Consolidated Financial Results for the Six Months (Interim Period) Ended September 30, 2026 (Under Japanese GAAP)

November 10, 2026

Company name: HARD OFF CORPORATION Co., Ltd.
Listing: Tokyo Stock Exchange
Securities code: 2674
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Scheduled date to file semiannual securities report: November 12, 2026
Scheduled date to commence dividend payments: -
Preparation of supplementary material on financial results: Yes
Holding of financial results briefing: Yes (For institutional investors and analysts) *Held online

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

1. Consolidated financial results for the six months (interim period) ended September 30, 2026 (from April 1, 2026 to September 30, 2026)

(1) Consolidated operating results (cumulative)

(Per entages represent year-on-year changes from the previous interim period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent (interim)	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ending March 31, 2027 (interim period)	22,546	30.6	1,842	38.6	1,898	32.7	1,928	108.5
Fiscal year ended March 31, 2026 (interim period)	17,257	6.8	1,328	△13.3	1,430	△12.7	925	△9.4

Note: Comprehensive income
Fiscal year ending March 31, 2027 (interim period) ¥2,328 million [(134.0 %)]
Fiscal year ended March 31, 2026 (interim period) ¥994 million [(△7.9%)]

	Basic earnings per share (interim)	Diluted earnings per share (interim)
	Yen	Yen
Fiscal year ending March 31, 2027 (interim period)	138.65	–
Fiscal year ended March 31, 2026 (interim period)	66.58	–

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
	Millions of yen	Millions of yen	%
Fiscal year ending March 31, 2027 (interim period)	34,264	21,479	62.3
Fiscal year ended March 31, 2026	31,638	20,330	63.9

Reference: Equity
Fiscal year ending March 31, 2027 (interim period) ¥21,356 million
Fiscal year ended March 31, 2026 ¥20,216 million

2. Cash dividends

	Annual dividends				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2026	–	0.00	–	85.00	85.00
Fiscal year ending March 31, 2027	–	0.00			
Fiscal year ending March 31, 2027 (forecast)			–	92.00	92.00

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

3. Consolidated earnings forecasts for the fiscal year ending March 31, 2027 (from April 1, 2026 to March 31, 2027)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal year ending March 31, 2027	45,700	16.4	4,050	19.6	4,100	17.5	3,300	31.0	237.19

Note: Revisions to the earnings forecasts most recently announced: None

*** Notes**

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

New inclusion 1 company HARD OFF (THAILAND)Co., Ltd.

Exclusion (-) company (Company Name) -

(Note) For details, please refer to "2. Interim consolidated financial statements and significant notes thereto (3) Notes to Interim Consolidated Financial Statements (Notes on significant changes in the Scope of Consolidation during the Current Consolidated Interim Period)" on page 8 of the accompanying materials.

(2) Adoption of accounting treatment specific to the preparation of interim consolidated financial statements: None

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

(i) Changes in accounting policies due to revisions to accounting standards and other regulations: None

(ii) Changes in accounting policies due to other reasons: Yes

(iii) Changes in accounting estimates: None

(iv) Restatement: None

(4) Number of issued shares (common shares)

(i) Total number of issued shares at the end of the period (including treasury shares)	Fiscal year ending March 31, 2027 (interim period)	13,954,000 shares	Fiscal year ended March 31, 2026	13,954,000 shares
(ii) Number of treasury shares at the end of the period	Fiscal year ending March 31, 2027 (interim period)	41,140 shares	Fiscal year ended March 31, 2026	40,880 shares
(iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)	Fiscal year ending March 31, 2027 (interim period)	13,912,991 shares	Fiscal year ended March 31, 2026 (interim period)	13,896,297 shares

*Review of the attached quarterly consolidated financial statements by Certified Public Accountant or auditing firm: 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. Qualitative information regarding interim financial results (3) Explanation of consolidated earnings forecasts and other forward-looking statements” on page 3 of the attached material for the suppositions that form the assumptions for earnings forecasts and cautions concerning the use thereof.

(How to obtain supplementary material on quarterly financial results)

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

Attached Material

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1. Qualitative information regarding interim financial results

(1) Explanation of operating results

During the six months ended September 30, 2026, the Japanese economy showed signs of improvement in the income environment as wage increases spread. However, the outlook remained uncertain due to high raw material and energy prices driven by intensifying international tensions, along with unstable foreign exchange rates.

Under these circumstances, in the reuse industry in which our company operates, demand for secondhand goods continued to remain solid, backed by growing interest in a circular economy and heightened cost-conscious consumer behavior.

With respect to the opening of secondhand stores during the six months ended September 30, 2026, the Company opened 28 directly operated stores, closed 1 directly operated store, opened 9 franchised stores, and closed 2 franchised stores. As a result, the total number of secondhand stores was 1,112, which was comprised of 572 directly operated stores and 540 franchised stores.

The number of stores by business category as of September 30, 2026 is shown in the following table.

(Stores)

Number of stores	HARD OFF	OFF HOUSE	MODE OFF	Garage OFF	Hobby OFF	Liquor OFF	BOOK OFF	Overseas	Total number of secondhand stores
Directly operated stores	206 [+13]	151 [+2]	14 [+1]	12 [+1]	106 [+8]	3 [△1]	66 [+1]	14 [+2]	572 [+27]
Franchised stores	247 [+3]	184 [±0]	2 [±0]	5 [±0]	88 [+3]	1 [±0]	–	13 [+1]	540 [+7]
Total	453 [+16]	335 [+2]	16 [+1]	17 [+1]	194 [+11]	4 [△1]	66 [+1]	27 [+3]	1,112 [+34]

Notes: 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. and Econos 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.

With respect to the operating results for the six months ended September 30, 2026, net sales for the existing domestic stores showed steady growth, up 9.2% year on year. Attributed to the contribution of the 30 directly operated stores opened in the previous fiscal year and the 69 stores of Econos Co., Ltd., which became a consolidated subsidiary in the third quarter of the previous fiscal year, net sales amounted to ¥22,546 million (an increase of 30.6% year-on-year), setting a new all-time high.

Regarding profitability, selling, general and administrative expenses increased by 29.3% due to opening costs for 28 new stores opened during the period (compared to 13 stores in the same period of the previous fiscal year). Due to the above, driven by the effect of revenue growth, operating profit was ¥1,842 million (an increase of 38.6% year-on-year), ordinary profit was ¥1,898 million (an increase of 32.7% year-on-year), and as a result of recording a gain on sale of investment securities of ¥1,160 million as extraordinary income, profit attributable to owners of parent for the interim period was ¥1,928 million (an increase of 108.5% year-on-year), all profit hit record highs.

(2) Explanation of financial position

Assets

Total current assets as of the end of the current interim consolidated accounting period amounted to ¥17,918 million, an increase of ¥928 million compared with the end of the previous consolidated fiscal year. This was primarily due to an increase of ¥161 million in cash and deposits, and an increase of ¥664 million in merchandise.

Total non-current assets amounted to ¥16,345 million, an increase of ¥1,697 million compared with the end of the previous consolidated fiscal year. This was primarily due to an increase of ¥1,165 million in property, plant and equipment, and an increase of ¥585 million in investments and other assets.

As a result, total assets amounted to ¥34,264 million, an increase of ¥2,625 million compared with the end of the previous consolidated fiscal year.

Liabilities

Total current liabilities as of the end of the current interim consolidated accounting period amounted to ¥10,101 million, an increase of ¥1,131 million compared with the end of the previous consolidated fiscal year. This was primarily due to an increase of ¥793 million in short-term borrowings. As a result, total liabilities amounted to ¥12,785 million, an increase of ¥1,476 million compared with the end of the previous consolidated fiscal year.

Net assets

Total net assets as of the end of the current interim consolidated accounting period amounted to ¥21,479 million, an increase of ¥1,149 million compared with the end of the previous consolidated fiscal year. This was primarily due to an increase of ¥746 million in retained earnings and an increase of ¥370 million in valuation difference on available-for-sale securities.
As a result, the equity-to-asset ratio was 62.3% (63.9% at the end of the previous consolidated 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 fiscal year ending March 31, 2027 announced in the "Financial Results for the Fiscal Year Ended March 31, 2026" released on May 12, 2026.

2. Interim consolidated financial statements and significant notes thereto

(1) Interim consolidated balance sheet

(Thousands of yen)

	As of March 31, 2026	As of September 30, 2026
Assets		
Current assets		
Cash and deposits	3,307,878	3,469,786
Accounts receivable - trade	1,724,999	1,756,237
Merchandise	11,201,218	11,865,867
Work in process	—	388
Other	757,279	827,081
Allowance for doubtful accounts	△1,109	△857
Total current assets	16,990,266	17,918,505
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	3,353,734	3,753,262
Land	1,125,032	1,741,816
Construction in progress	39,819	4,716
Other, net	1,384,153	1,568,053
Total property, plant and equipment	5,902,740	7,067,848
Intangible assets		
Software	593,409	595,720
Goodwill	1,062,971	1,013,526
Other	39,344	33,243
Total intangible assets	1,695,725	1,642,490
Investments and other assets		
Investment securities	4,218,361	4,666,650
Deferred tax assets	198,964	166,620
Other	2,632,807	2,805,075
Allowance for doubtful accounts	—	△2,804
Total investments and other assets	7,050,134	7,635,542
Total non-current assets	14,648,600	16,345,881
Total assets	31,638,866	34,264,386

(Thousands of yen)

	As of March 31, 2026	As of September 30, 2026
Liabilities		
Current liabilities		
Accounts payable - trade	100,549	114,140
Short-term borrowings	5,090,000	5,883,200
Current portion of long-term borrowings	286,682	289,108
Income taxes payable	672,395	1,183,482
Contract liabilities	23,093	26,683
Other	2,798,137	2,605,256
Total current liabilities	8,970,857	10,101,872
Non-current liabilities		
Long-term borrowings	484,233	530,612
Asset retirement obligations	1,052,193	1,274,758
Retirement benefit liability	86,381	89,890
Deferred tax liabilities	38,316	154,229
Other	676,839	633,899
Total non-current liabilities	2,337,963	2,683,390
Total liabilities	11,308,821	12,785,263
Net assets		
Shareholders' equity		
Share capital	1,676,275	1,676,275
Capital surplus	1,930,432	1,930,432
Retained earnings	14,567,475	15,313,834
Treasury shares	△22,100	△22,551
Total shareholders' equity	18,152,082	18,897,990
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,989,442	2,360,247
Foreign currency translation adjustment	75,166	98,057
Total accumulated other comprehensive income	2,064,609	2,458,305
Non-controlling interests	113,354	122,827
Total net assets	20,330,045	21,479,123
Total liabilities and net assets	31,638,866	34,264,386

(2) Interim consolidated statement of income and interim consolidated statement of comprehensive income

Interim consolidated statement of income

(Thousands of yen)

	Six months ended September 30, 2025	Six months ended September 30, 2026
Net sales	17,257,318	22,546,353
Cost of sales	5,447,283	7,151,706
Gross profit	11,810,035	15,394,646
Selling, general and administrative expenses	10,481,321	13,552,601
Operating profit	1,328,713	1,842,045
Non-operating income		
Interest income	2,665	4,554
Dividend income	72,347	59,227
Rental income from land and buildings	15,193	10,811
Income from recycling	9,619	9,853
Other	18,009	30,477
Total non-operating income	117,835	114,923
Non-operating expenses		
Interest expenses	15,230	53,563
Other	822	5,265
Total non-operating expenses	16,053	58,828
Ordinary profit	1,430,495	1,898,140
Extraordinary income		
Gain on sale of non-current assets	220	120
Gain on sale of investment securities	—	1,160,496
Total extraordinary income	220	1,160,616
Extraordinary losses		
Loss on retirement of non-current assets	363	987
Impairment losses	19,994	94,226
Total extraordinary losses	20,357	95,213
Profit before income taxes	1,410,357	2,963,544
Income taxes - current	476,288	1,053,035
Income taxes - deferred	5,729	△21,130
Total income taxes	482,018	1,031,905
Profit	928,339	1,931,638
Profit attributable to non-controlling interests	3,170	2,664
Profit attributable to owners of parent	925,168	1,928,974

Interim consolidated statement of comprehensive income

(Thousands of yen)

	Six months ended September 30, 2025	Six months ended September 30, 2026
Profit	928, 339	1, 931, 638
Other comprehensive income		
Valuation difference on available-for-sale securities	62, 880	370, 804
Foreign currency translation adjustment	3, 764	25, 563
Total other comprehensive income	66, 644	396, 367
Comprehensive income	994, 984	2, 328, 006
Breakdown:		
Comprehensive income attributable to owners of parent	987, 787	2, 322, 670
Comprehensive income attributable to non-controlling interests	7, 196	5, 335

(3) Notes to interim consolidated financial statements

Notes on premise of going concern

Not applicable.

Notes on significant changes in the amount of shareholders' equity

Not applicable.

Notes on Changes in Accounting Policies

Change in Valuation Method of Inventories

Previously, the Company adopted the cost method based on the retail method (the carrying amount is written down based on the decrease in profitability) as the valuation method of inventories for its overall reuse business. However, starting from the current consolidated interim period, the valuation method for the Bookoff business has been changed to the cost method based on the gross average method (the carrying amount is written down based on the decrease in profitability).

Following the consolidation of Econos Co., Ltd. as a subsidiary in October 2025, the Company updated its inventory management system from the beginning of the current consolidated interim period to standardize the cost management methods for the Bookoff business format across the Company and Econos Co., Ltd. Through this standardization, the Company determined that a more appropriate valuation of inventories can be achieved.

Furthermore, as the required historical data is not accumulated in this system, retrospective application of the accounting policy is practically impracticable. Therefore, because the cumulative effect of retrospective application at the beginning of the current consolidated interim period cannot be calculated, retrospective application has not been performed, and calculations are carried out by treating the carrying amounts at the end of the previous consolidated fiscal year as the beginning balances of the current consolidated interim period.

The effect of this change in accounting policy is immaterial.

Notes on significant changes in the Scope of Consolidation during the Current Consolidated Interim Period

HARD OFF (THAILAND) Co., Ltd., established in May 2026, has been included in the scope of consolidation from the current consolidated interim period.