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Summary of Consolidated Financial Results for the Year Ended February 28, 2018 (Based on Japanese GAAP)

April 12, 2018

Company name: IDOM Inc.
 Stock exchange listing: Tokyo
 Stock code: 7599 URL <https://221616.com>
 Representative: President Yusuke Hatori
 Inquiries: General Manager, Finance & IR Division Masayuki Matsumoto TEL 03-5208-5503
 Scheduled date of ordinary general meeting of shareholders: May 30, 2018
 Scheduled date to file Securities Report: May 31, 2018
 Scheduled date to commence dividend payments: May 31, 2018
 Preparation of supplementary material on financial results: Yes
 Holding of financial results meeting: Yes (for analysts and institutional investors)

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the year ended February 28, 2018 (from March 1, 2017 to February 28, 2018)

(1) Consolidated operating results

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Year ended February 28, 2018	276,157	9.8	6,779	50.7	5,797	39.4	3,578	59.2
Year ended February 28, 2017	251,516	19.7	4,498	(40.4)	4,160	(39.1)	2,247	(45.3)

	Earnings per share	Diluted earnings per share	Profit attributable to owners of parent/equity	Ordinary profit/total assets	Operating profit/net sales
	Yen	Yen	%	%	%
Year ended February 28, 2018	35.29	–	9.0	4.7	2.5
Year ended February 28, 2017	22.17	22.16	5.9	4.0	1.8

Note: Regarding diluted earnings per share for the year ended February 28, 2018, there were no potentially dilutive shares outstanding.

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of February 28, 2018	130,181	41,494	31.4	403.71
As of February 28, 2017	114,047	39,581	33.9	381.05

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Year ended February 28, 2018	6,989	(5,315)	8,731	22,763
Year ended February 28, 2017	(4,632)	(8,262)	18,092	14,337

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Dividend payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Year ended February 28, 2017	–	6.00	–	6.00	12.00	1,216	54.1	3.2
Year ended February 28, 2018	–	3.50	–	3.50	7.00	709	19.8	1.8
Year ending February 28, 2019 (Forecast)	–	5.50	–	5.50	11.00		28.6	

3. Forecast of consolidated financial results for the year ending February 28, 2019 (from March 1, 2018 to February 28, 2019)

Percentages indicate year-on-year changes

	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
Six months ending August 31, 2018	142,800	5.4	2,700	6.8	2,300	13.2	1,150	2.5	11.34
Full year	290,000	5.0	7,600	12.1	6,800	17.3	3,900	9.0	38.46

4. Notes

(1) Changes in significant subsidiaries during the year ended February 28, 2018

(changes in specified subsidiaries resulting in the change in scope of consolidation):

No

(2) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements

Changes in accounting policies due to revisions to accounting standards and other regulations:

No

Changes in accounting policies due to other reasons:

No

Changes in accounting estimates:

Yes

Restatement of prior period financial statements:

No

(3) Number of issued shares (common shares)

Total number of issued shares at the end of the period (including treasury shares)

As of February 28, 2018	106,888,000 shares	As of February 28, 2017	106,888,000 shares
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Number of treasury shares at the end of the period

As of February 28, 2018	5,480,470 shares	As of February 28, 2017	5,480,350 shares
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Average number of shares during the period

Year ended February 28, 2018	101,407,589 shares	Year ended February 28, 2017	101,407,667 shares
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1. Analysis of Operating Results and Financial Position

(1) Analysis of consolidated operating results

In the fiscal year ended February 28, 2018 (FY2018), retail car sales from all directly managed stores totaled 125,151 units, up 31.3% from last fiscal year. This was attributable to an increase in the number of stores, as well as reinforcement in retail sales at the Gulliver stores which were primarily focused on purchasing of used cars.

SG&A expenses increased with a rise in store operation expenses incidental to the increase in the number of stores.

In relation to the conclusion of a syndicated loan agreement (announced on March 15, 2017), arrangement fees were paid to the arranger institution, and this is recorded in non-operating expenses as interest expenses.

The segment performance for the Australia business recorded an increase in operating losses amid the stagnation in new car market in Western Australia. This was also attributable to an impairment loss on inventories.

As a result of the above, consolidated business results for FY2018 were net sales of 276,157 million yen (up 9.8% YoY), operating income of 6,779 million yen (up 50.7%), ordinary income of 5,797 million yen (up 39.4%), and profit attributable to owners of parent of 3,578 million yen (up 59.2%).

Regional segment-specific earnings are as indicated below.

I. Japan

Japan segment resulted in net sales of 229,485 million yen (up 9.6% YoY) and segment income (operating income) of 7,921 million yen (up 47.8%). An increase in retail car sales resulted in increases in both net sales and operating income.

II. Australia

Australia segment recorded net sales of 44,852 million yen (up 10.5% YoY) and segment losses (operating losses) of 767 million yen (operating losses in last fiscal year were 462 million yen) as a result of the sluggish new car market in Western Australia, and an impairment loss recorded on inventories. Quarterly (3 months) net sales improved year on year after the second quarter.

Outlook for the fiscal year ending February 28, 2019 (FY2019)

In the light of firm retail car sales at directly managed stores, we will continue to open new stores. New store openings in FY2018 and 2019 are expected to contribute a year on year increase in retail car sales at all directly managed stores.

Based on the above, our full-year forecast is as follows: net sales of 290,000 million yen (up 5.0% YoY), operating income of 7,600 million yen (up 12.1%), ordinary income of 6,800 million yen (up 17.3%), and net income of 3,900 million yen (up 9.0%).

(2) Analysis of financial position

Assets

As of the end of FY2018, total assets were 130,181 million yen (up 14.1% compared to the end of FY2017).

Current assets were 76,955 million yen (up 20.7% compared to the end of FY2017) on increased cash and deposits (up 8,426 million yen), and increased merchandise (up 3,146 million yen).

Non-current assets were 53,225 million yen (up 5.9% compared to the end of FY2017) on increased buildings and structures (up 1,524 million yen) and increased shares in affiliated companies (up 1,903 million yen).

Liabilities

As of the end of FY2018, total liabilities were 88,686 million yen (up 19.1% compared to the end of FY2017).

Current liabilities were 31,901 million yen (up 8.2 % compared to the end of FY2017) on increased accounts payable (up 2,010 million yen) and tax payable (up 1,350 million yen) offsetting decreased short-term loans (down 2,207 million yen).

Non-current liabilities were 56,784 million yen (up 26.2% compared to the end of FY2017) on increased long-term loans (up 11,905 million yen).

Net assets

As of the end of FY2018, total net assets were 41,494 million yen (up 4.8% compared to the end of FY2017) due to an increase in retained earnings (up 2,552 million yen).

Cash flow position

Cash and cash equivalents (hereinafter, “cash”) for the end of FY2018 were 22,763 million yen, an increase of 8,426 million yen (up 58.8%) compared to the end of FY2017.

The status of cash flows for FY2018 and respective relevant cash flows are as follows.

(Cash flows from operating activities)

Net cash provided by operating activities was 6,989 million yen.

Main components were income before income taxes and minority interests of 5,221 million yen, increased depreciation of 3,044 million yen and expenditure of 3,525 million yen for increase in inventories among other factors.

(Cash flows from investing activities)

Net cash used in investing activities was 5,315 million yen.

Cash was mainly used for the purchase of property, plant and equipment due to the opening of directly managed stores as well as payments of construction assistance fund, among other factors.

(Cash flows from financing activities)

Net cash provided by financing activities was 8,731 million yen.

This was mainly attributable to proceeds from long-term loans payable of 12,000 million yen and cash dividends paid of 966 million yen.

(Reference) Trends in shareholders’ equity and cash flow indicators are as follows:

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Equity ratio (%)	62.2	60.6	39.4	33.9	31.4
Shareholders’ equity (mark-to-market) ratio (%)	150.4	166.1	122.8	65.1	55.8
Debt redemption years	0.4	95.0	6.1	-	7.7
Interest coverage ratio	157.7	1.3	19.4	-	10.1

Notes:

1. Breakdown of each indicator

Equity ratio = shareholders’ equity/total assets

Shareholders’ equity (mark-to-market) ratio = Market capitalization/Total assets

Debt redemption years = Interest bearing debt/Operating cash flow

Interest coverage ratio = Operating cash flow/Interest payments

2. Each index is calculated from consolidated figures.

3. Market capitalization is calculated using the following formula: closing share price at period-end x number of shares issued (excluding treasury stock)

4. Debt redemption years and interest coverage ratio for FY 2017 are not shown in the above table due to a negative figure for operating cash flow.

(3) Basic policy concerning distribution of profit and dividends for FY2018 and FY2019

I. Dividend basic policy and goals

We apply an earnings performance-linked dividend policy through which we make decisions on dividend payouts based on consolidated performance. We calculate the total dividend amount based on “previous consolidated net income x 30%” and then determine the current term per-share dividend amount. This method determines the dividend amount for the current term based on actual performance for the previous term, meaning that the initially announced dividend forecast will not require revisions after the initial release.

II. Dividends for FY2018

In accordance with the above, per-share dividends for FY2018 will be 7 yen for the full year (interim dividend of 3.5 yen and a year-end dividend of 3.5 yen).

III. Dividends for FY2019

The per-share dividend (forecast) for the upcoming term will be calculated based on profit attributable to owners of parent in FY2018, resulting in an annual dividend of 11 yen (interim and year-end dividends of 5.5 yen each).

2. Basic Approach to Selection of Accounting Standards

Our Group considers adopting IFRS in order to enhance international comparability of its financial information on capital markets, however, we have not determined the timing of adopting these standards.

Consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of February 28, 2017	As of February 28, 2018
Assets		
Current assets		
Cash and deposits	14,337	22,763
Notes and accounts receivable - trade	4,655	5,709
Merchandise	41,333	44,479
Deferred tax assets	785	1,037
Other	2,717	3,203
Allowance for doubtful accounts	(64)	(239)
Total current assets	63,765	76,955
Non-current assets		
Property, plant and equipment		
Buildings and structures	29,766	32,602
Accumulated depreciation	(10,134)	(11,445)
Buildings and structures, net	19,632	21,156
Vehicles	312	64
Accumulated depreciation	(100)	(15)
Vehicles, net	212	48
Tools, furniture and fixtures	4,097	4,332
Accumulated depreciation	(3,088)	(3,446)
Tools, furniture and fixtures, net	1,009	886
Land	218	218
Construction in progress	961	777
Total property, plant and equipment	22,033	23,088
Intangible assets		
Software	3,201	2,981
Goodwill	9,687	8,927
Other	4,024	3,688
Total intangible assets	16,914	15,597
Investments and other assets		
Investment securities	40	45
Shares of subsidiaries and associates	247	2,150
Long-term loans receivable	229	211
Lease and guarantee deposits	5,033	5,541
Construction assistance fund receivables	5,214	5,643
Deferred tax assets	361	504
Other	533	746
Allowance for doubtful accounts	(325)	(304)
Total investments and other assets	11,334	14,539
Total non-current assets	50,281	53,225
Total assets	114,047	130,181

(Millions of yen)

	As of February 28, 2017	As of February 28, 2018
Liabilities		
Current liabilities		
Accounts payable - trade	12,317	14,327
Short-term loans payable	3,408	1,201
Accounts payable - other	3,885	3,845
Income taxes payable	679	2,029
Advances received	4,228	4,581
Deposits received	383	314
Provision for bonuses	651	815
Provision for merchandise warranties	1,149	871
Other provision	175	315
Other	2,602	3,597
Total current liabilities	29,483	31,901
Non-current liabilities		
Long-term loans payable	40,774	52,680
Long-term guarantee deposited	529	499
Provision for directors' retirement benefits	188	-
Asset retirement obligations	1,866	2,008
Deferred tax liabilities	1,127	1,008
Other provision	425	395
Other	70	191
Total non-current liabilities	44,983	56,784
Total liabilities	74,466	88,686
Net assets		
Shareholders' equity		
Capital stock	4,157	4,157
Capital surplus	4,032	4,032
Retained earnings	33,821	36,373
Treasury shares	(3,947)	(3,947)
Total shareholders' equity	38,063	40,615
Accumulated other comprehensive income		
Foreign currency translation adjustment	578	323
Total accumulated other comprehensive income	578	323
Subscription rights to shares	5	3
Non-controlling interests	934	551
Total net assets	39,581	41,494
Total liabilities and net assets	114,047	130,181

Consolidated statements of income and consolidated statements of comprehensive income
Consolidated statements of income

(Millions of yen)

	Fiscal year ended February 28, 2017	Fiscal year ended February 28, 2018
Net sales	251,516	276,157
Cost of sales	190,383	210,298
Gross profit	61,133	65,859
Selling, general and administrative expenses	56,634	59,080
Operating profit	4,498	6,779
Non-operating income		
Interest income	39	55
Reimbursement claims	30	7
Foreign exchange gains	174	–
Other	87	42
Total non-operating income	332	106
Non-operating expenses		
Interest expenses	473	734
Provision of allowance for doubtful accounts	0	–
Foreign exchange losses	–	69
Share of loss of entities accounted for using equity method	141	197
Other	55	86
Total non-operating expenses	670	1,087
Ordinary profit	4,160	5,797
Extraordinary income		
Gain on sales of property, plant and equipment	15	0
Gain on reversal of subscription rights to shares	–	3
Total extraordinary income	15	4
Extraordinary losses		
Loss on retirement of non-current assets	215	182
Impairment loss	38	148
Loss on valuation of shares of subsidiaries	4	–
Provision of allowance for doubtful accounts	113	165
Directors' retirement benefits	110	–
Special retirement expenses	–	54
Other	0	30
Total extraordinary losses	483	580
Profit before income taxes	3,692	5,221
Income taxes - current	1,829	2,482
Income taxes - deferred	(130)	(476)
Total income taxes	1,699	2,005
Profit	1,993	3,215
Profit (loss) attributable to non-controlling interests	(254)	(363)
Profit attributable to owners of parent	2,247	3,578

Consolidated statements of comprehensive income

(Millions of yen)

	Fiscal year ended February 28, 2017	Fiscal year ended February 28, 2018
Profit	1,993	3,215
Other comprehensive income		
Foreign currency translation adjustment	637	(288)
Share of other comprehensive income of entities accounted for using equity method	(18)	14
Total other comprehensive income	618	(273)
Comprehensive income	2,611	2,941
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,808	3,323
Comprehensive income attributable to non-controlling interests	(197)	(382)

Consolidated statements of changes in equity

Fiscal year ended February 28, 2017

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	4,157	4,032	32,869	(3,947)	37,111
Changes of items during period					
Change of scope of equity method			(180)		(180)
Dividends of surplus			(1,115)		(1,115)
Profit attributable to owners of parent			2,247		2,247
Purchase of treasury shares				(0)	(0)
Change of scope of consolidation					
Net changes of items other than shareholders' equity					
Total changes of items during period	-	-	952	(0)	952
Balance at end of current period	4,157	4,032	33,821	(3,947)	38,063

	Accumulated other comprehensive income		Subscription rights to shares	Non-controlling interests	Total net assets
	Foreign currency translation adjustment	Total accumulated other comprehensive income			
Balance at beginning of current period	1	1	-	1,131	38,245
Changes of items during period					
Change of scope of equity method					(180)
Dividends of surplus					(1,115)
Profit attributable to owners of parent					2,247
Purchase of treasury shares					(0)
Change of scope of consolidation					
Net changes of items other than shareholders' equity	577	577	5	(197)	384
Total changes of items during period	577	577	5	(197)	1,337
Balance at end of current period	578	578	5	934	39,581

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	4,157	4,032	33,821	(3,947)	38,063
Changes of items during period					
Change of scope of equity method					
Dividends of surplus			(963)		(963)
Profit attributable to owners of parent			3,578		3,578
Purchase of treasury shares				(0)	(0)
Change of scope of consolidation			(63)		(63)
Net changes of items other than shareholders' equity					
Total changes of items during period			2,552	(0)	2,552
Balance at end of current period	4,157	4,032	36,373	(3,947)	40,615

	Accumulated other comprehensive income		Subscription rights to shares	Non-controlling interests	Total net assets
	Foreign currency translation adjustment	Total accumulated other comprehensive income			
Balance at beginning of current period	578	578	5	934	39,581
Changes of items during period					
Change of scope of equity method					
Dividends of surplus					(963)
Profit attributable to owners of parent					3,578
Purchase of treasury shares					(0)
Change of scope of consolidation					(63)
Net changes of items other than shareholders' equity	(254)	(254)	(1)	(382)	(639)
Total changes of items during period	(254)	(254)	(1)	(382)	1,913
Balance at end of current period	323	323	3	551	41,494

Consolidated statements of cash flows

(Millions of yen)

	Fiscal year ended February 28, 2017	Fiscal year ended February 28, 2018
Cash flows from operating activities		
Profit before income taxes	3,692	5,221
Depreciation	2,964	3,044
Amortization of goodwill	500	524
Increase (decrease) in provision for bonuses	191	164
Increase (decrease) in allowance for doubtful accounts	125	154
Increase (decrease) in provision for merchandise warranties	73	(277)
Increase (decrease) in provision for directors' retirement benefits	(351)	(188)
Interest and dividend income	(39)	(58)
Share of (profit) loss of entities accounted for using equity method	141	197
Interest expenses	473	734
Foreign exchange losses (gains)	(3)	(2)
Loss (gain) on sales of property, plant and equipment	(14)	(0)
Loss on retirement of non-current assets	215	182
Impairment loss	38	148
Decrease (increase) in notes and accounts receivable - trade	1,695	(957)
Decrease (increase) in inventories	(8,916)	(3,525)
Increase (decrease) in notes and accounts payable - trade	(2,299)	2,280
Increase (decrease) in accrued consumption taxes	(229)	879
Other, net	545	(383)
Subtotal	(1,197)	8,902
Interest and dividend income received	39	58
Interest expenses paid	(456)	(693)
Income taxes paid	(3,018)	(1,278)
Net cash provided by (used in) operating activities	(4,632)	6,989
Cash flows from investing activities		
Purchase of property, plant and equipment	(4,521)	(3,564)
Purchase of intangible assets	(2,084)	(658)
Payments for asset retirement obligations	(47)	(11)
Purchase of investment securities	(24)	(7)
Payments of loans receivable	(3)	(2)
Collection of loans receivable	5	37
Payments for lease and guarantee deposits	(619)	(741)
Proceeds from collection of lease and guarantee deposits	121	230
Payments of construction assistance fund receivables	(1,271)	(906)
Collection of construction assistance fund receivables	376	510
Proceeds from withdrawal of time deposits	27	—
Purchase of shares of subsidiaries and associates	(240)	—
Other, net	22	(199)
Net cash provided by (used in) investing activities	(8,262)	(5,315)

(Millions of yen)

	Fiscal year ended February 28, 2017	Fiscal year ended February 28, 2018
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	1,363	(2,207)
Proceeds from long-term loans payable	18,000	12,000
Repayments of long-term loans payable	(161)	(95)
Purchase of treasury shares	(0)	–
Dividends paid	(1,115)	(966)
Proceeds from issuance of subscription rights to shares	5	2
Other, net	–	(0)
Net cash provided by (used in) financing activities	18,092	8,731
Effect of exchange rate change on cash and cash equivalents	18	(19)
Net increase (decrease) in cash and cash equivalents	5,214	10,387
Cash and cash equivalents at beginning of period	9,122	14,337
Increase (decrease) in cash and cash equivalents resulting from change of scope of consolidation	–	(1,960)
Cash and cash equivalents at end of period	14,337	22,763

Non-consolidated financial statements
Non-consolidated balance sheets

(Millions of yen)

	As of February 28, 2017	As of February 28, 2018
Assets		
Current assets		
Cash and deposits	10,376	20,251
Accounts receivable - trade	3,665	3,734
Merchandise	30,349	31,961
Supplies	101	104
Prepaid expenses	898	994
Deferred tax assets	814	1,046
Short-term loans receivable	443	434
Other	1,592	1,669
Allowance for doubtful accounts	(184)	(698)
Total current assets	48,057	59,497
Non-current assets		
Property, plant and equipment		
Buildings	16,060	17,080
Structures	3,053	3,563
Vehicles	10	7
Tools, furniture and fixtures	780	677
Land	218	218
Construction in progress	961	777
Total property, plant and equipment	21,085	22,325
Intangible assets		
Trademark right	0	0
Software	3,199	2,961
Other	14	14
Total intangible assets	3,214	2,976
Investments and other assets		
Investment securities	0	—
Shares of subsidiaries and associates	12,496	12,496
Long-term loans receivable	14	—
Long-term loans receivable from subsidiaries and associates	4,548	5,208
Claims provable in bankruptcy, claims provable in rehabilitation and other	80	79
Long-term prepaid expenses	338	529
Lease and guarantee deposits	4,655	5,158
Construction assistance fund receivables	5,214	5,643
Deferred tax assets	368	511
Other	110	127
Allowance for doubtful accounts	(640)	(466)
Total investments and other assets	27,186	29,289
Total non-current assets	51,486	54,590
Total assets	99,544	114,088

(Millions of yen)

	As of February 28, 2017	As of February 28, 2018
Liabilities		
Current liabilities		
Accounts payable - trade	3,312	3,439
Short-term loans payable	3,000	—
Accounts payable - other	3,056	2,491
Income taxes payable	558	1,812
Accrued consumption taxes	287	1,319
Accrued expenses	1,276	1,325
Advances received	4,165	4,502
Deposits received	304	233
Provision for bonuses	639	802
Provision for merchandise warranties	1,149	871
Accounts payable - facilities	438	278
Unearned revenue	88	133
Other provision	175	315
Other	1	3
Total current liabilities	18,456	17,529
Non-current liabilities		
Long-term loans payable	40,680	52,680
Long-term guarantee deposited	529	499
Provision for directors' retirement benefits	188	—
Asset retirement obligations	1,850	1,988
Other	—	191
Total non-current liabilities	43,248	55,360
Total liabilities	61,705	72,889
Net assets		
Shareholders' equity		
Capital stock	4,157	4,157
Capital surplus		
Legal capital surplus	4,032	4,032
Total capital surpluses	4,032	4,032
Retained earnings		
Legal retained earnings	39	39
Other retained earnings		
Retained earnings brought forward	33,551	36,912
Total retained earnings	33,591	36,952
Treasury shares	(3,947)	(3,947)
Total shareholders' equity	37,833	41,194
Subscription rights to shares	5	3
Total net assets	37,839	41,198
Total liabilities and net assets	99,544	114,088

Non-consolidated statements of income

(Millions of yen)

	Fiscal year ended February 28, 2017	Fiscal year ended February 28, 2018
Net sales	198,434	215,777
Cost of sales	147,268	160,057
Gross profit	51,166	55,720
Selling, general and administrative expenses		
Advertising expenses	9,064	8,536
Salaries and allowances	11,471	11,878
Provision for bonuses	611	762
Depreciation	2,514	2,649
Rents	7,532	8,778
Provision for directors' retirement benefits	19	3
Provision of allowance for doubtful accounts	18	0
Other	15,400	16,189
Total selling, general and administrative expenses	46,632	48,797
Operating profit	4,534	6,922
Non-operating income		
Interest and dividend income	47	368
Reimbursement claims	30	7
Foreign exchange gains	175	–
Other	48	16
Total non-operating income	300	392
Non-operating expenses		
Interest expenses	132	342
Borrowing expenses	35	–
Foreign exchange losses	–	87
Other	17	34
Total non-operating expenses	185	464
Ordinary profit	4,649	6,851
Extraordinary income		
Gain on sales of non-current assets	11	–
Gain on reversal of subscription rights to shares	–	3
Total extraordinary income	11	3
Extraordinary losses		
Loss on retirement of non-current assets	209	179
Impairment loss	38	148
Loss on valuation of shares of subsidiaries	34	–
Provision of allowance for doubtful accounts	408	338
Directors' retirement benefits	110	–
Other	–	31
Total extraordinary losses	801	696
Profit before income taxes	3,858	6,158
Income taxes - current	1,395	2,209
Income taxes - deferred	(95)	(375)
Total income taxes	1,300	1,833
Profit	2,558	4,324