



January 12, 2024

Consolidated Summary Report
for the Second Quarter of the Fiscal Year Ending May 31, 2024
[Japanese GAAP]

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Quarterly report issue date: January 15, 2024
Dividend payment date: -
Supplementary materials of quarterly financial results: Yes
Quarterly financial results briefing: Yes

(Amounts less than one million yen are rounded down)

1. Consolidated Financial Results for the Second Quarter of the Fiscal Year Ending May 31, 2024
(June 1, 2023 – November 30, 2023)

(1) Consolidated Results of Operations (Percentage figures represent year-on-year changes)

| | Net sales | | Operating profit | | Ordinary profit | | Profit attributable to owners of parent | |
|--------------------------------|-------------|--------------|------------------|--------------|-----------------|--------------|---|--------------|
| | Million yen | YoY change % | Million yen | YoY change % | Million yen | YoY change % | Million yen | YoY change % |
| Six months ended Nov. 30, 2023 | 52,934 | 9.0 | 1,059 | 7.6 | 1,268 | 3.6 | 705 | (23.5) |
| Six months ended Nov. 30, 2022 | 48,568 | 13.5 | 984 | 184.8 | 1,224 | 84.8 | 921 | 101.6 |

(Note) Comprehensive income Six months ended Nov. 30, 2023: ¥893 million (down 24.9%)
Six months ended Nov. 30, 2022: ¥1,188 million (up 163.8%)

| | Net income per share | Fully diluted net income per share |
|--------------------------------|----------------------|------------------------------------|
| | Yen | Yen |
| Six months ended Nov. 30, 2023 | 35.69 | - |
| Six months ended Nov. 30, 2022 | 46.64 | - |

(2) Consolidated Financial Condition

| | Total assets | Net assets | Equity ratio |
|---------------------|--------------|-------------|--------------|
| | Million yen | Million yen | % |
| As of Nov. 30, 2023 | 53,295 | 19,464 | 36.0 |
| As of May 31, 2023 | 50,213 | 19,057 | 37.6 |

(Reference) Shareholders' equity As of Nov. 30, 2023: ¥19,191 million As of May 31, 2023: ¥18,858 million

2. Dividends

| | Dividend per share | | | | |
|--|--------------------|-----------|-----------|-----------|-----------|
| | End of 1Q | End of 2Q | End of 3Q | End of FY | Full year |
| | Yen | Yen | Yen | Yen | Yen |
| Fiscal year ended May 31, 2023 | - | 0.00 | - | 25.00 | 25.00 |
| Fiscal year ending May 31, 2024 | - | 0.00 | | | |
| Fiscal year ending May 31, 2024 (est.) | | | - | 25.00 | 25.00 |

(Note) Revisions to the most recently announced dividend forecast: None

3. Consolidated Forecast for the Fiscal Year Ending May 31, 2024 (June 1, 2023 – May 31, 2024)

(Percentage figures represent year-on-year changes)

| | Net sales | | Operating profit | | Ordinary profit | | Profit attributable to owners of parent | | Net income per share |
|-----------|-------------|--------------|------------------|--------------|-----------------|--------------|---|--------------|----------------------|
| | Million yen | YoY change % | Million yen | YoY change % | Million yen | YoY change % | Million yen | YoY change % | Yen |
| Full year | 106,000 | 4.1 | 2,600 | 0.8 | 3,000 | (1.3) | 1,600 | (42.2) | 80.94 |

(Notes) 1. Revisions to the most recently announced consolidated earnings forecasts: None

2. BOOKOFF GROUP HOLDINGS conducted the disposal of treasury shares in relation to a restricted stock compensation plan on October 20, 2023. Net income per share forecast for the fiscal year ending May 31, 2024 is adjusted to reflect the disposal of treasury shares.

Notes:

1. Significant changes in subsidiaries during the period (changes in specific subsidiaries accompanied by changes in the scope of consolidation): None

New: - (company name)

Excluded: - (company name)

2. Application of special accounting methods for presenting quarterly consolidated financial statements: None

3. Changes in accounting policies and accounting-based estimates, and restatements

(1) Changes due to revision of accounting standards: None

(2) Changes due to other reasons: None

(3) Changes in accounting-based estimates: None

(4) Restatements: None

4. Number of shares outstanding (common shares)

(Shares)

| | | | | |
|---|--------------------------------|------------|--------------------------------|------------|
| (1) Shares outstanding (including treasury shares) | As of Nov. 30, 2023 | 20,547,413 | As of May 31, 2023 | 20,547,413 |
| | As of Nov. 30, 2023 | 777,239 | As of May 31, 2023 | 783,239 |
| (2) Treasury shares | As of Nov. 30, 2023 | 777,239 | As of May 31, 2023 | 783,239 |
| (3) Average number of shares outstanding | Six months ended Nov. 30, 2023 | 19,765,551 | Six months ended Nov. 30, 2022 | 19,759,807 |

* The current summary report is not subject to the quarterly review by certified public accountants or auditing firms.

* Cautionary statement regarding forecasts of operating results and special notes

(Forward-looking statements)

Forward-looking statements in these materials are based on information available to management at the time this report was prepared and assumptions that management believes are reasonable. This report is not promises by BOOKOFF GROUP HOLDINGS regarding future performance. Actual results may differ materially from those projected in the forward-looking statements due to a variety of factors.

(How to view supplementary materials for quarterly financial results)

Supplementary materials for the quarterly financial results will be disclosed today (January 12, 2024), using the Timely Disclosure network (TDnet).

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1. Qualitative Information on Quarterly Consolidated Financial Performance

(1) Explanation of Results of Operations

Forward-looking statements in this Consolidated Summary Report are based on information available to management as of the end of the second quarter of the fiscal year ending on May 31, 2024.

Since the start of operations, the BOOKOFF Group has always been guided by the two corporate philosophies of “contributing to society through our business activities” and “the pursuit of employees’ material and spiritual wellbeing.” In addition, the Group has established the following mission for business activities in accordance with these philosophies: Be a source of an enjoyable and prosperous life for as many people as possible.

Based on this mission, we will use our strengths in the growing reuse market to become the leading reuse company. Our goal is to contribute to the establishment of a society where products and materials are recycled and be a company that can continue to grow while enabling all employees to do their jobs with confidence and enthusiasm.

The BOOKOFF Group is currently implementing medium-term management policies covering the period that will end with the fiscal year ending in May 2028. All activities are backed by the value that our operations provide, such as our strengths involving employee training programs and sustainability programs. For BOOKOFF operations in Japan, which is positioned as a business sector for exploitation, we will build on the widespread awareness of our brand to generate consistent earnings. In the premium services business, overseas business and new businesses, which are positioned as sectors for exploration, we are making investments and using our knowledge in order to create teams of highly skilled and experienced people. We plan to promote the expansion of our group’s business scale and profit growth by producing experienced domestic personnel for other businesses.

In the first half of the fiscal year, consolidated net sales amounted to ¥52,934 million, a 9.0% increase from one year earlier as first half sales in every business were higher. Ordinary profit increased 3.6% to ¥1,268 million because of higher earnings in the BOOKOFF operations in Japan and overseas business despite an increase in corporate expenses.

Profit attributable to owners of parent decreased year on year because earnings in the first quarter of the previous fiscal year benefited from lower taxes associated with the reorganization of the BOOKOFF Group.

Business segment performance was as follows.

Reportable segments were reclassified in the first quarter of the current fiscal year. Prior-year figures have been revised for consistency with the new segments to facilitate comparisons.

BOOKOFF operations in Japan

During the first half of the current fiscal year, two BOOKOFF PLUS stores (Yoshizuya Shin-Inazawa store and Hitachi Stn. store), five BOOKOFF stores (DCM Kamiiso store, Musashikoganei store, AEON Hashimoto store, AEON Mall Omuta store and Ito-Yokado Mizonokuchi store) and two ASO-VIVA stores (AEON Mall Kusatsu store and AEON Mall Suzuka store) were opened.

At the directly operated existing stores, sales of trading cards and hobby goods, apparel, precious metals, watches, high-end hand bags, home appliances/mobile phones and several other categories were higher than one year earlier. As a result, sales in this segment increased 7.8% from one year earlier to ¥46,793 million and segment profit increased 21.1% to ¥1,735 million.

Premium services business

First half sales increased 14.6% from one year earlier to ¥3,346 million because of an increase from one year earlier in purchases mainly by BOOKOFF Purchasing Consultation Desks. Segment profit decreased 9.7% to ¥229 million mainly due to a decrease in gross profit margin resulting from the larger share of precious metal sales caused by rising prices of precious metals and more people hired for business growth.

Overseas business

First half sales were higher than one year earlier both at BOOKOFF stores in the United States and Jalan Jalan Japan stores in Malaysia because of stores opened in prior years. Sales in the overseas business increased 17.0%

to ¥2,249 million. There were activities to hire more people and improve compensation but segment profit increased 6.8% to ¥408 million.

(2) Explanation of Cash Flows

Cash and cash equivalents (“net cash”) at the end of the second quarter of the current fiscal year amounted to ¥6,616 million, an increase of ¥1,072 million from the end of the previous fiscal year.

Consolidated cash flows and the primary reasons for their fluctuation during the first half of the current fiscal year are as follows:

(Cash Flows from Operating Activities)

Net cash provided by operating activities amounted to ¥220 million (compared with ¥861 million used in the same period of the previous fiscal year). There were positive factors including profit before income taxes of ¥1,223 million and ¥814 million in depreciation. Negative factors included a ¥1,328 million increase in inventories and a ¥216 million increase in trade receivables.

(Cash Flows from Investing Activities)

Net cash used in investing activities amounted to ¥1,269 million (compared with ¥2,147 million used in the same period of the previous fiscal year). Negative factors included ¥927 million for the purchase of property, plant and equipment associated with new store openings and store renovations and acquisitions, and ¥215 million for the purchase of intangible assets related to additional investments in systems.

(Cash Flows from Financing Activities)

Net cash provided by financing activities amounted to ¥2,068 million (compared with ¥1,919 million provided in the same period of the previous fiscal year). Positive factors included ¥2,835 million of net increase in borrowings. Negative factors included ¥494 million for cash dividends paid and ¥273 million for repayments of lease liabilities.

(3) Explanation of Financial Position

(Current Assets)

Current assets at the end of the second quarter were ¥31,530 million, an increase of ¥2,417 million compared with ¥29,112 million at the end of the previous fiscal year. This was mainly attributable to a ¥1,365 million increase in merchandise mainly because of large expenditures for the growth of operations for trading cards and hobby goods and new store openings, and a ¥1,072 million increase in cash and deposits because funds were procured for store equipment, IT investments and other activities.

(Non-current Assets)

Non-current assets at the end of the second quarter were ¥21,764 million, an increase of ¥663 million compared with ¥21,101 million at the end of the previous fiscal year. This was mainly attributable to a ¥586 million increase in property, plant and equipment due to substantial investments in store equipment and a ¥66 million increase in intangible assets due to software development.

(Liabilities)

Liabilities at the end of the second quarter were ¥33,830 million, an increase of ¥2,675 million compared with ¥31,155 million at the end of the previous fiscal year. This was mainly attributable to an increase in borrowings as loans from banks were used to procure funds for store equipment, IT investments and other activities.

(Net Assets)

Net assets at the end of the second quarter were ¥19,464 million, an increase of ¥406 million compared with ¥19,057 million at the end of the previous fiscal year. Major components were dividend payments, the profit attributable to owners of parent and an increase in foreign currency translation adjustment.

(4) Explanation of Consolidated Earnings Forecasts and Other Forward-looking Statements

There are no revisions to the consolidated forecast for the fiscal year ending May 31, 2024 that was announced on July 10, 2023.

2. Quarterly Consolidated Financial Statements and Notes

(1) Quarterly Consolidated Balance Sheet

(Unit: million yen)

| | FY5/2023 (As of May 31, 2023) | Second quarter of FY5/2024 (As of Nov. 30, 2023) |
|-------------------------------------|----------------------------------|---|
| Assets | | |
| Current assets | | |
| Cash and deposits | 5,544 | 6,616 |
| Accounts receivable-trade | 3,008 | 3,225 |
| Merchandise | 17,612 | 18,977 |
| Other | 2,948 | 2,711 |
| Allowance for doubtful accounts | (0) | (0) |
| Total current assets | 29,112 | 31,530 |
| Non-current assets | | |
| Property, plant and equipment | | |
| Buildings and structures, net | 4,658 | 4,704 |
| Leased assets, net | 2,703 | 2,970 |
| Other, net | 1,490 | 1,763 |
| Total property, plant and equipment | 8,852 | 9,438 |
| Intangible assets | | |
| Software | 382 | 2,365 |
| Software in progress | 1,998 | 100 |
| Other | 63 | 44 |
| Total intangible assets | 2,443 | 2,510 |
| Investments and other assets | | |
| Guarantee deposits | 7,296 | 7,336 |
| Other | 2,569 | 2,540 |
| Allowance for doubtful accounts | (60) | (60) |
| Total investments and other assets | 9,804 | 9,815 |
| Total non-current assets | 21,101 | 21,764 |
| Total assets | 50,213 | 53,295 |

(Unit: million yen)

| | FY5/2023 (As of May 31, 2023) | Second quarter of FY5/2024 (As of Nov. 30, 2023) |
|---|----------------------------------|---|
| Liabilities | | |
| Current liabilities | | |
| Accounts payable-trade | 814 | 898 |
| Short-term borrowings | 6,383 | 8,910 |
| Current portion of long-term borrowings | 3,347 | 4,346 |
| Lease liabilities | 654 | 695 |
| Income taxes payable | 340 | 496 |
| Provision for bonuses | 644 | 605 |
| Provision for loss on store closings | 11 | 8 |
| Other provisions | 189 | 136 |
| Other | 5,559 | 4,962 |
| Total current liabilities | 17,945 | 21,057 |
| Non-current liabilities | | |
| Bonds payable | 1,000 | 1,000 |
| Long-term borrowings | 7,341 | 6,651 |
| Asset retirement obligations | 2,450 | 2,485 |
| Lease liabilities | 2,191 | 2,418 |
| Other | 226 | 217 |
| Total non-current liabilities | 13,210 | 12,773 |
| Total liabilities | 31,155 | 33,830 |
| Net assets | | |
| Shareholders' equity | | |
| Share capital | 100 | 100 |
| Capital surplus | 6,860 | 6,863 |
| Retained earnings | 12,322 | 12,534 |
| Treasury shares | (591) | (587) |
| Total shareholders' equity | 18,691 | 18,910 |
| Accumulated other comprehensive income | | |
| Valuation difference on available-for-sale securities | 57 | 74 |
| Foreign currency translation adjustment | 109 | 207 |
| Total accumulated other comprehensive income | 167 | 281 |
| Non-controlling interests | 198 | 272 |
| Total net assets | 19,057 | 19,464 |
| Total liabilities and net assets | 50,213 | 53,295 |

(2) Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statement of Income

(For the Six-month Period)

(Unit: million yen)

| | First six months of FY5/2023 (Jun. 1, 2022 – Nov. 30, 2022) | First six months of FY5/2024 (Jun. 1, 2023 – Nov. 30, 2023) |
|---|--|--|
| Net sales | 48,568 | 52,934 |
| Cost of sales | 20,756 | 22,956 |
| Gross profit | 27,811 | 29,978 |
| Selling, general and administrative expenses | 26,827 | 28,919 |
| Operating profit | 984 | 1,059 |
| Non-operating income | | |
| Gain from installment of vending machine | 67 | 64 |
| Gain on sales of recycling goods | 117 | 124 |
| Other | 151 | 126 |
| Total non-operating income | 335 | 315 |
| Non-operating expenses | | |
| Interest expenses | 74 | 88 |
| Share of loss of entities accounted for using equity method | 4 | 6 |
| Other | 15 | 12 |
| Total non-operating expenses | 94 | 106 |
| Ordinary profit | 1,224 | 1,268 |
| Extraordinary income | | |
| Gain on sale of non-current assets | 2 | 0 |
| Total extraordinary income | 2 | 0 |
| Extraordinary losses | | |
| Loss on sale of investment securities | 2 | - |
| Loss on store closings | 34 | 14 |
| Provision for loss on store closings | 13 | 0 |
| Loss on retirement of non-current assets | 24 | 18 |
| Impairment losses | 73 | 12 |
| Total extraordinary losses | 149 | 45 |
| Profit before income taxes | 1,078 | 1,223 |
| Income taxes-current | 259 | 406 |
| Income taxes-deferred | (167) | 50 |
| Total income taxes | 92 | 456 |
| Profit | 985 | 767 |
| Profit attributable to non-controlling interests | 63 | 62 |
| Profit attributable to owners of parent | 921 | 705 |

Quarterly Consolidated Statement of Comprehensive Income

(For the Six-month Period)

(Unit: million yen)

| | First six months of FY5/2023 (Jun. 1, 2022 – Nov. 30, 2022) | First six months of FY5/2024 (Jun. 1, 2023 – Nov. 30, 2023) |
|---|--|--|
| Profit | 985 | 767 |
| Other comprehensive income | | |
| Valuation difference on available-for-sale securities | 26 | 16 |
| Foreign currency translation adjustment | 175 | 109 |
| Share of other comprehensive income of entities accounted for using equity method | 0 | 0 |
| Total other comprehensive income | 203 | 125 |
| Comprehensive income | 1,188 | 893 |
| Comprehensive income attributable to | | |
| Comprehensive income attributable to owners of parent | 1,114 | 819 |
| Comprehensive income attributable to non-controlling interests | 74 | 73 |

(3) Quarterly Consolidated Statement of Cash Flows

(Unit: million yen)

| | First six months of FY5/2023 (Jun. 1, 2022 – Nov. 30, 2022) | First six months of FY5/2024 (Jun. 1, 2023 – Nov. 30, 2023) |
|--|--|--|
| Cash flows from operating activities | | |
| Profit before income taxes | 1,078 | 1,223 |
| Depreciation | 743 | 814 |
| Impairment losses | 73 | 12 |
| Amortization of goodwill | 24 | 21 |
| Increase (decrease) in provision for bonuses | 4 | (39) |
| Increase (decrease) in allowance for doubtful accounts | 0 | - |
| Increase (decrease) in provision for loss on store closings | (5) | (2) |
| Increase (decrease) in other provisions | (177) | (53) |
| Interest expenses | 74 | 88 |
| Share of loss (profit) of entities accounted for using equity method | 4 | 6 |
| Loss on store closings | 34 | 14 |
| Loss (gain) on sale of non-current assets | (2) | (0) |
| Loss on retirement of non-current assets | 24 | 18 |
| Loss (gain) on sale of investment securities | 2 | - |
| Decrease (increase) in trade receivables | (348) | (216) |
| Decrease (increase) in inventories | (1,160) | (1,328) |
| Increase (decrease) in trade payables | 92 | 82 |
| Other, net | (700) | (306) |
| Subtotal | (237) | 334 |
| Interest and dividends received | 4 | 5 |
| Interest paid | (75) | (88) |
| Income taxes paid | (601) | (262) |
| Income taxes refund | 48 | 231 |
| Net cash provided by (used in) operating activities | (861) | 220 |
| Cash flows from investing activities | | |
| Purchase of property, plant and equipment | (1,493) | (927) |
| Purchase of intangible assets | (734) | (215) |
| Proceeds from sale of investment securities | 70 | - |
| Payments of guarantee deposits | (99) | (110) |
| Proceeds from refund of guarantee deposits | 126 | 69 |
| Other, net | (17) | (85) |
| Net cash provided by (used in) investing activities | (2,147) | (1,269) |
| Cash flows from financing activities | | |
| Net increase (decrease) in short-term borrowings | 2,074 | 2,526 |
| Proceeds from long-term borrowings | 2,000 | 1,800 |
| Repayments of long-term borrowings | (1,583) | (1,491) |
| Repayments of lease liabilities | (176) | (273) |
| Dividends paid | (395) | (494) |
| Net cash provided by (used in) financing activities | 1,919 | 2,068 |
| Effect of exchange rate change on cash and cash equivalents | 82 | 53 |
| Net increase (decrease) in cash and cash equivalents | (1,007) | 1,072 |
| Cash and cash equivalents at beginning of period | 8,203 | 5,544 |
| Cash and cash equivalents at end of period | 7,195 | 6,616 |

(4) Notes to Quarterly Consolidated Financial Statements

(Notes Concerning the Going-Concern Premise)

Not applicable.

(Significant Changes in Shareholders' Equity)

Not applicable.

(Segment Information)

I. First six months of FY5/2023 (Jun. 1, 2022 – Nov. 30, 2022)

1. Information on the amounts of net sales, profit or loss for each reportable segment and breakdown of revenue
(Unit: million yen)

| | Reportable segments | | | | Other (Note 1) | Total | Adjustment (Note 2) | Amount reported in quarterly consolidated statement of income (Note 3) |
|---|-----------------------------------|---------------------------------|----------------------|--------|-------------------|--------|------------------------|---|
| | BOOKOFF operations in Japan | Premium services business | Overseas business | Total | | | | |
| Net sales | | | | | | | | |
| Revenue from contracts with customers | 43,399 | 2,919 | 1,922 | 48,242 | 325 | 48,568 | - | 48,568 |
| Other revenue | - | - | - | - | - | - | - | - |
| Sales to external customers | 43,399 | 2,919 | 1,922 | 48,242 | 325 | 48,568 | - | 48,568 |
| Inter-segment sales and transfers | 7 | - | - | 7 | 246 | 253 | (253) | - |
| Total | 43,407 | 2,919 | 1,922 | 48,249 | 572 | 48,821 | (253) | 48,568 |
| Segment profit (loss) | 1,433 | 253 | 382 | 2,070 | (48) | 2,022 | (797) | 1,224 |

Notes: 1. Other segment is mainly the operation of BOOKOFF Group's directly operated Japan TCG Center stores specializing in trading cards and provision of BOOKOFF Clean-up Service to individuals for the removal from houses of items that are no longer needed.

2. The adjustment of minus ¥797 million to segment profit (loss) includes corporate expenses that are not allocated to reportable segments. Corporate expenses mainly include general and administrative expenses that cannot be attributed to reportable segments.

3. Segment profit (loss) is adjusted for consistency with ordinary profit in the quarterly consolidated financial statements.

2. Information concerning impairment loss on non-current assets, goodwill, etc. for each reportable segment

Significant impairment losses related to non-current assets

Not applicable.

Significant change in goodwill

Not applicable.

Significant gain on bargain purchase

Not applicable.

II. First six months of FY5/2024 (Jun. 1, 2023 – Nov. 30, 2023)

1. Information on the amounts of net sales, profit or loss for each reportable segment and breakdown of revenue

(Unit: million yen)

| | Reportable segments | | | | Other (Note 1) | Total | Adjustment (Note 2) | Amount reported in quarterly consolidated statement of income (Note 3) |
|---|-----------------------------------|---------------------------------|----------------------|--------|-------------------|--------|------------------------|---|
| | BOOKOFF operations in Japan | Premium services business | Overseas business | Total | | | | |
| Net sales | | | | | | | | |
| Revenue from contracts with customers | 46,793 | 3,346 | 2,249 | 52,389 | 545 | 52,934 | - | 52,934 |
| Other revenue | - | - | - | - | - | - | - | - |
| Sales to external customers | 46,793 | 3,346 | 2,249 | 52,389 | 545 | 52,934 | - | 52,934 |
| Inter-segment sales and transfers | 5 | - | - | 5 | 318 | 324 | (324) | - |
| Total | 46,799 | 3,346 | 2,249 | 52,394 | 864 | 53,259 | (324) | 52,934 |
| Segment profit (loss) | 1,735 | 229 | 408 | 2,373 | (100) | 2,272 | (1,004) | 1,268 |

Notes: 1. Other segment is mainly the operation of BOOKOFF Group's directly operated Japan TCG Center stores specializing in trading cards and provision of BOOKOFF Clean-up Service to individuals for the removal from houses of items that are no longer needed.

2. The adjustment of minus ¥1,004 million to segment profit (loss) includes corporate expenses that are not allocated to reportable segments. Corporate expenses mainly include general and administrative expenses.

3. Segment profit (loss) is adjusted for consistency with ordinary profit in the quarterly consolidated financial statements.

2. Changes in reportable segments

Beginning in the first quarter of the current fiscal year, BOOKOFF GROUP HOLDINGS is using new reportable segments. This change reflects revisions to the group's management structure. Instead of the single reportable segment of prior years, there are now three reportable segments: BOOKOFF operations in Japan, premium services business and overseas business.

Segment information for the first six months of FY5/2023 uses the revised reportable segments.

3. Information concerning impairment loss on non-current assets, goodwill, etc. for each reportable segment

Significant impairment losses related to non-current assets

Not applicable.

Significant change in goodwill

Not applicable.

Significant gain on bargain purchase

Not applicable.

This financial report is solely a translation of the Company's Kessan Tanshin (including attachments) in Japanese, which has been prepared in accordance with accounting principles and practices generally accepted in Japan, for the convenience of readers who prefer an English translation.