

Q3 FY2025

3rd Quarter Results for Fiscal Year Ending February 28, 2025

January 14th, 2025

TSE Prime 7599

IDOM Inc.



Disclaimer

Forward-looking statements contained in the materials that IDOM discloses, such as earnings forecasts, are based on the information available to the Company at the time of the disclosure of the materials and certain assumptions that the Company considers reasonable. They are not intended to represent the Company guaranteeing the achievement of any expectations. Please note that a variety of factors may change actual results, etc. Important factors that may influence actual results include the economic conditions surrounding IDOM's business areas, the fluctuation of exchange rates and market prices. The information contained in these materials is not intended for advertising or advisory purposes.

1. Q3 FY2025 Results Summary	-4
2. APPENDIX	-19
3. APPENDIX (Supplementary Information on Results and Financial Matters)	-39

1. Q3 FY2025 Results Summary



Consolidated

Record operating profit

Operating profit

15.1 billion yen

+39% YoY

- Operating profit increased 4.3 billion yen year on year.
- A record high of was achieved on a consolidated basis.

Retail sales

Gross profit per retail unit

Gross profit per retail unit

440,000 yen/unit x

- Gross profit per unit was maintained at the level of the revised forecast.
(Revised forecast: 410,000~440,000 yen/unit x)

Retail sales

Record unit Sales

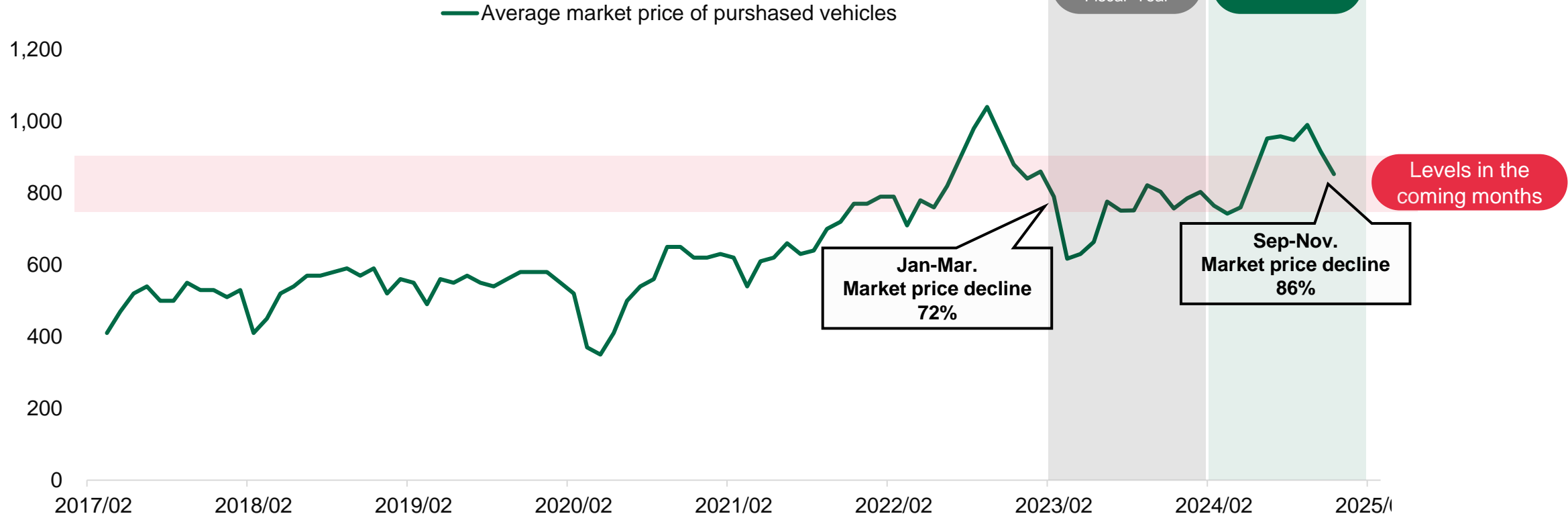
Retail Unit Sales

113,519 units

+7% YoY

- Record high while maintaining gross profit per unit.

(thousand yen)



Market prices, which increased in the first half, started to decrease in the third quarter, hitting the level expected at the beginning of the fiscal year, and are expected to remain stable.

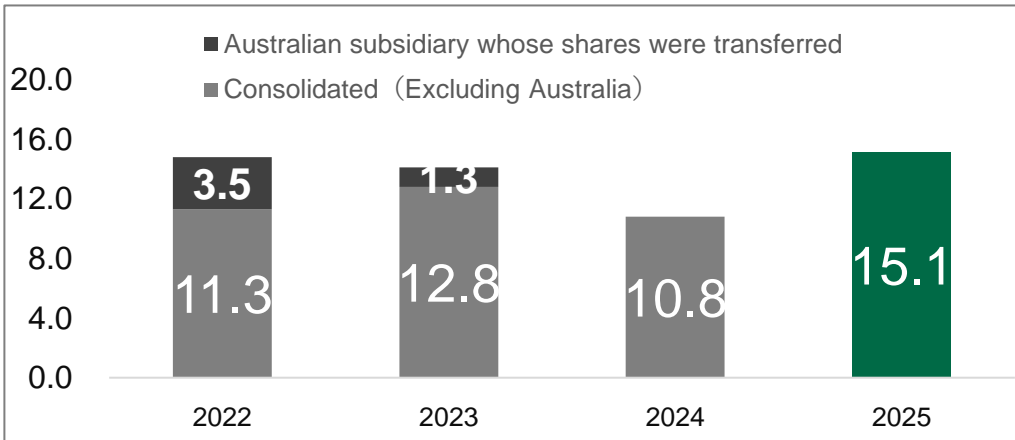
Trend in FY2025 Operating Profit



(billion yen)

Q3 (YoY)

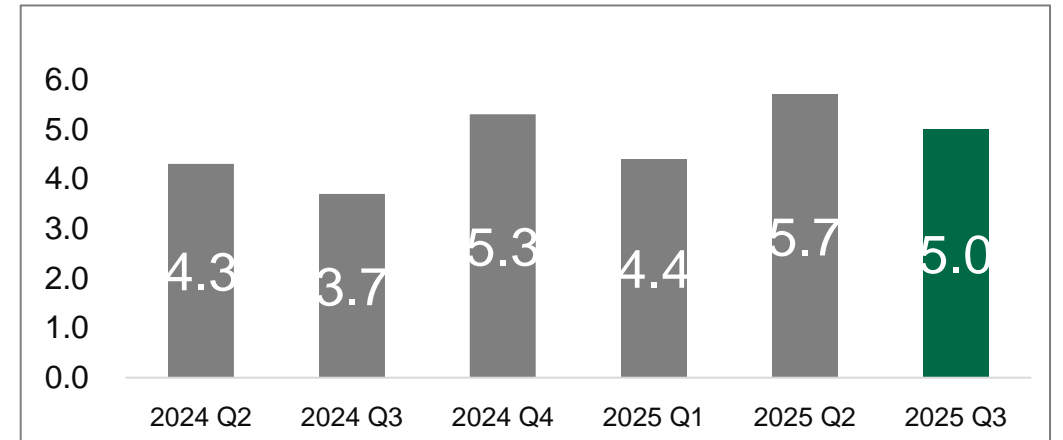
Operating profit



(billion yen)

Quarterly trend

Ordinary profit margin (%)



Operating profit growth rate

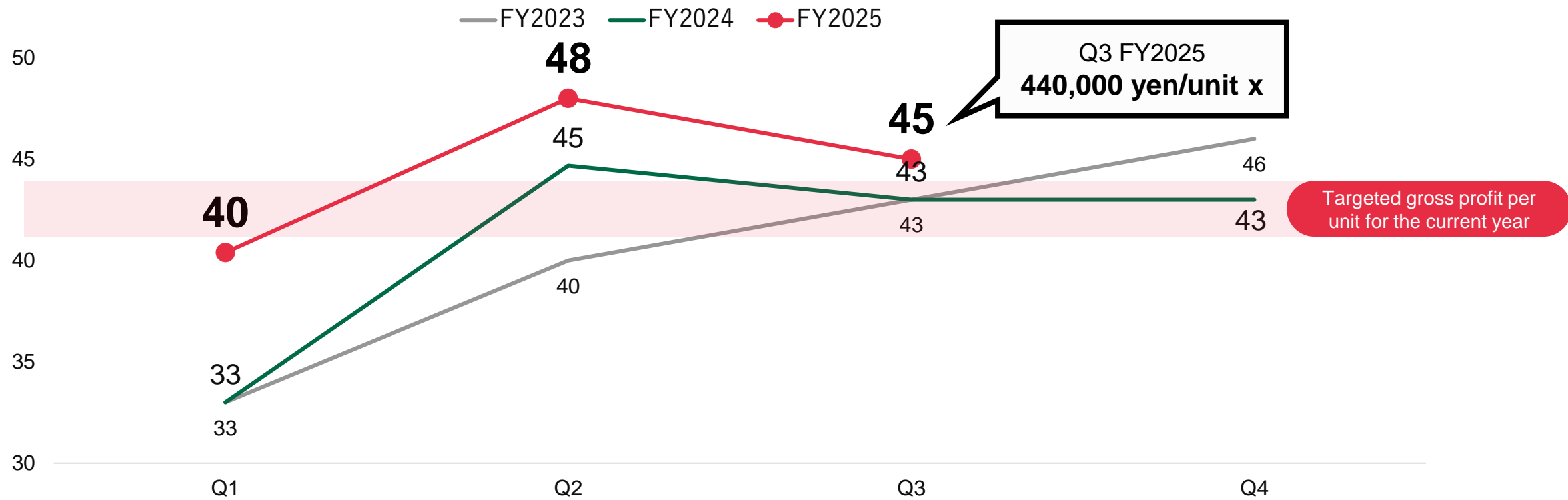
	4.3%	4.4%	3.5%	4.0%
		-4.7%	-23.3%	39.1%

	4.4%	3.6%	4.7%	3.6%	4.5%	3.8%
--	------	------	------	------	------	------

Trend in Gross Profit per Retail Unit



(ten thousand yen)



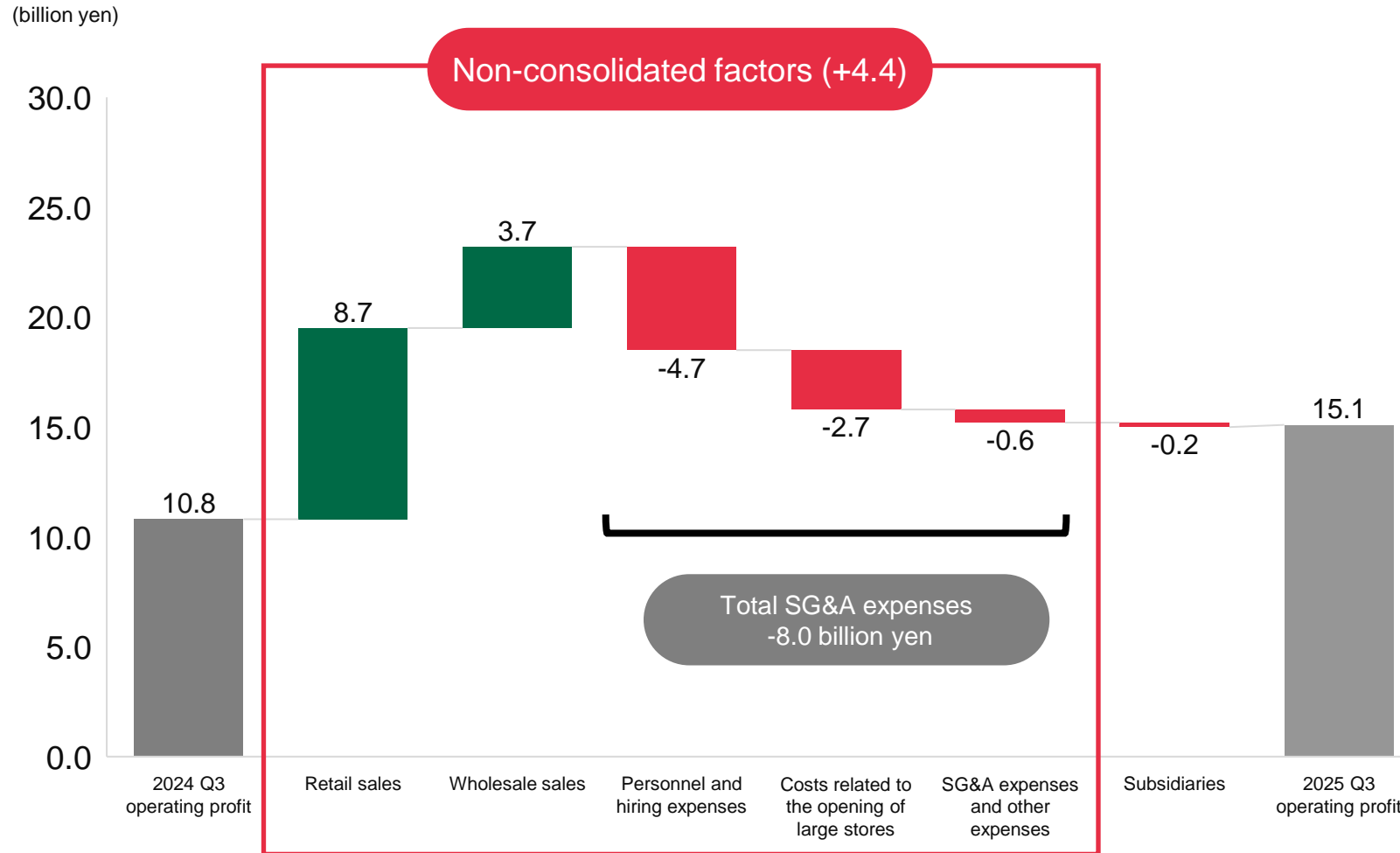
Gross profit per retail unit in the Q3 was 440,000 yen, nearly meeting the target for this fiscal year.
 (Target for this fiscal year: 410,000 ~ 440,000 yen/unit x)

		2023 Q3	2024 Q3	2025 Q3	Changes
Number of stores	Store opening of large stores (stores)	6	4	9	+5
Number of units	Number of retail unit sales (thousand units)	103	106	114	+8
	Number of wholesales unit (thousand units)	86	95	114	+19
Gross profit per unit	Gross profit per retail unit (ten thousand yen)	38	40	44	+4
	Gross profit per wholesale unit (ten thousand yen)	10	10	12	+2

All KPIs are progressing well.

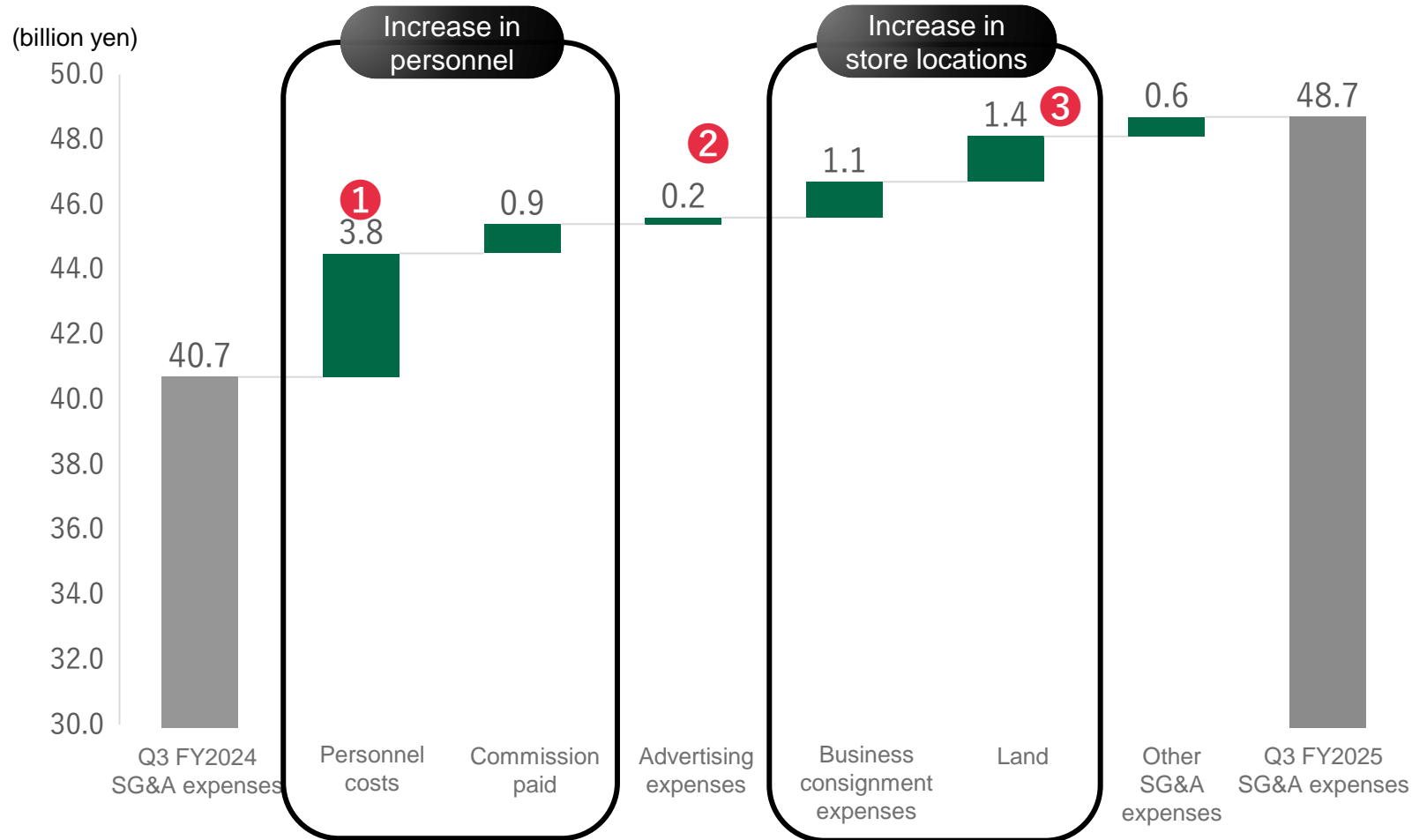
(billion yen)	2024	2025	Ratio to net sales	YoY changes	Percent change
Net sales	307.7	380.5	100.0%	72.8	23.7%
Gross profit	53.4	66.6	17.5%	13.2	24.7%
Selling, general and administrative expenses	42.6	51.5	13.5%	8.9	20.9%
Operating profit	10.8	15.1	4.0%	4.3	39.8%
Ordinary profit	10.6	14.5	3.8%	3.9	36.8%
Profit attributable to owners of parent	7.2	9.8	2.6%	2.6	36.1%

FY2025 Q3 Analysis of Factors in YoY Change in Operating Profit



- Retail: +8.7 billion yen due to contribution of gross profit and volume
- Wholesale: +3.7 billion yen due to increased volume
- SG&A expenses increased by 8.0 billion yen mainly due to investment for growth.
- Impact of subsidiaries: -0.2 billion yen

Q3 FY2025 Analysis of Factors in YoY Change SG&A Expenses



- 1 Personnel costs increased due to a 600-person increase and a 20,000 yen rise in costs per person. In addition, incentive bonuses for achieving strong results increased 1.4 billion yen.
- 2 An increase in advertising expenses was successfully curbed.
- 3 Land increased due to an increase in the number of stores.

Consolidated Balance Sheet
(As of February 28, 2024)

Assets 184.0 billion yen	Liabilities 114.1 billion yen
Cash and deposits 30.5 billion yen	Interest-bearing debt 63.0 billion yen
Accounts receivable 12.6 billion yen	
Inventories 86.0 billion yen	Other 51.1 billion yen
Property, plant and equipment 33.8 billion yen	Net assets 69.9 billion yen
Other 21.1 billion yen	69.9 billion yen (Equity ratio 38%)

Consolidated Balance Sheet
(As of November 30, 2024)

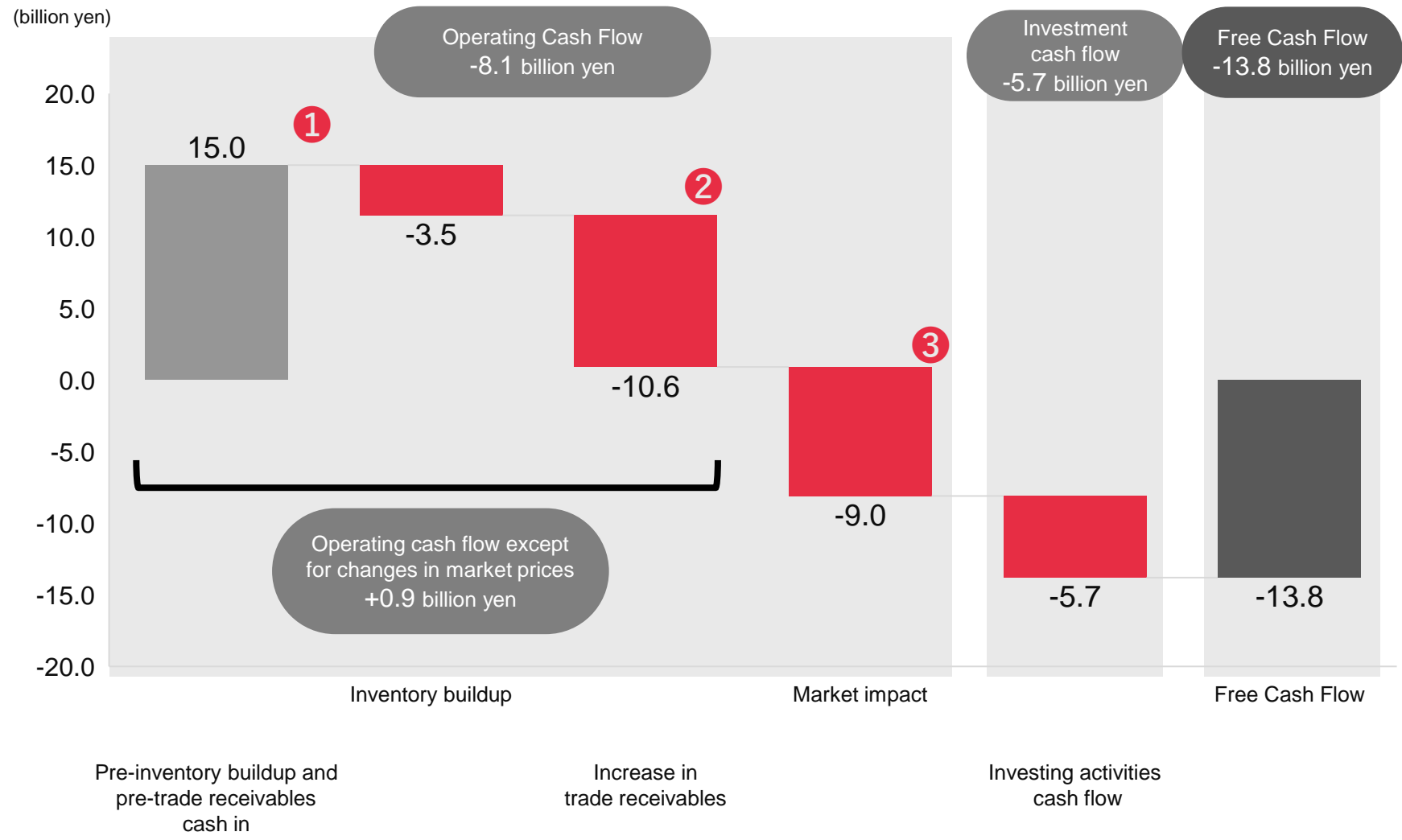
Assets 200.5 billion yen	Liabilities 124.1 billion yen
Cash and deposits 20.3 billion yen	Interest-bearing debt 70.5 billion yen
Accounts receivable 20.7 billion yen	
Inventories 97.8 billion yen	Other 53.6 billion yen
Property, plant and equipment 37.2 billion yen	Net assets 76.4 billion yen
Other 24.5 billion yen	76.4 billion yen (Equity ratio 38%)

- Total assets were 200.5 billion yen. (+16.5 billion yen)
- Accounts receivable, which increased 8.1 billion yen, will be reduced through conversion into cash going forward.
- Inventories increased by 8.1 billion yen due to a higher unit price resulting from a rise in the market and by 3.7 billion yen due to an increase in the number of stock.
- Interest-bearing debt increased by 7.5 billion yen.
- Consolidated equity ratio was unchanged from 38% at the end of the previous fiscal year.

Analysis of Increase/Decrease in Cash Flow



Analysis of factors in YoY change in cash flow



- 1 The pre-inventory buildup and pre-trade receivables cash in was at the planned level of 15.0 billion yen.
- 2 Accounts receivable increased by 8.7 billion yen due to installment sales. Trade receivables due to other factors rose 1.9 billion yen.
- 3 Changes in market prices caused inventory prices to rise, resulting in a decrease of 9.0 billion yen in cash provided by operating activities. Cash flow from operating activities would have been 0.9 billion yen except for changes in market prices.

As a result, free cash flow stood at -13.8 billion yen.

Acceleration of Store Openings (Increasing the Number of Large Stores to a Total of 100)



Opening plan for
Medium-Term Business Plan



Opening plan FY2025
15 stores

Opening plan for FY2025



After revising upward the Medium-Term Management Plan in April 2024, we are speeding up our store openings to reach 100 large stores. Store openings are ahead of schedule due to the opening of stores using existing properties.

Large Stores Opened in Q3 FY2025



Fukui (Opened in October 2024)

Fukui, Fukui

Recent launch of new stores

[Opening in the third quarter]

- Maebashi south inter (2024/09)
- Utsunomiya (2024/09)
- Chiba new-town (2024/10)
- Asahi (2024/10)
- Takamae bypass (2024/10)
- Fukui (2024/10)
- Zama (2024/11)
- Shinsayama (2024/11)

Full Year
Progress

9/15

Number of
Large Stores

62

(as of November 30, 2024)

Maintenance Shops Opened in Q3 FY2025



Fukui (Opened in October 2024)

Fukui, Fukui

Recent launch of new maintenance shops

[Opening in the third quarter]

- Utsunomiya (2024/09)
- Asahi (2024/10)
- Fukui (2024/10)
- Zama (2024/11)
- Shinsayama (2024/11)

Full Year Progress **6/10**

Number of Maintenance Shops **35**
19 of them are designated maintenance shops

		(1) Result	(2) Progress	(3) Difference (4)-(1)	(4) Revised Forecast FY2025
Number of stores	Store opening of large stores (stores)	9	As expected	6	15
	Number of units				
Number of units	Number of retail unit sales (ten thousand units)	114	As expected	36~46	150~160
	Number of wholesales unit (ten thousand units)	114	As expected	43	157
Gross profit per unit	Gross profit per retail unit (ten thousand yen)	44	As expected	-	44~41
	Gross profit per wholesale unit (ten thousand yen)	12	As expected	-	12
PL	Net sales (billion yen)	380.5	As expected	119.5	500.0
	Operating profit (billion yen)	15.1	As expected	5.2	20.3
	Profit attributable to owners of parent (billion yen)	9.8	As expected	3.8	13.6

2. APPENDIX



Plans for This Fiscal Year and Financial Targets in Medium-Term Business Plan



		2025 Forecast	2027 Forecast	Progress	Progress as of FY2025
				2022 2023 2024 2025 2026 2027	
P/L	Operating profit	20.3 billion yen	30.0 billion yen		○
	The no. of retail units in directly managed stores	150~160 thousand vehicles	170~190 thousand vehicles		○
Business	Gross profit per retail unit	440,000~410,000 yen	440,000~410,000 yen		◎
	ROIC	10 % or higher	10 % or higher		○
Cash flows	Free cash flow	-	Positive for three consecutive fiscal years		○

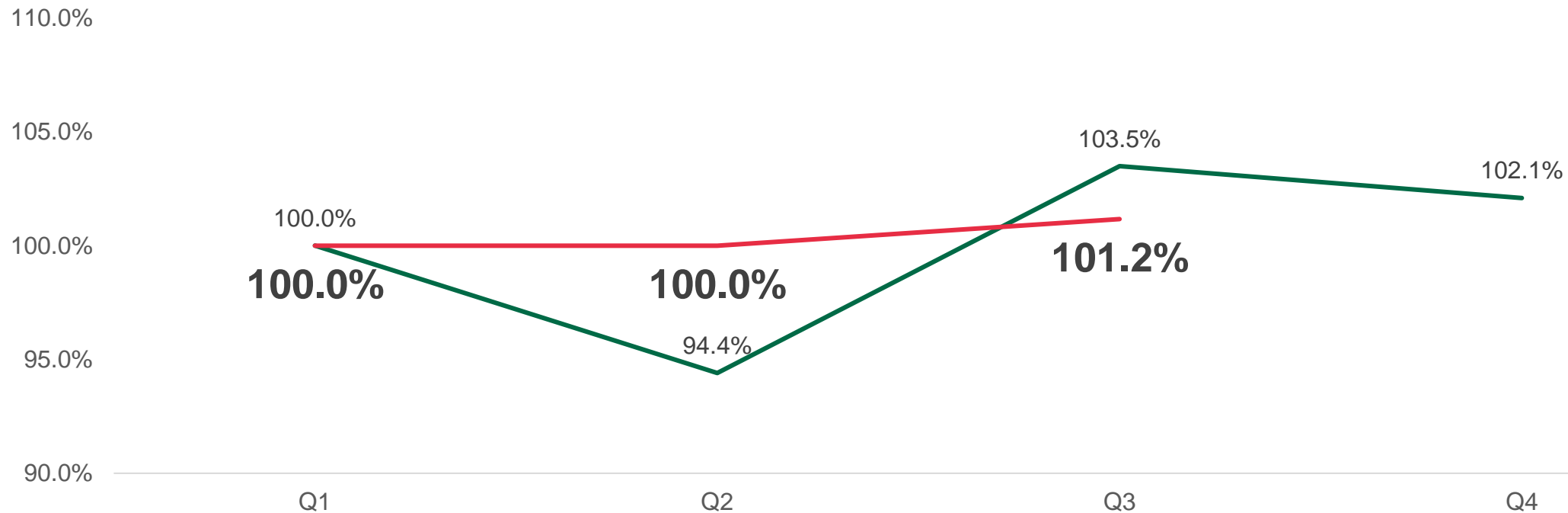
Gross profit per retail unit will reach the target in the Medium-Term Business Plan early. We believe that this has increased the likelihood of achieving our targets.

Q3 FY2025 Analysis of Factors in Change SG&A Expenses



(billion yen)

— 2024 — 2025

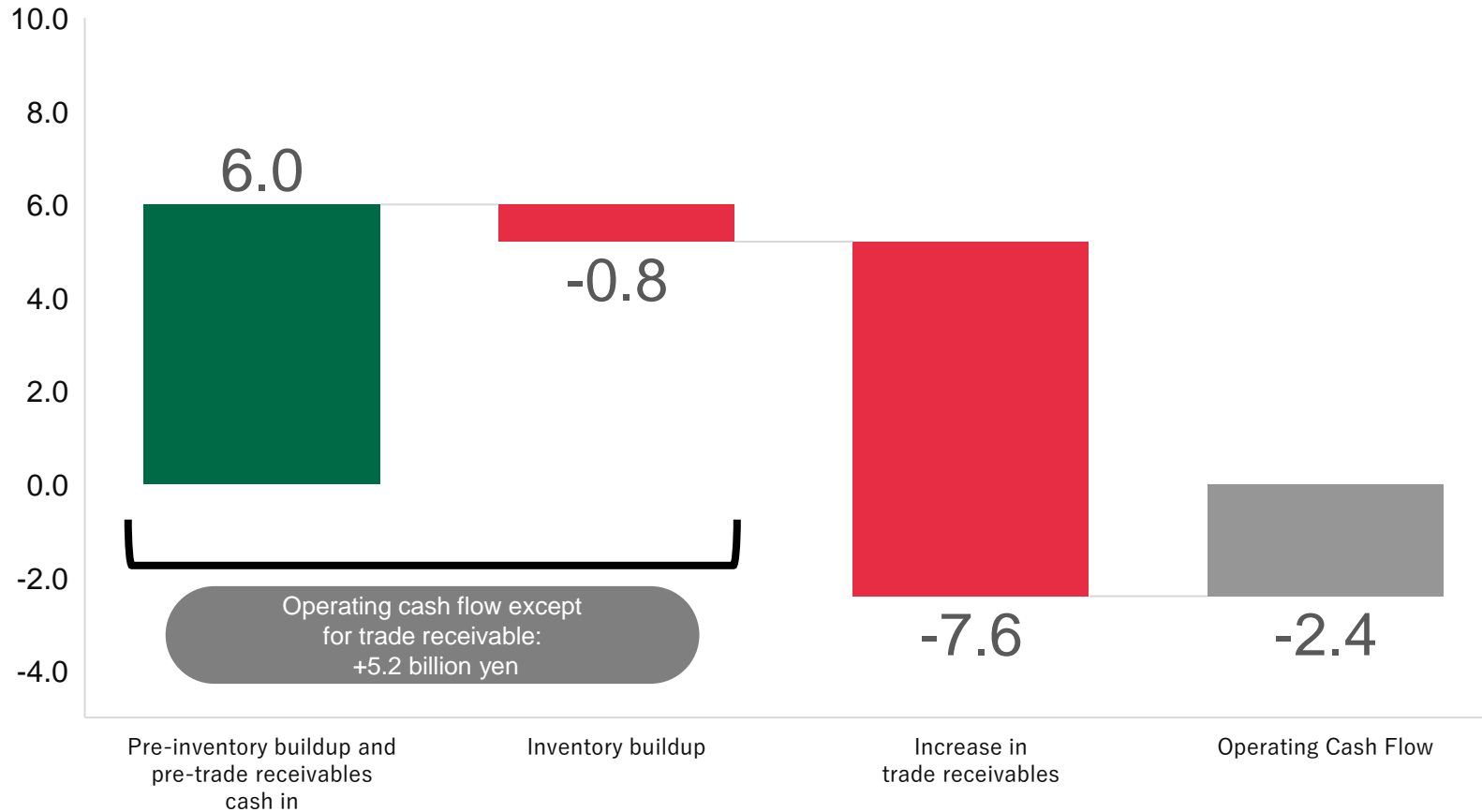


Percentage increase based on SG&A expenses in the first quarter of each fiscal year.

(billion yen)	2024 Q1	2024 Q2	2024 Q3	2024 Q4	2025 Q1	2025 Q2	2025 Q3	Q o Q
Net sales	105.3	98.4	104.0	112.1	124.6	125.1	130.9	+58
Gross profit	17.1	17.8	18.5	19.9	21.5	22.8	22.3	-3
Selling, general and administrative expenses	14.3	13.5	14.8	14.6	17.1	17.1	17.3	+2
Operating profit	2.8	4.3	3.7	5.3	4.4	5.6	5.0	-6
Ordinary profit	2.7	4.2	3.7	5.2	4.3	5.3	4.9	-4
Profit attributable to owners of parent	1.9	3.0	2.4	4.2	2.9	3.6	3.3	-3

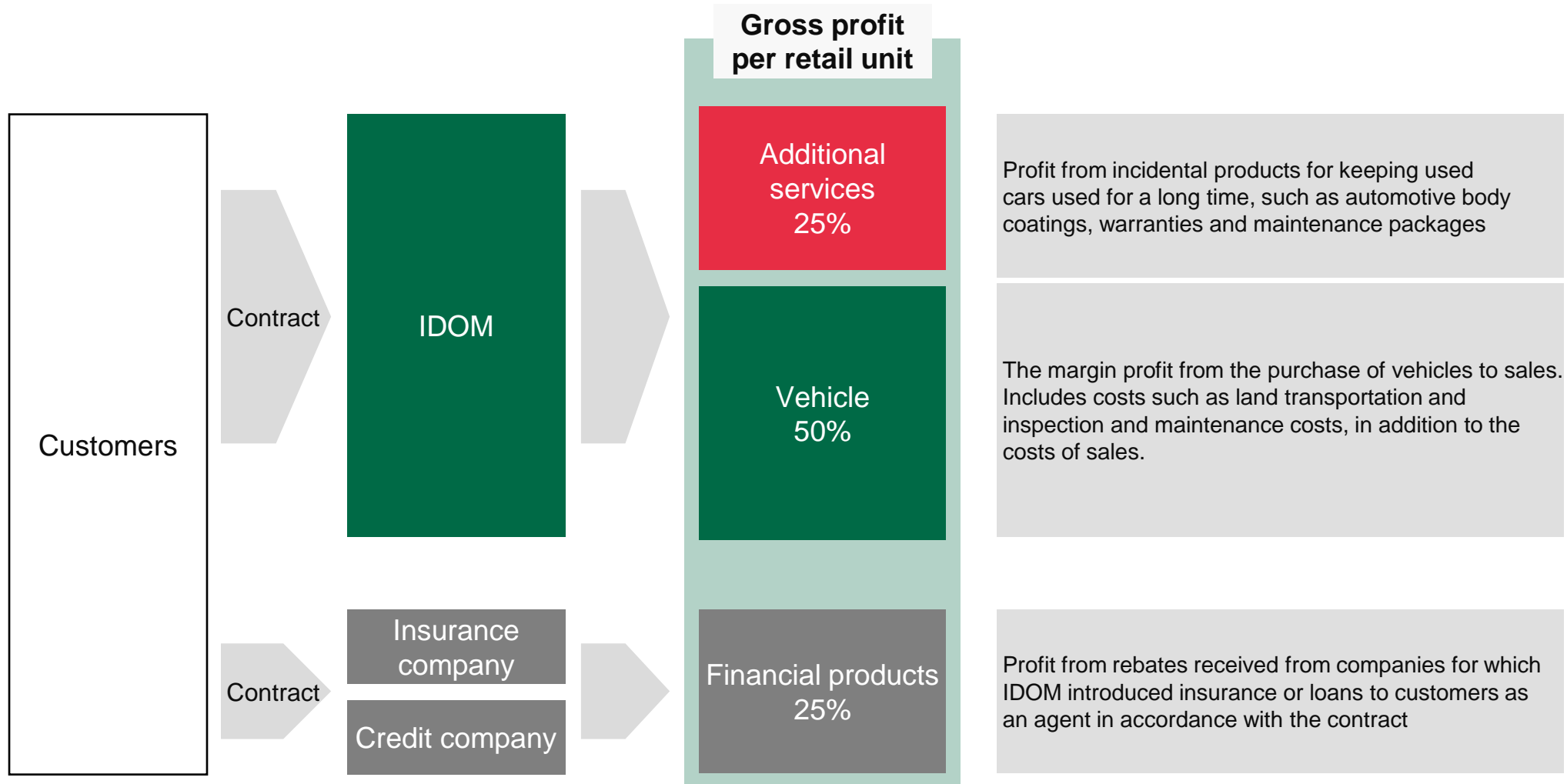
Analysis of factors in QoQ change in cash flow

(billion yen)



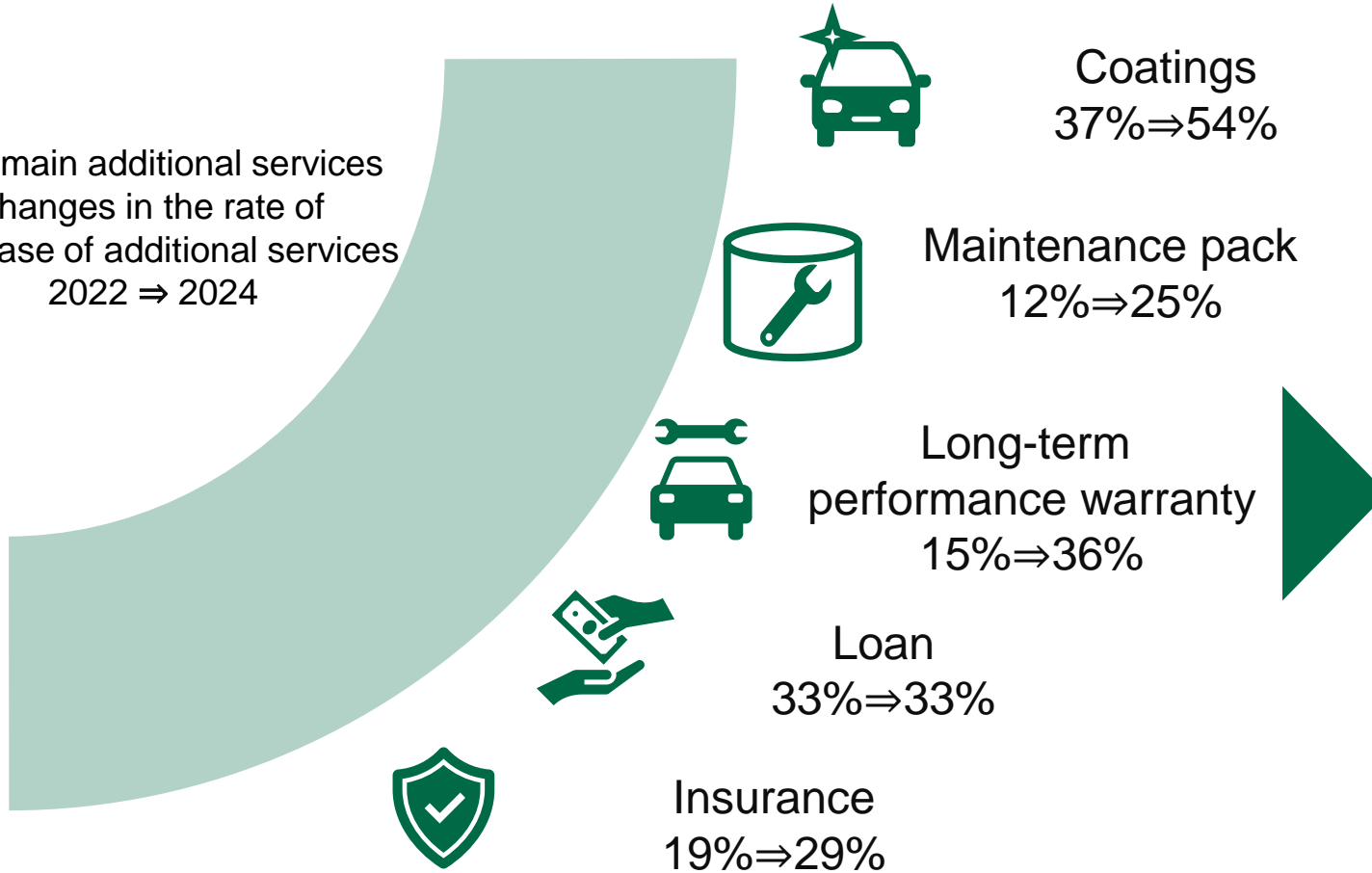
- Despite falling market prices, operating cash flow, except for accounts receivable, was +5.2 billion yen.
- To control Accounts receivable by conversion into cash them again, which was done in Q2.

Composition of Gross Profit per Retail Unit



Development of Additional Services

Five main additional services
Changes in the rate of
purchase of additional services
2022 ⇒ 2024



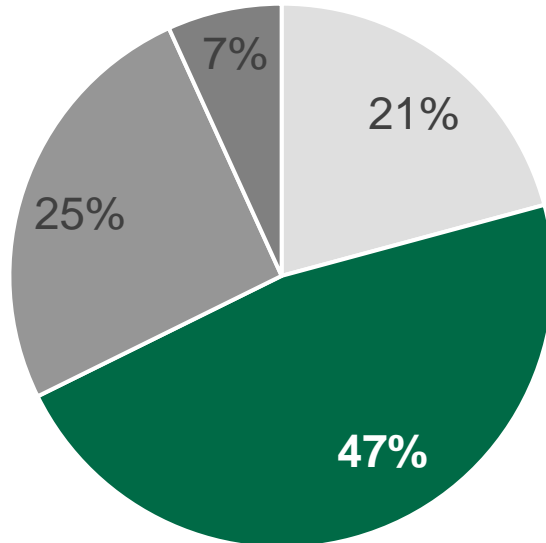
Improvement of gross
profit per unit

Increase customer
contacts through
continuous use

The company will increase opportunities for customers to use the service through after-sales service, In addition to improving gross profit per unit.

Inventories and the risk of market price fluctuations

Percentage of the Company's vehicle inventories by model year



Risk of market price fluctuation by model year



Risk characteristics of vehicle inventories

Vehicles for wholesale sales

- Relatively susceptible to market prices because vehicles are sold to the auction market.
- It takes basically two weeks to register sales on the auction market after purchases.
- The current status was maintained because no enhancements were made to stores for purchasing.

Vehicles for retail sales

- Relatively resilient to market price fluctuations because vehicles are sold to users.
- The disposal of inventory is considered only for long-term inventory, specifically, vehicles kept in stock for over 120 days.
- The percentage of vehicles for retail sales increased in line with the expansion of large stores.

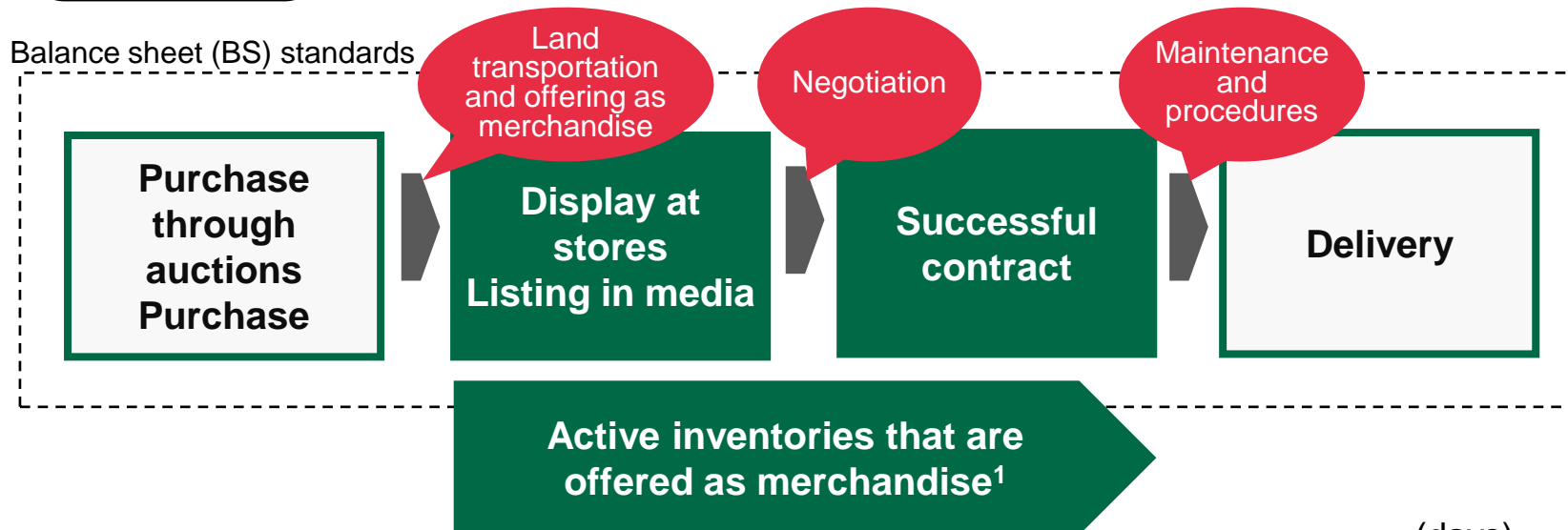
- The risk of keeping inventory for a long time is high due to the constant effect of market prices.
- The rise of the ratio of wholesale sales tends to result in reduced inventory turnover days.

- The risk of keeping inventory for a long time is not high because gross profit per unit is secured due to incidental gross profit.
- The rise of the ratio of retail sales tends to result in increased inventory turnover days.

The inventories of large stores mainly consist of 4- to 7-year-old vehicles that are relatively resilient to changes in market prices. The Company will implement proper inventory control based on the understanding that inventory turnover days cannot be easily reduced if the number of vehicles for retail sales increases.

Changes in Inventory Turnover

Balance sheet (BS) standards



Inventory turnover	2022	2023	2024	2025 Q3
Active inventories	39.3	41.1	42.1	34.1
BS standards (including temporary replacement vehicles)	83.0	85.5	86.8	77.5

(days)

- Inventory turnover is on the rise due to an increase in the number of retail unit sales.
- The active inventory period has been hovering around 40 days.
- The Company has been controlling inventories efficiently to maximize retail sales while simultaneously working to balance the enhancement of displayed vehicles and market price-related risks.

Application of a proper incentive system

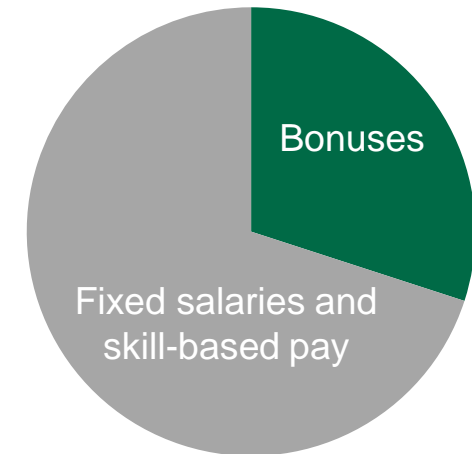
Offering incentives in proportion to customer satisfaction

Fair performance-based evaluation without establishing quotas

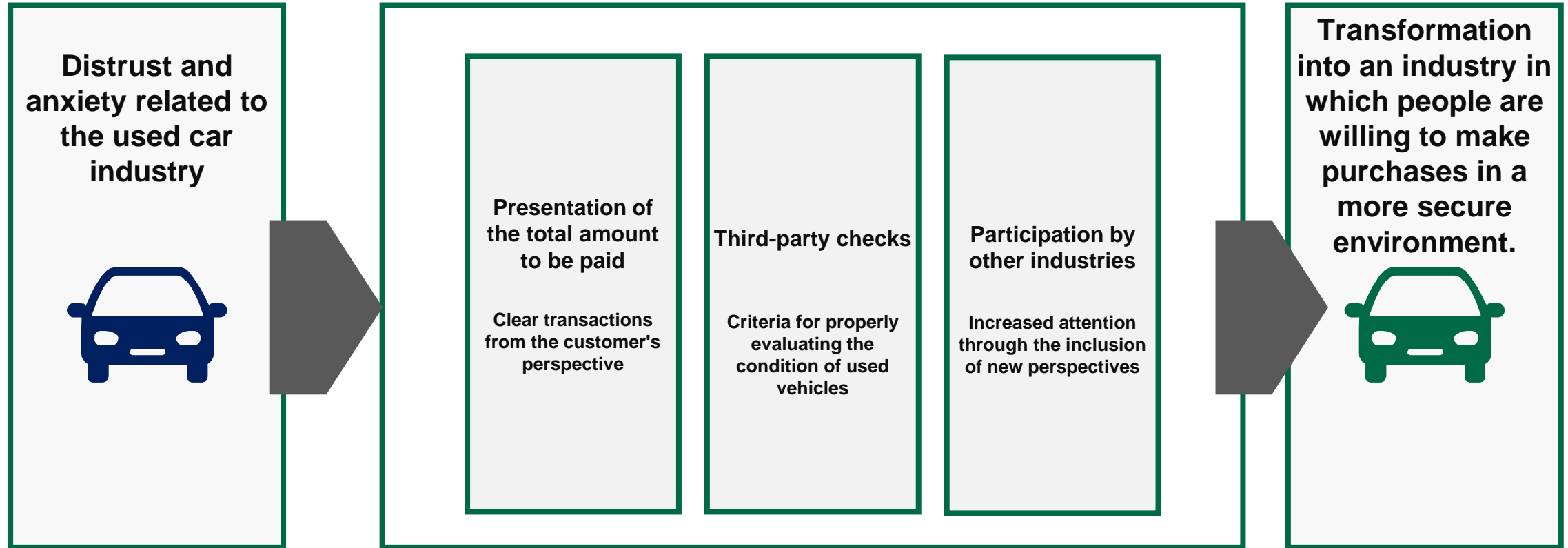
Clarification of sales targets using detailed tables

Designing of a proper incentive system

Bonuses and incentives are set at approximately 30% of the average annual income, thereby avoiding the creation of an excessive incentive system.

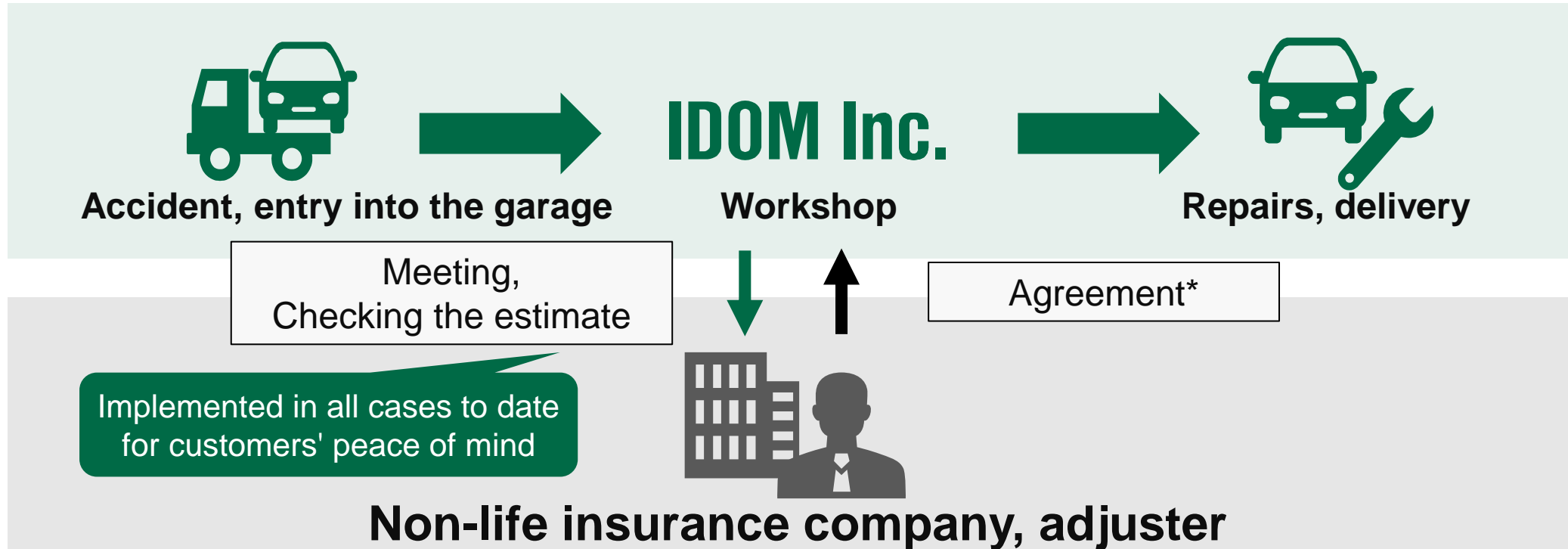


The incentive system is designed to foster the growth of employees without quotas, with customer satisfaction as the premise. We aim to create an environment where employees can focus on serving customers, thus ensuring sustainable livelihoods.



The used car industry suffered a decline in credibility in FY2024 due to the issue of fraudulent insurance claims, etc. As a leading company in the used car industry, the Company will actively work to address issues that the industry shares with customers.

Initiatives to Enhance Governance at Workshops: Handling of Accidents



For all cases referred, agreements are reached with the insurance company's adjusters on repair estimates to establish reasonable repair costs.



*Video recordings of work



*Cameras installed in a workshop

Cameras have been installed in each workshop.

This enables customers to watch the work in real time, ensuring transparency.

This has made it possible for customers to have peace of mind and to have proof that appropriate work is being done by employees.

Maintenance shops



Scope of work

Mainly cover internal areas of vehicles such as engines, brakes and electric systems, in addition to bodywork.

Purposes of use

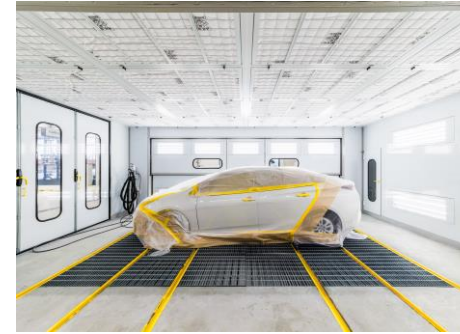
- Regular statutory inspections and vehicle inspections
- When a vehicle has broken down

Required qualifications

Auto mechanics must be nationally qualified. (Firsts class, second class, third class and special mechanic)

Note: Acquiring second-class qualification expands the scope of maintenance.

Sheet-metal workshops



Specialized in the repair of external areas such as bodies and frames.

- When the body of a vehicle has been damaged due to an accident, etc.
- When paint has peeled off a vehicle or the body of a vehicle has rusted
- To customize the body of a vehicle and for other purposes
- Referral from an insurance company

Although qualifications are not essential, technical skills and experience are required.

Store format

Stores for purchasing



Medium-sized stores



Large stores



Medium-sized store type

Store specializing in foreign cars

Store specializing in custom cars

Large store type

Store with maintenance shop

Store with maintenance shop and sheet-metal workshop

Number of stores*

204

148

62

Features

Purchase-only store

Specialty stores tailored to customer needs

Far greater number of products than other stores in each area

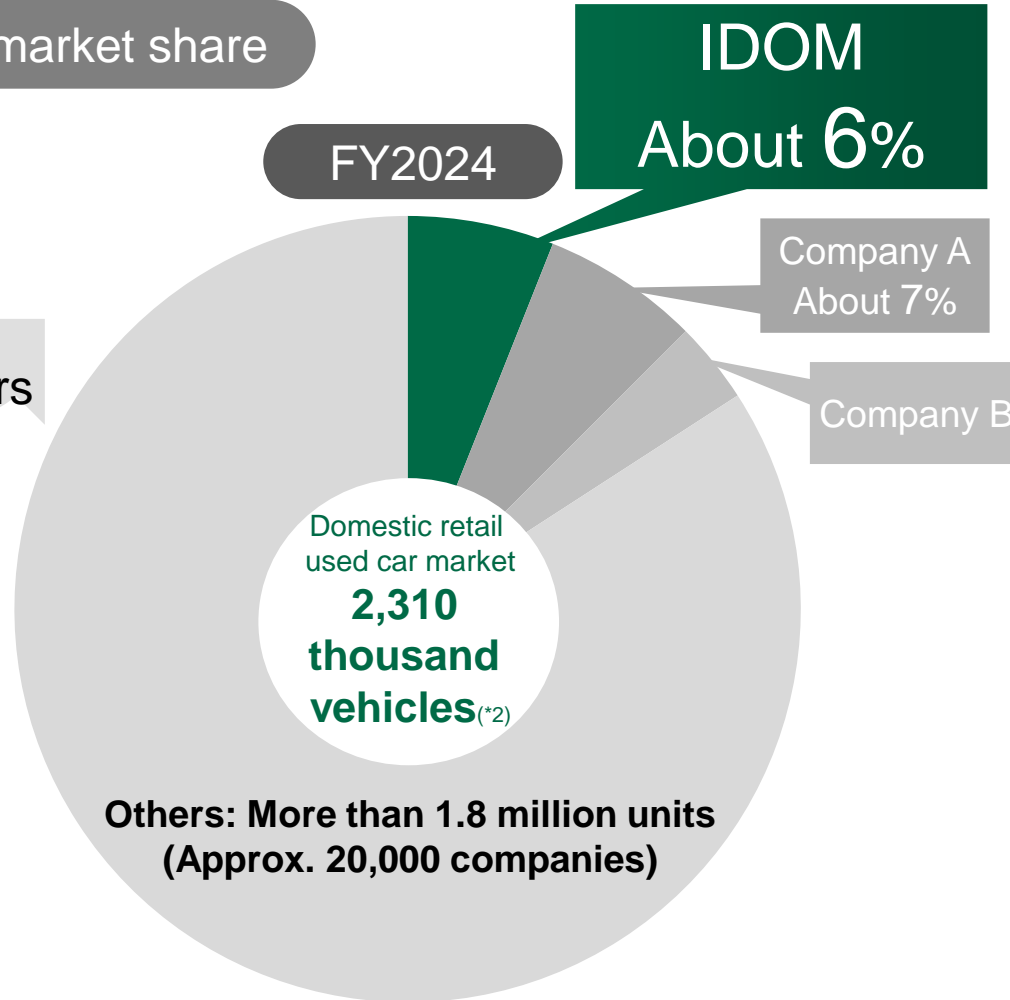
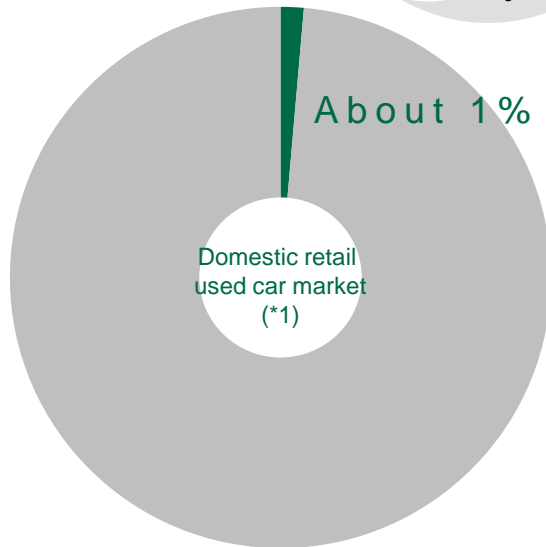
The Gulliver purchasing brand, which has been close to customers for 30 years, has become a customer attraction force, and the retail business will grow and expand into medium —and large stores.

Growing domestic market share

FY2012

FY2024

12 years



Used Car Market in Japan

Japan's used car market is a non-oligopolistic market, with the three major companies combined being less than 20% of the market.

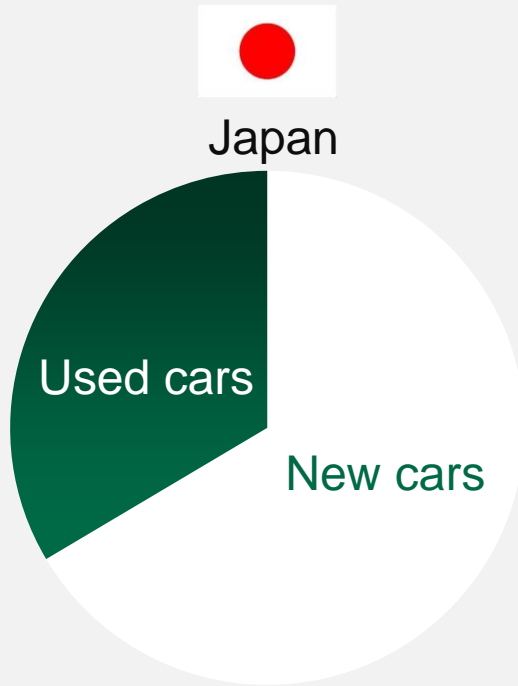
The company will open large stores to take market share away from other companies with sales of more than 1.8 million units.

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

*2: Market share for FY2024 was calculated based on the proportions of domestic retail unit sales of IDOM and those of Company A to the size of the used car retail market in 2022, which was 2.31 million units (data from Yano Research Institute).

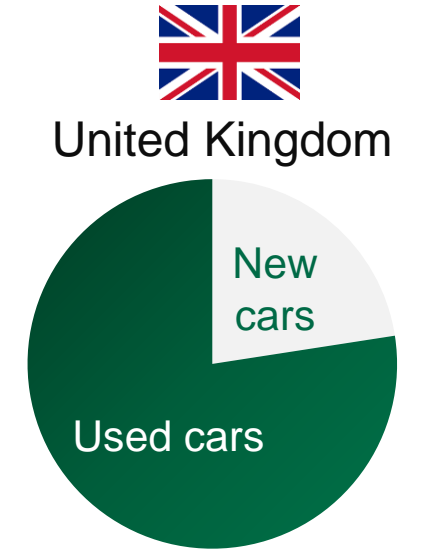
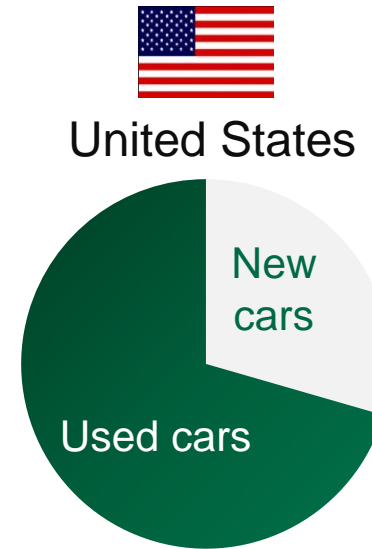
Japan's Used Car Market with Much Lower Ratio than Those in the United States and United Kingdom

Ratio of used cars in Japan (*1)



Potential to increase ratio of used cars

Ratio of used cars in the United States and United Kingdom (*2) (*3)



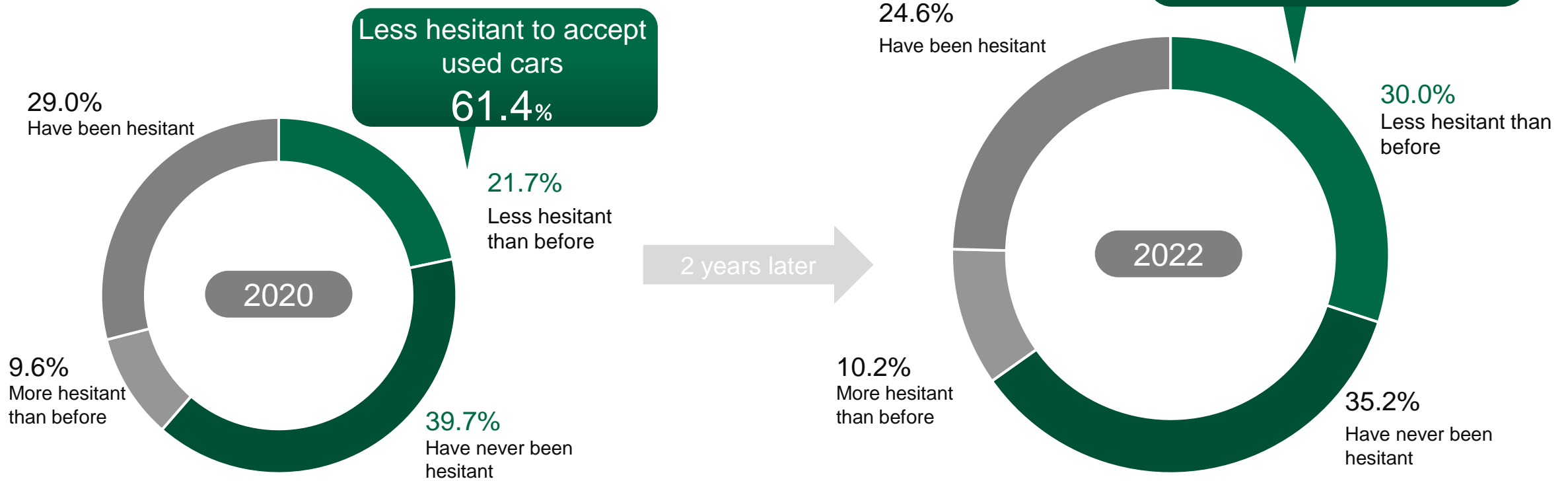
*1: New cars: 2019 data from Japan Automobile Dealers Association
Used cars: 2020 overview of used car distribution by Yano Research Institute

*2: New cars: 2019 MarkLines Automotive Industry Portal
Used cars: edmunds 2019 Used Vehicle Report

*3: 2019 vehicle data from the Society of Motor Manufacturers and Traders (SMMT)

Change in Young People's View of Used Cars

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)

Trend in consolidated operating profit

Founding—Purchasing and Wholesale Period

Experiencing rapid growth as a specialty store for used car purchases with a unique and unprecedented business model, we became the sole hyper-growth company in Japan at that time.

In the 1980s, when trade-ins were still the mainstream in the used car industry, IDOM rolled out the unique business model of the used car purchase specialty store. We continued to grow through pioneering initiatives, such as the introduction of an image-based sales system in 1998, which is now the mainstream approach, and in 2004 we became one of only a handful of hyper-growth companies in the world, and the only one in Japan at that time. (A hyper-growth company is one that achieves sales of one billion dollars—around 100 billion yen—within 10 years of its establishment).



The first store with only three employees at the time of foundation (Koriyama, Fukushima)

Listed on the First Section of the TSE in 2003

Opened 500 stores in 1999

Fastest IPO in history at the time in 1998

Founded in 1994

Transition to a Retail Model

As purchase-only stores increased, we shifted to a more profitable retail business model, implementing different retail initiatives including multi-channel operation.

From the 2000s onward, dealers backed by major manufacturers began to participate actively in the used car industry, leading to intensified competition among used vehicle purchasers. IDOM shifted to a more profitable retail business model. Our shift to a retail model can be divided into three phases: the early transition phase, in which we began to engage in retail sales together with wholesale at car purchasing stores, the intermediate transition phase, where we began opening dealerships rather than purchasing stores, and the final transition phase where we engaged in a range of trial retailing initiatives, such as opening dealerships with a multi-channel approach.



We operated a wide range of sales channels in the trial phase.

The Company's name changed to IDOM, Inc. from Gulliver International in 2016

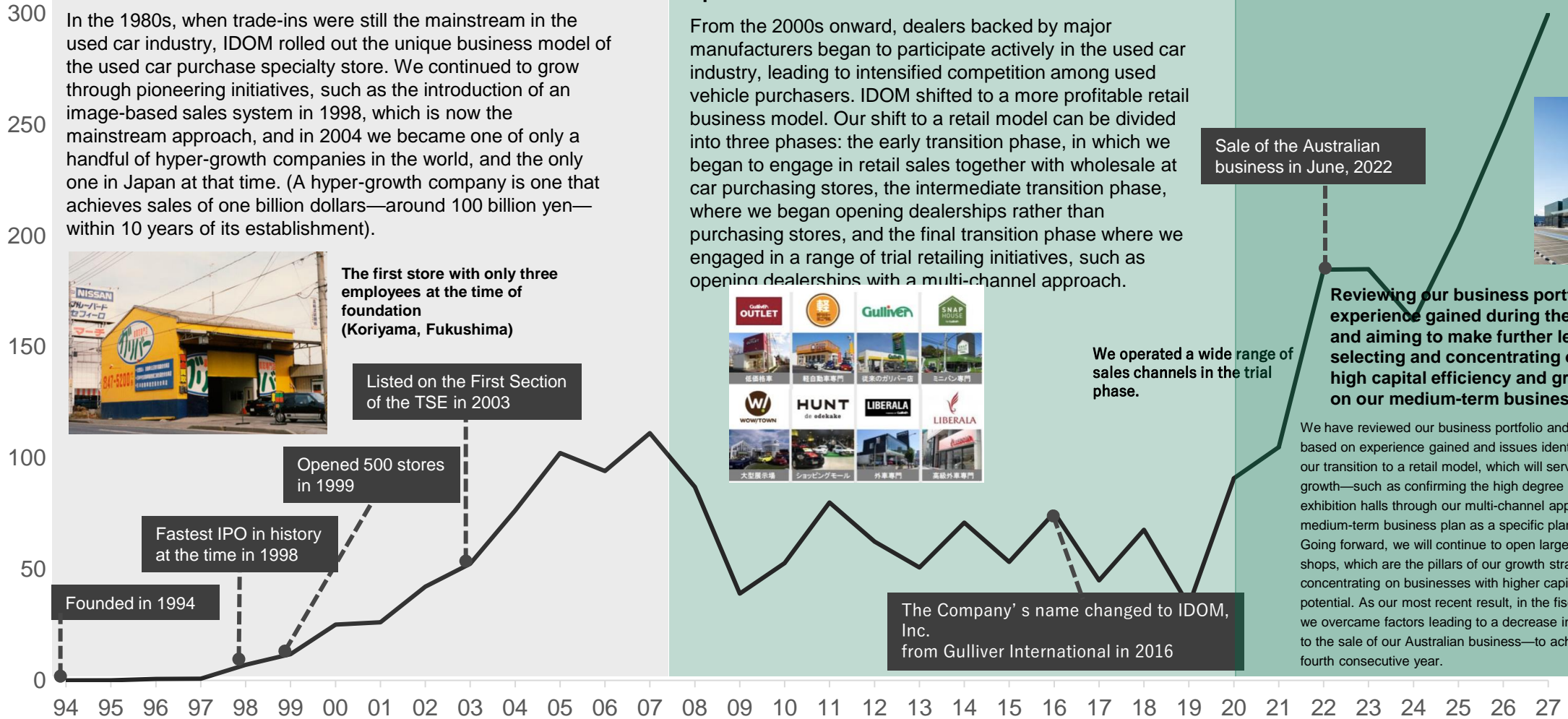
New Retail Model

Sale of the Australian business in June, 2022

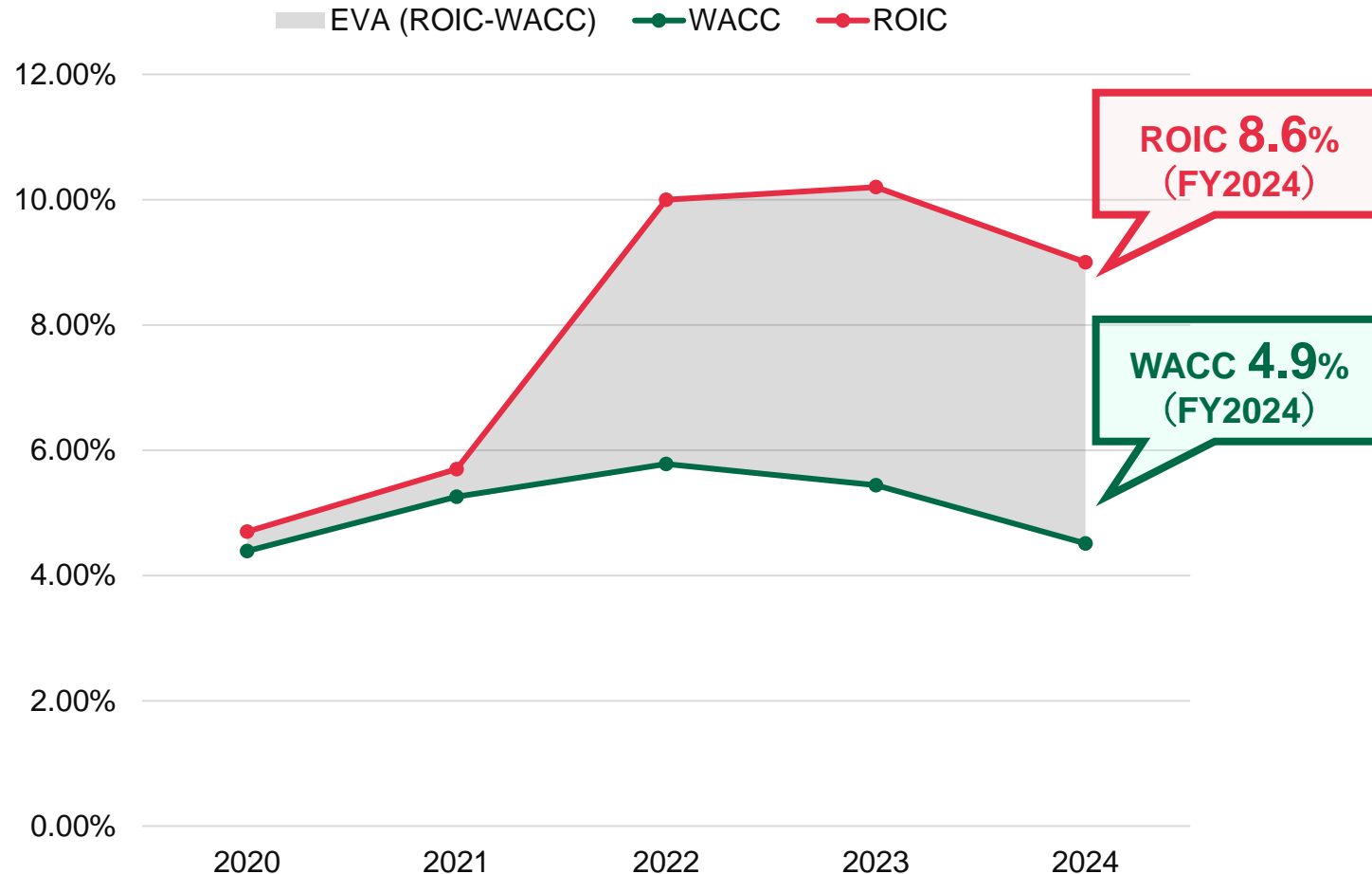


Reviewing our business portfolio based on experience gained during the transition period, and aiming to make further leaps forward by selecting and concentrating on businesses with high capital efficiency and growth potential, based on our medium-term business plan.

We have reviewed our business portfolio and formulated a growth strategy based on experience gained and issues identified through various trials during our transition to a retail model, which will serve as a foothold for future growth—such as confirming the high degree of capital efficiency of large-scale exhibition halls through our multi-channel approach. IDOM has announced its medium-term business plan as a specific plan for achieving further growth. Going forward, we will continue to open large-scale stores and maintenance shops, which are the pillars of our growth strategy, by selecting and concentrating on businesses with higher capital efficiency and growth potential. As our most recent result, in the fiscal year ended February 2023, we overcame factors leading to a decrease in profit—around 5 billion yen due to the sale of our Australian business—to achieve an increase in profits for the fourth consecutive year.



Recognition of the Cost of Capital



- We understand that the cost of capital has decreased to approximately 4% at present time due to a decline in β .
- Target ROIC: Maintaining a ROIC above 10%
- The company has already sold off the new car dealer business which had low capital efficiency.

*WACC: Calculated based on the weighted average of the cost of shareholder's equity (risk-free rate + $(\beta \times \text{market risk premium}) + (\text{current } \beta \times \text{current risk premium})$) and the cost of interest-bearing debt
 * 2024 indicates the fiscal year ending February 29, 2024.

3. Supplementary Information on Results and Financial Matters



[Consolidated / Non-consolidated] Income Statement (Q3)



Consolidated	9 months ended Nov 30, 2021		9 months ended Nov 30, 2022		9 months ended Nov 30, 2023		9 months ended Nov 30, 2024			
	Results (million yen)	Ratio (%)	Results (million yen)	Ratio (%)	Results (million yen)	Ratio (%)	Results (million yen)	Ratio (%)	Change (million yen)	Y/Y (%)
Sales	344,620	100.0	324,248	100.0	307,710	100.0	380,515	100.0	72,805	23.7
Cost of sales	280,249	81.3	267,921	82.6	254,310	82.6	313,938	82.5	59,628	23.4
Gross profit	64,371	18.7	56,326	17.4	53,399	17.4	66,576	17.5	13,177	24.7
SG&A Expenses	49,610	14.4	42,211	13.0	42,570	13.8	51,517	13.5	8,947	21.0
Operating profit	14,760	4.3	14,115	4.4	10,829	3.5	15,058	4.0	4,229	39.1
Ordinary profit	14,046	4.1	13,698	4.2	10,597	3.4	14,524	3.8	3,927	37.1
Profit before income taxes and minority interests	12,621	3.7	14,550	4.5	10,542	3.4	14,437	3.8	3,895	36.9
Profit attributable to owners of parent	8,738	2.5	11,219	3.5	7,237	2.4	9,801	2.6	2,564	35.4

Non-Consolidated	9 months ended Nov 30, 2021		9 months ended Nov 30, 2022		9 months ended Nov 30, 2023		9 months ended Nov 30, 2024			
	Results (million yen)	Ratio (%)	Results (million yen)	Ratio (%)	Results (million yen)	Ratio (%)	Results (million yen)	Ratio (%)	Change (million yen)	Y/Y (%)
Sales	229,492	100.0	275,877	100.0	302,535	100.0	374,021	100.0	71,486	23.6
Cost of sales	184,012	80.2	228,318	82.8	250,920	82.9	309,975	82.9	59,055	23.5
Gross profit	45,479	19.8	47,559	17.2	51,615	17.1	64,045	17.1	12,430	24.1
SG&A Expenses	35,680	15.5	35,559	12.9	40,681	13.4	48,674	13.0	7,993	19.6
Operating profit	9,798	4.3	12,000	4.4	10,933	3.6	15,371	4.1	4,438	40.6
Ordinary profit	9,556	4.2	11,713	4.2	10,709	3.5	14,836	4.0	4,127	38.5
Profit before income taxes	7,640	3.3	14,641	5.3	10,607	3.5	14,864	4.0	4,257	40.1
Profit	5,191	2.3	12,102	4.4	7,296	2.4	10,184	2.7	2,888	39.6

[Consolidated / Non-consolidated] Income Statement



Consolidated	FY ended Feb 28, 2022		FY ended Feb 28, 2023		FY ended Feb 29, 2024		FY ending Feb 28, 2025			
	Results (million yen)	Ratio (%)	Results (million yen)	Ratio (%)	Results (million yen)	Ratio (%)	Outlook (million yen)	Ratio (%)	Change (million yen)	Y/Y (%)
Sales	459,532	100.0	416,514	100.0	419,852	100.0	500,000	100.0	36,648	19.1
Cost of sales	373,519	81.3	341,964	82.1	346,519	82.5	409,800	81.8	26,681	18.3
Gross profit	86,013	18.7	74,549	17.9	73,333	17.5	90,200	18.2	9,967	23.6
SG&A Expenses	67,528	14.7	55,865	13.4	57,216	13.6	69,900	13.8	5,784	22.2
Operating profit	18,485	4.0	18,684	4.5	16,117	3.8	20,300	4.4	4,183	26.0
Ordinary profit	17,561	3.8	18,146	4.4	15,826	3.8	19,800	4.3	3,973	25.1
Profit before income taxes and minority interests	15,750	3.4	18,752	4.5	15,664	3.7	19,300	4.2	3,636	23.2
Profit attributable to owners of parent	10,794	2.3	14,205	3.4	11,442	2.7	13,600	3.0	2,157	18.9

Non-Consolidated	FY ended Feb 28, 2022		FY ended Feb 28, 2023		FY ended Feb 29, 2024		FY ending Feb 28, 2025			
	Results (million yen)	Ratio (%)	Results (million yen)	Ratio (%)	Results (million yen)	Ratio (%)	Outlook (million yen)	Ratio (%)	Change (million yen)	Y/Y (%)
Sales	306,733	100.0	366,069	100.0	413,206	100.0	491,100	100.0	77,793	18.8
Cost of sales	245,661	80.1	301,226	82.3	342,143	82.8	403,800	82.2	61,656	18.0
Gross profit	61,071	19.9	64,842	17.7	71,062	17.2	87,200	17.8	16,137	22.7
SG&A Expenses	49,164	16.0	48,430	13.2	54,333	13.1	66,700	13.6	12,366	22.8
Operating profit	11,907	3.9	16,412	4.5	16,729	4.0	20,500	4.2	3,770	22.5
Ordinary profit	11,573	3.8	15,998	4.4	16,404	4.0	19,800	4.0	3,396	20.7
Profit before income taxes	9,450	3.1	23,709	6.5	16,239	3.9	19,300	3.9	3,060	18.8
Profit	6,553	2.1	20,020	5.5	11,864	2.9	13,600	2.8	1,735	14.6

[Consolidated] Balance Sheets

(Unit: million yen) **Gulliver**

	As of February 29, 2024	As of November 30, 2024
Assets		
Current assets		
Cash and deposits	30,548	20,343
Notes and accounts receivable - trade	12,631	20,696
Merchandise	85,994	97,803
Other operating assets	-	1,891
Other	5,606	6,279
Allowance for doubtful accounts	-498	-819
Total current assets	134,281	146,194
Non-current assets		
Property, plant and equipment		
Buildings and structures	47,376	51,163
Accumulated depreciation	-18,611	-19,548
Buildings and structures, net	28,764	31,615
Vehicles	2,214	1,792
Accumulated depreciation	-186	-304
Vehicles, net	2,027	1,488
Tools, furniture and fixtures	5,735	6,427
Accumulated depreciation	-3,734	-4,053
Tools, furniture and fixtures, net	2,000	2,373
Land	136	136
Lease assets	-	154
Construction in progress	683	1,235
Other	217	219
Total property, plant and equipment	33,829	37,224
Intangible assets		
Software	1,249	1,266
Goodwill	78	72
Other	2	2
Total intangible assets	1,330	1,341
Investments and other assets		
Investment securities	0	0
Shares of subsidiaries and associates	29	29
Long-term loans receivable	1,574	1,869
Lease and guarantee deposits	5,514	6,147
Construction assistance fund receivables	3,537	3,733
Deferred tax assets	3,471	3,502
Other	464	465
Allowance for doubtful accounts	-2	-2
Total investments and other assets	14,589	15,745
Total non-current assets	49,749	54,311
Total assets	184,031	200,506

	As of February 29, 2024	As of November 30, 2024
Liabilities		
Current liabilities		
Accounts payable - trade	5,783	6,356
Short-term borrowings	-	800
Current portion of long-term borrowings	16,300	-
Accounts payable - other	4,151	4,774
Income taxes payable	2,556	3,349
Contract liabilities	26,809	26,688
Deposits received	247	424
Provision for bonuses	1,046	330
Other provision	48	48
Other	6,384	7,150
Total current liabilities	63,327	49,818
Non-current liabilities		
Bonds	-	3,000
Long-term borrowings	46,700	66,700
Long-term guarantee deposits	679	764
Asset retirement obligations	3,085	3,303
Other	308	481
Total non-current liabilities	50,773	74,248
Total liabilities	114,101	124,067
Net assets		
Shareholders' equity		
Share capital	4,157	4,157
Capital surplus	4,726	5,240
Retained earnings	64,093	69,963
Treasury shares	-4,344	-4,344
Total shareholders' equity	68,631	75,016
Accumulated other comprehensive income		
Foreign currency translation adjustment	381	326
Total accumulated other comprehensive income	381	326
Share acquisition rights	10	13
Non-controlling interests	906	1,082
Total net assets	69,930	76,438
Total liabilities and net assets	184,031	200,506

[Consolidated] Statements of Cash Flows



(Unit: million yen)

	9 months ended November 30, 2023	9 months ended November 30, 2024
Profit before income taxes	10,542	14,437
Depreciation	2,052	2,438
Amortization of goodwill	5	5
Net increase (decrease) in working capital	-8,257	-22,550
Income taxes paid	-1,974	-3,603
Other, net	5,388	1,186
Cash flows from operating activities	7,756	-8,086
Cash flows from investing activities	-4,879	-5,699
Free cash flow	2,877	-13,785
Cash flows from financing activities	-19,072	-3,594
Net increase (decrease) resulting from exchange rate change and new consolidation	-172	13
Net increase (decrease) in cash and cash equivalents	-16,367	-10,205
Cash and cash equivalents at the beginning of period	37,473	30,548
Cash and cash equivalents at the end of period	21,106	20,343