



Supplementary Materials on the Financial Results

for Fiscal Year Ended March 31, 2026

GEO HOLDINGS CORPORATION

Prime Market of the Tokyo Stock Exchange (2681)



Please note that this document is an English extract from the original Japanese version. The full English version will be disclosed at a later date. In the event of any discrepancy between this translation and the Japanese original, the original Japanese version shall prevail.

FY2026 summary

Earnings highlights

Consolidated net sales reached 481.2 billion yen (up 12.5% YoY)

Reuse clothing and accessories: 122.3billion yen (up 19.7% YoY)

Reuse luxury: 57.5 billion yen (down 1.1% YoY)

Reuse smartphones and tablets: 48.8billion yen (up 7.3% YoY)

Brand-new: 124.3 billion yen (up 25.5% YoY)

Operating profit 14.2 billion yen (up 26.6% YoY), **ordinary profit 15.3 billion yen** (up 25.6% YoY),
Profit attributable to owners of parent 8.7 billion yen (up 92.6% YoY)

TOPIC

- **Opened 100 new 2nd STREET stores worldwide, supporting the Company's continued aggressive expansion**
- **2nd STREET became the largest brand in the Group by store count, surpassing GEO**
- **New store format: launched GEO DIGITAL BASE store**
- Issued Integrated Report
- Announced change of trade name

Consolidated statement of income for the fiscal year ended March 31, 2026

- Overview of earnings: Sales and profits increased year on year, driven by solid performance, with both significantly exceeding prior-year levels. In addition, a foreign exchange gain of 0.7 billion yen and, as an extraordinary gain, a gain on bargain purchase of 1.5 billion yen were recorded.
- Reuse: Solid results, continuing to be led by clothing and accessories. Active store expansion in Japan and overseas, along with rising consumer preference for reuse goods, served as key growth drivers.
- Brand-new: Significant sales increase driven by the Nintendo Switch 2, as stable supply ensured strong sales.

(Million yen)	FY2025 Results	FY2026 Results	YoY Increase/Decrease	YoY Increase/Decrease (%)
Net sales	427,669	481,249	53,580	12.5%
Gross profit	170,671	189,446	18,774	11.0%
(Gross profit margin)	39.9%	39.4%	-	- 0.5pt
SG&A expenses	159,421	175,207	15,785	9.9%
Operating profit	11,250	14,239	2,989	26.6%
(Operating profit margin)	2.6%	3.0%	-	0.3pt
Ordinary profit	12,224	15,348	3,123	25.6%
Profit attributable to owners of parent	4,537	8,738	4,200	92.6%

Net sales by merchandise for the fiscal year ended March 31, 2026

(Million yen)	FY2025 Results	FY2026 Results	YoY Increase / Decrease	YoY Increase / Decrease (%)
Reuse	273,915	300,606	26,690	9.7%
Clothing and accessories *1	102,168	122,310	20,142	19.7%
Furniture and home appliances *1	11,968	12,975	1,007	8.4%
Luxury*4	58,261	57,595	- 665	- 1.1%
Games*2	33,048	34,041	993	3.0%
Smartphones and tablets*2,3	45,494	48,830	3,335	7.3%
Other (reuse)*1	17,848	19,965	2,116	11.9%
Other (media)*2	5,126	4,887	- 238	- 4.7%
Brand-new*2	99,100	124,333	25,232	25.5%
Others	54,653	56,310	1,656	3.0%
Digital contents*5	17,163	20,922	3,758	21.9%
Rental*2	28,647	25,131	- 3,516	- 12.3%
Others	8,841	10,256	1,415	16.0%
Total	427,669	481,249	53,580	12.5%

Major stores or main businesses: *1: 2nd STREET *2: GEO *3: GEO mobile *4: OKURA *5: viviON



Gross profit by merchandise for the fiscal year ended March 31, 2026

(Million yen)	FY2025 Results	FY2026 Results	YoY Increase / Decrease	YoY Increase / Decrease (%)
Reuse	115,306	130,338	15,031	13.0%
Clothing and accessories *1	64,853	77,734	12,880	19.9%
Furniture and home appliances *1	7,255	7,811	556	7.7%
Luxury*4	4,544	4,671	126	2.8%
Games*2	10,296	9,445	- 851	- 8.3%
Smartphones and tablets*2,3	10,824	12,318	1,494	13.8%
Other (reuse)*1	12,829	13,753	924	7.2%
Other (media)*2	4,703	4,604	- 99	- 2.1%
Brand-new*2	17,851	20,664	2,813	15.8%
Others	37,513	38,443	929	2.5%
Digital contents*5	15,407	18,601	3,193	20.7%
Rental*2	18,059	15,759	- 2,300	- 12.7%
Others	4,046	4,083	37	0.9%
Total	170,671	189,446	18,774	11.0%

Major stores or main businesses: *1: 2nd STREET *2: GEO *3: GEO mobile *4: OKURA *5: viviON



SG&A for the fiscal year ended March 31, 2026

- Increases in headcount from recruitment, base salary increases, and rising costs from new store openings continued.
- Despite cost saving efforts from insourcing of advertising, total SG&A expenses increased 9.9% year-over-year, remaining largely in line with expectations.

(Million yen)	FY2025 Results	Ratio to net sales	FY2026 Results	Ratio to net sales	YoY Increase / Decrease	YoY Increase / Decrease (%)
Total selling expenses	20,553	4.8%	21,289	4.4%	735	3.6%
Advertising	8,441	2.0%	7,777	1.6%	- 663	- 7.9%
Sales commission	7,975	1.9%	9,064	1.9%	1,089	13.7%
Transportation costs	2,814	0.7%	2,797	0.6%	- 16	- 0.6%
Total personnel expenses	74,970	17.5%	85,315	17.7%	10,345	13.8%
Total other expenses	63,897	14.9%	68,602	14.3%	4,704	7.4%
Utility costs	5,557	1.3%	5,239	1.1%	- 318	- 5.7%
Rent	30,726	7.2%	32,671	6.8%	1,944	6.3%
Depreciation and amortization	6,033	1.4%	7,438	1.5%	1,405	23.3%
Consumables	3,463	0.8%	2,997	0.6%	- 465	- 13.4%
Maintenance	792	0.2%	682	0.1%	- 109	- 13.8%
Total SG&A expenses	159,421	37.3%	175,207	36.4%	15,785	9.9%

*The decrease in SG&A expenses indicates a positive factor for operating income/loss.

Consolidated balance sheet for the fiscal year ended March 31, 2026

(Million yen)	FY 2025 Results	Composition	FY2026 Results	Composition	YoY Increase / Decrease
Current assets	165,072	65.3%	196,393	66.5%	31,320
Cash and deposits	60,090		86,656		26,566
Accounts receivable - trade	15,930		18,792		2,862
Merchandise	73,887		77,062		3,175
Non-current assets	87,735	34.7%	98,817	33.5%	11,082
Property, plant and equipment	56,283		64,498		8,214
Intangible assets	5,030		5,447		417
Investments and other assets	26,421		28,871		2,450
Total assets	252,807	-	295,211	-	42,403
Current liabilities	46,603	18.4%	54,899	18.6%	8,295
Accounts payable - trade	12,686		12,469		- 217
Current portion of long-term borrowings	10,849		13,421		2,571
Non-current liabilities	115,734	45.8%	142,121	48.1%	26,386
Bonds payable	12,175		12,175		0
Long-term borrowings	71,475		93,053		21,578
Total liabilities	162,338	64.2%	197,020	66.7%	34,682
Total net assets	90,469	35.8%	98,190	33.3%	7,720
Total liabilities and net assets	252,807	-	295,211	-	42,403

Consolidated statement of cash flow for the fiscal year ended March 31, 2026

(Million yen)	FY2025 Results	FY2026 Results	YoY Increase / Decrease
Profit before income tax	8,912	12,427	3,514
Depreciation	6,667	8,108	1,441
Decrease (increase) in trade receivables	- 746	- 2,327	- 1,580
Decrease (increase) in inventories	- 2,950	- 2,462	488
Increase (decrease) in trade payables	- 1,624	- 647	977
Subtotal of cash flows from operating activities	13,906	25,180	11,274
Income tax paid	- 5,423	- 4,756	667
Operating cash flow	8,012	19,475	11,463
Purchase of PPE	- 11,121	- 13,131	- 2,009
Investing cash flow	- 12,494	- 15,339	- 2,845
Net increase (decrease) in short-term borrowings	- 2,000	-	2,000
Proceeds from long term borrowing	18,000	35,000	17,000
Repayments of long-term borrowings	- 8,737	- 10,849	- 2,112
Proceeds from issuance of bonds	5,547	-	- 5,547
Dividends paid	- 1,349	- 1,345	3
Financing cash flow	10,778	22,489	11,710
Net increase (decrease) in cash and equivalents	6,204	26,987	20,782
Cash and cash equivalents at end of period	64,760	91,747	26,987

Status of the number of GEO Group stores

Total number of stores as of March 31, 2026: 2,274 stores

		Directly managed stores	(Opened in current period)	(Closed in current period)	Franchise stores & distributors	As of the end of FY2026	As of the end of FY2025	As of the end of FY2024
2nd STREET ^{※1}	 Total	1,023	100	- 15	56	1,079	993	919
	Japan	875	64	- 14	56	931	880	838
	Overseas	148	36	- 1	0	148	113	81
	US	55	9	- 1	0	55	47	35
	Taiwan	50	11	0	0	50	39	28
	Malaysia	30	7	0	0	30	23	17
	Thailand	9	5	0	0	9	4	1
	Singapore	2	2	0	0	2	0	0
	Hong Kong	2	2	0	0	2	0	0
GEO ^{※2}	  	963	31	- 34	64	1,027	1,054	1,084
OKURA TOKYO ^{※3}		23	1	- 2	0	23	24	23
Luck Rack		45	21	- 3	0	45	27	18
CAPSULE RAKKYOKU		61	27	- 8	0	61	42	22
Other		38	3	- 11	1	39	46	43
Total		2,153	183	- 73	121	2,274	2,186	2,109

*1: Includes Super 2nd STREET, 2nd OUTDOOR, JUMBLE STORE, purchasing-only stores, etc.

*2: Directly managed stores include 141GEO mobile standalone stores. There are 696 co-located GEO mobile stores. There is 1 GEO DIGITAL BASE store.

*3: Includes overseas stores (2stores in Taiwan, 1 store in Hong Kong).

Full-year forecast for the fiscal year ending March 31, 2027

■ We aim to increase net sales to 510 billion yen by expanding our reuse product offerings and enhancing procurement efficiency, with a focus on 2nd STREET, which is actively opening 100 stores in Japan and 38 overseas. Meanwhile, wage increases, inflation, and higher store opening costs are expected to put pressure on profits, and we therefore forecast higher sales and lower profits for the fiscal year ending March 2027. Going forward, we will further accelerate value-added services and optimize inventory management, striving to enhance corporate value sustainably even in an uncertain environment.

(Million yen)	(Reference) FY2026 Full-year Result	FY2027 Full-year Forecast	(Reference) Full-year Forecast YoY Increase/decrease	((Reference) Full-year Forecast YoY Increase/decrease
Net sales	481,249	510,000	28,750	6.0%
Operating profit	14,239	13,000	- 1,239	- 8.7%
(Operating profit margin)	3.0%	2.5%	—	- 0.5pt
Ordinary profit	15,348	12,500	- 2,848	- 18.6%
Profit attributable to owners of parent	8,738	6,000	- 2,738	- 31.3%
Number of directly managed stores	2,153 stores	2,346 stores*	193 stores	—
ROE*	8.91%	5.48%	- 3.43pt	—
Net D/E ratio*	0.33x	0.30x	- 0.03	—

*Forecast store count = total planned openings (excluding closures)

*ROE = profit attributable to owners of parent / shareholders' equity at end of period.

*Net D/E ratio = net debt (excluding lease obligations) at end of period / net assets at end of period.



New store roll-out plan for the fiscal year ending March 31, 2027

	Store expansion plan			
	Number of stores	Overview		
 2nd STREET	Japan 100 Stores	In addition to general reuse stores, we aim to open urban and purchasing-only stores, and expect to reach 1,000 stores by FY2027. We plan to pursue further store expansion.		
	Overseas 38 Stores	US	12 Stores	Focusing on store openings in areas where we already have stores to strengthen our dominant market position.
		Taiwan	6 Stores	Pursuing dominant store expansion strategy as well as opening suburban roadside stores.
		Malaysia	6 Stores	Store openings targeted mainly at Kuala Lumpur and its suburbs.
		Thailand	6 Stores	Store openings targeted mainly at Bangkok metropolitan area.
		Singapore	2 Stores	Dominant store expansion with urban-type stores.
		Hong Kong	6 Stores	Dominant store expansion with urban-type stores.
 GEO mobile	2 Stores	We plan to open new GEO mobile standalone stores while also renovating existing GEO stores to enhance profitability.		
 OKURA TOKYO	3 Stores	In addition to downtown locations, we plan to open purchasing-only stores.		
 Luck Rack	30 Stores	Focusing primarily on dominant store expansion while increasing openings in regional cities.		
 CAPSULE RAKKYOKU	20 Stores	We plan to expand store openings, primarily in the Greater Tokyo area, with a target of 100 stores.		