July 13, 2026

Consolidated Summary Report for the Fiscal Year Ended May 31, 2026
[Japanese GAAP]

Company Name: BOOKOFF GROUP HOLDINGS LIMITED Stock Exchange: Tokyo
Code Number: 9278 URL: https://www.bookoffgroup.co.jp/en/
Representative: Yasutaka Horiuchi, President and CEO
Inquiries: Takashi Hasegawa, Executive Officer, General Manager of Group Strategic Planning Department
Tel: +81-42-750-8588

General meeting of shareholders: August 29, 2026
Dividend payment date: August 31, 2026
Securities report issue date: August 14, 2026
Supplementary materials of financial results: Yes
Financial results briefing: Yes

(Amounts less than one million yen are rounded down)

1. Consolidated Financial Results for the Fiscal Year Ended May 31, 2026 (June 1, 2025 – May 31, 2026)

(1) Consolidated Results of Operations (Percentage figures represent year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	YoY change %	Million yen	YoY change %	Million yen	YoY change %	Million yen	YoY change %
Fiscal year ended May 31, 2026	130,123	9.2	4,405	27.7	4,720	20.9	2,763	31.5
Fiscal year ended May 31, 2025	119,205	6.8	3,448	13.0	3,903	13.2	2,101	23.2

(Note) Comprehensive income Fiscal year ended May 31, 2026: ¥3,105 million (up 40.8%)
Fiscal year ended May 31, 2025: ¥2,206 million (up 9.8%)

	Net income per share	Fully diluted net income per share	Return on equity	Ratio of ordinary profit to total assets	Operating profit margin
	Yen	Yen	%	%	%
Fiscal year ended May 31, 2026	157.45	-	13.9	8.0	3.4
Fiscal year ended May 31, 2025	108.54	-	10.8	7.0	2.9

(Reference) Equity in earnings (losses) of associates Fiscal year ended May 31, 2026: ¥(14) million
Fiscal year ended May 31, 2025: ¥(10) million

(2) Consolidated Financial Condition

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of May 31, 2026	60,937	21,431	34.7	1,204.85
As of May 31, 2025	57,380	18,867	32.5	1,061.56

(Reference) Shareholders' equity As of May 31, 2026: ¥21,148 million As of May 31, 2025: ¥18,626 million

(3) Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at the end of period
	Million yen	Million yen	Million yen	Million yen
Fiscal year ended May 31, 2026	4,894	(3,042)	(2,100)	6,459
Fiscal year ended May 31, 2025	3,062	(2,510)	(1,118)	6,628

2. Dividends

	Dividend per share					Total dividends	Dividend payout ratio (Consolidated)	Dividends on net assets ratio (Consolidated)
	End of 1Q	End of 2Q	End of 3Q	End of FY	Full year			
	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
Fiscal year ended May 31, 2025	-	0.00	-	25.00	25.00	438	23.0	2.4
Fiscal year ended May 31, 2026	-	0.00	-	36.00	36.00	631	22.9	3.2
Fiscal year ending May 31, 2027 (est.)	-	0.00	-	40.00	40.00		25.1	

3. Consolidated Forecast for the Fiscal Year Ending May 31, 2027 (June 1, 2026 – May 31, 2027)

(Percentage figures represent year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Net income per share
	Million yen	YoY change %	Million yen	YoY change %	Million yen	YoY change %	Million yen	YoY change %	Yen
Full year	139,000	6.8	4,700	6.7	5,000	5.9	2,800	1.3	159.52

(Note) Only the full-year forecast is shown because BOOKOFF GROUP HOLDINGS manages performance on a fiscal year basis. Please see "1. Overview of Results of Operations, (1) Results of Operations, Outlook for the Fiscal Year Ending May 31, 2027" on page 4 of the attachments for further information.

Notes:

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

New: 2 (company name) Bookoff Hokkaido Co., Ltd.; BOOKOFF INTERNATIONAL LTD.
Excluded: 1 (company name) J&K TRADING LLC

2. Changes in accounting policies and accounting-based estimates, and restatements

(1) Changes due to revision of accounting standards: None
(2) Changes due to other reasons: None
(3) Changes in accounting-based estimates: None
(4) Restatements: None

3. Number of shares outstanding (common shares) (Shares)

(1) Shares outstanding (including treasury shares)	As of May 31, 2026	20,547,413	As of May 31, 2025	20,547,413
(2) Treasury shares	As of May 31, 2026	2,994,908	As of May 31, 2025	3,000,708
(3) Average number of shares outstanding	Fiscal year ended May 31, 2026	17,550,282	Fiscal year ended May 31, 2025	19,357,658

* The current financial report is not subject to audit by certified public accountants or auditing firms.

* Cautionary statement regarding forecasts of operating results and special notes

(Forward-looking statements)

Forward-looking statements in these materials are based on information available to management at the time this report was prepared and assumptions that management believes are reasonable. This report is not promises by BOOKOFF GROUP HOLDINGS regarding future performance. Actual results may differ materially from those projected in the forward-looking statements due to a variety of factors. Please see “1. Overview of Results of Operations, (1) Results of Operations, Outlook for the Fiscal Year Ending May 31, 2027” on page 4 of the attachments for items pertaining to the forecast stated above.

Table of Content

1. Overview of Results of Operations

(1) Results of Operations

Forward-looking statements in this Consolidated Summary Report are based on information available to management as of the end of the fiscal year ended on May 31, 2026.

Since the start of operations, the BOOKOFF Group has always been guided by the two corporate philosophies of "contributing to society through our business activities" and "the pursuit of employees' material and spiritual wellbeing." In addition, the Group has established the following mission for business activities in accordance with these philosophies: Be a source of an enjoyable and prosperous life for as many people as possible.

Based on this mission, we will use our strengths in the growing reuse market to become the leading reuse company. Our goal is to promote activities for the establishment of a society where products and materials are recycled and be a company that can continue to grow while enabling all employees to do their jobs with confidence and enthusiasm.

Based on these philosophies and mission, the BOOKOFF Group is currently implementing medium-term management policies covering the period that will end with the fiscal year ending in May 2028. All activities are backed by the value that our operations provide, such as our strengths involving employee training programs and sustainability programs. For BOOKOFF operations in Japan, which is positioned as a business sector for exploitation, we will build on the widespread awareness of our brand to generate consistent earnings. In the premium services business, overseas business and new businesses, which are positioned as sectors for exploration, we are using our resources and knowledge in order to create teams of highly skilled and experienced people. We plan to reform our business portfolio by using these people to promote the expansion of our group's business scale and profit growth.

In February 2026, BOOKOFF Group Holdings and ITOCHU Corporation signed a capital and business alliance agreement. The alliance will facilitate the combination of the BOOKOFF Group's expertise involving the reuse business and associated merchandise and services and the ITOCHU Group's business networks and customer relationships in Japan and other countries. The goal is to use the alliance to strengthen existing businesses and create more business opportunities in the future.

During the current fiscal year, all BOOKOFF Group businesses continued to open stores as the scale of operations increased. In the BOOKOFF operations in Japan, investments continued for establishing a sound base for consistent growth while implementing measures to prevent the recurrence of fraudulent activities. Consolidated net sales amounted to ¥130,123 million, a 9.2% increase from one year earlier as sales in every business were higher than one year earlier. Ordinary profit increased 20.9% to ¥4,720 million because of higher earnings in the BOOKOFF operations in Japan and premium services business. Profit attributable to owners of parent increased 31.5% to ¥2,763 million.

In the fourth quarter (three-month period), consolidated ordinary profit increased 86.0% to ¥853 million and profit attributable to owners of parent increased 236.9% to ¥426 million.

Business segment performance was as follows.

BOOKOFF operations in Japan

During the current fiscal year, this business received from franchised stores the management of one BOOKOFF PLUS store (Noboribetsu store) and eight BOOKOFF stores (Tomakomai Miyama store, Eniwa Bypass store, Asahikawa Nagayama store, Asahikawa Kyokushin store, Asahikawa Asahimachi store, Chitose Salmon Bridge store, Sapporo Yamahana store and Tomakomai Yanagicho store). In addition, three BOOKOFF SUPER BAZAAR stores (TRIAL Isesaki Chuo store, Yumemachi Narashinodai Mall store and Noda store), one BOOKOFF store (CiinNA CiiNA Kotoni store), one BOOKOFF FASHION store (Tachikawa Sakae store) and one ASO-VIVA store (Yokohama Vivre store) were opened.

At the directly operated existing stores, sales of trading cards and hobby goods, jewelry, watches, high-end brand bags, apparel, books and several other categories were higher than one year earlier. As a result, sales in this segment increased 8.0% from one year earlier to ¥112,665 million. Segment profit increased 19.1% to ¥6,369 million due to higher gross profit because of growth in existing store sales, which offset the increases in personnel and other expenses.

Premium services business

During the current fiscal year, six hugall stores (Izutsuya Nakama shop, Kashiwa Takashimaya Station Mall store, Ashiya MONTetMER store, Tenjin Chikagai store, KITTE Osaka store and Izutsuya Onogata shop) and one aidect store (Nihombashi Takashimaya S.C. store) were opened.

Sales in the current fiscal year increased 18.8% from one year earlier to ¥8,527 million due to an increase in purchases mainly at existing stores and special events backed by rising prices of precious metals. Segment profit increased 258.0% to ¥160 million because an increase in gross profit was more than an increase in personnel and other expenses.

Overseas business

During the current fiscal year, three BOOKOFF stores (Noho store, Huston store and Novi store) were opened in the United States and four Jalan Jalan Japan stores (Mesa Mall Nilai store, Galleria Kotaraya store, Wangsa Maju store and Summit USJ store) were opened in Malaysia.

Sales in the current fiscal year were higher than one year earlier at BOOKOFF stores in the United States and Jalan Jalan Japan stores in Malaysia because of contribution from new stores and stores opened in prior years. Sales in the overseas business increased 15.8% from one year earlier to ¥7,153 million. Segment profit decreased 0.5% to ¥691 million. Despite strong existing store sales, upfront investments increased for expanding warehouses in preparation for new store openings and expenses were higher due to delayed store openings in the United States. There was a decrease in sales at existing stores in Malaysia.

Other

During the current fiscal year, four Japan TCG Centers (Hachioji Ekimae store, Chiba Ekimae store, Hon Atsugi Ekimae store and Kinshicho Marui store) were opened.

(Store Opening/Closing)

(Unit: number of stores)

<table>
<tr><td rowspan="2"></td><td rowspan="2" colspan="2"></td><td colspan="2">Fiscal year ended May 2025</td><td colspan="2">Fiscal year ended May 2026</td></tr>
<tr><td>Open</td><td>Close</td><td>Open</td><td>Close</td></tr>
<tr><td rowspan="6">Total store openings/ closings</td><td rowspan="5">Group</td><td>BOOKOFF operations in Japan</td><td>7</td><td>18</td><td>(Note 1) 15</td><td>25</td></tr>
<tr><td>Premium services business</td><td>8</td><td>-</td><td>7</td><td>6</td></tr>
<tr><td>Overseas business</td><td>11</td><td>-</td><td>7</td><td>(Note 3) 5</td></tr>
<tr><td>Strategic business domain</td><td>2</td><td>-</td><td>4</td><td>1</td></tr>
<tr><td>Total</td><td>28</td><td>18</td><td>33</td><td>37</td></tr>
<tr><td colspan="2">Franchise</td><td>3</td><td>1</td><td>(Note 2) 7</td><td>(Note 4) 14</td></tr>
<tr><td rowspan="6">Fiscal year-end total</td><td rowspan="5">Group</td><td>BOOKOFF operations in Japan</td><td colspan="2">376</td><td colspan="2">366</td></tr>
<tr><td>Premium services business</td><td colspan="2">53</td><td colspan="2">54</td></tr>
<tr><td>Overseas business</td><td colspan="2">35</td><td colspan="2">37</td></tr>
<tr><td>Strategic business domain</td><td colspan="2">6</td><td colspan="2">9</td></tr>
<tr><td>Total</td><td colspan="2">470</td><td colspan="2">466</td></tr>
<tr><td colspan="2">Franchise</td><td colspan="2">376</td><td colspan="2">369</td></tr>
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Notes: 1. This figure includes nine BOOKOFF stores that were acquired from franchisees.
2. This figure includes four Jalan Jalan Japan stores that were acquired from the BOOKOFF Group.
3. This figure includes four Jalan Jalan Japan stores that were sold to franchisees.
4. This figure includes nine BOOKOFF stores that the BOOKOFF Group acquired.

(Equity Ratio, Equity Ratio Based on Market Value, Ratio of Interest-Bearing Debt to Cash Flow, Interest Coverage Ratio, Ratio of Ordinary Profit to Total Assets (ROA) and Ordinary Profit)

	Fiscal year ended May 2025	Fiscal year ended May 2026
Equity ratio (%)	32.5	34.7
Equity ratio based on market value (%)	44.1	57.6
Ratio of interest-bearing debt to cash flow (years)	7.3	4.4
Interest coverage ratio (times)	12.6	14.6
Ratio of ordinary profit to total assets (ROA) (%)	7.0	8.0
Ordinary profit (million yen)	3,903	4,720

Note: Equity ratio (%): Shareholders' equity/total assets
Equity ratio based on market value (%): Market capitalization/total assets
Market capitalization is calculated using the number of shares outstanding less treasury shares.
Ratio of interest-bearing debt to cash flow (years): Interest-bearing debt/cash flows from operating activities
Interest-bearing debt is the sum of short-term borrowings, current portion of bonds payable, current portion of long-term borrowings, bonds payable, long-term borrowings and long-term accounts payable-other.
Interest coverage ratio (times): Cash flows from operating activities/interest expense
Ratio of ordinary profit to total assets (ROA) (%): Ordinary profit/Total assets (average of the beginning and end of year) × 100

Outlook for the Fiscal Year Ending May 31, 2027

The primary goals are to further upgrade the store operations, merchandise and services of BOOKOFF and other businesses, mainly for the BOOKOFF operations in Japan, and use the premium services business and overseas business to attract new customer segments and expand to new markets. By taking these actions, we are determined to build a powerful business portfolio that is resilient to changes in market conditions, achieve sustainable growth, and accomplish the mission of "being a source of an enjoyable and prosperous life for many people."

To accomplish these goals, we will continue to make substantial investments for growth, including the addition and remodeling of more stores, during the fiscal year ending May 31, 2027.

In the BOOKOFF operations in Japan, we will expand the network of BOOKOFF SUPER BAZAAR, BOOKOFF and other stores. In addition, the remodeling of many existing stores will continue and there will be strategic IT investments to improve convenience for customers and maintain stability of earnings.

In the premium services business, we will open several new hugall and aidect stores and implement profitability improvement initiatives for Rehello stores.

In the overseas business, more BOOKOFF stores will be opened in the United States and Jalan Jalan Japan stores in Malaysia will be remodeled. Plans also include more investments to increase the volume of merchandise from Japan sent to Jalan Jalan Japan stores. For more growth outside Japan, this business plans to start operations in Taiwan.

For the fiscal year ending in May 2027, we forecast net sales of ¥139,000 million (up 6.8%), operating profit of ¥4,700 million (up 6.7%), ordinary profit of ¥5,000 million (up 5.9%) and profit attributable to owners of parent of ¥2,800 million (up 1.3%).

In the fiscal year ending in May 2027, consolidated net sales are expected to increase, driven by the increase in sales at existing stores in the BOOKOFF operations in Japan and new store openings across all business segments. We forecast higher operating profit, ordinary profit and profit attributable to owners of parent mainly due to more large stores in the BOOKOFF operations in Japan and the outlook for higher earnings in the overseas business and premium services business.

Based on this outlook, we are aiming to reach the ordinary profit goal of ¥5,000 million in the fiscal year ending in May 2027, which would be one year earlier than the initial goal of reaching this figure in the May 2028 fiscal year, which is the final year of the current medium-term management policies.

(2) Financial Position

(Current Assets)

Current assets at the end of the current fiscal year were ¥35,870 million, an increase of ¥2,353 million compared with ¥33,517 million at the end of the previous fiscal year. This was mainly attributable to a ¥1,352 million increase in merchandise, a ¥652 million increase in accounts receivable-trade and a ¥540 million increase in other current assets.

(Non-current Assets)

Non-current assets at the end of the current fiscal year were ¥25,066 million, an increase of ¥1,203 million compared with ¥23,863 million at the end of the previous fiscal year. This was mainly attributable to a ¥1,105 million increase in property, plant and equipment and a ¥352 million increase in investments and other assets, while there was a ¥254 million decrease in intangible assets.

(Liabilities)

Liabilities at the end of the current fiscal year were ¥39,505 million, an increase of ¥992 million compared with ¥38,513 million at the end of the previous fiscal year. This was mainly attributable to increases in income taxes payable and provision for bonuses, while there were decreases in bonds payable and borrowings from banks due to repayments.

(Net Assets)

Net assets at the end of the current fiscal year were ¥21,431 million, an increase of ¥2,564 million compared with ¥18,867 million at the end of the previous fiscal year. Major components were dividend payments and the profit attributable to owners of parent.

(3) Cash Flows

Cash and cash equivalents (“net cash”) at the end of the current fiscal year amounted to ¥6,459 million, a decrease of ¥168 million from the end of the previous fiscal year.

Consolidated cash flows and the primary reasons for their fluctuation during the current fiscal year are as follows:

(Cash Flows from Operating Activities)

Net cash provided by operating activities amounted to ¥4,894 million (compared with ¥3,062 million provided in the previous fiscal year). There were positive factors including profit before income taxes of ¥4,396 million and ¥2,395 million in depreciation. Negative factors included income taxes paid of ¥1,245 million, a ¥1,200 million increase in inventories and a ¥642 million increase in trade receivables.

(Cash Flows from Investing Activities)

Net cash used in investing activities amounted to ¥3,042 million (compared with ¥2,510 million used in the previous fiscal year). Negative factors included ¥2,150 million for the purchase of property, plant and equipment associated with new store openings and store renovations and acquisitions, ¥339 million for payments for transfer of stores and a ¥312 million for purchase of intangible assets.

(Cash Flows from Financing Activities)

Net cash used in financing activities amounted to ¥2,100 million (compared with ¥1,118 million used in the previous fiscal year). Negative factors included ¥660 million for redemption of bonds, ¥486 million for repayments of lease liabilities, ¥438 million for cash dividends paid and ¥406 million of net decrease in borrowings.

(4) Basic Policy on Profit Distribution and Dividends for FY5/2026 and FY5/2027

The BOOKOFF Group considers the distribution of profits to be one of its highest management priorities. Retained earnings are used effectively for strategic investments expected to increase corporate value in the future and for further increasing financial soundness.

The BOOKOFF Group's basic policy is to maintain a consistent dividend with a payout ratio of around 20-30% of consolidated profit.

We plan to pay a year-end dividend of ¥36 per share, ¥6 higher than initially planned.

For the fiscal year ending on May 31, 2027, we plan to pay a dividend of ¥40 per share, ¥4 higher than the fiscal year that ended on May 31, 2026.

2. Basic Approach to the Selection of Accounting Standards

The BOOKOFF Group will continue to prepare consolidated financial statements in accordance with generally accepted accounting principles in Japan for the time being to permit comparisons with prior years and with the financial data of other companies.

The Group will take suitable actions with regard to the application of International Financial Reporting Standards (IFRS) by taking into account associated factors in Japan and other countries.

3. Consolidated Financial Statements and Notes

(1) Consolidated Balance Sheet

(Unit: million yen)

	FY5/2025 (As of May 31, 2025)	FY5/2026 (As of May 31, 2026)
Assets		
Current assets		
Cash and deposits	6,628	6,459
Accounts receivable-trade	3,888	4,541
Merchandise	19,731	21,084
Other	3,268	3,809
Allowance for doubtful accounts	(0)	(23)
Total current assets	33,517	35,870
Non-current assets		
Property, plant and equipment		
Buildings and structures	16,858	17,204
Accumulated depreciation	(12,039)	(12,065)
Buildings and structures, net	4,819	5,139
Land	1,253	1,228
Leased assets	5,568	6,051
Accumulated depreciation	(1,515)	(1,770)
Leased assets, net	4,053	4,280
Other	4,221	5,258
Accumulated depreciation	(2,605)	(3,060)
Other, net	1,616	2,198
Total property, plant and equipment	11,742	12,847
Intangible assets		
Software	1,989	1,704
Software in progress	103	81
Other	25	78
Total intangible assets	2,118	1,864
Investments and other assets		
Investment securities	*1 296	*1 231
Deferred tax assets	2,335	2,539
Guarantee deposits	7,286	7,492
Other	145	222
Allowance for doubtful accounts	(60)	(130)
Total investments and other assets	10,002	10,354
Total non-current assets	23,863	25,066
Total assets	57,380	60,937

(Unit: million yen)

	FY5/2025 (As of May 31, 2025)	FY5/2026 (As of May 31, 2026)
Liabilities		
Current liabilities		
Accounts payable-trade	659	846
Short-term borrowings	*2 6,433	*2 3,775
Current portion of bonds payable	660	1,660
Current portion of long-term borrowings	3,027	3,483
Lease liabilities	866	1,006
Accounts payable-other	3,369	3,704
Income taxes payable	562	1,018
Provision for bonuses	851	1,218
Provision for loss on store closings	15	57
Other provisions	203	216
Other	3,543	3,885
Total current liabilities	20,192	20,873
Non-current liabilities		
Bonds payable	4,340	2,680
Long-term borrowings	7,901	9,699
Lease liabilities	3,364	3,536
Asset retirement obligations	2,523	2,542
Other	191	173
Total non-current liabilities	18,320	18,632
Total liabilities	38,513	39,505
Net assets		
Shareholders' equity		
Share capital	100	100
Capital surplus	6,867	6,869
Retained earnings	15,140	17,465
Treasury shares	(3,813)	(3,805)
Total shareholders' equity	18,295	20,629
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	76	75
Foreign currency translation adjustment	254	443
Total accumulated other comprehensive income	331	519
Non-controlling interests	240	283
Total net assets	18,867	21,431
Total liabilities and net assets	57,380	60,937

(2) Consolidated Statements of Income and Comprehensive Income

Consolidated Statement of Income

(Unit: million yen)

	FY5/2025 (Jun. 1, 2024 – May 31, 2025)	FY5/2026 (Jun. 1, 2025 – May 31, 2026)
Net sales	119,205	130,123
Cost of sales	51,454	56,295
Gross profit	67,751	73,827
Selling, general and administrative expenses		
Provision of allowance for doubtful accounts	-	0
Salaries and allowances	6,881	7,402
Salaries of part time employees	18,936	20,654
Provision for bonuses	851	1,208
Retirement benefit expenses	55	58
Rent expenses on land and buildings	11,784	12,129
Commission expenses	7,197	7,617
Other	18,595	20,351
Total selling, general and administrative expenses	64,302	69,422
Operating profit	3,448	4,405
Non-operating income		
Gain from installment of vending machine	121	120
Gain on sales of recycling goods	272	259
Other	431	381
Total non-operating income	825	760
Non-operating expenses		
Interest expenses	254	336
Share of loss of entities accounted for using equity method	10	14
Amortization of bond issuance costs	46	-
Other	58	93
Total non-operating expenses	370	445
Ordinary profit	3,903	4,720
Extraordinary income		
Gain on sale of non-current assets	0	4
Gain on sale of investment securities	-	67
Compensation for forced relocation	-	90
Total extraordinary income	0	161
Extraordinary losses		
Loss on sale of investments in capital of subsidiaries and associates	-	52
Loss on store closings	50	69
Provision for loss on store closings	20	63
Loss on retirement of non-current assets	46	69
Impairment losses	* 252	* 231
Loss on disaster	25	-
Other	18	0
Total extraordinary losses	414	485
Profit before income taxes	3,490	4,396
Income taxes-current	1,282	1,694
Income taxes-deferred	13	(161)
Total income taxes	1,296	1,532
Profit	2,194	2,863
Profit attributable to non-controlling interests	93	100
Profit attributable to owners of parent	2,101	2,763

Consolidated Statement of Comprehensive Income

(Unit: million yen)

	FY5/2025 (Jun. 1, 2024 – May 31, 2025)	FY5/2026 (Jun. 1, 2025 – May 31, 2026)
Profit	2,194	2,863
Other comprehensive income		
Valuation difference on available-for-sale securities	3	(2)
Foreign currency translation adjustment	14	243
Share of other comprehensive income of entities accounted for using equity method	(5)	0
Total other comprehensive income	* 12	* 241
Comprehensive income	2,206	3,105
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,105	2,950
Comprehensive income attributable to non-controlling interests	100	154

(3) Consolidated Statement of Changes in Net Assets

FY5/2025 (Jun. 1, 2024 – May 31, 2025)

(Unit: million yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	100	6,863	13,534	(587)	19,909
Changes during period					
Dividends of surplus			(494)		(494)
Profit attributable to owners of parent			2,101		2,101
Purchase of treasury shares				(3,230)	(3,230)
Disposal of treasury shares		4		4	8
Net changes in items other than shareholders' equity					
Total changes during period	-	4	1,606	(3,225)	(1,614)
Balance at end of period	100	6,867	15,140	(3,813)	18,295

	Accumulated other comprehensive income			Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Total accumulated other comprehensive income		
Balance at beginning of period	78	248	326	271	20,507
Changes during period					
Dividends of surplus					(494)
Profit attributable to owners of parent					2,101
Purchase of treasury shares					(3,230)
Disposal of treasury shares					8
Net changes in items other than shareholders' equity	(1)	6	4	(30)	(26)
Total changes during period	(1)	6	4	(30)	(1,640)
Balance at end of period	76	254	331	240	18,867

FY5/2026 (Jun. 1, 2025 – May 31, 2026)

(Unit: million yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	100	6,867	15,140	(3,813)	18,295
Changes during period					
Dividends of surplus			(438)		(438)
Profit attributable to owners of parent			2,763		2,763
Disposal of treasury shares		1		7	9
Net changes in items other than shareholders' equity					
Total changes during period	-	1	2,324	7	2,334
Balance at end of period	100	6,869	17,465	(3,805)	20,629

	Accumulated other comprehensive income			Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Total accumulated other comprehensive income		
Balance at beginning of period	76	254	331	240	18,867
Changes during period					
Dividends of surplus					(438)
Profit attributable to owners of parent					2,763
Disposal of treasury shares					9
Net changes in items other than shareholders' equity	(1)	188	187	43	230
Total changes during period	(1)	188	187	43	2,564
Balance at end of period	75	443	519	283	21,431

(4) Consolidated Statement of Cash Flows

(Unit: million yen)

	FY5/2025 (Jun. 1, 2024 – May 31, 2025)	FY5/2026 (Jun. 1, 2025 – May 31, 2026)
Cash flows from operating activities		
Profit before income taxes	3,490	4,396
Depreciation	2,201	2,395
Impairment losses	252	231
Amortization of goodwill	3	13
Increase (decrease) in provision for bonuses	164	366
Increase (decrease) in allowance for doubtful accounts	-	93
Increase (decrease) in provision for loss on store closings	(9)	42
Increase (decrease) in other provisions	(5)	12
Interest expenses	254	336
Share of loss (profit) of entities accounted for using equity method	10	14
Loss (gain) on sale of investment securities	-	(67)
Loss (gain) on sale of non-current assets	(0)	(4)
Loss on retirement of non-current assets	46	69
Compensation for forced relocation	-	(90)
Loss on disaster	25	-
Loss (gain) on sale of investments in capital of subsidiaries and associates	-	52
Decrease (increase) in trade receivables	(491)	(642)
Decrease (increase) in inventories	(909)	(1,200)
Increase (decrease) in trade payables	(124)	176
Other, net	548	143
Subtotal	5,457	6,339
Interest and dividends received	20	27
Interest paid	(243)	(335)
Proceeds from compensation for forced relocation	-	90
Payments of special survey costs, etc.	(568)	-
Payments associated with disaster loss	(25)	-
Income taxes paid	(1,594)	(1,245)
Income taxes refund	16	18
Payments for loss on cancellation of leases	-	(0)
Net cash provided by (used in) operating activities	3,062	4,894
Cash flows from investing activities		
Purchase of property, plant and equipment	(2,154)	(2,150)
Purchase of intangible assets	(331)	(312)
Proceeds from sale of investment securities	-	114
Payments of guarantee deposits	(304)	(454)
Proceeds from refund of guarantee deposits	327	225
Proceeds from collection of loans receivable	-	47
Payments for transfer of stores	-	(339)
Other, net	(47)	(174)
Net cash provided by (used in) investing activities	(2,510)	(3,042)

(Unit: million yen)

	FY5/2025 (Jun. 1, 2024 – May 31, 2025)	FY5/2026 (Jun. 1, 2025 – May 31, 2026)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	100	(2,661)
Proceeds from long-term borrowings	3,700	5,700
Repayments of long-term borrowings	(4,541)	(3,445)
Redemption of bonds	-	(660)
Proceeds from issuance of bonds	4,000	-
Repayments of lease liabilities	(521)	(486)
Purchase of treasury shares	(3,230)	-
Dividends paid	(493)	(438)
Dividends paid to non-controlling interests	(131)	(108)
Net cash provided by (used in) financing activities	(1,118)	(2,100)
Effect of exchange rate change on cash and cash equivalents	14	80
Net increase (decrease) in cash and cash equivalents	(551)	(168)
Cash and cash equivalents at beginning of period	7,180	6,628
Cash and cash equivalents at end of period	6,628	6,459

(5) Notes to Consolidated Financial Statements

(Notes Concerning the Going-Concern Premise)

Not applicable.

(Important Items that Form the Basis for Preparing Consolidated Financial Statements)

1. Scope of consolidation

(1) Number of consolidated subsidiaries: 14

Primary consolidated subsidiaries:

BOOKOFF CORPORATION LIMITED
BOOKOFF With Co, Ltd.
Booklet Co., Ltd.
BOK MARKETING SDN.BHD.

During the current fiscal year, BOOKOFF Group Holdings established Bookoff Hokkaido Co., Ltd. and BOOKOFF INTERNATIONAL LTD. and included these companies in the scope of consolidation.

During the current fiscal year, J&K TRADING LLC was excluded from the scope of consolidation since all equity interests were sold due to the termination of the joint venture agreement with this company.

(2) Primary non-consolidated subsidiaries

Not applicable.

2. Application of the equity method

(1) Number of affiliates accounted for using the equity method: 1

Company name:

BOS Partners, Inc.

(2) Non-consolidated subsidiaries and affiliates not accounted for using the equity method

Not applicable.

3. Fiscal years of consolidated subsidiaries

The fiscal year-end of BOOKOFF With Co, Ltd., Booklet Co., Ltd., and BOOKOFF U.S.A. INC. and its subsidiary BOOKOFF NEW YORK LLC is the end of February. The consolidated financial statements include the financial statements of these consolidated subsidiaries as of the end of February. However, adjustments to the consolidated financial statements are made as needed for significant intergroup transactions that occur between the end of February and the fiscal year-end for the consolidated financial statements.

The fiscal year-end of BOK MARKETING SDN.BHD., B-Assist, Inc. and Booklog, Inc. is the end of March. The consolidated financial statements include the financial statements of these consolidated subsidiaries as of the end of March. However, adjustments to the consolidated financial statements are made as needed for significant intergroup transactions that occur between the end of March and the fiscal year-end for the consolidated financial statements.

The fiscal year-end of BOK MARKETING SDN.BHD. was changed from the end of September to the end of March to streamline the financial closing process of the BOOKOFF Group and to prepare and provide financial information in a more timely manner. There was no impact of this change in the fiscal year-end on the consolidated in statement of income because the consolidated financial statements had been used provisional financial statements prepared by this company as of the end of March.

The presentation of information other than the preceding items is omitted as there are no significant changes from information presented in the most recent annual securities report, filed on August 15, 2025.

(Notes to Consolidated Balance Sheet)

* 1. The balance for non-consolidated subsidiaries and affiliates is as follows:

(Unit: million yen)

	FY5/2025 (As of May 31, 2025)	FY5/2026 (As of May 31, 2026)
Investment securities (stocks)	53	39

* 2. The Group has entered into overdraft agreements with 11 banks in order to efficiently procure working capital. The balance of unexecuted loans under these agreements is as follows:

(Unit: million yen)

	FY5/2025 (As of May 31, 2025)	FY5/2026 (As of May 31, 2026)
Total overdraft amount	11,990	12,580
Executed loans payable	6,330	3,680
Balance	5,660	8,900

(Notes to Consolidated Statement of Income)

* Impairment loss

The Group recorded an impairment loss for the following asset groups.

FY5/2025 (Jun. 1, 2024 – May 31, 2025)

Segment	Application	Type	Location	Impairment loss (Million yen)
BOOKOFF operations in Japan	Stores	Buildings and structures, etc.	BOOKOFF DCM Kamiiso Store (Hokuto City, Hokkaido) and other 23 stores	233
Premium services business	Stores	Buildings and structures, etc.	hugall Daimaru Fukuoka Tenjin store (Chuo-ku, Fukuoka) and other 3 stores	8
Other	Other	Software	Booklog, Inc. head office (Shibuya-ku, Tokyo)	10

The Group regards each store as the base unit in identifying the smallest group of assets that generate cash flows.

For stores and facilities that have generated continuous losses stemming from their operating activities, and when it has been deemed that there is little potential for an earnings recovery, or when changes in the range of use have significantly reduced the recoverable amounts, the book values were reduced to recoverable amounts, and the amount of the reduction was recognized as an impairment loss and recorded as an extraordinary loss.

For the asset group of the stores, etc., the recoverable amount is measured by using value in use. This value is zero since the value in use based on future cash flows is negative.

FY5/2026 (Jun. 1, 2025 – May 31, 2026)

Segment	Application	Type	Location	Impairment loss (Million yen)
BOOKOFF operations in Japan	Stores	Buildings and structures, etc.	BOOKOFF PLUS Yoshizuya Shin-Inazawa store (Inazawa City, Aichi) and other 25 stores	176
Premium services business	Stores	Buildings and structures, etc.	Rehello by BOOKOFF Denenchofu store (Ota-ku, Tokyo) and other 4 stores	40
Other	Offices	Software, etc.	Offices in other segment	14

The Group regards each store as the base unit in identifying the smallest group of assets that generate cash flows.

For stores and facilities that have generated continuous losses stemming from their operating activities, and when it has been deemed that there is little potential for an earnings recovery, or when changes in the range of use have significantly reduced the recoverable amounts, the book values were reduced to recoverable amounts, and the amount of the reduction was recognized as an impairment loss and recorded as an extraordinary loss.

For the asset group of the stores, etc., the recoverable amount is measured by using value in use. This value is zero since the value in use based on future cash flows is negative.

(Notes to Consolidated Statement of Comprehensive Income)

* Reclassification adjustments and income taxes and tax effects related to other comprehensive income

(Unit: million yen)

	FY5/2025 (Jun. 1, 2024 – May 31, 2025)	FY5/2026 (Jun. 1, 2025 – May 31, 2026)
Valuation difference on available-for-sale securities		
Amount incurred	7	(71)
Amount of reclassification adjustments	-	67
Before income taxes and tax effects	7	(4)
Amount of income taxes and tax effects	(3)	1
Valuation difference on available-for-sale securities	3	(2)
Foreign currency translation adjustment		
Amount incurred	14	236
Amount of reclassification adjustments	-	7
Before income taxes and tax effects	14	243
Amount of income taxes and tax effects	-	-
Foreign currency translation adjustment	14	243
Share of other comprehensive income of entities accounted for using equity method		
Amount incurred	(5)	0
Amount of reclassification adjustments	-	-
Share of other comprehensive income of entities accounted for using equity method	(5)	0
Total other comprehensive income	12	241

(Segment Information)

1. Segment Information

Segments used for financial reporting are BOOKOFF's constituent units for which separate financial information is available and for which the Board of Directors performs periodic studies for the purposes of determining the allocation of resources and evaluating performance.

The BOOKOFF Group has always been guided by the corporate philosophies of "contributing to society through our business activities" and "the pursuit of employees' material and spiritual wellbeing." Group companies operate retail stores centered on the theme of reuse, primarily BOOKOFF stores selling used books and other used merchandise, and franchise stores.

BOOKOFF GROUP HOLDINGS has three reportable segments: BOOKOFF operations in Japan, premium services business and overseas business.

In the BOOKOFF operations in Japan, we operate BOOKOFF, BOOKOFF SUPER BAZAAR (a large-scale complex carrying a variety of reuse merchandise) and BOOKOFF PLUS (BOOKOFF stores combining apparel-related merchandise). We purchase and sell pre-owned goods at these stores across a wide range of categories, including books, software/media, home appliances, apparel, trading cards, hobby goods, sporting goods, baby goods, watches, high-end brand bags, jewelry, kitchenware, and miscellaneous household items.

The BOOKOFF Group also operates an e-commerce reuse shop (BOOKOFF Official Online Store) website that sells books, software/media and other reuse items.

The premium services business consists of hugall purchasing desks at major department stores, aidect stores that repair/remodel jewelry, sell sustainable jewelry and have other jewelry operations, and Rehello stores that buy and sell famous-brand products.

The overseas business includes operations of BOOKOFF stores in the United States as well as Jalan Jalan Japan stores in Malaysia for import, export and sale of reuse apparel and other items.

2. Method of calculating net sales, profit or loss, assets and other items for each reportable segment

The accounting method used for reportable business segments is generally the same as the method adopted for preparation of the consolidated financial statements.

Segment profit for reportable segments is based on ordinary profit.

Inter-segment sales and transfers are based on prevailing market prices.

3. Information on the amounts of net sales, profit or loss, assets and other items for each reportable segment and breakdown of revenue

FY5/2025 (Jun. 1, 2024 – May 31, 2025)

(Unit: million yen)

	Reportable segments				Other (Note 1)	Total	Adjustment (Notes 2 and 3)	Amount reported in consolidated financial statements (Note 4)
	BOOKOFF operations in Japan	Premium services business	Overseas business	Total				
Net sales								
Revenue from contracts with customers	104,309	7,177	6,176	117,663	1,542	119,205	-	119,205
Other revenue	-	-	-	-	-	-	-	-
Sales to external customers	104,309	7,177	6,176	117,663	1,542	119,205	-	119,205
Inter-segment sales and transfers	41	0	-	41	805	847	(847)	-
Total	104,350	7,177	6,176	117,704	2,348	120,053	(847)	119,205
Segment profit (loss)	5,347	44	694	6,086	(259)	5,827	(1,923)	3,903
Segment assets	45,295	1,978	5,936	53,210	1,130	54,341	3,038	57,380
Other items								
Depreciation	1,746	62	356	2,165	20	2,186	15	2,201
Amortization of goodwill	3	-	-	3	-	3	-	3
Interest income	9	0	8	18	3	22	(2)	19
Interest expenses	35	0	54	90	0	91	163	254
Increase in property, plant and equipment and intangible assets	1,995	104	430	2,530	43	2,574	2	2,577

Notes: 1. Other segment is mainly the operation of BOOKOFF Group's directly operated Japan TCG Center stores specializing in trading cards and provision of BOOKOFF Clean-up Service to individuals for the removal from houses of items that are no longer needed.

2. The adjustment of minus ¥1,923 million to segment profit (loss) includes corporate expenses that are not allocated to reportable segments. Corporate expenses mainly include general and administrative expenses that cannot be attributed to reportable segments.

3. The adjustment of ¥3,038 million to segment assets is corporate assets that are not allocated to reportable segments. Corporate assets mainly include general and administrative assets that cannot be attributed to reportable segments.

4. Segment profit (loss) is adjusted for consistency with ordinary profit in the consolidated financial statements.

FY5/2026 (Jun. 1, 2025 – May 31, 2026)

(Unit: million yen)

	Reportable segments				Other (Note 1)	Total	Adjustment (Notes 2 and 3)	Amount reported in consolidated financial statements (Note 4)
	BOOKOFF operations in Japan	Premium services business	Overseas business	Total				
Net sales								
Revenue from contracts with customers	112,665	8,527	7,153	128,346	1,776	130,123	-	130,123
Other revenue	-	-	-	-	-	-	-	-
Sales to external customers	112,665	8,527	7,153	128,346	1,776	130,123	-	130,123
Inter-segment sales and transfers	92	0	-	93	1,005	1,098	(1,098)	-
Total	112,758	8,528	7,153	128,439	2,782	131,221	(1,098)	130,123
Segment profit (loss)	6,369	160	691	7,220	(325)	6,895	(2,174)	4,720
Segment assets	47,378	2,772	6,892	57,043	1,489	58,532	2,404	60,937
Other items								
Depreciation	1,818	65	476	2,360	21	2,382	12	2,395
Amortization of goodwill	13	-	-	13	-	13	-	13
Interest income	11	0	6	18	3	21	6	28
Interest expenses	32	0	47	80	3	83	253	336
Increase in property, plant and equipment and intangible assets	2,200	92	413	2,707	53	2,761	2	2,763

Notes: 1. Other segment is mainly the operation of BOOKOFF Group’s directly operated Japan TCG Center stores specializing in trading cards and provision of BOOKOFF Clean-up Service to individuals for the removal from houses of items that are no longer needed.
2. The adjustment of minus ¥2,174 million to segment profit (loss) includes corporate expenses that are not allocated to reportable segments. Corporate expenses mainly include general and administrative expenses that cannot be attributed to reportable segments.
3. The adjustment of ¥2,404 million to segment assets is corporate assets that are not allocated to reportable segments. Corporate assets mainly include general and administrative assets that cannot be attributed to reportable segments.
4. Segment profit (loss) is adjusted for consistency with ordinary profit in the consolidated financial statements.

Related Information

FY5/2025 (Jun. 1, 2024 – May 31, 2025)

1. Information by product or service

This information is omitted since the same information is presented in segment information.

2. Information by region

(1) Net sales

This information is omitted because external sales in Japan exceeded 90% of net sales on the consolidated statement of income.

(2) Property, plant and equipment

(Unit: million yen)

Japan	U.S.	Malaysia	Other	Total
7,859	2,498	1,084	299	11,742

3. Information by major client

This information is omitted because no external client accounts for more than 10% of consolidated sales on the consolidated statement of income.

FY5/2026 (Jun. 1, 2025 – May 31, 2026)

1. Information by product or service

This information is omitted since the same information is presented in segment information.

2. Information by region

(1) Net sales

This information is omitted because external sales in Japan exceeded 90% of net sales on the consolidated statement of income.

(2) Property, plant and equipment

(Unit: million yen)

Japan	U.S.	Malaysia	Other	Total
8,327	3,032	1,487	-	12,847

3. Information by major client

This information is omitted because no external client accounts for more than 10% of consolidated sales on the consolidated statement of income.

Information concerning impairment loss of non-current assets by reportable segment

FY5/2025 (Jun. 1, 2024 – May 31, 2025)

(Unit: million yen)

	BOOKOFF operations in Japan	Premium services business	Overseas business	Other	Elimination or corporate	Total
Impairment loss	233	8	-	10	-	252

FY5/2026 (Jun. 1, 2025 – May 31, 2026)

(Unit: million yen)

	BOOKOFF operations in Japan	Premium services business	Overseas business	Other	Elimination or corporate	Total
Impairment loss	176	40	-	14	-	231

Information concerning amortization and unamortized balance of goodwill by reportable segment

FY5/2025 (Jun. 1, 2024 – May 31, 2025)

This information is omitted due to immateriality.

FY5/2026 (Jun. 1, 2025 – May 31, 2026)

This information is omitted due to immateriality.

Information concerning gain on bargain purchase by reportable segment

FY5/2025 (Jun. 1, 2024 – May 31, 2025)

Not applicable.

FY5/2026 (Jun. 1, 2025 – May 31, 2026)

Not applicable.

(Per-Share Information)

(Unit: yen)

	FY5/2025 (Jun. 1, 2024 – May 31, 2025)	FY5/2026 (Jun. 1, 2025 – May 31, 2026)
Net assets per share	1,061.56	1,204.85
Net income per share	108.54	157.45
Diluted net income per share	-	-

Notes: 1. Diluted net income per share is not presented since BOOKOFF GROUP HOLDINGS had no outstanding dilutive securities.

2. Net income per share calculations are based on the following figures.

	FY5/2025 (Jun. 1, 2024 – May 31, 2025)	FY5/2026 (Jun. 1, 2025 – May 31, 2026)
Net income per share		
Profit attributable to owners of parent (million yen)	2,101	2,763
Amount not attributable to common stockholders (million yen)	-	-
Profit attributable to owners of parent applicable to common stockholders (million yen)	2,101	2,763
Weighted average number of shares of common stock during the fiscal year (thousand shares)	19,357	17,550

(Important Subsequent Events)

Not applicable.

This financial report is solely a translation of the Company's Kessan Tanshin (including attachments) in Japanese, which has been prepared in accordance with accounting principles and practices generally accepted in Japan, for the convenience of readers who prefer an English translation.