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Consolidated Financial Results for the First Six Months of the Fiscal Year Ending March 31, 2026

(Japanese GAAP)

November 7, 2025

GEO HOLDINGS CORPORATION

Listing: Tokyo Stock Exchange
Securities code: 2681
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Scheduled date to submit semi-annual securities report: November 7, 2025

Scheduled date to commence dividend payments: December 10, 2025

Preparation of supplementary material on financial results: Yes

Holding of financial results briefing: Yes (for institutional investors and analysts)

(Amounts less than million yen are discarded)

1. Consolidated Financial Results for the First Six Months (from April 1, 2025 to September 30, 2025)

(1) Consolidated operating results (cumulative)

(Percentages indicate changes from the previous corresponding period)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Six months ended:	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
September 30, 2025	216,943	8.6	5,085	(6.1)	5,572	7.1	3,227	14.2
September 30, 2024	199,724	(7.4)	5,414	(25.9)	5,201	(40.0)	2,825	(50.6)

(Note) Comprehensive income: 3,295 million yen (increase of 9.2%) for six months ended September 30, 2025

3,018 million yen (decrease of 46.9%) for six months ended September 30, 2024

	Earnings per share	Fully diluted earnings per share
Six months ended:	Yen	Yen
September 30, 2025	81.22	81.06
September 30, 2024	71.15	70.85

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
September 30, 2025	273,723	93,053	33.9
March 31, 2025	252,807	90,469	35.7

(Reference) Shareholders' equity: As of September 30, 2025: 92,926 million yen

As of March 31, 2025: 90,243 million yen

2. Dividends

	Annual dividends per share				
	1st quarter end	2nd quarter end	3rd quarter end	Year-end	Annual
	Yen	Yen	Yen	Yen	Yen
Fiscal Year ended March 31, 2025	-	17.00	-	17.00	34.00
Fiscal Year ending March 31, 2026	-	17.00			
Fiscal Year ending March 31, 2026 (Forecast)			-	17.00	34.00

(Note) Change in dividends forecast from the most recent announcement: None

3. Consolidated Earnings Forecast for the Fiscal Year Ending March 31, 2026 (from April 1, 2025 to March 31, 2026)

(Percentages indicate changes from the previous corresponding period)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
FY 2026	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
	470,000	9.9	11,500	2.2	11,000	(10.0)	5,500	21.2	138.40

(Note) Change in earnings forecast from the most recent announcement: None

Notes

- (1) Significant changes in the scope of consolidation during the period: None
- (2) Adoption of accounting treatment specific to the preparation of semi-annual consolidated financial statements: None
- (3) Changes in accounting policies, changes in accounting estimates, and restatements
 - 1) Changes in accounting policies due to revisions to accounting standards and other regulations: None
 - 2) Changes in accounting principles other than 1): None
 - 3) Changes in accounting estimates: None
 - 4) Restatement: None
- (4) Number of issued shares (common shares)
 - 1) Total number of issued shares at the end of the period (including treasury shares)

As of September 30, 2025	39,783,552 shares
As of March 31, 2025	39,718,052 shares
 - 2) Number of treasury shares at the end of the period

As of September 30, 2025	81 shares
As of March 31, 2025	41 shares
 - 3) Average number of shares outstanding during the period (the first half of the fiscal year)

During six months ended September 30, 2025	39,739,401 shares
During six months ended September 30, 2024	39,708,566 shares

* Semi-annual financial results reports are exempt from review conducted by certified public accountants or an audit firm.

* Explanation regarding appropriate use of financial forecasts and other special remarks

The forward-looking statements included in this summary, such as financial forecasts, are based on currently available information and certain assumptions, which we deem to be reasonable as of the date of this summary. There is no guarantee that we will achieve those financial forecasts. Actual results may significantly differ from these forecasts due to various factors. Please see “1. Overview of Results of Operations, etc.,” “(3) Explanation of forward-looking information including consolidated earnings forecast” on page 3 of the Attachments for the basis of forecasts and notes on reliance on forecasts.

<Supplementary Information for English Translation>

Our business named “2nd STREET,” which mainly sells and purchases second-hand clothing and household items, is hereinafter referred to as “Reuse Store,” and our businesses named “GEO,” “GEO Store” and “GEO mobile,” which mainly handle video games, DVDs, CDs and smartphones, are hereinafter collectively referred to as “Media Store” in this document.

Both our Reuse Store and Media Store use the term “reuse” to refer to second-hand items, and “brand-new” to refer to non-second-hand items that are procured from manufacturers or through conventional commercial distribution channels.

Table of Contents for the Attachments

1. Overview of Results of Operations, etc.	2
(1) Overview of operating results for the period under review	2
(2) Overview of consolidated financial position for the period under review	3
(3) Overview of consolidated cash flows for the period under review	3
(4) Explanation of forward-looking information including consolidated earnings forecast	4
2. Semi-annual Consolidated Financial Statements	5
(1) Semi-annual consolidated balance sheet	5
(2) Semi-annual consolidated income statement and statement of comprehensive income	6
(3) Semi-annual consolidated statement of cash flows	8
(4) Notes to semi-annual consolidated financial statements	9
(Notes on going concern assumptions)	9
(Notes on significant change in shareholders' equity)	9
(Notes on segment information, etc.)	9

1. Overview of Results of Operations, etc.

(1) Overview of operating results for the period under review

Consolidated financial results (from April 1, 2025 to September 30, 2025)

In the first six months ended September 30, 2025, while the Japanese economy maintained its gradual recovery path, the impact of inflation continued to put pressure on household finances, resulting in many consumers cutting down on their spending and showed a strong inclination to save money. Simultaneously, through growing interest in SDGs, consciousness of “circular consumption,” which is to reuse and cherish things, has become more widespread across society.

Within the reuse industry, the reuse market continued steady expansion as consumers shifted from "wise consumption" focused on saving to "environmentally conscious wise consumption." Particularly, as the demand for the reuse of “still usable but unwanted” goods arise in daily life grew, brick-and-mortar store format regained appreciation for its convenience, reliability, and its capability to purchase and sell a wide variety of items, even amidst competition from flea market apps.

Under these circumstances, with our objective “to offer joy to your everyday life,” the Group has been working towards increasing possible alternatives and improving convenience for customers in order to achieve sustainable growth by expanding its e-commerce over the internet and new reuse store openings, centered around 2nd STREET, both in Japan and overseas.

As for trends in reuse merchandise (comprehensive), sales of clothing and accessories, a core merchandise item at 2nd STREET, were strong. In regions outside Japan, the Group is expanding the scope of its activities with a focus on Asia, and is steadily increasing the number of stores and sales in order to enhance its visibility in the global reuse market. OKURA TOKYO, which handles reuse luxury merchandise, continued to face difficult conditions due to a slowdown in inbound demand, which had been strong in the previous fiscal year, and the impact of USA tariffs. As a result, total net sales of reuse merchandise (comprehensive) amounted to 93,555 million yen (up 7.1% YoY).

As for trends in reuse merchandise (media), sales of video game software continued to shift towards digital downloads, resulting in a decline in packaged software sales. However, sales of reuse game-related merchandise remained flat, supported by the launch of Nintendo Switch 2, the next-generation home video game console. Reuse communication device merchandise, such as smartphones and tablet devices, saw an increase in both purchases and sales following the announcement of the new iPhone model, and the opening of "GEO mobile" stores with in-store support staff in shopping malls and other locations also supported strong performance. As a result, net sales of reuse merchandise (media) amounted to 41,922 million yen (up 3.2% YoY).

As for trends in brand-new merchandise, net sales were 53,270 million yen (up 19.7% YoY) due to strong sales of game-related merchandise, including Nintendo Switch 2, the next-generation home video game console released in June 2025, and peripheral equipment.

As a result of the above, the Group's financial results for the first six months ended September 30, 2025 were as follows: net sales of 216,943 million yen (up 8.6% YoY), operating profit of 5,085 million yen (down 6.1% YoY), ordinary profit of 5,572 million yen (up 7.1% YoY), and profit attributable to owners of parent of 3,227 million yen (up 14.2% YoY).

The numbers of the Group's stores and facilities in the six months ended September 30, 2025 are as follows.
 Figures in parentheses represent the change from the end of the previous fiscal year.

	Directly-managed stores			FC stores and distributors			Total	
		Newly opened	Closed		Newly opened	Closed		
The number of GEO Group stores	2,101	93	35	132	1	12	2,233	(+47)
2nd STREET (Japan)	850	34	9	56	1	0	906	(+26)
2nd STREET (USA)	51	5	1	0	0	0	51	(+4)
2nd STREET (Taiwan)	44	5	0	0	0	0	44	(+5)
2nd STREET (Malaysia)	28	5	0	0	0	0	28	(+5)
2nd STREET (Thailand)	5	1	0	0	0	0	5	(+1)
2nd STREET (Singapore)	1	1	0	0	0	0	1	(+1)
2nd STREET (Hong Kong)	1	1	0	0	0	0	1	(+1)
GEO	967	15	14	76	0	12	1,043	(-11)
OKURA TOKYO	22	0	2	0	0	0	22	(-2)
LuckRack	37	10	0	0	0	0	37	(+10)
Others	95	16	9	0	0	0	95	(+7)

Notes:

1. The number of stores are counted per each store brand.
2. '2nd STREET' includes stores that sell and purchase clothing and accessories, home appliances, and other items where they operate under the names of '2nd STREET,' 'Super 2nd STREET,' '2nd OUTDOOR,' 'JUMBLE STORE,' etc.
3. 'GEO' includes stores that sell and purchase home game-related items, mobile phones and smartphones, and rent DVDs where they operate under the store names of 'GEO' and 'GEO mobile.'

(2) Overview of consolidated financial position for the period under review

(Assets)

Current assets as of September 30, 2025 totaled 179,282 million yen, an increase of 14,210 million yen from the end of the previous fiscal year. This was mainly due to a 9,381 million yen increase in cash and deposits and a 5,525 million yen increase in merchandise, and despite a 1,011 million yen decrease in accounts receivable - trade. Non-current assets totaled 94,441 million yen, an increase of 6,705 million yen from the end of the previous fiscal year. This was mainly due to a 1,594 million yen increase in buildings and structures, net, a 1,991 million yen increase in right-of-use assets, net, and a 2,263 million yen increase in land included in other property, plant and equipment, net. As a result, total assets amounted to 273,723 million yen, an increase of 20,915 million yen from the end of the previous fiscal year.

(Liabilities)

Current liabilities as of September 30, 2025 totaled 46,947 million yen, an increase of 344 million yen from the end of the previous fiscal year. This was mainly due to a 312 million yen decrease in accounts payable - trade and a 974 million yen decrease in accounts payable-other, which are included in other current liabilities. Meanwhile, the current portion of long-term borrowings increased by 1,293 million yen. Non-current liabilities totaled 133,722 million yen, an increase of 17,987 million yen from the end of the previous fiscal year. This was mainly due to a 15,706 million yen increase in long-term borrowings and a 2,203 million yen increase in lease liabilities. As a result, total liabilities amounted to 180,669 million yen, an increase of 18,331 million yen from the end of the previous fiscal year.

(Net assets)

Total net assets as of September 30, 2025 amounted to 93,053 million yen, an increase of 2,584 million yen from the end of the previous fiscal year. This was mainly due to profit attributable to owners of parent of 3,227 million yen and dividends from surplus of 675 million yen.

As a result, the equity-to-asset ratio stood at 33.9% (compared to 35.7% at the end of the previous fiscal year).

(3) Overview of cash flows for the period under review

Cash and cash equivalents ("cash") as of September 30, 2025 increased by 9,523 million yen from the end of the previous consolidated fiscal year to 74,283 million yen.

Cash flows and factors affecting them for the six months ended September 30, 2025 are as follows.

(Cash flows from operating activities)

Operating activities resulted in a net cash increase of 2,645 million yen (compared to an increase of 4,796 million yen in the same period of the previous year).

This was mainly due to profit before income taxes of 5,530 million yen, depreciation of 3,671 million yen, rental assets depreciation of 1,288 million yen, and a decrease in trade receivables of 1,036 million yen, which offset an increase in inventories of 5,295 million yen, purchase of rental assets of 978 million yen, and income taxes paid of 2,336 million yen.

(Cash flows from investing activities)

Investing activities resulted in a net cash decrease of 9,153 million yen (compared to a decrease of 5,803 million yen in the same period of the previous year).

This was mainly due to the purchase of property, plant and equipment of 7,451 million yen and purchase of intangible assets of 1,173 million yen.

(Cash flows from financing activities)

Net cash provided by financing activities amounted to 16,042 million yen (compared with an increase of 14,787 million yen in the same period last year).

This was mainly due to repayments of long-term borrowings of 4,999 million yen, while proceeds from long-term borrowings amounted to 22,000 million yen.

(4) Explanation of forward-looking information including consolidated earnings forecast

With respect to consolidated earnings forecast, there were no changes from the full year forecast presented on May 9, 2025.

2. Semi-annual Consolidated Financial Statements

(1) Semi-annual consolidated balance sheet

(Millions of yen)

	As of March 31, 2025	As of September 30, 2025
Assets		
Current assets		
Cash and deposits	60,090	69,471
Accounts receivable - trade	15,930	14,919
Merchandise	73,887	79,412
Other	15,334	15,652
Allowance for doubtful accounts	(170)	(173)
Total current assets	165,072	179,282
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	20,307	21,901
Right-of-use assets, net	22,173	24,164
Other, net	13,802	16,159
Total property, plant and equipment	56,283	62,226
Intangible assets	5,030	5,171
Investments and other assets		
Leasehold and guarantee deposits	19,834	20,580
Other	7,414	6,854
Allowance for doubtful accounts	(826)	(391)
Total investments and other assets	26,421	27,043
Total non-current assets	87,735	94,441
Total assets	252,807	273,723
Liabilities		
Current liabilities		
Accounts payable - trade	12,686	12,374
Current portion of long-term borrowings	10,849	12,143
Income taxes payable	2,358	2,320
Other	20,708	20,108
Total current liabilities	46,603	46,947
Non-current liabilities		
Bonds payable	12,175	12,175
Long-term borrowings	71,475	87,181
Lease liabilities	23,549	25,753
Asset retirement obligations	7,655	7,747
Other	880	864
Total non-current liabilities	115,734	133,722
Total liabilities	162,338	180,669
Net assets		
Shareholders' equity		
Share capital	9,263	9,317
Capital surplus	3,676	3,729
Retained earnings	77,527	80,079
Treasury shares	(0)	(0)
Total shareholders' equity	90,467	93,127
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	9	18
Foreign currency translation adjustment	(232)	(218)
Total accumulated other comprehensive income	(223)	(200)
Share acquisition rights	160	47
Non-controlling interests	65	79
Total net assets	90,469	93,053
Total liabilities and net assets	252,807	273,723

(2) Semi-annual consolidated income statement and statement of comprehensive income
(Semi-annual consolidated income statement)

(Millions of yen)

	Six months ended September 30, 2024	Six months ended September 30, 2025
Net sales	199,724	216,943
Cost of sales	117,937	128,177
Gross profit	81,787	88,765
Selling, general and administrative expenses	76,372	83,680
Operating profit	5,414	5,085
Non-operating income		
Foreign exchange gains	-	189
Rental income from real estate	601	575
Insurance claim income	101	151
Other	378	346
Total non-operating income	1,081	1,262
Non-operating expenses		
Interest expenses	234	438
Rental expenses on real estate	221	182
Foreign exchange losses	776	-
Other	61	153
Total non-operating expenses	1,293	775
Ordinary profit	5,201	5,572
Extraordinary losses		
Impairment losses	31	42
Total extraordinary losses	31	42
Profit before income taxes	5,169	5,530
Income taxes - current	2,547	2,268
Income taxes - deferred	(256)	(7)
Total Income taxes	2,290	2,260
Profit	2,879	3,270
Profit attributable to non-controlling interests	54	42
Profit attributable to owners of parent	2,825	3,227

	Six months ended September 30, 2024	Six months ended September 30, 2025
Profit	2,879	3,270
Other comprehensive income		
Valuation difference on available-for-sale securities	(8)	9
Foreign currency translation adjustment	147	16
Share of other comprehensive income of entities accounted for using equity method	-	0
Total other comprehensive income	138	25
Comprehensive income	3,018	3,295
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,962	3,250
Comprehensive income attributable to non-controlling interests	55	44

(3) Semi-annual consolidated statement of cash flows

(Millions of yen)

	Six months ended September 30, 2024	Six months ended September 30, 2025
Cash flows from operating activities		
Profit before income taxes	5,169	5,530
Depreciation	2,971	3,671
Rental assets depreciation	1,355	1,288
Interest and dividend income	(71)	(83)
Interest expenses	234	438
Decrease (increase) in trade receivables	1,439	1,036
Decrease (increase) in inventories	(1,810)	(5,295)
Purchase of rental assets	(1,217)	(978)
Increase (decrease) in trade payables	(840)	(371)
Other, net	692	108
Subtotal	7,921	5,345
Interest and dividends received	41	74
Interest paid	(238)	(438)
Income taxes refund (paid)	(2,927)	(2,336)
Net cash provided by (used in) operating activities	4,796	2,645
Cash flows from investing activities		
Purchase of property, plant and equipment	(4,926)	(7,451)
Purchase of intangible assets	(1,146)	(1,173)
Other, net	269	(527)
Net cash provided by (used in) investing activities	(5,803)	(9,153)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(1,500)	-
Proceeds from long-term borrowings	16,000	22,000
Repayments of long-term loans borrowings	(4,124)	(4,999)
Proceeds from issuance of bonds	5,472	-
Dividends paid	(676)	(677)
Other, net	(383)	(279)
Net cash provided by (used in) financing activities	14,787	16,042
Effect of exchange rate change on cash and cash equivalents	(155)	(11)
Net increase (decrease) in cash and cash equivalents	13,624	9,523
Cash and cash equivalents at beginning of period	58,556	64,760
Cash and cash equivalents at end of period	72,181	74,283

(4) Notes to semi-annual consolidated financial statements

(Notes on going concern assumptions)

None

(Notes on significant change in shareholders' equity)

None

(Notes on segment information, etc.)

Segment information

For the six months ended September 30, 2024 and the six months ended September 30, 2025:

Segment information is omitted because the Group has only one segment, retail services.