

Translation

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IDOM Inc.

Notice on Revisions to Results Forecasts

Tokyo, July 14, 2021—IDOM Inc. (the “Company”) announced revisions to its consolidated and non-consolidated results forecasts for half-year and full-year results for the fiscal year ending February 28, 2022, announced on April 14, 2021, based on recent business trends. The details are as follows.

1. Revisions to consolidated half-year financial forecasts for the fiscal year ending February 28, 2022 (March 1, 2021 – August 31, 2021)

	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent	Earnings per share
	Million yen	Million yen	Million yen	Million yen	Yen
Previous forecasts (A)	183,300	5,900	5,350	2,700	26.89
Revised forecasts (B)	198,700	8,400	7,850	3,900	38.84
Increases/Decreases (B - A)	15,400	2,500	2,500	1,200	–
Increases/Decreases in percentage (%)	8.4%	42.4%	46.7%	44.4%	–
(Reference) Results for the previous fiscal year ended February 28, 2021	178,109	4,053	3,147	1,375	13.67

2. Revisions to consolidated financial forecasts for the fiscal year ending February 28, 2022 (March 1, 2021 – February 28, 2022)

	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent	Earnings per share
	Million yen	Million yen	Million yen	Million yen	Yen
Previous forecasts (A)	390,000	12,500	11,400	5,800	57.76
Revised forecasts (B)	405,400	15,000	13,900	7,100	70.71
Increases/Decreases (B - A)	15,400	2,500	2,500	1,300	–
Increases/Decreases in percentage (%)	3.9%	20.0%	21.9%	22.4%	–
(Reference) Results for the previous fiscal year ended February 28, 2021	380,564	10,571	9,642	1,484	14.77

3. Revisions to non-consolidated half-year financial forecasts for the fiscal year ended February 28, 2022 (March 1, 2021 – August 31, 2021)

	Net sales	Operating profit	Profit	Earnings per share
	Million yen	Million yen	Million yen	Yen
Previous forecasts (A)	140,000	4,550	2,500	24.90
Revised forecasts (B)	150,000	5,850	3,000	29.88
Increases/Decreases (B - A)	10,000	1,300	500	–
Increases/Decreases in percentage (%)	7.1%	28.6%	20.0%	–
(Reference) Results for the previous fiscal year ended February 28, 2021	134,150	3,101	2,005	19.92

4. Revisions to non-consolidated financial forecasts for the fiscal year ended February 28, 2022 (March 1, 2021 – February 28, 2022)

	Net sales	Operating profit	Profit	Earnings per share
	Million yen	Million yen	Million yen	Yen
Previous forecasts (A)	286,000	9,300	5,100	50.79
Revised forecasts (B)	296,000	10,600	5,700	56.77
Increases/Decreases (B - A)	10,000	1,300	600	–
Increases/Decreases in percentage (%)	3.5%	14.0%	11.8%	–
(Reference) Results for the previous fiscal year ended February 28, 2021	275,710	7,642	(2,081)	(20.70)

5. Reason for revision

Consolidated and non-consolidated financial results for the first quarter of the fiscal year under review (March 1 to May 31, 2021) surpassed initial expectations. Major contributing factors were as follows.

(1) Retail unit sales increased more than expected mainly at large stores in Japan, including existing stores. The number of visitors to stores climbed, respectively reflecting the greater-than-expected revitalization of the used car market and effects of the placement of advertisements.

(2) The number of new cars sold increased more than expected at a subsidiary in Australia. The increase reflected favorable market conditions for new cars in Western Australia attributable to a rise in the price of iron ore.

(3) Results improved through conversion into the yen, reflecting yen weakness in the foreign exchange market. This was because the yen weakened against the Australian dollar, whose value had been expected to be in the average level throughout the previous fiscal year.

Meanwhile, head office relocation expenses were posted as an extraordinary loss, as announced in the Notice of Relocation of Head Office and Posting of Extraordinary Loss disclosed today.

In consideration of the above situation in the first quarter under review, the Company has revised its consolidated and non-consolidated results forecasts for the first six months and full year under review.

Market conditions for used cars in Japan and new cars in Australia, which are the basis of results forecasts, are projected to remain unchanged from the previous fiscal year as initially expected. With respect to foreign exchange rates, the Company assumes that the impact of a weaker yen will decrease from the level in the previous fiscal year in the second quarter and beyond.