



Consolidated Financial Results for the First Quarter of the Fiscal Year Ending March 2026(Under Japanese GAAP)

August 7, 2025

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 Listing: Tokyo Stock Exchange
 Securities code: 2674
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 Preparation of supplementary material on financial results: Yes
 Holding of financial results briefing: No

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated Financial Results for the First Quarter of the Fiscal Year Ending March 31,2026 (April 1, 2025 to June 30,2025)

(1)Consolidated Operating Results (Cumulative)

(Percentages indicate year-on-year changes for the quarter.)

	Net Sales		Operating profit		Ordinary profit		Quarterly Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
First Quarter of the Fiscal Year Ending March 31,2026	8,653	4.5	787	△18.7	838	△17.8	544	△18.5
First Quarter of the Fiscal Year Ended March 31,2025	8,282	15.4	967	42.7	1,019	38.6	667	37.7

Note: Comprehensive income
 First quarter of the fiscal year ending March 2026 405 millions of yen (△42.6%)
 First quarter of the fiscal year ended March 2025 706 millions of yen (△13.7%)

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
First Quarter of the Fiscal Year Ending March 31,2026	39.15	—
First Quarter of the Fiscal Year Ended March 31,2025	48.02	—

(2)Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
	Millions of yen	Millions of yen	%
First Quarter of the Fiscal Year Ending March 31,2026	25,927	17,735	68.0
Fiscal Year Ended March 31,2025	25,617	18,373	71.3

Reference: equity
 First Quarter of the Fiscal Year Ending March 2026 17,633 millions of yen
 Fiscal Year Ended March 2025 18,270 millions of yen

2. Cash dividends

	Annual Dividends paid				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 2025	—	0.00	—	78.00	78.00
Fiscal year ending March 2026	—	—	—	—	—
Fiscal year ending March 2026 (Forecast)	—	0.00	—	78.00	78.00

Note: Revisions to the forecast of cash dividends most recently announced: None

3. Consolidated Financial Results Forecast for the fiscal year ending March 2026 (April 1, 2025 to March 31, 2026)

(Percentages represent year-on-year changes for the full-year period and year-on-year changes for the quarter.)

	Net Sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Per share Net income
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending September 30, 2025	17,250	6.7	1,540	0.5	1,628	△0.7	1,040	1.8	74.84
Fiscal year ending March 31, 2026	36,000	7.4	3,550	10.3	3,660	7.5	2,450	5.9	176.30

(Note)Revisions to the most recent financial forecast: None

*Notes

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

New - (Company name) -

Excluded 1 (Company name): HARDOFF Family Co., Ltd.

(Note) For details, please refer to "2. Quarterly Consolidated Financial Statements and Notes (3) Notes to Quarterly Financial Statements (Notes on Significant Changes in the Scope of Consolidation during the Period)" on page 11.

(2)Application of accounting methods specific to the preparation of quarterly consolidated financial statements

: None

(3)Changes in accounting policies, changes in accounting estimates and retrospective restatement

① Changes in accounting policies due to revision of accounting standards : None

② ① Changes in accounting policies other than : None

③ Changes in accounting estimates: None : None

④ Restated : None

(4)Number of shares outstanding (common stock)

① Number of shares outstanding (including treasury stock)

② Number of treasury stock at the end of the period

③ Average number of shares during the period

As of June 30, 2025	13,954,000 Shares	As of March 31, 2025	13,954,000 Shares
As of June 30, 2025	57,706 Shares	As of March 31, 2025	57,562 Shares
Three months ended June 30, 2025	13,896,365 Shares	Three months ended June 30, 2024	13,896,981 Shares

※ Review of the accompanying quarterly consolidated financial statements by certified public accountants or auditing firms: None

※ Proper use of earnings forecasts, and other special matters

(Caution regarding forward-looking statements and others)

Forward-looking statements, including the earnings forecasts stated in these materials, are based on information currently available to the Company and certain assumptions deemed reasonable. These forward-looking statements are not guarantees of future performance. Actual results may differ materially from these forecasts due to a variety of reasons.

Please refer to "1. Summary of consolidated financial results, etc., (3) Explanation of consolidated earnings forecasts and other forward-looking statements" on page 5 of the attached material for the suppositions that form the assumptions for earnings forecasts and cautions concerning the use thereof.

(How to obtain the supplementary materials for quarterly financial results)

Supplementary material on quarterly financial results was disclosed on the same day on TDnet.

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1. 1. Summary of consolidated financial results, etc

(1) Summary of operating results for the fiscal year under review

During the first quarter of the current fiscal year, the Japanese economy experienced rising prices of various Merchandise products and services amid continuing global instability. In particular, the rising prices of daily necessities that are directly linked to households have further increased consumers' desire to save money. In secondhand industry, to which our company belongs, secondhand has penetrated into consumers' lives and secondhand market is continuously expanding.

With regard to the opening of secondhand stores during the first quarter of the current fiscal year, we opened 6 new stores in Directly operated stores, 5 new stores in Franchised stores, and closed 2 stores. As a result of the above, the number of secondhand stores was 456 in Directly operated stores and 565 in Franchised stores, bringing the total to 1,021.

The following table shows the number of stores by business category as of the end of the first quarter of the current fiscal year.

(Stores)

Number of stores	HARD OFF	OFF HOUSE	MODE OFF	Garage Off	Hobby OFF	Liquor OFF	BOOK OFF	Overseas	secondhand Total	BOOK ON
Directly operated stores	164 (+2)	131 (±0)	15 (±0)	10 (±0)	73 (+3)	4 (±0)	49 (+1)	10 (±0)	456 (+6)	1 (±0)
Franchised stores	253 (±0)	197 (+1)	2 (±0)	5 (±0)	96 (±0)	1 (±0)	-	11 (+2)	565 (+3)	-
Total	417 (+2)	328 (+1)	17 (±0)	15 (±0)	169 (+3)	5 (±0)	49 (+1)	21 (+2)	1,021 (+9)	1 (±0)

(Note) 1. Figures in square brackets [] indicate the increase or decrease in the number of stores during the period.

2. The stores operated by the Company's subsidiaries ecoplus Co., Ltd. are included in the number of directly operated stores.

3. The stores operated by the Company's subsidiaries HARD OFF TAIWAN INC. and ECO TOWN USA INC. are included in the number of directly operated overseas stores.

In the consolidated cumulative First quarter of the current fiscal year, the domestic existing stores sales remained at the same level (up 0.7% year on year) as extremely strong sales in the same period of the previous fiscal year (up 8.0% year on year). As a result of the contribution of the 24 Directly operated stores stores opened in the previous fiscal year, company-wide sales were 8,653 million yen (up 4.5% year on year), setting a new record.

On the profit side, selling, general and administrative expenses increased by 9.8% due to the start-up costs of 2 stores scheduled to open in July in addition to the start-up costs of 6 new stores opened during the fiscal year. As a result of the above, Operating profit was 787 million yen (down 18.7% year on year), Ordinary profit was 838 million yen (down 17.8% year on year), and net Quarterly profit attributable to owners of parent was 544 million yen (down 18.5% year on year).

(2) Summary of financial position for the fiscal year under review

(Assets)

Current assets at the end of the first quarter under review were 14,285 million yen, an increase of 367 million yen from the end of the previous fiscal year. This was mainly due to a decrease of 94 million yen in accounts receivable and an increase of 418 million yen in Merchandise.

Fixed assets was 11,642 million yen, a decrease of 57 million yen from the end of the previous fiscal year. This was mainly due to an increase of 94 million yen in buildings and structures and a decrease of 137 million yen in investment securities.

As a result, total assets were 25,927 million yen, an increase of 309 million yen from the end of the previous consolidated fiscal year.

(Liabilities)

Current liabilities at the end of the first quarter of the current fiscal year were 6,964 million yen, an increase of 924 million yen from the end of the previous consolidated fiscal year. This was mainly due to an increase of 1,700 million yen in short-term borrowings and a decrease of 422 million yen in income taxes payable. Non-current liabilities were 1,227 million yen, an increase of 22 million yen from the end of the previous consolidated fiscal year.

As a result, total liabilities were 8,192 million yen, an increase of 947 million yen from the end of the previous consolidated fiscal year.

(Net assets)

Total net assets at the end of the first quarter under review were 17,735 million yen, a decrease of 637 million yen from the end of the previous consolidated fiscal year. This was mainly due to a decrease of 499 million yen in retained earnings and a decrease of 96 million yen in valuation difference on available-for-sale securities.

As a result, the equity to asset ratio was 68.0% (71.3% at the end of the previous fiscal year).

(3) Explanation of consolidated earnings forecasts and other forward-looking statements

No revisions have been made to the consolidated earnings forecasts for the Six months ending September 30, 2025 and the Fiscal Year Ending March 31, 2026 announced in “Consolidated Financial Results for the Fiscal Year Ended March 31, 2025” on May 12, 2025.

2. Quarterly Consolidated Financial Statements and Notes

(1) Quarterly Consolidated Balance Sheets

(thousands of yen)

	As of March 31, 2025	As of June 30, 2025
Assets		
Current assets		
Cash and deposits	3,009,386	3,009,784
Accounts receivable	1,380,112	1,285,632
Merchandise	8,971,859	9,390,260
Work in Process	637	483
Other	558,857	599,906
Allowance for doubtful accounts	△2,636	△822
Total current assets	13,918,216	14,285,244
Fixed assets		
tangible assets		
Buildings and structures, net	2,774,438	2,869,406
Land	1,023,215	1,023,215
Construction in progress	32,727	64,924
Other, net	979,050	992,879
tangible assets Total	4,809,431	4,950,426
intangible assets		
Software	614,988	603,010
Goodwill	160,782	144,278
Other	20,210	19,656
intangible assets Total	795,981	766,945
Investments and other assets		
Investment securities	3,639,795	3,501,808
Other	2,454,309	2,423,121
Total investments and other assets	6,094,104	5,924,930
Total Fixed assets	11,699,518	11,642,301
Total assets	25,617,734	25,927,546

(thousands of yen)

	As of March 31, 2025	As of June 30, 2025
Liabilities		
Current liabilities		
Accounts payable	168,105	105,757
Short-term borrowings	2,950,000	4,650,000
Income taxes payable	653,430	230,605
Provision for bonuses	-	170,399
Contractual liabilities	36,269	15,858
Other	2,232,217	1,792,357
Total current liabilities	6,040,022	6,964,978
Non-current liabilities		
Asset retirement obligations	765,578	811,644
Other	439,023	415,787
Total non-current liabilities	1,204,601	1,227,431
Total liabilities	7,244,624	8,192,410
Net assets		
Shareholders' equity		
Share capital	1,676,275	1,676,275
Capital surplus	1,910,632	1,910,632
Retained earnings	13,132,286	12,632,686
Treasury stock	△30,278	△30,477
Total shareholders' equity	16,688,915	16,189,116
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,541,082	1,444,270
Foreign currency translation adjustments	40,334	258
Total accumulated other comprehensive income	1,581,417	1,444,529
Non-controlling interests	102,777	101,490
Total net assets	18,373,110	17,735,136
Total liabilities	25,617,734	25,927,546

(2) Quarterly Consolidated Statements of Income and Quarterly Consolidated Statements of Comprehensive Income
(Quarterly Consolidated Statements of Income)

(thousands of yen)

	First Quarter of the Fiscal Year Ended March 31,2025	First Quarter of the Fiscal Year Ending March 31,2026
Net Sales	8,282,088	8,653,679
Cost of sales	2,586,984	2,676,753
Gross profit	5,695,103	5,976,925
Selling, general and administrative expenses	4,727,200	5,189,757
Operating profit	967,902	787,168
Non-operating income		
Interest income	460	487
Dividends paid income	29,626	36,401
Land rent income	12,777	7,507
Recycling revenue	8,211	5,498
Other	9,867	7,511
Total non-operating income	60,943	57,406
Non-operating expenses		
Interest expenses	2,753	6,218
Loss on termination of lease agreement	6,202	-
Other	246	110
Total non-operating expenses	9,203	6,329
Ordinary profit	1,019,642	838,245
Extraordinary losses		
Loss on disposal of Fixed assets	-	363
Total extraordinary losses	-	363
Income before income taxes	1,019,642	837,882
Income taxes, inhabitants' taxes and enterprise taxes	240,347	183,348
Income taxes-deferred	110,219	104,816
Total income taxes	350,567	288,164
Net income	669,075	549,717
Net income attributable to non-controlling interests	1,696	5,693
Profit attributable to owners of parent	667,378	544,024

(Quarterly Consolidated Statements of Comprehensive Income)

(thousands of yen)

	First Quarter of the Fiscal Year Ended March 31,2025	First Quarter of the Fiscal Year Ending March 31,2026
Net income	669,075	549,717
Other comprehensive income		
Valuation difference on available-for-sale securities	15,245	△96,811
Foreign currency translation adjustments	22,244	△47,057
Total other comprehensive income	37,490	△143,868
Quarterly comprehensive income	706,566	405,849
(Breakdown)		
Comprehensive income attributable to owners of the parent	702,380	407,136
Comprehensive income attributable to non-controlling interests	4,185	△1,287

(3)Notes to the Quarterly Consolidated Financial Statements

(Notes on Going Concern Assumptions)

Not applicable.

(Notes on significant changes in the amount of shareholders 'equity)

Not applicable.

(Notes on Quarterly Consolidated Statements of Cash Flows)

We have not prepared a quarterly consolidated statement of cash flows for the three months ended June 30, 2025. Depreciation and amortization (including amortization of intangible assets other than goodwill) and amortization of goodwill for the three-month period ended June 30, 2025 are as follows.

	(Thousands of yen)	
	Three months ended June 30, 2024	Three months ended June 30, 2025
Depreciation	188,918	241,079
Amortization of goodwill	-	10,034

(Notes on segment information)

【 Segment information 】

I First quarter of the previous fiscal year (From April 1, 2024 to June 30, 2024)

1. Information on net sales, profit or loss, assets and other items by reportable segment

(thousands of yen)

	Reportable segment			Other (Note)1	Total	Adjustments (Note)2	Quarterly Consolidated Income Statement Recorded amount (Note)3
	secondhand Business	FC Business	Total				
Net sales							
To External Customers Sales	7,752,086	519,763	8,271,850	10,238	8,282,088	-	8,282,088
Inter-segment sales or transfers	-	106,024	106,024	76,112	182,136	△182,136	-
Total	7,752,086	625,787	8,377,874	86,350	8,464,224	△182,136	8,282,088
Segment Profit	1,362,266	352,044	1,714,310	9,685	1,723,996	△756,094	967,902

Note : 1 "Other" refers to business segments not included in reportable segments and includes the system development business.

2 △756,094 thousands of yen in segment profit adjustments consist of △11,830 thousands of yen in inter-segment eliminations and △744,263 thousands of yen in company-wide expenses not allocated to any specific reportable segment.

3 Segment profit is adjusted for operating profit in the quarterly consolidated statement of income.

2. Information related to impairment losses of non-current assets or goodwill, etc., for each reportable segment

Not applicable.

II First quarter of the current fiscal year (From April 1, 2025 to June 30, 2025)

1. Information on net sales, profit or loss, assets and other items by reportable segment

(thousands of yen)

	Reportable segment			Other (Note)1	Total	Adjustments (Note)2	Quarterly Consolidated Income Statement Recorded amount (Note)3
	secondhand Business	FC Business	Total				
Net Sales							
To External Customers Sales	8,196,433	449,176	8,645,609	8,069	8,653,679	-	8,653,679
Inter-segment sales or transfers	-	74,699	74,699	88,712	163,411	△163,411	-
Total	8,196,433	523,875	8,720,308	96,781	8,817,090	△163,411	8,653,679
Segment Profit	1,304,337	283,925	1,588,262	5,192	1,593,454	△806,286	787,168

Note: 1 "Other" refers to business segments not included in reportable segments and includes the system development business.

2 △806,286 thousands of yen in segment profit adjustments consist of △7,797 thousands of yen in inter-segment eliminations and △798,488 thousands of yen in company-wide expenses not allocated to any specific reportable segment.

3 Segment profit is adjusted for operating profit in the quarterly consolidated statement of income.

2. Information related to impairment losses of non-current assets or goodwill, etc., for each reportable segment

Not applicable.

(Notes on Significant Changes in the Scope of Consolidation during the Period)

HARDOFF Family Co., Ltd., which was a wholly-owned subsidiary of our company during the first quarter of the current fiscal year, is excluded from the scope of consolidation because it disappeared due to an absorption-type merger with our company as the surviving company.