BOOKOFF
GROUP HOLDINGS

BOOKOFF GROUP HOLDINGS LIMITED

(TSE First Section: 9278)

Financial Results Presentation Materials

for the Fiscal Year Ended March 2019 (FY3/2019)

May 15, 2019

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*Financial data up to and including 1H FY3/19 in these materials are consolidated figures for BOOKOFF CORPORATION.

BOOKOFF
GROUP HOLDINGS

FY3/2019
Overview of Consolidated Financial Results

Topics

	FY3/2017	FY3/2018	**FY3/2019**	FY3/2021 Targets
Ordinary profit	¥0.58 billion	¥1.09 billion	**¥2.12 billion**	¥2.0 billion
ROA (Ratio of ordinary profit to total assets)	1.2%	2.2%	**4.8%**	At least 5.0%
Interest-bearing debt-to-operating cash flow multiple	13.7	9.1	**6.3**	Maximum of 5.0

Medium-term Management Policies
Financial targets announced on May 2018

Steady progress for achieving the FY3/2021 targets
Achieved the ordinary profit target two years early

ROA = Ordinary profit/{(Total assets at beginning of period + Total assets at end of period)/2}
Interest-bearing debt-to-operating cash flow multiple = Interest-bearing debt at end of period/Operating cash flows

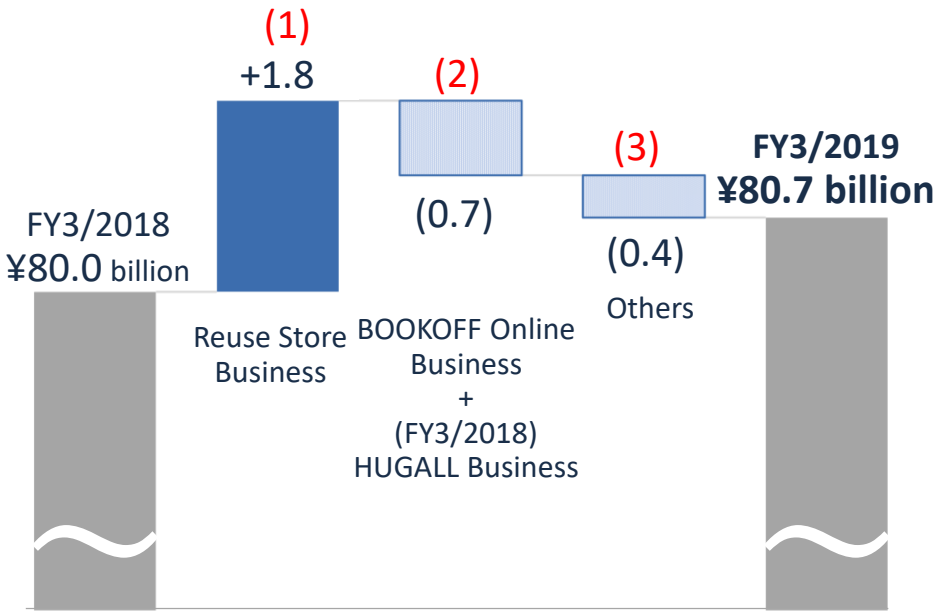
Statement of Income

(Million yen)	**FY3/2019**	FY3/2018	YoY change (Amount)	YoY change (Ratio)
Net sales	**80,796**	80,049	+746	100.9%
Gross profit	**48,235**	46,994	+1,240	102.6%
Gross profit margin	***59.7%***	*58.7%*	*+1.0pt*	-
SG&A expenses	**46,684**	46,381	+303	100.7%
Operating profit	**1,550**	613	+936	252.6%
Ordinary profit	**2,120**	1,092	+1,027	194.0%
Profit (loss) attributable to owners of parent	**2,172**	(889)	+3,062	Profitable

- ✓ Big improvement in earnings in FY3/2019 was the result of terminating the special event sales business of HUGALL and other low-margin operations in FY3/2018 and of the strong existing store performance of the Reuse Store Business.
- ✓ Record high profit attributable to owners of parent, due largely to a one-time reduction in income taxes associated with group reorganization activities.

YoY Change in Net Sales / Operating Profit

■ Net sales

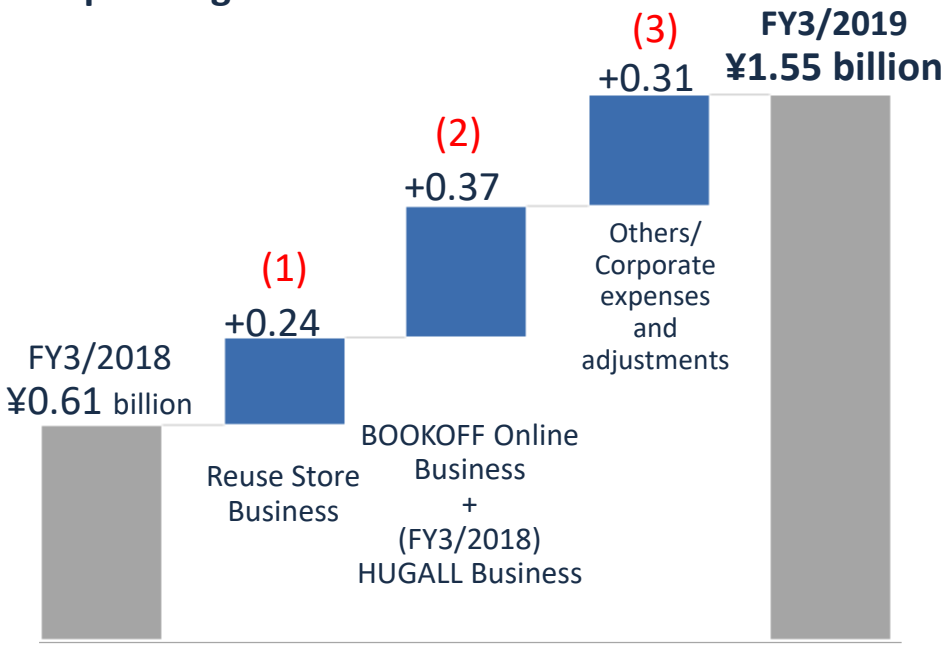


(1) Strong existing store sales and contributions from large stores opened in FY3/2018 and a new consolidated subsidiary

(2) E-commerce sales were higher but HUGALL sales decreased due to the termination of special event sales in FY3/2018

(3) Decreased mainly because stores selling new books were closed

■ Operating Profit



(1) Existing store sales increased

(2) Strong performance by the e-commerce business and switch of HUGALL from a loss to a profit resulting from ending an unprofitable sales channel

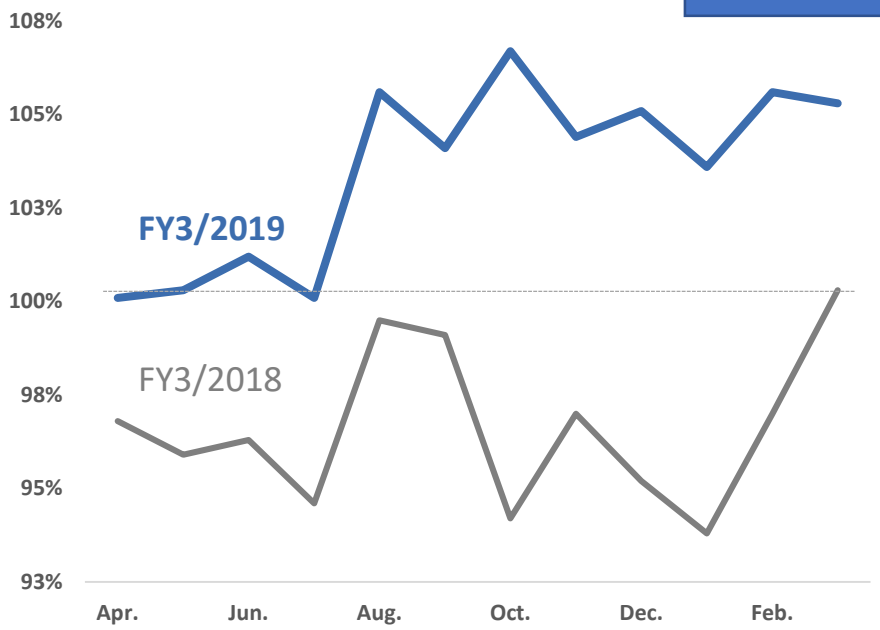
(3) Mainly because of lower income taxes associated with group reorganization activities

Reuse Store Business –Directly Operated Existing Store Sales

BOOKOFF GROUP HOLDINGS

YoY change in monthly sales

FY3/2019
103.5%

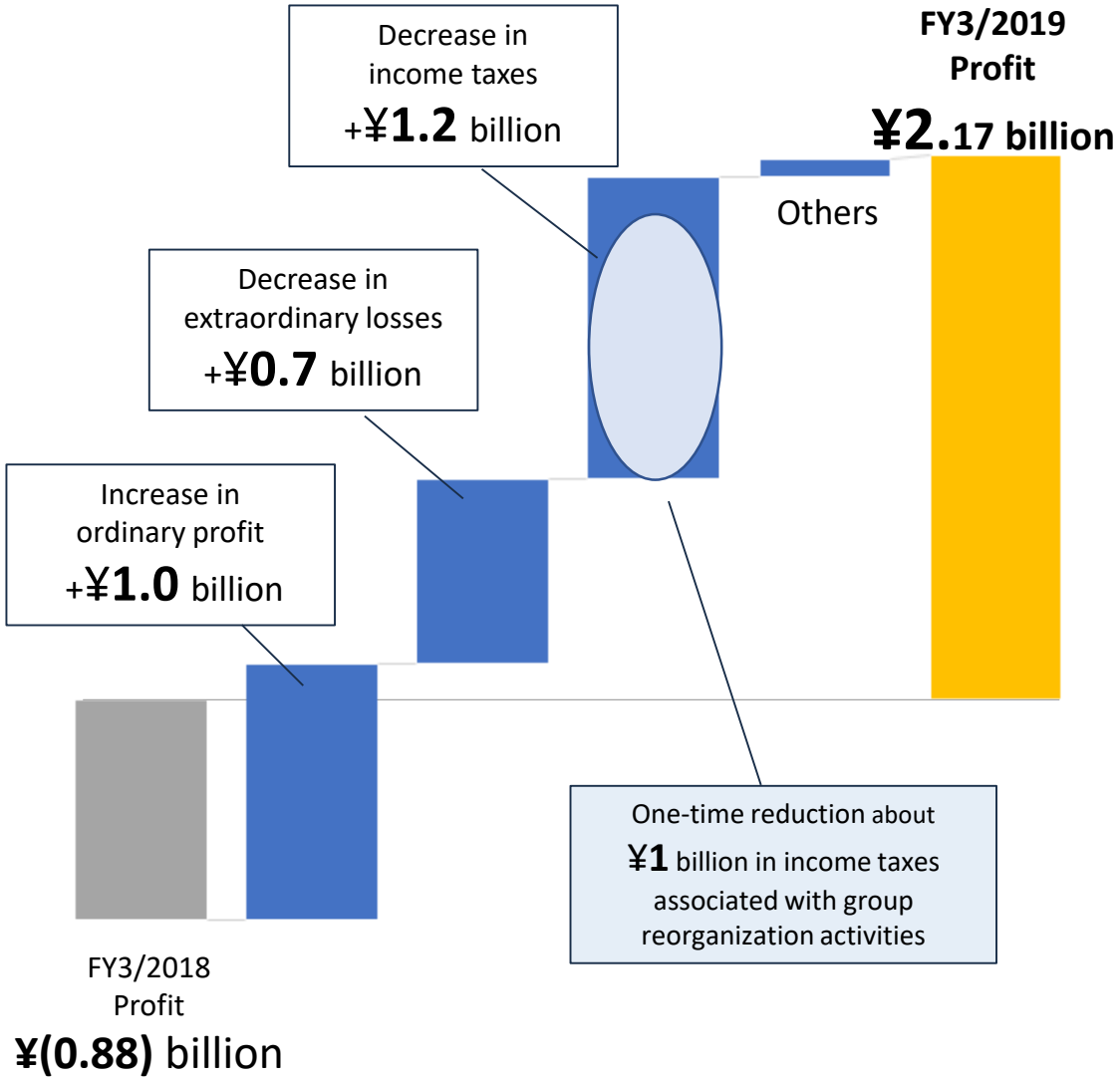


Sales by product category

	YoY change (Ratio)	% to sales
Books	102.3%	33.3%
Software media (CDs, DVDs, games, etc.)	102.0%	29.5%
Apparel	97.6%	13.0%
Precious metals/watches/ high-end brand items	118.1%	7.2%
Trading cards/hobby goods	118.6%	6.2%
Home appliances/mobile phones	100.2%	5.2%
Others	105.2%	5.6%
Total	**103.5%**	100.0%

- ✓ Existing store sales were higher than one year earlier in every month of FY3/2019 and were 3.5% higher for the entire fiscal year.
- ✓ Measures to reflect local market characteristics of stores produced much higher sales of precious metals/watches/high-end brand items and of trading cards/hobby goods. Also, sales of books and software media, which account for a large share of total sales, increased.

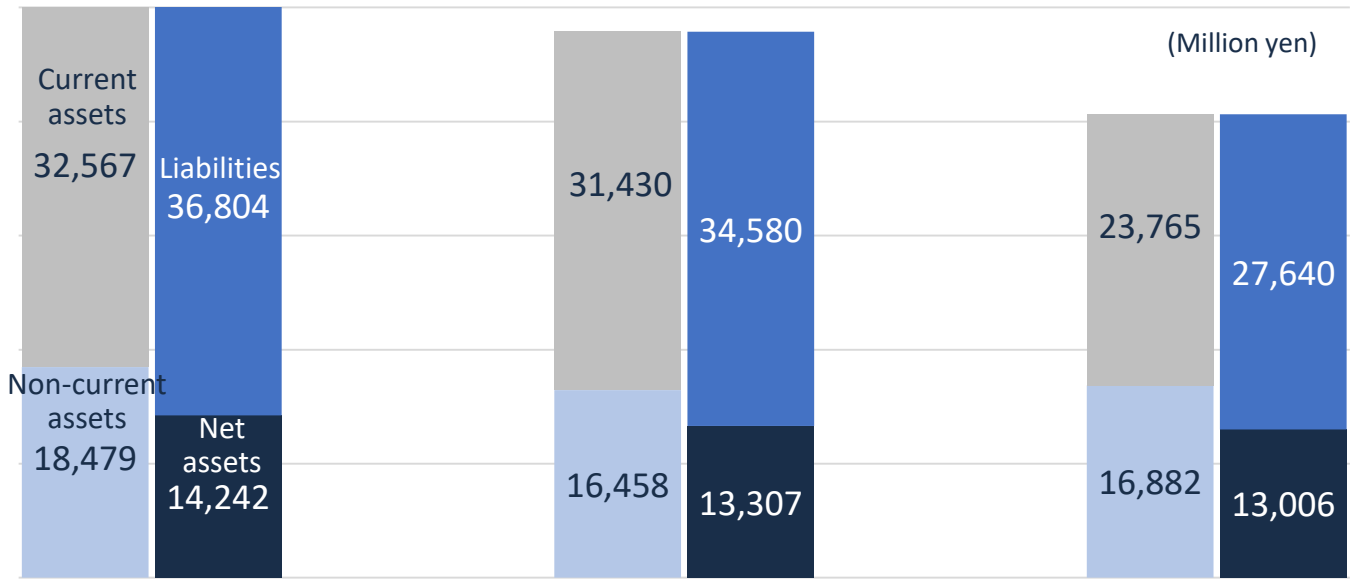
Reasons for the Big Increase in Profit*



- ✓ FY3/2018 extraordinary losses of more than ¥400 million for HUGALL Business asset impairment and also for asset impairment at large stores in the Reuse Store Business
- ✓ Smaller extraordinary losses in FY3/2019 because improving store profitability reduced asset impairment charges
- ✓ Big decline in income taxes associated with group reorganization activities
- ✓ About ¥1 billion of the reduction in FY3/2019 income taxes was a one-time decline caused by tax-effect accounting and will not happen again.

*Profit = Profit attributable to owners of parent

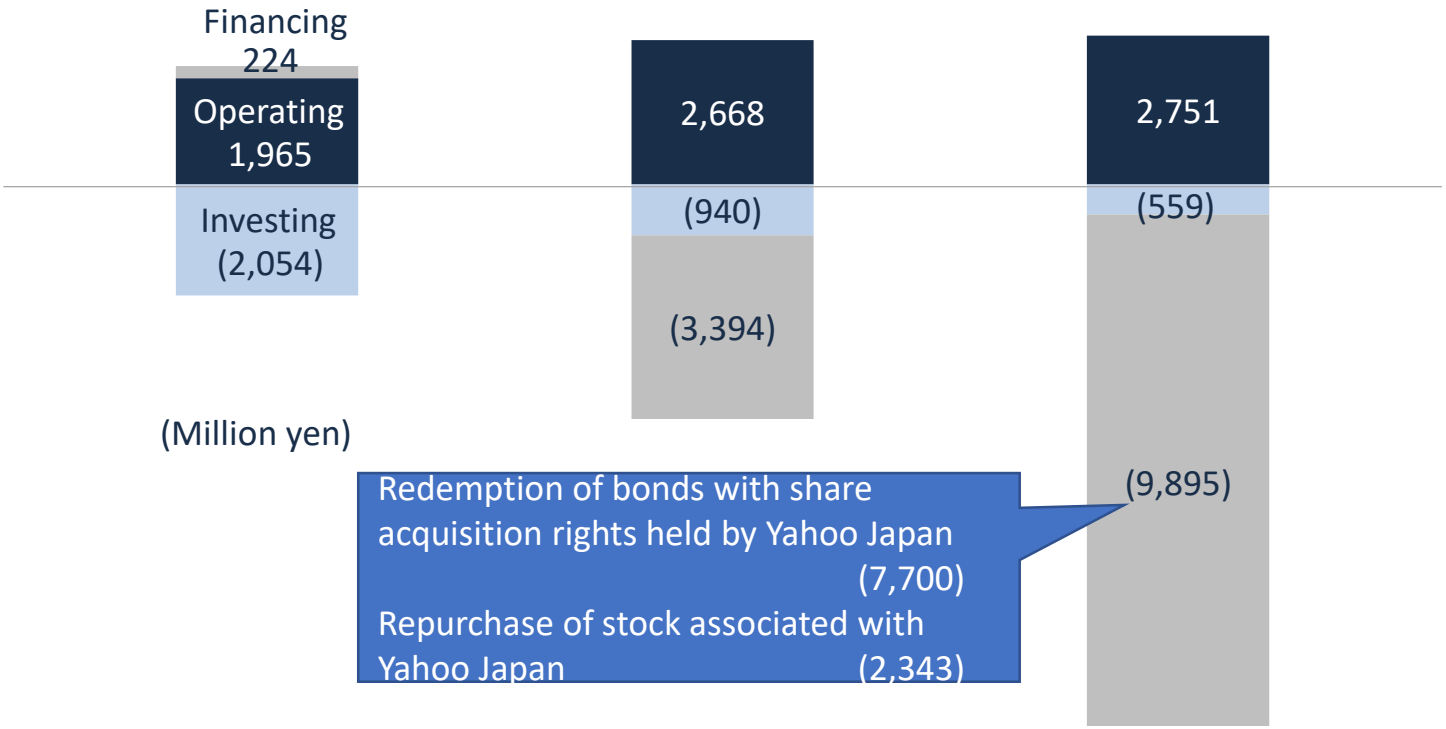
Balance Sheet



	FY3/2017	FY3/2018	**FY3/2019**
Ordinary profit	588	1,092	**2,120**
Treasury shares	1,260	1,255	**2,343**
Equity ratio	27.9%	27.5%	**31.6%**
ROA (based on ordinary profit)	1.2%	2.2%	**4.8%**

✓ The equity ratio increased significantly because BOOKOFF GROUP HOLDINGS redeemed bonds with share acquisition rights held by Yahoo Japan Corporation and repurchased stock due to the termination of the capital and business alliance with Yahoo Japan.

Statement of Cash Flows



	FY3/2017	FY3/2018	**FY3/2019**
Depreciation*	2,139	1,895	**1,645**
Cash and deposits at end of period	15,268	13,860	**6,142**
Interest-bearing debt	26,937	24,480	**17,535**
Interest-bearing debt-to-operating cash flow multiple	13.7	9.1	**6.3**

✓ Operating cash flows increased and financial leverage was mostly at a proper level despite a big decrease in cash and deposits caused by the redemption of bonds with share acquisition rights held by Yahoo Japan and other reasons.

*Including amortization of goodwill

Other Topics (1)

Reuse Store Business　New stores

Opened a large BOOKOFF store in Japan and the third store in Malaysia
Opened six one-stop purchasing consultation desks as planned

Grand opening of the BOOKOFF SUPER BAZAAR Hiroshima Danbara Store

Reuse Store Business　Large number of store renovations

Based on the medium-term management policies, added merchandise to reflect the distinctive characteristics of each store's market and completed interior and exterior renovations at 69 directly operated stores in Japan.

Release of member app

Started distributing the BOOKOFF App to enable customers to use stores with greater simplicity and convenience.
The app had about 500,000 members as of the end of March 2019.

Other Topics (2)

Established BOOKOFF GROUP HOLDINGS as a pure holding company

The new holding company is responsible for determining strategies, procuring funds for investments, developing business models, developing the next generation of managers, properly allocating personnel and other activities. Switching to this holding company structure is expected to facilitate the proper allocation of group resources and make business operations more efficient. This structure is also well suited for business integrations, mergers and other group realignment activities among subsidiaries for the convergence of internet and store operations.

Reexamined the business alliance with Yahoo!

The 2014 capital and business alliance with Yahoo Japan Corporation produced a certain level of benefits through activities for building in infrastructure for the reuse of household goods. This alliance was terminated to give each company the flexibility to pursue its own growth strategy that reflects changes in market conditions. Cooperation in the reuse business will continue in accordance with the business alliance contract.

Our Business Model and Business Climate

BOOKOFF's Corporate Philosophy and Mission

BOOKOFF GROUP HOLDINGS

Corporate Philosophy

- Contributions to society through our business activities
- Pursuit of employees' material and spiritual wellbeing

Mission

Be a source of enjoyable and enriching lives for as many people as possible

Growth of the Group ⇄ **Mutually increase the pace of growth** ⇄ **Individual growth**

Remain a company performing a vital social role 5 and 10 years from now

Vision

- Japan's leading reuse company
  (the reuse store network with the largest number of customers)
- Be a company employees can trust and where everyone can grow while doing their jobs with self-confidence and passion

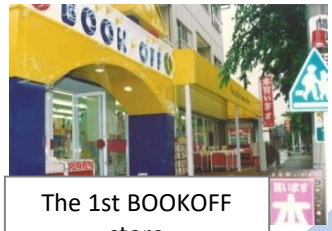
Store Packaging Evolution

Focus on suburban locations

BOOKOFF Chuko-Gekijo

One-stop purchasing consultation desk

- More BSB and BOP store openings and store remodeling
- Large-scale urban BOOKOFF store openings



The 1st BOOKOFF store

- Faster BOOKOFF store openings
- New reuse business B KIDS, B SPORTS
- BOOKOFF Chuko-Gekijo (a comprehensive large-format store)
- Overseas expansion
- Online business starts

Dept. store purchasing desks

- Founding
- “Sell us your books”
- Franchised store growth

Overseas Store

Large-scale urban BOOKOFF store

Start of operations in Malaysia

1990 2000 2009 2015

The Store Package Portfolio in Japan

Urban

hugall

5 department stores

BOOK·OFF One-stop Purchasing Consultation Desk

13 locations

BOOK·OFF

, etc.

BOOK·OFF PLUS+

Category-specific stores

Comprehensive reuse stores

677 stores

60 stores

BOOK·OFF SUPER BAZAAR

43 stores

Suburb

Approximately 800 real stores nationwide

Many store formats to cover a broad range of regional needs

*Number of stores includes franchise stores as of March 31, 2019

BOOKOFF's Own E-Commerce Channel

BOOKOFF Online allows customers to buy and sell reuse products without leaving home

宅本便®

Home pick-up service for purchases of books and software

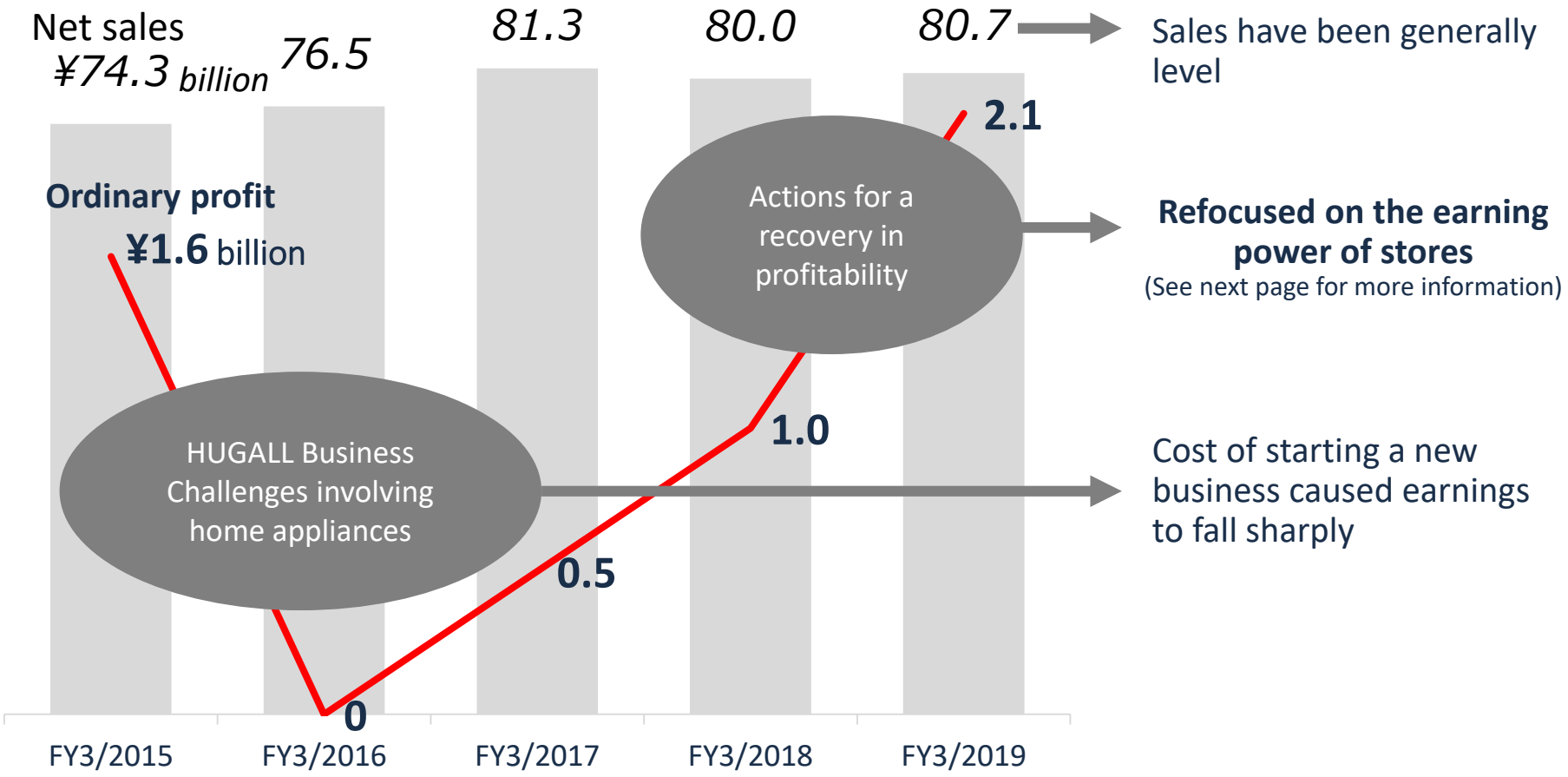
E-commerce sales

BOOK·OFF Online

Japan's largest inventory of used books

About **2.5** million shipments every year

Five-year Sales and Earnings Summary



A period of low earnings has ended and the BOOKOFF Group is now positioned to begin a new phase of growth

Actions for a Recovery in Profitability

Tighter focus for the HUGALL Business

hugall【ハグオール】

~~Special event sales~~

~~Purchase events~~

Dept. store purchasing desks

~~Home pick-up purchasing~~

Limitation on opening new stores and closing unprofitable stores

FY3/2018 and FY3/2019
Directly operated stores in Japan

4 large stores opened

28 stores closed

*Excludes transfers of stores to and from franchisees.

Delegation of authority for store operations

Head office

Delegation of authority

Regional business units

Allows every store to closely reflect the characteristics of its local market

Rigorous use of low-cost operations

Proper allocation of personnel

Digital technology for purchasing

Reduction in store rental expenses

Higher employee productivity

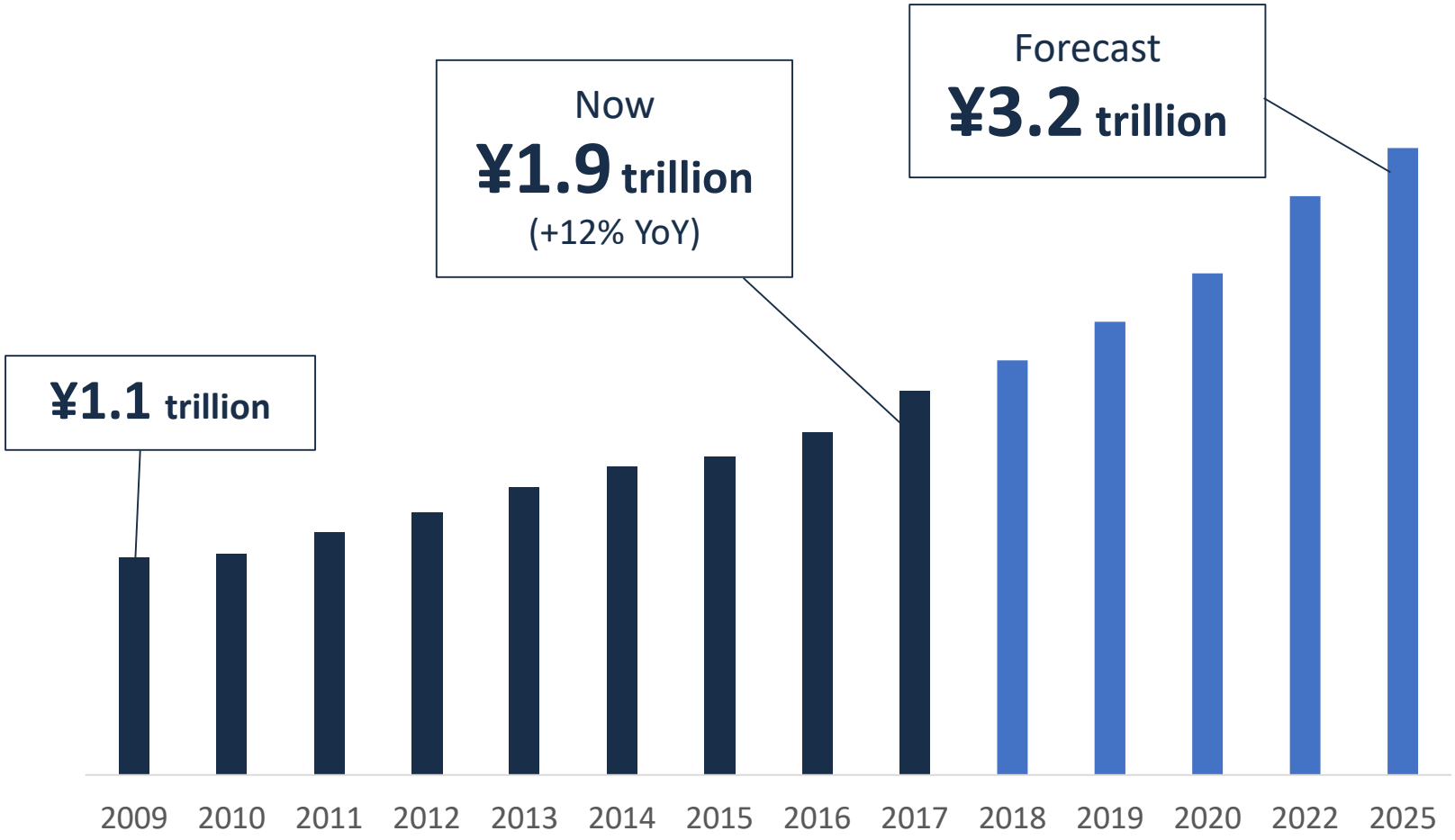
And other actions

SG&A expense ratio

FY3/2016
60.3%

FY3/2019
57.8%

Japan's Reuse Market



*Source: The Reuse Business Journal

More growth is expected in Japan's reuse market

BOOKOFF's Strengths

Reuse store chain in Japan

Recognition **No.1**

*As of August 2016, survey by MACROMILL

Awareness of BOOK·OFF

96%

Number of customers **No.1**

*BOOKOFF estimates used for customers per store at competitors

Annual customer transactions at BOOKOFF stores

100 million

Book inventory **No.1**

130 million

BOOKOFF's Strengths

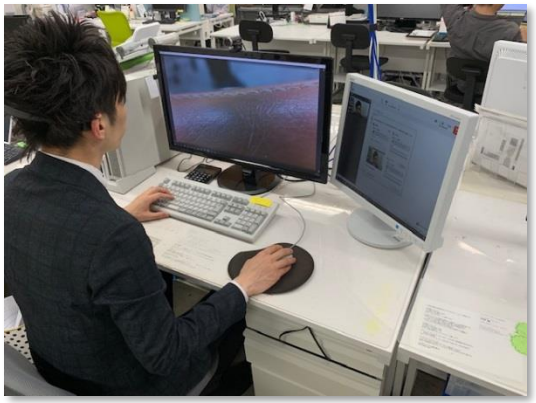
Employee training and development curriculum using manuals and based on the corporate philosophy and other principles and guidelines

Cheerful, polite and speedy service

Career advancement program for all employees

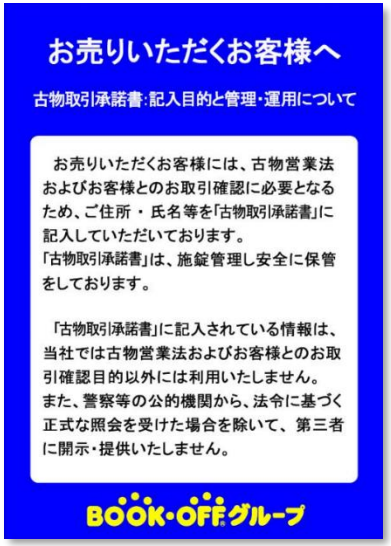
Employee training and development programs to maintain a skilled workforce for store operations

BOOKOFF's Strengths



Assessments using web cameras

At-home purchasing service



The BOOKOFF pledge to comply with laws and regulations

A database for reuse merchandise purchasing prices

Purchasing services that uses the customers' standpoint and strict compliance with laws and regulations
A resolute commitment to operate stores where customers can sell reuse merchandise with complete confidence

The BOOKOFF Stance for C-to-C Transactions

Real stores that customers can use with

confidence

BOOK·OFF

BOOK·OFF SUPER BAZAAR

BOOK·OFF PLUS

hugall【ハグオール】

Internet services with outstanding

convenience

BOOK·OFF Online

宅本便®

Customer needs that exist only in the reuse business

- Worries about dealing with a stranger
- The need to sell many items at once with ease
- Desire to see reuse items before purchasing
- Negotiating for discounts is annoying and uncomfortable

Growth of the C-to-C customer segment

The Growth of e-Books and Decline of Printed Books

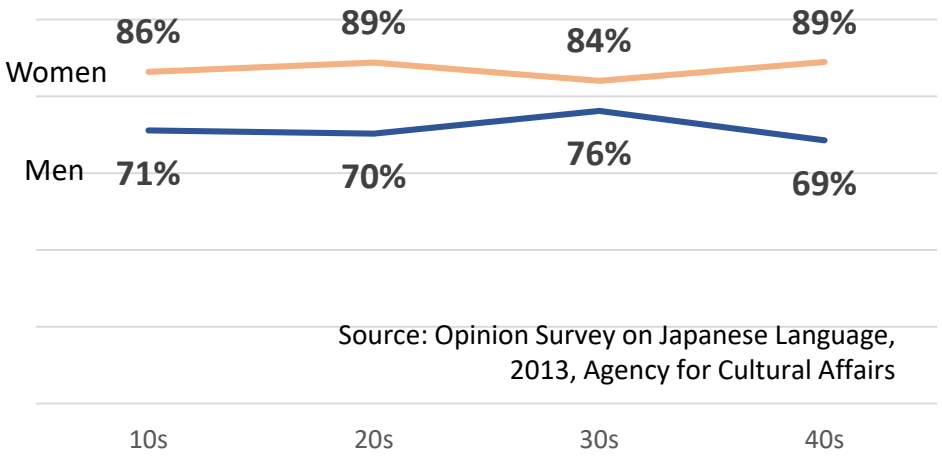
No. of people in Japan who read books (estimate)

About **50** million

Source: Article in Shuppan Ryutsu Consulting on the Japan Authors Sales Promotion Center website

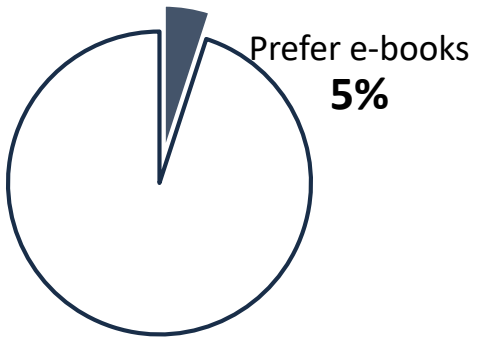
Consistently strong demand in Japan for books sold at reasonable prices

Do you want to read more books?



Source: Opinion Survey on Japanese Language, 2013, Agency for Cultural Affairs

Do you prefer printed books or e-books?



Source: Survey about books by MACROMILL

With Books as the Core Category, Aiming to Become Japan's Leading Reuse Company

A diverse merchandise selection that reflects customers' life cycles, centered on books that appeal to people of all ages

Fashion

Household goods

Novels

Luxury-brand goods / precious metals

Practical books

Baby goods

Magazines

Home appliances

Comic books

Picture books

Toys

Sporting goods

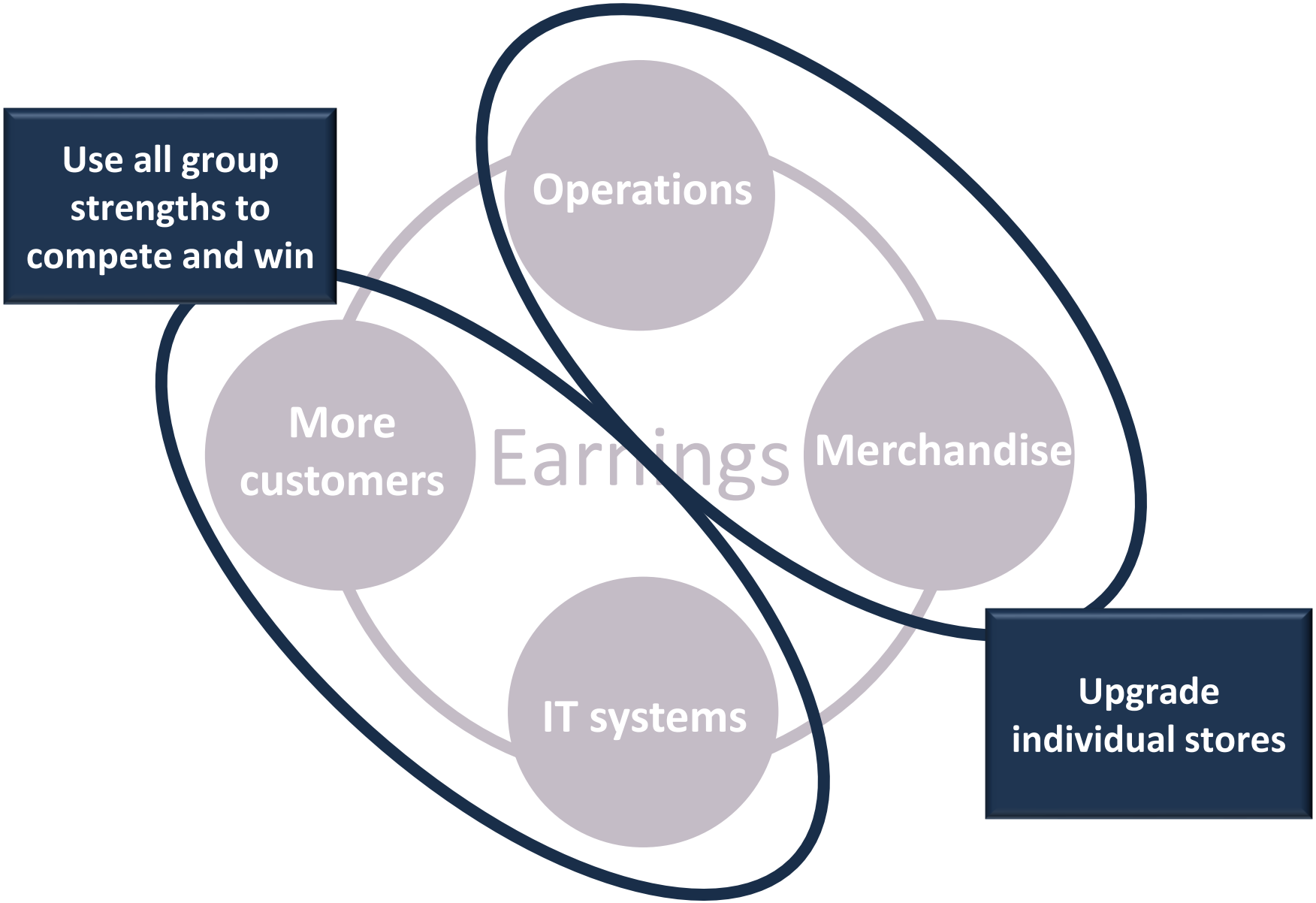
Strategies for Growth

Upgrade individual stores

×

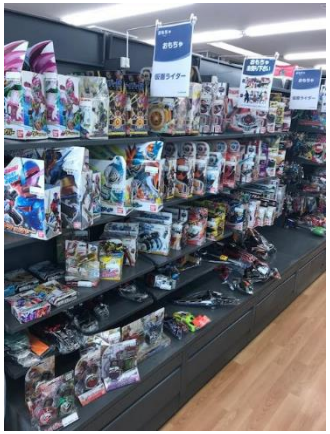
Use all group strengths to compete and win

Business Policy and Roles



Upgrade Individual Stores –Continue to Create Stores That Match Local Markets

Chigasaki Stn. North Exit Store
Added apparel and beach merchandise



Kofu Heiwa Street Store
Added hobby merchandise

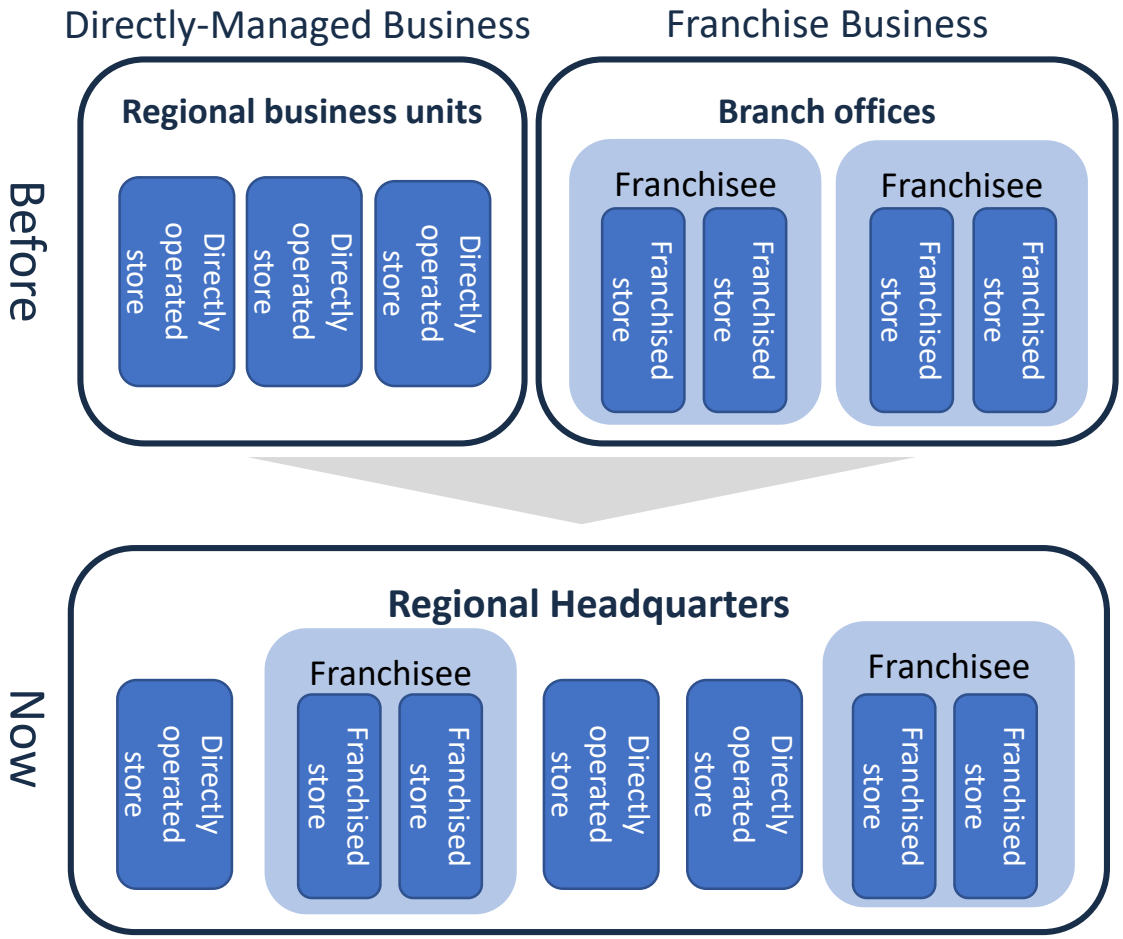
Toyota Shimobayashi
More home appliances and musical instruments

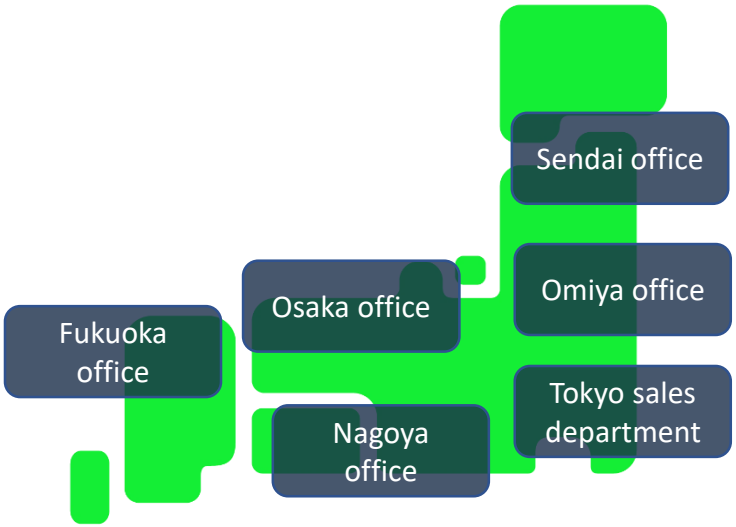
Musashi Koyama PALM Store
Repainted store exterior
More children's books and other books

Continued to add merchandise for local markets and renovate stores

(at **69** directly operated stores during FY3/2019)

Upgrade Individual Stores
–More Authority Shifted to the Regional Level with Reorganization





In the new organization, directly operated and franchised stores are no longer separate. Furthermore, regions have more authority in order to allow making decisions at a level that is closest to customers. With this organization, stores can take actions faster and directly operated and franchised stores can more easily share their know-how and people.

Upgrade Individual Stores –Resume Opening Stores Rapidly

Suburban store

BOOK·OFF SUPER BAZAAR

- ✓ A comprehensive large-format reuse store (1,650 to 3,300m^2) unlike any other retail format in Japan
- ✓ Enormous inventory volume and merchandise selection attracts large numbers of customers

Plan to open 4 to 5 stores every year, mainly in suburbs of large cities

Urban store

BOOK·OFF One-stop purchasing consultation desk

- ✓ Small shops mainly near major city-center railway stations
- ✓ A reuse purchasing specialist provides information and purchase prices at a store counter
- ✓ Purchases include books/software as well as many other types of reuse items

Planning on growth from the current 13 locations to 50, mainly in the Tokyo area

Use All Group Strengths to Compete and Win
–The “One BOOKOFF” Concept

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Create positive experiences

E-commerce

BOOK·OFF Online

- Internet purchases of store merchandise
- Online search of store merchandise
- Store pick-up of online purchases

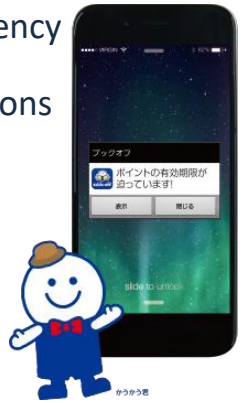
E-purchasing

- Shorter reception and waiting times
- Faster entry of customer information
- Links with member apps

Create reasons to return to stores

Membership (apps)

- Push notifications about sales, loyalty program point expirations and other items
- Loyalty program with rewards upgraded according to store visit frequency
- Distribution of discount coupons
- Loyalty point management
- Searches for locating the nearest BOOKOFF store



Maximize customer lifetime value (LTV)

Easier sales of reuse items – “Reuse” for more enjoyable and fulfilling lives

Use All Group Strengths to Compete and Win
–The “One BOOKOFF” Roadmap

	FY3/2019	FY3/2020	FY3/2021
	Create (Done)	**Advance**	**Grow**
Membership	• Release official apps • Coupon functions (overall) • CRM trials	• Points received for downloads • Functions to issue coupons at stores • Loyalty program	E-commerce/store loyalty point link and other measures
E-purchasing	Start a multi-store business model	Use coordination with membership services for higher efficiency and better services	
E-commerce	• Sell software in store inventories • Links with inventories of franchised stores	• Merchandise pick-up at stores • E-commerce link with member apps • Sell books in store inventories	Sell other merchandise, other measures

Use All Group Strengths to Compete and Win
–The “One BOOKOFF” Progress

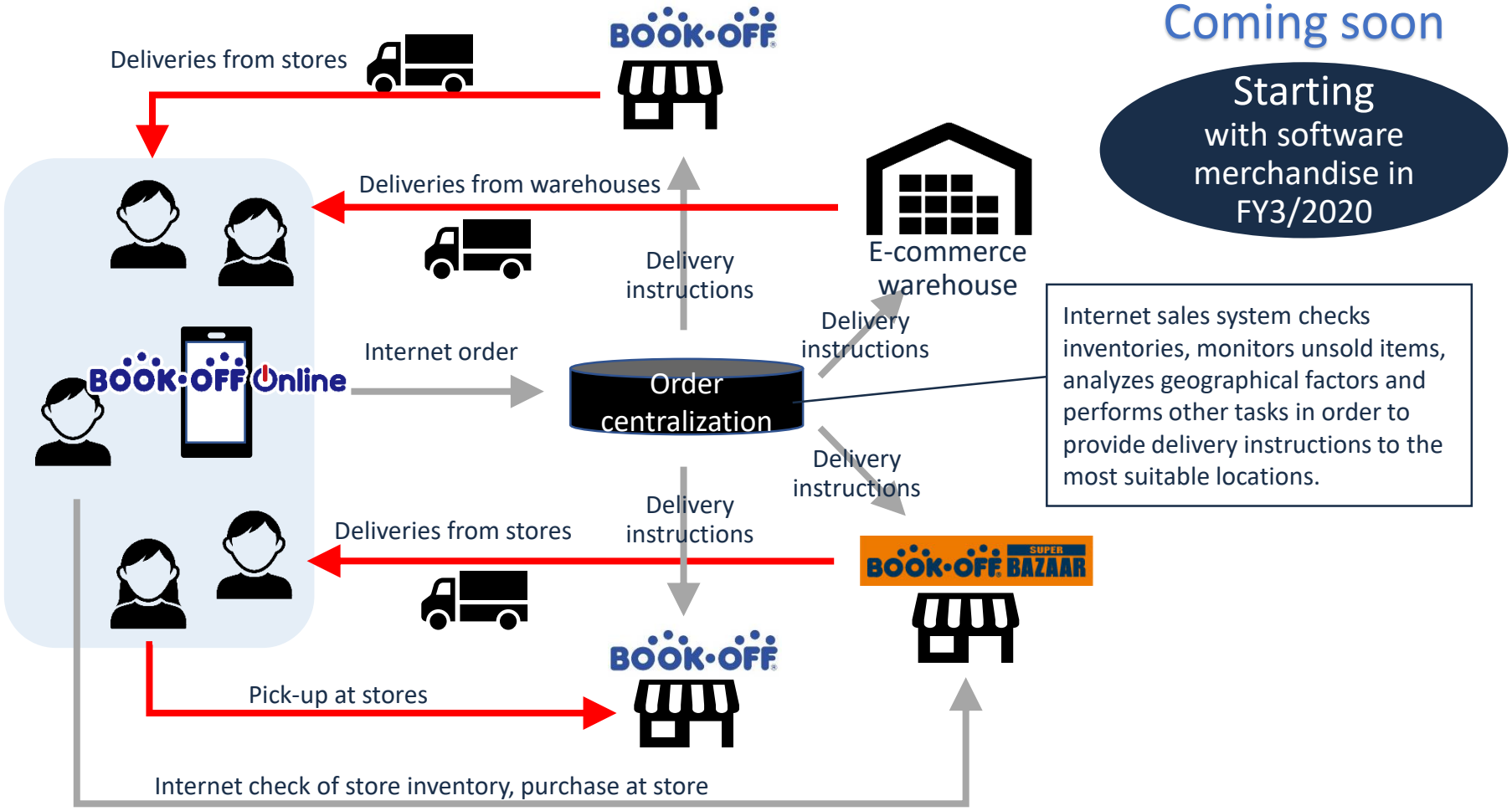
FY3/2019

Done

	Create	Accomplishments
Membership	• Release official apps • Coupon functions (overall) • CRM trials	More than 500,000 app members at the end of March 2019 Established a timetable for developing more functions
E-purchasing	Start a multi-store business model	E-purchasing at all directly operated stores and starting at franchised stores Improves efficiency and customer satisfaction
E-commerce	• Sell software in store inventories • Links with inventories of franchised stores	Started trial for software merchandise Use of systems makes it possible to have EC sales of large volumes of store inventory merchandise

Use All Group Strengths to Compete and Win

—Use EC for an Omni-channel Structure – The O2O Strategy



Coming soon

Starting with software merchandise in FY3/2020

Combine e-commerce channels and the nationwide store network to use the best methods for giving all customers the valuable opportunity to buy reuse merchandise

Use All Group Strengths to Compete and Win
–The HUGALL Purchasing Service for High-end Customers

hugall【ハグオール】 The HUGALL Flowchart

Mainly affluent and wealthy customers

Purchase items at dept. store purchasing desks

Sell items using the most suitable channel

Stores	E-commerce	B-to-B
BOOK・OFF BOOK・OFF PLUS BOOK・OFF SUPER BAZAAR	ヤフオク! YAHUOKU! Rakuten	Internet auction site, etc.

Nihombashi Mitsukoshi Department Store

Nagoya Mitsukoshi Sakae Store

ISETAN Urawa store

TAKASHIMAYA Omiya Store

Daimaru Umeda store

HUGALL operates five desks at major department stores and special events at many department stores.

Many activities are planned for growth.

Use All Group Strengths to Compete and Win
–Strategy for Overseas Growth

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BOOK·OFF **9** stores

BOOK·OFF **2** stores

- BOOKOFF store operations in the U.S. (direct) and France (franchised)
- As in Japan, stores buy used books and software from local customers; some stores focus on hobby goods, too.
- Successful operations due to merchandise lineups that match needs of local customers and store operation/personnel training and development expertise acquired in Japan

Malaysia

Jalan Jalan Japan

May 2019
The fourth Jalan Jalan Japan store was opened

- Jalan Jalan Japan, an original retail package, started operating in Malaysia in 2016.
- Unsold reuse merchandise in Japan is sent to these stores.
- Existence of this outlet for unsold merchandise increases the flexibility of reuse item purchasing in Japan.
- Stores are performing well because the concepts of preloved in Japan, large selections and low prices match the needs of customers in Malaysia. Plan to open more stores while developing a well-trained workforce in Malaysia.

Substantial Expenditures for New Stores and IT

Investment category	Annual budget
New stores/locations Mainly BOOKOFF SUPER BAZAAR stores and one-stop purchasing consultation desks	**¥1.0 billion**
Renovations Renovations and improvements at exsiting stores, logistics operation upgrades, etc.	**¥0.6 to ¥0.8 billion**
IT System “One BOOKOFF” IT system, price database upgrades, next-generation business operations system, replace hardware, etc.	**¥1.0 billion**
Total	**¥2.6 to ¥2.8 billion**

× FY3/2020 to FY3/2023 **4 years**

Planning a 4-year investment of **¥10 billion**

Numerical Targets

UPDATE

	FY3/2017 Results	FY3/2018 Results	FY3/2019 Results	FY3/2023 Targets
Ordinary profit	¥0.58 billion	¥1.09 billion	¥2.12 billion	**¥3.0** billion
ROA (Ratio of ordinary profit to total assets)	1.2%	2.2%	4.8%	At least **6.5**%
Interest-bearing debt-to-operating cash flow multiple	13.7	9.1	6.3	Maximum of **5.0**

Based on the business policies of “upgrade individual stores” and “use all group strengths to compete and win” strategic themes, create our vision during the first two years and then produce results during the final two years.

While maintaining a suitable level of financial leverage, improve the ROE by using capital efficiently.

FY3/2020 Plan

FY3/2020 Policy

End the group's recovery phase and advance to consistent earnings growth.
Make substantial investments to build a base for growth in the future.

Business operations

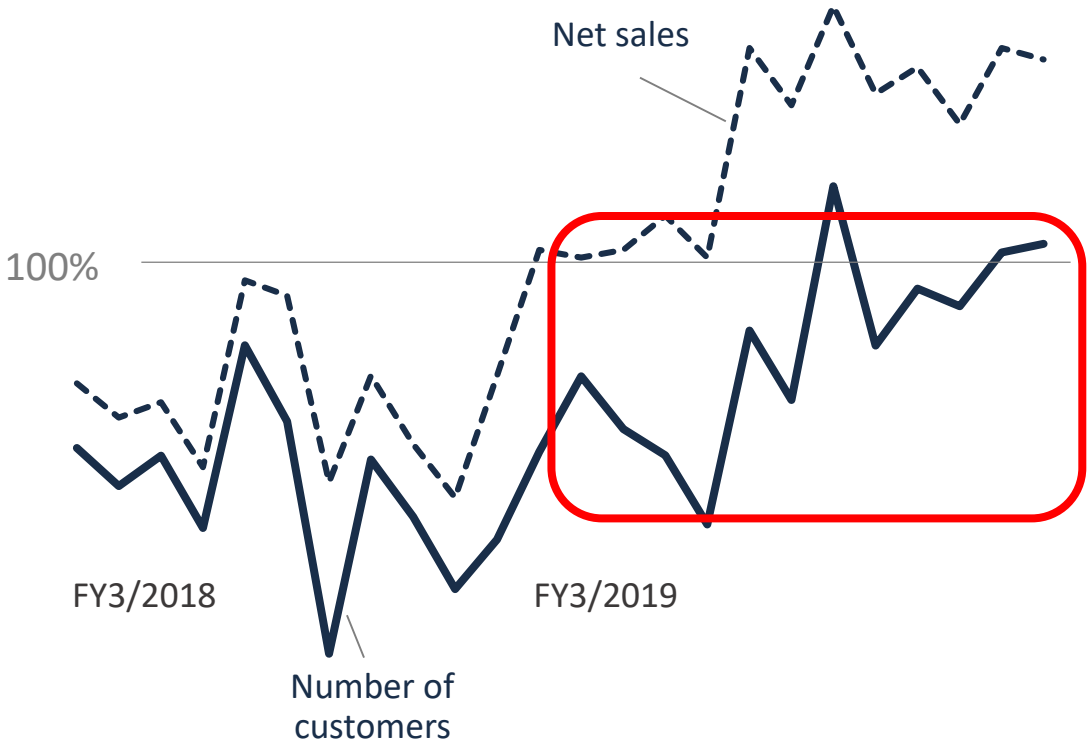
- Continue to operate stores focused on their local markets (upgrade individual stores)
- Continue progress with "One BOOKOFF" to advance and grow
- Make HUGALL profitable in FY3/2020 and take on new challenges

Organization and people

- Use the regional headquarters structure for unified operations of directly operated and franchised stores
- Increase training budgets and programs to enable employees to realize their full potential

Current Priority for BOOKOFF Group Stores

YoY change in monthly sales
of existing stores

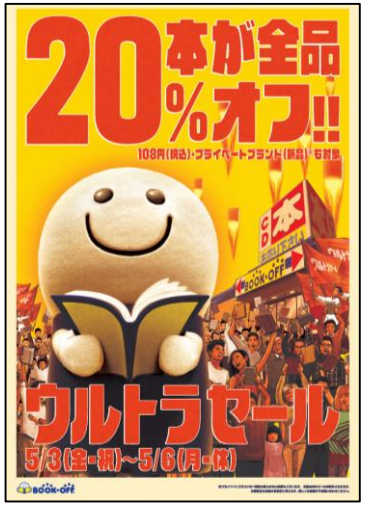


Reuse stores need to take actions for increasing the number of customers

More Customers
–Increase App Members and Continue Seasonal Marketing Campaigns

Encourage customers to download smartphone apps for loyalty point management, push notifications, store searches and other activities that bring people to stores more frequently.

Goal is 1 million app members by the end of Sept. 2019



Continue campaigns and promotions that take place a times when customer traffic is highest, such as the New Year holiday and beginning of May (Golden Week).

Continue seasonal campaigns

More Customers
–Tell People That BOOKOFF is Much More Than Books

BOOKOFF Customer Awareness Survey by Product Category

Books	CDs /DVDs	Games	Apparel, mobile phones/home appliances, luxury-brand goods…
90%	80%	60%	**Below 40%** for all of these categories

TV commercials featuring child actor Kokoro Terada promote items other than books

In the April 2019 CM Soken Consulting awards, BOOKOFF's TV commercials placed first in the retail/sales category for favorable impressions.

No. 1

Forecasts

(Million yen)	**FY3/2020 Forecast**	FY3/2019 Results	YoY change (Amount)	YoY change (Ratio)
Net sales	**83,000**	80,796	+2,203	102.7%
Operating profit	**1,800**	1,550	+249	116.1%
Ordinary profit	**2,300**	2,120	+179	108.5%
Profit attributable to owners of parent	**1,200**	2,172	(972)	55.2%

- ✓ Forecast higher sales due to growth in existing store sales resulting from continuation of investments, sales growth at new stores and from store conversions from franchised to directly operated
- ✓ Substantial IT and other investments for making “One BOOKOFF” a reality
- ✓ Forecast higher sales, operating profit and ordinary profit but lower profit attributable to owners of parent because of many one-time items in FY3/2019

Assumptions for FY3/2020 Outlook

BOOKOFF GROUP HOLDINGS

Existing stores/Businesses

- Directly operated existing store sales vs. FY3/2019 — 100.5%
- Same level of existing store renovations as in FY3/2019
- Contribution to earnings as HUGALL becomes profitable

New stores/Others

- BOOKOFF SUPER BAZAAR — 4 stores
- BOOKOFF one-stop purchasing consultation desks — 7 to 8 locations
- Franchised stores converted to directly operated — 9 stores
- (decrease in franchised stores)

Other investment activities

- Strategic IT investments for making “One BOOKOFF” a reality
- Many IT infrastructure maintenance expenditures, including responses to the end of Windows 7 support, the planned 2019 consumption tax increase and associated exemptions, and other items

Shareholder Returns (Dividend Forecast)

The BOOKOFF GROUP HOLDINGS considers the distribution of profits to be one of its highest management priorities. The basic policy is to aim for higher dividends supported by growth in sales and earnings while using retained earnings effectively for strengthening financial soundness and making strategic investments that will create a stronger base for future business operations.

We also have a policy of paying a consistent dividend backed by earnings while using a payout ratio of about 25% of consolidated profit as the guideline.

Based on these policies, the forecast for the year-end dividend for FY3/2020 is **¥18 per share**.

	FY3/2015	FY3/2016	FY3/2017	FY3/2018	FY3/2019	FY3/2020 (Forecast)
Dividend per share	¥25	¥25	¥10	¥10	¥15	**¥18**
Dividend payout ratio	335.1%	-97.3%	-17.7%	-23.1%	13.4%	**26.2%**

Appendix

Consolidated Statement of Income

(Million yen)	FY3/2019	FY3/2018
Net sales	80,796	80,049
Reuse Store Business	72,444	70,565
BOOKOFF Online Business	7,506	6,140
HUGALL Business	-	2,071
Others	845	1,272
Gross profit	48,235	46,994
SG&A expenses	46,684	46,381
Operating profit	1,550	613
Reuse Store Business	3,666	3,419
BOOKOFF Online Business	(289)	232
HUGALL Business	-	(897)
Others	(52)	(114)
Adjustment (corporate)	(1,773)	(2,026)
Ordinary profit	2,120	1,092
Profit (loss) attributable to owners of parent	2,172	(889)

Consolidated Balance Sheet

(Million yen)	As of Mar. 31, 2019	As of Mar. 31, 2018
Current assets	23,765	31,430
Cash and deposits	6,142	13,860
Merchandise	12,915	12,949
Others	4,706	4,620
Non-current assets	16,882	16,458
Property, plant and equipment	5,932	6,511
Intangible assets	1,204	1,303
Investments and other assets	9,744	8,643
Total assets	40,647	47,888

	As of Mar. 31, 2019	As of Mar. 31, 2018
Current liabilities	16,518	24,750
Short-term loans payable	9,643	10,353
Current portion of bonds with share acquisition rights	-	7,700
Others	6,875	6,697
Non-current liabilities	11,121	9,830
Long-term loans payable	7,775	6,268
Others	3,346	3,562
Total liabilities	27,640	34,580
Net assets	13,006	13,307
Total liabilities and net assets	40,647	47,888

Consolidated Statement of Cash Flows

(Million yen)	**FY3/2019**	FY3/2018
Cash flows from operating activities	2,751	2,668
Profit before income taxes	1,777	(98)
Depreciation	1,570	1,807
Impairment loss	274	1,103
Amortization of goodwill	75	88
Changes in assets and liabilities	449	95
Others	(1,394)	(328)
Cash flows from investing activities	(559)	(940)
Cash flows from financing activities	(9,895)	(3,394)
Effect of exchange rate change on cash and cash equivalents	(14)	12
Net increase (decrease) in cash and cash equivalents	(7,717)	(1,653)
Cash and cash equivalents at beginning of period	13,860	15,268
Increase in cash and cash equivalents from newly consolidated subsidiary	-	245
Cash and cash equivalents at end of period	6,142	13,860

About BOOKOFF

Founded	May 1990
Established	October 2018 (A pure holding company through a transfer of stock)
Representative	Yasutaka Horiuchi, President and CEO
Stock listing	First Section, Tokyo Stock Exchange (Securities code: 9278)
Trading Unit	100 shares
Head office	2-14-20 Kobuchi, Minami-ku, Sagamihara, Kanagawa
Net sales	¥80.7 billion (FY3/2019 Consolidated results)
Number of stores	794 (Directly operated: 381; Franchised: 413 as of March 31, 2019)
Employees (Consolidated)	1,248

History

1990	The first BOOKOFF store opened in Sagamihara, Kanagawa
1991	BOOKOFF CORPORATION LIMITED established
	BOOKOFF Franchise chain launched
2000	BOOKOFF's first overseas store opened
	The first Chuko-Gekijo (comprehensive, large-format) opened (current BOOKOFF SUPER BAZAAR)
2004	BOOKOFF CORPORATION's stock listed on the Second Section of the Tokyo Stock Exchange
2005	BOOKOFF CORPORATION's stock listed on the First Section of the Tokyo Stock Exchange
2007	BOOKOFF Online (E-Commerce site) launched
2015	HUGALL department store purchasing desks service started at the Nihombashi Mitsukoshi department store
2016	Made Booklog, Inc., which operates book review community site, a subsidiary
2018	BOOKOFF GROUP HOLDINGS LIMITED, a pure holding company, established

Major Store Packages

*Number of stores as of March 31, 2019

BOOKOFF GROUP HOLDINGS

BOOKOFF

Avg. floor space	About 430m^2
Merchandise	Books, CDs, DVDs, games, hobby goods, mobile phones, home appliances, etc.
Number of stores	663 in Japan and overseas

BOOKOFF SUPER BAZAAR

Avg. floor space	About 3,135m^2
Merchandise	“BOOKOFF” + Apparel/luxury-brand goods/household products/ sporting goods/kitchenware, etc.
Number of stores	43 in Japan

BOOKOFF PLUS

Avg. floor space	About 990m^2
Merchandise	“BOOKOFF” + Apparel/accessories, etc.
Number of stores	60 in Japan

BOOKOFF One-stop purchasing consultation desk

Avg. floor space	About 65m^2
Merchandise	Stores specialize in purchasing apparel/luxury-brand goods/small size home appliances, etc.
Number of stores	13 locations in Japan

BOOKOFF is Much More Than Books

Understand “the fun of reusing” and you can enjoy life even more!

Books

- A chance to find a new interest or hobby!
- Try choosing a writer you've never read before!
- Read the whole of a comic book series in one go!

Apparel

- Be bold and take the challenge of wearing a new color or style you never worn before!
- The fun of coordinating!
- The fun of being able to buy without worrying about the price!
- You can see all the things you can't see anywhere else all gathered together here in one place!

Precious metals, watches, high-end brand items

- Choose brand goods for everyday use!
- The fun of collecting brands!

Furniture

- Buy furniture at reasonable prices!
- Reuse furniture has an appeal new products cannot offer

You can buy furniture at affordable prices and select items with a texture and seasoned appearance that brand new furniture cannot match.

Sporting goods, musical instrument

- Go on, this is your chance to pursue nostalgic sports or to grab a musical instrument you've always wanted!

The surfing and golf goods, the guitar you’ve wanted for so long… perhaps you can't afford it new but you can get it for reuse at a very reasonable price, and you can make a start right now without worrying if you just remember that “if I don't keep it up I can always sell it.”

- The blossoming of your children's talents

You've seen snowboarding, tennis, and golf genius boys and girls on TV, haven't you? It might be tough to buy a full set all in one go, but if it's reuse you can give your child the support to pursue the challenge of a new talent without having to worry about the cost.

Children’s apparel, baby goods

- Baby goods - they soon grow out of them which is all the more reason to get them for reuse!

Children grow so quickly, and the baby carriage you bought for them so lovingly soon falls out of use. At times like these, please buy your items reuse and carefree, and then just sell them again when you’ve finished with them.

Home appliances, mobile phones

- Nowadays, for home appliance items, the functionality of reuse is completely satisfactory!

If you set out to buy all of your important home appliances in one go, it's going to amount to a very expensive bill for you to pay. These days however, you can easily buy great quality reuse products with high-level functions and excellent reliability so cheaply!

Other Group Businesses

BOOKOFF Online

BOOKOFF Online allows customers to use the internet for the convenience of buying or selling books, comics, DVDs, CDs, games and many other reuse items without leaving home. This business, which started in 2007, has served number of customers and is now Japan's largest reuse product website.

HUGALL

HUGALL operates one-stop purchasing consultation desks at major department stores. These conveniently located desks allow people visiting stores for shopping to stop by to receive a variety of information and services concerning the sale of reuse items.

Aoyama Book Center

The Aoyama Book Center is a store selling new books that is located in the Omotesando district of Tokyo.

Booklog

More than one million people use this book review community website.

3Rs (Reuse, Reduce, Recycle)

Activities involving these “three R’s” greatly lower the volume of refuse, thereby reducing the amount of waste materials that must be incinerated or sent to a landfill. Furthermore, these three key words stand for measures to create a world in which resources are used effectively again and again in order to reduce the use of natural resources. All these activities are backed by Japan’s Ministry of the Environment.

Reuse

This category includes transactions between individuals for used items as well as activities by manufacturers and sellers for the collection, restoration, inspection and resale and reuse of products and parts.

Examples: Reuse shops (such as BOOKOFF) and flea markets

Reduce

A variety of measures are used to reduce the volume of waste materials as much as possible.

Examples: Avoiding the use of plastic shopping bags, carrying reusable chopsticks, not buying items that are unnecessary

Recycle

Materials no longer needed are collected and used again for producing other products.

Examples: Collecting aluminum beverage cans and glass bottles, recycled paper

Activities for Diversity –Creating a Pleasant Workplace Environment

Employees are the BOOKOFF Group's most valuable asset. Developing "human assets" with intelligence and solid character will contribute directly to the Group's growth. We are dedicated to maintaining workplace environments where all employees, regardless of gender, can fully utilize their skills. This includes a commitment to providing opportunities for people to upgrade their skills and accomplish their goals.

- Job site selection
- Re-hiring system
- Reduced working hours
- Refreshment time off
- Job site selection for elderly parent care

Pick Up

Since October 2014, employees have had the option of requesting a job in a particular region of Japan. At first, employees could select the Tokyo area (Tokyo, Kanagawa, Chiba and Saitama), Chukyo area or Keihanshin area (Kyoto, Osaka and Hyogo). Now, this program has been expanded to include other major cities and regions.

Pick Up

In the past, married couples working at the BOOKOFF Group were unable to live together at times due to a transfer of one person. To end this problem, the Group has established a program that allows the other spouse to be relocated to a store near the husband or wife who was initially transferred.

- Elderly parent care short or extended time off
- Pregnancy and child care leave
- Nursing care time off
- Child care leave
- Coordinated husband-wife transfers

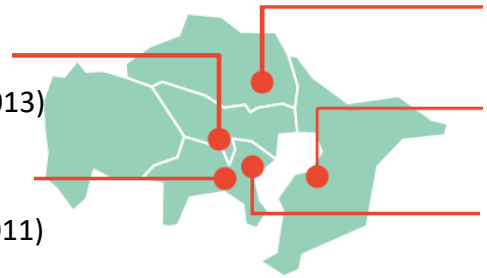
Activities for Diversity –Employing Persons with Disabilities

B-Assist, Inc.

Offices

Machida Office
(established in Feb. 2013)

Seya Office
(established in Oct. 2011)



Omiya Office
(established in Sep. 2015)

Higashi Chiba Office
(established in Apr. 2014)

Kawasaki Office
(established in Apr. 2013)

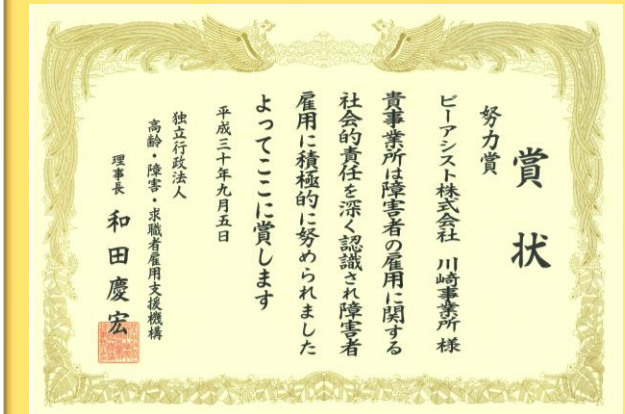
The BOOKOFF Group is dedicated to providing jobs for people with disabilities. For these people with a desire and ability to work, we provide real employment opportunities, and the necessary workplace environment, rather than simply so-called welfare positions. We want these people to be active and self-reliant members of society. To provide these jobs, we established B-Assist in October 2010. The company was designed as a special subsidiary based on the Act on Employment Promotion etc. of Persons with Disabilities in the following December. At the end of March 2019, BOOKOFF Group employed 144 people (3.44% of the entire workforce) who have disabilities.

Main activities

- Processing BOOKOFF Group merchandise, store maintenance, merchandise stocking and sales, production of point-of-purchase marketing materials
- Picking, shipments, and data erasure for mobile phones, tablets and other devices at distribution centers

TOPICS

BOOKOFF was recognized by the Japan Organization for Employment of the Elderly, Persons with Disabilities and Job Seekers as an outstanding company for the creation of jobs for people with disabilities.


賞状

努力賞

ビーアシスト株式会社 川崎事業所 様

貴事業所は障害者の雇用に関する
社会的責任を深く認識され障害者
雇用に積極的に努められました
よってここに賞します

平成三十年九月五日

独立行政法人
高齢・障害・求職者雇用支援機構
理事長 和田慶宏

Kimochi-to –An Innovative Crowdfunding Scheme from BOOKOFF

What is Kimochi-to?

Kimochi-to is a crowdfunding platform operated by BOOKOFF that allows people to sell used books and other reuse items and direct the proceeds to be donated to a charity of other worthy cause.

How Kimochi-to works

1. Select a charitable program to support
2. BOOKOFF collects reuse items for sale at no charge
3. Sales proceeds go to the designated worthy cause

Item = Cash = Donation

4. Receive an appreciation gift (in some cases)

For more information Kimochi-to Search

BOOKOFF GROUP HOLDINGS

Note Concerning Forward-Looking Statements

The plans, strategies, and financial forecasts presented in these materials contain forward-looking statements not based on historical fact. Forward-looking statements are based on management judgments using information available at the time. Actual results may vary significantly from forecasts due to changes in the business environment and other factors.

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