loss on retirement of non-current assets	26	60
Other	1	–
Total extraordinary losses	28	60
Profit before income taxes	1,041	585
Income taxes - current	250	157
Income taxes - deferred	66	51
Total income taxes	316	209
Profit	725	375
Profit attributable to owners of parent	725	375

Quarterly consolidated statement of comprehensive income

First three-month period

(Million yen)

	Three months ended June 30, 2023	Three months ended June 30, 2024
Profit	725	375
Other comprehensive income		
Valuation difference on available-for-sale securities	0	0
Foreign currency translation adjustment	–	14
Total other comprehensive income	0	14
Comprehensive income	725	390
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	725	390