

FY2025

# Results for Fiscal Year Ended February 28, 2025

April 14<sup>th</sup>, 2025

TSE Prime 7599  
IDOM Inc.



Hello, I am Nishibata, the CFO of IDOM Co., Ltd.

## 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. All figures in the materials are rounded to the nearest whole number.

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I will now explain the financial results for the fiscal year ending February 2025.

1. FY2025 Results Summary



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Highlights



<div style="display: flex; justify-content: space-between; align-items: center;"> <div style="background-color: #e91e63; color: white; border-radius: 10px; padding: 2px 5px; font-size: 8px; font-weight: bold;">Consolidated</div> <div style="text-align: right;">Record operating profit</div> </div> <div style="background-color: #455a64; color: white; border-radius: 10px; padding: 10px; margin-top: 5px; display: flex; justify-content: space-between; align-items: center;"> <div style="background-color: #2e8b57; color: white; border-radius: 10px; padding: 2px 5px; font-size: 8px; font-weight: bold;">Operating profit</div> <div style="text-align: right;"> <b>19.9 billion yen</b>  <small>+23% YoY</small> </div> </div> <div style="margin-top: 10px;"> <ul style="list-style-type: none"> <li>Profits have increased in five of the six fiscal years counting from 2019.</li> </ul> </div>
<div style="display: flex; justify-content: space-between; align-items: center;"> <div style="background-color: #e91e63; color: white; border-radius: 10px; padding: 2px 5px; font-size: 8px; font-weight: bold;">Retail sales</div> <div style="text-align: right;">Gross profit per retail unit</div> </div> <div style="background-color: #455a64; color: white; border-radius: 10px; padding: 10px; margin-top: 5px; display: flex; justify-content: space-between; align-items: center;"> <div style="background-color: #2e8b57; color: white; border-radius: 10px; padding: 2px 5px; font-size: 8px; font-weight: bold;">Gross profit per retail unit</div> <div style="text-align: right;"> <b>450,000 yen/unit x</b> </div> </div> <div style="margin-top: 10px;"> <ul style="list-style-type: none"> <li>Gross profit per retail unit was maintained at the level of the more than forecast.</li> </ul> </div>
<div style="display: flex; justify-content: space-between; align-items: center;"> <div style="background-color: #e91e63; color: white; border-radius: 10px; padding: 2px 5px; font-size: 8px; font-weight: bold;">Retail sales</div> <div style="text-align: right;">Record unit Sales</div> </div> <div style="background-color: #455a64; color: white; border-radius: 10px; padding: 10px; margin-top: 5px; display: flex; justify-content: space-between; align-items: center;"> <div style="background-color: #2e8b57; color: white; border-radius: 10px; padding: 2px 5px; font-size: 8px; font-weight: bold;">Retail Unit Sales</div> <div style="text-align: right;"> <b>149,003 units</b>  <small>+3% YoY</small> </div> </div> <div style="margin-top: 10px;"> <ul style="list-style-type: none"> <li>Record high while maintaining gross profit per unit.</li> </ul> </div>

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Please take a look at slide 5 – Highlights of this fiscal year.

First, regarding our consolidated operating profit.

We achieved ¥19.9 billion in operating profit.

Since bottoming out in FY2019, we overcame setbacks such as the sale of our Australian business and achieved profit growth in 5 out of the last 6 fiscal years, reaching an all-time high.

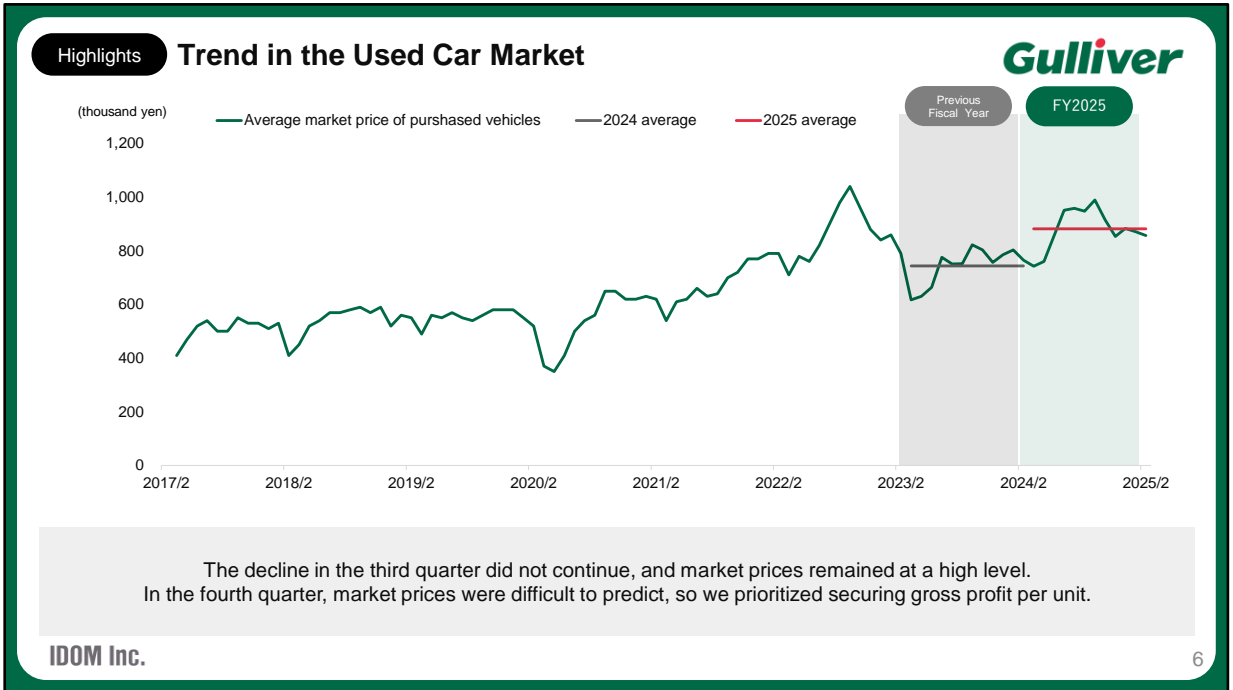
This performance was supported by retail sales volume and gross profit per unit.

Returning to the highlights on slide 5:

When the used car market is in decline, there is a risk of inventory valuation losses. Instead of focusing solely on volume, we prioritized offering comprehensive pricing, additional services, and financial services to our customers, aiming to maintain strong gross profit per unit.

Despite this focus, our large-format stores performed strongly (+22% YoY), resulting in approximately 149,000 units sold—a 3% increase year-over-year.

By increasing unit sales while maintaining unit profit, we achieved record operating profit.



Now, please look at slide 6.

This shows trends in used car prices based on our average vehicle purchase price. Although the annual average price (represented by horizontal bars for last and current fiscal years) increased year-over-year, market conditions fluctuated significantly throughout the year:

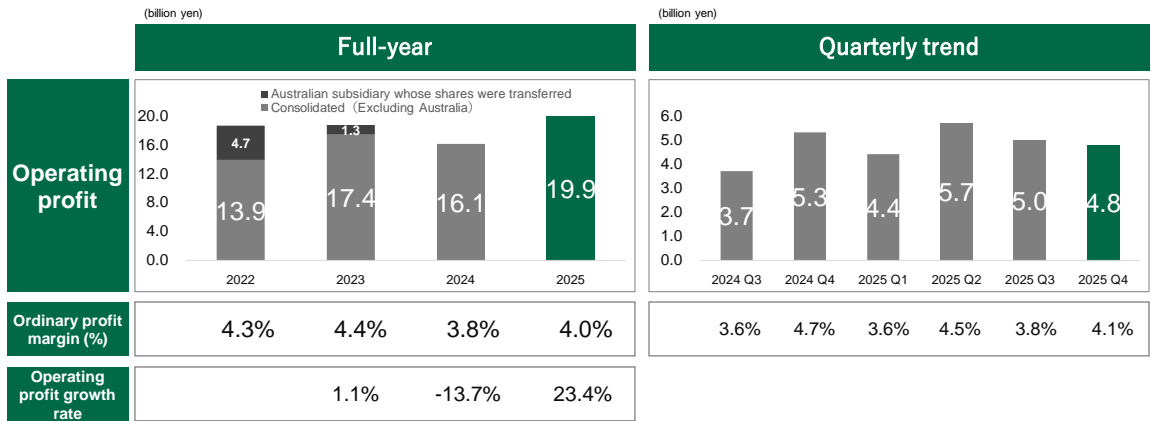
Q1: Increase

Q2: Flat

Q3: Decrease

Q4: Flat

Returning again to the highlights on slide 5.



Please refer to slide 7.

The left side shows the transition of operating profit since FY2022.

We can see that this fiscal year's profit surpasses that of FY2023, which included the now-sold Australian business.

Our operating profit margin this year stands at 4%.

The right side shows operating profit over six quarters:

Q1: ¥4.4 billion

Q2: ¥5.7 billion

Q3: ¥5.0 billion

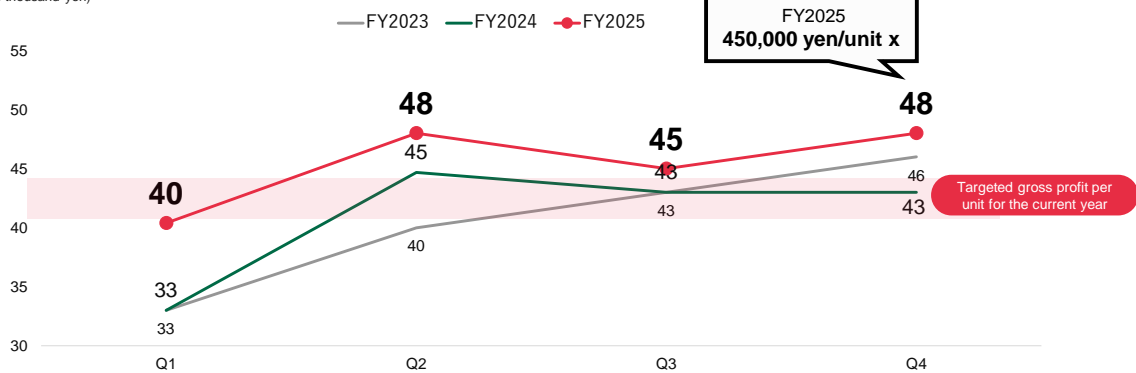
Q4: ¥4.8 billion

Highlights

Trend in Gross Profit per Retail Unit



(ten thousand yen)



\* Retail unit gross profit = Total gross profit including vehicle, maintenance, bodywork, and warranty, divided by retail units sold.

Gross profit per retail unit was 450,000 yen, achieving the target level (410,000-440,000 yen /unit x ).

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\* 2025 indicates the fiscal year ending February 28, 2025.

This slide shows the quarterly trend in retail gross profit per unit over the past three years. The orange band indicates the forecast range announced in October 2024: ¥410,000 to ¥440,000. While Q1 was below this range, from Q2 onward we exceeded expectations, achieving an annual average of ¥450,000. This result reflects our success in proper pricing through "total price display." Note: This retail gross profit includes all associated services such as inspections and loans, excluding wholesale gross profit.



Consolidated **KPIs for FY2025**



		FY2023	FY2024	FY2025	YoY Changes
Number of stores	Store opening of large stores (stores)	8	11	16	+5
Retail sales	Number of retail unit sales (thousand units)	136	144	149	+5
	Gross profit per retail unit (ten thousand yen)	40	41	45	+4
wholesale	Number of wholesales unit (thousand units)	112	128	144	+16
	Gross profit per wholesale unit (ten thousand yen)	10	10	12	+2

Store openings are going as planned. In the second half of the year, we prioritized securing gross profit per unit, in preparation for a decline in market prices. As a result, we saw moderate growth in the number of units sold, and sales at large stores were strong.

**IDOM Inc.** \* 2025 indicates the fiscal year ending February 28, 2025.

Let me now talk about our key KPIs.

We opened 16 new stores this fiscal year—progressing steadily.

As discussed earlier, retail sales volume grew by 3% while maintaining gross profit per unit.

On the wholesale side, despite market fluctuations, the annual average used car market remained higher than last year, leading to significant increases in both volume and profit, contributing to overall earnings.

That said, the retail segment still accounts for about 80% of total gross profit, highlighting its continued importance.

Consolidated **FY2025 Results**



(billion yen)	FY2024	FY2025	Ratio to net sales	YoY changes	Percent change
Net sales	419.9	<b>496.7</b>	100.0%	76.8	18.3%
Gross profit	73.3	<b>88.7</b>	17.9%	15.4	20.9%
Selling, general and administrative expenses	57.2	<b>68.8</b>	13.8%	11.6	20.2%
Operating profit	16.1	<b>19.9</b>	4.0%	3.8	23.4%
Ordinary profit	15.8	<b>19.1</b>	3.8%	3.3	20.8%
Profit attributable to owners of parent	11.4	<b>13.4</b>	2.7%	2.0	17.5%

**IDOM Inc.** \* 2025 indicates the fiscal year ending February 28, 2025.

This slide shows our consolidated P&L results:

Revenue: ¥496.7 billion

Gross profit: Up 21% YoY

SG&A expenses: Up 20% YoY

Operating profit: ¥19.9 billion, up 23% YoY

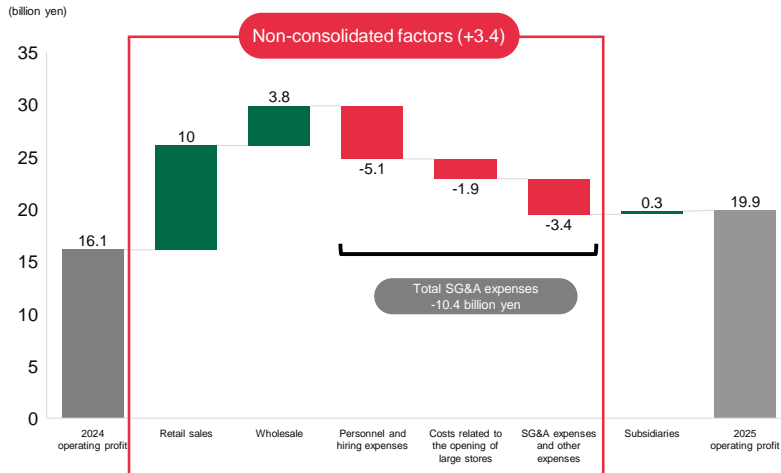
Net income: ¥13.4 billion

We'll explain the factors behind the increase in operating profit on the next slide.

Consolidated

## FY2025 Analysis of Factors in YoY Change in Operating Profit

Gulliver



- Retail: +10.0 bn yen due to contribution of gross profit and number of units.
- Wholesale: +3.8 bn yen due to increased number of units.
- SG&A expenses increased by 10.4 billion yen, mainly due to investment for growth.
- Subsidiaries: +0.3 bn yen due to decrease in deficit

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\* 2025 indicates the fiscal year ending February 28, 2025.

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This slide analyzes the changes in consolidated operating profit YoY. The red box shows factors related to IDOM's standalone results:

Standalone profit increase: ¥3.4 billion

- Retail segment: +¥10 billion
- Wholesale segment: +¥3.8 billion

SG&A expenses increased by ¥10.4 billion due to accelerated opening of large-format stores, higher personnel and hiring costs, advertising, and rent.

Non-standalone group components improved by ¥300 million.

As a result, consolidated operating profit increased by ¥3.8 billion to ¥19.9 billion.

Non-Consolidated

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

Gulliver



- 1 Personnel costs increased due to a 550-person increase and a 20,000 yen rise in costs per person. In addition, incentive bonuses for achieving strong results increased 1.5 billion yen.
- 2 Increase in business consignment expenses for sales training.
- 3 Land rent increased due to an increase in the number of stores.
- 4 Allowances for doubtful accounts rose in association with the expansion of our in-house loan business, while travel and transportation expenses also increased.

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\* 2025 indicates the fiscal year ending February 28, 2025.

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Let me further explain the ¥10.4 billion increase in SG&A expenses, primarily from the standalone entity.

With new store openings, we actively hired personnel. Hiring went smoothly, and salary levels rose with our strong business performance, resulting in a ¥4.5 billion increase in labor costs.

To enhance talent quality, we implemented a sales training program (“Salescore”), adding ¥1.5 billion in outsourcing expenses.

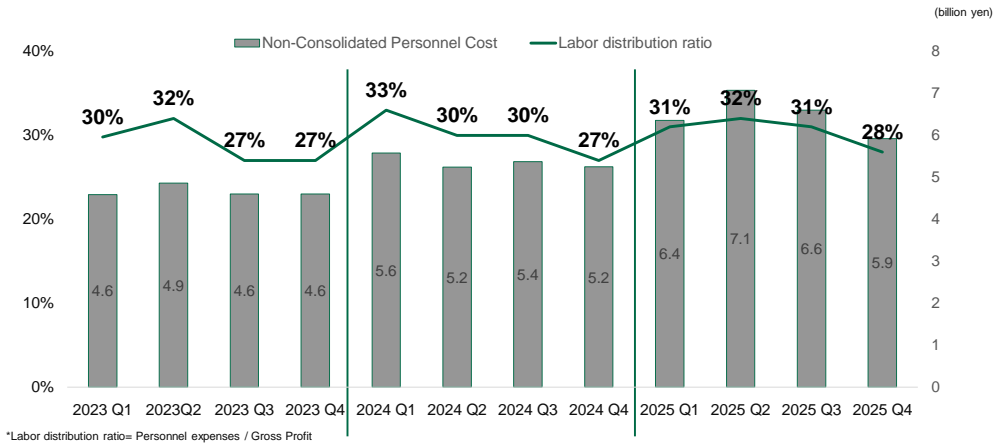
Rent rose by ¥1.4 billion due to new stores.

Other SG&A expenses increased by ¥2.0 billion, which includes provisions for bad debt related to installment sales.

Non-Consolidated

## Labor distribution ratio

Gulliver



We define personnel expenses related to gross profit as variable costs in our business strategy. We have successfully curbed an increase in the labor distribution ratio while training personnel for new stores.

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Labor costs account for about 40% of SG&A.

We are strategically assigning newly hired and trained staff, especially to large stores, which has contributed to higher gross profit.

Although these are upfront investments, the labor distribution ratio remains stable at around 30% as new stores progress steadily.

Consolidated Summary of Consolidated Balance Sheet



- Total assets increased by 36.5 billion yen.
- Accounts receivable increased by 14.4 billion yen. Planning to conversion into cash.
- Inventory increased by unit price increase due to rising market prices and rising inventory numbers. (Including 7 billion yen of inventory waiting for delivery)
- Interest-bearing debt increased 16.3 billion yen. Long-term debt was extended.
- Consolidated equity ratio is 36%.

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Here is the status of our consolidated balance sheet (BS):

Total assets: ¥2.2 trillion, up ¥360 billion YoY

Accounts receivable: Increased by ¥14.4 billion to ¥27 billion, driven by rising used car prices and expansion of installment sales.

Note: In Q2, we liquidated ¥4.3 billion in receivables.

Inventory: Increased by ¥28.6 billion to ¥114.6 billion.

- ¥8 billion from higher market prices

- ¥20.6 billion from increased inventory volume, including ¥7 billion worth of vehicles pending delivery

Fixed assets: Increased by ¥5.3 billion due to store and factory expansion

Total liabilities: Increased by ¥25.1 billion to ¥139.2 billion

- Interest-bearing debt: Increased by ¥16.3 billion to ¥79.3 billion, restructured from short to long term

Net assets: Increased by ¥10.9 billion to ¥80.8 billion

- Equity ratio declined from 38% to 36% due to increased debt

Non-Consolidated

### Changes in Inventory Turnover

Balance sheet (BS) standards



- The Company has been controlling inventories efficiently to maximize retail volumes while continually considering the need to balance the enhancement of displayed vehicles with the risk of market price fluctuations.
- Active inventories have enjoyed improved efficiency thanks to brisk retail volumes
- BS-based inventory remained flat due to an increase in inventory awaiting delivery

	(days)			
Inventory turnover	2022	2023	2024	2025
Active inventories	39.3	41.1	42.1	34.3
BS standards (including temporary replacement vehicles)	83.0	85.5	86.8	87.0

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1. Average period from the day when a purchased vehicle is listed in the Company's media until the day when they are delisted from the media.  
 \* 2025 indicates the fiscal year ending February 28, 2025.

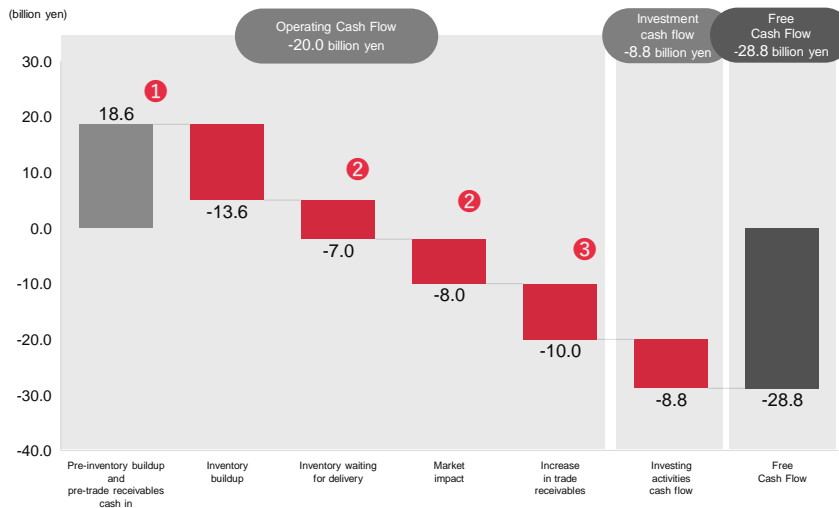
This slide focuses on inventory turnover, the main factor in BS expansion.

Inventory turnover days (based on BS): 87 days, flat YoY

Active inventory period (from productization to contract): 34 days, shortened from 42 days YoY

This was affected by a ¥7 billion increase in vehicles awaiting delivery at the end of February due to snow.

## 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 18.6 billion yen.

2 Decrease in operating CF of 15.0 billion yen due to increase in market prices and inventory waiting for delivery.

3 Trade receivables increased by 10.0 billion yen due to the impact of installment sales.

As a result, free cash flow stood at -28.8 billion yen.

This slide shows consolidated cash flow:

Operating CF: Despite strong operations generating ¥18.6 billion in cash before changes in inventory and receivables,

inventory investment (¥28.6B) and receivable increases (¥10B) resulted in a ¥20B negative operating CF

- Note: ¥8B was due to market price increases
- ¥7B from inventory pending delivery will be monetized upon delivery
- Receivables will also be liquidated when appropriate

→ We expect profit to eventually reflect in CF in the mid-to-long term

Investing CF: ¥8.8 billion used for acquiring stores, service centers, and other tangible/intangible assets

Resulting Free CF: ¥28.8 billion negative



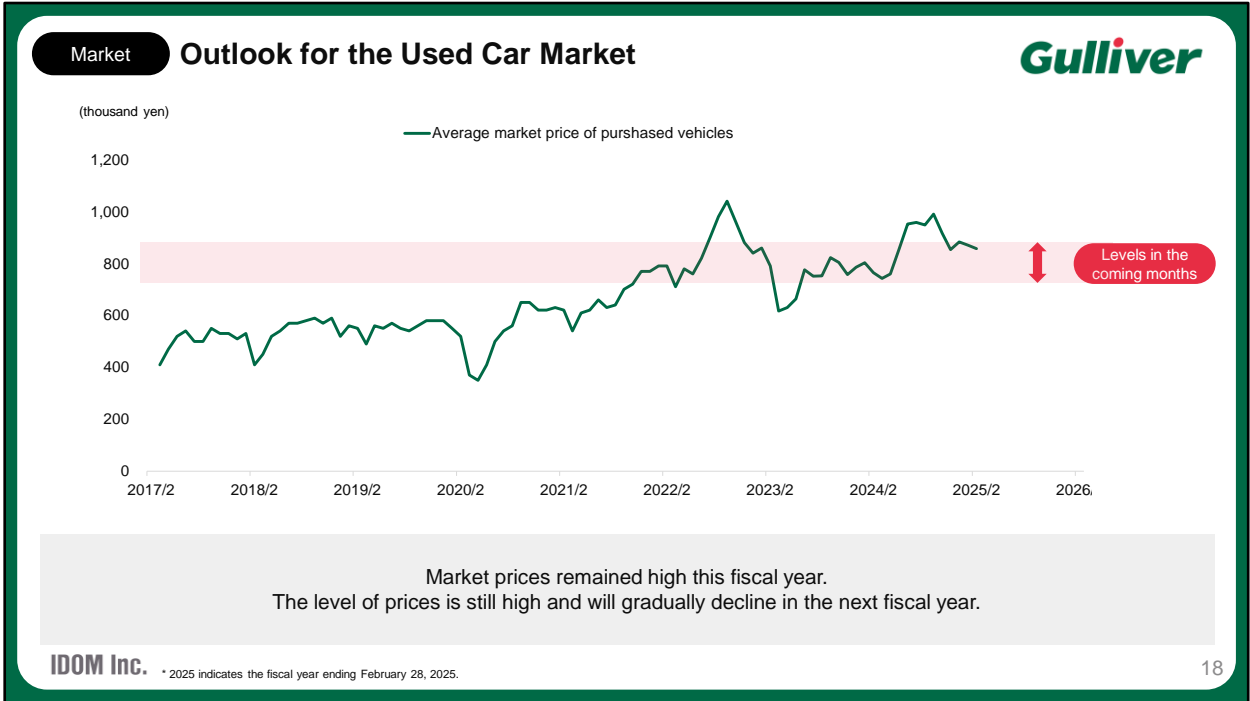
Consolidated **FY2025 P/L Forecast Comparison**



(billion yen)	2025 Forecast	2025	Changes	Percent achievement
Net sales	500.0	<b>496.7</b>	-3.3	99.3%
Gross profit	90.2	<b>88.7</b>	-1.5	98.7%
Selling, general and administrative expenses	69.9	<b>68.8</b>	-1.1	98.4%
Operating profit	20.3	<b>19.9</b>	-0.4	98.0%
Ordinary profit	19.8	<b>19.1</b>	-0.7	96.5%
Profit attributable to owners of parent	13.6	<b>13.4</b>	-0.2	98.9%

**IDOM Inc.** \* 2025 indicates the fiscal year ending February 28, 2025.

Here, we compare actual results to forecasts:  
 Unfortunately, every level of profit—from sales to net income—was slightly below forecasts.



Now, let me explain the outlook for FY2026.  
Starting with the used car market:

From March onward, we expect no sharp decline but a gradual decrease within a set range.

U.S. tariffs could impact the broader economy, but their effect on used cars depends on automaker strategies.

The key will be whether new car makers shift supply from overseas to domestic and adjust pricing accordingly.

→ We believe that tariffs won't directly affect the used car market, but may have secondary effects.

		2025	2026 Forecast	YoY Changes
Number of stores	Store opening of large stores (stores)	16	15	-1
Retail Unit sales	Number of retail unit sales (thousand units)	149	160~165	+11~16
	Gross profit per retail unit (ten thousand yen) <small>*Index with 2023 as 100</small>	45 *113	Maintain/ Increase *113~115	
Wholesale	Number of wholesales unit (thousand units)	144	150	+6
	Gross profit per wholesale unit (ten thousand yen) <small>*Index with 2023 as 100</small>	12 *120	Maintain/Decline *120~110	

Having discussed market outlook, let's move on to KPI forecasts:

Starting this year, gross profit per unit will be indexed with FY2023 as 100.

We plan to open 15 large-format stores (many already contracted).

Retail volume is expected to rise by ~15,000 units as new stores contribute.

Gross profit per unit is expected to remain stable or rise up to 5%, thanks to a higher proportion of large stores.

For wholesale, assuming a gently declining market, we forecast higher volume but lower per-unit profit.

Forecast

## FY2026 Forecasts

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(billion yen)	2025 Actual result	2026 Forecast	Ratio to net sales	YoY changes	Percent change
Net sales	496.7	508.9	100.0%	+12.2	+2.5%
Gross profit	88.7	92.9	18.3%	+4.2	+4.8%
Selling, general and administrative expenses	68.8	70.8	13.9%	+2.0	+2.9%
Operating profit	19.9	22.1	4.3%	+2.2	+11.3%
Ordinary profit	19.1	21.1	4.1%	+2.0	+10.6%
Profit attributable to owners of parent	13.4	13.6	2.7%	+0.2	+1.5%

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\* 2025 indicates the fiscal year ending February 28, 2025.

## Performance forecast:

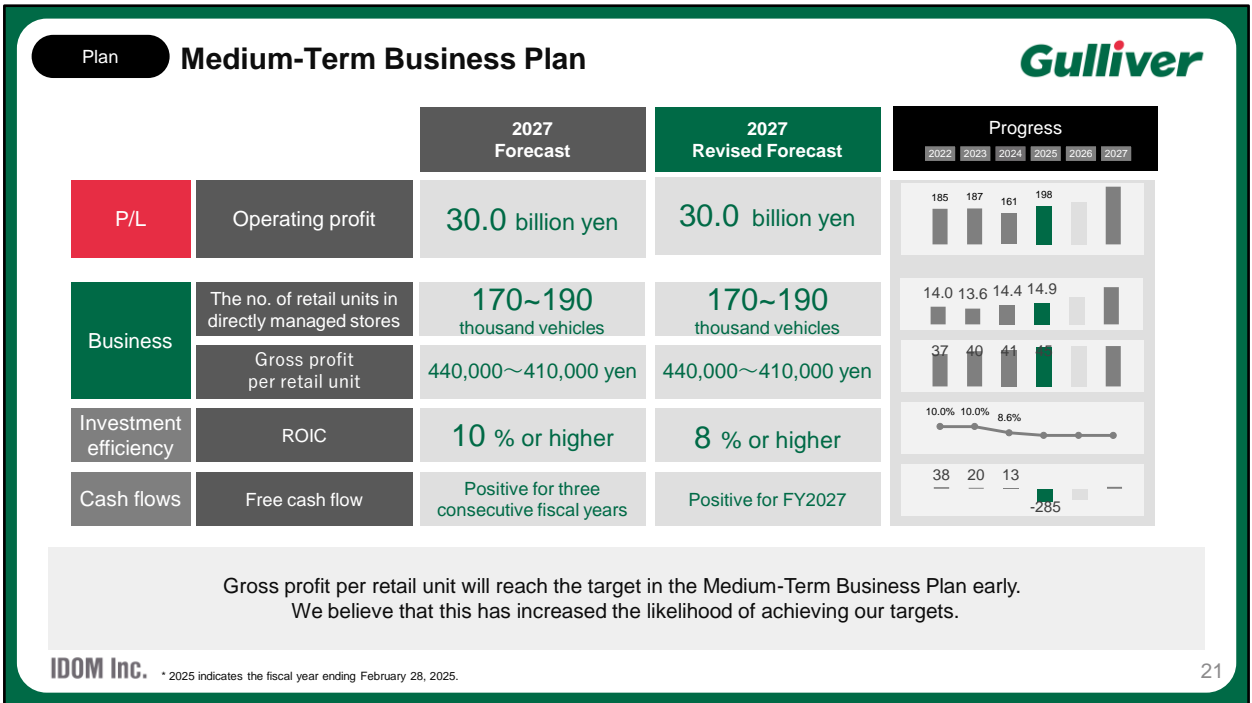
Although uncertainty is rising due to tariffs, economic conditions, interest rates, and exchange rates,

We expect gross profit to continue growing based on our market assumptions and KPI outlook.

We will continue investing in talent and DX, but cost increases will moderate as store expansion stabilizes.

Operating profit: Targeting ¥22.1 billion (10%+ growth)

Net income: Forecasted at ¥13.6 billion, factoring in costs of receivables liquidation



This will be the final slide of my explanation.  
 Let me now talk about our Mid-Term Management Plan.  
 We are aiming to reach 100 large-format stores by FY2027.

Retail volume and gross profit per unit are expected to remain on a steady growth path.

We will continue upfront investments in talent and systems, while maintaining efficiency.

Achieving ¥30 billion in operating profit by FY2027 is a challenging goal, but we will continue to aim high.

Even with continued investments, we will maintain ROIC above 8%, exceeding our capital cost.

Our target for free cash flow depends on market conditions, but we aim to avoid three consecutive years of negative FCF under the assumption of a mildly declining market.

The strategies we've executed so far—maximizing unit profit and expanding retail volume through large-format stores—are clearly reflected in our performance.

Despite rising uncertainty in the outlook, we will stay on a solid growth trajectory through future-oriented investments.  
 Thank you very much.

## 2. FY2025 Initiatives



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I am Hatori, the president of the company. I will tell you the business part from me.

**IDOM is Japan's first group of brands dedicated to making the used car experience transparent, based on market prices and needs. We are now striving to become "Neighborhood Car Stand".**

In the 1990s, people in Japan had to sell their cars to various independent shops, each with different valuation standards. As Japan's first largest national chain specializing in car buying, IDOM introduced fair car buying based on nationwide market prices and needs, and established the practice of considering car sellers as "customers" in Japan.

To support a broader range of customers, we expanded into retail and maintenance to resolve the issues of information asymmetry and adverse selection, which are challenges for the entire used car market. We were the first in Japan to introduce comprehensive online vehicle information disclosure and a 10-year warranty. However, we understand the custom of long-term used car ownership still has a way to go, both in Japan and globally. Even 30 years after our founding, our challenge continues.

Going forward, we will continue communicating that cars are not just tools but irreplaceable experiences that enhance life's happiness. To ensure our customers can enjoy their cars for many years to come, IDOM strives to become a close partner to car owners in any country or region, driving user-centric innovation.



We have formulated a mission as a leading company in used car sales. Going forward, we will work to further strengthen the secure and transparent purchasing experience we have continued to provide to our customers.

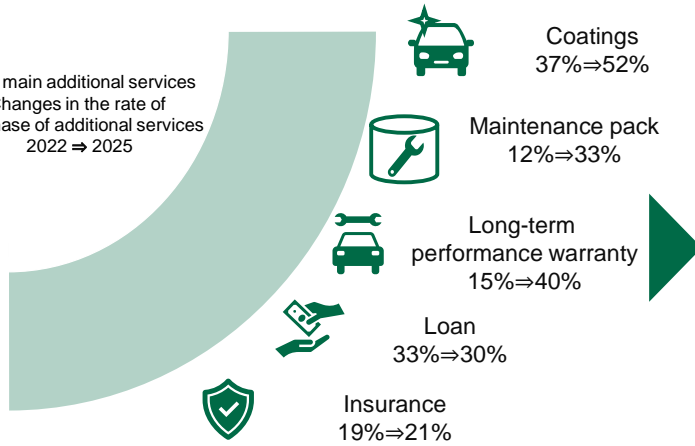
In FY2025, we strengthened our efforts toward transparency and customer peace of mind.

We also defined a new mission for IDOM:

“To be the local car dealership for our communities.”

As a leading used car company, we will continue delivering customer-centric services.

Five main additional services  
Changes in the rate of purchase of additional services  
2022 ⇒ 2025



Providing one-stop service  
(Continue to ride with peace of mind)

Increase customer opportunities through after-sales service.

Through various ancillary products, Gulliver continues to provide customers with convenient one-stop services.

Especially for used cars, our after-sales services offer peace of mind and have been well received, reflected in a high attachment rate at the time of purchase.



Operate insurance agency business with strengthened governance in line with FSA guidelines

Initiatives for the fiscal year



- Management at each location
- Insurance procedures handled by staff
- Storage in document form



- Establishment of an insurance administration center
- Automation of insurance procedures using RPA
- Data storage for procedures

Continuous enhancement of a customer-oriented and reliable operational structure

Let me now discuss our initiatives in the insurance agency business.

Going forward, we will strengthen governance in accordance with guidelines established by the Financial Services Agency.

This fiscal year, we established a dedicated Insurance Operations Center, focusing solely on supporting insurance activities.

### 3. FY2026 Initiatives



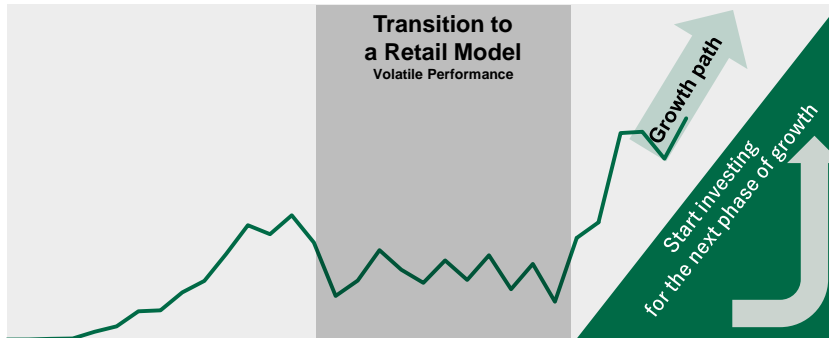
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Next, I will explain our initiatives for the fiscal year ending February 2026 (FY2026).

Growth  
Investment

## Launch of Forward-looking Expansion Investment Strategy

Gulliver



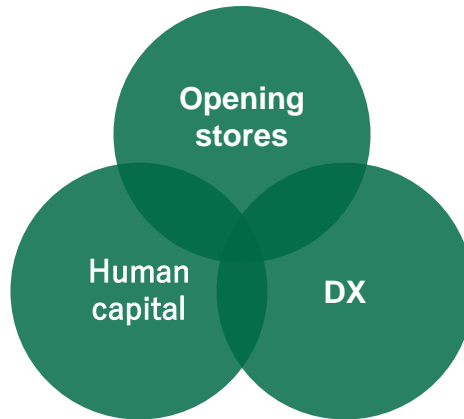
Having stabilized previously volatile performance and established a solid financial foundation, we are now entering an investment phase for the next stage of growth.

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Previously volatile, our business is now on a stable growth trajectory.

We will carry out further investments for future growth.



Expand business through concentrated investment in  
three pillars: store openings, human capital, and DX

From FY2026 onward, we will focus our investments around three key pillars:

Store Expansion

Human Capital

Digital Transformation (DX)

Let me explain each of these in more detail.



Opening stores



Human capital



DX





First, regarding store expansion.

Opening stores

## Large Stores Opened in Q4 FY2025

**Gulliver**



Gifu Kitakata (Opened in February 2025)

Gifu

### Recent launch of new stores

Opening in the fourth quarter

- Hanyu (January 2025)
- Matsuyama (January 2025)
- Ichinomiya (January 2025)
- Toyohashi (February 2025)
- Gifu Kitakata (February 2025)
- Kashiama (February 2025)
- Saga Honnjo(February 2025)

Full Year Progress

16/15

Number of Large Stores

69

(as of February 28, 2025)

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In Q4 alone, 7 new large-format stores were opened, including the Gifu-Kitakata location shown in the photo.

This brings our total for the fiscal year to 16 new stores, exceeding our plan by one. We acquired one of these through a takeover of an existing property. As a result, we now have 69 large-format stores.

Opening stores

## Maintenance Opened in Q4 FY2025

**Gulliver**



Gifu Kitakata (Opened in February 2025)

Gifu

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Recent launch of new maintenance shops

Opening in the fourth quarter

- Ichinomiya (January 2025)
- Toyohashi (February 2025)
- Gifu Kitakata (February 2025)
- Saga Honnjo (February 2025)

Full Year Progress

10/10

Number of Maintenance Shops

39

20 of them are designated maintenance shops

(as of February 28, 2025)

32

As for our maintenance facilities, all 10 planned new workshops were opened this year.

We now operate 39 workshops, and 20 of them are certified inspection sites, enabling us to perform in-house vehicle inspections.



Opening stores

## To expand the number of retail units

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With our focus on large stores, the total number of units sold by large stores has exceeded that of medium-sized stores. Going forward, we will continue to focus on large stores, while also continuing to operate medium-sized stores.

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Here is the progress in expanding retail sales through new large-format stores.

Retail sales from large-format stores have now surpassed those of our 136 mid-sized stores.

Although large-format stores account for only 16% of total store count, we will continue to consolidate into larger locations, increasing customer draw and operational efficiency.

## Opening plan for Medium-Term Business Plan



Opened 16 new stores in FY2025, up 1 store from the plan, partly due to the opening of unoccupied stores.  
In the next fiscal year, the company plans to open 15 large stores and 6 maintenance shops

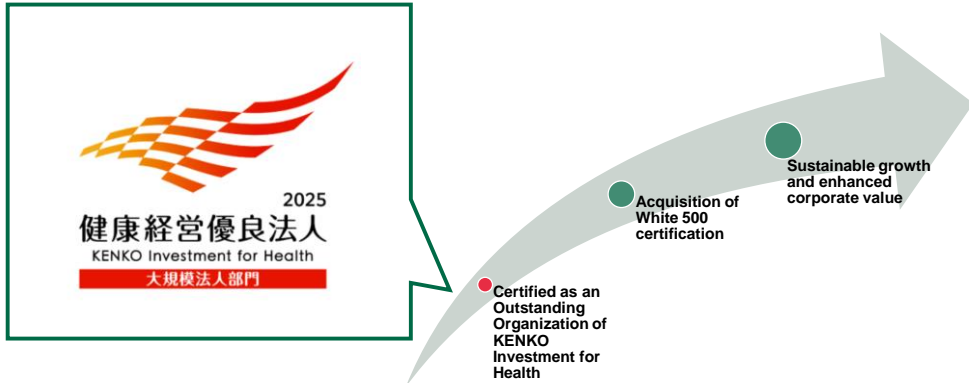
Our expansion of large-format stores has been very successful.  
We plan to open 15 more in FY2026, most of which are already under contract.

Even after reaching 100 stores, we believe there is still ample room for further expansion.

Nationwide large-format stores will also become key bases for our OMO (Online Merges with Offline) strategy, ensuring efficient and strategic investments.



Next, let me discuss investment in human capital.



We have gained certification under the KENKO Investment for Health Program as of 2025. We will continue working to address the health of our employees as an important management issue, as we work towards White 500 certification under this program.

At IDOM, we consider employee health to be a key management issue.

Thanks to our efforts, we were certified as a 2025 Health and Productivity Management Organization.

We will continue working toward achieving the “White 500” certification.



## Improved sales reproducibility

### Training

#### Maximizing human capital

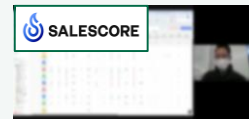
team-based feedback,  
sharing of sales skills



### Investment

#### Investing in human capital

digitalization and visualization  
of sales activities,  
proper execution of the PDCA cycle



Introduced training programs and support systems to accommodate mass hiring for continued large-store expansion.  
Investing in improving sales reproducibility and accelerating talent development.

We also place great importance on enhancing individual employee capabilities as a critical management indicator.

In this context, we launched initiatives to improve the reproducibility of sales performance, incorporating third-party perspectives.

We've been using accumulated data to:

Share the skills of top-performing employees

Provide constructive feedback to new hires

These efforts to support employee growth will continue in the future.



Now, let me explain our efforts in Digital Transformation (DX).

Customers  
Gulliver has  
cultivated over the  
past three decades



Turning the  
information into data  
and utilizing it for  
analysis

Turning customer information into data  
Developing services aligned to the  
vehicles purchased by customers  
through analysis

Increasing the  
number of repeat  
customers

Developing optimal  
services based on  
purchased vehicles and  
customer information

Analyzing optimum vehicle replacement timing and demand trends based on the customer data accumulated to date in order to develop services

Our long-standing customer base, built over 30 years of Gulliver service, is one of our most valuable assets.

We have been developing CRM systems to tailor services to each customer. This has enabled us to provide even more satisfying and repeatable services.



### Integration of offline and online channels

#### A flexible purchasing experience

customers choose the location, time, and staff



#### Creating a customer-driven experience

developing a purchase journey led by the customer



While maintaining physical vehicle fitting at high-demand stores nationwide, we are promoting the digitalization of the used car purchasing experience. Moving toward building a next-generation distribution model focused on maximizing customer satisfaction and enhancing repeat strategies for existing customers.

We are moving away from the traditional model of car buying:

Visiting a store → Checking cars in person → Negotiating with sales staff

Instead, we are building a new experience that combines:

Offline service: Large-format stores nationwide where customers can check vehicles in person

Online service: Allowing customers to buy cars remotely

→ A new level of freedom for customers, unconstrained by time or place.

As a leading used car company, we aim to transform the car buying experience for the next generation.



DX

## Establishment of Subsidiary to Secure IT Personnel and Investment of 6 Billion Yen over Five Years

Gulliver



Strengthen competitiveness in hiring IT talent and enhance in-house system development capabilities. Develop systems with a focus on speed and cost in line with business growth, while securing long-term development capacity.

IDOM Inc.

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To support our DX development, we have established a new subsidiary to secure digital talent.

This new entity offers flexible working conditions, free from traditional regulations, allowing us to attract expert personnel across various fields.

Over the next five years, we will carry out sustained large-scale investments with strong development capabilities.

Growing domestic market share

FY2012

FY2024

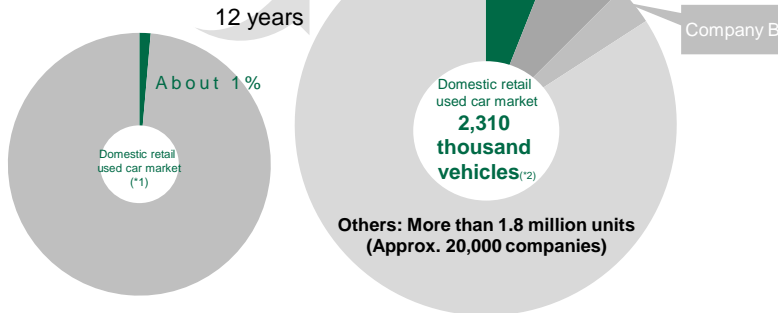
IDOM  
About 6%Company A  
About 7%

Company B

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).

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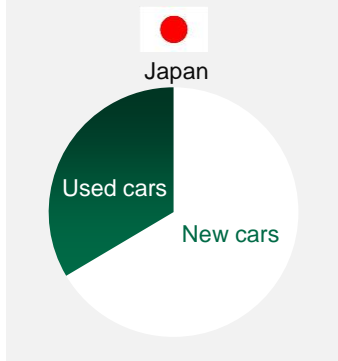
Let us now revisit the potential of the used car market.

Gulliver holds about 6% market share in the Japanese used car industry. We believe there is room to double or triple this share.

Through continued investment in store expansion, human capital, and DX, we aim to further expand our share.

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

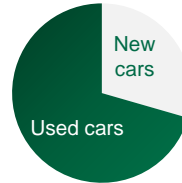
Ratio of used cars in Japan (\*1)



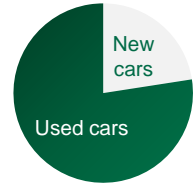
Ratio of used cars in the United States and United Kingdom (\*2) (\*3)



United States



United Kingdom



Potential to increase ratio of used cars

\*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)

Compared to Western countries, the used car ratio in Japan remains relatively low.

As global car prices rise and Japan's economic growth slows, we believe demand for used cars will increase significantly.

Thus, both market share and overall business growth potential are substantial



Balancing improved capital efficiency  
with growth

Expanding market share  
and developing new business

Achieving over 2x growth and becoming  
the overwhelming industry leader

Medium-Term Business Plan  
2023-2027

Medium-Term Business Plan  
2028-2030

We will begin investment activities aimed at establishing new growth drivers to gain industry share

Our current mid-term management plan focused on stable growth and capital efficiency, and we believe these goals have been largely achieved.

From FY2026, we will begin preliminary investments aimed at expanding our market share under the next mid-term plan.

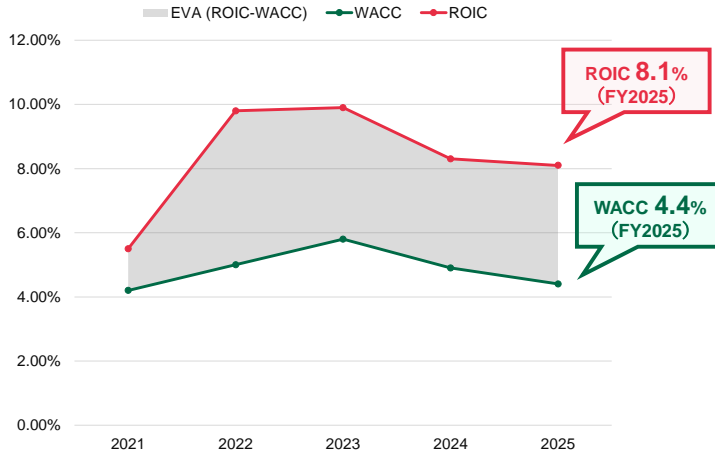
While this will involve temporary costs, we are committed to moving forward toward further growth.

## 4. Capital Policy and Dividends



IDOM Inc.

Let us now discuss dividends and capital policy.



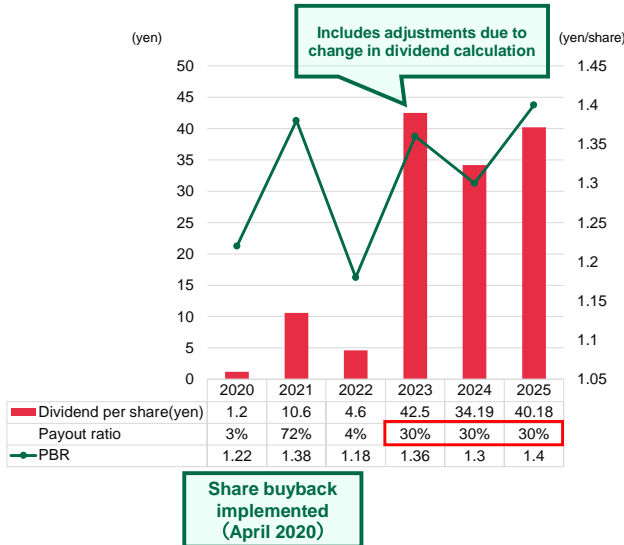
- WACC decreased to 4.4% due to an increase in debt.
- ROIC was recalculated by adding accounts receivable to the formula.
- EVA spread improved to 3.7% from 3.4% in the previous year.

Our capital cost is estimated at around 4%.

Due to asset increases from store openings and a slight decline in profit, ROIC dropped from 8.3% to 8.1%, but we have still maintained an EVA spread of about 4%.

From this fiscal year, we've also revised our ROIC calculation to include accounts receivable to better reflect business realities.

We will continue managing our business with a firm awareness of capital costs.



- Continuing the current dividend policy of allocating 30% of consolidated net profit in the current fiscal year to dividends for the current fiscal year
- It is planned to consider a share buyback when the PBR is close to 1.0.
- The company will prioritize growth investment first and increase profit to enhance its corporate value.

This slide shows the historical trend of dividends.

Previously, we returned 30% of the previous fiscal year's consolidated net profit to shareholders.

From FY2023, we revised this to return 30% of the current fiscal year's profit, resulting in a consistent 30% dividend payout ratio.

Regarding share buybacks:

We will consider them if PBR (Price-to-Book Ratio) approaches 1x.

For reference, we executed a buyback in April 2020.

Going forward, we will prioritize growth investments and increase shareholder returns by improving earnings.

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 current fiscal year x 30% (Changed from FY2023 dividends)

Dividend per share

	End of first half	End of fiscal year	Total	
FY2024	14.41 yen	19.78 yen	34.19 yen	increased dividend
FY2025	19.38 yen	20.80 yen	40.18 yen	
FY2026 (Forecast)	22.41 yen	18.22 yen	40.63 yen	increased dividend

Here is the dividend forecast for the current, previous, and next fiscal years.

FY2025 full-year dividend: ¥40.18, an increase from the previous year

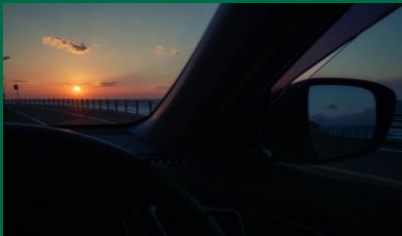
- Interim: ¥19.38

- Year-end: ¥20.80 per share

FY2026 projected dividend: ¥40.63 (slight increase)



**We are now  
striving to become  
"Neighborhood Car Stand".**



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Over the past two years, the used car industry has made significant strides toward safe and transparent transactions for customers.

We at IDOM have taken this seriously and will continue to strengthen our efforts.

Our financial foundation has been greatly strengthened through our mid-term plan.

The automotive industry is in the midst of a once-in-a-century transformation, and we believe the used car market will also undergo major changes.

As a leading used car company, we will continue to take on challenges so we can grow together with all our stakeholders.

We hope you will continue to place your trust in IDOM.