

Translation

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IDOM Inc.

Revision of Earnings Forecast

Tokyo, October 4, 2019—IDOM Inc. (“IDOM”) announced revisions to its forecasts for half-year and full-year results for the fiscal year ending February 29, 2020, announced on April 12, 2019, based on recent business trends. The details are as follows. No revision has been made to the dividend forecast.

Consolidated results forecast

Revisions to the half-year results forecast (March 1, 2019 to August 31, 2019)

(Millions of yen)

	Net sales	Operating income	Ordinary income	Net income*	Net income per share (yen)
Previously announced forecasts (A)	162,000	1,850	1,100	210	2.07
Revised forecasts (B)	179,200	4,600	3,600	2,100	20.71
Change (B – A)	17,200	2,750	2,500	1,890	
Percentage change (%)	10.6	148.6	227.3	900.0	
Reference: Half-year results for fiscal year ended February 28, 2019	143,937	445	-106	-598	-

Revisions to the full-year results forecast (March 1, 2019 to February 29, 2020)

(Millions of yen)

	Net sales	Operating income	Ordinary income	Net income*	Net income per share (yen)
Previously announced forecasts (A)	324,000	3,700	2,200	420	4.14
Revised forecasts (B)	341,200	6,450	4,700	2,200	21.69
Change (B – A)	17,200	2,750	2,500	1,780	
Percentage change (%)	5.3	74.3	113.6	423.8	
Reference: Full-year results for fiscal year ended February 28, 2019	309,410	3,400	2,072	381	3.76

*Net income attributable to owners of parent

Non-consolidated results forecast

Revisions to the half-year results forecast (March 1, 2019 to August 31, 2019)

(Millions of yen)

	Net sales	Ordinary income	Net income	Net income per share (yen)
Previously announced forecasts (A)	117,350	1,350	485	4.78
Revised forecasts (B)	129,800	3,700	2,200	21.69
Change (B – A)	12,450	2,350	1,715	
Percentage change (%)	10.6	174.1	353.6	
Reference: Half-year results for fiscal year ended February 28, 2019	110,589	95	-391	-

Revisions to the full-year results forecast (March 1, 2019 to February 29, 2020)

(Millions of yen)

	Net sales	Ordinary income	Net income	Net income per share (yen)
Previously announced forecasts (A)	234,700	2,700	970	9.56
Revised forecasts (B)	247,100	5,350	3,000	29.58
Change (B – A)	12,400	2,650	2,030	
Percentage change (%)	5.3	98.1	209.3	
Reference: Full-year results for fiscal year ended February 28, 2019	234,618	2,673	933	9.21

Reasons for revision

Regarding non-consolidated financial results, the Company converted sales pricing of used cars and store sales measures in the previous fiscal year. Consequently, profit per car sold and retail sales volume per existing store declined. However, a variety of measures that had been taken continuously since the previous fiscal year paid off during the six-month period (1H) of the fiscal year ending February 29, 2020, and both profit per car sold and retail sales volume per existing store substantially recovered year on year. The recovery was not predicted in the previous forecast. In addition, there was a certain rush demand due to the rise in consumption tax during the second quarter of the fiscal year ending February 29, 2020. Therefore, the recovery was greater than initially anticipated.

As a result, the forecast of non-consolidated financial results for the six-month period in the fiscal year ending February 29, 2020 is expected to be higher than previously announced. Accordingly, the Company has modified the consolidated financial results/non-consolidated financial results for the six-month period and full-year.

Our dividend forecast is unchanged. The total dividend is calculated as 30% of net income attributable to owners of parent in previous fiscal year, using confirmed results of the previous year as the basis for dividend per share for the current fiscal year.