

ANALYST MEETING

Results for the Six Months Ended September 30, 2016



November 1, 2016

**Kiomi Kobayashi,
CEO, President**

AUTOBACS SEVEN CO., LTD.

1. Results for the First Six Months Ended September 30, 2016

Financial Results (the First Half of FY March 2017)



(Billion Yen)

	Six months ended September 30, 2016				Six months ended September 30, 2015
	Initial Forecast	Actual results	YoY change ratio	Change from forecast	
Net sales	100.6	94.8	-3.9%	-5.7	98.6
Gross margin	32.9	30.6	-4.5%	-2.2	32.1
Gross margin ratio	32.7%	32.3%	-0.2%	-0.4pt	32.5%
SG&A	30.4	29.6	+0.2%	-0.7	29.6
Operating income	2.5	9	-60.4%	-1.5	2.4
Operating income ratio	2.5%	1.0%	-1.5%	-1.5pt	2.5%
Non-operating income/ expenses	0.4	0.5	-9.1%	0.1	0.6
Ordinary income	2.9	1.5	-50.0%	-1.3	3.1
Extraordinary gains/ losses	-	-	-	-	-
Net income	1.7	0.7	-53.6%	-0.9	1.6

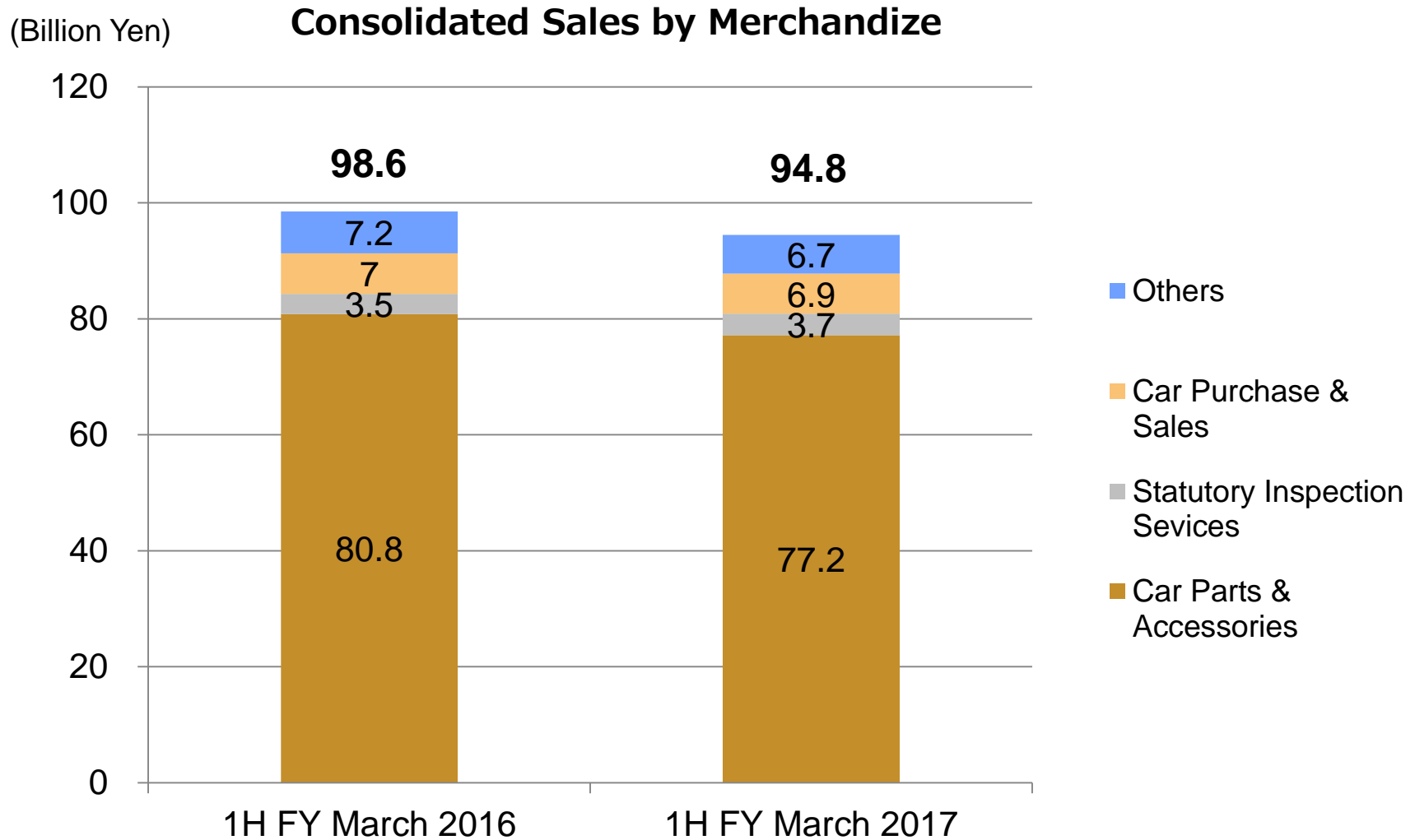
Amounts are rounded down.

% of Net Sales and YoY comparisons are calculated in the single digits.

Review of the First Half of FY March 2016

- 1. Continued weak demand for automotive goods and services due to the impact of poor sales of light motor vehicles**
- 2. Statutory safety inspection and maintenance affected by the decrease in the number of automobiles to undergo statutory safety inspections**
- 3. Increased sales of automobile purchases and sales, especially B2B**
- 4. Reduction of operating loss owing to focus on profitability improvement offsetting decreased sales of domestic store subsidiaries**
- 5. Decrease in net sales and income due to decline in net sales and gross profit despite efforts to cut selling, general and administrative expenses**

Consolidated Sales by Merchandize



Segment Information

(Million Yen)

		Six months ended Sep 30, 2016	Six months ended Sep 30, 2015	YoY Change	Initial Forecast	% to Forecast
Non-consolidated	Net sales	70,868	75,144	-5.7%	76,100	-6.9%
	Operating income	1,678	3,515	-52.3%	3,200	-47.6%
Domestic store subsidiaries	Net sales	31,263	32,315	-3.3%	33,300	-6.1%
	Operating income	-1,129	-1,186	-	-820	-
Overseas subsidiaries	Net sales	3,962	4,973	-20.3%	5,010	-20.9%
	Operating income	-28	116	-	40	-
Subsidiaries for car goods supply and other	Net sales	10,325	10,150	+1.7%	10,700	-3.5%
	Operating income	-19	-66	-	40	-
Subsidiaries for supporting function	Net sales	1,469	1,662	-11.6%	1,400	+4.9%
	Operating income	190	217	-12.3%	160	+19.0%
Segment total	Net sales	117,889	124,246	-5.1%	126,510	-6.8%
	Operating income	691	2,596	-73.4%	2,620	-73.6%

Amounts are rounded down.

% of Net Sales and YoY comparisons are calculated in the single digits.

Analysis for Operating Income

Domestic Retail sales		Total store basis: -2.6% Same store basis: -4.2%	
		Operating income (Billion yen)	
		Amount	Major drivers of variance (yoy)
Segment	Non-consolidated	1.67	-1.83BY Net sales: -4.27BY (-5.7%) Gross Profit: -1.40BY (20.3% (1H of last year 21.0%)) • Wholesale sales and GPM decrease in tires, wheels, accessories, etc. SG&A: +0.42BY • Cost increase due to renovation of logistics center, etc.
	Domestic store subsidiaries	-1.12	+0.05BY Net sales: -1.05BY (YoY -3.3%) Gross Profit: -0.21BY(39.0% (1H of last year 38.4%)) SG&A: -0.26BY • Improvement of stock turnover, efficient use of costs raised profitability.
	Overseas subsidiaries	-0.02	-0.14BY Worsened profitability at the French subsidiary, etc.
	Subsidiaries for car goods supply and other	-0.01	+0.04BY Improvement of profitability of subsidiaries operate import car dealer and oil wholesale subsidiary
	Subsidiaries for supporting function	0.19	-0.02BY
Segment total		0.69	-1.90BY
Consolidation Adjustments		+0.29	Mainly due to change in unrealized profits
Consolidated		0.98	-1.50BY

Amounts are rounded down.

Performance by Overseas Subsidiaries

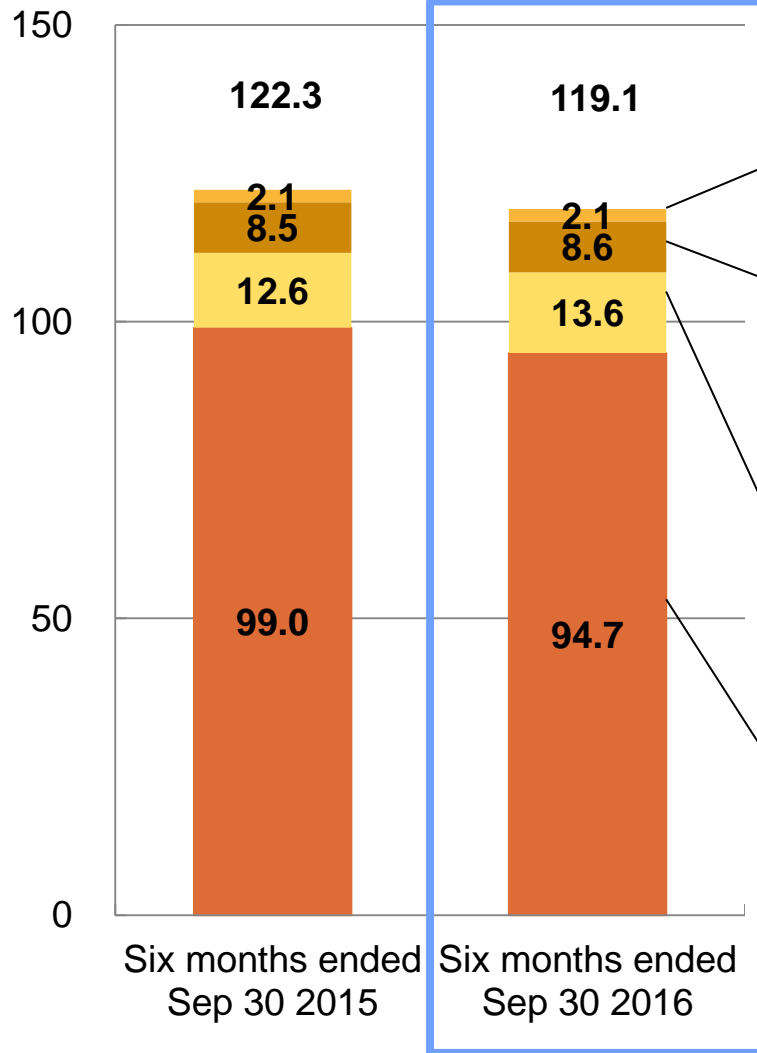
	FRANCE		THAILAND		SINGAPORE		CHINA		MALAYSIA	
Number of stores at Sep. 30, 2015 -including FC stores-	11		8		2		0		5	
Period	1 st Half FY March 2017	1 st Half FY March 2016	1 st Half FY March 2017	1 st Half FY March 2016	1 st Half FY March 2017	1 st Half FY March 2016	1 st Half FY March 2017	1 st Half FY March 2016	1 st Half FY March 2017	1 st Half FY March 2016
Net sales (Million Yen)	3,114	3,900	113	190	600	670	124	670	10	0.0
SG&A (Million Yen)	1,643	1,920	88	90	216	230	38	230	31	20
Operating income (Million Yen)	-20	90	-55	-30	78	70	-3	70	-27	-20
Business conditions	Ongoing harsh business environment, including economic stagnation; decrease in OP due to sales decrease despite efforts to increase percentage of sales of services and gross profit margin		Two new stores opened in the first half; in particular, strong sales of the Lat Phrao 101 store since its opening; generally, weak oil sales leading to a decrease in the gross profit margin		The same operating income as the previous period despite a decrease in sales due to store renovation; one store closed in the first half to improve asset efficiency		Strong performance of the core business, export for AUTOBACS stores; poor sales of other wholesale		Continued experiment of small-scale store centered on maintenance and service by a local subsidiary	

Amounts are rounded down.

Domestic Retail Sales

Retail sales including FCs*: 119.1 billion Yen (-2.6% YoY)

(Billion Yen)



Fuel & second-hand goods:
2.1 billion Yen (+1.0% YoY)

Statutory safety inspection :
8.6 billion Yen (+1.4% YoY)
296 thousand cars (+0.1% YoY)
Number of fully certified & designated stores:
407 stores (403 stores, as of March 31, 2016)

Car purchase and sales:
13.6 billion Yen (+8.2% YoY)
13,580 cars (+6.1% YoY)
Number of CARS membership stores: 495 stores
(480 stores, March 2016)

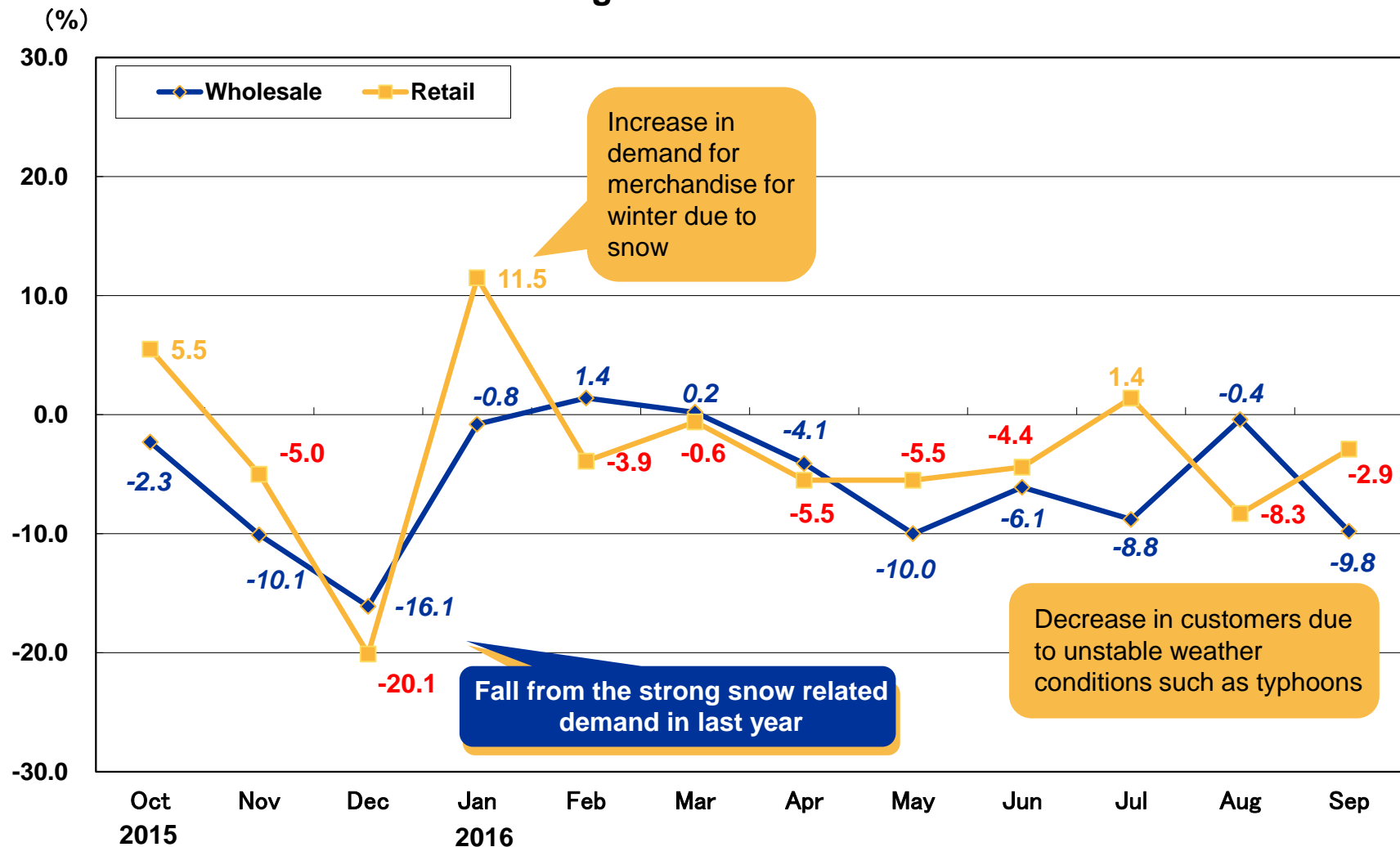
Car related goods and services:
94.7 billion Yen (-4.4% YoY)

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

Amounts are rounded down.

Sales Trend: Retail, Wholesale and Store Inventory

YoY change for the last 12 months

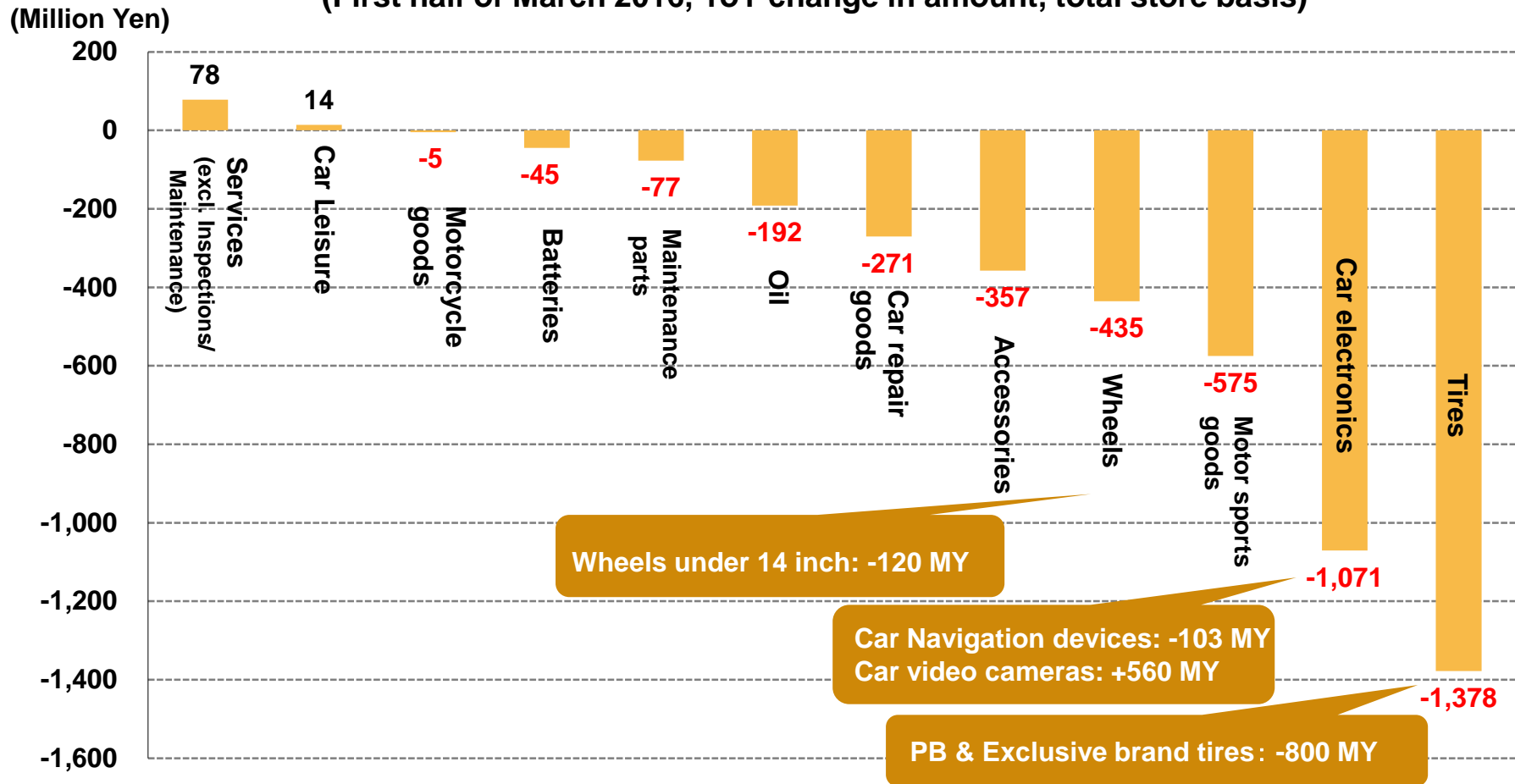


* Sales at all domestic store formats (AUTOBACS, Super AUTOBACS, AUTOBACS CARS, AUTOBACS Secohan Ichiba and AUTOBACS EXPRESS)

Sales Ups & Downs by Merchandise (1st Half)

【Same Store Basis】 Sales: -4.2% YoY, Number of customers: -5.6% YoY

Retail sales ups and downs by merchandise category (First half of March 2016, YoY change in amount, total store basis)



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

Measures Implemented in the First Half

Automotive goods and services

- Expansion of line-up of private brand "AQ"
Introduction category: floor mat, cushion, seat cover, sun visor
In the second half, expansion of accessories, maintenance goods and others
- Sales expansion of car video cameras
Amount (YoY): +41.8% (cumulative through Q2 for the fiscal year ending March 2017)
- Optimum pricing
Review to ensure reasonable prices and change price indications to tax-exclusive pricing (from October 2016)



Statutory safety inspections and maintenance

- Promotion of dissemination of rapid operation for statutory safety inspections
- Launch of the "Three Relief Star Compensation" service
- TV commercials all over Japan to boost the recognition of the AUTOBACS brand

Car purchases and sales

- Further promotion of initiatives centered on car purchases
- Expansion of car purchases by car purchase specialist stores
Percentage of five stores to total cars purchased: 8.5%



Initiatives for Customer Voice Program

Program for gathering frank opinions from customers visiting stores by using a questionnaire for the improvement of operations, merchandise, marketing, facilities, etc.

Link on purchase receipt to the site for the questionnaire

Report on collected opinions (example)




	豊田の2ヵ月	その他の2ヵ月
回答数	31286	35295
総合満足度・紹介・再来店	%	%
総合満足度		
再来店		
知人への推薦意向		
価格に対する内容		
店舗全体に関する項目		
レジスタッフの接客態度		
スタッフの知識		
お手伝いできるスタッフがいたかどうか		
会計にかかった時間		
店舗の清潔さ		
トイレの清潔さ		
商品に関する項目		
商品売場スタッフの接客態度(商品)		
取扱ブランドの豊富さ(商品)		
商品の在庫状況(商品)		
商品の並びやすさ(商品)		
ピットに関する項目		
ピットスタッフの接客態度(ピット)		
ピット作業にかかった時間(ピット)		
ピット作業の効率(ピット)		
ピットメニューの分かりやすさ(ピット)		
待合室の清潔さ(ピット)		
待合室の快適性(ピット)		
カーズに関する項目		
車の清潔さ(査定)		
買取りの満足度(買取)		
車購入の満足度(車購入)		

Improvement activities in

stores/headquarters

Start from July 2016

As of September 30, 2016, around 160,000 opinions had been gathered.

Expanding Product Category of PB



AQ. (AUTOBACS Quality)



Interior mat of three dimensional shape
(Launched in May 2016)



Smoked sun visor does not hinder visibility
(Launched in August 2016)



Fake leather cushion
(Launched in April 2016)



Waterproof seat cover
(Launched in July 2016)

Sales via internet site (1st half FY March 2017)

1.09 billion Yen (YoY -22.0%)

[Sales by distribution channel]

Delivered at stores (Store sales)

: 0.73 billion Yen (YoY -11.1%)

Direct delivery to customers

: 0.36 billion Yen (YoY -38.4%)

[Sales by contact point]

Company website : 71%

Internet shopping mall: 29%



AUTOBACS.COM

Measures implemented

- Promotion of improvement for greater customer convenience such as “purchase of merchandise / appointment for operation” on the Company website
- Strengthening the campaign for the advance reservation of new navigation devices and encouragement to visit stores
- Focus on the Company website and ensuring appropriate promotion activities
=> Toward operations with a focus on profits

Oil Change / Statutory Safety Inspections:

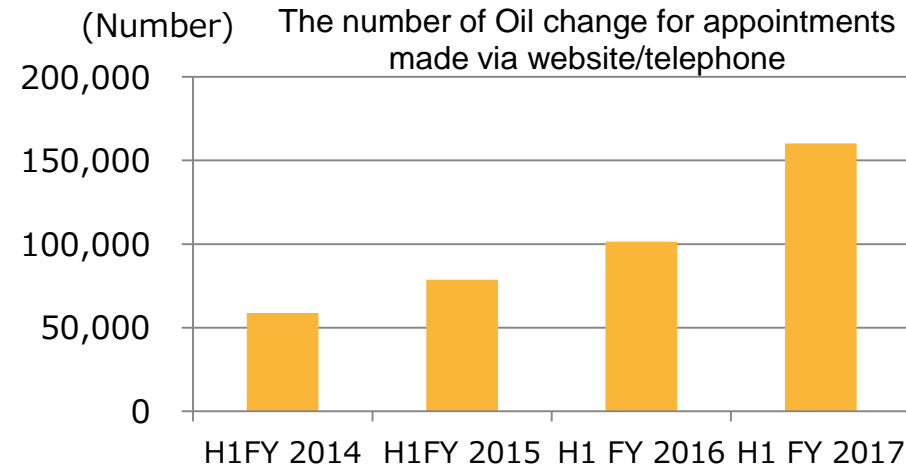
Initiatives implemented for appointments made via website/telephone



Results of Oil change appointments (H1 March FY2017)

Approximately 160,000 (YoY +55%)

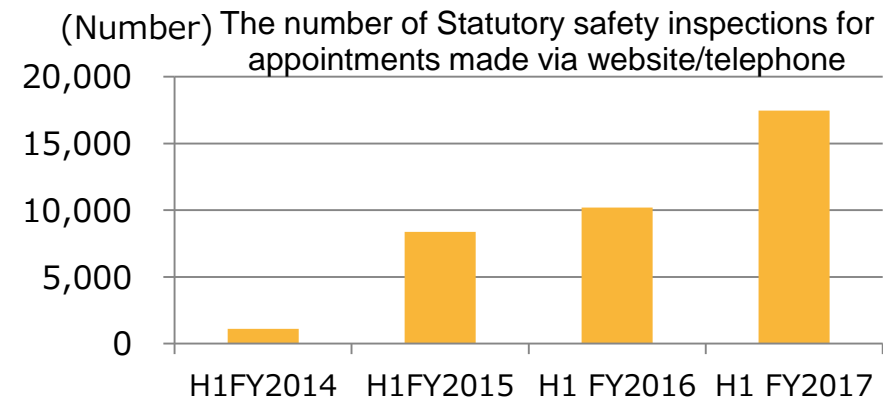
Percentage of oil sales volume: 6.8%



Results of Statutory safety inspections appointments (H1 March FY2017)

Approximately 17,000 cars (YoY +71%)

Percentage of total number of car inspections : 5.9%



Improvement of the page for appointments to increase customer convenience

3-step appointments available both for oil changes and statutory safety inspections

Automobile purchase and sales (1)

Commercial flow of car purchase and B2B sales

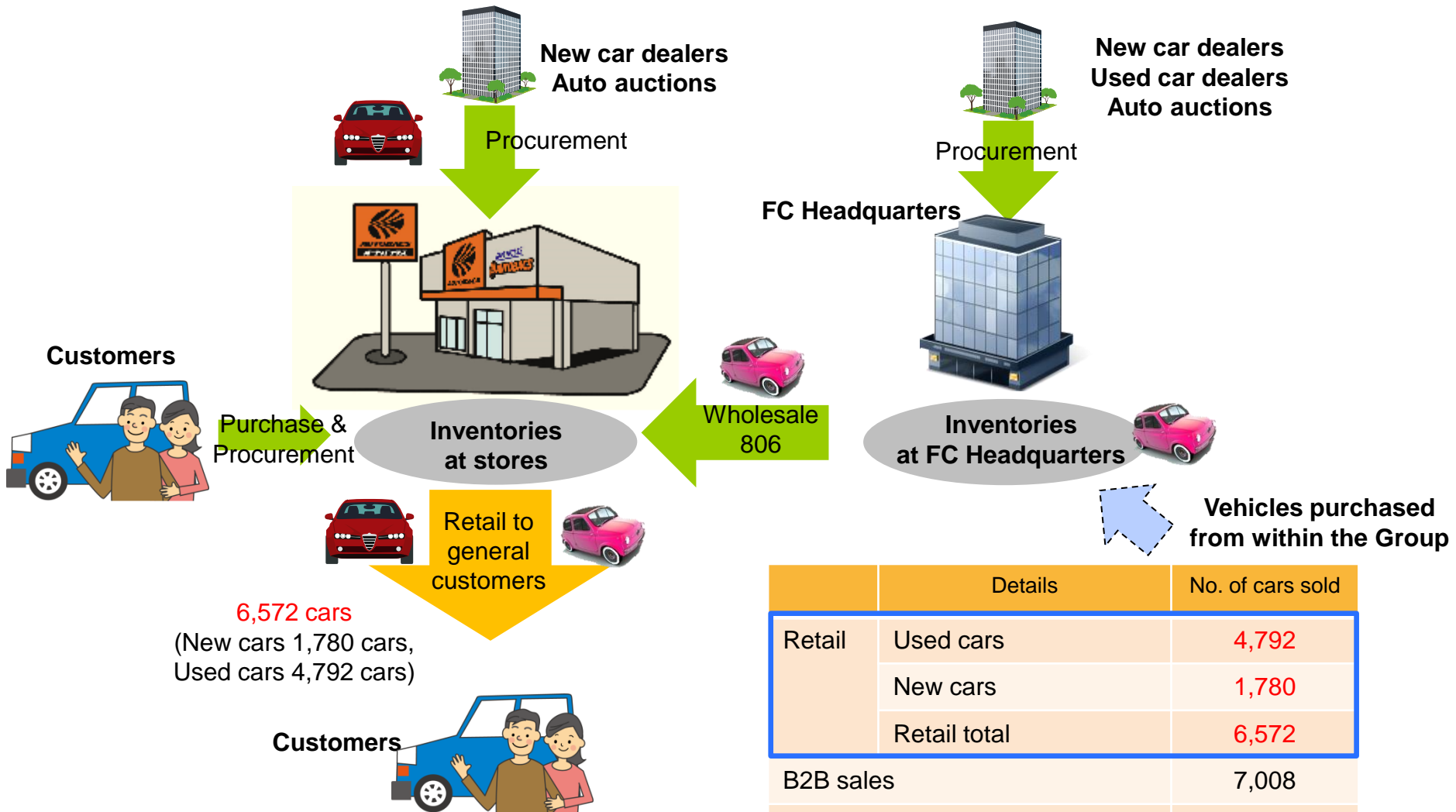
(No. of cars denotes cumulative units for the six months ended Sep. 30, 2016)



Automobile purchase and sales (2)

Commercial flow of retail sales

(No. of cars denotes cumulative units for the six months ended Sep. 30, 2016)

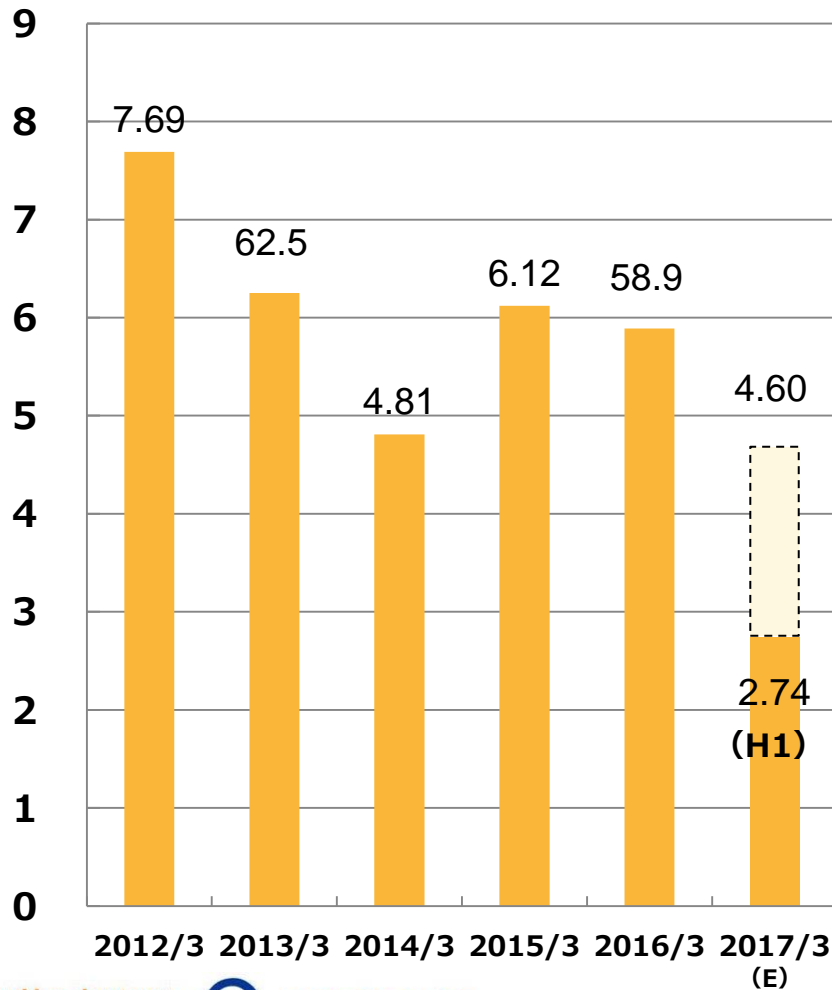


	Details	No. of cars sold
Retail	Used cars	4,792
	New cars	1,780
	Retail total	6,572
B2B sales		7,008
Total		13,580

CAPEX and Depreciation

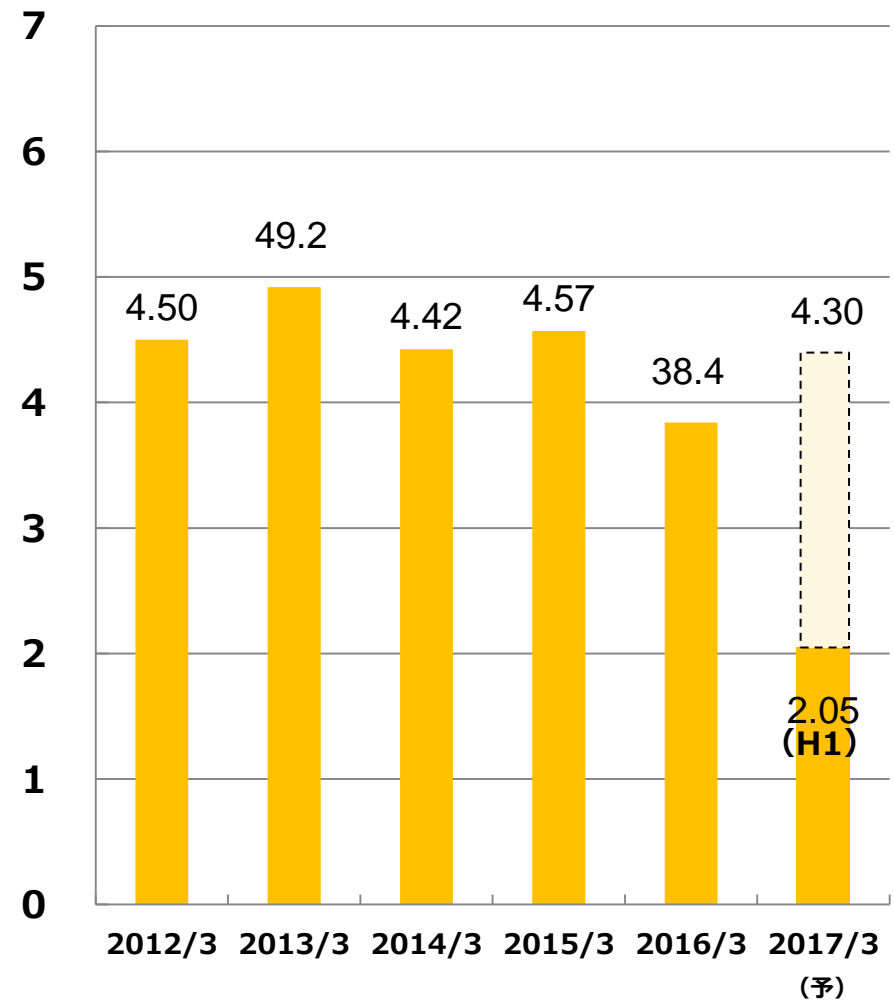
CAPEX

(Billion Yen)



Depreciation

(Billion Yen)



Progress of New Store Openings

	Store name	Location (Prefecture)	Owner of store	Opening date
1	AUTOBACS OSAWANO Store	Toyama	FC	April 23, 2016
2	AUTOBACS Used Car Purchase Store MATSUBARA	Tokyo	RC	May 26, 2016
3	AUTOBACS SATOSHO Store	Okayama	FC	June 24, 2016
4	AUTOBACS Used Car Purchase Store KOGANEI	Tokyo	RC	July 27, 2016
5	AUTOBACS Used Car Purchase Store SEIJO-GAKUEN MAE	Tokyo	RC	Aug. 7, 2016



AUTOBACS
OSAWANO Store



AUTOBACS Used Car
Purchase Store MATSUBARA



AUTOBACS
SATOSHO Store



AUTOBACS Used Car Purchase
Store KOGANEI



AUTOBACS
Used Car Purchase Store
SEIJO-GAKUEN MAE

New store openings



AUTOBACS CHARAN Store
in Thailand
(Opened on May 27)



AUTOBACS LAT PHRAO 101 Store
in Thailand
(Opened on July 22)

Capital alliance/business partnership

Wholesale of tires and manufacturing/distribution of appliances for maintenance of automobiles in Malaysia

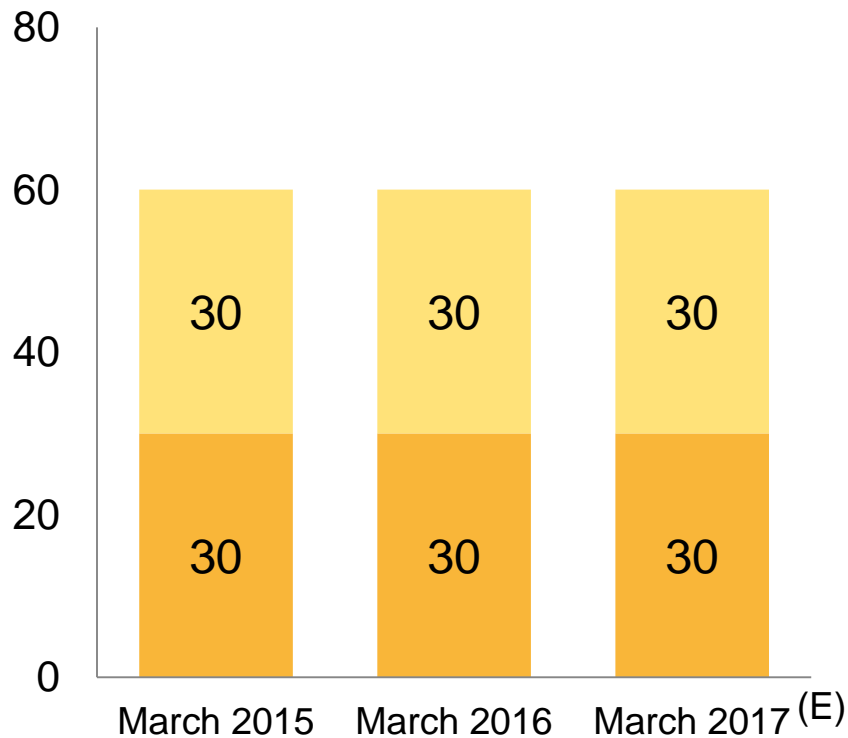
Start of the capital alliance/business partnership with the local enterprise, the Kit Loong Group (September 2016)

- Supply of merchandise from partners to AUTOBACS stores in Malaysia
- Supply of car accessories and car parts merchandise to partner stores

Shareholders Return

Dividends per share

(Yen)

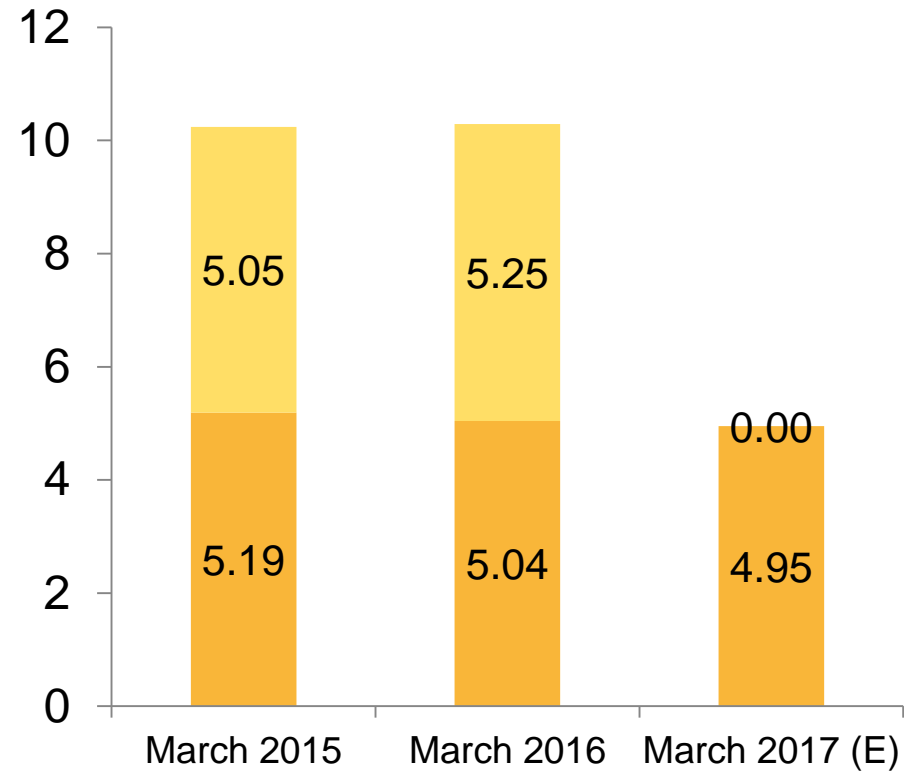


1st Half

2nd Half

Dividends and share buyback

(Billion Yen)



Amount of share buyback

Dividend paid

Amounts are rounded down.

2. Forecast of FY March 2017 and Measures for the Second Half of FY March 2017

Business Environment

Positive factors

- Increase in the number of automobiles subject to statutory safety inspections and recovery of demand for statutory safety inspections
- Reaction to a decrease in demand for winter goods due to warm weather in the previous fiscal year
- Scheduled input of numerous automobiles with a new model/full model change

Negative factors

- Continued tendency of standstill of consumption

Domestic store sales (YoY)

1H Results		2H Plans (revised)		Full Year (revised)	
Same store sales	Total store sales	Same store sales	Total store sales	Same store sales	Total store sales
-4.2%	-2.6%	-0.2%	+1.3%	-2.0%	-0.5%

Financial Forecasts of FY March 2017

Revision of sales and profits for the second half due to a last-minute surge in demand upon the postponement of the consumption tax hike expected at the beginning of the period

Aiming to increase store sales by investing in costs to achieve stronger sales

(Billion Yen)

	1 st Half	2 nd Half		Full Year	
	Results	Forecasts (revised)	YoY	Forecasts (revised)	YoY
Net sales	94.8	111.8	+2.2%	206.7	-0.7%
Gross margin	30.6	35.8	+2.8%	66.5	-0.7%
Gross margin ratio	32.3%	32.0%	+0.2pt	32.2%	±0.0pt
SG&A	29.6	31.6	+3.2%	61.3	+1.7%
Operating income	0.9	4.2	+0.2%	5.2	-22.4%
Operating income ratio	1.0%	3.8%	±0.0pt	2.5%	-0.7pt
Ordinary income	1.5	4.6	-0.3%	6.2	-20.3%
Profit attributable to owners of parent	0.7	2.9	+8.6%	3.7	-15.4%
ROE	-	-	-	2.8%	-0.4pt

Amounts are rounded down.

% of Net Sales and YoY comparisons are calculated in the single digits.

Initiatives of AUTOBACS Business for Second Half

	Major initiatives
Car parts and accessories	<ul style="list-style-type: none"> • Focus on tires to secure sales in the demand season ⇒ Inventory, store and sales system in accordance with changes in demand, including the weather • Increase in points of contact with customers through aggressive promotion • Sales expansion of car video cameras
Statutory inspection services	<ul style="list-style-type: none"> • Dissemination and practice of rapid statutory safety inspections • Promotion of differentiation using "Three Relief Star Compensation" • Promotion of appointments via website/telephone • Strengthening of advertisement of "AUTOBACS statutory safety inspections" via TV commercials
Car purchase and sales	<ul style="list-style-type: none"> • Strengthening of purchase appraisals in stores • Increase in used car purchase stores • Increase in recognition of car purchases via TV commercials

3. Next Mid-term Business Plan

Activities After New President Took Office

Ceremony for launch of new system with participation of franchisee corporations (July 6)



Meeting for dialogue with employees at all bases



24-Hour Marathon Race in Maishima, Osaka (July 16-17)

Next Mid-Term Business Plan (draft)

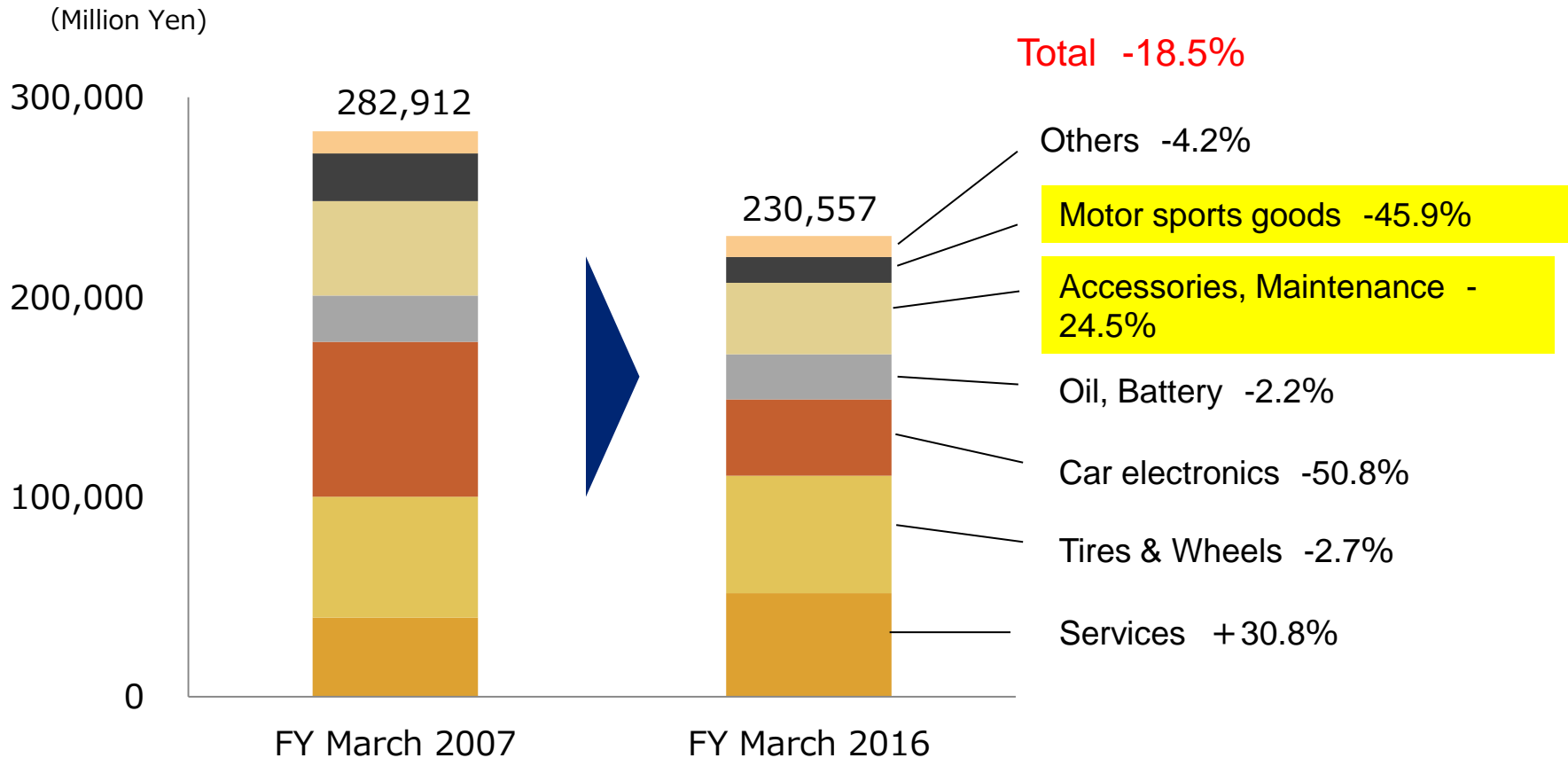
Period	April 2017 to March 2020 (3 years)
Management targets	To be determined
Ideal direction of the Company	"Offering customers a more enjoyable and abundant life with automobiles" (tentative)
Aims of individual businesses	<p>Domestic AUTOBACS Business</p> <p>"Development of new markets and business models"</p> <p>"Revitalization of revenue base"</p> <p>Overseas Business/New Business</p> <p>"Establishment of a business foundation that is expected to contribute to future earnings"</p>

Recognition of Domestic Environment for Sales of Automotive Goods and Services



Sales in domestic stores (by merchandise)

Comparison with sales 10 years ago



Major changes in the past 10 years

- Aging of customers and alienation of young people in terms of automotive goods and services; less attractive automotive goods and services
- Relatively stable demand for tires/wheels and maintenance
- Decline in unit prices for car electronics (car navigation devices)

Forecast future changes

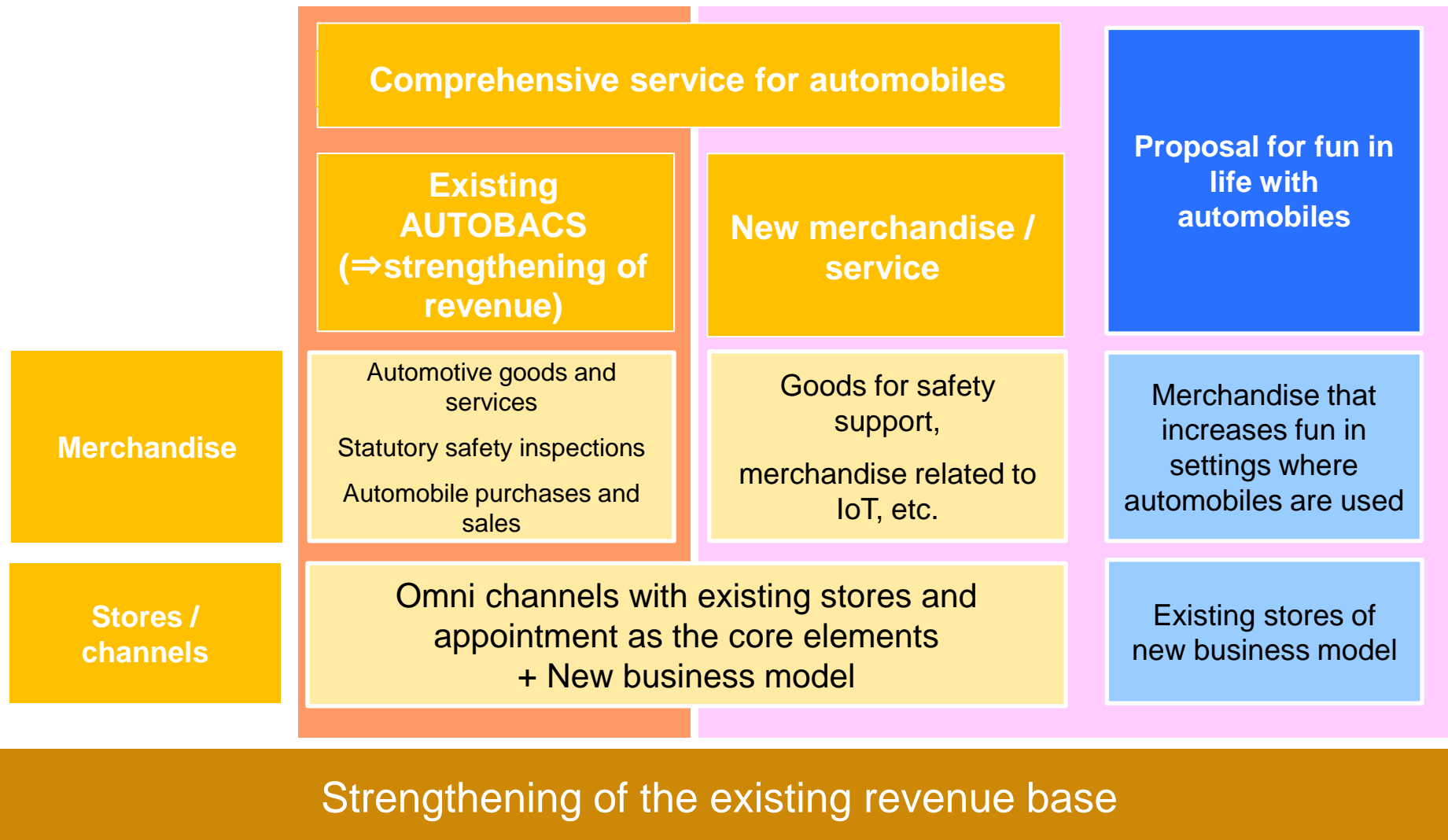
- Further decrease in interest in existing automotive goods and services among users
- Development of automated driving technologies/safety technologies and expansion of needs for existing automobiles
- Use of driving information of the connected car by various players



Issues

- Increasing the attractiveness of merchandise in the market for after-sales service for automobiles
- Strengthening the existing revenue base

Domestic AUTOBACS Business: Creation of New Markets



Support for safe driving Merchandise related to IoT

Merchandise that responds to increased interest in safety technologies

(Examples)

- Equipment to prevent dozing off/looking aside while driving
- Equipment to prevent errors in the operation of pedals/handles
- Equipment to gather driving information, fuel consumption data, etc.



Monitor for dozing off
"Hitomi-chan"



System for
preventing
unintended starts

Merchandise that proposes fun in life with automobiles

Proposal of settings and lifestyles using automobiles

Procurement and maintenance of new merchandise for outdoor use, interiors, in-car use, storage, etc.



Drive recorder
(Lane departure warning
System, Collision avoidance
function)

Offering Added Value through Comprehensive Automobile Services



Automobile purchases and sales



Oil



Sales/installation of car navigation devices/audio systems



Tires



Body work & paint



Statutory safety inspections/maintenance

Omni channel strategy of AUTOBACS Group



Statutory safety inspections

1. Promotion of prompt statutory safety inspections
 - Introduction of AUTOBACS statutory safety inspections
 - Change of store operations
2. Development and retention of mechanics

Automobile purchases and sales

1. Securing of good-quality vehicles by strengthening purchase and procurement
2. Opening of used car purchase stores
3. Retention and development of human resources

Strengthening of Existing Revenue Base (New Initiatives)

Marketing from a customer perspective

1. Restructure of the membership system
2. Analysis of driver information and utilization for marketing (through the joint venture with Culture Convenience Club Co., Ltd.)

Development of new business models

- Business model offering value to customers through new ideas
- Use of existing stores and substantial changes in store specifications
- (Examples)
- Acceptance/installation only with prior appointments
 - Stores that attract visits by female customers and customers with children
 - Exclusively for foreign-made cars
 - Invitation of tenants, etc.

Strengthening of E-commerce

1. Restructure of the EC site
 - Improvement of usability, such as purchases of goods and appointment of operations
 - Proposal of goods by scene/theme
2. Promotion of omni channels

Strengthening of Existing Revenue Base (New Initiatives)

Restructure of stores/ channels

1. Closure of unprofitable stores
2. Consolidation of the area management system

Restoration of existing stores

1. Review and standardization of operations and business
2. Change to maintenance-based profit structure
3. Development of highly profitable store models (review of inventory efficiency, assortment of merchandise and services) and change of existing stores

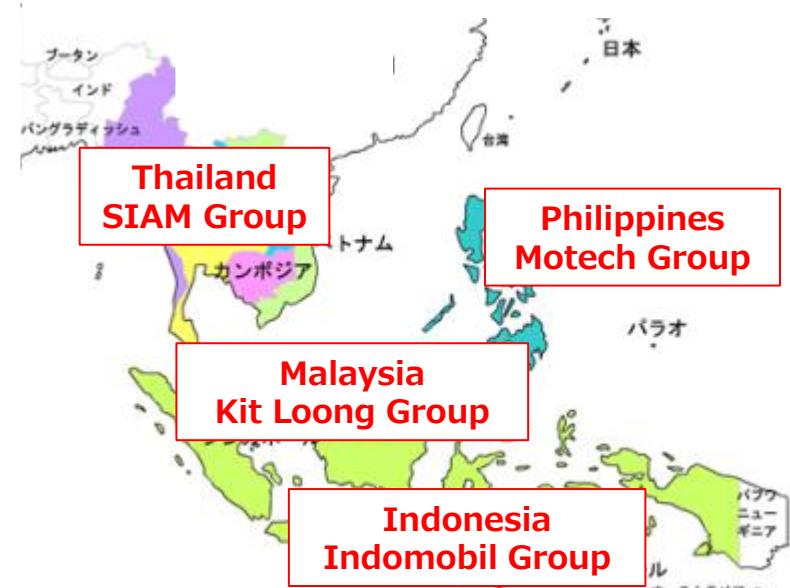
Increase in cost competitiveness

1. Increase in price competitiveness through decrease in cost of goods purchased and physical distribution cost
2. Review of purchase of indirect materials, facilities, equipment, supplies, etc.
3. Increase in personnel productivity

Overseas Business and New Business

Overseas Business

1. Increase in profitability in France
2. Strengthening of business expansion in the ASEAN region
 - Strengthening of relationships with local companies
 - Increase of store openings and wholesale sales in individual countries



New Business

Business to increase customers of the AUTOBACS Group

1. Strengthening the existing value chains of AUTOBACS
2. Customer groups other than those of AUTOBACS
(e.g. business of dealers for imported cars, business of sales to corporations)



池袋BMW

Today's Message

- **Decrease in both net sales and income in the first half due to a drop in demand for automotive goods and services arising from poor sales of light motor vehicles despite efforts to improve gross profit and cut selling, general and administrative expenses**
- **Aim to grow profits in the second half by focusing on sales of tires in the third quarter and on statutory safety inspections and car purchases in the fourth quarter**
- **Next Mid-Term Business Plan**
 - **“Revitalization of existing business base”, “New merchandise”, “New store format”**
 - **Take on the challenge of business beyond the existing restrictions**

APPENDIX

Quarterly P/L (1st Half of FY March 2017)

(Million Yen)

	1 st Quarter of FY 2017		2 nd Quarter of FY 2017		1 st Half of FY 2017	
	Result	YoY	Result	YoY	Result	YoY
Net sales	47,549	-3.1%	47,271	-4.7%	94,820	-3.9%
Gross margin	14,858	-5.4%	15,794	-3.7%	30,653	-4.5%
% of Sales	31.2%	—	33.4%	—	32.3%	—
SG&A	14,678	-0.4%	14,986	+0.7%	29,664	+0.2%
Operating income	180	-81.4%	808	-47.1%	988	-60.4%
% of Sales	0.4%	—	1.7%	—	1.0%	—
Ordinary income	539	-59.2%	1,023	-43.3%	1,563	-50.0%
% of Sales	1.1%	—	2.2%	—	1.6%	—
Net income	210	-63.9%	503	-51.6%	714	-56.0%
% of Sales	0.4%	—	1.1%	—	0.8%	—
Same store sales	—	-5.2%	—	-3.2%	—	-4.2%

Amounts are rounded down.
% of Net Sales and YoY comparisons are calculated in the single digits.

Consolidation Adjustments

Consolidation Adjustments

(Million Yen)

	Six months ended September 30, 2016	Six months ended September 30, 2015
Operating Income for segment total	691	2,596
Elimination of Intersegment transaction (Income of subsidiaries for supporting functions, etc.)	-202	-355
Inventories (Unearned income of subsidiary inventories, etc.)	325	13
Depreciation of Goodwill	-69	-51
Adjustment in fixed assets	193	254
Allowance for point card	-5	-0
Others	54	39
Consolidation adjustment	297	-99
Consolidated operating income	988	2,496

Amounts are rounded down.

Analysis of Income statements (1st Half of FY 2017)

Non-consolidated

Net sales 70.8 BY YoY: -4.27 BY	Wholesale -3.99 BY -5.7%	↑ Fuel, inspection services, overseas, etc. ↓ Tires and wheels, accessories, maintenance parts, etc.
	Retail -0.14 BY -5.2%	↑ Car sales ↓ E-commerce, statutory inspection services, used parts etc.
Gross profit 14.3 BY YoY: -1.40 BY	Wholesale -1.43 BY -9.6%	↑ Overseas business ↓ Accessories, maintenance parts, tires & wheels, etc.
	Retail +0.05 BY +8.0%	↑ Used car sales, fuel, accessories, maintenance parts, etc. ↓ Inspection services, tires & wheels, etc.
SG&A 12.6 BY YoY: +0.42 BY	Personnel expenses: Record of adjusted performance-linked remuneration (decrease) for the previous period. No record for the current period.	
	Selling expenses: Increase in expenses for advertising such as TV commercials as well as sales promotion costs	
	Equipment costs: Increase in costs for renovation of the logistics center and depreciation, among others	
	Others: Decrease in costs related to information processing by store systems	

Domestic store subsidiaries

Net sales 31.2 BY YoY: -1.05 BY	Operating income increased year on year owing to efforts to improve revenues, including inventory efficiency, improvement of gross profit margin and efficient use of expenses, despite a decrease in sales in stores
Operating Income -1.12 BY YoY: +0.05 BY	

Balance Sheet: Assets

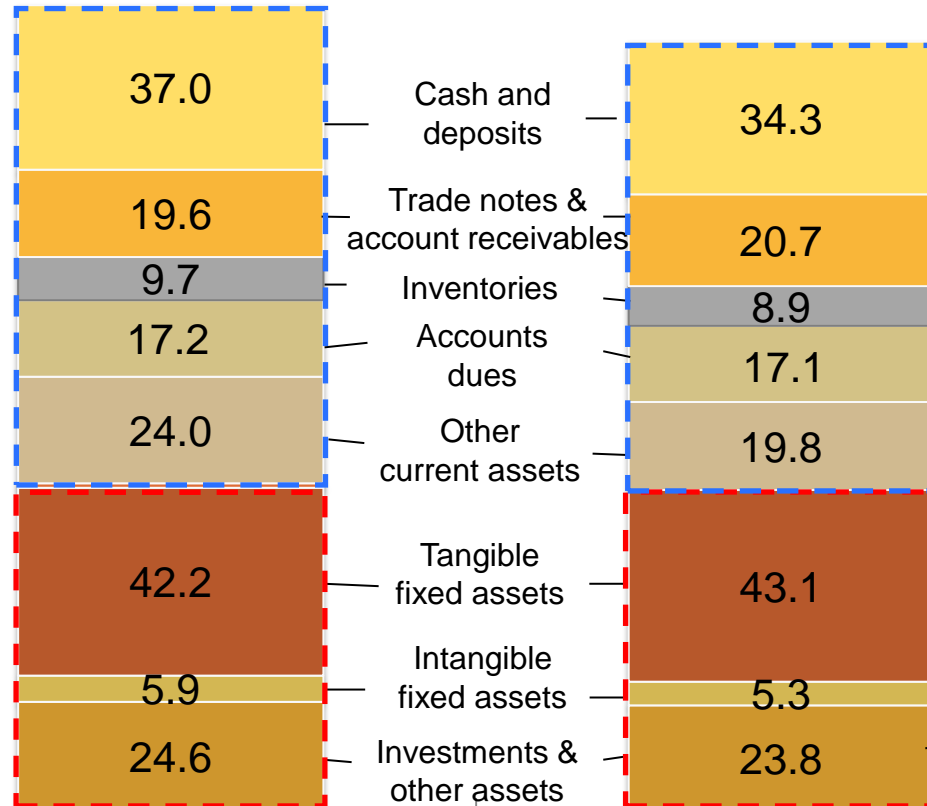
Total Assets

180.4 BY

Total Assets

173.1 BY

(Billion Yen)



At Mar.31, 2016

At Sep.30, 2016

Major items changed

Dividends

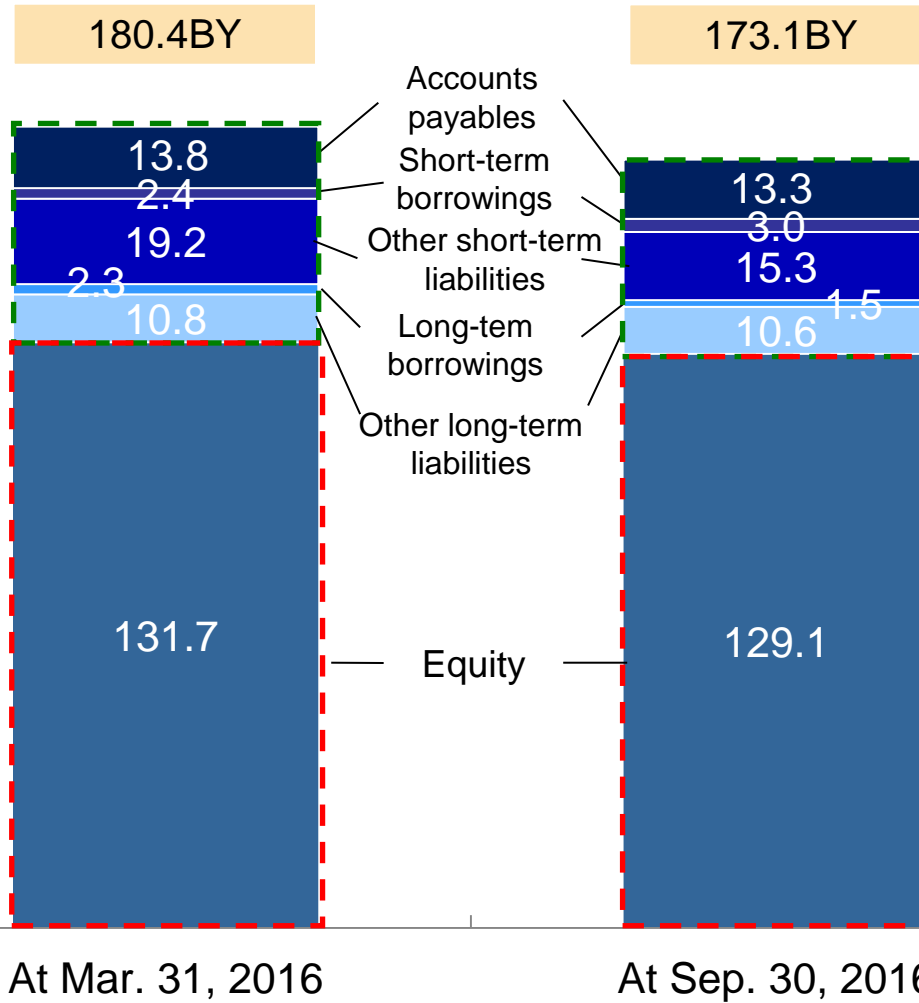
Increase in machinery and equipment and vehicles due to renovation of Nishinihon Logistics Center, etc.

Decrease through devaluation of investment securities

Amounts are rounded down.

Balance Sheets: Liabilities and Equity

Total Liabilities & Equity



(Billion Yen)

Major items changed

Retained earnings: -7.7 BY
(Cancellation of treasury stock: -5.9BY)

Treasury stock: +5.9 BY
(Cancellation of treasury stock: +5.9BY)

Amounts are rounded down.

Store Openings and Closings (Plan)

Domestic stores	No. of stores as of March 31, 2016	Fiscal year ending March 31, 2017							(Plan) No. of stores as of March 31, 2017
		1st Half (result)			No. of stores as of September 30, 2016	2nd Half (Plan)			
		New	S/B · R/L	Close		New	S/B · R/L	Close	
AUTOBACS	498	+2	+1/-1	-7	493	+7	+1	-2	499
Super AUTOBACS	75				75			-1	74
AUTOBACS Secohan Ichiba	9				9				9
AUTOBACS EXPRESS	12				12				12
AUTOBACS CARS Stand-alone Store	3				3		-1		2
AUTOBACS Used Car Purchase Store	2	+3			5	+1			6
Total	599	+5	+1/-1	-7	597	+8	+1/-1	-3	602

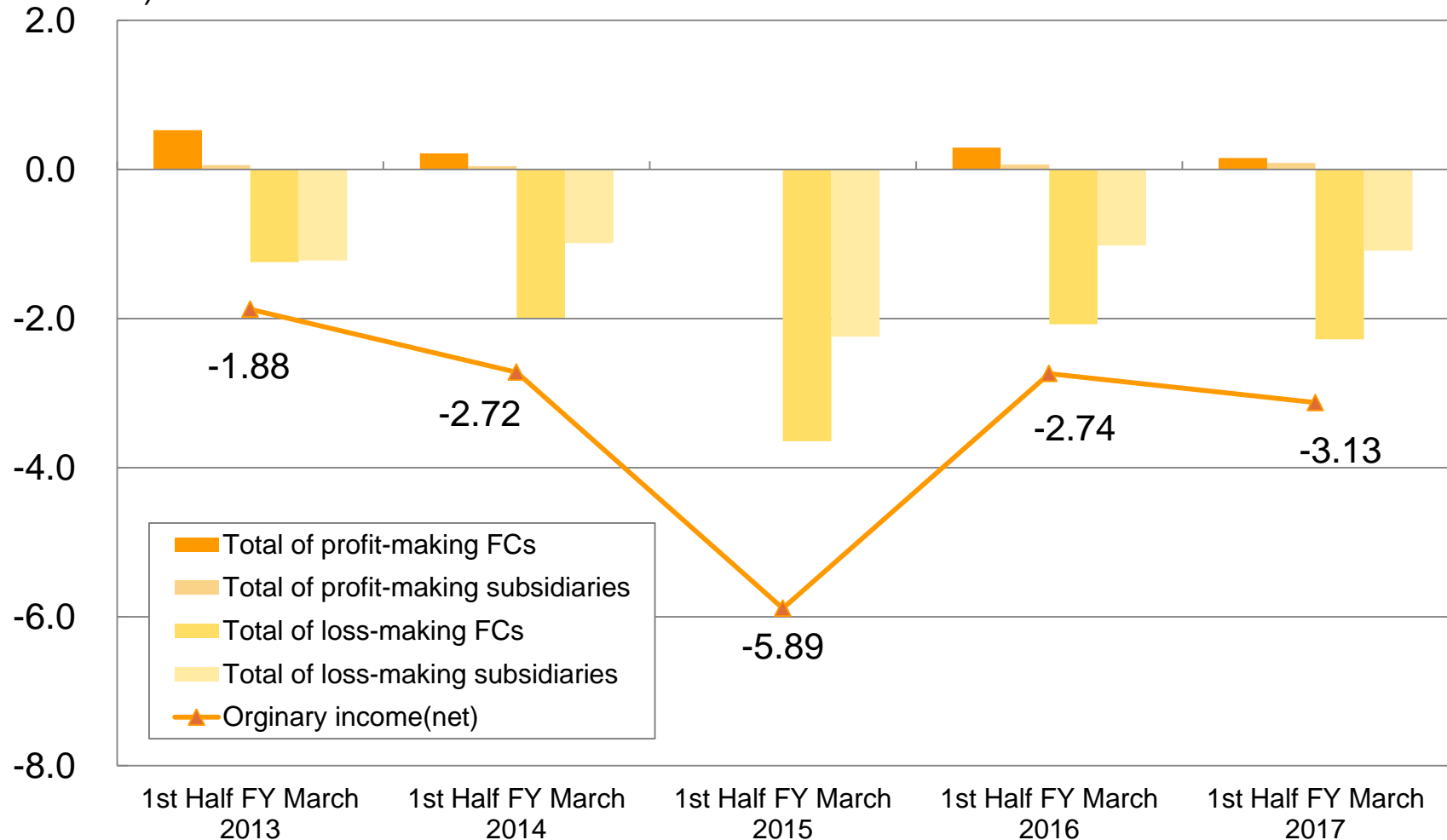
Overseas stores	No. of stores as of March 31, 2016	FY March 2017(Results & Plan)			(Plan) No. of stores as of Mar 31, 2017
		1st Half (result)	No. of stores as of September 30, 2016	2nd Half (Plan)	
France	11		11		11
Thailand	6	+2	8	+1	9
Singapore	3	-1	2		2
Taiwan	6		6		6
Malaysia	5		5		5
Indonesia	2		2	+2	4
Total	33	+1	34	+3	37

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

Performance Results of Franchisees

Ordinary Income of Franchise Companies (Preliminary)

(Billion Yen)



1) Excluding three listed companies
2) Including some FC's latest estimates



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.