

Mid-term Strategy 2023 - 2027

Medium-Term Business Plan 2023 - 2027

April 15th, 2022

TSE Prime

7599

IDOM Inc.



My name is Takao Hatori, President of IDOM Inc.
I would like to explain our medium-term business plan.

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Gulliver

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This is the content of my presentation today.

In the first half of the presentation, sections 1 and 2, I will explain our current conditions, including our businesses and the used car market.

In the second half, sections 3 to 5, I will explain our medium-to long-term business policy and five-year Medium-Term Business Plan.

IDOM Group Profile

1. About IDOM (Corporate Philosophy, Businesses, and Business Portfolio)

Gulliver



IDOM Inc.

I will start by outlining our company, including our corporate philosophy, business descriptions and business portfolio.

IDOM's Corporate Philosophy That Has Remained Unchanged Since Its Foundation

Gulliver

IDOM Corporate Philosophy

Growing Together

We aim to continue to grow together with our five key stakeholder groups to achieve a prosperous future through the embodiment of IDOM-ism.

Five Stakeholders

Society

Customers

Employees

Partners

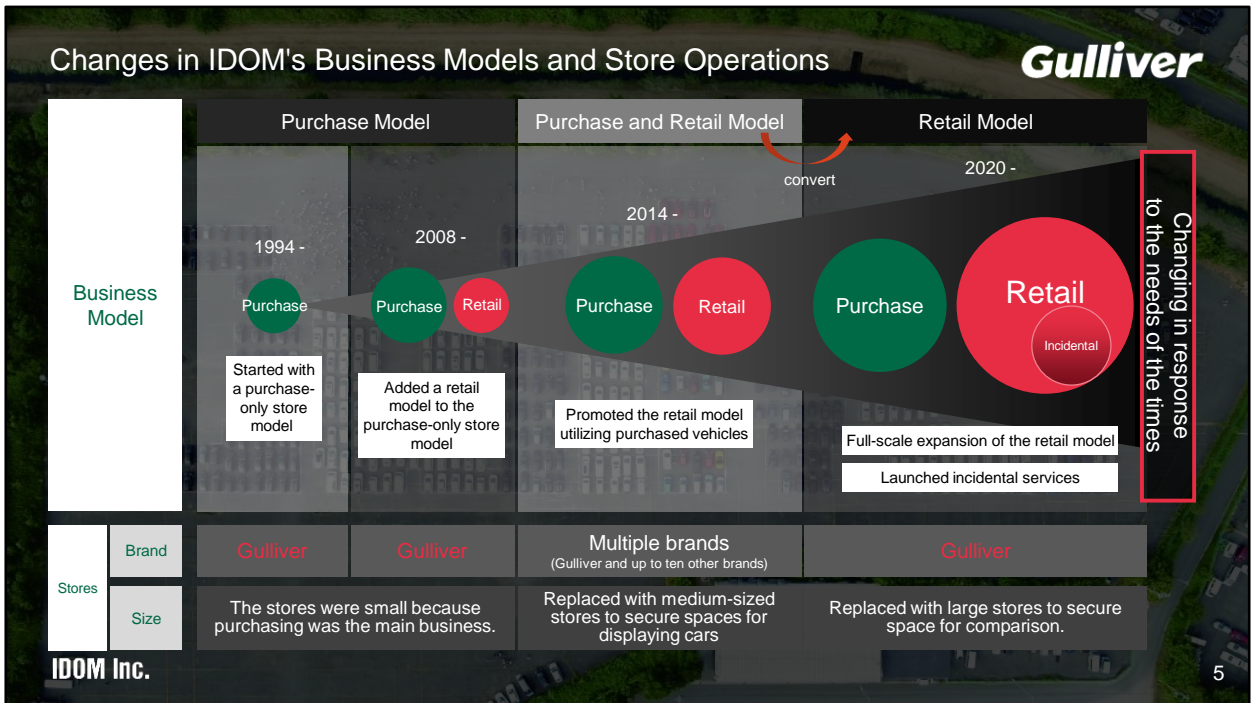
Shareholders

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First, I will introduce our corporate philosophy. We have established a policy of "Growing Together," under which we aim to achieve growth with our five stakeholders.

We established this corporate philosophy at the time of our foundation in 1994. It has been instilled in our officers and employees, and we position this philosophy as our original intent in the formulation of business strategies.



I will explain the changes in our business models that we have made since our foundation.

We were founded in 1994 as Gulliver, a purchase-only store. Since then, we have been changing our business models by adapting ourselves to the changes of the times, including changes in the industry environment and those in consumer needs.

In 2014, we began to operate retail stores utilizing purchased vehicles. An especially big turning point was the full-scale expansion of the retail model mainly at large stores, which we started in 2020. This was a conversion of our business model from the purchase-only store model to the retail model. Currently, we are enhancing incidental services in addition to the retail model and are enjoying steady growth.

Two Store Formats

Gulliver

Store format	Stores for purchasing	Stores		
Number of stores	218	227		
Features	Purchase-only store	<ul style="list-style-type: none"> • Stores specialized to suit customer needs • Existing stores in candidate areas for opening large stores 		<ul style="list-style-type: none"> • Far greater number of products than other stores in each area • Presence on the roadside • Customer services and after-sales services beyond the level of those provided by dealers
Store opening strategy	Pursue efficiency Shift to home-visit purchases	<ul style="list-style-type: none"> • Opening of large stores • Opening stores proactively in blank areas • Increasing shares by replacing existing stores with large ones • Opening specialized stores that create new customer needs 		

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This slide explains our store formats in Japan.

The one on the left side is the store for purchasing that we have been operating since our founding.

The site areas of these stores are small, which makes it difficult to display many vehicles. We operate them in pursuit of efficiency.

The ones on the right side are the stores.

Among them, the ones on the left are medium-sized stores that we began to operate in 2014.

They include stores specialized to suit customer needs, and many of our existing stores are these medium-sized ones.

The store on the right is a large store.

Since 2020, we have been focusing our efforts on the development of large stores as a core element of our growth strategy.

Large stores are classified as large stores, stores with maintenance shops or stores with maintenance shops and sheet metal plants.

Each large store has a wide space for displaying cars, boasts a far greater number of products than other stores in each area, has a presence on the roadside, and offers meticulous customer services and after-sales services.

Earnings Structure of Core Businesses

Gulliver

Gross profit from core businesses

① Used car purchase business
Purchasing used cars at Gulliver stores (mainly stores for purchasing)

Wholesale unit sales



Wholesale Gross profit per car

② Used car retail business
Retail sales of used cars at Gulliver stores (mainly medium-sized and large stores)

Retail unit sales



Retail Gross profit per car

③ Incidental business
Sales of products incidental to retail sales of used cars, including auto loan, auto insurance, warranties, safety inspection, and maintenance

Unit sales by product



Gross profit by product

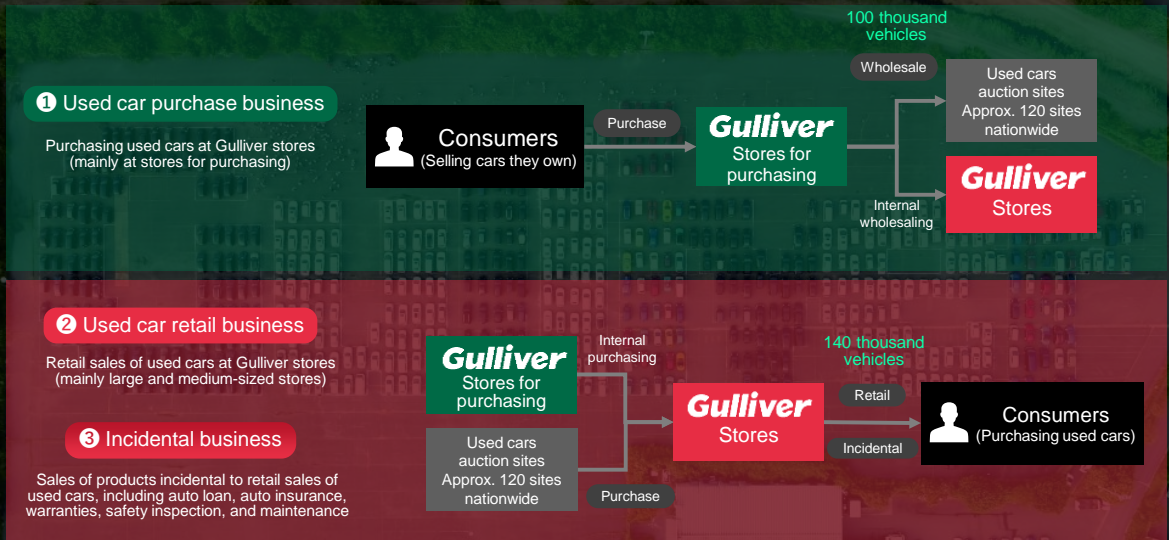
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With this slide, I will briefly explain the gross profit structure of our purchase business, retail business, and business of selling incidental products.

In the used car business, we handle products without regular prices. This means that the amount of sales depends on the unit price of each car. Therefore, we attach importance mainly to retail unit sales and gross profit per car.

Distribution Flow of the Domestic Core Businesses

Gulliver



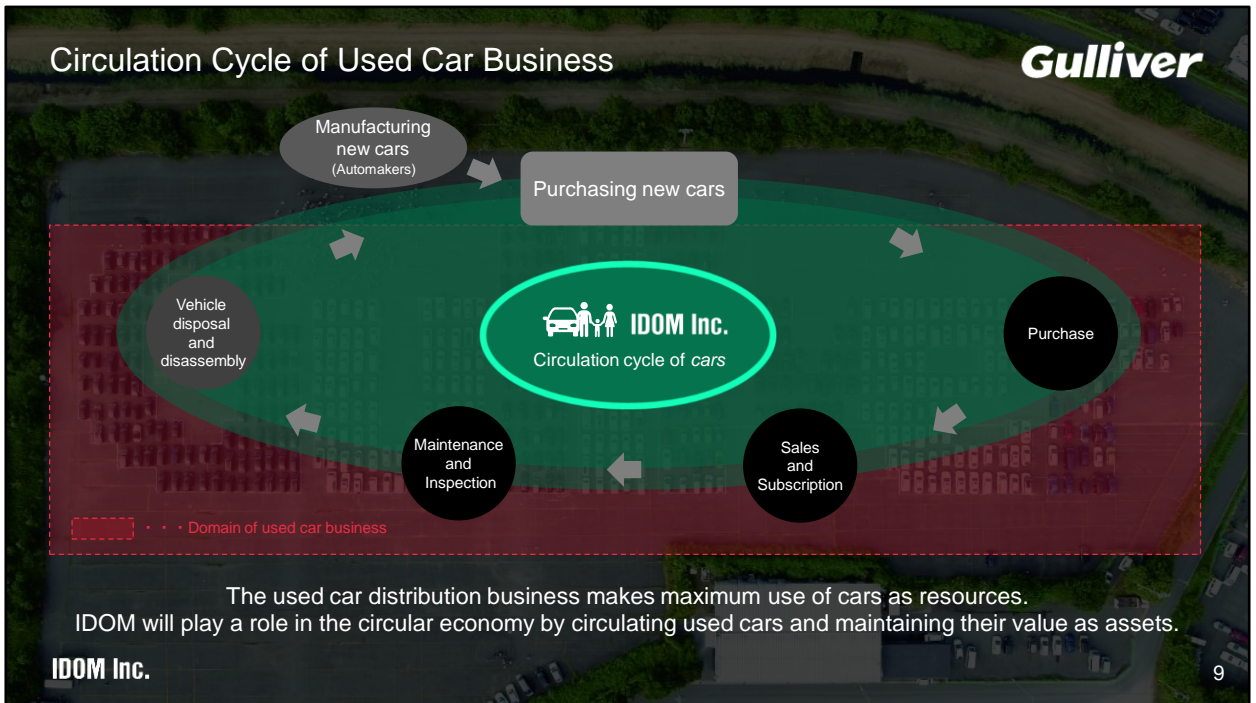
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I will explain distribution flow of the domestic core businesses.

In the used car purchase business, we purchase used cars from consumers and sell them at auction or wholesale to Gulliver stores.

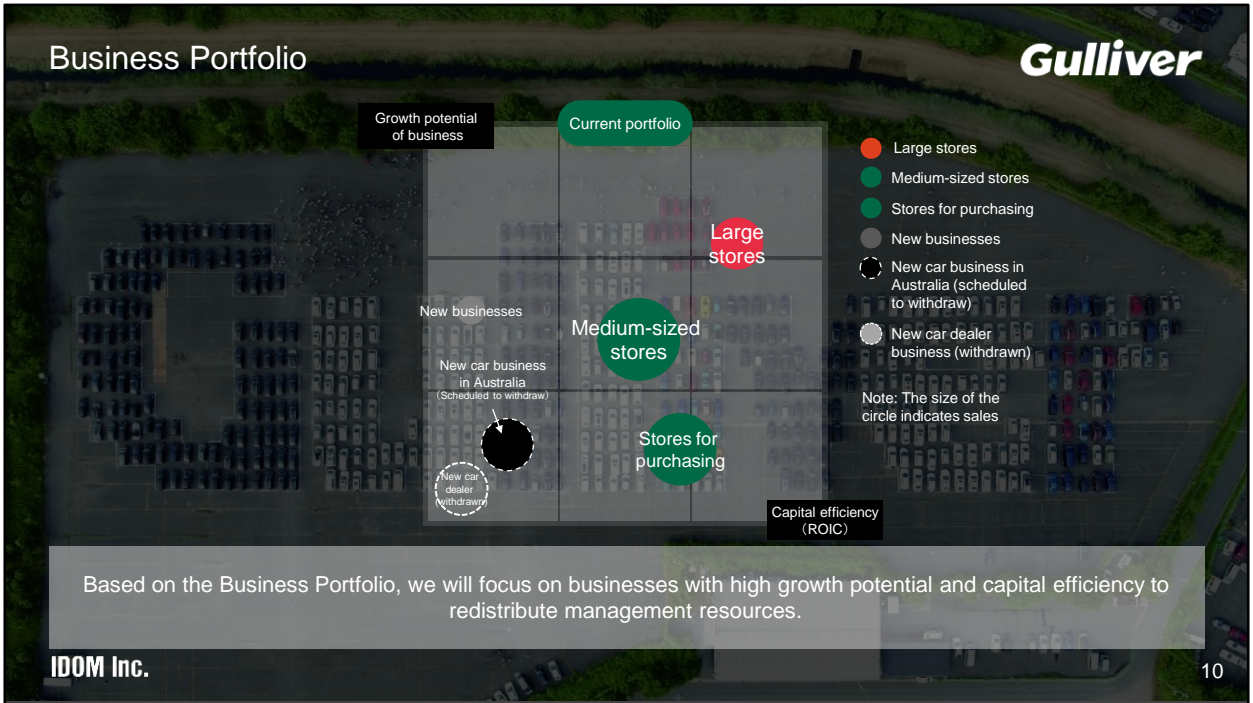
In contrast, the distribution flow in the used car retail business and incidental business is as follows. We purchase used cars from Gulliver stores for purchasing and used car auction sites and retail them.



I will explain the cyclical flow of the used car distribution business.

Cars are manufactured as new cars and then used for a specific period before they are circulated as used cars. In this cyclical flow, we offer properly-priced used cars to the market. This enables the maintenance of the asset value of the used cars as resources, which are exploited to the full.

We believe that our business itself facilitates this cyclical flow and plays a role in economic circulation.



I will explain our business portfolio.
 Based on this business portfolio, we focus on businesses with high growth potential and capital efficiency and make business decisions to redistribute management resources.
 Currently, we have many medium-sized stores in the used car retail business, and the ratio of these stores is high.

Five Competitive Edges of IDOM's Businesses



1	Brand power	Ability to attract customers using the well-known Gulliver brand	<ul style="list-style-type: none"> Brand recognition surveys (IDOMs own survey and surveys by research companies) <p>Recognition rate of the "Gulliver" brand: 94.9%</p>
2	Number of customers	Number of customers based on the huge number of cars that IDOM has traded since its foundation	(Cumulative total) Number of cars purchased + Number of cars sold: 4.6 million cars
3	Sales capabilities	Development and improvement of long-term human resource development plan focused on recruitment of new graduates	<ul style="list-style-type: none"> Cumulative total retail unit sales: More than 1.2 million cars Enhanced services incidental to retailing
4	IT utilization capabilities	Promotion of DX and shift to AI	Concentrated human resources on the retail business by automating the operation of the purchase business and inventory management
5	Ability to respond to the environment	From purchasing to retailing	Shifted from purchase-oriented business to retail business by responding flexibly to changes in the business environment

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We believe that our businesses have five competitive edges: brand power, the number of customers, sales capabilities, IT utilization capabilities, and the ability to respond to the environment.

We believe that, among them, our greatest strength is brand power. In brand recognition surveys, 94.9% of respondents answered that they know Gulliver.

We will improve our ability to attract customers by utilizing the brand power of Gulliver, which boasts this high recognition rate.

This brand power is a strength that we have accumulated over more than a quarter century and it will be a powerful weapon in our business.

Current Status of IDOM at a Glance



FY2022 Financials

Retail sales and sales of used cars

459.5 billion yen

18.5 billion yen

10%

140 thousand units

230 thousand units

Net sales

Operating profit

ROIC ^{(*)1}

Retail unit sales of used cars ³

Number of used cars sold ⁴

Number of employees (consolidated)

4,347

Number of stores

445 ^{(*)2}

Share in the used car retail market ^{(*)5}



Approx. 5%

*1: Calculated based on figures in the consolidated financial statements in FY2022

$$\frac{\text{Operating profit} \times (1 - \text{Effective tax rate})}{(\text{Inventory} + \text{Fixed assets, weighted average of beginning and ending balance})}$$

*2: Number of directly managed stores excluding member stores

*3: Retail unit sales at IDOM's directly managed stores

*4: Sum of retail unit sales and wholesale unit sales

*5: $(\text{Total retail unit sales at IDOM in FY2022}) / (\text{Retail unit sales of used cars in 2019 estimated by Yano Research Institute, which is 2.62 million cars})$

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These are the financial highlights for the fiscal year ended February 28, 2022. Please look at them.



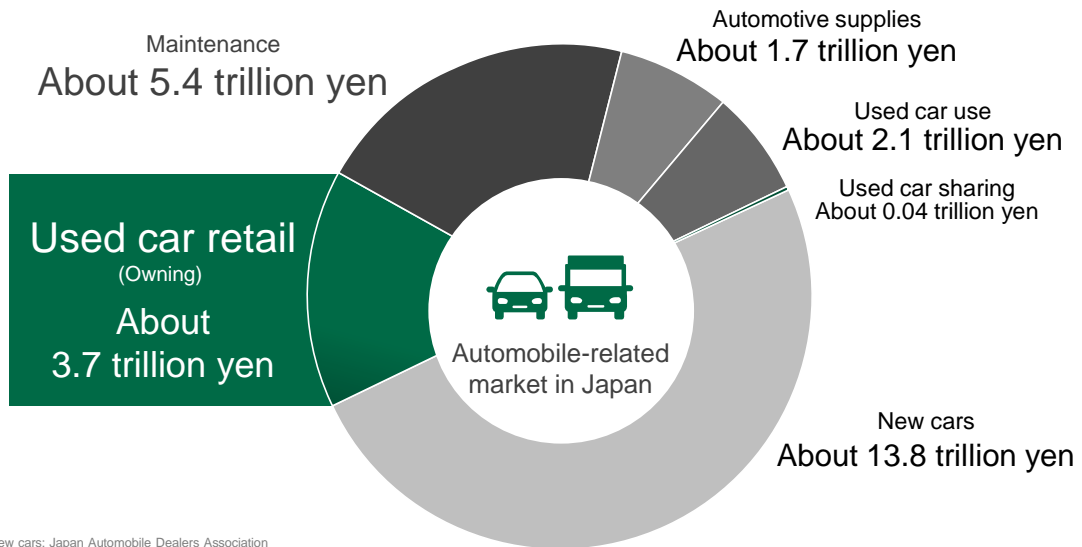
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Now I will move on to describe the used car market, where we operate the domestic core business.

Huge Used Car Retail Market Exceeding 3.7 Trillion Yen

Gulliver



New cars: Japan Automobile Dealers Association
Vehicles other than new cars: 2018 overview of automobile aftermarket by Yano Research Institute

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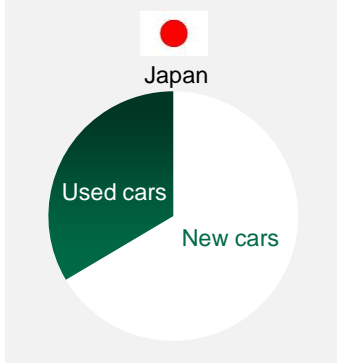
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The retail used car market is a 3.7 trillion yen market, a very large market.

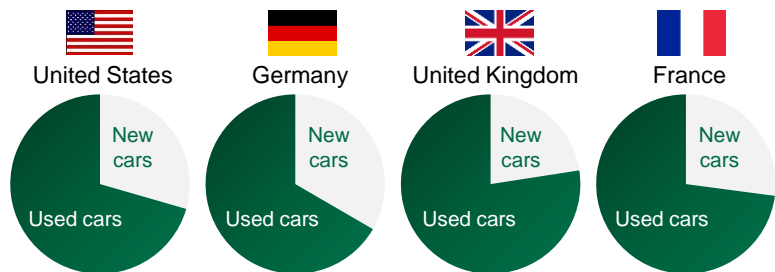
Japan's Used Car Market with Much Lower Ratio than Those in Europe and the United States

Gulliver

Ratio of used cars in Japan



Ratio of used cars in Europe and the United States



*1: New cars: 2019 data from Japan Automobile Dealers Association
 Used cars: 2020 overview of used car distribution by Yano Research Institute
 *2: New cars: 2019 MarkLines Automotive Industry Portal
 Used cars: edmunds 2019 Used Vehicle Report

*3: 2019 Statistics of Vehicles from Kraftfahrt-Bundesamt (KBA)
 *4: 2019 vehicle data from the Society of Motor Manufacturers and Traders (SMMT)
 *5: 2017 data on automotive industry in France from Comité des Constructeurs Français d'Automobiles (CCFA)

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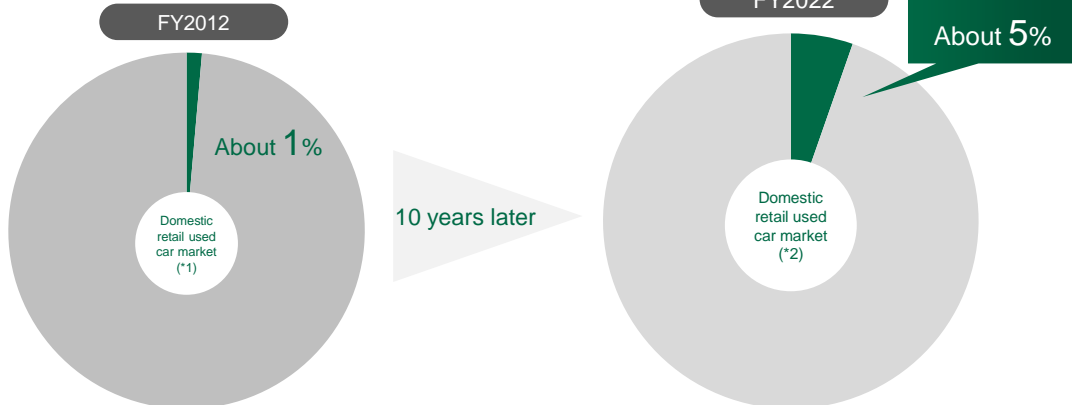
In addition, Japan's used car market has lower ratio than those in Europe and the United States.

I think we can say that there is room for the future expansion of the used car market.

Used Car Retail Market with a Large Room for Growth of Market Share

Gulliver

Growing domestic market share of IDOM



*1: Market share for FY2012 was calculated based on the proportion of IDOM's domestic retail unit sales to the size of the used car retail market in 2008, which was 2.40 million cars (data from Yano Research Institute).

*2: Market share for FY2022 was calculated based on the proportion of IDOM's domestic retail unit sales to the size of the used car retail market in 2019, which was 2.62 million cars (data from Yano Research Institute).

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This slide shows our domestic market share.

Our share, which was 1% ten years ago, has grown to 5%.

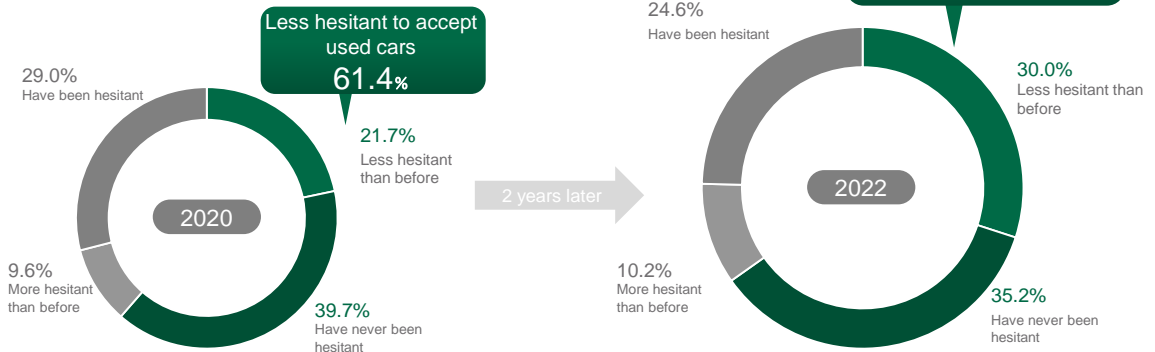
We have taken the largest share of the huge, 3.7 trillion yen retail market. However, our market share is just around 5%.

We believe that there is still substantial room to expand our market share in the future.

Change in Young People's View of Used Cars

Gulliver

Are you hesitant to accept used cars compared to before (several years ago - up to ten years ago)?



Result of an online questionnaire conducted in December 2020 (1,000 respondents)

Result of an online questionnaire conducted in March 2022 (1,000 respondents)

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This slide explains Japanese people's hesitation to accept used cars. Some time ago, used goods began to be deemed more acceptable than they had been. Japanese people are less hesitant to accept them than they were, as has been proven by the rise of flea market apps. However, used cars have yet to be included in these options.

According to a questionnaire survey we conducted, however, Japanese people's hesitation to accept used cars has apparently been decreasing in recent years.

It is likely that more consumers will choose used cars in the future.

In this way, the retail market is a large market. It is a very attractive market with the potential for expansion and a room to expand market share.

We are competing in this used car retail market.

We will concentrate our management resources in this market.

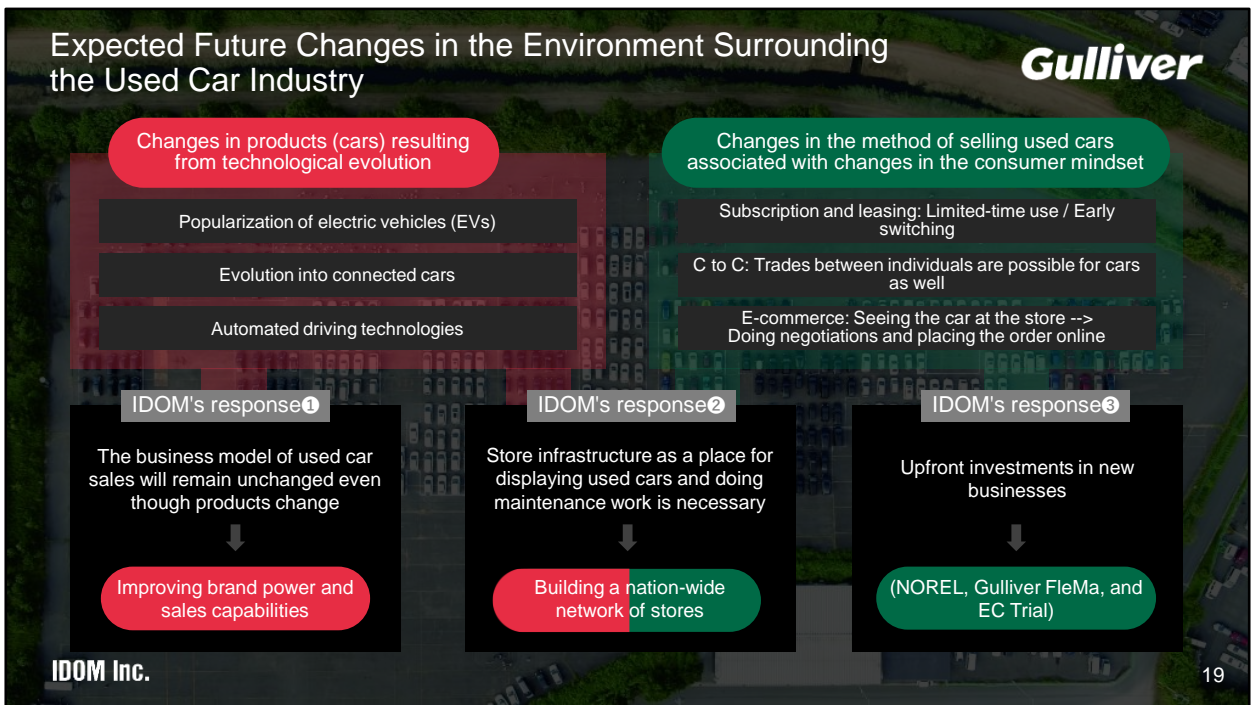
Toward the Future Mobility Society

3. Toward the Future Mobility Society



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I have described the current conditions of the used car market. Now I will move on to talk about our assumptions about the future of Japan's used car market.



We believe that changes in the environment surrounding the used car industry are largely divided into two categories. One is changes in products and the other is changes in the consumer mindset.

First, changes in products means a shift to next-generation cars such as electric vehicles.

For us, these changes are nothing but changes in the products that we deal in. We believe we can respond to these changes by continuing to improve our sales capabilities.

Concerning the changes in consumer mindset, the second category of change, we have already begun preparations.

It is expected that consumers will desire to use or share cars instead of purchasing them and they will purchase cars online. These are examples of changes in consumer mindset that we are assuming will occur.

In response to these changes, we have begun to make upfront investments in new businesses.

In addition, we have built a nation-wide network of stores, believing that the stores will definitely be essential infrastructure as points of contact with customers, no matter how products or consumer mindsets may change.

Status of New Businesses (Domestic and Overseas)

Gulliver

Operating CtoC business (Gulliver FleMa), platform business (INN), fleet management business (FMG), and other businesses, with a focus on subscription business (NOREL)

Japan

Overseas

Subscription business

IDOM
CaaS
Technology

Operated with a focus on NOREL, a service of leasing used cars for fixed monthly fees

Platform business (Australia)

IDOM
INNOVATIONS

A business of pursuing platforms for solving car dealers' issues by helping improve the transparency of used car trades with new technologies and innovations

CtoC business

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Operating Gulliver FleMa, a service to broker trading of used cars between individuals via an app

Fleet management business (Africa)

FMG

Building a new used car distribution system by lending used cars from Japan to Uber drivers in Tanzania

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This is the outline of the new businesses that we operate now.
We operate four businesses in Japan and overseas.

Toward the Future Mobility Society

Gulliver

NEXT GENERATION MOBILITY CHALLENGE

The start of new challenges

IDOM has been pursuing a circulation-based used car distribution business. This means that the company has constantly been responding to changes in society and consumer mindset. IDOM has continued to pursue and provide the value sought by society and customers.

These initiatives and approach will remain unchanged in the future mobility-based society.

IDOM will continue to develop services and content in a constant pursuit of value creation for a mobility-based society.

IDOM begins to take on new challenges.



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Since our founding, we have been thinking about the value that we can provide to customers and society, based on our corporate philosophy, and we have been taking actions accordingly.

This is our universal approach that will remain unchanged.

Toward the future mobility society, we will take on challenges based on this universal approach.

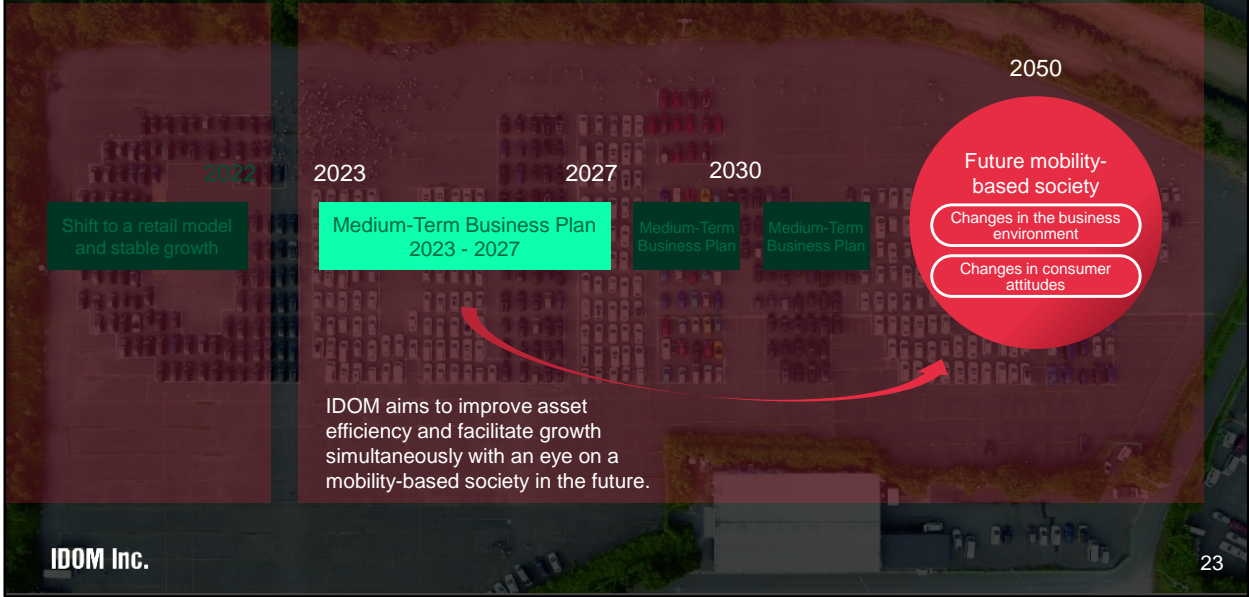
Mid-term Strategy

4. Medium-Term Business Plan 2023 - 2027



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Now I will move on to explain our specific initiatives for the five-year period from the fiscal year ending February 28, 2023 to the fiscal year ending February 28, 2027.



During the five years from 2023, we will engage in initiatives toward the future mobility-based society keeping in mind the changes in products and consumer mindsets that we anticipate will take place during the period until 2050.

We will push these initiatives forward with the goal of achieving both growth and greater capital efficiency.

Key Management Indicators



			FY2027 Target
1	Retail unit sales at directly managed stores	Increase sales mainly through the opening of large stores.	170 thousand vehicles
2	Operating profit	Steadily increase operating profit	21 billion yen
3	Operating profit margin	Increase margins through the opening of large stores and the improvement of efficiency.	5.0% or higher
4	ROIC	Aim at 10% for the time being while paying attention to capital costs.	10% or higher
5	Free cash flows (FCF)	Grow in the medium to long term while clearly recognizing the investment phase and recovery phase.	About 30 billion yen in 5 years

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Under the Medium-Term Business Plan, we will focus on the following five key management indicators.

One is retail unit sales.

We believe that increasing retail unit sales is essential for achieving growth and contributing more greatly to society and customers. Specifically, we aim to achieve 170,000 vehicles in the fiscal year ending February 28, 2027.

The second indicator is operating profit.

We will increase it steadily. We aim to post consolidated operating profit of 21 billion yen in the fiscal year ending February 28, 2027.

The third indicator is operating profit margin.

We aim to improve it to 5.0% or higher by opening large stores and improving the efficiency.

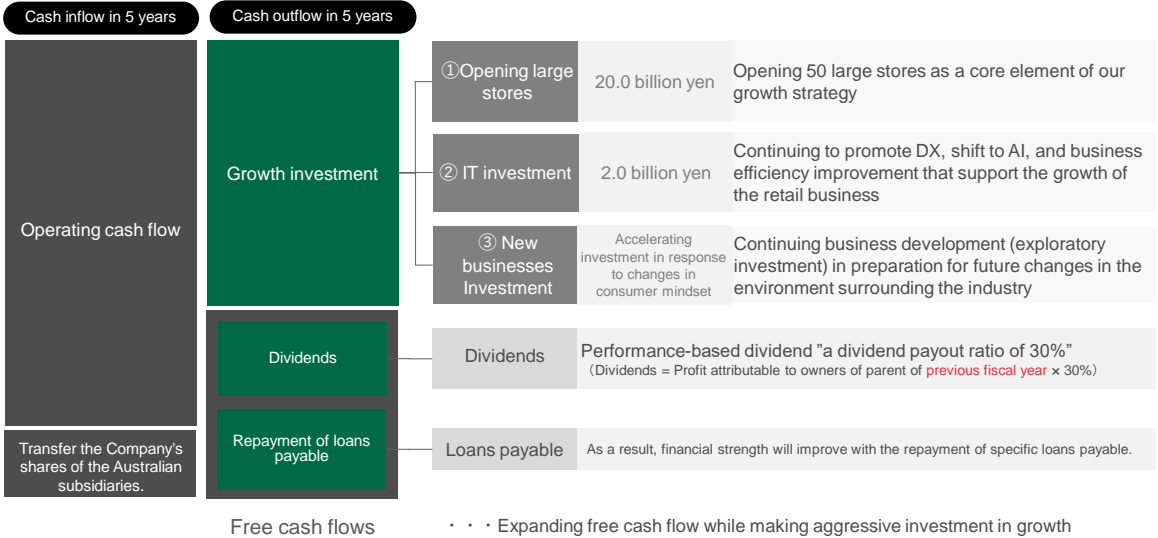
The fourth indicator is ROIC.

We aim to keep it at 10% or higher while paying attention to capital costs.

The fifth indicator is free cash flow.

We will expand free cash flow in the medium to long term, considering whether we are in an investment phase or a payback phase. We aim to achieve a cumulative total of about 30 billion yen for the five years.

2023 – 2027 Cash Allocation



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Next I would like to talk about cash allocation for the five years.

We will increase operating cash flow steadily. Regarding the opening of large stores as a core element of our growth strategy, we will invest 20 billion yen to open 50 stores.

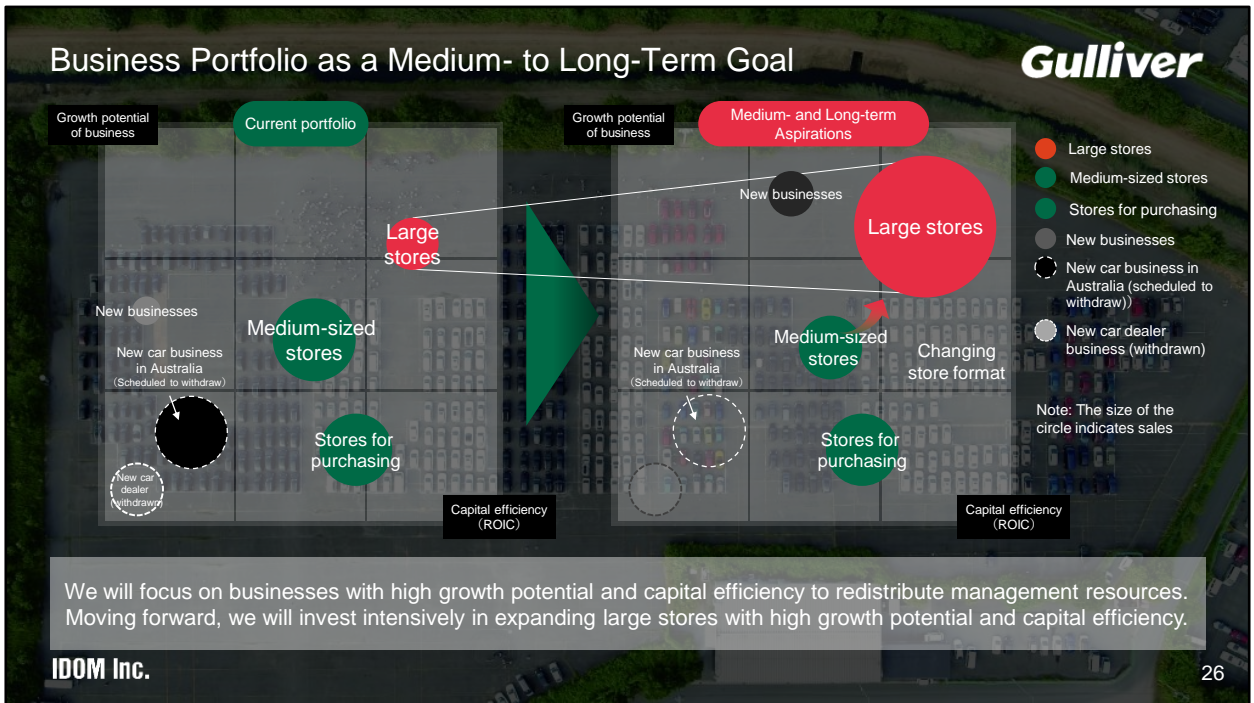
We will continue investing business development in preparation for future environmental changes, which is called exploratory investment.

We will expand free cash flow in the medium to long term, considering whether we are in an investment phase or a payback phase.

We will use the created free cash flow as a resource to pay dividends and repay loans payable.

Regarding dividends, we will continue with the performance-based dividend policy with a payout ratio of 30% and a ratio to profit attributable to owners of parent for the previous fiscal year of 30%.

We expect our financial strength to improve due to the repayment of specific loans payable.



The Company makes management decisions on its investment priorities and the withdrawal from businesses in its business portfolio with a focus on returns on invested capital and growth potential.

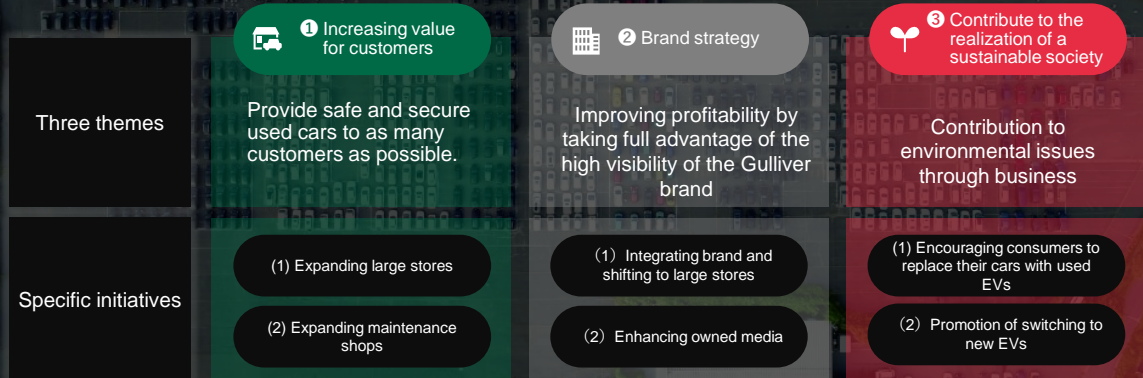
At present, we deem large stores in Japan to have high capital efficiency and a lot of room for future growth. We will concentrate our management resources on large stores during the five years.

Positioning of the Medium-Term Business Plan and Its Three Themes

Gulliver

Position of Medium-Term Business Plan

IDOM aims to **improve asset efficiency** and **facilitate growth** simultaneously with an eye on a mobility-based society in the future



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Regarding the position of the Medium-Term Business Plan, we aim to achieve both high capital efficiency and growth toward the future mobility society as I told you earlier.

Specifically, we will work on three themes.

Themes of the Medium-Term Business Plan ①

Gulliver

 Increasing value for customers

**Provide safe and secure used cars to as many customers as possible.
Provide a good selection of after-sales and incidental services.**

Specific actions

(1) Expanding large stores

Roll out large stores to offer an overwhelmingly large number of safe and secure used cars and a great selection of incidental services.

(2) Expanding maintenance shops

Enhance maintenance shops to provide a good selection of after-sales services

Target

Open 50 stores in five years and establish operations centered on 80 large stores

The number of large stores

As of 2022

29 stores

2027
(5 years later)

80 stores

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These are our actions for the the first theme, increasing value for customers.

One is expanding large stores.

We will roll out large stores to offer an overwhelmingly large number of safe and secure used cars and a great selection of incidental services.

The second action is the expansion of maintenance shops.

We will enhance maintenance shops to provide a good selection of after-sales services.

We will open 50 stores in five years and establish operations centered on 80 large stores, including those with maintenance shops.

Features and Outline of Large Stores



Features

- ① Refined store design
- ② Number of displayed cars that is among the largest in each area
- ③ Prices and product lineup optimized for each area
- ④ Negotiation area for enjoying choosing a car

Outline

Site area	8,000 m ² or more	Capital expenditures	About 200 million yen
Number of exhibited vehicles	About 300	Payback period	About 3 years (cash flow after tax, recovery of capital investment)

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This slide shows the features and outline of large stores.

At present, we operate 29 large stores.

Those stores feature a site area of 8,000m² or more, with the number of cars they display among the largest in their area. Our goal is to build stores that have a negotiation area to enable customers to enjoy choosing a car and other elements that make customers want to visit the stores repeatedly.

We will invest about 200 million yen, and the payback period will be about 3 years.

Features and Outline of the Maintenance Shops



Features

- ① Complete with latest equipment
- ② Attached to a Gulliver store
- ③ Refined exterior design
- ④ Generous waiting area for customers
- ⑤ Sheet-metal workshop also attached in some areas

Outline

Work items	Safety inspections and maintenance before delivery	Capital expenditures	About 200 million yen
Number of Maintenance Shops	8 Two of them are designated maintenance shops. (as of March 31, 2022)	Payback period	About 3 years (cash flow after tax, recovery of capital investment)

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These are the features and outline of the maintenance shops attached to large stores.

These facilities permit maintenance work to be witnessed and checked by customers on a real-time basis. They are complete with latest equipment.

We expect the amount of capital expenditures to be about 200 million yen and the payback period to be about 3 years.

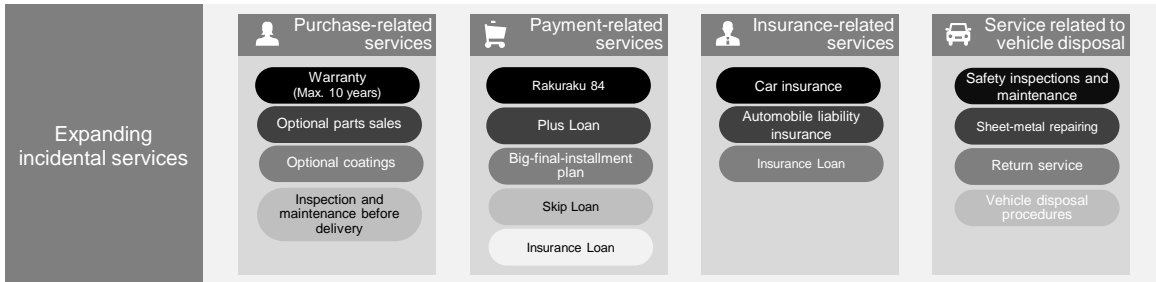
At present, we operate 8 maintenance shops. Two of them are designated maintenance shops.

Incidental services line-up



Service as the base

Used car retail



Possibility of bolstering revenue by enhancing services that are incidental to used car retail.

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This is the lineup of our services that are incidental to used car retail.

The expansion of large stores and maintenance shops is expected to increase retail unit sales and incidental revenue.

Themes of the Medium-Term Business Plan ②

Gulliver



Brand strategy

Improve profitability by maximizing the high visibility of the Gulliver brand

Specific actions

Integration into the Gulliver brand

Concentrating on the Gulliver brand to increase the number of customers without depending on advertising media

Enhancing owned media

Attracting more customers with owned sites

Target

Improved Profitability

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I will describe specific brand strategy initiatives as the second theme.

One is integration into the Gulliver brand.

We will concentrate on the Gulliver brand to attract customers efficiently.

The second initiative is the enhancement of owned media.

We aim to increase customers without depending on advertising media.

Thus, we will attract customers using our own website, aiming to improve the earning rate.

Themes of the Medium-Term Business Plan ③

Gulliver



Contribute to the realization of a sustainable society

Strengthening the business model that facilitates the cyclical flow of cars, thus contributing to solving environmental issues through business

Specific actions

(1) Promotion of switching to used EVs

Retailing used EVs and HEVs by setting prices based on market rates

(2) Promotion of switching to new EVs

Revitalization of used car distribution by promoting the switch to new EVs and HEVs

I will describe specific initiatives for contributing to the realization of a sustainable society, which is the third theme.

One is to encourage consumers to replace their cars with used EVs. We will retail used EVs by setting reasonable prices based on market prices.

The second initiative is to encourage consumers to replace their cars with new EVs.

Through this initiative, we will increase the distribution of used cars.

Sustainability and SDGs Action

5. Sustainability / SDGs Action



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Finally, I will explain our initiatives regarding sustainability and the SDGs.

IDOM's Corporate Philosophy
That Has Remained Unchanged Since Its Foundation

Gulliver

IDOM Corporate Philosophy

Growing Together

We aim to continue to grow together with our five key stakeholder groups to achieve a prosperous future through the embodiment of IDOM-ism.

Five Stakeholders

Society

Customers

Employees

Partners

Shareholders

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We will engage in these initiatives in accordance with our corporate philosophy that we have observed since our founding.

As one of these initiatives, we have announced our Sustainability Declaration.

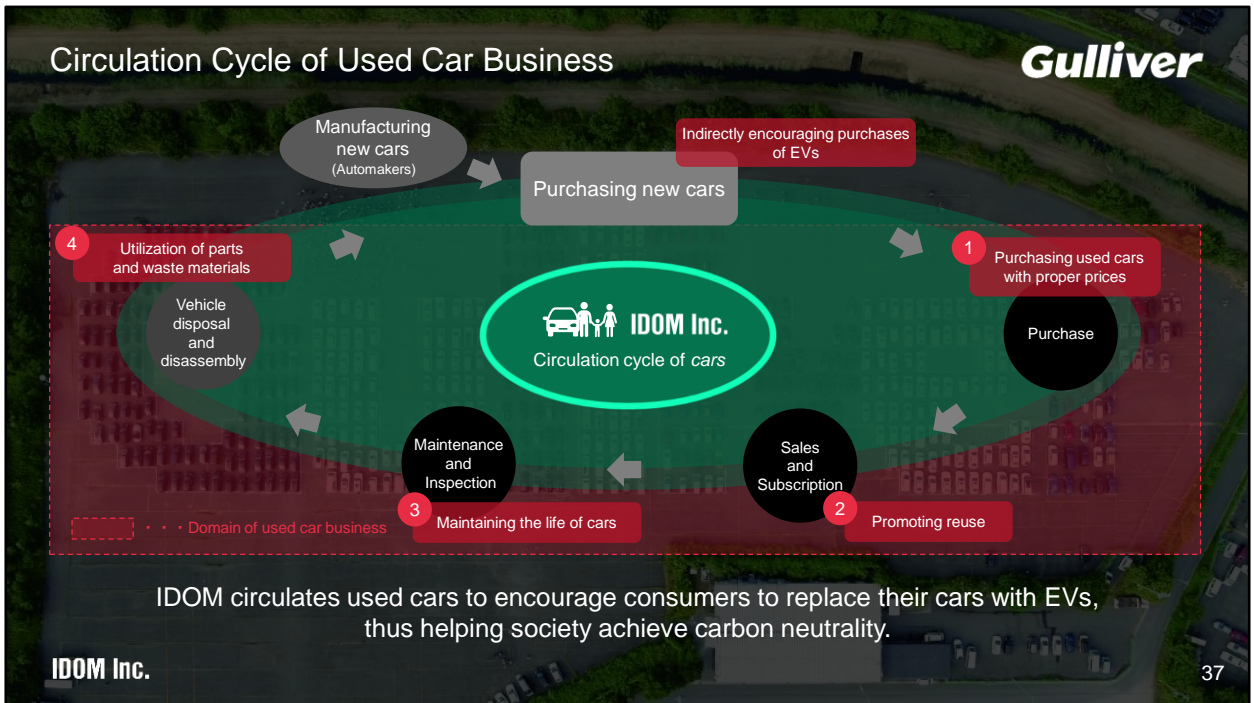
Sustainability Declaration

Since it was founded, IDOM has had a corporate philosophy of “Growing Together”, where we aim to grow together with our five key stakeholders: society, customers, employees, partners and shareholders.

Based on this corporate philosophy, we believe that our used car distribution business contributes to a sustainable society and defines the value of IDOM’s existence as a company.

Going forward, we will continue to boldly tackle the challenges of transforming the used car distribution market and continue to create long term value for all our stakeholders into the future.

This is a declaration to increase IDOM's value based on the idea that IDOM's value lies exactly in its contributions to the realization of a sustainable society through the used car distribution business.



Activities to boost used car distribution contribute to encouraging consumers to replace their cars with environmentally friendly ones.

In other words, by purchasing used cars at proper prices, we can maintain their asset value.

By maintaining their asset value, we provide consumers with the funds to switch to EVs, thus promoting the spread of EVs.

IDOM's initiatives to improve the value of its existence and distribute more used vehicles help society achieve carbon neutrality.

Disclosure in Line with TCFD Recommendations Related to Climate Change

Gulliver



Support for the Task Force on Climate-related Financial Disclosures (TCFD) Recommendations

IDOM has expressed its support for the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD). IDOM considers the problem of climate change to be one of the key issues that affect its businesses.

Based on the TCFD recommendations, it will continue to disclose information regarding governance, risk management, strategies (analysis of risks and opportunities), indices and goals.

* Scheduled for disclosure in May 2022







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We are also preparing to disclose information in accordance with the TCFD recommendations. We plan to disclose the information next month.

Themes of SDGs and Themes IDOM will Address



Related SDGs	Themes IDOM will address
  	<p>Environment (E)</p> <ul style="list-style-type: none"> - Contributing to the realization of a sustainable society through the used car distribution business (the value of IDOM's existence) - Driving paperless operations (Digitization of sales agreements, reduction of paper resources by sharing meeting materials online, etc.) - Switching to LED for light fixtures at directly operated store locations - Promoting the spread of environmentally friendly cars, including hybrid vehicles and EVs, in response to consumer needs
  	<p>Society (S)</p> <ul style="list-style-type: none"> - Ensuring diversity through consideration for employee health and healthy working environments based on the idea of diversity - Social Contribution Initiatives Made Possible Through IDOM's Business <ul style="list-style-type: none"> - Free provision of used cars to healthcare professionals (2020) - Free provision of used cars to victims of the 2011 Tohoku earthquake and tsunami - UNICEF Support Gift project for sale and purchase of used cars (2011-present)

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This slide shows the relationship between our specific current initiatives based on the Sustainability Declaration and the SDGs.

Measures to improve customer satisfaction

Conducting customer questionnaires through LINE or other measures in conjunction with business negotiations, car deliveries and after-sales services.

The responsible store managers and salespeople are provided timely feedback based on results which is used in initiatives aimed for the improvement of customer satisfaction.

CS-related commendation system

IDOM will continue to implement a program to commend stores if they achieve a greater degree of customer satisfaction and lower complaints than the established criteria regarding customer satisfaction questionnaires.



These are our initiatives regarding customer satisfaction.

The customer satisfaction indicator on which we place special emphasis is the degree to which they want to recommend us to their acquaintances and friends.

This degree is revealed through customer questionnaire conducted in conjunction with business negotiations, car deliveries and aftersales services. The responsible store managers and salespeople are provided timely feedback based on results, which is used in initiatives aimed for increasing the degree to which customers want to recommend us. In addition, we have a system for commending stores which have achieved certain questionnaire results.

Approach to Diversity

IDOM has created an environment where employees can fully demonstrate their abilities and play an active role, regardless of characteristics such as gender, culture, race, religion, sexual orientation, age or disabilities.

We have also established various systems and training for employees to achieve personal growth and self-improvement.

We will continue to respect the human rights of our employees and work actively to create a system that allows employees to attempt various challenges.

We believe that diversity will be achieved by focusing our efforts on improving the environment and developing human resources. For this reason, we have not set numerical diversity targets at this time.

We have announced our approach to diversity, which is aimed at ensuring the diversity of our employees.

Initiatives to Improve the Environment and Develop Human Resources Based on “Approach to Diversity”

Childcare support

Encouraging employees to take childcare leave regardless of gender

Reduction of working hours

Reducing total working hours through efforts such as increasing the number of public holidays

Supporting women

Operating the Sakura Project to support active roles and empowerment for all female employees (since 2008)

Work style

Creating an environment where employees can make maximum use of their abilities, including telecommuting, by promoting work style reforms

Growth support

Challenge application system that allows employees to apply for transfers for themselves, with the aim of promoting further self-growth

Training system

Theme-specific human resources development training system, with training that varies according to job type, position, and experience

Ability development

Ability development support course, in which employees can participate for the purpose of developing their own abilities

Qualification system

Store manager qualification examination system, for appointment of store managers by qualitative and quantitative evaluation

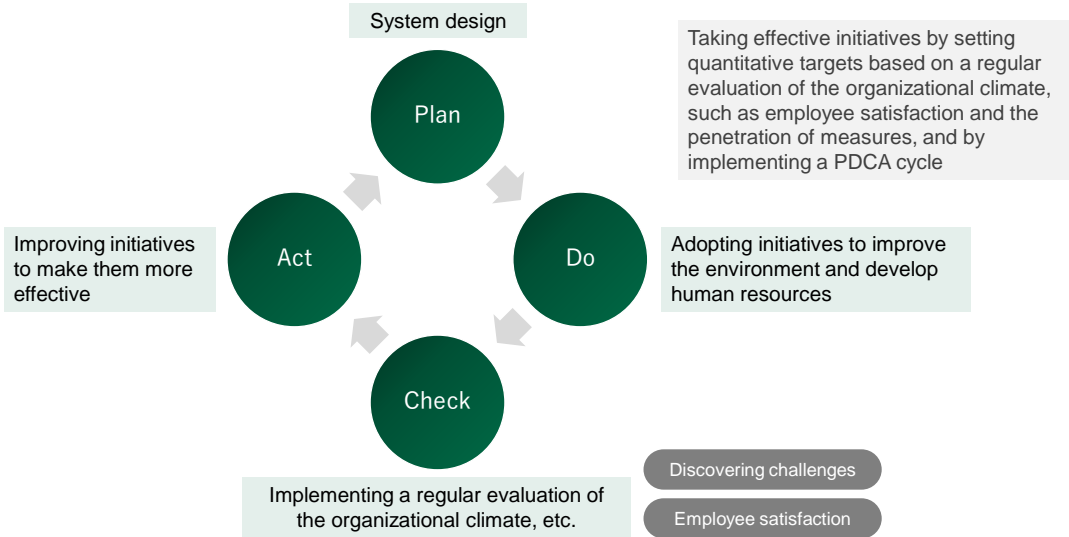
Management training

Store Pro system, a professional store manager system that challenges managers to engage in store management as business managers

These are examples of our initiatives based on the approach to diversity.

System to Promote Initiatives Based on the Concept of Diversity

Gulliver



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There are initiatives that are difficult to measure quantitatively, such as employee satisfaction and the penetration of measures. We set quantitative targets for these initiatives based on our regular evaluation of organizational climate to enable us to implement effective measures.

Toward the Future Mobility Society

Gulliver

NEXT GENERATION MOBILITY CHALLENGE

The start of new challenges

IDOM has been pursuing a circulation-based used car distribution business. This means that the company has constantly been responding to changes in society and consumer mindset. IDOM has continued to pursue and provide the value sought by society and customers.

These initiatives and approach will remain unchanged in the future mobility-based society.

IDOM will continue to develop services and content in a constant pursuit of value creation for a mobility-based society.

IDOM begins to take on new challenges.



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We have been meticulously preparing for the future mobility society. The Medium-Term Management Plan will start, finally.

We have been striving to provide universal value based on our corporate philosophy. We have kept this approach completely unchanged ever since our founding.

We believe that these approaches and thoughts will be a highly important driving force that will enable us to respond to future change.

We will continue to take on challenges, aiming to be true to our name, IDOM (idomu, a Japanese word which means taking on challenges). We thank you for your support moving forward.