# Summary of Consolidated Financial Results for the First Six Months ended September 30, 2024 (Japanese GAAP)

November 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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Scheduled date of filing semi-annual securities report: November 14, 2023
Scheduled date of payment of dividend: December 20, 2024
Supplementary materials for financial results: Yes
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, 2024 (April 1, 2024 – September 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 | |
|---|---|---|---|---|---|---|---|---|---|---|
| Six months ended | Million yen | % | Million yen | % | Million yen | % | Million yen | % | Million yen | % |
| September 30, 2024 | 8,634 | 10.4 | 1,436 | (28.2) | 1,918 | (20.2) | 1,464 | (30.3) | 896 | (32.6) |
| September 30, 2023 | 7,821 | 8.6 | 2,000 | 22.6 | 2,422 | 13.7 | 2,100 | 28.1 | 1,330 | 29.9 |

(Note) Comprehensive income Six months ended September 30, 2024: 878 million yen (-34.0%)
Six months ended September 30, 2023: 1,331 million yen (29.9%)

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

| | Earnings per share | Diluted earnings per share |
|---|---|---|
| Six months ended | Yen | Yen |
| September 30, 2024 | 47.86 | 47.23 |
| September 30, 2023 | 71.11 | 70.18 |

### (2) Consolidated financial position

| | Total assets | Net assets | Equity ratio |
|---|---|---|---|
| As of | Million yen | Million yen | % |
| September 30, 2024 | 21,114 | 13,147 | 62.3 |
| March 31, 2024 | 21,798 | 12,900 | 59.2 |

(Reference) Shareholders' equity As of September 30, 2024: 13,147 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 | – | 20.00 | | | |
| Fiscal year ending March 31, 2025 (forecast) | | | – | 25.00 | 45.00 |

(Notes) 1. Revisions to dividend forecasts published most recently: Yes
2. Regarding the revision of the dividend forecast, please refer to "Notice Regarding Distribution of Dividend from Surplus (Interim) and Revision of Year-End Dividend Forecast" published on November 14, 2024 (Japanese onry)

## 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 | 18.8 | 3,000 | (14.4) | 4,210 | (3.7) | 2,900 | (20.2) | 1,550 | (27.0) | 83.81 |
| | - 19,500 | - 23.2 | - 3,500 | - (0.1) | - 4,710 | - 7.8 | - 3,400 | - (6.5) | - 2,050 | - (3.5) | - 109.52 |

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

* Notes

(1) Significant changes in the scope of consolidation during the first six months of the fiscal year ending March 31, 2025: Yes
New: 4 companies (Company name: Saya Pte. Ltd., Eighty 8 Health & Fitness B.V. and 2 other companies)

(2) Accounting policies adopted specially for the preparation of semi-annual consolidated financial statements: No

(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: | Yes |
| 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, 2024 | 18,755,980 shares | As of March 31, 2024 | 18,739,180 shares |
| 2) Total number of treasury shares at the end of the period: | | | |
| As of September 30, 2024 | 16,476 shares | As of March 31, 2024 | 16,456 shares |
| 3) Average number of shares during the period: | | | |
| Six months ended September 30, 2024 | 18,728,966 shares | Six months ended September 30, 2023 | 18,712,698 shares |

* This financial summary is not subject to the statutory review by a certified public accountant or an audit corporation.

* 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. Semi-annual Consolidated Financial Statements and Key Notes
(1) Semi-annual Consolidated Balance Sheets

(Million yen)

| | As of March 31, 2024 | As of September 30, 2024 |
|---|---|---|
| Assets | | |
| Current assets | | |
| Cash and deposits | 10,199 | 8,350 |
| Accounts receivable - trade | 1,098 | 1,045 |
| Merchandise | 132 | 167 |
| Prepaid expenses | 376 | 444 |
| Other | 587 | 678 |
| Allowance for doubtful accounts | (4) | (5) |
| Total current assets | 12,389 | 10,680 |
| Non-current assets | | |
| Property, plant and equipment | | |
| Buildings and structures | 7,783 | 8,262 |
| Tools, furniture and fixtures | 3,997 | 4,295 |
| Accumulated depreciation | (5,657) | (5,860) |
| Land | 0 | 0 |
| Construction in progress | 34 | 6 |
| Total property, plant and equipment | 6,159 | 6,706 |
| Intangible assets | | |
| Goodwill | 116 | 394 |
| Software | 13 | 10 |
| Other | 2 | 1 |
| Total intangible assets | 131 | 406 |
| Investments and other assets | | |
| Investment securities | 3 | 2 |
| Long-term loans receivable | 247 | 250 |
| Leasehold and guarantee deposits | 1,531 | 1,581 |
| Long-term prepaid expenses | 546 | 722 |
| Deferred tax assets | 783 | 763 |
| Long-term accounts receivable | 81 | 114 |
| Other | 4 | 0 |
| Allowance for doubtful accounts | (81) | (114) |
| Total investments and other assets | 3,117 | 3,320 |
| Total non-current assets | 9,408 | 10,433 |
| Total assets | 21,798 | 21,114 |

(Million yen)

| | As of March 31, 2024 | As of September 2024 |
|---|---|---|
| Liabilities | | |
| Current liabilities | | |
| Accounts payable - trade | 77 | 33 |
| Short-term borrowings | – | 19 |
| Current portion of long-term borrowings | 1,376 | 1,320 |
| Accounts payable - other | 1,246 | 659 |
| Income taxes payable | 689 | 590 |
| Contract liabilities | 1,846 | 1,865 |
| Provision for bonuses | 237 | 290 |
| Provision for bonuses for directors (and other officers) | 15 | 5 |
| Other | 273 | 328 |
| Total current liabilities | 5,762 | 5,114 |
| Non-current liabilities | | |
| Bonds payable | – | 271 |
| Long-term borrowings | 1,863 | 1,215 |
| Asset retirement obligations | 1,147 | 1,217 |
| Other | 124 | 147 |
| Total non-current liabilities | 3,134 | 2,852 |
| Total liabilities | 8,897 | 7,967 |
| Net assets | | |
| Shareholders' equity | | |
| Share capital | 2,195 | 2,207 |
| Capital surplus | 2,135 | 2,147 |
| Retained earnings | 8,616 | 8,857 |
| Treasury shares | (48) | (48) |
| Total shareholders' equity | 12,899 | 13,164 |
| Accumulated other comprehensive income | | |
| Valuation difference on available-for-sale securities | 1 | 0 |
| Foreign currency translation adjustment | – | (17) |
| Total accumulated other comprehensive income | 1 | (17) |
| Total net assets | 12,900 | 13,147 |
| Total liabilities and net assets | 21,798 | 21,114 |

(2) Semi-annual Consolidated Statement of Income and Comprehensive Income

(Semi-annual consolidated statement of income)

(Million yen)

| | Six months ended September 30, 2023 | Six months ended September 30, 2024 |
|---|---|---|
| Net sales | 7,821 | 8,634 |
| Cost of sales | 4,208 | 4,817 |
| Gross profit | 3,613 | 3,817 |
| Selling, general and administrative expenses | *1 1,613 | *1 2,381 |
| Operating profit | 2,000 | 1,436 |
| Non-operating income | | |
| Commission income | 21 | 24 |
| Insurance claim income | 84 | 5 |
| Penalty income | 14 | 14 |
| Other | 1 | 8 |
| Total non-operating income | 122 | 52 |
| Non-operating expenses | | |
| Interest expenses | 13 | 14 |
| Foreign exchange losses | 2 | 7 |
| Commission expenses | 1 | 2 |
| Other | 4 | 0 |
| Total non-operating expenses | 22 | 24 |
| Ordinary profit | 2,100 | 1,464 |
| Extraordinary income | | |
| Gain on bargain purchase | – | *2 16 |
| Gain on sale of businesses | *3 11 | *3 34 |
| Total extraordinary income | 11 | 50 |
| Extraordinary losses | | |
| Loss on retirement of non-current assets | 50 | 78 |
| Impairment losses | 74 | – |
| Other | 1 | – |
| Total extraordinary losses | 125 | 78 |
| Profit before income taxes | 1,986 | 1,436 |
| Income taxes - current | 644 | 520 |
| Income taxes - deferred | 11 | 20 |
| Total income taxes | 656 | 540 |
| Profit | 1,330 | 896 |
| Profit attributable to owners of parent | 1,330 | 896 |

(Semi-annual consolidated statement of comprehensive income)

(Million yen)

| | Six months ended September 30, 2023 | Six months ended September 30, 2024 |
|---|---|---|
| Profit | 1,330 | 896 |
| Other comprehensive income | | |
| Valuation difference on available-for-sale securities | 0 | (0) |
| Foreign currency translation adjustment | – | (17) |
| Total other comprehensive income | 0 | (18) |
| Comprehensive income | 1,331 | 878 |
| Comprehensive income attributable to | | |
| Comprehensive income attributable to owners of parent | 1,331 | 878 |

(3) Semi-annual Consolidated Statements of Cash Flows

(Million yen)

| | Six months ended September 30, 2023 | Six months ended September 30, 2024 |
|---|---|---|
| Cash flows from operating activities | | |
| Profit before income taxes | 1,986 | 1,436 |
| Depreciation | 405 | 448 |
| Impairment losses | 74 | – |
| Amortization of goodwill | 13 | 20 |
| Share-based payment expenses | 10 | 12 |
| Increase (decrease) in allowance for doubtful accounts | 28 | 33 |
| Increase (decrease) in provision for bonuses | (13) | 53 |
| Increase (decrease) in provision for bonuses for directors (and other officers) | (11) | (9) |
| Interest and dividend income | (0) | (1) |
| Insurance claim income | (81) | – |
| Interest expenses | 13 | 14 |
| Loss (gain) on retirement of non-current assets | 50 | 78 |
| Gain on bargain purchase | – | (16) |
| Gain on sale of businesses | (11) | (34) |
| Foreign exchange losses (gains) | – | 6 |
| Decrease (increase) in trade receivables | 58 | 25 |
| Decrease (increase) in inventories | 63 | (35) |
| Increase (decrease) in trade payables | (24) | (46) |
| Decrease (increase) in prepaid expenses | (11) | (48) |
| Decrease (increase) in long-term prepaid expenses | 11 | (53) |
| Increase (decrease) in contract liabilities | (5) | 19 |
| Increase (decrease) in accounts payable - other | 31 | (183) |
| Increase (decrease) in long-term accounts payable - other | (84) | (8) |
| Decrease (increase) in other current assets | (24) | (89) |
| Increase (decrease) in other current liabilities | (149) | (31) |
| Decrease (increase) in other non-current assets | 0 | 5 |
| Other | 1 | 0 |
| Subtotal | 2,330 | 1,611 |
| Interest and dividends received | 0 | 1 |
| Interest paid | (13) | (9) |
| Income taxes paid | (565) | (619) |
| Net cash provided by (used in) operating activities | 1,752 | 971 |
| Cash flows from investing activities | | |
| Purchase of shares of subsidiaries resulting in change in scope of consolidation | – | (102) |
| Purchase of property, plant and equipment | (134) | (1,305) |
| Purchase of intangible assets | (0) | (0) |
| Proceeds from (payments for) sale and retirement of non-current assets | (2) | (21) |
| Payments for asset retirement obligations | (5) | (18) |
| Purchase of investment securities | (0) | (0) |
| Payments of leasehold and guarantee deposits | (85) | (71) |
| Proceeds from refund of leasehold and guarantee deposits | 0 | 53 |
| Proceeds from cancellation of insurance funds | 178 | – |
| Proceeds from sale of businesses | 15 | 59 |
| Payments for acquisition of businesses | (26) | – |
| Long-term loans receivable | – | (19) |
| Other | 5 | (16) |
| Net cash provided by (used in) investing activities | (56) | (1,427) |

(Million yen)

| | Six months ended September 30, 2023 | Six months ended September 30, 2024 |
|---|---|---|
| Cash flows from financing activities | | |
| Repayments of long-term borrowings | (781) | (715) |
| Purchase of treasury shares | (0) | (0) |
| Dividends paid | (280) | (655) |
| Net cash provided by (used in) financing activities | (1,063) | (1,370) |
| Effect of exchange rate change on cash and cash equivalents | – | (21) |
| Net increase (decrease) in cash and cash equivalents | 632 | (1,848) |
| Cash and cash equivalents at beginning of period | 9,683 | 10,199 |
| Cash and cash equivalents at end of period | 10,316 | 8,350 |