

January 31 , 2007

**Summary of Quick Financial Announcement of Consolidated Financial Information For the Third Quarter Ending December 31, 2006**

Company name : AUTOBACS SEVEN CO., LTD.

Code Number : AUB9832

(URL <http://www.autobacs.co.jp/>)

Headquarters : Tokyo, Japan

Company Representative : Koichi Sumino, Representative Director and Chief Executive Officer

Contact for further information: Satoru Miyoshi, General Manager of Accounting and Finance Department

Telephone : +81-3-6219-8728

Stock Exchange Listings : Osaka and Tokyo both in the first section , and London

Adoption of accounting principles generally accepted in the U.S.A.: No

1. Notes concerning the preparation of the consolidated financial statements for the nine months ended December 31, 2006.

(1) Whether the company has adopted simplified accounting procedures: None

(2) Accounting policies that differ from the fiscal year ended March 31, 2006: None

(3) Change in the scope of application of consolidation or the equity method:

Number of consolidated companies: New:3 Excluded:4

Number of companies to which the equity method is applied: New:0 Excluded:1

2. Results for the nine months ended December 31, 2006 (from April 1, 2006 to December 31, 2006)

(Note: Amounts less than 1 million Yen have been rounded down. A figure in ( ) indicates a loss or a negative figure.)

(1) Results of operations:

(Unit: Millions of Yen except for per share information, and % information which indicates increase or decrease ( ))

	Net sales		Operating income		Ordinary income	
		%		%		%
<b>Nine months ended December 31, 2006</b>	<b>196,178</b>	<b>1.6</b>	<b>12,241</b>	<b>(8.0)</b>	<b>15,911</b>	<b>(1.6)</b>
Nine months ended December 31, 2005	193,149	6.8	13,303	87.8	16,168	51.2
(Reference) Year ended March 31, 2006	240,207		13,637		16,922	

	Net income		Basic net income per share (Yen)	Basic net income per share - diluted (Yen)
		%		
<b>Nine months ended December 31, 2006</b>	<b>8,632</b>	<b>3.6</b>	<b>224.89</b>	<b>224.27</b>
Nine months ended December 31, 2005	8,329	226.4	230.48	213.94
(Reference) Year ended March 31, 2006	7,860		210.36	198.57

(2) Financial position:

(Unit: Millions of Yen except for per share information and % information as indicated)

	Total assets	Total net assets	Equity ratio	Net assets per share (Yen)
<b>Nine months ended December 31, 2006</b>	<b>262,134</b>	<b>167,594</b>	<b>63.8</b>	<b>4,373.17</b>
Nine months ended December 31, 2005	243,781	164,325	67.4	4,251.26
(Reference) Year ended March 31, 2006	227,707	161,535	70.9	4,178.23

(3) Statements of cash flows:

(Unit: Millions of Yen)

	Operating activities	Investing activities	Financing activities	Ending balances of cash and cash equivalents
<b>Nine months ended December 31, 2006</b>	<b>8,245</b>	<b>(5,763)</b>	<b>(4,244)</b>	<b>52,028</b>
Nine months ended December 31, 2005	13,648	(16,361)	9,357	57,915
(Reference) Year ended March 31, 2006	24,136	(26,996)	5,177	53,622

3. Forecast for the fiscal year 2007 (from April 1, 2006 to March 31, 2007)

(Unit: Millions of Yen)

	Net sales	Ordinary income	Net income
<b>Annual</b>	<b>246,500</b>	<b>17,300</b>	<b>9,400</b>

Note: 1. The estimated net income per share for the year ending March 31, 2007 will be 245.87 yen.

2. This forecast is based on the assumptions, estimates, recognition of facts and projections, which are currently available to the management of the Company. The actual results may differ materially from the projected figures in this release due to differences in actual experience.

## Consolidated Balance Sheets

(Unit: Millions of Yen)

Assets	(December 31, 2006)		(December 31, 2005)		(March 31, 2006)	
	Amount	Ratio	Amount	Ratio	Amount	Ratio
		%		%		%
<b>Current assets</b>						
Cash and deposits	31,126		37,486		34,256	
Trade notes and accounts receivable	34,947		23,314		12,914	
Marketable securities	26,062		29,591		28,682	
Inventories	23,468		19,459		17,015	
Deferred tax assets	2,299		2,116		2,794	
Other receivables	20,919		22,340		14,285	
Other current assets	3,238		2,950		2,589	
Allowance for doubtful receivables	(387)		(654)		(520)	
Total current assets	141,675	54.0	136,603	56.0	112,020	49.2
<b>Fixed assets</b>						
<b>Tangible fixed assets</b>						
Buildings and structures	21,623		22,115		21,613	
Land	22,421		20,932		22,330	
Other fixed assets	6,861		5,812		5,849	
Total tangible fixed assets	50,907		48,860		49,794	
<b>Intangible fixed assets</b>						
Goodwill	5,369		-		4,975	
Consolidated adjustment account	-		248		398	
Software	6,525		3,904		4,753	
Other intangible fixed assets	943		845		772	
Total intangible fixed assets	12,838		4,998		10,899	
<b>Investments</b>						
Investment securities	28,785		24,631		26,513	
Long-term loans	1,353		2,046		1,876	
Deferred tax assets	3,005		4,897		4,034	
Rental deposits	22,077		23,058		22,698	
Other investments	3,020		1,492		1,529	
Allowance for doubtful receivables	(1,530)		(2,807)		(1,659)	
Total investments	56,713		53,318		54,993	
Total fixed assets	120,459	46.0	107,177	44.0	115,687	50.8
<b>Total assets</b>	<b>262,134</b>	<b>100.0</b>	<b>243,781</b>	<b>100.0</b>	<b>227,707</b>	<b>100.0</b>

(Unit: Millions of Yen)

Liabilities and Net assets	(December 31, 2006)		(December 31, 2005)		(March 31, 2006)	
	Amount	Ratio	Amount	Ratio	Amount	Ratio
		%		%		%
<b>Current liabilities</b>						
Trade notes and accounts payable-trade	47,002		25,762		16,094	
Short-term borrowings	1,845		5,145		4,768	
Accounts payable-others	12,935		15,138		11,436	
Income taxes payable	3,357		4,992		4,800	
Accrued bonuses for directors and corporate auditors	113		-		-	
Other current liabilities	5,566		4,915		6,946	
Total current liabilities	70,821	27.0	55,953	23.0	44,046	19.4
<b>Long-term liabilities</b>						
Convertible Bonds	270		1,775		270	
Long-term debts	14,044		11,343		11,407	
Liability for retirement benefits	89		374		275	
Accrued retirement benefits for directors and corporate auditors	394		421		404	
Allowance for business restructuring	585		874		860	
Other long-term liabilities	8,334		8,193		8,437	
Total long-term liabilities	23,718	9.1	22,983	9.4	21,655	9.5
Total liabilities	94,540	36.1	78,937	32.4	65,701	28.9
<b>Minority interests</b>	-	-	518	0.2	469	0.2
<b>Shareholders' equity</b>						
Common stock	-	-	33,247	13.6	33,998	14.9
Capital Surplus	-	-	33,763	13.9	34,512	15.2
Retained earnings	-	-	96,583	39.6	96,113	42.2
Net unrealized gain on available-for-sale securities	-	-	1,011	0.4	744	0.3
Foreign currency translation adjustments	-	-	(243)	(0.1)	(221)	(0.1)
Treasury stock, at cost	-	-	(35)	(0.0)	(3,610)	(1.6)
Total shareholders' equity	-	-	164,325	67.4	161,535	70.9
<b>Total liabilities, minority interests and shareholders' equity</b>	-	-	243,781	100.0	227,707	100.0
<b>Owners' equity</b>						
Common stock	33,998	13.0	-	-	-	-
Capital Surplus	34,512	13.1	-	-	-	-
Retained earnings	102,542	39.1	-	-	-	-
Treasury stock, at cost	(5,532)	(2.1)	-	-	-	-
Total owners' equity	165,521	63.1	-	-	-	-
<b>Valuation and translation adjustments</b>						
Net unrealized gain on available-for-sale securities	1,734	0.7	-	-	-	-
Foreign currency translation adjustments	(61)	(0.0)	-	-	-	-
Total valuation and translation adjustments	1,673	0.7	-	-	-	-
<b>Minority interests</b>	400	0.1	-	-	-	-
Total net assets	167,594	63.9	-	-	-	-
<b>Total liabilities and net assets</b>	262,134	100.0	-	-	-	-

## Consolidated Statements of Income

(Unit: Millions of Yen)

	Nine months ended December 31, 2006		Nine months ended December 31, 2005		Year ended March 31, 2006	
	Amount	Ratio %	Amount	Ratio %	Amount	Ratio %
<b>Net sales</b>	<b>196,178</b>	<b>100.0</b>	193,149	100.0	240,207	100.0
Cost of goods sold	<u>137,323</u>	<b>70.0</b>	<u>135,185</u>	70.0	<u>166,257</u>	69.2
<b>Gross Profit</b>	<b>58,854</b>	<b>30.0</b>	57,963	30.0	73,949	30.8
Selling, general and administrative expenses	<u>46,613</u>	<b>23.8</b>	<u>44,660</u>	23.1	<u>60,312</u>	25.1
<b>Operating income</b>	<b>12,241</b>	<b>6.2</b>	13,303	6.9	13,637	5.7
Non-operating income						
Interest income	276		193		235	
Rental income	29		79		97	
Lease revenue - system equipment	667		633		851	
Other non-operating income	<u>4,040</u>		<u>3,501</u>		<u>4,067</u>	
Total non-operating income	<b>5,013</b>	<b>2.6</b>	4,407	2.3	5,252	2.1
Non-operating expenses						
Interest expenses	137		43		81	
Loss on disposal of fixed assets	116		127		263	
Lease cost - system equipment	494		437		512	
Other non-operating expenses	<u>594</u>		<u>934</u>		<u>1,109</u>	
Total non-operating expenses	<b>1,343</b>	<b>0.7</b>	1,542	0.8	1,967	0.8
<b>Ordinary income</b>	<b>15,911</b>	<b>8.1</b>	16,168	8.4	16,922	7.0
Extraordinary gains						
Gain on sales of fixed assets	34		-		-	
Reversal of allowance for business restructuring	85		-		-	
Profit on change of equity	72		-		-	
Reversal of allowance for doubtful receivables	<u>257</u>		<u>143</u>		<u>774</u>	
Total extraordinary gains	<b>449</b>	<b>0.2</b>	143	0.1	774	0.3
Extraordinary losses						
Impairment losses on fixed assets	362		-		1,151	
Loss on business restructuring	190		2,022		1,848	
Loss on sales of fixed assets	62		-		-	
Wright down of investment securities	-		6		206	
Other extraordinary losses	<u>101</u>		<u>-</u>		<u>624</u>	
Total Extraordinary losses	<b>717</b>	<b>0.3</b>	2,029	1.1	3,831	1.5
Income before income taxes and minority interests	<b>15,644</b>	<b>8.0</b>	14,283	7.4	13,865	5.8
Income taxes - current	<b>6,275</b>	<b>3.2</b>	6,743	3.5	6,454	2.7
Income taxes - deferred	<b>861</b>	<b>0.5</b>	(822)	(0.4)	(447)	(0.2)
Minority interests in net loss (income)	<u>126</u>	<b>0.1</b>	<u>(32)</u>	(0.0)	<u>1</u>	0.0
<b>Net income</b>	<b>8,632</b>	<b>4.4</b>	8,329	4.3	7,860	3.3

## Consolidated Statement of Changes in Net assets

Nine months ended December 31, 2006 (from April 1, 2006 to December 31, 2006) (Unit: Millions of Yen)

	Owners' equity					Valuation and translation adjustments			Minority interests	Total net assets
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total owners' equity	Net unrealized gain on available-for-sale securities	Foreign currency translation adjustments	Total valuation and translation adjustments		
<b>Balance at the end of previous period</b>	33,998	34,512	96,113	(3,610)	161,013	744	(221)	522	469	162,005
<b>Change of items during the period</b>										
Dividends from surplus			(2,075)		(2,075)					(2,075)
Bonus to directors and corporate auditors			(128)		(128)					(128)
Net income			8,632		8,632					8,632
Purchase of treasury stock				(1,932)	(1,932)					(1,932)
Disposal of treasury stock				10	10					10
Net changes of items other than owners' equity						990	160	1,150	(69)	1,081
<b>Total change of items during the period</b>	-	-	6,429	(1,921)	4,507	990	160	1,150	(69)	5,588
<b>Balance at the end of the period</b>	<b>33,998</b>	<b>34,512</b>	<b>102,542</b>	<b>(5,532)</b>	<b>165,521</b>	<b>1,734</b>	<b>(61)</b>	<b>1,673</b>	<b>400</b>	<b>167,594</b>

**Consolidated Statements of Cash Flows**  
(Unit: Millions of Yen)

	Nine months ended December 31, 2006	Nine months ended December 31, 2005	Year ended March 31, 2006
	Amount	Amount	Amount
<b>Operating Activities:</b>			
Income before income taxes and minority interests	15,644	14,283	13,865
Depreciation and amortization	3,621	3,542	4,935
Impairment losses on fixed assets	362	-	1,151
Provision for business restructuring	(274)	874	860
Increase in trade notes and accounts receivable	(28,538)	(18,502)	(22)
(Increase) decrease in inventories	(6,058)	(2,094)	10
Increase in trade notes and accounts payable	30,757	11,376	1,893
Others	(95)	6,842	4,245
Subtotal	<u>15,417</u>	<u>16,321</u>	<u>26,940</u>
Interest and dividend received	619	189	288
Interest paid	(131)	(40)	(67)
Taxes paid	(7,659)	(2,821)	(3,024)
Net cash provided by operating activities	<u>8,245</u>	<u>13,648</u>	<u>24,136</u>
<b>Investing Activities:</b>			
Payment for marketable securities	(10,999)	(10,809)	(13,809)
Proceeds from sales of marketable securities	17,300	4,500	7,000
Payment for tangible and intangible fixed assets other than software	(5,624)	(2,029)	(9,397)
Payment for software development	(2,852)	(1,192)	(2,002)
Payment for investment securities	(8,306)	(12,982)	(15,865)
Proceeds from sales of investment securities	5,692	4,718	5,686
Payment for loans	(914)	(253)	(253)
Collection of loans	925	905	1,172
Payment for rental deposits	(571)	(683)	(965)
Others	(412)	1,465	1,439
Net cash used in investing activities	<u>(5,763)</u>	<u>(16,361)</u>	<u>(26,996)</u>
<b>Financing Activities:</b>			
Net decrease in short-term borrowings	(2,007)	(34)	(299)
Proceeds from long-term debt	3,000	12,500	13,000
Repayment of long-term debt	(1,287)	(1,291)	(1,848)
Purchase of treasury stock	(1,931)	(331)	(3,909)
Dividends paid	(2,075)	(1,773)	(1,774)
Others	58	288	9
Net cash (used in) provided by financing activities	<u>(4,244)</u>	<u>9,357</u>	<u>5,177</u>
Effect of exchange rate changes on cash and cash equivalents	167	68	102
Net (decrease) increase in cash and cash equivalents	<u>(1,594)</u>	<u>6,713</u>	<u>2,420</u>
Cash and cash equivalents, beginning of period / year	<u>53,622</u>	<u>51,150</u>	<u>51,150</u>
Increase in cash and cash equivalents resulting from initial consolidation of subsidiaries	-	51	51
<b>Cash and cash equivalents, end of the period / year</b>	<u><b>52,028</b></u>	<u><b>57,915</b></u>	<u><b>53,622</b></u>

## Consolidated Sales Component and Percentage by Division

(Unit: Millions of Yen)

Divisions	Nine months ended December 31, 2006		Nine months ended December 31, 2005		Year ended March 31, 2006	
	Amount	Ratio %	Amount	Ratio %	Amount	Ratio %
Wholesale	116,433	59.4	115,258	59.7	139,543	58.1
Retail	76,904	39.2	74,973	38.8	96,865	40.3
Others	2,840	1.4	2,917	1.5	3,798	1.6
<b>Total</b>	<b>196,178</b>	<b>100.0</b>	<b>193,149</b>	<b>100.0</b>	<b>240,207</b>	<b>100.0</b>

Note: "Others" is consisted of revenue of Rent and Lease.

## Consolidated Sales Component and Percentage by Product Category

(Unit: Millions of Yen)

Products	Nine months ended December 31, 2006		Nine months ended December 31, 2005		Year ended March 31, 2006	
	Amount	Ratio %	Amount	Ratio %	Amount	Ratio %
Tires and wheels	42,843	21.8	42,286	21.9	50,024	20.8
Car electronics	56,612	28.9	57,518	29.8	69,185	28.8
Oil and batteries	13,925	7.1	13,577	7.0	17,341	7.2
Car exterior items	20,016	10.2	19,875	10.3	25,762	10.7
Car interior items	18,058	9.2	17,281	9.0	22,280	9.3
Motor sports goods	15,984	8.1	17,184	8.9	22,034	9.2
Service	10,976	5.6	10,118	5.2	13,255	5.5
Others	17,760	9.1	15,306	7.9	20,322	8.5
<b>Total</b>	<b>196,178</b>	<b>100.0</b>	<b>193,149</b>	<b>100.0</b>	<b>240,207</b>	<b>100.0</b>

Note: "Others" is consisted of Revenue of car sales, Rent and Lease, etc.