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## Summary of Consolidated Financial Results for the Year Ended February 29, 2024 (Based on Japanese GAAP)

April 12, 2024

Company name: IDOM Inc.  
 Stock exchange listing: Tokyo  
 Stock code: 7599 URL <https://221616.com>  
 Representative: President Yusuke Hatori  
 Inquiries: Director CFO Ryo Nishihata TEL 050-1749-8962  
 Scheduled date of ordinary general meeting of shareholders: May 28, 2024  
 Scheduled date to file Securities Report: May 29, 2024  
 Scheduled date to commence dividend payments: May 29, 2024  
 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 29, 2024 (from March 1, 2023 to February 29, 2024)

#### (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 29, 2024	419,852	0.8	16,117	(13.7)	15,826	(12.8)	11,442	(19.5)
Year ended February 28, 2023	416,514	(9.4)	18,684	1.1	18,146	3.3	14,205	31.6

	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 29, 2024	113.96	–	17.5	8.9	3.8
Year ended February 28, 2023	141.48	–	24.5	10.0	4.5

#### (2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of February 29, 2024	184,031	69,930	37.5	687.34
As of February 28, 2023	173,293	62,702	35.8	618.34

#### (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 29, 2024	9,648	(8,367)	(8,230)	30,548
Year ended February 28, 2023	2,275	(166)	(10,634)	37,473

### 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, 2023	–	16.20	–	26.30	42.50	4,267	30.0	7.4
Year ended February 29, 2024	–	14.41	–	19.78	34.19	3,432	30.0	5.2
Year ending February 28, 2025 (Forecast)	–	20.02	–	20.61	40.63		30.0	

3. Forecast of consolidated financial results for the year ending February 28, 2025 (from March 1, 2024 to February 28, 2025)

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, 2024	223,200	9.6	10,100	42.3	9,850	42.4	6,700	38.9	66.73
Full year	456,500	8.7	20,300	26.0	19,800	25.1	13,600	18.9	135.45

4. Notes

(1) Changes in significant subsidiaries during the year ended February 29, 2024

(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:

No

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 29, 2024	106,888,000 shares	As of February 28, 2023	106,888,000 shares
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Number of treasury shares at the end of the period

As of February 29, 2024	6,480,691 shares	As of February 28, 2023	6,480,651 shares
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Average number of shares during the period

Year ended February 29, 2024	100,407,339 shares	Year ended February 28, 2023	100,407,349 shares
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## 1. Overview of Operating Results, Etc.

### (1) Analysis of operating results

In the fiscal year under review (March 1, 2023 February 29, 2024), total unit sales at directly managed stores in Japan were 268,844 (up 8.7% year on year). Retail unit sales to consumers reached a record high of 144,487 (up 6.6% year on year). In addition, gross profit per retail unit stood at an average of 410,000 yen on a full-year basis, maintaining the level in the previous year. Wholesale unit sales to business operators were 124,357 (up 11.2% year on year) partly due to solid auto auction market prices, and a record high total unit sales of 268,844 was achieved. This is an aggregation of retail unit sales and wholesale unit sales. Retail unit sales were 53.7% of total unit sales while wholesale unit sales were 46.3%. Retail gross profit was approximately 80% of non-consolidated gross profit which totaled 71,062 million yen.

Selling, general and administrative expenses increased, chiefly reflecting higher advertising expenses linked to the opening of large stores and higher personnel expenses due to a rise in the number of employees as the result of increased new hiring for the implementation of growth strategies and recruitment costs.

As a result of the above, the consolidated business results for the fiscal year under review were net sales of 419,852 million yen (up 0.8% year on year), operating profit of 16,117 million yen (down 13.7%), ordinary profit of 15,826 million yen (down 12.8%) and profit attributable to owners of parent of 11,442 million yen (down 19.5%).

Regional segment-specific earnings are as indicated below:

#### I. Japan

The results of the Japan segment were net sales of 417,031 million yen (up 12.9% year on year) and segment profit (operating profit) of 16,076 million yen (down 7.8% year on year). Selling, general and administrative expenses increased due to investments for growth. Despite net sales increased due to strong business performance at large stores, the Japan segment recorded higher revenue and lower profit.

#### II. Others

The results of the Other (Differences) segment were net sales of 2,820 million yen (up 17.7% year on year) and segment profit (operating profit) of 43 million yen (down 38.8% year on year).

The Australia segment has been excluded from the scope of consolidation, because all equity shares in the Australian subsidiary were sold in the previous consolidated fiscal year.

### Outlook for the Next Fiscal Year

The forecasts for the next fiscal year are based on the following assumptions.

#### (i) Japan

The Company will steadily take steps to improve price setting and increase incidental earnings associated with retail sales in the next fiscal year. By doing so, it expects to increase gross profit per retail unit.

Furthermore, retail unit sales are expected to rise year on year due to the opening of 15 large capital efficiency-focused stores in the next fiscal year, as well as the contributions of large stores opened in or before the previous fiscal year.

#### (ii) Others

It had been assumed that IDOM Innovations Pty Ltd., which researches and develops new services in Australia, would be included in consolidated results in the fiscal year under review. The Company, however, decided not to include IDOM Innovations Pty Ltd. in the scope of consolidation due to the materiality of the business. It is assumed that this scope of consolidation will apply in the next fiscal year.

Based on the above assumptions, the Company forecasts that in the next fiscal year, it will post net sales of 456,500 million yen, operating profit of 20,300 million yen, ordinary profit of 19,800 million yen and profit attributable to owners of parent of 13,600 million yen.

### (2) Analysis of financial position

Status of assets, liabilities and net assets

#### (Assets)

As of the end of the fiscal year under review, total assets stood at 184,031 million yen (up 6.2% compared to the end of the previous fiscal year).

Current assets were 134,281 million yen (up 2.1% compared to the end of the previous fiscal year), due primarily to an increase in notes and accounts receivable - trade (up 8,703 million yen), despite a decrease in cash and deposits (down 6,925 million yen).

Non-current assets were 49,749 million yen (up 19.0% compared to the end of the previous fiscal year) chiefly due to an increase in buildings and structures (up 4,330 million yen).

#### (Liabilities)

As of the end of the fiscal year under review, total liabilities were 114,101 million yen (up 3.2% compared to the end of the previous fiscal year).

Current liabilities stood at 63,327 million yen (down 1.3% from the end of the previous fiscal year) due primarily to a fall in the current portion of long-term borrowings (down 7,845 million yen).

Non-current liabilities were 50,773 million yen (up 9.4% compared to the end of the previous fiscal year) due to an increase in long-term borrowings (up 3,700 million yen), among other factors.

(Net assets)

As of the end of the fiscal year under review, total net assets amounted to 69,930 million yen (up 11.5% compared to the end of the previous fiscal year), largely due to an increase in retained earnings (up 7,355 million yen).

Status of cash flows

Cash and cash equivalents (hereinafter, "cash") for the fiscal year under review were 30,548 million yen, a decrease of 6,925 million yen (down 18.5%) compared to the end of the previous fiscal year.

The status of cash flows for FY2024 and respective relevant cash flows are as follows.

(Cash flows from operating activities)

Net cash provided by operating activities was 9,648 million yen.

This was mainly attributable to profit before income taxes of 15,664 million yen and depreciation of 2,890 million yen and an increase in trade receivables of 7,846 million yen.

(Cash flows from investing activities)

Net cash used in investing activities was 8,367 million yen.

This mainly reflected 7,507 million yen used for purchase of property, plant and equipment.

(Cash flows from financing activities)

Net cash used in financing activities was 8,230 million yen.

This mainly reflects 20,000 million yen of proceeds from long-term borrowings and 24,145 million yen for the repayment of long-term borrowings.

(Reference) Changes in cash flow indicators

	FY2020	FY2021	FY2022	FY2023	FY2024
Equity ratio (%)	22.9	24.8	28.5	35.8	37.5
Shareholders' equity (mark-to-market) ratio (%)	28.3	35.1	34.8	49.1	49.4
Debt redemption years	6.7	4.1	9.5	29.5	<u>6.6</u>
Interest coverage ratio	10.2	18.6	9.0	3.7	<u>27.6</u>

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)

(3) Basic Policy on Profit Distribution and Dividends for Fiscal Years Ended February 2024 and Ending February 2025

(i) Basic policy on dividends and targets

The Company adopted performance-linked dividends as its dividend policy, based on which dividends are determined in sync with consolidated results. In principle, the Company will use 30% of profit attributable to owners of parent in the current fiscal year as total dividends for the determination of dividends per share for the current fiscal year.

(ii) Dividends for the fiscal year under review

Under the policy above, annual dividends per share for the fiscal year under review will be 34.19 yen (14.41 yen at the end of the first half and 19.78 yen at the end of the fiscal year).

(iii) Dividends for next fiscal year

Based on the above, the Company has calculated dividends per share (forecast) for the next fiscal year based on profit attributable to owners of parent in the fiscal year under review. It is planned that annual dividends per share for the next fiscal year will be 40.63 yen (20.02 yen at the end of the first half and 20.61 yen at the end of the fiscal year).

## **2. Basic Policy for the Selection of Accounting Standards**

In light of the convergence of Japanese GAAP and IFRS, the Group intends to create financial statements using Japanese GAAP for the time being.

**Consolidated financial statements**  
**Consolidated balance sheets**

(Millions of yen)

	As of February 28, 2023	As of February 29, 2024
<b>Assets</b>		
<b>Current assets</b>		
Cash and deposits	37,473	30,548
Notes and accounts receivable - trade	3,927	12,631
Merchandise	84,432	85,994
Other	6,173	5,606
Allowance for doubtful accounts	(528)	(498)
<b>Total current assets</b>	<b>131,478</b>	<b>134,281</b>
<b>Non-current assets</b>		
<b>Property, plant and equipment</b>		
Buildings and structures	41,306	47,376
Accumulated depreciation	(16,873)	(18,611)
Buildings and structures, net	24,433	28,764
Vehicles	236	2,214
Accumulated depreciation	(148)	(186)
Vehicles, net	88	2,027
Tools, furniture and fixtures	5,077	5,735
Accumulated depreciation	(3,362)	(3,734)
Tools, furniture and fixtures, net	1,715	2,000
Land	136	136
Construction in progress	67	683
Other	–	217
<b>Total property, plant and equipment</b>	<b>26,441</b>	<b>33,829</b>
<b>Intangible assets</b>		
Software	1,300	1,249
Goodwill	86	78
Other	2	2
<b>Total intangible assets</b>	<b>1,389</b>	<b>1,330</b>
<b>Investments and other assets</b>		
Investment securities	0	0
Shares of subsidiaries and associates	29	29
Long-term loans receivable	76	1,574
Leasehold and guarantee deposits	5,045	5,514
Construction assistance fund receivables	3,955	3,537
Deferred tax assets	4,435	3,471
Other	449	464
Allowance for doubtful accounts	(6)	(2)
<b>Total investments and other assets</b>	<b>13,984</b>	<b>14,589</b>
<b>Total non-current assets</b>	<b>41,815</b>	<b>49,749</b>
<b>Total assets</b>	<b>173,293</b>	<b>184,031</b>

(Millions of yen)

	As of February 28, 2023	As of February 29, 2024
Liabilities		
Current liabilities		
Accounts payable - trade	4,822	5,783
Current portion of long-term borrowings	24,145	16,300
Accounts payable - other	3,812	4,151
Income taxes payable	864	2,556
Contract liabilities	25,336	26,809
Deposits received	309	247
Provision for bonuses	897	1,046
Other provisions	342	48
Other	3,635	6,384
Total current liabilities	64,165	63,327
Non-current liabilities		
Long-term borrowings	43,000	46,700
Long-term guarantee deposits	599	679
Asset retirement obligations	2,643	3,085
Other	183	308
Total non-current liabilities	46,426	50,773
Total liabilities	110,591	114,101
Net assets		
Shareholders' equity		
Share capital	4,157	4,157
Capital surplus	5,250	4,726
Retained earnings	56,738	64,093
Treasury shares	(4,344)	(4,344)
Total shareholders' equity	61,801	68,631
Accumulated other comprehensive income		
Foreign currency translation adjustment	284	381
Total accumulated other comprehensive income	284	381
Share acquisition rights	147	10
Non-controlling interests	468	906
Total net assets	62,702	69,930
Total liabilities and net assets	173,293	184,031

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

(Millions of yen)

	Fiscal year ended February 28, 2023	Fiscal year ended February 29, 2024
Net sales	416,514	419,852
Cost of sales	341,964	346,519
Gross profit	74,549	73,333
Selling, general and administrative expenses	55,865	57,216
Operating profit	18,684	16,117
Non-operating income		
Interest income	107	189
Subsidy income	26	–
Reversal of allowance for doubtful accounts	–	14
Other	67	59
Total non-operating income	202	264
Non-operating expenses		
Interest expenses	571	350
Foreign exchange losses	71	131
theft loss	87	52
Other	9	20
Total non-operating expenses	739	554
Ordinary profit	18,146	15,826
Extraordinary income		
Gain on sale of non-current assets	54	14
Gain on sale of shares of subsidiaries and associates	795	–
Gain on liquidation of subsidiaries	19	–
Subsidy income	91	83
Other	48	13
Total extraordinary income	1,008	110
Extraordinary losses		
Loss on retirement of non-current assets	222	76
Impairment losses	103	109
Information security expenses	–	81
Other	76	4
Total extraordinary losses	402	273
Profit before income taxes	18,752	15,664
Income taxes - current	2,859	3,344
Income taxes - deferred	1,621	964
Total income taxes	4,480	4,308
Profit	14,272	11,355
Profit (loss) attributable to non-controlling interests	67	(87)
Profit attributable to owners of parent	14,205	11,442



**Consolidated statements of comprehensive income**

(Millions of yen)

	Fiscal year ended February 28, 2023	Fiscal year ended February 29, 2024
Profit	14,272	11,355
Other comprehensive income		
Foreign currency translation adjustment	303	97
Total other comprehensive income	303	97
Comprehensive income	14,576	11,452
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	14,321	11,540
Comprehensive income attributable to non-controlling interests	255	(87)

**Consolidated statements of changes in equity**  
Fiscal year ended February 28, 2023

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	4,157	4,361	49,673	(4,344)	53,847
Cumulative effects of changes in accounting policies			(5,288)		(5,288)
Restated balance	4,157	4,361	44,384	(4,344)	48,558
Changes during period					
Dividends of surplus			(1,857)		(1,857)
Profit attributable to owners of parent			14,205		14,205
Purchase of treasury shares				(0)	(0)
Change in scope of consolidation		23	6		29
Change in ownership interest of parent due to transactions with non-controlling interests		866			866
Net changes in items other than shareholders' equity					-
Total changes during period	-	889	12,354	(0)	13,243
Balance at end of period	4,157	5,250	56,738	(4,344)	61,801

	Accumulated other comprehensive income		Share acquisition rights	Non-controlling interests	Total net assets
	Foreign currency translation adjustment	Total accumulated other comprehensive income			
Balance at beginning of period	168	168	-	1,693	55,709
Cumulative effects of changes in accounting policies					(5,288)
Restated balance	168	168	-	1,693	50,420
Changes during period					
Dividends of surplus					(1,857)
Profit attributable to owners of parent					14,205
Purchase of treasury shares					(0)
Change in scope of consolidation					29
Change in ownership interest of parent due to transactions with non-controlling interests					866
Net changes in items other than shareholders' equity	115	115	147	(1,224)	(961)
Total changes during period	115	115	147	(1,224)	12,281
Balance at end of period	284	284	147	468	62,702

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	4,157	5,250	56,738	(4,344)	61,801
Changes during period					
Dividends of surplus			(4,087)		(4,087)
Profit attributable to owners of parent			11,442		11,442
Purchase of treasury shares				(0)	(0)
Change in ownership interest of parent due to transactions with non-controlling interests		(524)			(524)
Net changes in items other than shareholders' equity					-
Total changes during period	-	(524)	7,355	(0)	6,830
Balance at end of period	4,157	4,726	64,093	(4,344)	68,631

	Accumulated other comprehensive income		Share acquisition rights	Non-controlling interests	Total net assets
	Foreign currency translation adjustment	Total accumulated other comprehensive income			
Balance at beginning of period	284	284	147	468	62,702
Changes during period					
Dividends of surplus					(4,087)
Profit attributable to owners of parent					11,442
Purchase of treasury shares					(0)
Change in ownership interest of parent due to transactions with non-controlling interests					(524)
Net changes in items other than shareholders' equity	97	97	(137)	437	397
Total changes during period	97	97	(137)	437	7,227
Balance at end of period	381	381	10	906	69,930

## Consolidated statements of cash flows

(Millions of yen)

	Fiscal year ended February 28, 2023	Fiscal year ended February 29, 2024
Cash flows from operating activities		
Profit before income taxes	18,752	15,664
Depreciation	2,581	2,890
Amortization of goodwill	110	7
Increase (decrease) in provision for bonuses	(1,067)	148
Increase (decrease) in allowance for doubtful accounts	197	(34)
yyy	(884)	–
Interest and dividend income	(107)	(189)
Share-based payment expenses	143	(137)
Interest expenses	571	350
Foreign exchange losses (gains)	576	99
Subsidy income	(91)	(83)
Loss on retirement of non-current assets	222	76
Loss (gain) on sale of shares of subsidiaries and associates	(795)	–
Impairment losses	103	109
Loss (gain) on liquidation of subsidiaries	(19)	–
Information security expenses	–	81
Decrease (increase) in trade receivables	4,660	(7,846)
Decrease (increase) in inventories	(24,349)	(3,559)
Decrease (increase) in consumption taxes refund receivable	96	–
Decrease (increase) in accounts receivable - other	708	(52)
Increase (decrease) in accrued consumption taxes	179	2,328
Increase (decrease) in trade payables	1,847	959
Increase (decrease) in accounts payable - other	431	677
Increase (decrease) in accrued expenses	431	298
Other, net	3,009	61
Subtotal	<u>7,309</u>	<u>11,851</u>
Interest and dividends received	107	189
Interest paid	(571)	(341)
Income taxes paid	(4,661)	(2,002)
Subsidies received	91	83
Information security expenses paid	–	(131)
Net cash provided by (used in) operating activities	<u>2,275</u>	<u>9,648</u>
Cash flows from investing activities		
Purchase of property, plant and equipment	(5,441)	(7,507)
Proceeds from sale of property, plant and equipment	85	35
Purchase of intangible assets	(402)	(701)
Payments for asset retirement obligations	(29)	(110)
Loan advances	(2,910)	(736)
Proceeds from collection of loans receivable	138	1,017
Payments of leasehold and guarantee deposits	(834)	(630)
Proceeds from refund of leasehold and guarantee deposits	196	162
Payments of construction assistance fund receivables	(115)	(10)
Proceeds from collection of construction assistance fund receivables	450	428
Proceeds from sale of shares of subsidiaries resulting in change in scope of consolidation	8,597	–
Proceeds from liquidation of subsidiaries	119	–
Other, net	(21)	(312)
Net cash provided by (used in) investing activities	<u>(166)</u>	<u>(8,367)</u>

(Millions of yen)

	Fiscal year ended February 28, 2023	Fiscal year ended February 29, 2024
Cash flows from financing activities		
Proceeds from long-term borrowings	–	20,000
Repayments of long-term borrowings	(10,169)	(24,145)
Purchase of treasury shares	(0)	(0)
Proceeds from issuance of share acquisition rights	3	–
ppp	(1,856)	(4,085)
Proceeds from share issuance to non-controlling shareholders	1,387	–
Net cash provided by (used in) financing activities	(10,634)	(8,230)
Effect of exchange rate change on cash and cash equivalents	328	24
Net increase (decrease) in cash and cash equivalents	(8,196)	(6,925)
Cash and cash equivalents at beginning of period	45,670	37,473
Cash and cash equivalents at end of period	37,473	30,548

**Non-consolidated financial statements**  
**Non-consolidated balance sheets**

(Millions of yen)

	As of February 28, 2023	As of February 29, 2024
Assets		
Current assets		
Cash and deposits	35,393	28,990
Accounts receivable - trade	7,497	12,674
Merchandise	80,978	81,721
Supplies	45	46
Prepaid expenses	1,413	1,646
Other	4,588	3,105
Allowance for doubtful accounts	(691)	(615)
Total current assets	129,225	127,569
Non-current assets		
Property, plant and equipment		
Buildings	19,867	23,238
Structures	4,486	5,431
Vehicles	88	42
Tools, furniture and fixtures	1,683	1,972
Land	136	136
Construction in progress	67	683
Total property, plant and equipment	26,327	31,504
Intangible assets		
Software	1,206	1,103
Other	0	0
Total intangible assets	1,206	1,103
Investments and other assets		
Investment securities	0	0
Shares of subsidiaries and associates	690	690
Long-term loans receivable	3	0
Long-term loans receivable from subsidiaries and associates	2,486	7,742
Distressed receivables	6	2
Long-term prepaid expenses	297	320
Leasehold and guarantee deposits	5,005	5,470
Construction assistance fund receivables	3,955	3,537
Deferred tax assets	4,467	3,415
Other	133	137
Allowance for doubtful accounts	(18)	(2)
Total investments and other assets	17,028	21,314
Total non-current assets	44,562	53,922
Total assets	173,787	181,492

(Millions of yen)

	As of February 28, 2023	As of February 29, 2024
Liabilities		
Current liabilities		
Accounts payable - trade	4,785	5,758
Short-term borrowings from subsidiaries and associates	545	678
Current portion of long-term borrowings	24,690	16,300
Accounts payable - other	3,172	3,645
Accounts payable - facilities	636	294
Income taxes payable	817	2,543
Accrued consumption taxes	548	2,818
Accrued expenses	1,639	1,881
Contract liabilities	25,305	26,678
Deposits received	3,358	440
Provision for bonuses	896	1,009
Other provisions	342	48
Other	1,370	1,309
Total current liabilities	68,108	63,407
Non-current liabilities		
Long-term borrowings	42,454	46,700
Long-term guarantee deposits	599	679
Asset retirement obligations	2,605	3,045
Other	183	183
Total non-current liabilities	45,842	50,608
Total liabilities	113,950	114,015
Net assets		
Shareholders' equity		
Share capital	4,157	4,157
Capital surplus		
Other capital surplus	4,032	4,032
Total capital surplus	4,032	4,032
Retained earnings		
Legal retained earnings	354	763
Other retained earnings		
Retained earnings brought forward	55,489	62,858
Total retained earnings	55,844	63,621
Treasury shares	(4,344)	(4,344)
Total shareholders' equity	59,689	67,466
Share acquisition rights	147	9
Total net assets	59,836	67,476
Total liabilities and net assets	173,787	181,492

## Non-consolidated statements of income

(Millions of yen)

	Fiscal year ended February 28, 2023	Fiscal year ended February 29, 2024
Net sales	366,069	413,206
Cost of sales	301,226	342,143
Gross profit	64,842	71,062
Selling, general and administrative expenses		
Advertising expenses	6,974	7,895
Salaries and allowances	12,698	14,131
Provision for bonuses	515	686
Depreciation	2,374	2,400
Rent expenses on land and buildings	9,798	10,749
Provision of allowance for doubtful accounts	185	(61)
Other	15,882	18,531
Total selling, general and administrative expenses	48,430	54,333
Operating profit	16,412	16,729
Non-operating income		
Interest and dividend income	141	206
Reversal of allowance for doubtful accounts	–	26
Other	14	29
Total non-operating income	155	262
Non-operating expenses		
Interest expenses	415	380
Foreign exchange losses	64	137
theft loss	87	52
Other	2	17
Total non-operating expenses	569	588
Ordinary profit	15,998	16,404
Extraordinary income		
Gain on extinguishment of tie-in shares	5,035	–
Gain on sale of shares of subsidiaries and associates	2,871	–
Gain on sale of non-current assets	54	14
Gain on liquidation of subsidiaries	19	–
Subsidy income	91	83
Other	48	6
Total extraordinary income	8,119	103
Extraordinary losses		
Loss on retirement of non-current assets	229	74
Impairment losses	103	109
Information security expenses	–	81
Other	76	3
Total extraordinary losses	408	268
Profit before income taxes	23,709	16,239
Income taxes - current	2,118	3,322
Income taxes - deferred	1,571	1,052
Total income taxes	3,689	4,374
Profit	20,020	11,864