

Translation

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IDOM Inc.

Acquisition of Melbourne-based Dealership Group

Tokyo, October 1, 2018—IDOM Inc. announced that it has acquired an Australian multi-brand car dealer, Andrews & Wallis Motor Group (“AWM Group”), located in Melbourne, Australia.

Reasons for the acquisition

AWM Group is a multi-brand car dealer based in Melbourne, Australia that has strong presence in the region's new automobile market. Thanks to strong economy and new automobile market of the region, AWM Group's earnings have been steadily growing. In October 2015, IDOM Group acquired 67.0% of shares in Buick Holdings—a multi-brand car dealer in Western Australia—and made it a subsidiary, marking the start of its Australian business. In consolidating AWM Group, IDOM looks to leverage its management know-hows in new car dealership business and business foundation it has established through managing Buick Holdings in Western Australia. The company also believes that the acquisition will contribute to enhancing the Group's earnings and corporate value in the medium to long term. Further, since Melbourne is in Eastern Australia where most of the country's population is concentrated, IDOM believes advancing to the region will lay the foundation for business expansion in Australia.

Details (summary)

The acquisition procedure is completed through share acquisition and asset transfer by IDOM Automotive Essendon Pty Ltd, a newly established subsidiary of IDOM Automotive Group Pty Ltd (formally Gulliver Australia Holding Pty Ltd), a fully owned subsidiary of IDOM Inc.

About AWM Group

- The Group companies
 - Andrews and Wallis Motor Group Pty Ltd
 - Airport Motor Group Pty Ltd
 - Wirraway Motor Company Pty Ltd
 - Fields Motor Company Pty Ltd
 - Montague Motor Company Pty Ltd
- Net Sales: 273.1 million AUD (*1)
- Operating income: 10.6 million AUD (*1,2)

*1 Results for fiscal year ended June 30, 2018 (unaudited, under local accounting standards. Simple sum of the results of the 5 companies)

*2 Net profit before tax and interest expenses.

Outlook

IDOM Automotive Essendon Pty Ltd and its subsidiaries will be consolidated to the IDOM Group, however, the impacts to the current fiscal year ending February 28, 2019 is considered to be minimal.