



January 10, 2025

Consolidated Summary Report
for the Second Quarter of the Fiscal Year Ending May 31, 2025
[Japanese GAAP]

Company Name: BOOKOFF GROUP HOLDINGS LIMITED Stock Exchange: Tokyo
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Semi-annual securities report issue date: January 14, 2025
Dividend payment date: -
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 Second Quarter of the Fiscal Year Ending May 31, 2025
(June 1, 2024 – November 30, 2024)

(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 %
Six months ended Nov. 30, 2024	56,781	7.3	1,498	41.5	1,713	35.1	912	29.4
Six months ended Nov. 30, 2023	52,934	9.0	1,059	7.6	1,268	3.6	705	(23.5)

(Note) Comprehensive income Six months ended Nov. 30, 2024: ¥988 million (up 10.6%)
Six months ended Nov. 30, 2023: ¥893 million (down 24.9%)

	Net income per share	Fully diluted net income per share
	Yen	Yen
Six months ended Nov. 30, 2024	46.17	-
Six months ended Nov. 30, 2023	35.69	-

(2) Consolidated Financial Condition

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of Nov. 30, 2024	56,406	21,001	36.6
As of May 31, 2024	54,542	20,507	37.1

(Reference) Shareholders' equity As of Nov. 30, 2024: ¥20,666 million As of May 31, 2024: ¥20,236 million

2. Dividends

	Dividend per share				
	End of 1Q	End of 2Q	End of 3Q	End of FY	Full year
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended May 31, 2024	-	0.00	-	25.00	25.00
Fiscal year ending May 31, 2025	-	0.00	-	-	-
Fiscal year ending May 31, 2025 (est.)	-	-	-	25.00	25.00

(Note) Revisions to the most recently announced dividend forecast: None

3. Consolidated Forecast for the Fiscal Year Ending May 31, 2025 (June 1, 2024 – May 31, 2025)

(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	120,000	7.5	3,500	14.7	3,800	10.2	2,100	23.2	106.22

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

Notes:

1. Significant changes in the scope of consolidation during the period: None

New: - (company name)

Excluded: - (company name)

2. Application of special accounting methods for presenting interim consolidated financial statements: None

3. 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

4. Number of shares outstanding (common shares)

(Shares)

(1) Shares outstanding (including treasury shares)	As of Nov. 30, 2024	20,547,413	As of May 31, 2024	20,547,413
	As of Nov. 30, 2024	777,388	As of May 31, 2024	777,287
(2) Treasury shares	As of Nov. 30, 2024	777,388	As of May 31, 2024	777,287
(3) Average number of shares outstanding	Six months ended Nov. 30, 2024	19,770,092	Six months ended Nov. 30, 2023	19,765,551

* The current summary report is not subject to quarterly (semi-annual) review 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.

(How to view supplementary materials for financial results)

Supplementary materials for the financial results will be disclosed today (January 10, 2025), using the Timely Disclosure network (TDnet).

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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 second quarter of the fiscal year ending on May 31, 2025.

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 contribute to 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.

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 making investments and using our knowledge in order to create teams of highly skilled and experienced people. We plan to promote the expansion of our group’s business scale and profit growth by producing experienced domestic personnel for other businesses.

In the first half of the current fiscal year, consolidated net sales amounted to ¥56,781 million, a 7.3% increase from one year earlier as sales in every business were higher. Ordinary profit increased 35.1% to ¥1,713 million and profit attributable to owners of parent increased 29.4% to ¥912 million because of higher earnings in the BOOKOFF operations in Japan and overseas business, while personnel expenses increased as more people were added for business growth.

Business segment performance was as follows.

BOOKOFF operations in Japan

During the first half of the current fiscal year, one BOOKOFF SUPER BAZAAR store (Soka Seimon Plaza store) and four BOOKOFF stores (Jumbo Square Kashiba store, Ito-Yokado Higashimurayama store, Cha Cha Town Kokura store and LIVIN Tanashi store) were opened.

At the directly operated existing stores, sales of trading cards and hobby goods, apparel, books, home appliances/smart phones and several other categories were higher than one year earlier. As a result, sales in this segment increased 6.2% from one year earlier to ¥49,705 million and segment profit increased 37.2% to ¥2,381 million.

Premium services business

During the first half of the current fiscal year, two hugall stores (Omiya Takashimaya store and Yokohama Takashimaya store) and four BOOKOFF Purchasing Consultation Desks (Sakurashinmachi Ekimae store, Denenchofu store, Myogadani store and Meguro store) were opened.

First half sales increased 2.4% from one year earlier to ¥3,427 million mainly because purchases at stores opened in prior years were higher than one year earlier. Segment profit decreased 92.4% to ¥17 million because of higher expenses resulting from opening stores and adding more people for the growth of this business.

Overseas business

During the first half of the current fiscal year, BOOKOFF Massapequa store was opened in the United States, two Jalan Jalan Japan stores (Berjaya Mega Mall store and The Mines Mall store) were opened in Malaysia and three Jalan Jalan Japan stores (Aksai store, Sayahat store and Vodnik Alatau store) were opened in Kazakhstan.

First half sales were higher than one year earlier at BOOKOFF stores in the United States and Jalan Jalan Japan stores in Malaysia and Kazakhstan because of sales growth at existing stores and contribution from new stores. Sales in the overseas business increased 30.4% from one year earlier to ¥2,933 million and segment profit increased 1.4% to ¥414 million.

Other

During the first half of the current fiscal year, two Japan TCG Centers (Naha Okiei-dori store and Kamata-eki-higashiguchi store) were opened.

(2) Cash Flows

Cash and cash equivalents (“net cash”) at the end of the second quarter of the current fiscal year amounted to ¥7,041 million, a decrease of ¥139 million from the end of the previous fiscal year.

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

(Cash Flows from Operating Activities)

Net cash provided by operating activities amounted to ¥935 million (compared with ¥220 million provided in the same period of the previous fiscal year). There were positive factors including profit before income taxes of ¥1,628 million and ¥1,059 million in depreciation. Negative factors included income taxes paid of ¥950 million, special investigation expenses of ¥452 million and a ¥348 million increase in inventories.

(Cash Flows from Investing Activities)

Net cash used in investing activities amounted to ¥1,763 million (compared with ¥1,269 million used in the same period of the previous fiscal year). Negative factors included ¥1,392 million for the purchase of property, plant and equipment associated with new store openings and store renovations and acquisitions, and ¥219 million for the purchase of intangible assets related to additional investments in systems.

(Cash Flows from Financing Activities)

Net cash provided by financing activities amounted to ¥658 million (compared with ¥2,068 million provided in the same period of the previous fiscal year). Positive factors included ¥3,000 million for proceeds from issuance of bonds. Negative factors included ¥1,586 million of net decrease in borrowings, ¥494 million for cash dividends paid and ¥261 million for repayments of lease liabilities.

(3) Financial Position

(Current Assets)

Current assets at the end of the second quarter were ¥32,962 million, an increase of ¥754 million compared with ¥32,208 million at the end of the previous fiscal year. This was mainly attributable to a ¥333 million increase in merchandise as inventory increased due to growth in merchandise purchases, such as trading cards and hobby goods, apparel and high-end brand bags, and a ¥210 million increase in accounts receivable-trade due to higher sales, mainly in the BOOKOFF operations in Japan.

(Non-current Assets)

Non-current assets at the end of the second quarter were ¥23,444 million, an increase of ¥1,109 million compared with ¥22,334 million at the end of the previous fiscal year. This was mainly attributable to a ¥1,372 million increase in property, plant and equipment due to purchase of land, new store openings and investments in store equipment in every business, while there was a ¥178 million decrease in investments and other assets mainly due to a decrease in deferred tax assets.

(Liabilities)

Liabilities at the end of the second quarter were ¥35,404 million, an increase of ¥1,370 million compared with ¥34,034 million at the end of the previous fiscal year. This was mainly attributable to issuance of bonds, while there were a decrease in borrowings due to repayment of bank loans, provision for special investigation expenses and a decrease of income taxes payable.

(Net Assets)

Net assets at the end of the second quarter were ¥21,001 million, an increase of ¥493 million compared with ¥20,507 million at the end of the previous fiscal year. Major components were dividend payments and the profit attributable to owners of parent.

(4) Explanation of Consolidated Earnings Forecasts and Other Forward-looking Statements

There are no revisions to the consolidated forecast for the fiscal year ending May 31, 2025 that was announced on October 15, 2024.

2. Interim Consolidated Financial Statements and Notes

(1) Interim Consolidated Balance Sheet

(Unit: million yen)

	FY5/2024 (As of May 31, 2024)	Second quarter of FY5/2025 (As of Nov. 30, 2024)
Assets		
Current assets		
Cash and deposits	7,180	7,041
Accounts receivable-trade	3,397	3,608
Merchandise	18,825	19,159
Other	2,803	3,153
Allowance for doubtful accounts	(0)	(0)
Total current assets	32,208	32,962
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	4,770	4,872
Leased assets, net	3,107	3,607
Other, net	1,976	2,746
Total property, plant and equipment	9,854	11,226
Intangible assets		
Software	2,186	2,142
Software in progress	212	174
Other	29	27
Total intangible assets	2,428	2,344
Investments and other assets		
Guarantee deposits	7,311	7,341
Other	2,802	2,592
Allowance for doubtful accounts	(60)	(60)
Total investments and other assets	10,052	9,873
Total non-current assets	22,334	23,444
Total assets	54,542	56,406

(Unit: million yen)

	FY5/2024 (As of May 31, 2024)	Second quarter of FY5/2025 (As of Nov. 30, 2024)
Liabilities		
Current liabilities		
Accounts payable-trade	783	907
Short-term borrowings	6,333	6,660
Current portion of long-term borrowings	4,483	3,145
Lease liabilities	764	826
Income taxes payable	832	334
Provision for bonuses	686	641
Provision for loss on store closings	24	23
Provision for special investigation expenses	550	-
Other provisions	209	150
Other	5,883	6,318
Total current liabilities	20,551	19,007
Non-current liabilities		
Bonds payable	1,000	4,000
Long-term borrowings	7,287	6,712
Asset retirement obligations	2,484	2,526
Lease liabilities	2,514	2,962
Other	195	195
Total non-current liabilities	13,483	16,396
Total liabilities	34,034	35,404
Net assets		
Shareholders' equity		
Share capital	100	100
Capital surplus	6,863	6,863
Retained earnings	13,534	13,952
Treasury shares	(587)	(587)
Total shareholders' equity	19,909	20,328
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	78	91
Foreign currency translation adjustment	248	246
Total accumulated other comprehensive income	326	338
Non-controlling interests	271	335
Total net assets	20,507	21,001
Total liabilities and net assets	54,542	56,406

(2) Interim Consolidated Statements of Income and Comprehensive Income

Interim Consolidated Statement of Income

(Unit: million yen)

	First six months of FY5/2024 (Jun. 1, 2023 – Nov. 30, 2023)	First six months of FY5/2025 (Jun. 1, 2024 – Nov. 30, 2024)
Net sales	52,934	56,781
Cost of sales	22,956	24,384
Gross profit	29,978	32,396
Selling, general and administrative expenses	28,919	30,898
Operating profit	1,059	1,498
Non-operating income		
Gain from installment of vending machine	64	62
Gain on sales of recycling goods	124	129
Other	126	188
Total non-operating income	315	380
Non-operating expenses		
Interest expenses	88	112
Share of loss of entities accounted for using equity method	6	4
Other	12	48
Total non-operating expenses	106	165
Ordinary profit	1,268	1,713
Extraordinary income		
Gain on sale of non-current assets	0	0
Total extraordinary income	0	0
Extraordinary losses		
Loss on store closings	14	7
Provision for loss on store closings	0	25
Special investigation expenses	-	18
Loss on retirement of non-current assets	18	12
Impairment losses	12	23
Other	-	0
Total extraordinary losses	45	86
Profit before income taxes	1,223	1,628
Income taxes-current	406	452
Income taxes-deferred	50	218
Total income taxes	456	671
Profit	767	956
Profit attributable to non-controlling interests	62	44
Profit attributable to owners of parent	705	912

Interim Consolidated Statement of Comprehensive Income

(Unit: million yen)

	First six months of FY5/2024 (Jun. 1, 2023 – Nov. 30, 2023)	First six months of FY5/2025 (Jun. 1, 2024 – Nov. 30, 2024)
Profit	767	956
Other comprehensive income		
Valuation difference on available-for-sale securities	16	15
Foreign currency translation adjustment	109	18
Share of other comprehensive income of entities accounted for using equity method	0	(3)
Total other comprehensive income	125	31
Comprehensive income	893	988
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	819	923
Comprehensive income attributable to non-controlling interests	73	64

(3) Interim Consolidated Statement of Cash Flows

(Unit: million yen)

	First six months of FY5/2024 (Jun. 1, 2023 – Nov. 30, 2023)	First six months of FY5/2025 (Jun. 1, 2024 – Nov. 30, 2024)
Cash flows from operating activities		
Profit before income taxes	1,223	1,628
Depreciation	814	1,059
Impairment losses	12	23
Amortization of goodwill	21	1
Increase (decrease) in provision for bonuses	(39)	(45)
Increase (decrease) in provision for loss on store closings	(2)	(1)
Increase (decrease) in other provisions	(53)	(58)
Interest expenses	88	112
Share of loss (profit) of entities accounted for using equity method	6	4
Loss on store closings	14	7
Special investigation expenses	-	18
Loss (gain) on sale of non-current assets	(0)	(0)
Loss on retirement of non-current assets	18	12
Decrease (increase) in trade receivables	(216)	(211)
Decrease (increase) in inventories	(1,328)	(348)
Increase (decrease) in trade payables	82	123
Other, net	(306)	92
Subtotal	334	2,417
Interest and dividends received	5	8
Interest paid	(88)	(102)
Payments of special investigation expenses	-	(452)
Income taxes paid	(262)	(950)
Income taxes refund	231	14
Net cash provided by (used in) operating activities	220	935
Cash flows from investing activities		
Purchase of property, plant and equipment	(927)	(1,392)
Purchase of intangible assets	(215)	(219)
Payments of guarantee deposits	(110)	(244)
Proceeds from refund of guarantee deposits	69	174
Other, net	(85)	(82)
Net cash provided by (used in) investing activities	(1,269)	(1,763)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	2,526	326
Proceeds from long-term borrowings	1,800	600
Repayments of long-term borrowings	(1,491)	(2,513)
Proceeds from issuance of bonds	-	3,000
Repayments of lease liabilities	(273)	(261)
Purchase of treasury shares	-	(0)
Dividends paid	(494)	(494)
Net cash provided by (used in) financing activities	2,068	658
Effect of exchange rate change on cash and cash equivalents	53	31
Net increase (decrease) in cash and cash equivalents	1,072	(139)
Cash and cash equivalents at beginning of period	5,544	7,180
Cash and cash equivalents at end of period	6,616	7,041

(4) Notes to Interim Consolidated Financial Statements

(Segment Information)

I. First six months of FY5/2024 (Jun. 1, 2023 – Nov. 30, 2023)

1. Information on the amounts of net sales, profit or loss for each reportable segment and breakdown of revenue

(Unit: million yen)

	Reportable segments				Other (Note 1)	Total	Adjustment (Note 2)	Amount reported in interim consolidated statement of income (Note 3)
	BOOKOFF operations in Japan	Premium services business	Overseas business	Total				
Net sales								
Revenue from contracts with customers	46,793	3,346	2,249	52,389	545	52,934	-	52,934
Other revenue	-	-	-	-	-	-	-	-
Sales to external customers	46,793	3,346	2,249	52,389	545	52,934	-	52,934
Inter-segment sales and transfers	5	-	-	5	318	324	(324)	-
Total	46,799	3,346	2,249	52,394	864	53,259	(324)	52,934
Segment profit (loss)	1,735	229	408	2,373	(100)	2,272	(1,004)	1,268

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 ¥1,004 million to segment profit (loss) includes corporate expenses that are not allocated to reportable segments. Corporate expenses mainly include general and administrative expenses.

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

2. Information concerning impairment loss on non-current assets, goodwill, etc. for each reportable segment

Significant impairment losses related to non-current assets

Not applicable.

Significant change in goodwill

Not applicable.

Significant gain on bargain purchase

Not applicable.

II. First six months of FY5/2025 (Jun. 1, 2024 – Nov. 30, 2024)

1. Information on the amounts of net sales, profit or loss for each reportable segment and breakdown of revenue

(Unit: million yen)

	Reportable segments				Other (Note 1)	Total	Adjustment (Note 2)	Amount reported in interim consolidated statement of income (Note 3)
	BOOKOFF operations in Japan	Premium services business	Overseas business	Total				
Net sales								
Revenue from contracts with customers	49,705	3,427	2,933	56,066	714	56,781	-	56,781
Other revenue	-	-	-	-	-	-	-	-
Sales to external customers	49,705	3,427	2,933	56,066	714	56,781	-	56,781
Inter-segment sales and transfers	27	0	-	27	391	419	(419)	-
Total	49,733	3,427	2,933	56,094	1,106	57,200	(419)	56,781
Segment profit (loss)	2,381	17	414	2,813	(110)	2,703	(989)	1,713

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 ¥989 million to segment profit (loss) includes corporate expenses that are not allocated to reportable segments. Corporate expenses mainly include general and administrative expenses.

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

2. Information concerning impairment loss on non-current assets, goodwill, etc. for each reportable segment

Significant impairment losses related to non-current assets

Not applicable.

Significant change in goodwill

Not applicable.

Significant gain on bargain purchase

Not applicable.

(Significant Changes in Shareholders' Equity)

Not applicable.

(Notes Concerning the Going-Concern Premise)

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.