

Translation

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IDOM Inc.

Notice Regarding Differences Between Financial Forecasts and Actual Results

Tokyo, April 12, 2019—IDOM Inc. (hereinafter, “the Company”) announces differences between the financial forecasts announced on October 9, 2018 in the Notice Regarding Revisions to Consolidated Financial Forecast and the actual results, with respect to the consolidated financial results for the fiscal year ended February 28, 2019. Details are as follows.

1. Differences between the financial forecasts and the actual results with respect to the full-year consolidated financial results for the fiscal year ended February 28, 2019 (March 31, 2018 – February 29, 2019)

	Net sales	Operating income	Ordinary income	Net income attributable to owners of the parent	Net income per share
	Million yen	Million yen	Million yen	Million yen	Yen
Previous forecasts (A)	290,000	3,000	2,000	700	6.90
Results (B)	309,410	3,440	2,112	409	4.04
Increases/Decreases (B - A)	19,410	440	112	-291	—
Increases/Decrease in percentage (%)	6.7%	14.7%	5.6%	-41.6%	—
(Reference) Results for the previous year (Fiscal year ended February 28, 2018)	276,157	6,779	5,797	3,578	35.29

2. Reason for the difference

Net sales, operating income and ordinary income exceeded the forecasts on a consolidated basis thanks to further improvements in operating results achieved by domestic direct shops in the used car retail business and the effects of the consolidation of new subsidiaries in Australia.

On the other hand, 268 million yen was posted as the loss on retirement of non-current assets mainly due to business category changes and closings carried out at certain stores, and in addition, an impairment loss of 158 million yen was posted as a result of implementing write-offs to stores the profitability of which was declining, among noncurrent assets owned by the Company, according to the Accounting Standards for Impairment of Fixed Assets. As a result, net income attributable to the owners of parent was lower than the forecast, causing differences between the consolidated results forecast and actual results as describe above.