

**Translation**

Notice: This document is an excerpt translation of the original Japanese document and is only for reference purposes. In the event of any discrepancy between this translated document and the original Japanese document, the latter shall prevail.

IDOM Inc.

## **Notice of Differences between Results and the Forecast for the First Six Months and Revision of the Full-Year Forecast**

Tokyo, October 14, 2020 — IDOM Inc. (the “Company”) hereby announces differences between the forecast for the first six months of the fiscal year ending February 28, 2021, announced on April 14, 2020, and actual results announced today. In view of recent trends in business performance, the Company also revised its full-year forecast for the fiscal year ending February 28, 2021, announced on April 14, 2020. The details are as follows.

1. Differences between consolidated earnings forecast for the first six months (March 1, 2020 – August 31, 2020) of the fiscal year ending February 28, 2021 and actual results

	Net sales	Operating profit	Ordinary profit	Profit	Earnings per share
	(Millions of yen)	(Millions of yen)	(Millions of yen)	(Millions of yen)	(Yen)
Previously announced forecasts (A)	156,000	1,100	250	100	0.99
Actual results (B)	178,109	4,053	3,147	1,375	13.67
Change (B – A)	22,109	2,953	2,897	1,275	–
Percentage change (%)	14.2%	268.5%	–	–	–
Reference: Half-year results for the fiscal year ended February 29, 2020	179,276	4,624	3,634	2,124	20.95

2. Differences between non-consolidated earnings forecast for the first six months (March 1, 2020 – August 31, 2020) of the fiscal year ending February 28, 2021 and actual results

	Net sales	Ordinary profit	Profit	Earnings per share
	(Millions of yen)	(Millions of yen)	(Millions of yen)	(Yen)
Previously announced forecasts (A)	111,800	600	800	7.89
Actual results (B)	134,150	3,101	2,005	19.92
Change (B – A)	22,350	2,501	1,205	–
Percentage change (%)	20.0%	416.8%	150.6%	–
Reference: Half-year results for the fiscal year ended February 29, 2020	129,806	3,721	2,253	22.22

### 3. Reasons for differences

The assumptions for the previously announced forecast were a large decrease in the number of visitors to the directly managed stores due to the impact of the COVID-19 infection (with the assumptions of gradual recovery starting in mid-May and normalization in September) and an associated year-on-year fall in the number of cars sold in retail trade, to 52,900.

However, in actuality, the number of visitors to directly managed stores recovered more significantly than expected, following the lifting of the declaration of the nationwide state of emergency in late May. Consequently, the number of cars sold in retail trade increased significantly more than the original assumption, to 70,590.

As a result of the above, net sales, ordinary profit and profit on a non-consolidated basis exceeded the forecast values. Attributable to non-consolidated results that exceeded the projection, net sales, operating profit, ordinary profit and profit attributable to owners of parent on a consolidated basis exceeded the forecasted values.

### 4. Revision to consolidated earnings forecast for the fiscal year ending February 28, 2021 (March 1, 2020 – February 28, 2021)

	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent	Earnings per share
	(Millions of yen)	(Millions of yen)	(Millions of yen)	(Millions of yen)	(Yen)
Previously announced forecasts (A)	338,000	5,800	4,100	2,700	26.63
Revised forecasts (B)	360,000	8,700	7,000	4,500	44.82
Change (B – A)	22,000	2,900	2,900	1,800	–
Percentage change (%)	6.5%	50.0%	70.7%	66.7%	–
Reference: Full-year results for the fiscal year ended February 29, 2020	361,684	9,091	6,867	3,545	34.97

### 5. Revision to non-consolidated earnings forecast for the fiscal year ending February 28, 2021 (March 1, 2020 – February 28, 2021)

	Net sales	Ordinary profit	Profit	Earnings per share
	(Millions of yen)	(Millions of yen)	(Millions of yen)	(Yen)
Previously announced forecasts (A)	241,000	3,800	2,700	26.63
Revised forecasts (B)	263,300	6,000	4,200	41.83
Change (B – A)	22,300	2,200	1,500	–
Percentage change (%)	9.3%	57.9%	55.6%	–
Reference: Full-year results for the fiscal year ended February 29, 2020	258,008	6,964	3,500	34.51

## 6. Reasons for revision

The number of visitors to the directly managed stores that temporarily decreased due to the declaration of a state of emergency and the stay-at-home requests issued by the central and local governments in response to the spread of the COVID-19 infection rapidly recovered, following the lifting of the declaration of nationwide state of emergency in late May.

Given this situation and recent numbers of visitors to the stores, the Company expects at the present time that the impact of the COVID-19 infection on its business performance in the second half of the current fiscal year to be minor. Accordingly, we expect that the number of cars sold in retail trade will increase compared with the same period of the previous fiscal year and that gross profit per car in retail trade, the number of cars purchased and gross profit per car in wholesale to be comparable to the levels of the same period of the previous fiscal year.

The above prospects regarding the impact of the COVID-19 infection are assumptions and are subject to change depending on any change in consumption trends and the operating situation of the directly managed stores.

In light of the above, we have revised our consolidated and non-consolidated performance forecasts.