

February 10, 2005

Summary of Quick Financial Announcement of Consolidated Financial Information for the Third Quarter Ended December 31, 2004

Company name: AUTOBACS SEVEN CO., LTD.

Code number: 9832

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

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Stock Exchange Listings: First section, both of Tokyo, Osaka, and London

1. Notes concerning the preparation of the consolidated financial statements for the nine months ended

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

(2) Accounting policies that differ from the fiscal year ended March 31, 2004: Yes

The Company adopted the new accounting standard for impairment of fixed assets from the interim closing ended September 30, 2004

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

Number of consolidated companies: New: 1 Excluded: 10

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

2. Results for the nine months ended (from April 1, 2004 to December 31, 2004)

(Note: Amounts less than 1 million Yen have been rounded down)

(1) Results of operations:

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

	Net sales		Operating income		Ordinary income	
Nine months ended						
December 31, 2004	180,835	(0.9%)	7,084	3.2%	10,695	3.5%
Nine months ended						
December 31, 2003	182,461	-	6,864	-	10,335	-
(Reference) Year ended						
March 31, 2004	227,077		6,210		10,480	

	Net income		Basic net income per share (Yen)	Basic net income per share - diluted (Yen)
Nine months ended				
December 31, 2004	2,551	(51.1%)	71.91	-
Nine months ended				
December 31, 2003	5,212	-	145.07	-
(Reference) Year ended				
March 31, 2004	5,443		149.80	-

(2) Financial position:

(Unit: Millions of Yen except for per share information)

	Total assets	Shareholders' equity	Shareholders' equity ratio	Shareholders' equity per share (Yen)
Nine months ended December 31, 2004	209,469	148,537	70.9%	4,186.29
Nine months ended December 31, 2003	214,392	148,061	69.1%	4,140.65
(Reference) Year ended March 31, 2004	202,760	147,532	72.8%	4,153.92

(3) Statements of cash flows:

(Unit: Millions of Yen)

	Operating activities	Investing activities	Financing activities	Ending balances of cash and cash equivalents
Nine months ended December 31, 2004	1,621	(4,660)	(1,563)	36,631
Nine months ended December 31, 2003	4,898	(3,093)	5,429	30,644
(Reference) Year ended March 31, 2004	13,807	(645)	4,605	41,155

3. Forecast for the fiscal year 2005 (from April 1, 2004 to March 31, 2005)

(Unit: Millions of Yen)

	Net sales	Ordinary income	Net income	Basic net income per share (Yen)
Annual	230,000	12,400	2,100	59.19

Note: At present, no revision was made on the final results forecast announced at the same time as publication of the interim results on November 12, 2004.

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 or changes in assumptions.

Consolidated Balance Sheets
(Unit: Millions of Yen)

Assets	December 31, 2004		December 31, 2003		March 31, 2004	
	Amount	Ratio	Amount	Ratio	Amount	Ratio
		%		%		%
Current assets						
Cash and deposits	36,801		30,801		41,316	
Trade notes and accounts receivable	20,824		23,540		12,456	
Marketable securities	5,988		6,258		4,776	
Inventories	22,505		23,003		18,731	
Deferred tax assets	2,309		2,583		2,195	
Accounts receivable-other	17,628		17,290		13,372	
Other current assets	2,914		3,074		2,659	
Allowance for doubtful receivables	(1,128)		(1,340)		(1,149)	
Total current assets	107,844	51.5	105,211	49.1	94,358	46.5
Fixed assets						
Tangible fixed assets						
Buildings and structures	24,998		26,598		26,561	
Land	22,345		25,981		26,064	
Other tangible fixed assets	6,997		8,307		7,668	
Total tangible fixed assets	54,340		60,887		60,294	
Intangible fixed assets						
Goodwill	350		344		324	
Software	2,549		2,151		2,456	
Other intangible fixed assets	287		405		298	
Total intangible fixed assets	3,187		2,901		3,079	
Investments						
Investment securities	13,343		14,373		12,277	
Long-term loans	2,811		3,708		3,392	
Deferred tax assets	3,729		3,483		4,782	
Rental deposits	24,383		24,852		24,662	
Other investments	1,720		905		1,687	
Allowance for doubtful receivables	(1,891)		(1,931)		(1,773)	
Total investments	44,096		45,391		45,028	
Total fixed assets	101,625	48.5	109,181	50.9	108,402	53.5
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Total assets	209,469	100.0	214,392	100.0	202,760	100.0

(Unit: Millions of Yen)

Liabilities and Shareholders' equity	December 31, 2004		December 31, 2003		March 31, 2004	
	Amount	Ratio	Amount	Ratio	Amount	Ratio
		%		%		%
Current liabilities						
Trade notes and accounts payable-trade	22,898		25,289		14,136	
Short-term borrowings	2,959		2,335		2,130	
Income taxes payable	414		3,218		3,525	
Other current liabilities	15,404		13,945		13,891	
Total current liabilities	41,676	19.9	44,789	20.9	33,684	16.6
Long-term liabilities						
Bonds	8		8		8	
Zero coupon convertible bonds	10,000		10,000		10,000	
Long-term debt	516		1,849		1,680	
Liability for retirement benefits	509		1,360		1,394	
Accrued retirement benefits for directors and corporate auditors	115		159		159	
Other long-term liabilities	7,498		7,633		7,592	
Total long-term liabilities	18,648	8.9	21,010	9.8	20,835	10.3
Total liabilities	60,324	28.8	65,799	30.7	54,519	26.9
Minority interests	608	0.3	531	0.2	708	0.3
Shareholders' equity						
Common stock	31,958	15.3	31,958	14.9	31,958	15.8
Capital Surplus	32,241	15.4	32,241	15.0	32,241	15.9
Retained earnings	89,745	42.8	88,426	41.3	88,651	43.7
Net unrealized gain on available-for-sale securities	75	0.0	104	0.1	192	0.1
Foreign currency translation adjustments	(368)	(0.2)	(267)	(0.1)	(400)	(0.2)
Treasury stock, at cost	(5,116)	(2.4)	(4,402)	(2.1)	(5,111)	(2.5)
Total shareholders' equity	148,537	70.9	148,061	69.1	147,532	72.8
Total liabilities, minority interests and shareholders' equity						
	209,469	100.0	214,392	100.0	202,760	100.0

Consolidated Statements of Income
(Unit: Millions of Yen)

	Nine months ended December 31, 2004		Nine months ended December 31, 2003		Year ended March 31, 2004	
	Amount	Ratio %	Amount	Ratio %	Amount	Ratio %
Net sales	180,835	100.0	182,461	100.0	227,077	100.0
Cost of goods sold	128,584	71.1	129,325	70.9	159,271	70.1
Gross profit	52,251	28.9	53,136	29.1	67,806	29.9
Selling, general and administrative expenses	45,166	25.0	46,271	25.3	61,595	27.1
Operating income	7,084	3.9	6,864	3.8	6,210	2.8
Non-operating income						
Interest income	158		162		233	
Rental income	1,650		1,813		2,271	
Lease revenue - system equipment	642		570		836	
Other non-operating income	2,960		2,959		3,667	
Total non-operating income	5,413	3.0	5,504	3.0	7,009	3.0
Non-operating expenses						
Interest expenses	12		123		99	
Loss on disposal of fixed assets	78		114		190	
Other non-operating expenses	1,711		1,796		2,448	
Total non-operating expenses	1,802	1.0	2,033	1.1	2,738	1.2
Ordinary income	10,695	5.9	10,335	5.7	10,480	4.6
Extraordinary gains						
Gain on sale of investment securities	609		352		467	
Gain on sale of securities of subsidiary companies	-		-		112	
Reversal of allowance for doubtful receivables	234		226		702	
Total extraordinary gains	843	0.4	579	0.3	1,283	0.5
Extraordinary losses						
Loss on disposal of fixed assets	95		-		158	
Loss on sale of fixed assets	279		-		-	
Impairment losses on fixed assets	4,384		-		-	
Cost of transition to defined contribution pension plan	339		-		-	
Loss on arrangement of stores	-		-		166	
Depreciation of land	-		-		377	
Write down of investment securities	-		103		266	
Loss on reorganization of stores in Europe	-		800		1,167	
Other extraordinary losses	29		-		-	
Total extraordinary losses	5,129	2.8	903	0.5	2,137	0.9

(Unit: Millions of Yen)

	Nine months ended December 31, 2004		Nine months ended December 31, 2003		Year ended March 31, 2004	
	Amount	Ratio %	Amount	Ratio %	Amount	Ratio %
Income before income taxes and minority interests	6,408	3.5	10,011	5.5	9,626	4.2
Income taxes – current	2,921	1.6	5,606	3.1	5,948	2.6
Income taxes – deferred	1,043	0.6	(817)	(0.5)	(1,764)	(0.8)
Minority interests	108	0.1	(9)	(0.0)	1	0.0
Net income	2,551	1.4	5,212	2.9	5,443	2.4

Consolidated Statements of Cash Flows

(Unit: Millions of Yen)

	Nine months ended December 31, 2004 Amount	Nine months ended December 31, 2003 Amount	Year ended March 31, 2004 Amount
Operating Activities:			
Income before income taxes and minority interests	6,408	10,011	9,626
Depreciation and amortization	4,141	4,246	5,798
Impairment losses on fixed assets	4,384	-	-
Lease revenue	(1,658)	(1,504)	(2,042)
Increase in trade notes and accounts receivable	(12,598)	(15,198)	(219)
Increase in inventories	(3,745)	(5,311)	(1,022)
Increase in trade notes and accounts payable	8,719	11,931	540
Others	1,458	4,966	5,162
Subtotal	7,110	9,142	17,843
Interest and dividend received	576	614	827
Interest paid	(30)	(126)	(97)
Taxes paid	(6,035)	(4,730)	(4,765)
Net cash provided by operating activities	1,621	4,898	13,807
Investing Activities:			
Payment for tangible and intangible fixed assets other than software	(3,520)	(5,293)	(6,832)
Payment for software development	(1,038)	(699)	(1,062)
Acquisition of investment securities	(5,269)	(4,117)	(4,664)
Disposition of investment securities	4,270	5,758	10,088
Proceeds from loans	(878)	(1,196)	(1,222)
Collection of loans	1,565	1,867	2,173
Payment for rental deposits	(1,508)	(596)	(943)
Lease revenue	1,333	1,175	1,603
Others	385	7	214
Net cash used in investing activities	(4,660)	(3,093)	(645)
Financing Activities:			
Net decrease in short-term borrowings	(106)	(882)	(1,509)
Repayments of long-term debt	(360)	(1,256)	(972)
Proceeds from issuance of zero coupon convertible bonds	-	10,000	10,000
Purchase of treasury stock	(5)	(1,793)	(2,503)
Dividends paid	(1,384)	(1,297)	(1,303)
Others	292	659	894
Net cash (used in) provided by financing activities	(1,563)	5,429	4,605
Effect of exchange rate changes on cash and cash equivalents	78	(16)	(37)
Net (decrease) increase in cash and cash equivalents	(4,523)	7,218	17,730
Cash and cash equivalents, beginning of the period / year	41,155	23,437	23,437
Decrease in cash and cash equivalents exclusion of a consolidated subsidiary	-	(12)	(12)
Cash and cash equivalents, end of the period / year	36,631	30,644	41,155

Consolidated Sales Component and Percentage by Division

(Unit: Millions of Yen)

Divisions	Nine months ended December 31, 2004		Nine months ended December 31, 2003		Year ended March 31, 2004	
	Amount	Ratio %	Amount	Ratio %	Amount	Ratio %
Wholesale	109,573	60.6	112,312	61.6	135,551	59.7
Retail	71,261	39.4	70,149	38.4	91,526	40.3
Total	180,835	100.0	182,461	100.0	227,077	100.0

Consolidated Sales Component and Percentage by Product Category

(Unit: Millions of Yen)

Products	Nine months ended December 31, 2004		Nine months ended December 31, 2003		Year ended March 31, 2004	
	Amount	Ratio %	Amount	Ratio %	Amount	Ratio %
Tires and wheels	38,125	21.1	38,313	21.0	45,514	20.0
Car electronics	54,533	30.1	55,343	30.3	67,346	29.7
Oil and batteries	13,307	7.4	13,949	7.7	17,653	7.7
Car exterior items	18,091	10.0	19,268	10.6	24,136	10.6
Car interior items	16,042	8.9	15,747	8.6	20,317	9.0
Motor sports goods and others	40,734	22.5	39,839	21.8	52,109	23.0
Total	180,835	100.0	182,461	100.0	227,077	100.0