FY 2025

Financial Results

HARD OFF CORPORATION Co., Ltd.

TSE Prime 2674

1 Summary of Financial Results for the Fiscal Year Ended March 2025

2 Outlook for the Fiscal Year Ending March 2026

3 Medium-Term Management Plan

4 Sustainability Initiatives

FY 2025 (Consolidated P/L)

Net sales and profit reached record highs

(millions of yen)	FY 2024 Results	FY 2025		FY 2025 Forecast	
		Results	Year-on-Year	Forecast	Achievement rate
Net sales	30,105	33,531	*+11.4%*	33,330	*100.6%*
Gross profit	20,658	22,996	*+11.3%*	—	—
Gross profit margin	*68.6%*	*68.6%*	*±0.0%p*	—	—
SG & A expenses	17,854	19,778	*+10.8%*	—	—
Operating profit	2,803	3,218	*+14.8%*	3,270	*98.4%*
Operating Profit Margin	*9.3%*	*9.6%*	*+0.3%p*	—	—
Non-operating income	200	215	*+7.7%*	—	—
Non-operating expenses	13	31	*+129.8%*	—	—
Ordinary profit	2,990	3,403	*+13.8%*	3,450	*98.6%*
Ordinary Profit Margin	*9.9%*	*10.1%*	*+0.2%p*	—	—
Extraordinary income	0	0	—	—	—
Extraordinary loss	81	170	*+107.6%*	—	—
Profit attributable to owners of parent	2,093	2,314	*+10.6%*	2,210	*104.7%*
Profit attributable to owners of parent margin	*7.0%*	*6.9%*	*▲0.1%p*	—	—

Key financial results (consolidated)

Net sales

●Amid the penetration of secondhand into consumers‘ lives and the continued expansion of secondhand’s market, the existing stores's domestic sales increased by 5.8%, exceeding the previous year for 43 consecutive months.

●Net sales increased by 11.4% due to the contribution of 23 directly operated stores stores opened in the previous fiscal year and 24 stores opened in the current fiscal year.
We achieved revenue growth for the 29 consecutive year, hitting a record high.

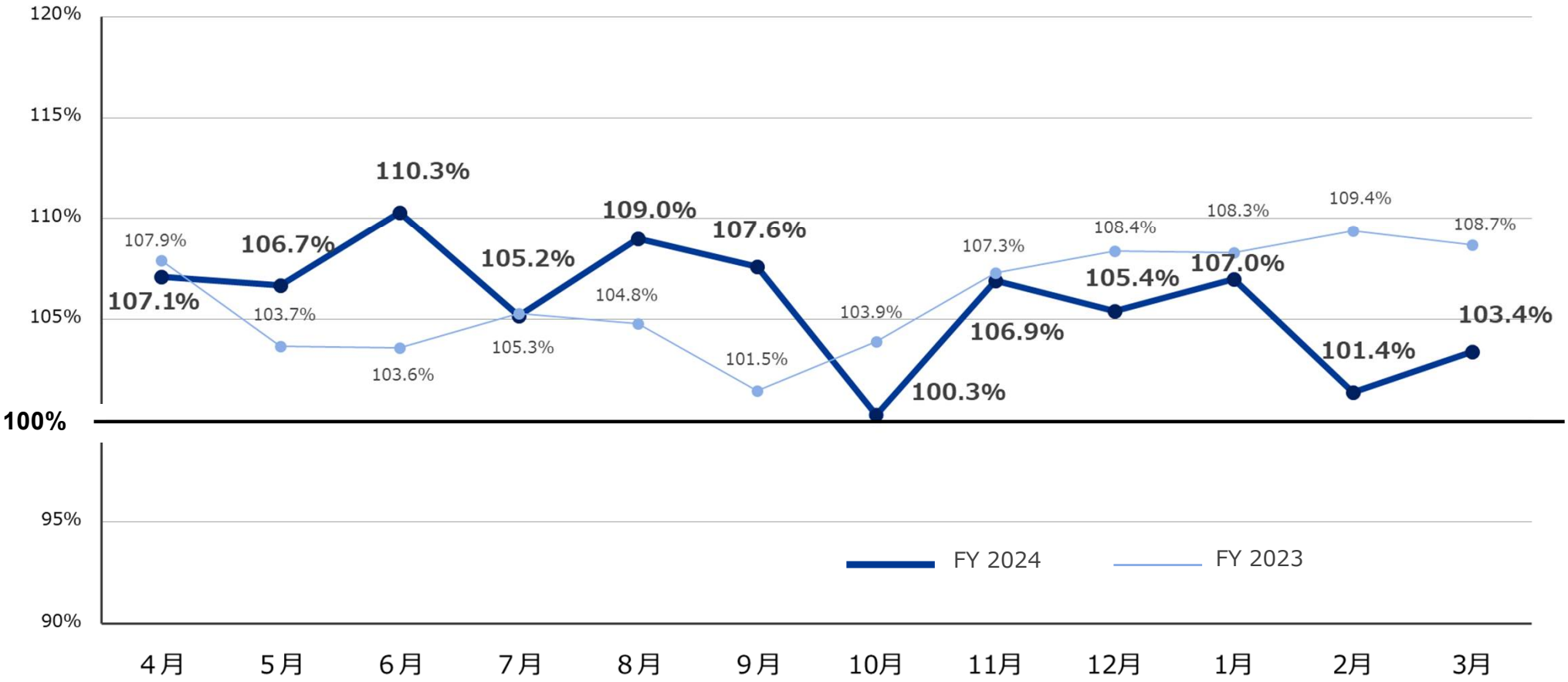
Operating profit,Ordinary profit, and Profit attributable to owners of parent

●SG & A expenses increased by 10.8% due to opening costs for 24 new stores and relocation of 3 existing stores.

●Operating profit and Ordinary profit increased by 14.8% and by13.8%.
Profit attributable to owners of parent increased by 10.6%.
All of these were record highs for 3 consecutive fiscal terms.

The existing stores Sales Year-on-Year (Consolidated)

The existing stores sales increased 5.8%



Q1	Q2	Q3	Q4	Full Year
108.0%	107.2%	104.2%	104.1%	105.8%

Change in number of secondhand stores

23 DOS and 31 FC were opened. 5 DOS and 7 FC were closed. Net increase 43.

	HARD OFF	OFF HOUSE	MODE OFF	Garage OFF	Hobby OFF	Liquor OFF	BOOK OFF	Overseas	End of March 2025 Total
DOS	162	131	15	10	70	4	48	10	450
	+10/▲0	+5/▲1	+0/▲0	+0/▲0	+8/▲2	+0/▲0	+0/▲2	+2/▲0	+25/▲5
FC	253	196	2	5	96	1	-	9	562
	+14/▲2	+3/▲4	+0/▲0	+0/▲0	+12/▲1	+0/▲0	-	+2/▲1	+31/▲8
Total	415	327	17	15	166	5	48	19	1012
	+24/▲2	+8/▲5	+0/▲0	+0/▲0	+20/▲3	+0/▲0	+0/▲2	+4/▲1	+56/▲13

- DOS = Directly Operated Stores FC = Franchised Stores
- + indicates opening and ▲ indicates closing.
- In February 2025, one overseas store was transferred from franchised store to directly operated store.
- Stores operated by subsidiaries are included in directly operated stores.
- In addition to the above, one new book store BOOK ON operated for directly operated store.

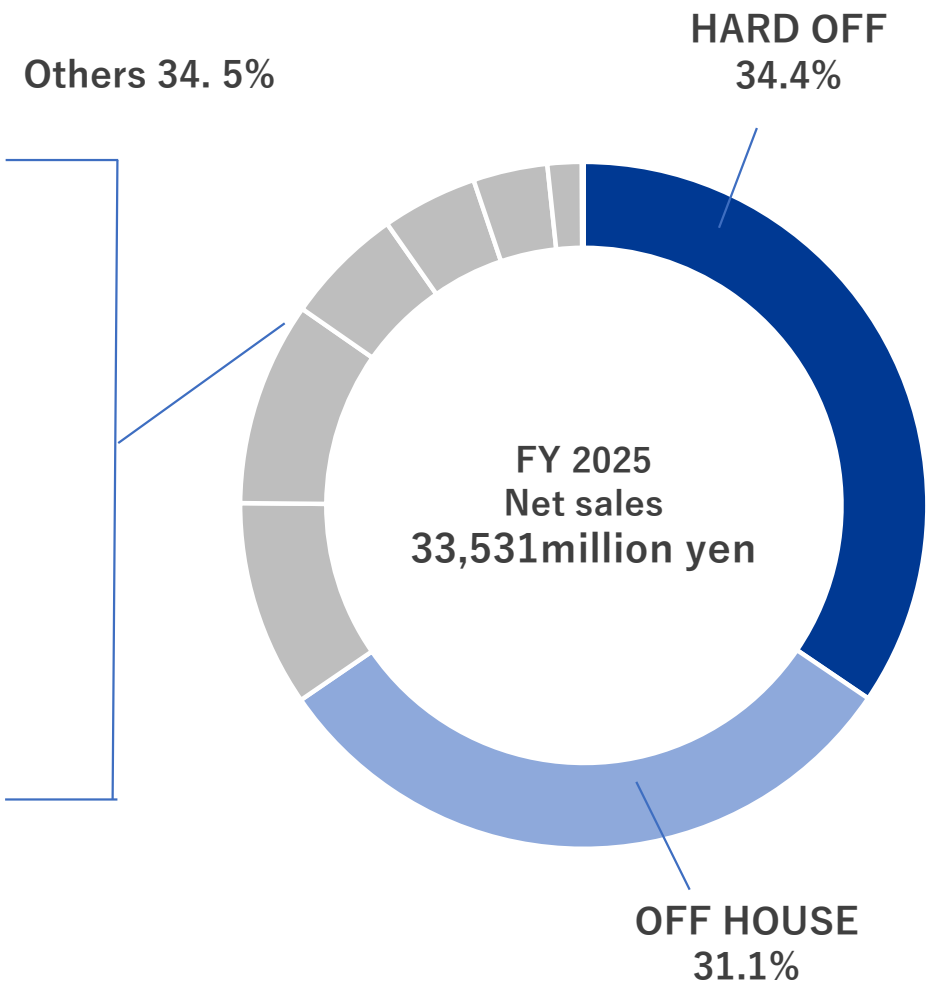
Sales (Consolidated)

Diversification of secondhand Business with HARD OFF and OFF HOUSE

Business segment	Sales (millions of yen)	Ratio	YoY
HARD OFF	11,521	34.4%	+14.2%
OFF HOUSE	10,417	31.1%	+5.8%
Hobby OFF	3,287	9.8%	+26.2%
MODE OFF	1,220	3.6%	+7.9%
Garage OFF	609	1.8%	+8.8%
BOOK OFF	3,084	9.2%	▲1.5%
Overseas	1,547	4.6%	+36.5%
FC Business	1,815	5.4%	+14.8%
Others	27	0.1%	▲2.3%
Total	33,531	100.0%	+11.4%

HARDOFF : OFFHOUSE : Others

1 : 1 : 1



・Liquor OFF is included in OFF HOUSE business.

・FC business is the franchise business of HARD OFF, OFF HOUSE, MODE OFF, Garage OFF, Hobby OFF and Liquor OFF.

Selling, general and administrative expenses (consolidated)

SG&A expenses followed the plan almost entirely.

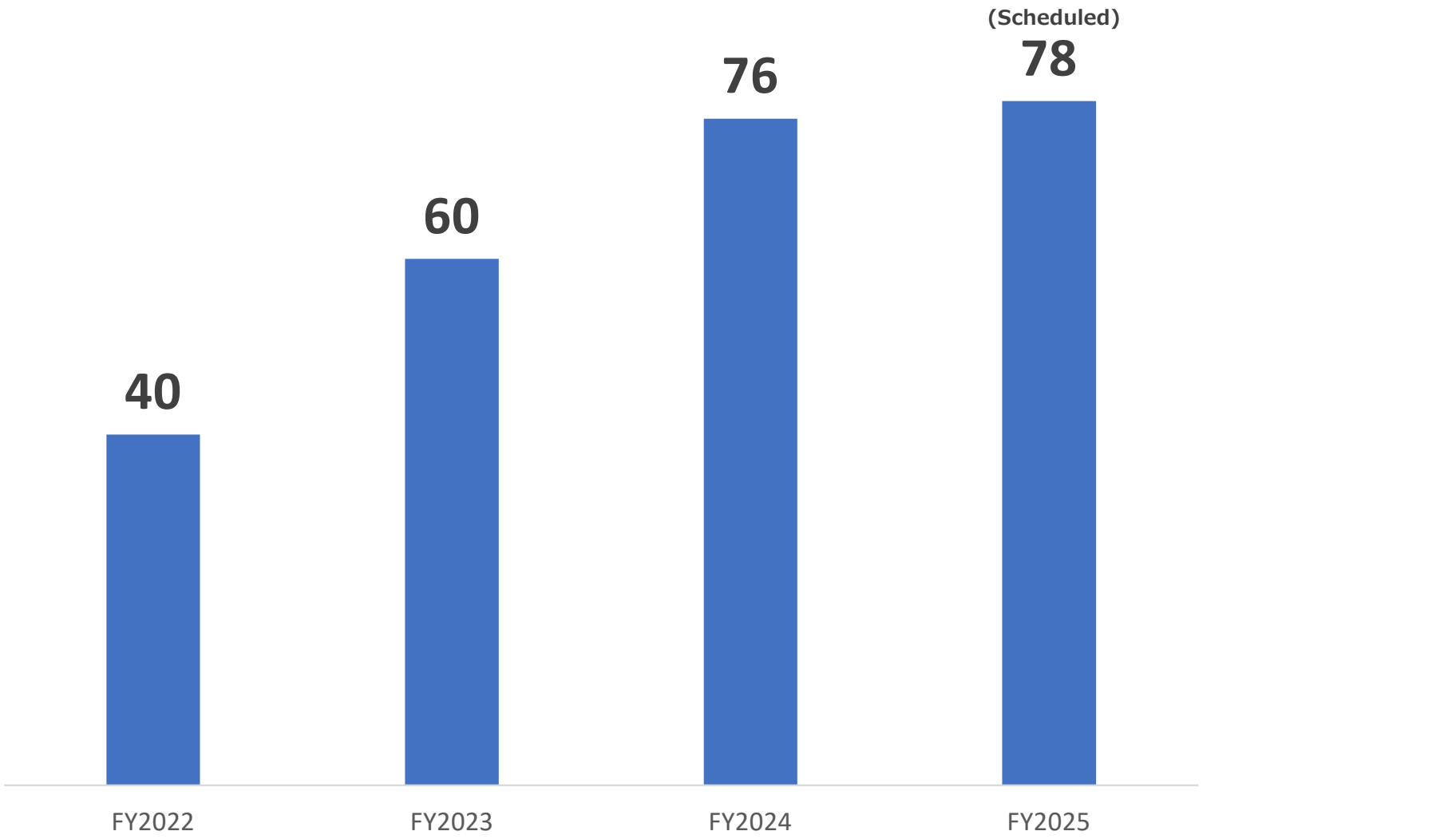
(millions of yen)	FY2024		FY2025		
	Results	SG & A expenses ratio	Results	SG & A expenses ratio	YoY
Personnel expenses	9,713	54.4%	10,861	54.9%	*+11.8%*
Advertising expenses	283	1.6%	319	1.6%	*+12.8%*
Water and utilities	667	3.7%	734	3.7%	*+10.0%*
Depreciation	669	3.7%	866	4.4%	*+29.4%*
Rent	3,698	20.7%	3,871	19.6%	*+4.7%*
Others	2,822	15.8%	3,125	15.8%	*+10.8%*
Total	17,854	100.0%	19,778	100.0%	*+10.8%*

Net Sales, Ordinary profit, and Number of Stores (Consolidated)

	FY2021	FY2022	FY2023	FY2024	FY2025
Net sales (millions of yen)	21,270	24,507	27,040	30,105	33,531
Ordinary profit (millions of yen)	886	1,668	2,510	2,990	3,403
Ordinary Profit Margin	*4.2%*	*6.8%*	*9.3%*	*9.9%*	*10.1%*
Number of stores	913	914	931	969	1,012
Number of directly operated stores	*389*	*396*	*408*	430	450
Number of franchised stores	*524*	*518*	*523*	539	562

Shareholder return

Dividends paid per share for the FY2025 revised from 76 yen to 78 yen



We will pay stable and sustainable dividends with a target of 6% DOE (Consolidated Dividend on equity ratio) starting from the FY2026.

1 Summary of Financial Results for the Fiscal Year Ended March 2025

2 Outlook for the Fiscal Year Ending March 2026

3 Medium-Term Management Plan

4 Sustainability Initiatives

Consolidated P/L for the fiscal year ending March 2026

(millions of yen)	FY 2025 Results	FY 2026 Forecast
Net Sales	33,531	36,000 (+7.4%)
Operating profit	3,218	3,550 (+10.3%)
Ordinary profit	3,403	3,660 (+7.5%)
Ordinary Profit Margin	10.1%	10.2% (+0.1%p)
Profit attributable to owners of parent	2,314	2,450 (+5.9%)
Profit margin	6.9%	6.8% (▲0.1%p)

・Figures in parentheses ( ) represent year-on-year changes.

Forecast for the fiscal year ending March 2026

Net sales

36,000 million yen YoY + 7.4%

- Net sales will increase by 30 consecutive fiscal terms, **continuing a record high.**
- Existing store sales will increase by approx. +2.0% YoY (forecast)

Operating profit, Ordinary profit and Profit attributable to owners of parent

Operating profit

3,550 million yen +10.3%

Ordinary profit

3, 660 million yen +7.5%

Profit attributable to owners of parent

2, 450 million yen +5.9%

- Operating profit will increase by 10.3% and Ordinary profit will increase by 7.5%.
  Profit attributable to owners of parent will increase by 5.9% .
  All profits are expected to reach record highs of 4 consecutive fiscal terms.

Forecast chain sales for the fiscal year ending March 2026

Domestic chain sales ¥70.5 billion ⇒ **¥74.7 billion**
Domestic and overseas chain sales ¥72.6 billion ⇒ **¥77.3 billion**

	FY 2025	Forecast FY 2026	
	Sales (millions of yen)	Sales (millions of yen)	YoY
HARD OFF	28,446	30,530	*+7.3%*
OFF HOUSE	28,323	29,350	*+3.6%*
MODE OFF	1,351	1,410	*+4.4%*
Garage OFF	866	910	*+5.0%*
Hobby OFF	8,449	9,460	*+12.0%*
BOOK OFF	3,084	3,040	*◢1.4%*
Domestic Total	70,521	74,700	*+5.9%*
Total in Japan and Overseas	**72,615**	**77,340**	***+6.5%***

*Chain DOS +FC

Number of stores for the fiscal year ending March 2026

Expected to open 28 DOS and 26 FC, net increase of +51

	HARD OFF	OFF HOUSE	MODE OFF	Garage OFF	Hobby OFF	Liquor OFF	BOOK OFF	Overseas	End of March 2026 Total
DOS	172	134	16	11	79	4	50	12	478
	+10/▲0	+3/▲0	+1/▲0	+1/▲0	+9/▲0	+0/▲0	+2/▲0	+2/▲0	+28/▲0
FC	260	200	2	6	104	1	-	12	585
	+8/▲1	+6/▲2	+0/▲0	+1/▲0	+8/▲0	+0/▲0	-	+3/▲0	+26/▲3
Total	432	334	18	17	183	5	50	24	1,063
	+18/▲1	+9/▲2	+1/▲0	+2/▲0	+17/▲0	+0/▲0	+2/▲0	+5/▲0	+54/▲3

- DOS = Directly Operated Stores　FC＝Franchised Stores
- ＋ indicates opening and ▲ indicates closing.
- Stores operated by subsidiaries are included in Directly operated stores.

Fiscal Year Ending March 2026 Management Efficiency

	FY 2025 (Consolidated)	FY2026 (Consolidated)
	Results	Forecast
Ordinary Profit Margin	10.1%	10.2%
ROIC (Return on invested capital)	12.0%	12.2%
ROA (Ordinary profit ratio to total assets)	14.0%	13.9%
ROE (Return on equity)	13.2%	12.9%
EPS (Earnings per share)	¥166.52	¥176.30
BPS (Net assets per share)	1,314.75 yen	1,413.05 yen

1 Summary of Financial Results for the Fiscal Year Ended March 2025

2 Outlook for the Fiscal Year Ending March 31, 2026

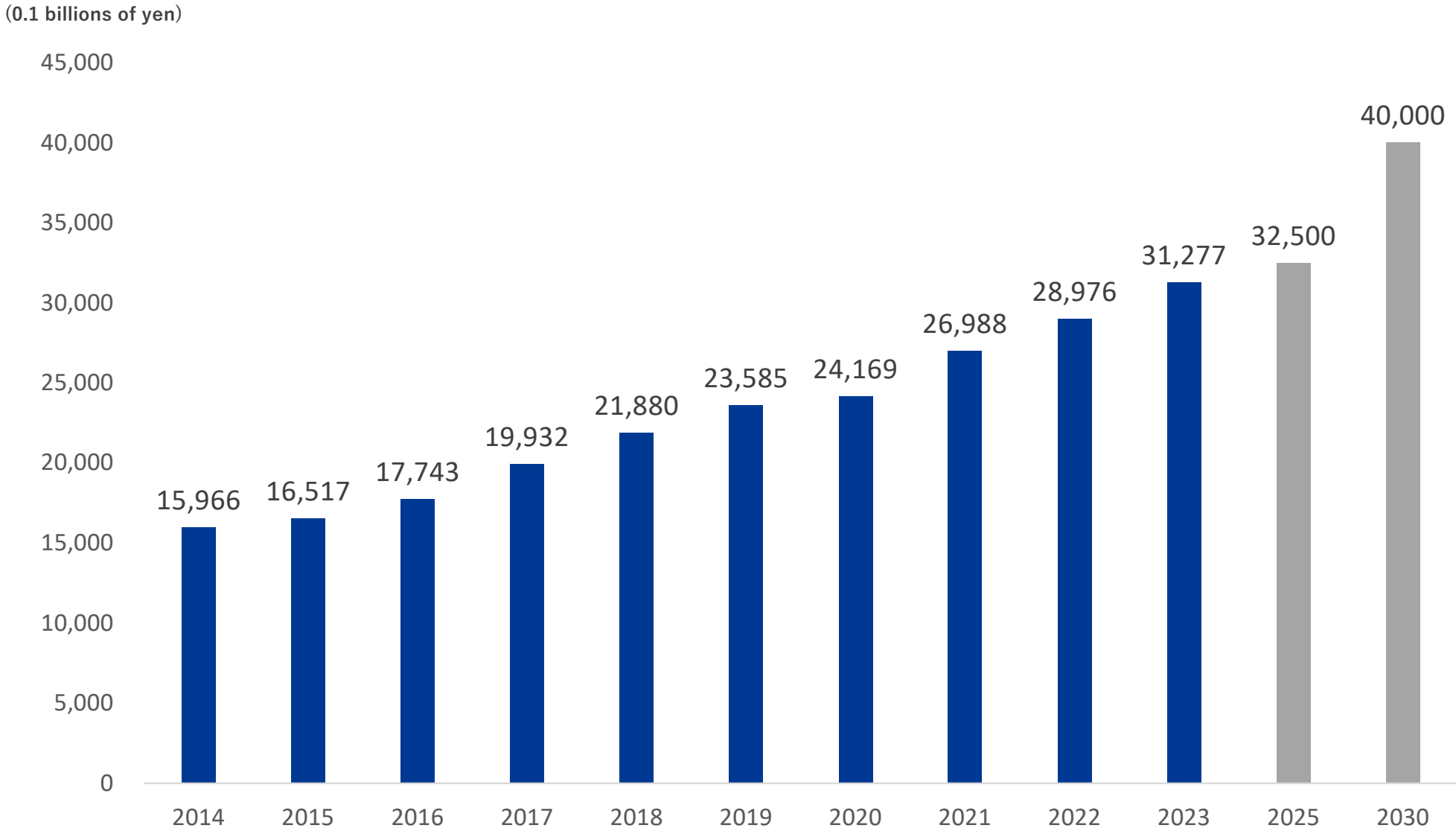
3 Medium-Term Management Plan

4 Sustainability Initiatives

We will refine our visionary management and become a unique entity that no one else can imitate. We will develop our “Re”NK CHANNEL (using the “re” from “reuse,” “Re”NK is pronounced in Japanese the same as Link) with a strong focus on physical stores, and contribute to the creation of a recycling-oriented society both in Japan and overseas, as a company that is by far the leader in the reuse business.

Trends and Forecast of secondhand Market Size

**The market has expanded for 14 consecutive years,
with a market size of 3.1 trillion yen. The future forecast is 4 trillion yen.**

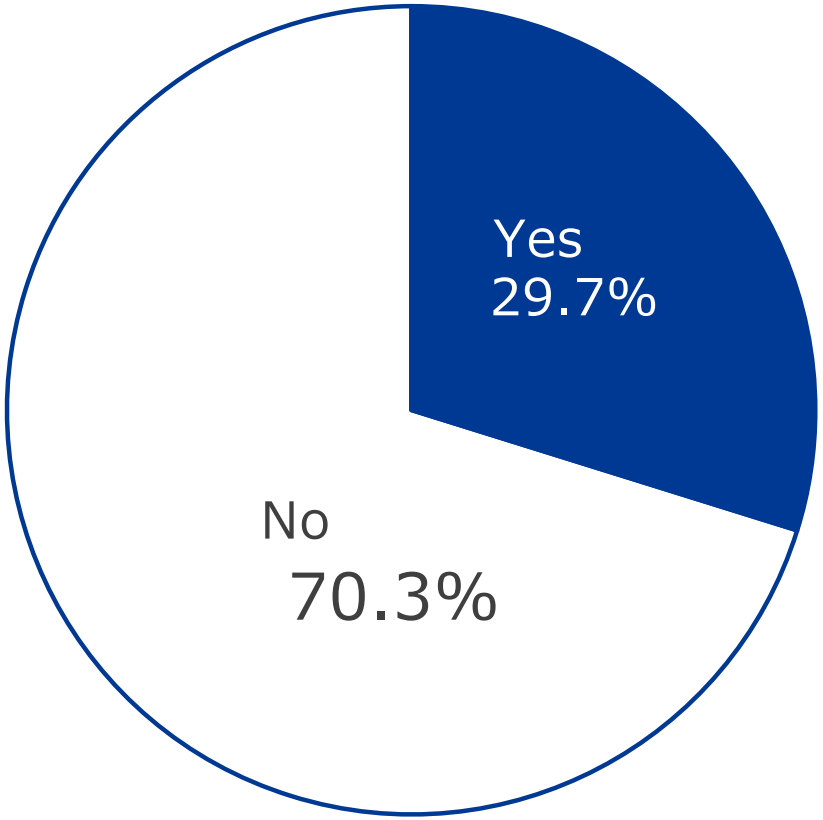


(Source: Reuse Market Databook 2024, THE REUSE ECONOMIC JOURNAL) *Forecasts for 2025 and 2030

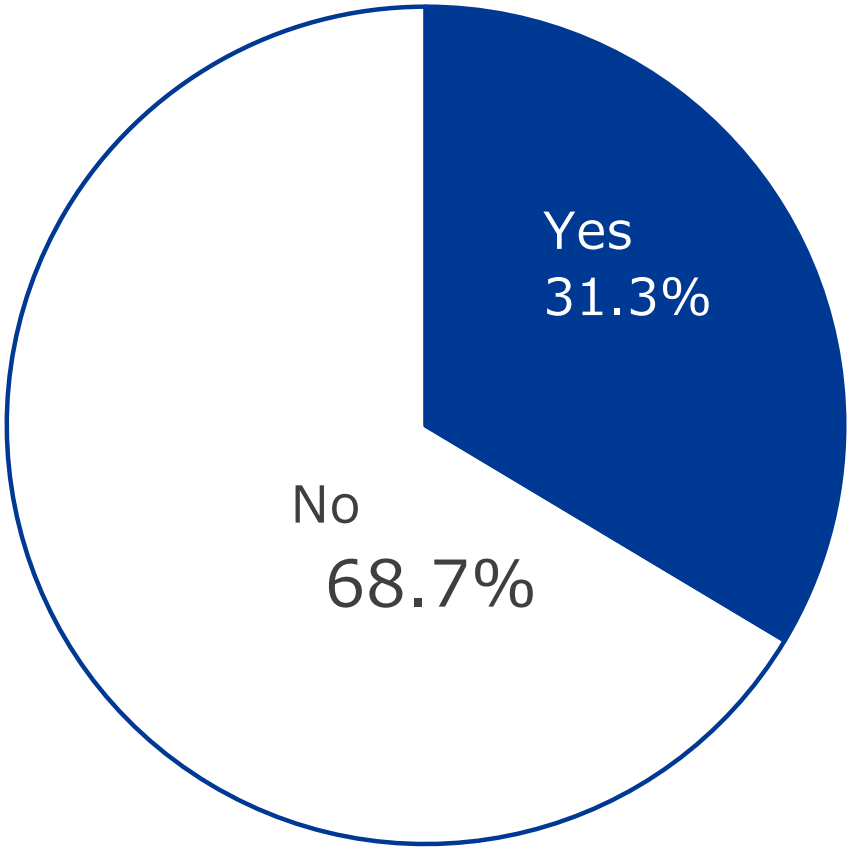
Usage rate in secondhand

The number of people who have used secondhand is about 30%.
Market growth is great.

Experience of buying secondhand items in the past year



Experience of selling unwanted items in the past year



(Source: the Ministry of the Environment 2021 secondhand Market Size Survey Report)

“Re”NK CHANNEL (using the “re” from “reuse,” “Re”NK is pronounced in Japanese the same as Link) is HARD OFF’s omni-channel strategy that integrates various physical store and online channels.



Achieving the Medium-Term Management Plan through 4 Strategies

Physical Store Strategy	Creating unique stores
Store Opening Strategy	One store per 100,000 people in each trade area Development of specialty store formats Dominant store strategy
Digital Strategy	OFF MALL HARD OFF Official App Kaitori (Buying) Offer App Delivery Purchase Service
Overseas Strategy	Expanding Overseas store (21 stores as of now)

Creating unique stores that excite customers







Improving store attractiveness by refining assortments and displays.
More customers are visiting multiple stores.

On HARD OFF's official app
“HADOFU Meguri” function

Number of check-ins **120%** year-on-year
(FY 2024)

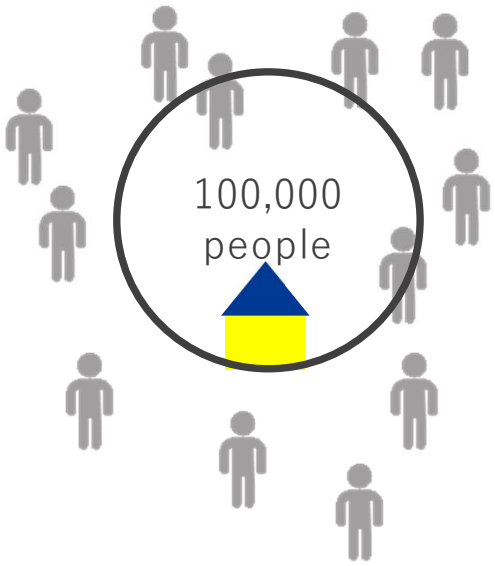


Store opening strategy Proactive store openings in vacant areas

Open stores in vacant areas in local cities

Basic criteria for opening stores

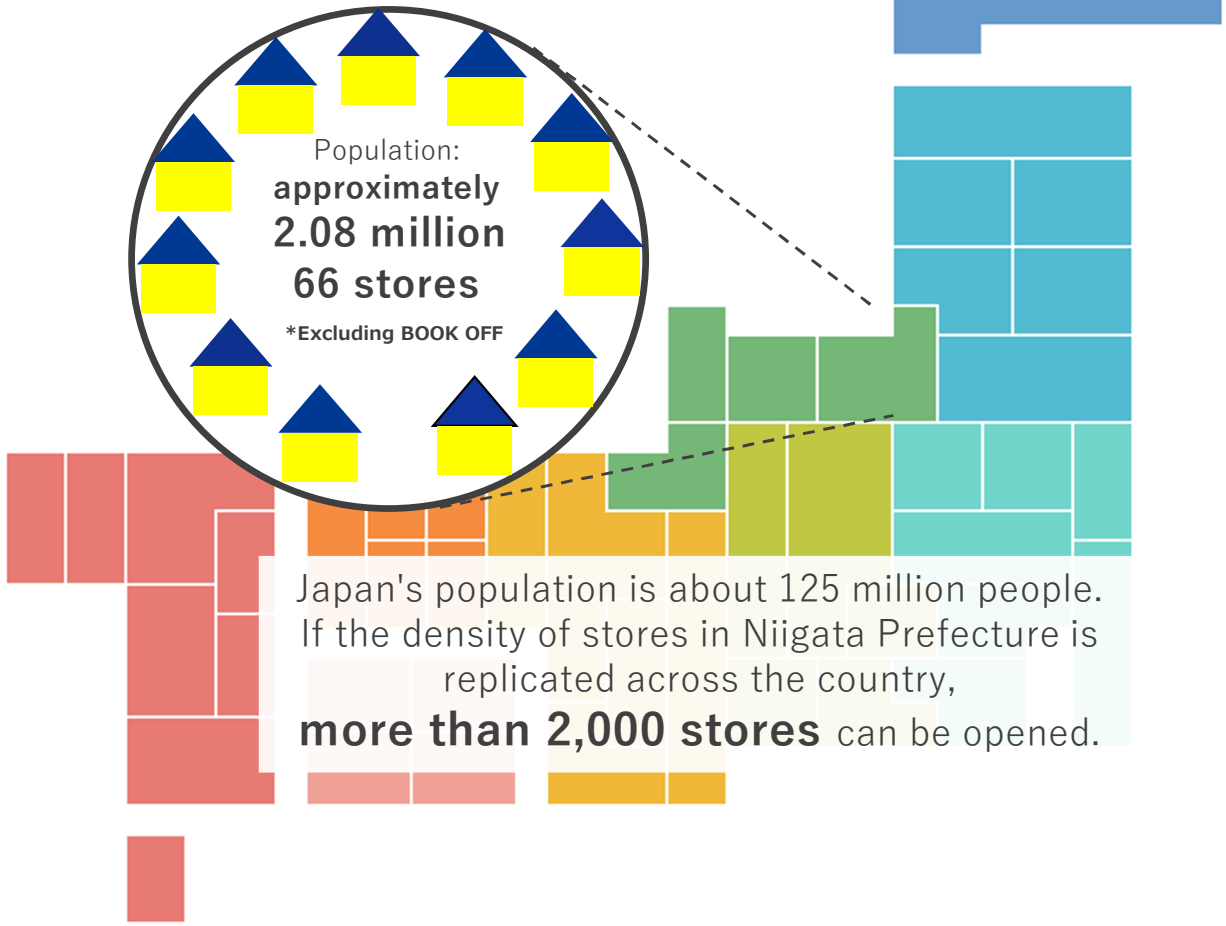
1 store per 100,000 people



Steadily opening stores in 100,000 commercial areas and further opening vacant areas.

Status of store openings in Niigata Prefecture

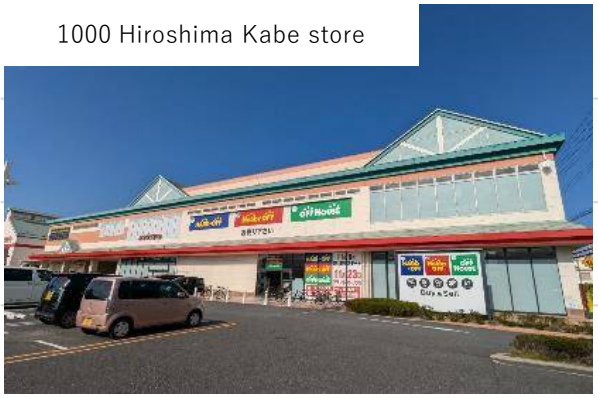
Even if basic criteria for opening stores are exceeded, specialized stores can be opened. We aim to build a concentrated store network.



Japan's population is about 125 million people.
If the density of stores in Niigata Prefecture is replicated across the country,
more than 2,000 stores can be opened.

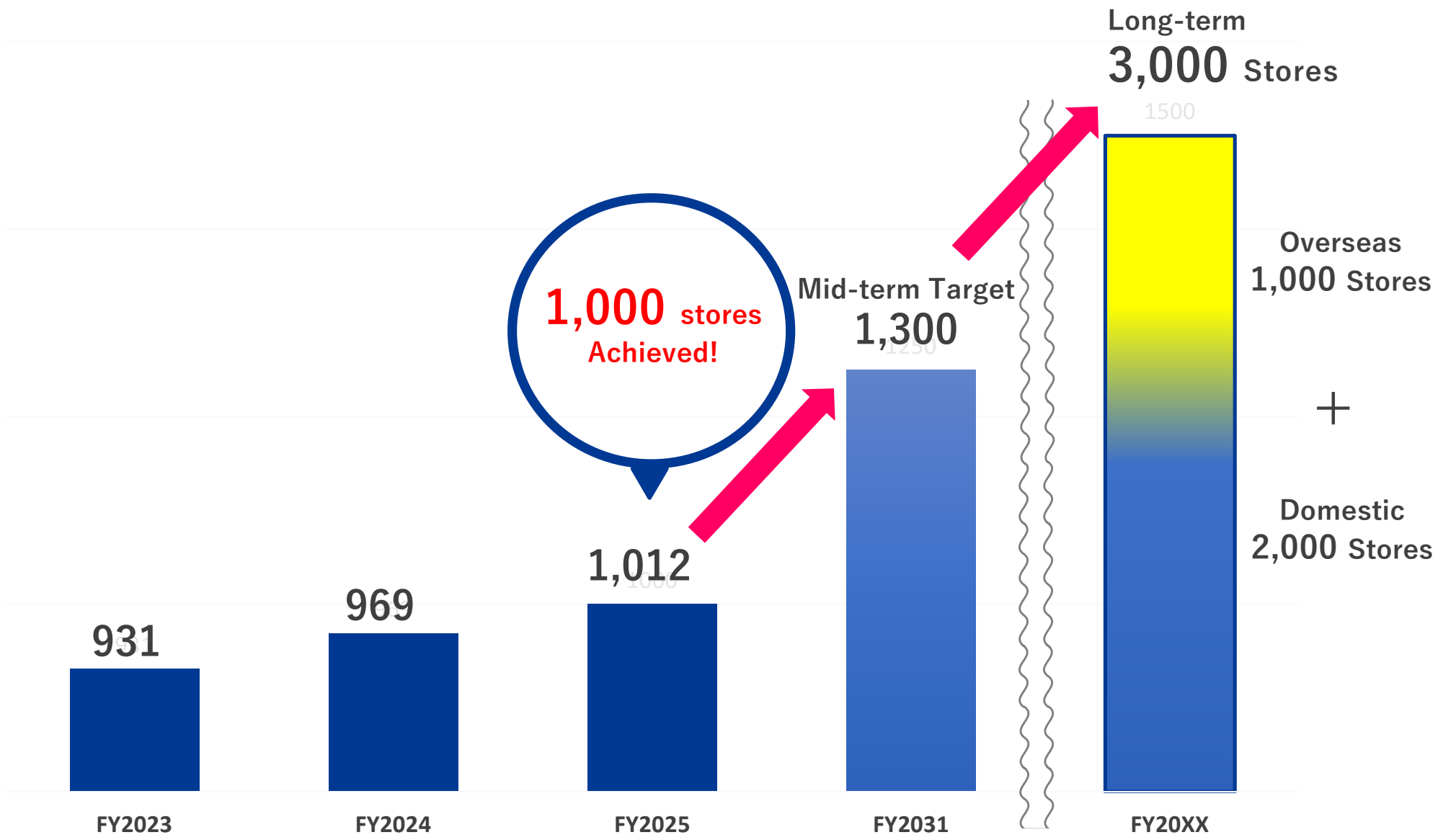
Number of Group Stores

November 23, 2024 Group stores exceeded 1000



Store Opening Strategy Number of Group Stores Medium and Long-term Targets

Medium-term Target 1,300 Stores in FY2031, Long-term Target 3,000 Stores



Unique e-commerce site where you can purchase Merchandise products from Group stores nationwide



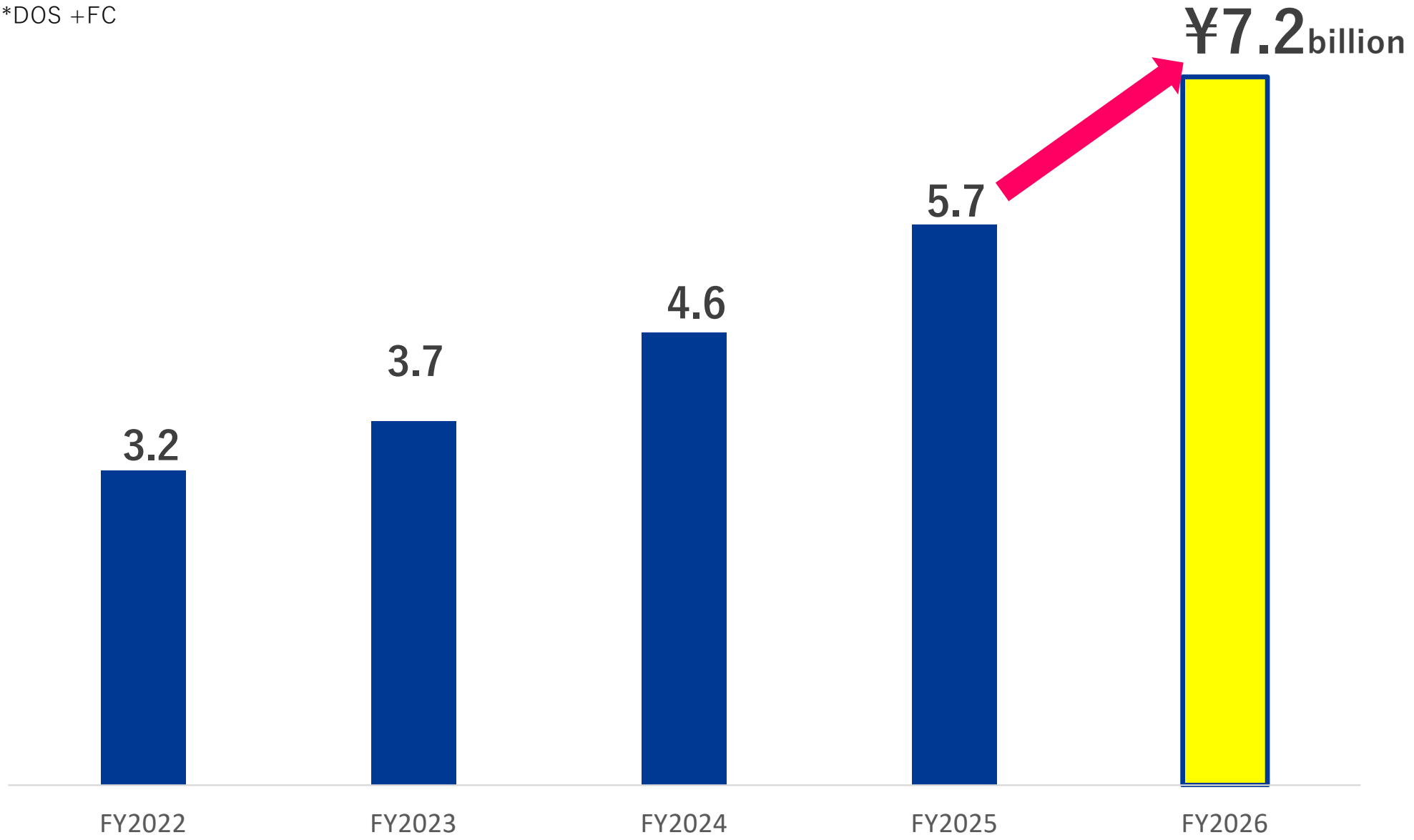


- ■We regularly feature special promotions to highlight products from popular categories
- ■Wide range of items from junk to high-priced brand items
- ■Merchandise will be updated as needed, as if you were visiting a real store aiming for a warm shopping experience

Digital strategy EC (OFF MALL) annual chain sales target

FY 2026 annual chain sales target ¥7.2 billion

*DOS +FC



Digital Strategy Kaitori (Buying) Offer App

Receive offers from stores when you list unwanted items





Maintain high store ratings

App Store

4.4

Google Play

4.2

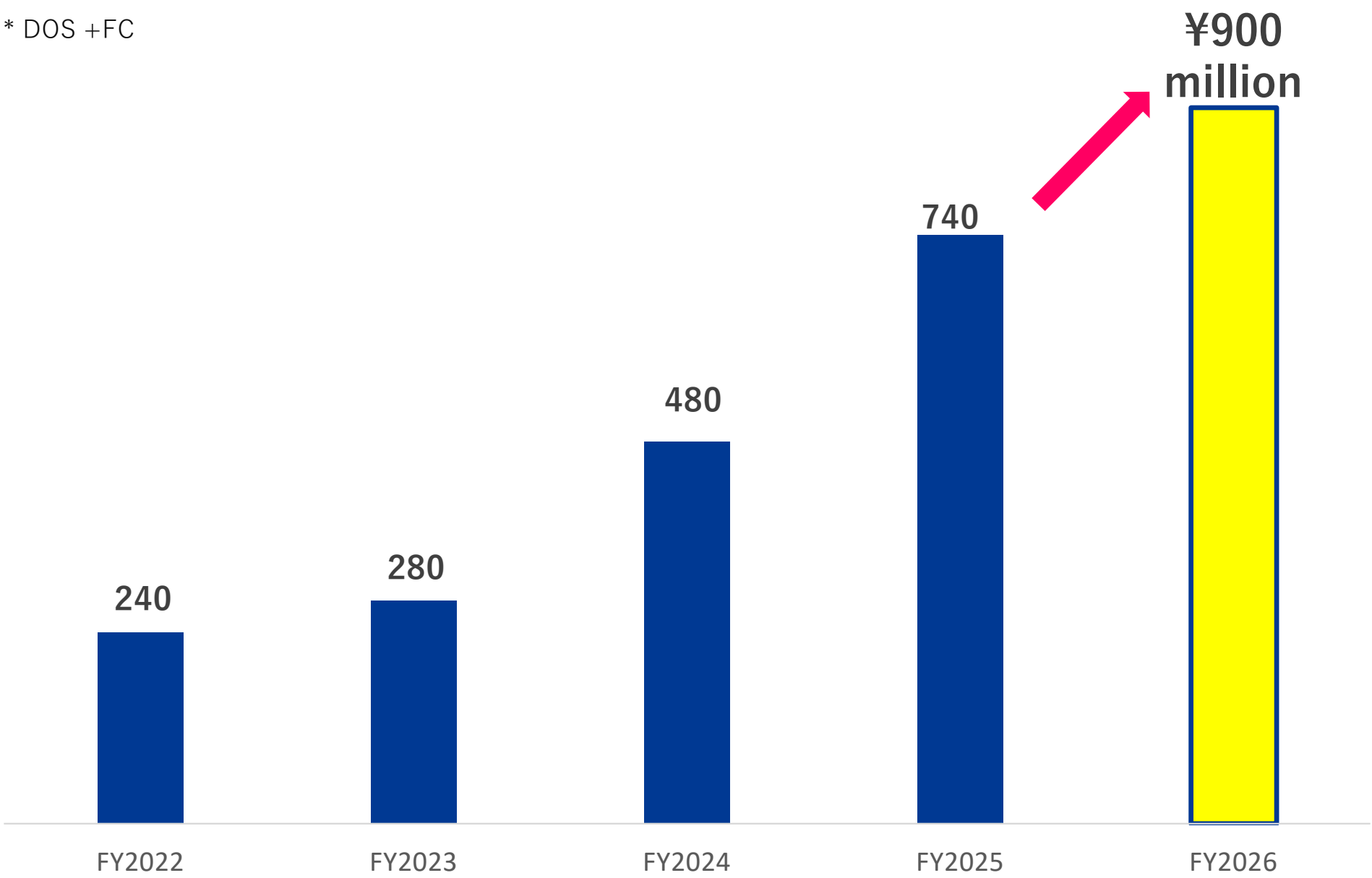
Offer Purchase Flow

① Take a photo of your unwanted items and enter their brand and condition
② Receive offers for purchase price from Hardoff Group stores
③ Select the offer you want to receive and request a home delivery purchase

Digital Strategy Kaitori (Buying) Offer App annual target for purchase amount

Aim for total purchase amount of FY 2026 offers ¥900 million

* DOS +FC



Digital Strategy HARD OFF Official App

Features for core users, such as membership card, store search, and e-commerce





Maintains high store ratings

App Store

4.5

★★★★½

Google Play

4.5

★★★★½

Digital strategy HARD OFF Official App target number of monthly users

Targeting 400,000 monthly users in FY 2026



Digital Strategy Delivery Purchase Service

Delivery purchase service launched on January 27, 2025
Opening of HARD OFF Shibata Re Center, the first home delivery purchasing center







Purpose

- Expansion of purchase opportunities
- Securing inventory when opening new stores

Address

Shibata City, Niigata Prefecture
(near the head office)

Merchandise

Musical instruments, cameras,
audio equipment
Games, figures, etc.

Features

Apply through the dedicated website.
Free shipping and handling
You can sell your unwanted items in bulk.

Overseas Strategy Opening stores in Overseas

Opening 21 Group stores in Overseas

Number of stores: As of May 26, 2025



Global Business Division was established in April 2025 to strengthen Overseas business.

First Taiwan Franchise Opens Taoyuan Yangmei





Store Name

HARDOFF TaoyuanYangmei Store

Grand Opening Date

Friday, May 2, 2025

- 6th store in Taiwan
  2nd store in Taoyuan
- Adjacent to McDonald's
- All over Taiwan, aim to expand to 100 stores including DOS and FC



Assumptions of the Medium-Term Management Plan (Three-Year Plan)

Plan to net increase of approximately 50 stores per year on average

		FY2026	FY2027	FY2028
DOS	The existing stores Sales YoY	+2%	+2%	+2%
	Net increase in number of stores	+28	+30	+30
FC	Net increase in number of stores	+23	+20	+20
Total	Net increase in number of stores	+51	+50	+50
	Number of stores at the end of fiscal year	1,063	1,113	1,163

Medium-Term Management Plan (Three-Year Plan)

Aim for Ordinary profit margin of 11% and ROE of over 13%

(millions of yen)	FY2025 Results	FY2026 Plan	FY2027 Plan	FY2028 Plan
Net sales	33,531 (+11.4%)	36,000 (+7.4%)	39,000 (+8.3%)	42,000 (+7.7%)
Ordinary profit	3,403 (+13.8%)	3,660 (+7.5%)	4,100 (+12.0%)	4,600 (+12.2%)
Ordinary profit margin	10.1%	10.2%	10.5%	11.0%
Net income	2,314 (+10.6%)	2,450 (+5.9%)	2,660 (+8.6%)	2,990 (+12.4%)
ROE	13.2%	12.9%	13.1%	13.6%

Measures to realize management that is conscious of cost of capital and stock price

Recognition of the current situation

○Our company's cost of equity is around 5 ~ 6% (CAPM basis)

○ROE was 11.4% in FY2023, 13.0% in FY2024 and 12.8% in FY2025.
ROE has consistently exceeded the cost of capital.

○PBR was 1.4 times at the end of FY2025.

	FY2021	FY2022	FY2023	FY2024	FY2025
ROE	2.7%	7.8%	11.4%	13.0%	12.9%
PBR (×)	0.9	0.8	1.2	1.4	1.4

Measures to realize management that is conscious of capital costs and stock price

Future initiatives

○Strengthening profitability

We are focusing on our high-margin secondhand business and aim to expand operations by steadily implementing the four strategies outlined in our medium-term plan.We will enhance profitability and efficiency, with the goal of improving our operating profit margin and net profit margin.

○Shareholder return

We aim for a DOE (Consolidated Dividend on equity ratio) around 6%
and provide stable and sustainable dividends backed by business performance.

○Further enhance IR activities

Active dialogue with institutional investors.
Enhancement of disclosure in English.

=>**Aiming to maintain and improve ROE commensurate with the cost of capital (FY 2028 target: over 13.0%)**

1 Summary of Financial Results for the Fiscal Year Ended March 2025

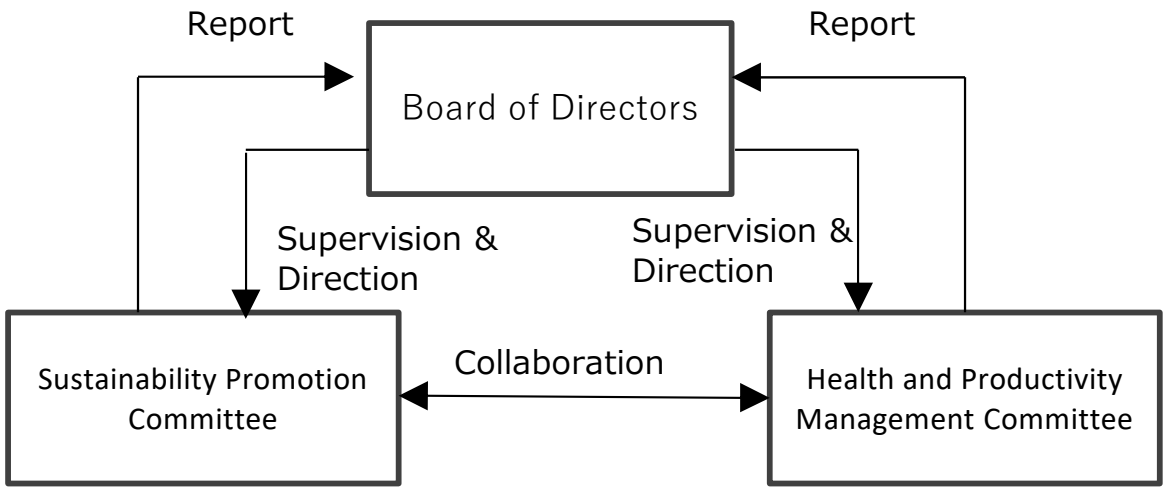
2 Outlook for the Fiscal Year Ending March 31, 2026

3 Medium-Term Management Plan

4 Sustainability Initiatives

Through secondhand business, we will work to resolve social and environmental issues such as reducing waste and greenhouse gas emissions and contribute to the realization of a society in which ecology and economy coexist.

We will also work to strengthen human capital, including health and productivity management, with the aim of creating a company in which employees and staff can work energetically with a smile, and work with peace of mind for 50 years.



We will contribute to the achievement of SDGs through our core business





Secondhand Business

Secondhand shops throughout Japan and Overseas.
By promoting the reuse of goods, we reduce waste and contribute to environmental conservation.

Annual CO_2 emissions reduction through secondhand business

Item	Amount of CO_2 emission reduction (t)
6 household appliances	27,555
Furniture	21,397
Clothing	12,966
Golf Club	102
Tyre	168
Wheel	1.4
CD・DVD	448
BOOK	6,254

Purchasing secondhand items by HARDOFF Group compared to when new products are manufactured

Contributed to CO_2 reduction of

68,891 tons

(*) Based on the purchase points of 13 major items at HARD OFF Group stores in fiscal 2024, our company calculated chain values
Reference: the Ministry of the Environment "Fiscal 2010 Study Group Report on secondhand Promotion of Used Products, etc." "3 R Unit Calculation Method" "Optical disk calculation method"
"Emission Unit Database Version 3.2" "LCCO2 Calculation Guideline for Tires Ver 3.0.1 Japan Automobile Tire Association and Emission Units Database"

Climate Change Initiatives

Through our secondhand business, our group has contributed to the reduction of greenhouse gas emissions.
As a leading company in the reuse industry, we aim to contribute further to the transition to a carbon-neutral society by reducing greenhouse gas emissions by 70% per 100 million yen in sales by FY2030, compared to FY2013, and achieving carbon neutrality by FY2050.

■CO_2 Emissions

	Fiscal 2013 Results ($t\text{-}CO_2e$)	FY 2024 Results ($t\text{-}CO_2e$)	Compared to FY 2013
Scope1	680	587	▲13.7%
Scope2	8,349	6,395	▲23.4%
Total	9,029	6,982	▲22.7%
(Net sales per 100 million yen) Total	70.1	29.8	▲57.5%

Initiatives Related to Investment in human capital

① Human Resource Development Policy

Human Resource Development is described in "30 Articles of HARD OFF Theory."
"Human Resources Are Everything in a Company ~ Human Resources Development Should Be Prioritized Above All Operations ~"
and positioned it as the most important management issue.
In addition, based on the belief that securing diversity is essential for sustainable growth, we will hire and promote managers according to their abilities and aptitude regardless of gender, nationality, age, and whether they are new graduates or mid-career hires.

② Internal Environment Development Policy

We have set the following three goals as our corporate vision and will work to improve employee engagement.

1 **A company where employees can prioritize their families**

2 **A company where employees can work with peace of mind for 50 years**

3 **A company where employees can feel happy**

Expand and establish a system to make it easier for employees to work

Transfers Review

From the year following the age of 30, **the relocation area will be limited**.
->It makes it easier for employees to make life plans
and enables store operations rooted in the community

New Home-Building Benefits

1 million yen is provided to full-time employees who have been working for 5 years or more and are up to 60 years old.
->Having a home that serves as a base for a secure life
has a positive impact on their work and mental and physical health.

9 employees who received benefits until FY 2024

Annual holidays increased

Annual holidays increased by 10 days (from 105 to 115).
->Maintain mental and physical balance by taking appropriate rest
Allow employees to work vigorously

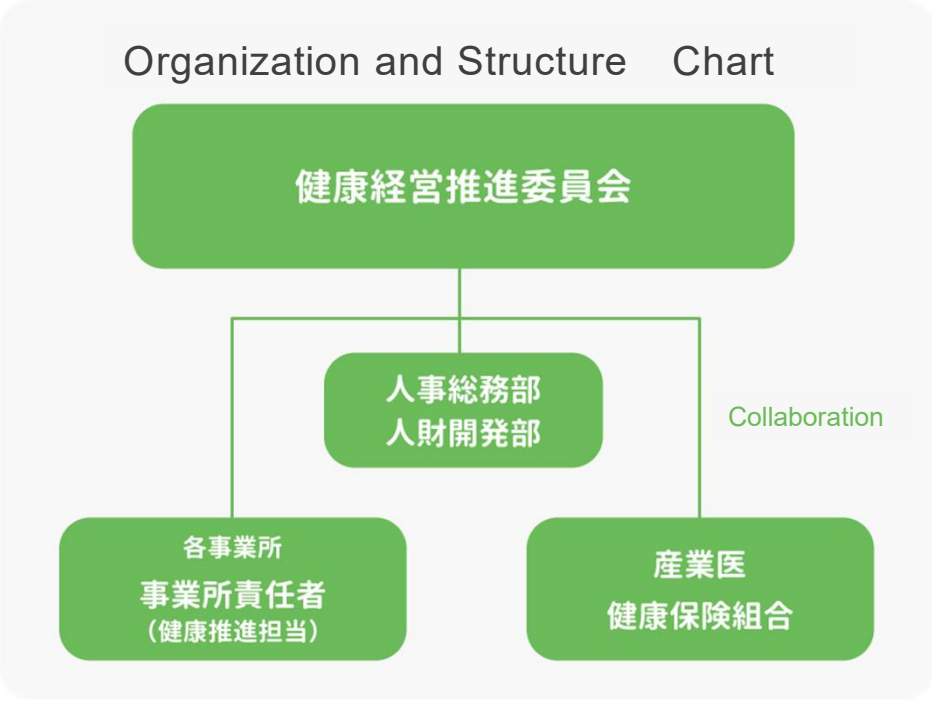
Reinstatement of childcare leave

From April 1, 2024, employees who took childcare leave for 1 month or longer will be paid the difference between the amount of take-home pay before the leave and the government benefits after returning to work.
->The aim is to ensure that 100% of employees take childcare leave and that all employees return to work after taking the leave.

Health Management Initiatives to Support the Mental and Physical Health of Employees and Staff

HARD OFF Declaration of Health and Productivity Management

Through our secondhand business, we contribute to environmental conservation, which is the major foundation of the SDGs.
We will actively support our employees and staff, who are responsible for these efforts, so that they are physically and mentally healthy with a smile.
We will work together to realize a sustainable society.



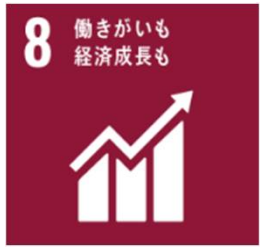
We have established a Health and Productivity Management Promotion Committee chaired by the President. The committee regularly shares issues and discusses initiatives to address them.Important matters are reported to the Board of Directors.

Certified as an Excellent Health Management Corporation 2025

Certified by the Ministry of Economy, Trade and Industry as an **Excellent Health Management Corporation 2025 (Large Corporations)** for 3 consecutive years.
Continued efforts to achieve White 500 status.









Priority initiatives for this fiscal year

- We support the mental well-being of our employees and staff through initiatives focused on mental health
- Implementing initiatives to reduce smoking rates
- Creating a comfortable working environment through initiatives to maintain and improve women's health

Efforts related to SDGs outside of our core business



HARDOFF ECO Stadium Niigata
Since 2009, we have acquired the naming rights of Niigata Prefectural Baseball Stadium.
We aim to be the most environmentally friendly stadium in Japan and contribute to the local community.



Reuse Cup
As an ecology sponsor of J League Albirex Niigata, we support the operation of the deposit-type Reuse Cup.



Archery Tournament
Once a year, we hold an archery tournament that doubles as a sports tournament for the disabled using the free use rights of HARDOFF ECO Stadium Niigata.

HARD OFF CORPORATION Co., Ltd.
https://www.hardoff.co.jp/

Forecasts and other forward-looking statements in this document are based on information currently available to our company and certain assumptions deemed to be reasonable.
Actual results may differ materially from these forecasts due to various factors.

Inquiries about IR

HARD OFF CORPORATION Co., Ltd.
Managing Director, General Manager of president's office,
and General Manager of Management Administration Headquarters
Tsuyoshi Nagahashi
E-mail : ir-info@hardoff.co.jp