

Q4 FY2022

# Results for Fiscal Year Ended February 28, 2022

April 15<sup>th</sup>, 2022

TSE Prime **7599**

IDOM Inc.



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FY2022 Financials

# 1. FY2022 Results Summary

Gulliver



## Financials

(Consolidated) Both net sales and operating profit increased

### Net sales

459.5 billion yen  
+20.8% YoY

### Operating profit

18.5 billion yen  
+74.9% YoY

- Both consolidated net sales and consolidated operating profit hit record highs in FY2022.
- Sales increased for the seventh consecutive year and operating profit increased for the third.
- Retail unit sales of large directly managed stores in Japan increased. New car sales and used car sales in Australia were steady.

## Stores

Opened large stores and maintenance shops highlighted in the growth strategy

- The Company opened five large stores.
- The Company also opened eight maintenance shops.

## M & A

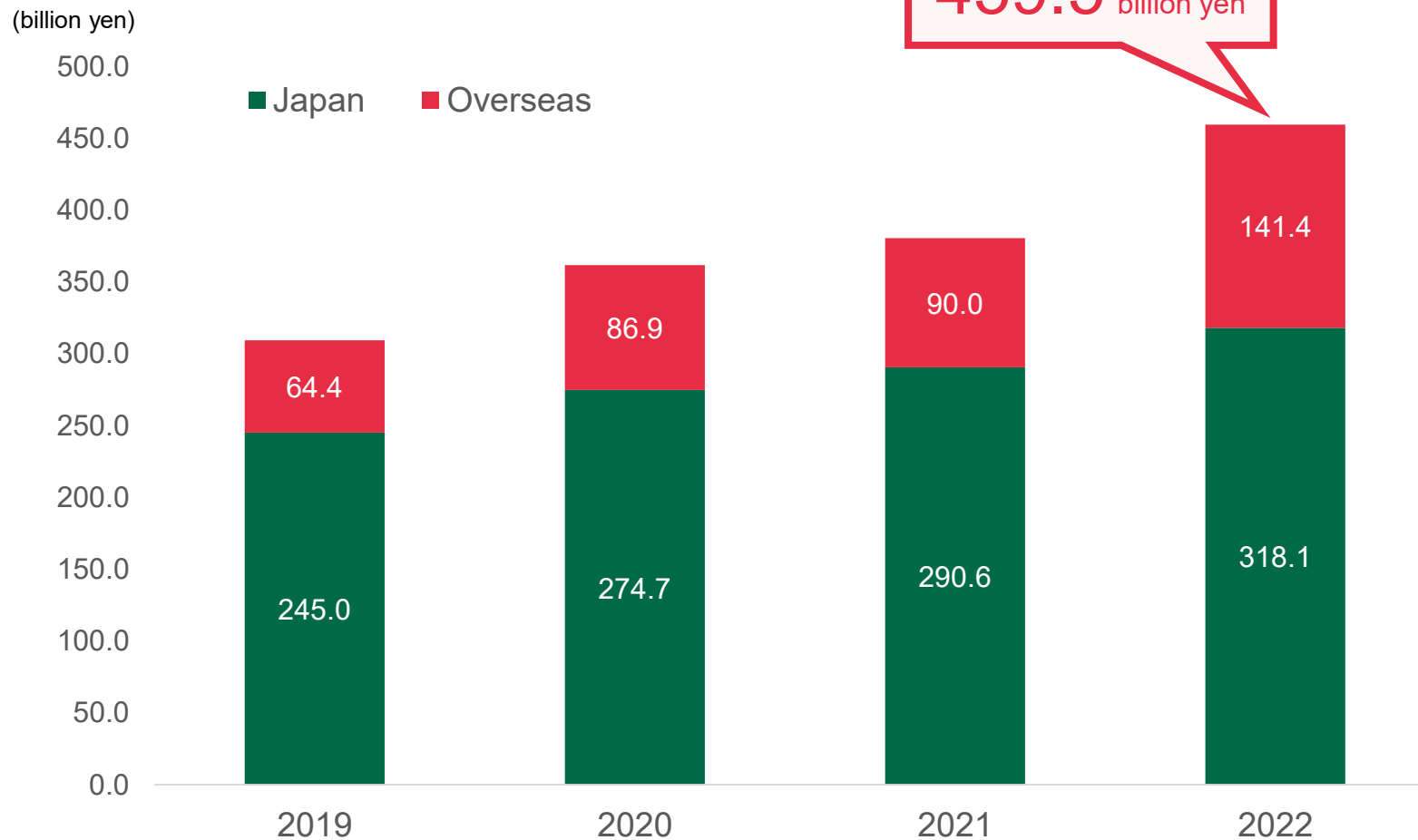
Decided to Transfer the Company's shares of the Australian subsidiaries

- Please see the Notice of Share Transfer of Consolidated Subsidiaries and Posting of Extraordinary Income announced on April 14, 2022.

# (Consolidated P/L) Trend in Net Sales



## Trend in net sales

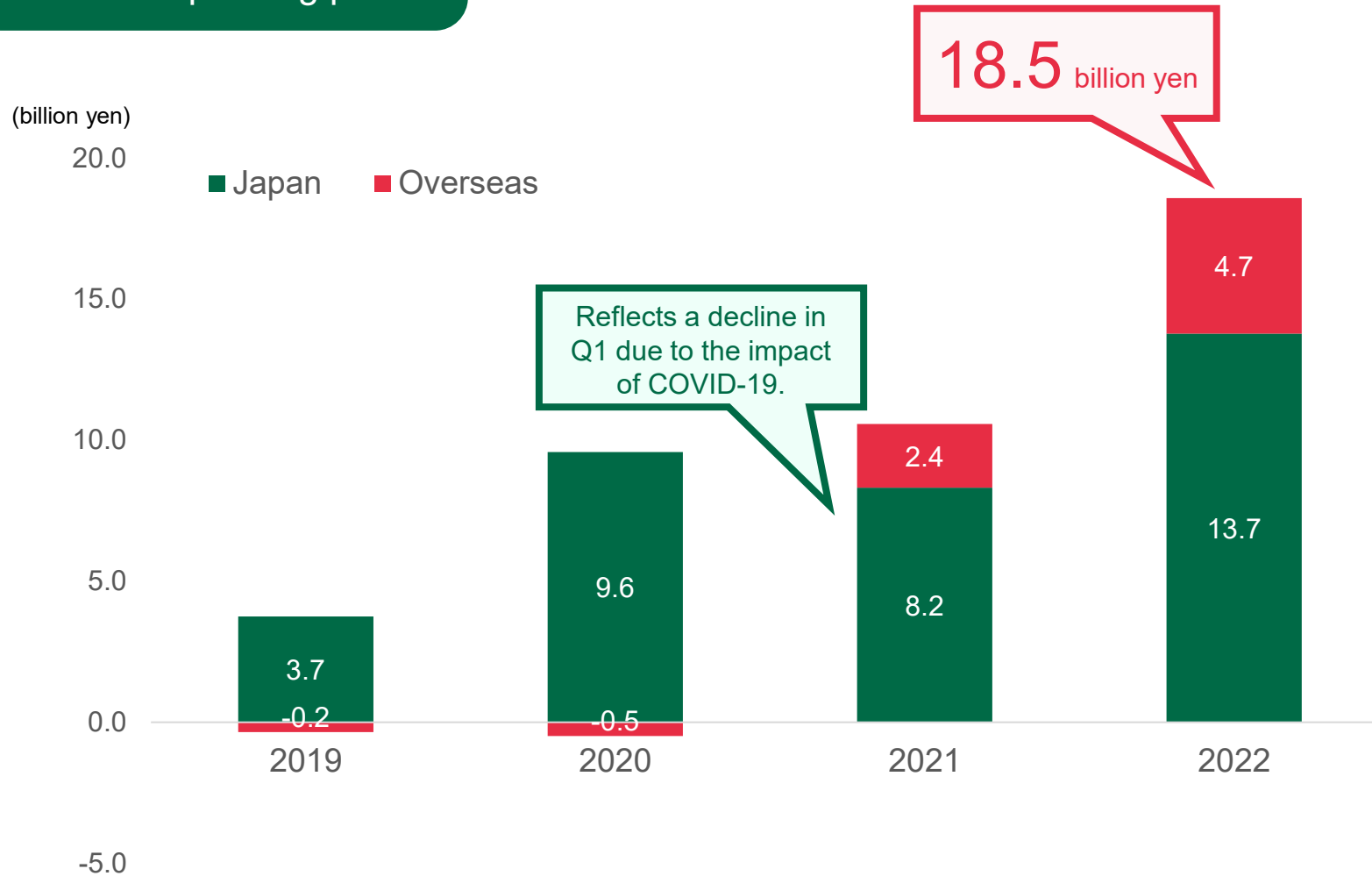


- Consolidate net sales rose 20.8% year on year, to 459.5 billion yen (increase in sales for seven consecutive years).
- Solid sales reflected increased retail unit sales at directly managed stores in Japan and steady new car sales and used car sales in Australia.

\* 2022 indicates the fiscal year ended February 28, 2022. Overseas net sales are total sales from businesses in Australia and the United States.

# (Consolidated P/L) Trend in operating profit

## Trend in operating profit



\* 2022 indicates the fiscal year ended February 28, 2022.  
Overseas net sales are total sales from businesses in Australia and the United States.

- Consolidated operating profit grew 74.9% year on year, to **18.5** billion yen (operating profit margin of 4.0%). (Record-high operating profit)
- Achieving profit growth for three consecutive years.

**Japan** There was a steady contribution from a rise in retail unit sales resulting from the opening of large stores and the improvement in online advertising efficiency, among other factors.

**Over-seas** Used car sales in Australia began to contribute to profit in 2021. In 2022, an increase in the number of new cars sold, which resulted from the strong economy in Western Australia, contributed to improved profitability.

# Financial Results: FY2022 Results



(billion yen)	Previous fiscal year	Fiscal year under review	YoY changes
	FY2021	FY2022	
Net sales	380.6	459.5	+79.0 +20.8%
Operating profit	10.6	18.5 <sup>1</sup>	+7.9
Operating profit margin (%)	2.8%	4.0%	+74.9%
Ordinary profit	9.6	17.6 <sup>2</sup>	+7.9
Ordinary profit margin (%)	2.5%	3.8%	+82.1%
Profit attributable to owners of parent	1.5	10.8 <sup>3</sup>	+9.3
Profit margin (%)	0.4%	2.3%	+627.0%

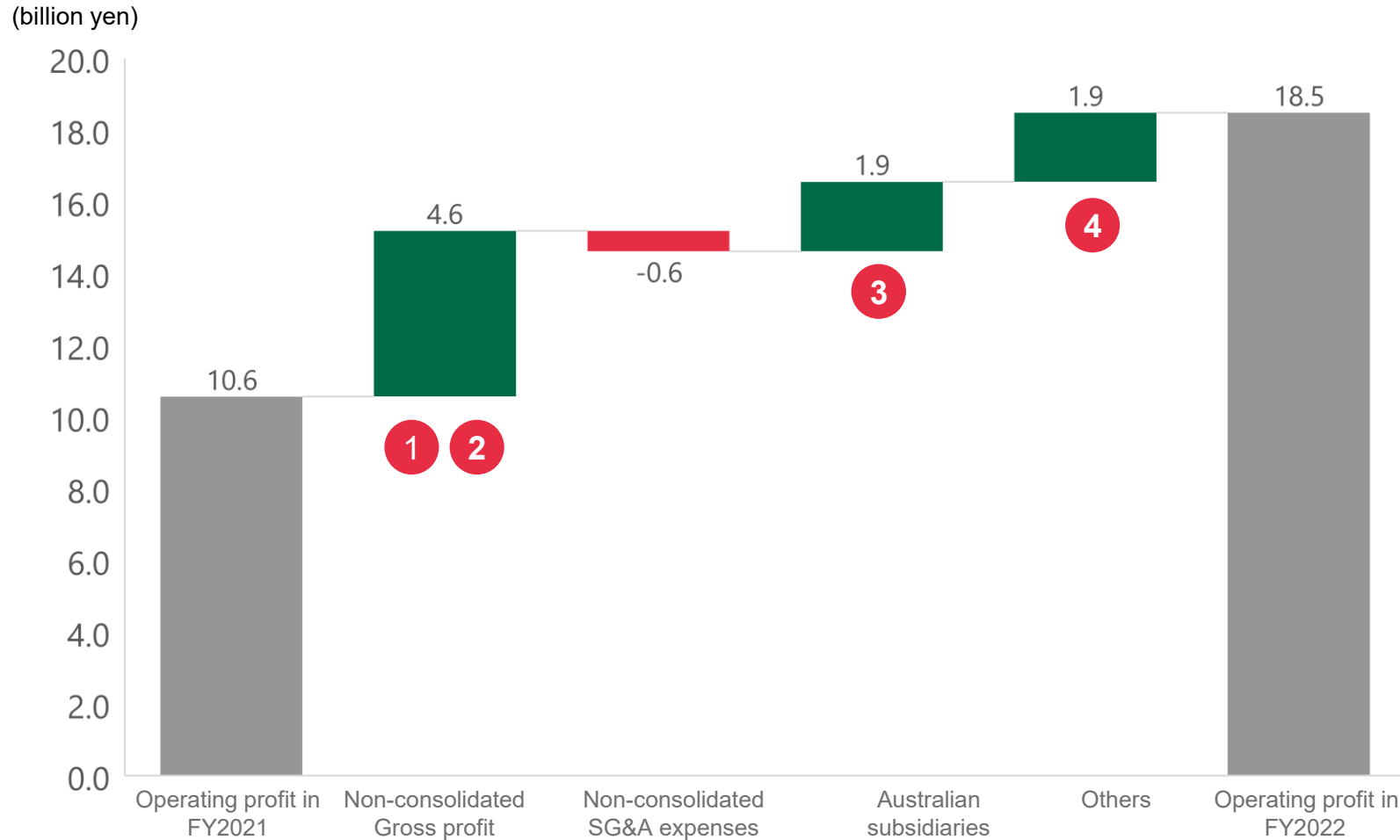
<sup>1</sup> Japan segment: 13.8 billion yen (up 5.5 billion yen YoY), Australia segment: 4.9 billion yen (up 1.9 billion yen YoY)

<sup>2</sup> Net sales and profits at all levels (operating profit, ordinary profit and profit attributable to owners of parent) reached record highs. The equity ratio of operating profit rose to 4.0%

<sup>3</sup> The Company posted an impairment loss of 4.0 billion yen in FY2021 for the goodwill associated with the acquisitions of Australian subsidiaries.

# Analysis of Factors in YoY Change in Operating Profit

## Analysis of Factors in the YoY Change in Operating Profit



**1** Retail unit sales increased mainly at large stores. In addition, gross profit per unit remained at the previous year's level.

**2** Wholesale sales were strong both in terms of units and gross profit per unit, partly reflecting the impact of the sharp rise in the auction price in the first quarter. The increase of approximately 1.0 billion yen was a special factor attributable to the surge in used car prices.

**3** In Australian subsidiary, sales of used cars remained strong. New car sales were also strong, reflecting the favorable Western Australian economy attributable to a surge in the price of iron ore.

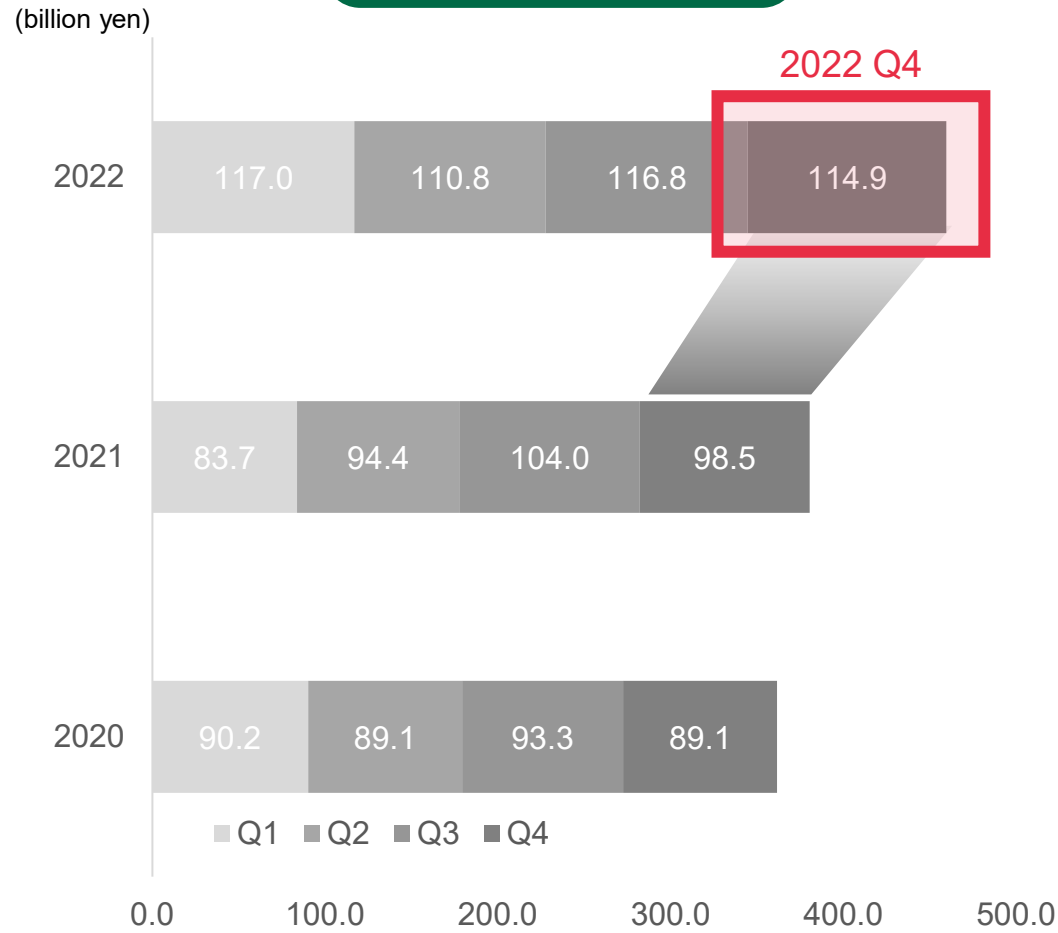
**4** Decrease in the amount of amortized goodwill due to the posting of an impairment loss for goodwill in the previous year, etc.



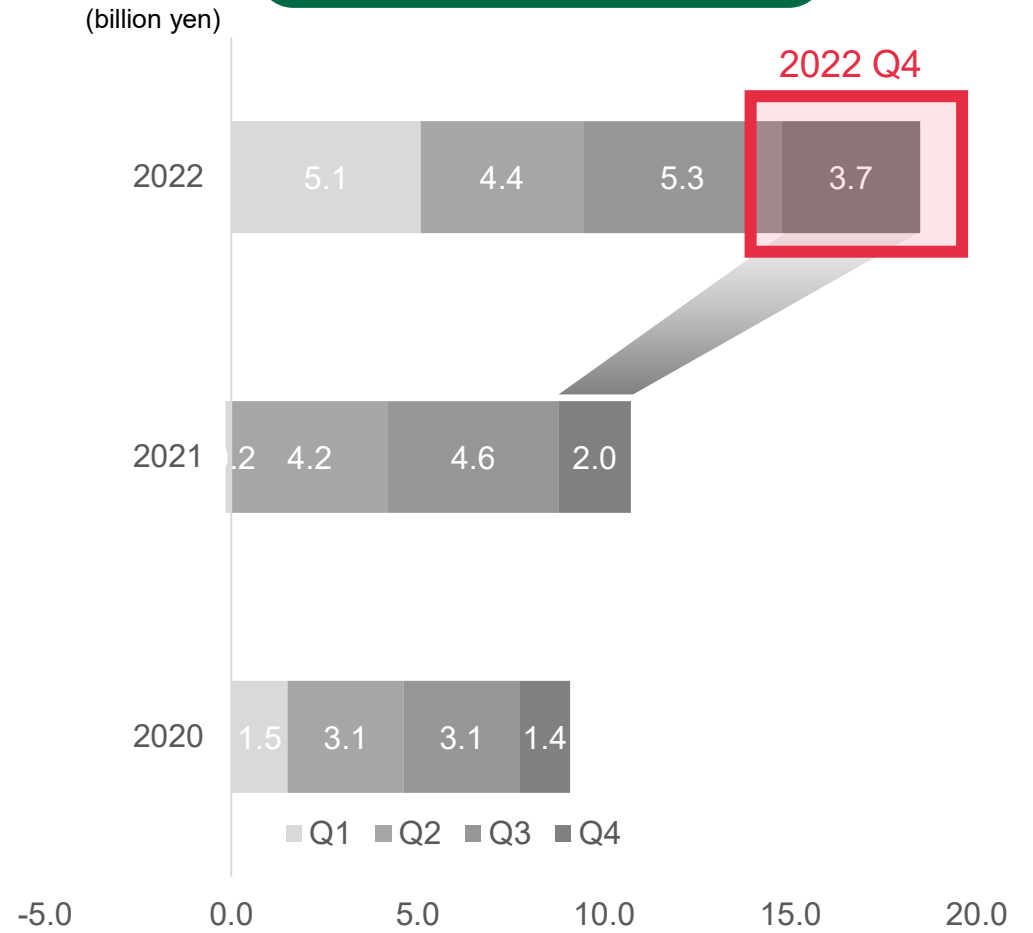
# Quarterly Trend in Results (Consolidated results over the recent three periods)



Trend in net sales



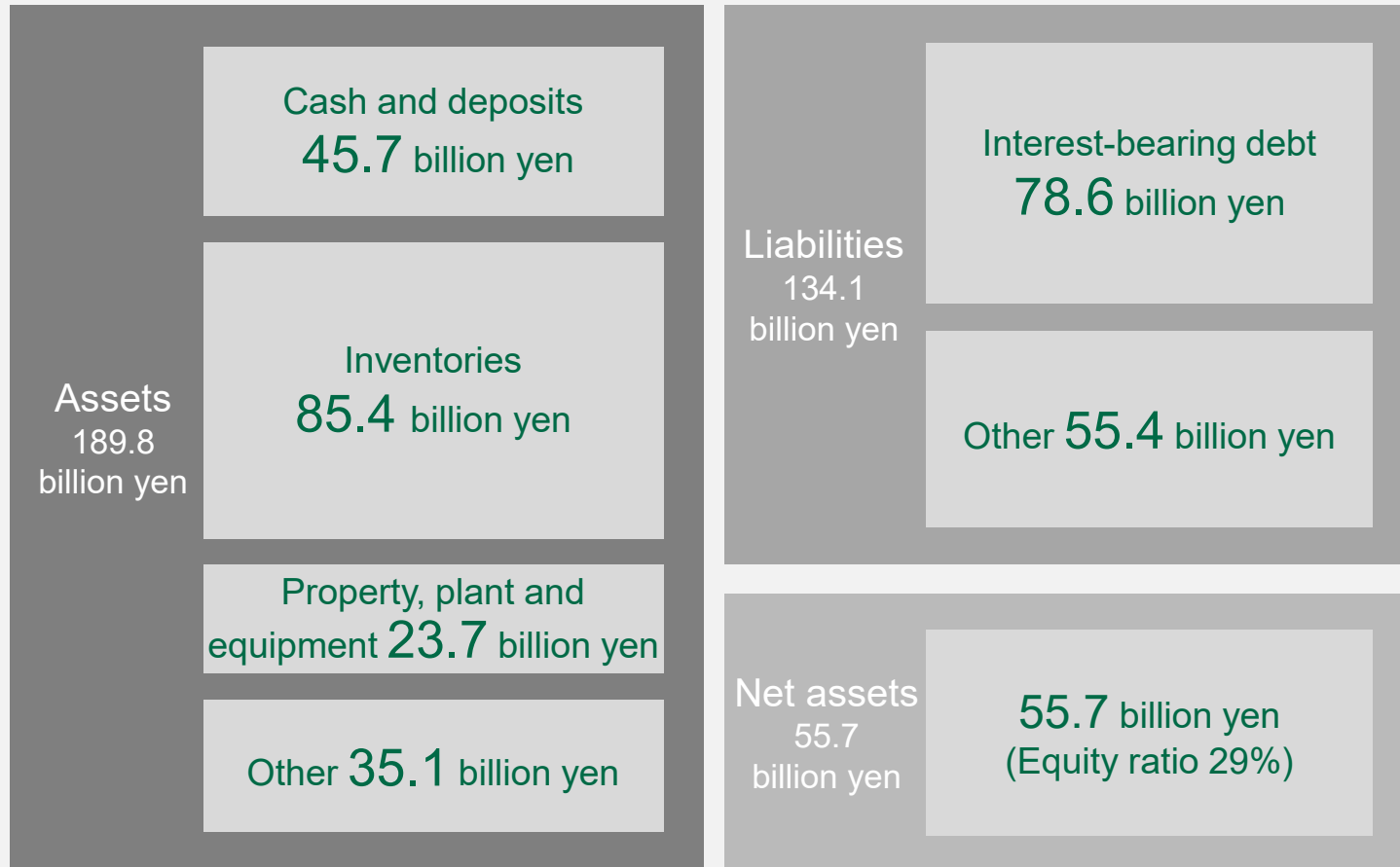
Trend in operating profit



# Summary of Consolidated Balance Sheet



## Consolidated Balance Sheet (As of February 28, 2022)

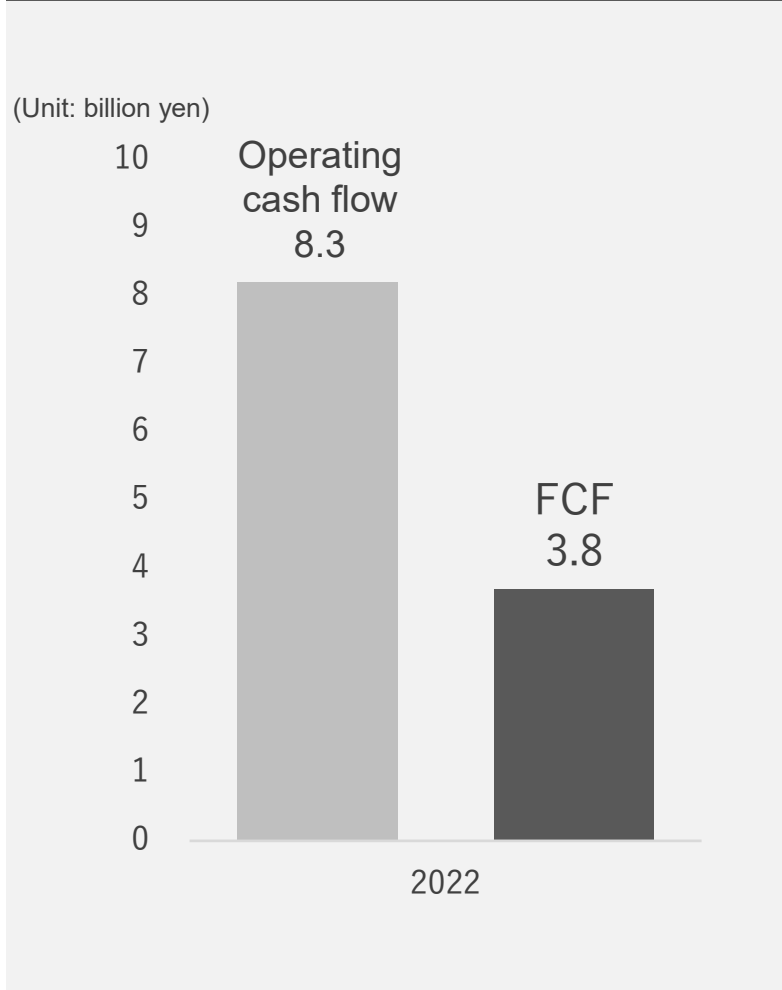


- Total assets were 189.8 billion yen.
- The equity ratio rose to 29%.
- The Company accumulated cash due to the upcoming date for repaying interest-bearing liabilities.
- Net interest-bearing debt decreased steadily.

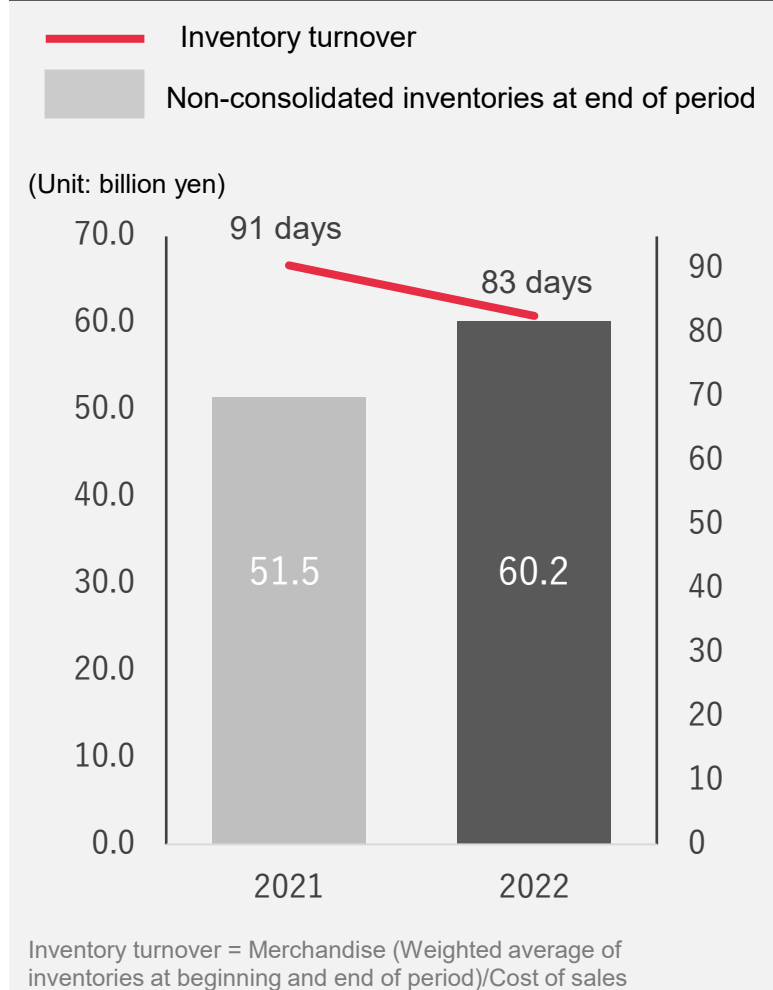
# Cash Flow and Inventory Status



## Full-year consolidated cash flows



## Non-consolidated inventories at end of period and inventory turnover



- Operating profit increased. Free cash flow was positive.
- Inventory turnover days decreased despite an increase in inventories as a result of continued inventory control in response to sales demand.

# (Consolidated P/L) FY2022 Results

## (Differences between disclosed forecasts and results)



	Forecast	Actual result	Vs. forecast
	(billion yen) FY2022	FY2022	
Net sales	450.0	459.5	+9.5 +2.1%
Operating profit	17.0	18.5	+1.5
Operating profit margin (%)	3.8%	4.0%	+8.7%
Ordinary profit	15.9	17.6	+1.7
Ordinary profit margin (%)	3.5%	3.8%	+10.4%
Profit attributable to owners of parent	9.2	10.8	+1.6
Profit margin (%)	2.0%	2.3%	+17.3%

① The increase of 1.1 billion yen exceeded the forecast against the backdrop of favorable market conditions for new cars in Western Australia attributable to a rise in the price of iron ore.

② Operating profit exceeded the forecast due to the strong performance of the domestic business and the stronger-than-expected depreciation of the yen against the Australian dollar.

\* 2022 indicates the fiscal year ended February 28, 2022.

FY2022 Financials

# 2. Status of Mainstay Businesses

Gulliver



# Large Stores Opened in FY2022



Miyazakikou (February 2022)  
Miyazaki-shi, Miyazaki Prefecture

## Recent launch of new stores

### Opening of large stores

- Oyama (September 2021)  
including an attached maintenance shop
- LIBERALA Chiba (September 2021)
- Moriokaminami (October 2021)  
including an attached maintenance shop
- Himeji (December 2021)  
including an attached maintenance shop
- Miyazakikou (February 2022)  
including an attached maintenance shop

5 stores in total

Number of  
Large Stores

29

(as of February 28, 2022)

# Maintenance Shops Opened in FY2022



Miyazakikou car maintenance shop (Opened in February 2022)

Miyazaki-shi, Miyazaki Prefecture

## Recent launch of new maintenance shops

Opening of new maintenance shops

- Ube (August 2021)
- Oyama (September 2021)
- Sapporo Kiyota (September 2021)
- Nakatsu (September 2021)
- Moriokaminami (October 2021)
- Wakayama Bypass (October 2021)
- Himeji (December 2021)
- Miyazakikou (February 2022)

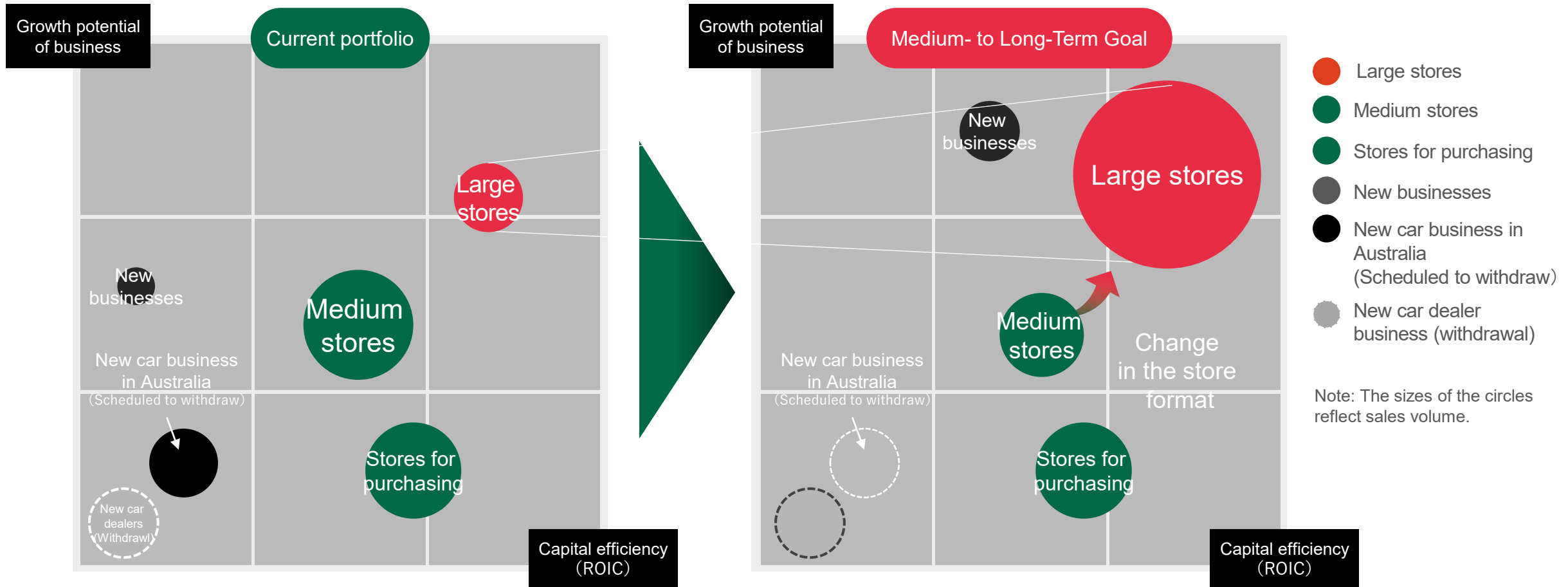
8 shops in total

Number of  
Maintenance  
Shops

8

(as of February 28, 2022)

# Business Portfolio as a Medium- to Long-Term Goal



The Company will focus on businesses with high growth potential and capital efficiency to redistribute management resources. Moving forward, the Company will invest intensively in businesses with high growth potential and capital efficiency.



# Transfer of the Shares of the Australian Subsidiaries



<p>Reason for the transfer</p>	<ul style="list-style-type: none"><li>• The Company has a policy of making management decisions on its investment priorities and the withdrawal from businesses using its business portfolio with a focus on returns on invested capital (ROIC) and growth potential.</li><li>• It will concentrate its management resources on the retail business conducted by its large stores (including attached maintenance shops) in Japan on a medium- to long-term basis because the business has been achieving high returns on invested capital (ROIC) and offers a great deal of room for growth going forward.</li><li>• Based on this policy, it already withdrew from the BMW and MINI new car dealership business in Japan in September 2021.</li></ul> <p>In addition, it has decided to withdraw from the new car dealership business in Australia.</p>
<p>Impact on earnings for the fiscal year ending February 28, 2023</p>	<ul style="list-style-type: none"><li>• The transfer will be a factor for a decrease in sales and profit because profit or loss for four months from March to June are projected to be included in the consolidated results. (Net sales, operating profit and ordinary profit will decrease by approximately 85.0 billion yen, 3.0 billion yen and 2.8 billion yen year on year)</li><li>• The Company expects to post a gain on sales of shares of subsidiaries and associates of approximately 0.8 billion yen on a consolidated basis and approximately 2.9 billion yen on a non-consolidated basis as extraordinary profit for the second quarter.</li></ul> <p>*The above estimates, which were calculated on April 14, 2022, may change due to the Australian dollar exchange rate and other factors.</p>
<p>Development of the future Australian business</p>	<ul style="list-style-type: none"><li>• The Company will leverage the expertise and network that it has accumulated through the management of new car dealers.</li><li>• It will leverage new technologies and innovations to develop a platform business to support the operations of car dealers with a view toward pursuing the transparency and fairness of car trades.</li><li>• It intends to invest in the business, which will be positioned as a new business, by setting upper limits for the investments and ensuring that they do not exceed certain levels.</li></ul>

FY2022 Financials

# 3. Financial Forecasts and Dividend Policy for FY2023

Gulliver



# Forecast of Business Environment in FY2023



## Japan

### Impact on profitability (Comparison with FY2022)

Retail unit sales	Expected to increase year on year due to the good performance of large stores that opened in FY2022 (5 stores) and the opening of new stores (7 stores) in FY2023.	Increase in profit
Wholesale gross profit	Assumption that 1.0 billion yen of the sharp auction market increase in FY2022 year will be lost.	Decrease in profit
Change in revenue recognition standard	Profit is projected to decrease 0.9 billion yen, reflecting the impact of changes in the revenue recognition standard.	Decrease in profit

## Overseas

### Impact on profitability (Comparison with FY2022)

Sale of shares	Projected to take place in June 2022.	Decrease in profit
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**Consolidated (Japan + Overseas)**      Decrease in profit

Overseas, the business to be sold will be a factor for a decrease in sales and profit because profit or loss for the four months from March to June are projected to be included in the consolidated results. In Japan, the Company will offset the year-on-year decline in wholesale gross profit and the 1.9 billion yen profit decline due to changes in the revenue recognition standard by increasing retail unit sales. Consequently, profitability is expected to be on par with the year-ago level.

# (Consolidated P/L) FY2023 Forecasts



	(billion yen)		YoY changes
	Actual result FY2022	Forecast FY2023	
Net sales	459.5	366.8	-93.7 -20.2%
Operating profit	18.5	15.5	-3.0
Operating profit margin (%)	4.0%	4.2%	-16.1%
Ordinary profit	17.6	14.8	-2.8
Ordinary profit margin (%)	3.8%	4.0%	-15.7%
Profit attributable to owners of parent	10.8	11.6	+0.8
Profit margin (%)	2.3%	3.2%	+7.5%

① The absence of operating profit expected from the Australian business due to the transfer of the shares of the Australian subsidiaries will be a factor for the decrease.

② Operating and ordinary profit margins are expected to rise.

③ Expected to increase due to the gain on the sale of the shares of the Australian subsidiaries and the tax effect of the posting of impairment loss in the previous year.

# Domestic Core Business: Factors for Changes in Operating Profit (Forecast)



(billion yen)



## 1 Negative factor 1

- Absence of an increase in profit, which occurred in the previous year due to the sharp increase in the auction price, in the current year.

## 2 Negative factor 2

- Gap in the revenue recognition period due to changes in the accounting standard.

## 3 Positive factors

- Effect of increased net sales and operating profit due to store openings in FY2022.
- Effect of increased net sales and operating profit due to the opening of seven large stores

# (Domestic Core Business P/L) FY2023 Forecasts



	(billion yen)		YoY changes
	Actual result FY2022	Forecast FY2023	
Net sales	308.0	310.0	+2.0 0.6%
Operating profit	13.5	13.5 <sup>1</sup>	0.0
Operating profit margin (%)	4.4%	4.4%	0.0%
Ordinary profit	13.1	13.1	0.0
Ordinary profit margin (%)	4.2%	4.2%	0.0%
Profit attributable to owners of parent	7.5	8.3	+0.8
Profit margin (%)	2.4%	2.7%	+10.7% <sup>2</sup>

<sup>1</sup> The increase of 1.0 billion yen in wholesale gross profit in FY2022 due to a sharp rise in used car prices is expected to decrease in FY2023. Even so, operating profit will be almost the same as FY2022, offsetting a 0.9 billion yen impact attributable to the revised revenue recognition standard. If factors for a decrease in profit are excluded, actual growth in operating profit will be 14.1%.

<sup>2</sup> Increase due to Extraordinary gain on sale of the Australian business and the tax effect of the posting of impairment loss in FY2022.

\* Domestic Core Business: Non-consolidated results including subsidiaries Gulliver Insurance and Tokyo Mycar.

# Dividend Policy



**Dividend policy** Performance-based dividend

**How to determine the amount of dividend** The dividends are calculated based on consolidated net profit attributable to owners of parent of previous fiscal year x **30%** (Changed from FY2017 dividends)

## Dividend per share

	FY2021	FY2022	FY2023 (Plan)
<b>1. End of Q2</b>	5.3 yen	2.3 yen	<b>16.2 yen</b>
<b>2. End of Q4</b>	5.3 yen	2.3 yen	<b>16.2 yen</b>
<b>Annual Total (1 + 2)</b>	10.6 yen	4.6 yen	<b>32.4 yen</b>

↓  
Decided based on the net profit of FY2022.

FY2022 Financials

# 4. Formulation of a New Medium-Term Business Plan

Gulliver





# Strategy: Formulation of a New Medium-Term Business Plan



The cover of the report features the Gulliver logo at the top right. The main title is 'Mid-term Strategy 2023 - 2027' in a red rounded rectangle, followed by 'Medium-Term Business Plan 2023 - 2027' and the date 'April 15<sup>th</sup>, 2022'. At the bottom left, it displays 'TSE Prime 7599' and the 'IDOM Inc.' logo. The bottom right features a white line-art illustration of a city street with Gulliver stores, cars, and solar panels.

This slide, titled 'Position of Medium-Term Business Plan', shows a timeline from 2023 to 2050. A red circle highlights the 'Future mobility-based society' with sub-points: 'Changes in the business environment' and 'Changes in consumer attitudes'. A red arrow points from the 2023-2027 plan period towards the 2050 goal. A text box states: 'IDOM aims to improve asset efficiency and facilitate growth simultaneously with an eye on a mobility-based society in the future'. The slide is numbered 23.

This slide, titled 'Positioning of the Medium-Term Business Plan and its Three Themes', details the company's strategy. It states: 'IDOM aims to improve asset efficiency and facilitate growth simultaneously with an eye on a mobility-based society in the future'. It lists three themes: 1) 'Increasing value for customers' (Provide safe and secure used cars to as many customers as possible), 2) 'Brand strategy' (Improving profitability by taking full advantage of the high visibility of the Gulliver brand), and 3) 'Contribute to the realization of a sustainable society' (Contribution to environmental issues through business). Specific initiatives are listed for each theme, such as 'Expanding large stores' and 'Integrating brand and stating to large stores'. The slide is numbered 27.

The Company has disclosed its new medium-term Business plan today (April 15, 2022) to share the Group's strategies with an eye on the creation of a recycling-oriented society.

[https://221616.com/idom/en/ir\\_top/library\\_en/account\\_statement\\_en/](https://221616.com/idom/en/ir_top/library_en/account_statement_en/)

FY2022 Financials

# 5. Supplementary Information on Results and Financial Matters

Gulliver



# [Consolidated / Non-consolidated] Income Statement



Consolidated	FY ended Feb 29, 2020		FY ended Feb 28, 2021		FY ended Feb 28, 2022		FY ending Feb 28, 2023			
	Results (million yen)	Ratio (%)	Results (million yen)	Ratio (%)	Results (million yen)	Ratio (%)	Outlook (million yen)	Ratio (%)	Change (million yen)	Y/Y (%)
Sales	361,684	100.0	380,564	100.0	459,532	100.0	366,800	100.0	-92,732	-20.2
Cost of sales	287,724	79.6	307,754	80.9	373,519	81.3	294,900	80.4	-78,619	-21.0
Gross profit	73,959	20.4	72,810	19.1	86,013	18.7	71,900	19.6	-14,113	-16.4
SG&A Expenses	64,868	17.9	62,239	16.4	67,528	14.7	56,400	15.4	-11,128	-16.5
Operating profit	9,091	2.5	10,571	2.8	18,485	4.0	15,500	4.2	-2,985	-20.2
Ordinary profit	6,867	1.9	9,642	2.5	17,561	3.8	14,800	4.0	-2,761	-15.7
Profit before income taxes and minority interests	3,917	1.1	4,524	1.2	15,750	3.4	14,900	4.1	-850	-5.4
Profit attributable to owners of parent	3,545	1.0	1,484	0.4	10,794	2.3	11,600	3.2	805	7.5

Non-Consolidated	FY ended Feb 29, 2020		FY ended Feb 28, 2021		FY ended Feb 28, 2022		FY ending Feb 28, 2023			
	Results (million yen)	Ratio (%)	Results (million yen)	Ratio (%)	Results (million yen)	Ratio (%)	Outlook (million yen)	Ratio (%)	Change (million yen)	Y/Y (%)
Sales	258,008	100.0	275,710	100.0	306,733	100.0	309,000	100.0	2,266	0.7
Cost of sales	199,406	77.3	219,258	79.5	245,661	80.1	247,000	79.9	1,338	0.5
Gross profit	58,602	22.7	56,451	20.5	61,071	19.9	62,000	20.1	928	1.5
SG&A Expenses	50,867	19.7	48,593	17.6	49,164	16.0	50,000	16.2	835	1.7
Operating profit	7,735	3.0	7,858	2.9	11,907	3.9	12,000	3.9	92	0.8
Ordinary profit	6,964	2.7	7,642	2.8	11,573	3.8	11,500	3.7	-73	-0.6
Profit before income taxes	3,457	1.3	-458	-	9,450	3.1	13,700	4.4	4,249	45.0
Profit	3,500	1.4	-2,081	-	6,553	2.1	11,700	3.8	5,146	78.5

# [Consolidated / Non-consolidated] Income Statement (half year)



Consolidated	6 months ended August 31, 2019		6 months ended August 31, 2020		6 months ended August 31, 2021		6 months ending August 31, 2022			
	Results (million yen)	Ratio (%)	Results (million yen)	Ratio (%)	Results (million yen)	Ratio (%)	Outlook (million yen)	Ratio (%)	Change (million yen)	Y/Y (%)
Sales	179,276	100.0	178,109	100.0	227,775	100.0	206,800	100.0	-20,975	-9.2
Cost of sales	142,478	79.5	144,145	80.9	185,308	81.4	166,900	80.7	-18,408	-9.9
Gross profit	36,797	20.5	33,963	19.1	42,466	18.6	39,900	19.3	-2,566	-6.0
SG&A Expenses	32,173	17.9	29,910	16.8	33,025	14.5	31,300	15.1	-1,725	-5.2
Operating profit	4,624	2.6	4,053	2.3	9,440	4.1	8,600	4.2	-840	-8.9
Ordinary profit	3,634	2.0	3,147	1.8	9,011	4.0	8,150	3.9	-861	-9.6
Profit before income taxes and minority interests	3,292	1.8	2,717	1.5	7,951	3.5	8,600	4.2	648	8.2
Profit attributable to owners of parent	2,124	1.2	1,375	0.8	5,311	2.3	7,200	3.5	1,888	35.5

Non-Consolidated	6 months ended August 31, 2019		6 months ended August 31, 2020		6 months ended August 31, 2021		6 months ending August 31, 2022			
	Results (million yen)	Ratio (%)	Results (million yen)	Ratio (%)	Results (million yen)	Ratio (%)	Outlook (million yen)	Ratio (%)	Change (million yen)	Y/Y (%)
Sales	129,806	100.0	134,150	100.0	150,239	100.0	154,500	100.0	4,260	2.8
Cost of sales	100,099	77.1	107,145	79.9	120,147	80.0	123,500	79.9	3,352	2.8
Gross profit	29,706	22.9	27,004	20.1	30,092	20.0	31,000	20.1	907	3.0
SG&A Expenses	25,424	19.6	23,736	17.7	23,983	16.0	25,000	16.2	1,016	4.2
Operating profit	4,282	3.3	3,267	2.4	6,108	4.1	6,000	3.9	-108	-1.8
Ordinary profit	3,721	2.9	3,101	2.3	5,939	4.0	5,750	3.7	-189	-3.2
Profit before income taxes	3,397	2.6	2,383	1.8	4,655	3.1	8,300	5.4	3,644	78.3
Profit	2,253	1.7	2,005	1.5	3,170	2.1	7,800	5.0	4,629	146.0

# [Consolidated] Balance Sheets



(Unit: million yen)

	As of February 28, 2021	As of February 28, 2022
<b>Assets</b>		
<b>Current assets</b>		
Cash and deposits	43,179	45,670
Notes and accounts receivable - trade	6,875	5,620
Merchandise	72,913	85,363
Other	3,966	4,907
Allowance for doubtful accounts	-328	-416
<b>Total current assets</b>	<b>126,605</b>	<b>141,146</b>
<b>Non-current assets</b>		
<b>Property, plant and equipment</b>		
Buildings and structures	36,918	37,102
Accumulated depreciation	-16,411	-16,061
Buildings and structures, net	20,507	21,040
Vehicles	153	298
Accumulated depreciation	-32	-60
Vehicles, net	121	238
Tools, furniture and fixtures	4,335	4,279
Accumulated depreciation	-3,606	-3,114
Tools, furniture and fixtures, net	729	1,164
Land	218	136
Construction in progress	121	1,083
<b>Total property, plant and equipment</b>	<b>21,697</b>	<b>23,663</b>
<b>Intangible assets</b>		
Software	1,717	1,465
Goodwill	7,698	5,995
Other	4,996	4,314
<b>Total intangible assets</b>	<b>14,412</b>	<b>11,775</b>
<b>Investments and other assets</b>		
Investment securities	139	20
Shares of subsidiaries and associates	131	129
Long-term loans receivable	30	228
Lease and guarantee deposits	5,835	4,405
Construction assistance fund receivables	4,614	4,289
Deferred tax assets	3,253	3,677
Other	544	438
Allowance for doubtful accounts	-43	-8
<b>Total investments and other assets</b>	<b>14,506</b>	<b>13,181</b>
<b>Total non-current assets</b>	<b>50,616</b>	<b>48,620</b>
<b>Total assets</b>	<b>177,222</b>	<b>189,766</b>

	As of February 28, 2021	As of February 28, 2022
<b>Liabilities</b>		
<b>Current liabilities</b>		
Accounts payable - trade	20,940	23,618
Short-term loans payable	1,117	1,101
Accounts payable - other	342	10,000
Current portion of long-term loans payables	4,586	4,713
Income taxes payable	2,052	3,960
Advances received	9,010	9,548
Deposits received	205	215
Provision for bonuses	1,167	1,965
Provision for merchandise warranties	737	884
Other provision	715	1,327
Other	6,658	3,750
<b>Total current liabilities</b>	<b>47,534</b>	<b>61,085</b>
<b>Non-current liabilities</b>		
Long-term loans payable	79,169	67,523
Long-term guarantee deposited	506	587
Asset retirement obligations	2,546	2,236
Deferred tax liabilities	1,616	1,535
Other provision	584	680
Other	249	407
<b>Total non-current liabilities</b>	<b>84,672</b>	<b>72,972</b>
<b>Total liabilities</b>	<b>132,206</b>	<b>134,057</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Capital stock	4,157	4,157
Capital surplus	4,384	4,361
Retained earnings	39,665	49,673
Treasury shares	-4,344	-4,344
<b>Total shareholders' equity</b>	<b>43,862</b>	<b>53,847</b>
<b>Accumulated other comprehensive income</b>		
Foreign currency translation adjustment	134	168
<b>Total accumulated other comprehensive income</b>	<b>134</b>	<b>168</b>
<b>Minority owner shares worth</b>	<b>1,018</b>	<b>1,693</b>
<b>Total net assets</b>	<b>45,015</b>	<b>55,709</b>
<b>Total liabilities and net assets</b>	<b>177,222</b>	<b>189,766</b>

# [Consolidated] Statements of Cash Flows



(Unit: million yen)

	FY ended Feb 28, 2021	FY ended Feb 28, 2022
Profit before income taxes	4,524	15,750
Depreciation	2,951	2,797
Amortization of goodwill	684	454
Net increase (decrease) in working capital	5,549	-7,899
Income taxes paid	-2,494	-2,980
Other, net	8,294	154
<b>Cash flows from operating activities</b>	<b>19,508</b>	<b>8,276</b>
<b>Cash flows from investing activities</b>	<b>-1,373</b>	<b>-4,500</b>
Free cash flow	18,134	3,776
<b>Cash flows from financing activities</b>	<b>-12,495</b>	<b>-1,332</b>
Net increase (decrease) resulting from exchange rate change and new consolidation	244	47
Net increase (decrease) in cash and cash equivalents	5,883	2,474
Cash and cash equivalents at the beginning of period	37,295	43,179
<b>Cash and cash equivalents at the end of period</b>	<b>43,179</b>	<b>45,670</b>



FY2022 Financials

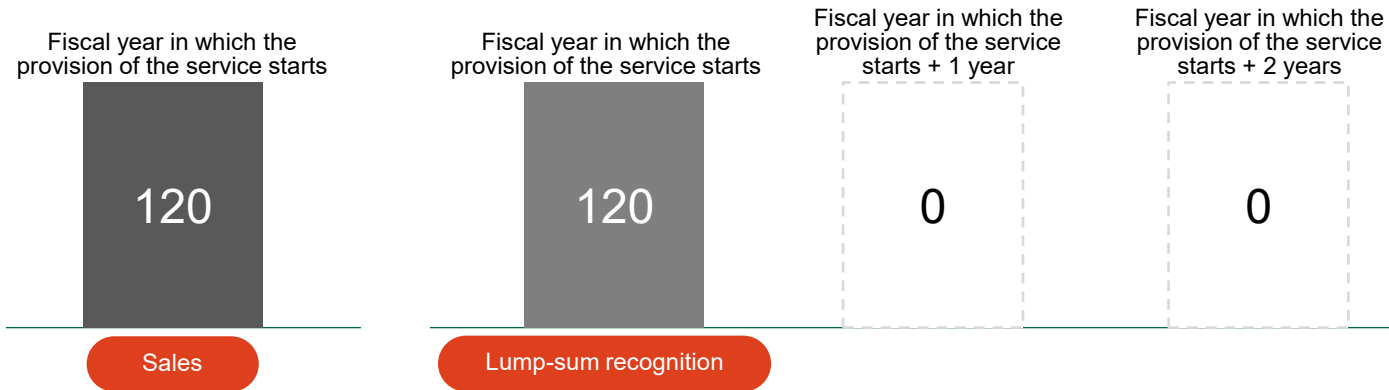
# Appendix

Gulliver

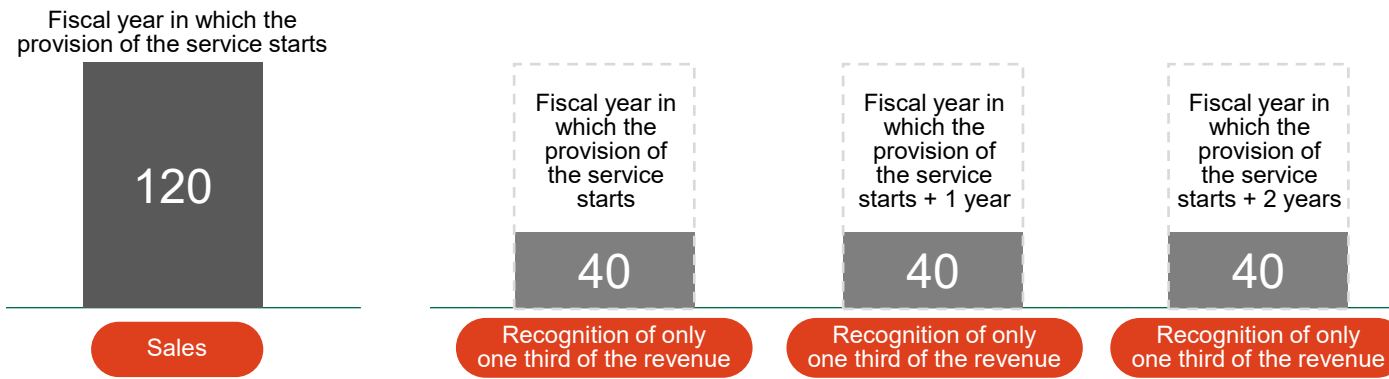
# Time-lag in the Revenue Recognition Period due to Changes in the Accounting Standard



## Old revenue recognition standard (If the service provision period is three years)



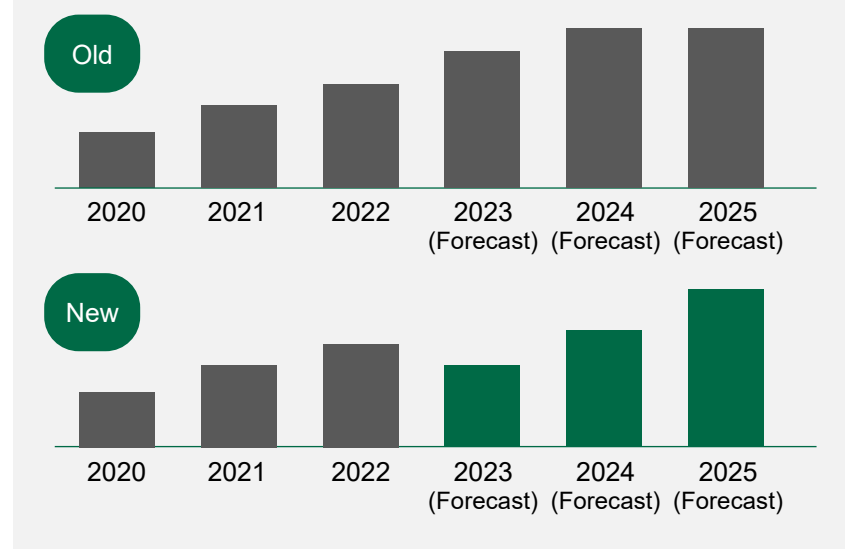
## New revenue recognition standard (If the service provision period is three years)



## Sales categories where the change applies

Warranties service

## Graph of trend in sales including projections (3-year service)



The Company started to adopt the new revenue recognition standard in the current fiscal year. As a result, operating profit is expected to decrease approximately 0.9 billion yen due to a time-lag in revenue recognition occurring for sales recorded in past years and those newly recorded in the current year. (The adoption, which causes only a gap in the timing of recognition, does not have a practical impact other than the gap in the revenue recognition timing.)



# Increase in the Capital of IDOM CaaS Technology (ICT)



Overview of financing	ICT, a subsidiary that is 96% owned by IDOM and that operates the NOREL car subscription service, implemented a capital increase plan through a private placement.
Amount raised	1.4 billion yen
Allottees	Shinsei Bank, Limited Primerock Investment LLC SecondXight Analytica, Inc. Best In Class Producers Inc.
Purpose of fundraising	Development of businesses in the Fintech-related service area, such as businesses for improving the accuracy of the prediction of residual value through ICT's unique assessment criteria and AI, as well as the enhancement of vehicle operation services in which the company has been demonstrating its strengths.

# Overview of IDOM Group



## IDOM Inc.

Established : 1994

Listed : 1998

Directly managed stores : 445

Franchise stores : 65

(as of the end of February 2022)

## Major Group Companies

(Japan)

- Gulliver Insurance
- Tokyo Mycar
- IDOM CaaS Technology
- IDOM Business Support
- FMG

(Overseas)

- Australia

IDOM Automotive Group  
Buick Holdings (DVG)  
IDOM Automotive Essendon  
IDOM Innovations

Scheduled to withdraw

- U.S.A.

Gulliver U.S.A.

Gulliver EAST

Retail car sales at IDOM directly managed stores

**140,119** cars

Fiscal year ended February 28, 2022

Number of cars purchased at the Group in Japan

**245,903** cars\*

Fiscal year ended February 28, 2022

Number of employees (consolidated)

**4,347**

Fiscal year ended February 28, 2022