Consolidated Financial Statements for The Second Quarter of the Fiscal Year Ending December 31, 2026 [Japanese GAAP]

August 4, 2026

Company name: **AUCNET INC.**
Stock exchange listing: Tokyo Stock Exchange
Code number: 3964
URL: https://www.aucnet.co.jp/en/
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Scheduled date of filing semi-annual report: August 4, 2026
Scheduled date of commencing dividend payments: September 1, 2026
Preparation of supplementary explanatory materials: Yes
Financial results briefing: Yes (for institutional investors and analysts)

(Amounts of less than one million yen are rounded down.)

1. Consolidated Results for the Second Quarter of the Fiscal Year Ending December 31, 2026 (January 1, 2026 - June 30, 2026)

(1) Consolidated Operating Results (% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Six months ended	Million yen	%	Million yen	%	Million yen	%	Million yen	%
June 30, 2026	37,983	16.8	7,082	21.3	7,154	25.1	4,820	30.2
June 30, 2025	32,532	22.4	5,836	51.4	5,716	43.4	3,703	45.2

(Note) Comprehensive income: Six months ended June 30, 2026: ¥4,904 million [30.6%]
Six months ended June 30, 2025: ¥3,756 million [34.4%]

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
June 30, 2026	53.11	–
June 30, 2025	40.37	40.37

(Note) The Company conducted a share split at a ratio of 2 shares for each common share of the Company on April 1, 2025, and another share split at a ratio of 2 shares for each common share of the Company on April 1, 2026. Basic earnings per share and diluted earnings per share have been calculated on the assumption that these share splits were conducted at the beginning of the previous fiscal year.

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of June 30, 2026	59,734	29,954	49.7
As of December 31, 2025	50,781	26,622	51.9

(Reference) Equity: As of June 30, 2026: ¥29,664 million
As of December 31, 2025: ¥26,346 million

2. Cash Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended December 31, 2025	–	22.00	–	36.00	58.00
Year ending December 31, 2026	–	21.00 (42.00)			
Year ending December 31, 2026 (Forecast)			–	61.00 (122.00)	82.00 (164.00)

(Notes) 1. Revision to the forecast for dividends announced most recently: Yes

2. The Company conducted a share split at a ratio of 2 shares for each common share of the Company on April 1, 2026. Therefore, the dividends per share for the year ending December 31, 2026 reflect the amounts after taking into account the share split. The dividends per share for the year ending December 31, 2026 before taking into account the share split are presented in parentheses.
3. Breakdown of year-end dividend for the fiscal year ending December 31, 2026 (forecast)
   Ordinary dividend: ¥22.00
   Special dividend: ¥39.00

3. Forecast of Consolidated Results for the Fiscal Year Ending December 31, 2026 (January 1, 2026 - December 31, 2026)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	75,000	16.9	12,000	26.1	12,000	26.0	7,800	31.7	85.91

(Notes) 1. Revision to the forecast of consolidated results announced most recently: Yes

2. The Company conducted a share split at a ratio of 2 shares for each common share of the Company on April 1, 2026. The forecast of consolidated results for the fiscal year ending December 31, 2026 (full year) reflects the amount of basic earnings per share after taking into account the share split.

*** Notes:**

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

Newly included:	2 companies	yep Company Limited
		yet Company Limited
Excluded:	1 company	MENERGIA INC.

(2) Accounting methods adopted particularly for the preparation of semi-annual consolidated financial statements: Yes

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

1) Changes in accounting policies due to the revision of accounting standards: None
2) Changes in accounting policies other than 1) above: None
3) Changes in accounting estimates: None
4) Retrospective restatement: None

(4) Total number of issued and outstanding shares (common shares)

1) Total number of issued and outstanding shares at the end of the period (including treasury shares):

June 30, 2026:	96,052,800 shares
December 31, 2025:	96,052,800 shares

2) Total number of treasury shares at the end of the period:

June 30, 2026:	5,220,722 shares
December 31, 2025:	5,332,162 shares

3) Average number of shares during the period:

Six months ended June 30, 2026:	90,762,017 shares
Six months ended June 30, 2025:	91,720,178 shares

(Note) The Company conducted a share split at a ratio of 2 shares for each common share of the Company on April 1, 2025, and another share split at a ratio of 2 shares for each common share of the Company on April 1, 2026. The total number of issued and outstanding shares at the end of the period, total number of treasury shares at the end of the period, and average number of shares outstanding during the period have been calculated on the assumption that these share splits were conducted at the beginning of the previous fiscal year.

* These second quarter (semi-annual) consolidated financial results are outside the scope of review by certified public accountants or an audit firm.

* Explanation of the proper use of performance forecast and other notes

The earnings forecast and other forward-looking statements herein are based on the information currently available and certain assumptions deemed reasonable by the Company, and the Company does not guarantee their achievement. In addition, actual results may differ significantly from these forecasts due to a wide range of factors. For cautionary notes on assumptions that form the basis of the performance forecast and the use of the performance forecast, please see "1. Qualitative Information on Quarterly Financial Results (3) Explanation of Consolidated Performance Forecast and Other Forward-looking Information" on page 6 of the attachments.

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1. Qualitative Information on Quarterly Financial Results

(1) Explanation of Operating Results

Forward-looking statements in this document are based on the judgments of the Group (the Company and its consolidated subsidiaries) as of the end of the second quarter of the fiscal year under review.

The Group has undertaken the task of establishing a circular market in line with our sustainability policy, “Circulating valuable goods on a global scale ~ Circulation Engine.” As a company that contributes to a sustainable society by creating a system to efficiently circulate valuable goods in the market, the Group works to further improve its social and economic value.

In the medium-term management plan, Blue Print 2027, revised in February 2026, we aim to create the future of the circular economy with our partners around the world. We have set out a roadmap for achieving this goal, with a long-term target of GCV ¥1 trillion and medium-term quantitative targets of 1) EBITDA of ¥13.5 billion, 2) ROE of 15 to 20%, and 3) payout ratio of 50% or more. To achieve this goal, we will accelerate sustainable growth based on stable business foundations and further expand the management base for the next stage.

As a result of promoting business in line with such plans, for the six months ended June 30, 2026, the Group’s net sales were ¥37,983,895 thousand (up 16.8% from the same period of the previous fiscal year), operating profit was ¥7,082,725 thousand (up 21.3% from the same period of the previous fiscal year), ordinary profit was ¥7,154,334 thousand (up 25.1% from the same period of the previous fiscal year), and profit attributable to owners of parent was ¥4,820,569 thousand (up 30.2% from the same period of the previous fiscal year), as both the Lifestyle Products segment and the Mobility & Energy segment performed strongly and the one-time expenses incurred in the same period of the previous fiscal year (for the stock-based compensation plan for employees and 40th anniversary-related measures) did not recur.

	For the six months ended June 30, 2026	Year-on-year change
Net sales	¥37,983,895 thousand	+16.8%
Operating profit	¥7,082,725 thousand	+21.3%
Ordinary profit	¥7,154,334 thousand	+25.1%
Profit attributable to owners of parent	¥4,820,569 thousand	+30.2%

Performance results by business segment are as follows.

(Lifestyle Products segment)

The Lifestyle Products segment comprises the Digital Product Business and Fashion Resale Business.

(1) Digital Product Business

The Digital Product Business provides auctions for used digital products, including used smartphones and used PCs, and services pertaining to distribution, including those targeting consumers.

The number of units sold rose due to the strengthening of new sourcing channels, including GIGA School devices, while the average unit price of products sold remained strong partly due to the impact of foreign exchange rates. These factors led to an increase in the transaction amount. We also strengthened our sales activities, mainly in Europe, and focused on activating existing members and enhancing buying power.

	For the six months ended June 30, 2026	Year-on-year change
Transaction amount (million yen)	53,210	+21.3%
Number of units sold (unit)	1,574,950	+14.0%
Number of members (member)	2,134	+1.0%

(2) Fashion Resale Business

The Fashion Resale Business provides auctions primarily for pre-owned luxury brand items such as bags, watches, precious metals, and clothing, as well as services pertaining to distribution, including those targeting consumers.

In the BtoB business, we focused on strengthening the distribution of high-price-range products. As a result, although the number of items listed and the number of items sold at auctions decreased, the average unit price of items sold increased, and the transaction amount performed steadily. In addition, the number of auction members performed strongly due to our focus on enhancing buying power.

In the business targeting consumers, the transaction amount remained strong due to continued inbound demand from the weaker yen and domestic demand from higher stock prices, as well as efforts to optimize store inventory.

		For the six months ended June 30, 2026	Year-on-year change
BtoB business	Transaction amount (million yen)	28,930	+8.1%
	Items listed (item)	696,980	(13.2)%
	Items sold (item)	470,017	(8.4)%
	Number of members (member)	7,544	+19.6%
Business targeting consumers	Transaction amount (million yen)	11,328	+20.3%

For the six months ended June 30, 2026, net sales were ¥27,910,131 thousand (up 21.2% from the same period of the previous fiscal year) and operating profit was ¥5,630,506 thousand (up 11.9% from the same period of the previous fiscal year).

	For the six months ended June 30, 2026	Year-on-year change
Net sales	¥27,910,131 thousand	+21.2%
Operating profit	¥5,630,506 thousand	+11.9%

(Mobility & Energy segment)

The Mobility & Energy segment comprises the Automobile Business and Motorcycle Business.

(1) Automobile Business

The Automobile Business provides used vehicle auctions (*1), shared inventory market (*2), live relay broadcast auctions (*3), proxy bidding service (*4), used vehicle inspection service (*5), and other services.

In the Japanese automotive sector, which has close connections with our business, total new vehicle registrations (*6) increased 1.8% year on year to 2.38 million units in the six months ended June 30, 2026. The total number of used vehicle registrations (*7) increased 0.7% year on year to 3.37 million units, and the number of used vehicles listed at auctions around Japan (*8) increased 1.3% year on year to 4.22 million units. The total number of used vehicles sold at auctions (*8) increased 3.6% year on year to 2.90 million units.

The purchase demand at auctions from exporters remained strong and the total number of vehicles sold/bought increased. In addition, the rise in the average unit price of vehicles sold led to an increase in the transaction amount. Although we recorded depreciation and amortization expenses for our new core system “BASE” (continued from the second quarter of the previous fiscal year) and our membership website “AUCNET CARS” (continued from the third quarter of the previous fiscal year), the profit margin increased due to the non-recurrence of the one-time expenses incurred in the same period of the previous fiscal year (for the stock-based compensation plan for employees).

Also, demand for the inspection service for a used vehicle listing platform continued to be high and the number of used vehicles inspected increased, resulting in strong performance.

	For the six months ended June 30, 2026	Year-on-year change
Transaction amount (million yen)	337,679	+24.3%
Total vehicles sold/bought (unit)	313,065	+13.2%
Number of members (member)	16,173	+2.2%
Number of used vehicles inspected (*9) (unit)	824,303	+7.2%

(2) Motorcycle Business

The Motorcycle Business provides used motorcycle auctions (*1), shared inventory market (*2), proxy bidding service (*4), used vehicle inspection service (*5), and rental service.

For the six months ended June 30, 2026, net sales were ¥8,512,664 thousand (up 6.2% from the same period of the previous fiscal year) and operating profit was ¥2,421,467 thousand (up 28.5% from the same period of the previous fiscal year).

	For the six months ended June 30, 2026	Year-on-year change
Net sales	¥8,512,664 thousand	+6.2%
Operating profit	¥2,421,467 thousand	+28.5%

(*1) The used car and used motorcycle auctions are real-time, members-only online auctions run by the Company.
(*2) The shared inventory market is a system that allows Aucnet Group member sellers to share inventory with other members online. The inventory remains at the seller's premises while other members access it via the online system.
(*3) The live relay broadcast auctions use an online live-link system that enables real-time remote access to participate at physical auction sites, through partnerships between AUCNET and the physical auction sites.
(*4) The proxy bidding service is an agency service provided by i-Auc, Inc. to buy, sell, settle payment for and arrange for transportation of used cars and used motorcycles at auctions on behalf of its members.
(*5) The used vehicle inspection service and related inspection skills training services are provided by AIS INC.
(*6) Based on statistics compiled by Japan Automobile Dealers Association
(*7) Based on statistics compiled by Japan Automobile Dealers Association and Japan Light Motor Vehicle and Motorcycle Association
(*8) Based on the 2026 U-Car Full Data Book and Export Quotation Book
(*9) Total number of used cars and used motorcycles inspected

(Other)

The Other segment comprises the Agricultural Business and Circular Commerce Business.

The Agricultural Business provides online auctions and physical markets for flowers and engages in the production and sale of phalaenopsis orchids. The Circular Commerce Business provides services that support partners in creating secondary distribution businesses. From the beginning of the first quarter of the fiscal year ending December 31, 2026, yep Company Limited and yet Company Limited have been included in the Company's scope of consolidation, and the results of the two companies have been included in those of the Company's.

For the six months ended June 30, 2026, net sales (including inter-segment net sales) were ¥1,902,606 thousand (up 10.0% from the same period of the previous fiscal year) and operating loss was ¥213,646 thousand (the operating loss for the same period of the previous fiscal year was ¥128,648 thousand).

	For the six months ended June 30, 2026	Year-on-year change
Net sales	¥1,902,606 thousand	+10.0%
Operating loss	¥(213,646) thousand	–

(2) Explanation of Financial Position

1) Assets, liabilities and net assets

Total assets as of the end of the second quarter of the fiscal year under review amounted to ¥59,734,826 thousand, an increase of ¥8,953,074 thousand from the end of the previous fiscal year. This is mainly attributable to a ¥5,798,954 thousand increase in cash and deposits, a ¥2,957,975 thousand increase in due from auction members, a ¥169,581 thousand increase in notes and accounts receivable - trade, and contract assets, a ¥120,014 thousand increase in other current assets, and a ¥125,317 thousand increase in other intangible assets, despite a ¥311,499 thousand decrease in inventories.

Total liabilities amounted to ¥29,780,686 thousand, an increase of ¥5,621,523 thousand from the end of the previous fiscal year. This is mainly attributable to a ¥5,406,571 thousand increase in due to auction members, a ¥761,667 thousand increase in accounts payable - trade, and a ¥48,576 thousand increase in other non-current liabilities, despite a ¥500,265 thousand decrease in other provisions.

Total net assets amounted to ¥29,954,140 thousand, an increase of ¥3,331,551 thousand from the end of the previous fiscal year. This is mainly attributable to a ¥3,164,343 thousand increase in retained earnings.

2) Overview of cash flows

Cash and cash equivalents as of the end of the second quarter of the fiscal year under review amounted to ¥28,903,342 thousand, an increase of ¥5,802,467 thousand from the end of the previous fiscal year, partially offset by a decrease of ¥3,512 thousand resulting from exclusion of subsidiaries from consolidation.

The status of cash flows by activity in the six months ended June 30, 2026, and the main factors affecting cash flows are as follows.

(Cash Flows from Operating Activities)

Cash provided by operating activities amounted to ¥8,183,676 thousand. As a main breakdown of inflows, increase in profit before income taxes was ¥7,144,547 thousand, increase in due to auction members was ¥5,404,250 thousand, and increase in trade payables was ¥751,115 thousand. As a main breakdown of outflows, increase in due from auction members was ¥2,957,278 thousand and income taxes paid were ¥2,196,099 thousand.

(Cash Flows from Investing Activities)

Cash used in investing activities amounted to ¥611,156 thousand. As a main breakdown of outflows, purchase of intangible assets was ¥421,338 thousand and purchase of property, plant and equipment was ¥142,119 thousand.

(Cash Flows from Financing Activities)

Cash used in financing activities amounted to ¥1,812,180 thousand. This is mainly attributable to dividends paid of ¥1,659,269 thousand.

(3) Explanation of Consolidated Performance Forecast and Other Forward-looking Information

Regarding the full-year consolidated performance forecast for the fiscal year ending December 31, 2026, the figures announced on May 12, 2026 have been revised based on recent performance trends. For details, please refer to the "Notice Concerning Revisions to the Forecast of Consolidated Results and the Forecast for Dividends (Dividend Increase and Special Dividend) for the Fiscal Year Ending December 31, 2026" announced today.

Please note that the performance forecast is based on information available at the time of publication, and actual performance may differ from the forecast due to various factors.

2. Semi-annual Consolidated Financial Statements and Primary Notes

(1) Semi-annual Consolidated Balance Sheets

(Thousand yen)

	As of December 31, 2025	As of June 30, 2026
Assets		
Current assets		
Cash and deposits	23,104,387	28,903,342
Notes and accounts receivable - trade, and contract assets	1,967,398	2,136,979
Inventories	4,410,473	4,098,974
Due from auction members	6,456,355	9,414,331
Other	4,859,626	4,979,640
Allowance for doubtful accounts	(155,477)	(165,462)
Total current assets	40,642,763	49,367,805
Non-current assets		
Property, plant and equipment	1,939,732	1,996,558
Intangible assets		
Goodwill	194,880	158,097
Other	2,569,854	2,695,171
Total intangible assets	2,764,735	2,853,269
Investments and other assets	5,434,521	5,517,193
Total non-current assets	10,138,989	10,367,021
Total assets	50,781,752	59,734,826

(Thousand yen)

	As of December 31, 2025	As of June 30, 2026
Liabilities		
Current liabilities		
Accounts payable - trade	949,015	1,710,683
Due to auction members	15,161,139	20,567,710
Income taxes payable	2,317,939	2,336,132
Other provisions	946,699	446,434
Other	2,422,759	2,332,760
Total current liabilities	21,797,554	27,393,721
Non-current liabilities		
Retirement benefit liability	850,233	822,868
Provision for share-based remuneration	214,115	218,258
Other	1,297,260	1,345,836
Total non-current liabilities	2,361,608	2,386,964
Total liabilities	24,159,163	29,780,686
Net assets		
Shareholders' equity		
Share capital	1,807,303	1,807,303
Capital surplus	2,778,816	2,845,614
Retained earnings	24,264,293	27,428,637
Treasury shares	(2,988,831)	(2,922,410)
Total shareholders' equity	25,861,581	29,159,143
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	155,533	145,261
Foreign currency translation adjustment	249,918	291,915
Remeasurements of defined benefit plans	79,040	68,598
Total accumulated other comprehensive income	484,492	505,776
Non-controlling interests	276,514	289,220
Total net assets	26,622,589	29,954,140
Total liabilities and net assets	50,781,752	59,734,826

(2) Semi-annual Consolidated Statements of Income and Comprehensive Income

Semi-annual Consolidated Statements of Income

(Thousand yen)

	For the six months ended June 30, 2025	For the six months ended June 30, 2026
Net sales	32,532,462	37,983,895
Cost of sales	17,751,874	22,274,145
Gross profit	14,780,588	15,709,749
Selling, general and administrative expenses	8,943,776	8,627,024
Operating profit	5,836,811	7,082,725
Non-operating income		
Interest income	11,377	30,283
Dividend income	57,420	51,787
Share of profit of entities accounted for using equity method	10,116	55,062
Subsidy income	15,443	–
Other	60,189	38,494
Total non-operating income	154,547	175,627
Non-operating expenses		
Interest expenses	102	166
Foreign exchange losses	268,203	92,634
Other	6,289	11,216
Total non-operating expenses	274,595	104,017
Ordinary profit	5,716,763	7,154,334
Extraordinary income		
Gain on liquidation of subsidiaries and associates	8,901	277
Gain on sale of non-current assets	291	–
Gain on bargain purchase	6,078	–
Gain on step acquisitions	13,140	–
Total extraordinary income	28,412	277
Extraordinary losses		
Impairment loss	8,150	–
Loss on retirement of non-current assets	2,028	10,064
Office relocation expenses	18,783	–
Total extraordinary losses	28,961	10,064
Profit before income taxes	5,716,214	7,144,547
Income taxes	1,944,012	2,261,145
Profit	3,772,202	4,883,402
Profit attributable to non-controlling interests	69,040	62,832
Profit attributable to owners of parent	3,703,161	4,820,569

Semi-annual Consolidated Statements of Comprehensive Income

(Thousand yen)

	For the six months ended June 30, 2025	For the six months ended June 30, 2026
Profit	3,772,202	4,883,402
Other comprehensive income		
Valuation difference on available-for-sale securities	64,179	(10,272)
Foreign currency translation adjustment	(77,949)	41,997
Remeasurements of defined benefit plans, net of tax	(2,292)	(10,441)
Total other comprehensive income	(16,062)	21,283
Comprehensive income	3,756,139	4,904,686
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	3,687,099	4,841,853
Comprehensive income attributable to non-controlling interests	69,040	62,832

(3) Semi-annual Consolidated Statements of Cash Flows

(Thousand yen)

	For the six months ended June 30, 2025	For the six months ended June 30, 2026
Cash flows from operating activities		
Profit before income taxes	5,716,214	7,144,547
Depreciation	292,322	399,654
Impairment loss	8,150	–
Amortization of goodwill	118,970	61,979
Increase (decrease) in allowance for doubtful accounts	16,453	31,176
Increase (decrease) in retirement benefit liability	(2,798)	(42,612)
Increase (decrease) in provision for share-based remuneration	131,007	132,455
Increase (decrease) in other provisions	74,396	(536,962)
Interest and dividend income	(68,798)	(82,070)
Interest expenses	102	166
Share of loss (profit) of entities accounted for using equity method	(10,116)	(55,062)
Gain on bargain purchase	(6,078)	–
Loss (gain) on liquidation of subsidiaries and associates	(8,901)	(277)
Loss (gain) on step acquisitions	(13,140)	–
Loss on sale and retirement of non-current assets	2,028	10,064
Gain on sale of non-current assets	(291)	–
Decrease (increase) in trade receivables	5,559	(121,793)
Decrease (increase) in due from auction members	(3,335,447)	(2,957,278)
Decrease (increase) in inventories	437,779	371,471
Increase (decrease) in trade payables	(1,878)	751,115
Increase (decrease) in due to auction members	8,776,365	5,404,250
Other, net	414,137	(255,920)
Subtotal	12,546,035	10,254,905
Interest and dividends received	68,798	82,129
Interest paid	(102)	(166)
Income taxes paid	(1,255,874)	(2,196,099)
Income taxes refund	12,016	42,907
Net cash provided by (used in) operating activities	11,370,873	8,183,676

(Thousand yen)

	For the six months ended June 30, 2025	For the six months ended June 30, 2026
Cash flows from investing activities		
Proceeds from the liquidation of subsidiaries and associates	18,901	6,616
Purchase of property, plant and equipment	(4,109)	(142,119)
Proceeds from sale of property, plant and equipment	898	45
Purchase of intangible assets	(448,551)	(421,338)
Proceeds from purchase of shares of subsidiaries resulting in change in scope of consolidation	64,553	2,714
Payments of leasehold and guarantee deposits	(100,556)	(25,740)
Proceeds from lease and guarantee deposits received	62,794	3,077
Other, net	(31,295)	(34,412)
Net cash provided by (used in) investing activities	(437,364)	(611,156)
Cash flows from financing activities		
Purchase of treasury shares	(3,533,530)	–
Proceeds from sale of treasury shares	279,873	–
Dividends paid	(1,164,076)	(1,659,269)
Other, net	(130,684)	(152,911)
Net cash provided by (used in) financing activities	(4,548,416)	(1,812,180)
Effect of exchange rate change on cash and cash equivalents	(75,832)	42,128
Net increase (decrease) in cash and cash equivalents	6,309,259	5,802,467
Cash and cash equivalents at beginning of period	16,980,692	23,104,387
Decrease in cash and cash equivalents resulting from exclusion of subsidiaries from consolidation	–	(3,512)
Cash and cash equivalents at end of period	23,289,952	28,903,342

(4) Notes to Semi-annual Consolidated Financial Statements

(Notes on going concern assumption)

Not applicable.

(Notes in case of significant changes in amount of shareholders' equity)

Not applicable.

(Accounting methods adopted particularly for the preparation of semi-annual consolidated financial statements)

(Calculation of tax expenses)

Tax expenses are calculated by making a reasonable estimate of the effective tax rate after application of tax-effect accounting to profit before income taxes for the fiscal year (consolidated) including the first half of the fiscal year under review, with semi-annual profit before income taxes then multiplied by the estimated effective tax rate.

However, in the event that this tax expense calculation using estimated effective tax rate results in a significantly improbable figure, a method using the statutory effective tax rate may be adopted.

(Segment information, etc.)

[Segment information]

For the six months ended June 30, 2025 (from January 1, 2025 to June 30, 2025)

1. Information on net sales and income (loss) and information on disaggregation of revenue by reportable segment

(Thousand yen)

	Reportable segment			Other (Note 1)	Total	Adjustment (Note 2)	Amount recorded in Semi-annual Consolidated Statements of Income (Note 3)
	Lifestyle Products	Mobility & Energy	Total				
Net sales							
Auction related revenue	8,248,943	5,121,964	13,370,907	581,849	13,952,757	–	13,952,757
Product sales related revenue	14,738,283	459,023	15,197,306	413,622	15,610,929	–	15,610,929
Other	43,719	2,435,522	2,479,241	489,534	2,968,775	–	2,968,775
Revenue from contracts with customers	23,030,946	8,016,509	31,047,455	1,485,006	32,532,462	–	32,532,462
Other revenue	–	–	–	–	–	–	–
Net sales to outside customers	23,030,946	8,016,509	31,047,455	1,485,006	32,532,462	–	32,532,462
Inter-segment net sales or transfers	–	–	–	244,388	244,388	(244,388)	–
Total	23,030,946	8,016,509	31,047,455	1,729,394	32,776,850	(244,388)	32,532,462
Segment income (loss)	5,031,439	1,883,957	6,915,396	(128,648)	6,786,748	(949,936)	5,836,811

(Notes) 1. “Other” is the segment which is not included in reportable segments, including such businesses as the Agricultural Business and the Circular Commerce Business.

2. Adjustment of segment income of negative ¥949,936 thousand is corporate expenses not allocated to specific reportable segments. Corporate expenses chiefly comprise general and administrative expenses not allocated to specific reportable segments.

3. Adjustments are made to reconcile segment income with operating profit reported on the semi-annual consolidated statements of income.

2. Reporting segment-specific information on impairment loss on non-current assets and details of goodwill, etc.

Not applicable.

For the six months ended June 30, 2026 (from January 1, 2026 to June 30, 2026)

1. Information on net sales and income (loss) and information on disaggregation of revenue by reportable segment

(Thousand yen)

	Reportable segment			Other (Note 1)	Total	Adjustment (Note 2)	Amount recorded in Semi-annual Consolidated Statements of Income (Note 3)
	Lifestyle Products	Mobility & Energy	Total				
Net sales							
Auction related revenue	9,128,931	5,726,642	14,855,573	606,256	15,461,830	–	15,461,830
Product sales related revenue	18,665,732	254,473	18,920,206	569,697	19,489,904	–	19,489,904
Other	115,467	2,531,548	2,647,016	385,144	3,032,160	–	3,032,160
Revenue from contracts with customers	27,910,131	8,512,664	36,422,796	1,561,098	37,983,895	–	37,983,895
Other revenue	–	–	–	–	–	–	–
Net sales to outside customers	27,910,131	8,512,664	36,422,796	1,561,098	37,983,895	–	37,983,895
Inter-segment net sales or transfers	–	–	–	341,508	341,508	(341,508)	–
Total	27,910,131	8,512,664	36,422,796	1,902,606	38,325,403	(341,508)	37,983,895
Segment income (loss)	5,630,506	2,421,467	8,051,973	(213,646)	7,838,327	(755,602)	7,082,725

(Notes) 1. "Other" is the segment which is not included in reportable segments, including such businesses as the Agricultural Business and the Circular Commerce Business.

2. Adjustment of segment income of negative ¥755,602 thousand is corporate expenses not allocated to specific reportable segments. Corporate expenses chiefly comprise general and administrative expenses not allocated to specific reportable segments.

3. Adjustments are made to reconcile segment income with operating profit reported on the semi-annual consolidated statements of income.

2. Reporting segment-specific information on impairment loss on non-current assets and details of goodwill, etc.

Not applicable.

(Significant subsequent events)

Not applicable.