

Results for the Three Months ended June 30, 2019



July 31, 2019

AUTOBACS SEVEN CO., LTD.

Q1 FY March 2020 Consolidated P/L



Increase in net sales and net profit: Net sales and gross profit increased and operating income increased from LY.

In addition to strong sales of tires, dashcams continued to enjoy favorable sales following the previous year. Gross profit improved not only in the AUTOBACS business, but also in the dealer business, BtoB business and internet business, resulting in an increase in overall gross profit. On the other hand, SG&A expenses increased partly because of conversion of FC stores into subsidiaries, while operating income was higher than the previous year.

(Billion Yen)

	Three months ended June 30, 2019			Three months ended June 30, 2018	
	Actual result	% of Sales	YoY change ratio	Actual result	YoY change ratio
Net sales	50.5	—	+3.0%	49.0	-2.2%
Gross profit	16.2	32.1%	+10.5%	14.6	-5.2%
SG&A	15.0	29.7%	+4.3%	14.4	-3.7%
Operating income	1.2	2.4%	+325.3%	0.2	-47.3%
Non-operating Income/expenses	0.1	0.3%	-53.5%	0.3	+228.6%
Ordinary income	1.3	2.7%	+128.7%	0.5	-6.6%
Net profit *	0.8	1.6%	+128.0%	0.3	+19.7%

*Net profit = Profit attributable to owners of parent

Amounts are rounded down to the nearest hundred million yen.
% of Net Sales and YoY comparisons are calculated in yen.

Segment Information

(Million Yen)

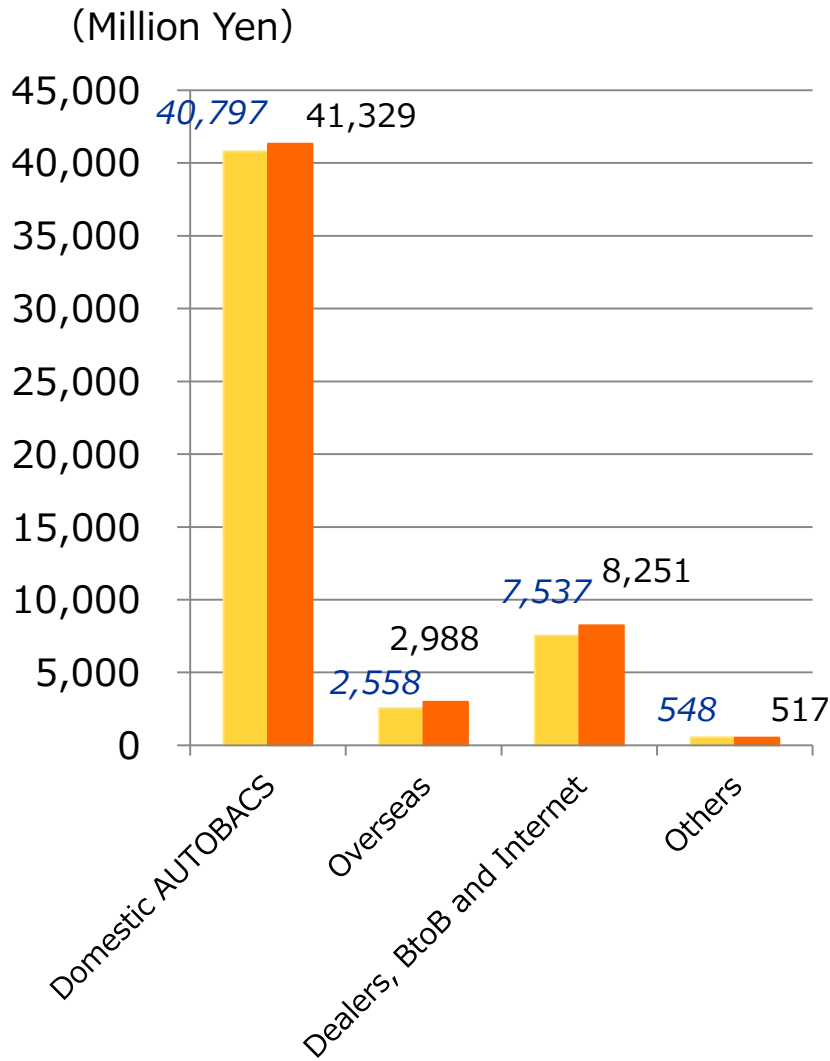


		Three months ended June 30, 2019	Three months ended June 30, 2018	YoY	Summary
Domestic AUTOBACS Business	Sales	41,329	40,797	+1.3%	Sales and gross profit increased due to strong sales of tires and dashcams. SG&A expenses increased because conversion of FC stores into subsidiaries, but operating income improved.
	Gross profit	13,008	11,967	+8.7%	
	SG&A	10,241	9,636	+6.3%	
	Operating income	2,766	2,331	+18.7%	
Overseas Business	Sales	2,988	2,558	+16.8%	Due to making a wholesale company in Australia a subsidiary in October LY, opening a new store in Thailand, and expanding a wholesale sales channel in each country, sales grew and operating loss shrank.
	Gross profit	1,381	1,312	+5.2%	
	SG&A	1,497	1,525	-1.8%	
	Operating income	-115	-212	-	
Imported Car dealer, B to B and Internet Business	Sales	8,251	7,537	+9.5%	The operating loss shrank because of increased sales in the dealer business, as well as the improvement of profitability of a wholesale subsidiary in the BtoB business.
	Gross profit	1,661	1,229	+35.2%	
	SG&A	1,696	1,697	-0.0%	
	Operating income	-34	-467	-	
Other Business	Sales	517	548	-5.7%	Although sales declined, operating income equivalent to that in the previous term was secured.
	Gross profit	179	176	+1.7%	
	SG&A	71	68	+5.1%	
	Operating income	107	107	-0.5%	
Reconciling items	Operating income	-1,508	-1,473	-	

Amounts are rounded down to the nearest million yen.
YoY comparisons are calculated in yen.

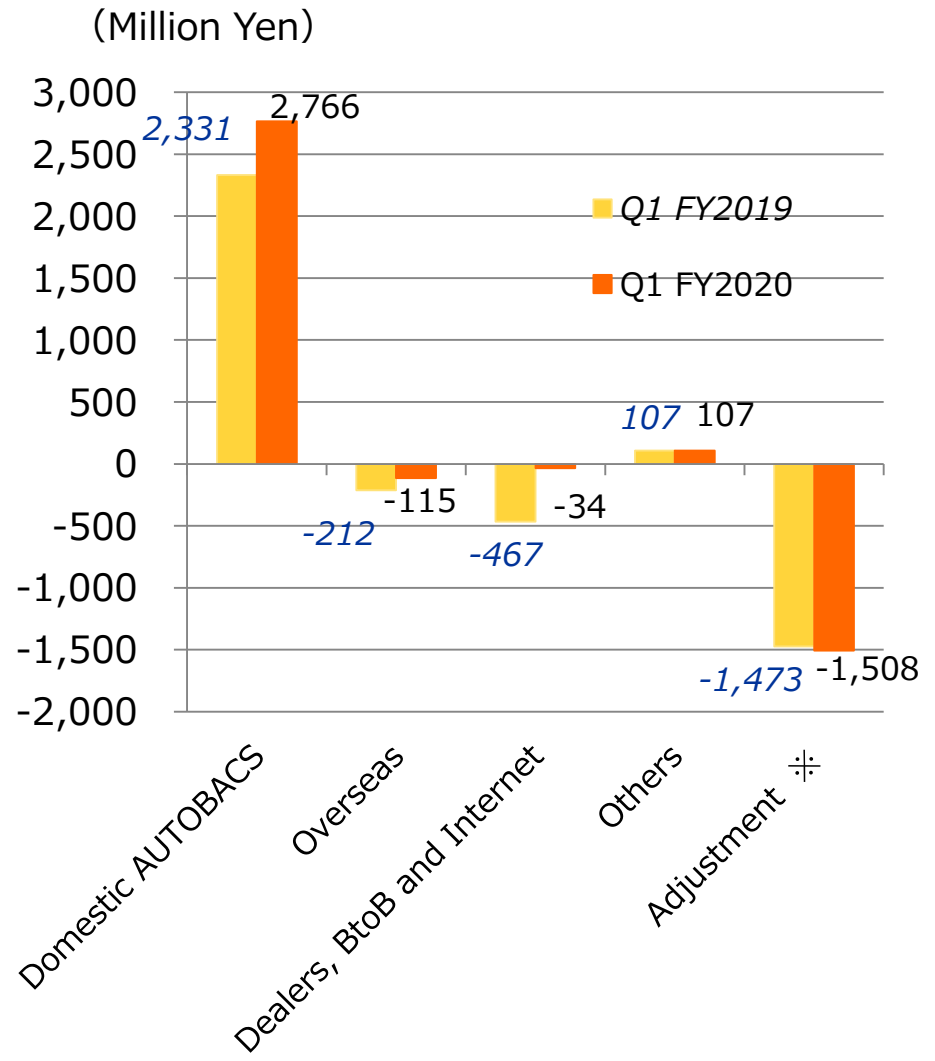
Sales and profits of Reporting Segments

Sales



Round down to the nearest million Yen
Before elimination of transaction between segments

Profits

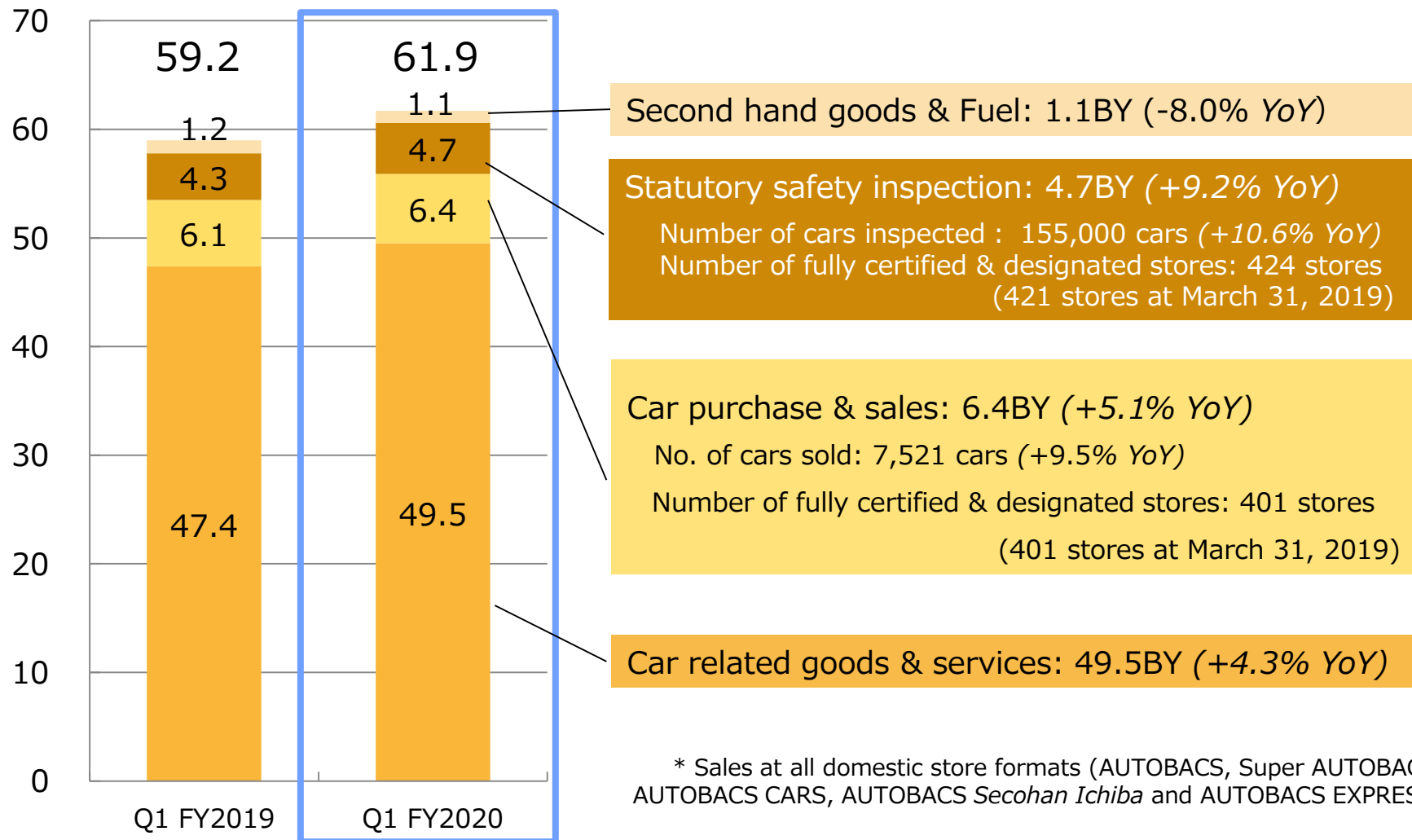


※ Corporate expenses not allocated to each reporting segment, mainly general and administrative expenses

Retail Sales in Total AUTOBACS Group Stores

RETAIL SALES INCLUDING FCs: 61.9 billion yen (+4.5% YoY)

(Billion Yen)



* Sales at all domestic store formats (AUTOBACS, Super AUTOBACS, AUTOBACS CARS, AUTOBACS Secohan Ichiba and AUTOBACS EXPRESS)

Non-Consolidated and Domestic Store Subsidiaries



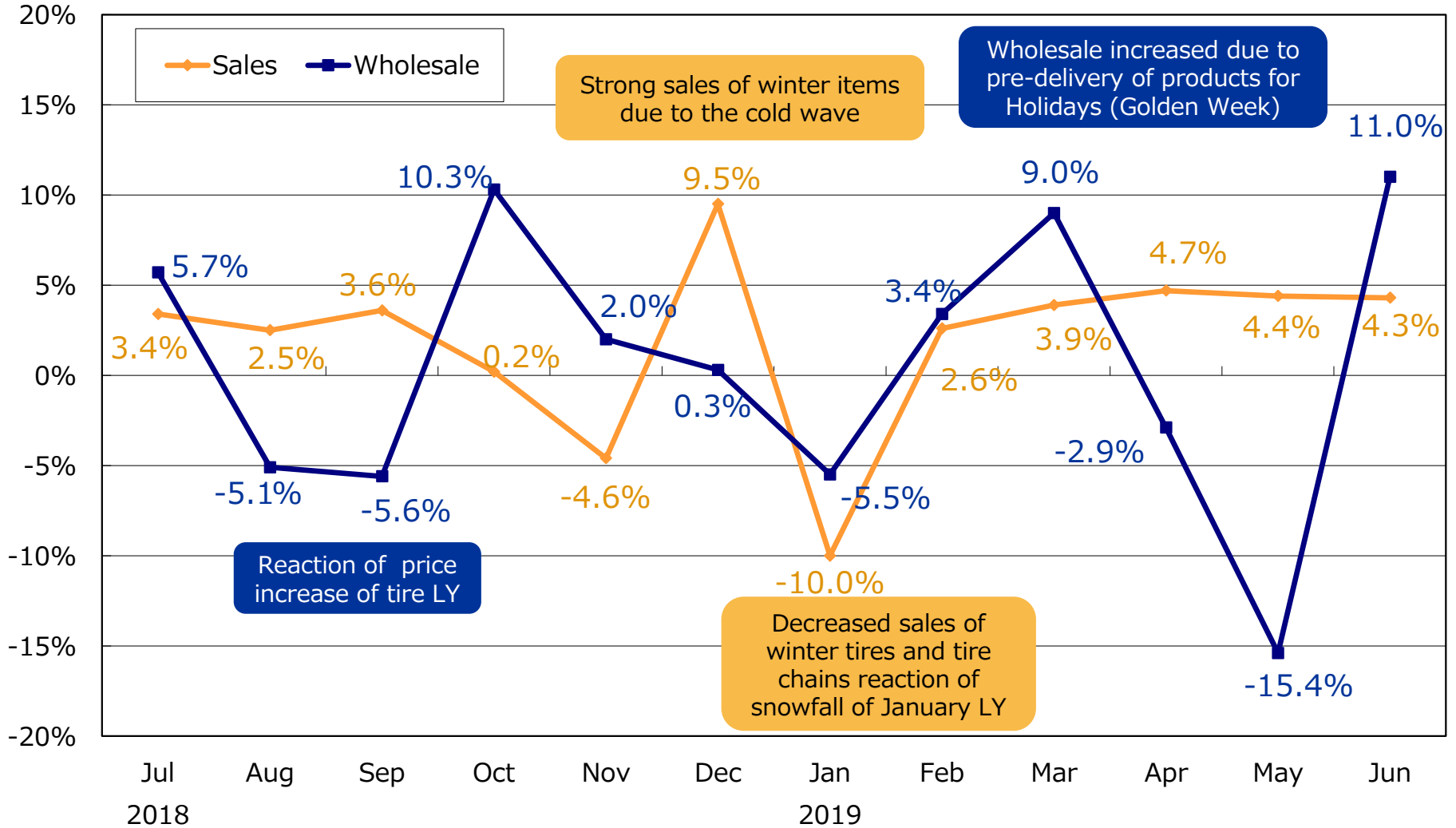
(Million Yen)

	Non-consolidated		Domestic Store Subsidiaries	
	Results	YoY	Results	YoY
Net Sales	35,863	-99	12,909	+1,093
Gross Profit(%)	7,320 (20.4%)	+332 (+1.0pt)	5,615 (43.5%)	+566 (+0.8pt)
SG&A	6,625	+248	5,460	+343
Operating Income	694	+84	155	+223
Explanation	<ul style="list-style-type: none"> •Sales decreased but profit increased. •Gross profit increased due to strong sales in car electronics and accessory/maintenance goods. •Although advertising expenses were reduced for TV commercials, etc., total SG&A expenses grew. 		<ul style="list-style-type: none"> •Sales and profit increased. •In line with conversion of FC stores into subsidiaries, sales, gross profit, and SG & A expenses increased. •Gross profit margin was improved because of favorable sales of service, due in part to statutory safety inspections. 	

Sales Trend: Retail & Wholesale



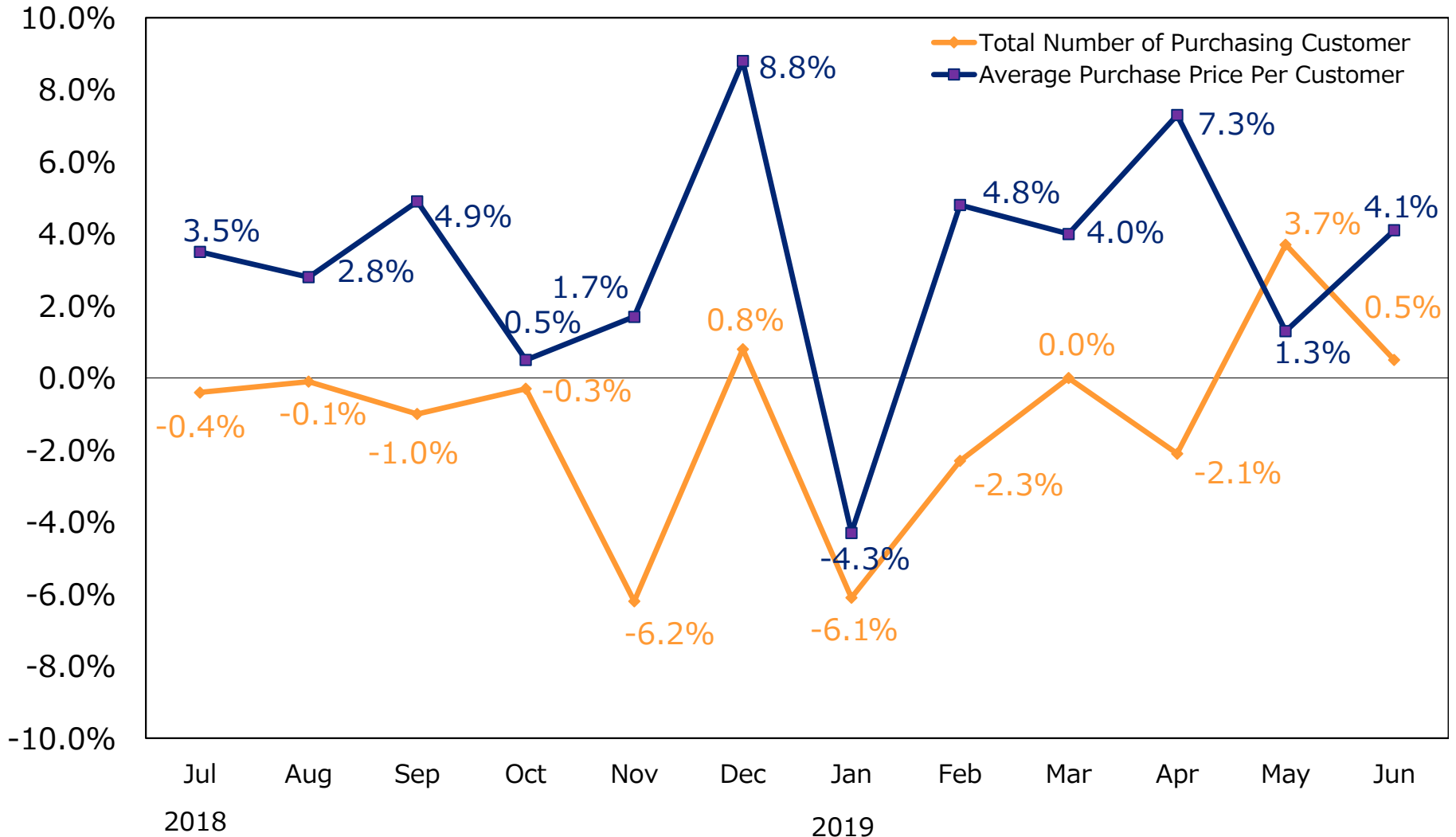
[YoY change for the last 12 months]



* Sales at all domestic store formats (AUTOBACS, Super AUTOBACS, AUTOBACS CARS, AUTOBACS Secohan Ichiba and AUTOBACS EXPRESS)

Total Number of Purchasing Customer and Average Purchasing Price Per Customer

[YoY change for the last 12 months]



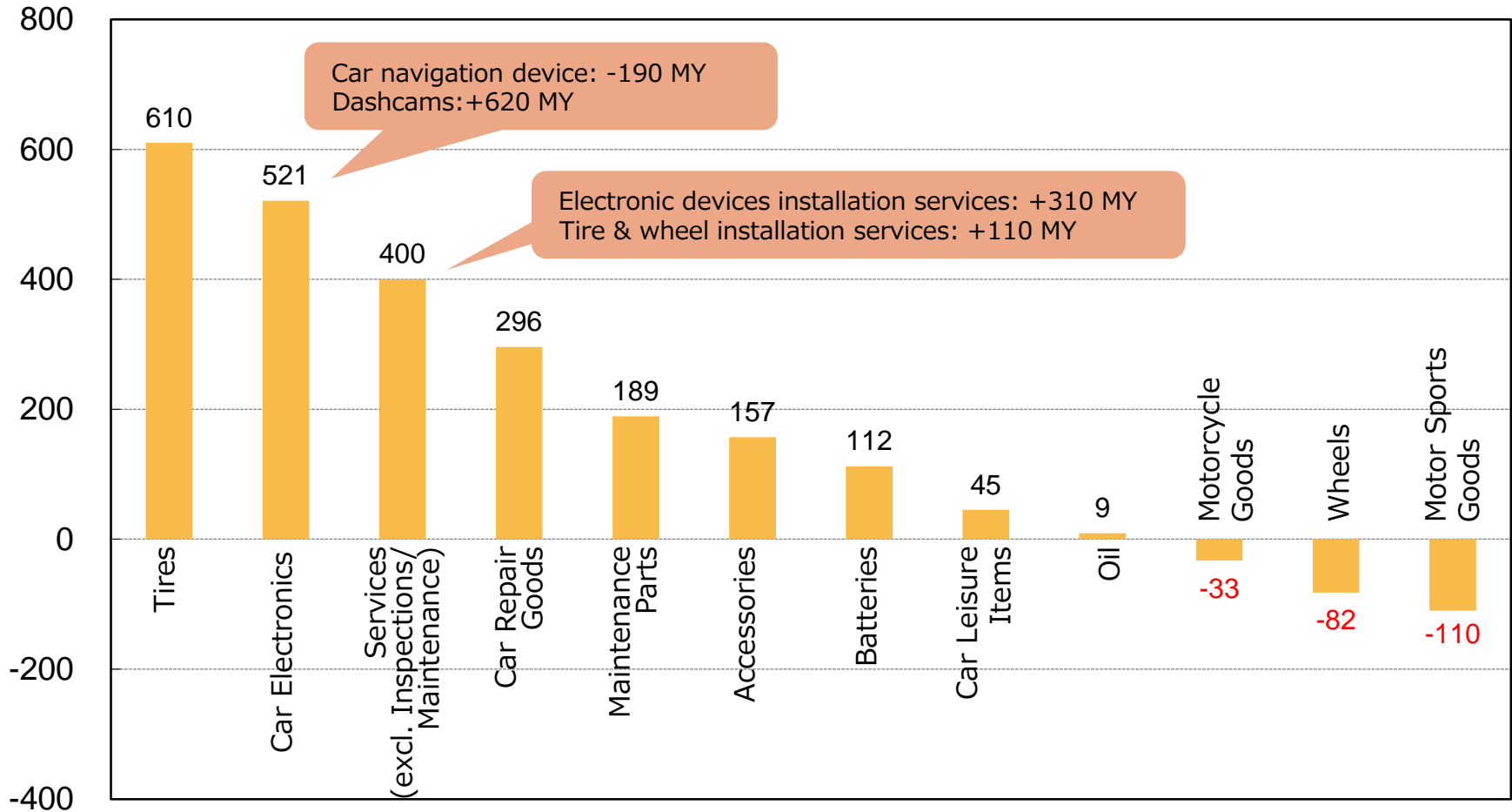
* Sales at all domestic store formats (AUTOBACS, Super AUTOBACS, AUTOBACS CARS, AUTOBACS Secohan Ichiba and AUTOBACS EXPRESS)

Sales Variance by Merchandise (Q1 FY2020)

Sales* changes by merchandise category

(Million Yen)

(YoY change in amount; total store basis)



* Include sales at domestic AUTOBACS-chain stores including FCs; all store formats (AUTOBACS, Super AUTOBACS, CARS, AUTOBACS *Secohan Ichiba* and AUTOBACS EXPRESS)

Automobile purchase and sales business



BtoB Sales

Details	No. of cars sold
To AUTOBACS Seven	773
Sales to AA via AUTOBACS Seven	1,095
Direct sales from stores	2,785
BtoB total	4,653

Retail

Details	No. of cars sold
Used cars	1,835
New cars	1,033
Retail total	2,868

Toal 7,521 cars

YoY +9.5%

※Include sales at all domestic AUTOBACS CARS stores

Performance by Overseas Subsidiaries

(Million Yen)



	France		Thailand		Singapore		Chine		Malaysia		Australia	
Number of stores*	11		16		3		0		4		0	
Period	Q1 FY2020	Q1 FY2019	Q1 FY2020	Q1 FY2019	Q1 FY2020	Q1 FY2019	Q1 FY2020	Q1 FY2019	Q1 FY2020	Q1 FY2019	Q1 FY2020	Q1 FY2019
Net sales	1,852	2,014	170	101	336	310	270	84	18	10	330	-
SG&A	1,006	1,124	81	72	131	136	53	50	10	17	107	-
Operating income	-25	-43	-28	-38	9	5	8	-21	-4	-12	2	-
Business conditions	Despite improved pit service in stores, sales decreased. However, the operating loss was reduced because of cost cutting, including a reduction in advertising expenses.		Although SG&A expenses were generated in advance in line with the opening of small stores in the PTG Group's gasoline station mall, but operating loss was reduced due to increased sales.		Wholesale increased mainly for convenience stores and hypermarkets. In addition, sales from the maintenance service to vehicles used for car-sharing were strong.		Wholesale sales of car goods, such as PB oil, increased substantially for China's domestic market and other markets, becoming profitable.		Wholesale sales of maintenance goods, etc. to hypermarkets increased. The operating loss narrowed, partly because of the decline in SG&A due to restructuring conducted in the previous term.		In October 2018, AudioXtra was made into a new, local subsidiary in order to promote local wholesale.	

*including FC stores

Amounts are rounded down to the nearest million yen. 10

Making a statutory safety inspection provider a subsidiary

To develop a new network, a statutory safety inspection provider was made into a subsidiary in June 2019.

Seiwa Automobile Sales Co., Ltd.

Location : Rittou-shi, Shiga Prefecture

Business description : Car repair and maintenance

Capital : 10 Million Yen



Products for “Safety and Security”

Because of multiple reports in the media of accidents due to mistakenly hitting the accelerator instead of the brake, goods for security and safety are currently attracting attention from customers.

Pedal Watcher II

Price : 40,000 yen

(electric wiring for each car type,
installation fee included, tax excluded)



In municipalities including Tokyo, there is a growing trend for products that support safety driving by elderly drivers to be covered by subsidies.

Store Openings and Closings



Domestic stores

	No. of stores as of March 31, 2019	Fiscal year ending March 31, 2020							(Plan) No. of stores as of March 31, 2020
		Q1 (results)			No. of stores as of June 30, 2019	Q2 - Q4 (Plan)			
		New	S/B•R/L	Close		New	S/B•R/L	Close	
AUTOBACS	493		+1/-1		493	+3	+1/-1	-4	492
Super AUTOBACS	74				74				74
AUTOBACS <i>Secohan Ichiba</i>	7				7				7
AUTOBACS EXPRESS	11				11				11
AUTOBACS CARS	8			-5	3				3
Total	593	0	+1/-1	-5	588	+3	+1/-1	-4	587

Overseas stores

S/B=Scrap & Build, R/L=Relocation

Country / Region	No. of stores as of March 31, 2019	FY March 2020(Results & Forecasts)			(Plan) No. of stores as of March 31, 2020
		Q1 (results)	No. of stores as of June 30, 2019	Q2 - Q4 (Plan)	
France	11		11	-1	10
Thailand	15	+1	16		16
Singapore	3		3		3
Taiwan	7		7		7
Malaysia	4		4		4
Indonesia	3		3		3
Philippines	3		3		3
Total	46	+1	47	-1	46

Balance Sheet / Assets



183.0BY

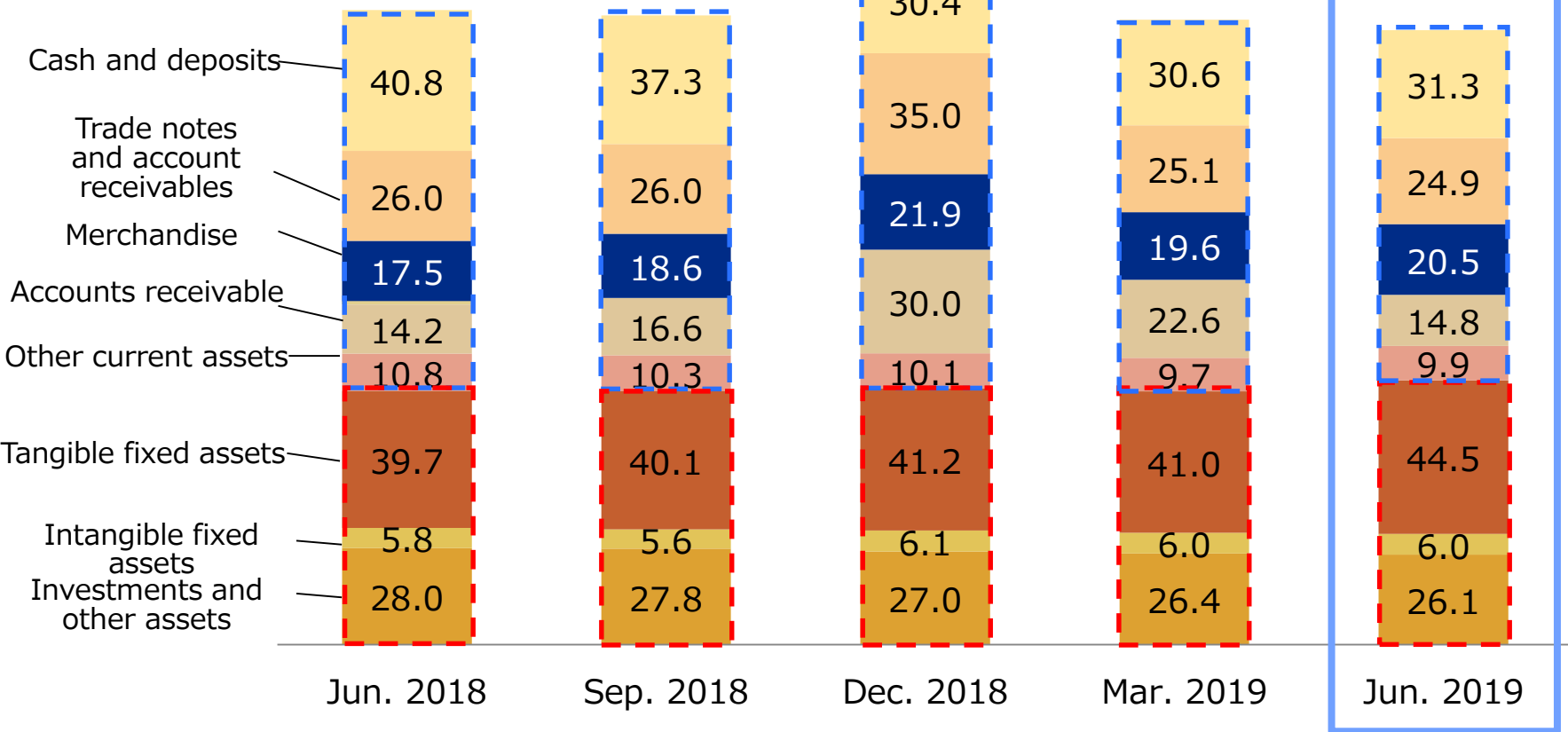
182.7BY

202.1BY

181.3BY

178.3BY

(Billion Yen)



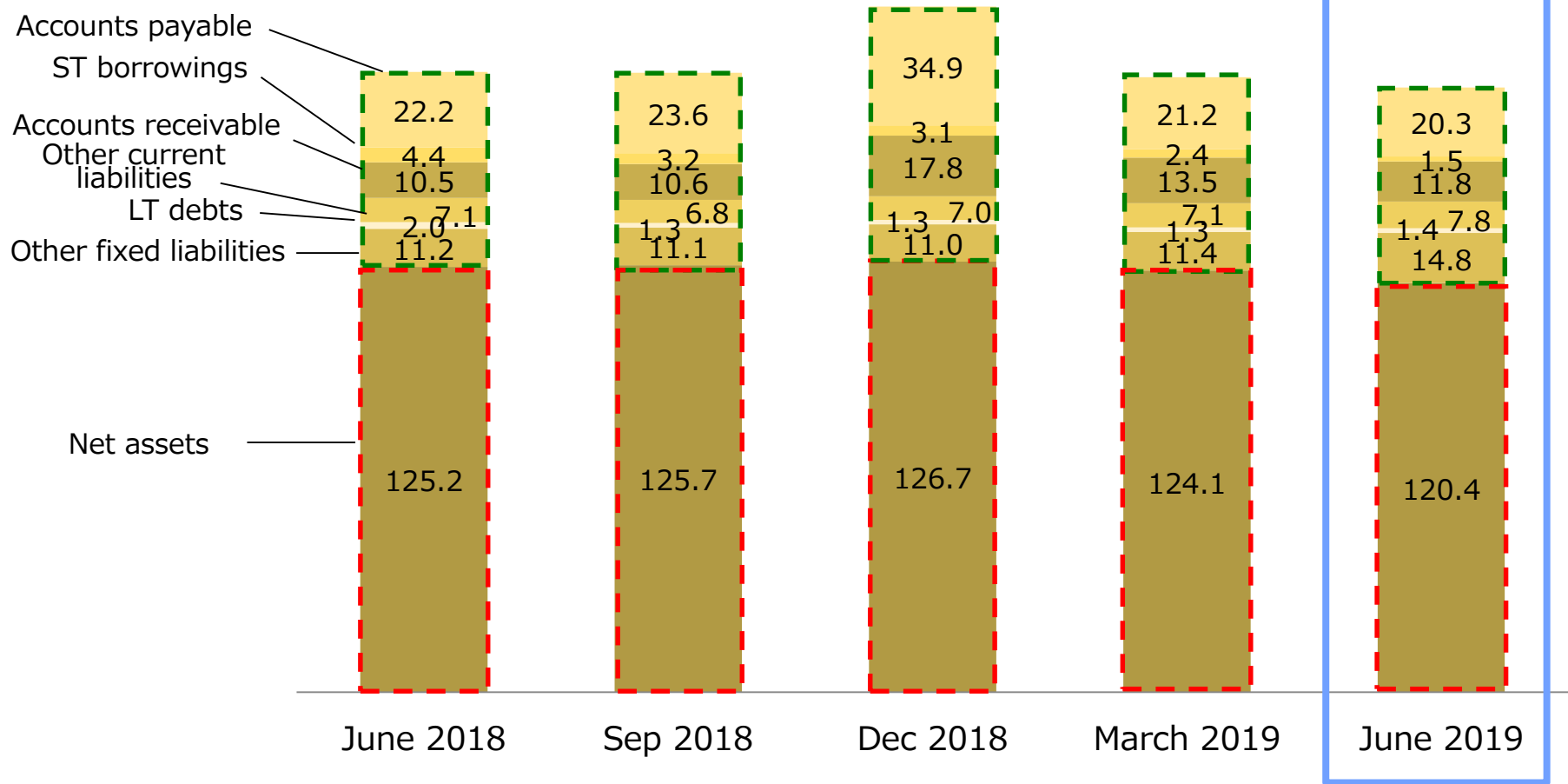
Amounts are rounded down to the nearest hundred million yen. 15

Balance Sheet / Liabilities & Net Assets



183.0BY 182.7BY 202.1BY 181.3BY 178.3BY

(Billion Yen)



Amounts are rounded down to the nearest hundred million yen. 16



Forward-Looking Statements

These materials include forecasts regarding the Company's future plans, strategies, and performance. This information is based on judgments and estimates made in accordance with information currently available. Actual results may differ materially from forecasts due to such factors as changes in operating circumstances.