

November 14, 2003

Summary of Quick Financial Announcement of Consolidated Financial Information For the Six Months Ended September 30, 2003

Company name : AUTOBACS SEVEN CO., LTD.

Code Number : 9832

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

Headquarters : Tokyo, Japan

Company Representative : Koichi Sumino, Representative Director

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Date of the Board of Directors' meeting for approval of semiannual accounts : November 14, 2003

Stock Exchange Listings : Tokyo, Osaka, and London.

Adoption of accounting principles generally accepted in the U.S.A. : None

1. Results for the interim term (From April 1, 2003 to September 30, 2003)

(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	
Six months ended September 30,2003	107,746	-1.2%	1,935	-42.3%	3,853	-17.3%
Six months ended September 30,2002	109,052	1.4%	3,356	-25.1%	4,659	-22.2%
Year ended March 31,2003	230,478		7,652		10,273	

	Net income		Net income pershare-Basic (Unit:Yen)	Net income pershare-Diluted (Unit:Yen)
Six months ended September 30,2003	1,773	-16.9%	49.24	-
Six months ended September 30,2002	2,133	-35.5%	56.93	-
Year ended March 31,2003	4,003		106.76	-

Notes: 1. Equity income on affiliates: -138 million Yen

(For the 6 months ended September 30, 2002: -8 million Yen)

2. The weighted average number of shares used in computing net income per share: 36,008,363

(For the 6 months ended September 30,2002: 37,475,996)

3. Changes in Accounting policies: None

4. Regarding net sales, operating income, ordinary income and net income, percentages show changes from the previous interim.

(2) Financial position:

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

	Total assets	Shareholders' equity	Equity ratio	Equity per Share(Unit:Yen)
Six months ended September 30,2003	197,048	145,638	73.9%	4,072.82
Six months ended September 30,2002	188,986	146,783	77.7%	3,916.97
Year ended March 31,2003	187,138	145,817	77.9%	3,979.02

Note: Number of shares outstanding: 35,758,553

(For the six months ended September 30, 2002: 37,473,679)

(3) Statements of cash flows:

(Unit: Millions of Yen)

	Operating activities	Investing activities	Financing activities	Ending balances of cash and cash equivalents
Six months ended September 30,2003	5,039	-1,543	6,411	33,340
Six months ended September 30,2002	2,858	-1,154	-2,744	31,555
Year ended March 31,2003	7,925	-8,002	-9,098	23,437

(4) Scope of consolidation and application of equity method:

Number of consolidated subsidiaries	66
Number of non-consolidated subsidiaries	None
Number of affiliated companies to which equity method was applied	10

(5) Change in scope of consolidation and application of equity method:

Consolidation	Addition	3
	Exclusion	4
Equity method	Addition	3
	Exclusion	1

2. Forecast for the current financial year (April 1,2003 to March 31,2004)

(Unit: Millions of Yen)

	Net sales	Ordinary income	Net income
Annual	228,000	10,300	4,900

Note: 1. The estimated net income per share for the year ending March 31,2004 will be 137.03 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 or changes in assumptions.

Consolidated Balance Sheets

(Millions of Yen)

Assets	(September 30,2003)		(September 30,2002)		(March 31,2003)	
	Amount	Ratio %	Amount	Ratio %	Amount	Ratio %
Current assets						
Cash and deposits	33,486		31,879		23,681	
Trade notes and accounts receivable	10,059		10,862		12,272	
Marketable securities	6,302		3,100		5,721	
Inventories	19,854		18,528		17,549	
Deferred income taxes	2,545		2,599		2,240	
Other receivables	12,003		10,972		13,302	
Other current assets	3,674		3,701		3,159	
Allowance for doubtful receivables	(1,890)		(1,890)		(2,100)	
Total current assets	86,035	43.7	79,754	42.2	75,828	40.5
Fixed assets						
Tangible fixed assets						
Buildings and structures	27,289		22,418		26,370	
Land	25,981		25,011		25,014	
Other	8,794		8,216		8,079	
Total tangible fixed assets	62,065		55,647		59,463	
Intangible assets						
Goodwill	363		14		-	
Software	2,053		2,621		2,327	
Other	420		514		468	
Total intangible assets	2,837		3,150		2,795	
Investments and other assets						
Investment securities	13,858		17,485		16,128	
Long-term loans	3,862		4,353		3,614	
Deferred income taxes	2,917		2,841		3,182	
Long-term rental deposits	24,946		25,775		25,375	
Other	1,739		2,027		2,069	
Allowance for doubtful receivables	(1,214)		(2,049)		(1,319)	
Total investments and other assets	46,110		50,433		49,051	
Total fixed assets	111,013	56.3	109,231	57.8	111,310	59.5
Total assets	197,048	100.0	188,986	100.0	187,138	100.0

(Millions of Yen)

Liabilities and Shareholders' Equity	(September 30,2003)		(September 30,2002)		(March 31,2003)	
	Amount	Ratio	Amount	Ratio	Amount	Ratio
		%		%		%
Current liabilities						
Trade notes and accounts payable-trade	13,454		12,587		13,109	
Short-term borrowings	2,275		5,047		3,111	
Accrued income taxes	2,627		2,519		2,342	
Other	11,028		9,820		11,397	
Total current liabilities	29,385	14.9	29,975	15.9	29,961	16.0
Long-term liabilities						
Bonds	8		-		-	
Zero Coupon Convertible Bonds	10,000		-		-	
Long-term borrowings	2,208		2,559		2,019	
Liability for retirement benefits	1,374		1,379		1,299	
Accrued retirement benefits for directors and corporate auditors	159		214		233	
Other	7,756		6,881		7,281	
Total long-term liabilities	21,508	10.9	11,035	5.8	10,834	5.8
Total liabilities	50,893	25.8	41,010	21.7	40,796	21.8
Minority interests	516	0.3	1,192	0.6	524	0.3
Shareholders' equity						
Common stock	31,958	16.2	31,958	16.9	31,958	17.1
Capital Surplus	32,241	16.4	31,719	16.8	32,241	17.2
Retained earnings	85,624	43.4	83,328	44.1	84,523	45.2
Net unrealized gains (losses) on investment securities	322	0.2	(83)	(0.0)	(126)	(0.1)
Foreign currency translation adjustments	(120)	(0.1)	(102)	(0.1)	(179)	(0.1)
Treasury stock, at cost	(4,388)	(2.2)	(36)	(0.0)	(2,601)	(1.4)
Total shareholders' equity	145,638	73.9	146,783	77.7	145,817	77.9
Total liabilities, minority interests and shareholders' equity	197,048	100.0	188,986	100.0	187,138	100.0

Consolidated Statements of Income

(Millions of Yen)

	Six months ended September 30,2003		Six months ended September 30,2002		Year ended March 31,2003	
	Amount	Ratio %	Amount	Ratio %	Amount	Ratio %
Net sales	107,746	100.0	109,052	100.0	230,478	100.0
Cost of goods sold	75,575	70.1	77,408	71.0	163,457	70.9
Gross Profit	32,171	29.9	31,643	29.0	67,021	29.1
Selling, general and administrative expenses	30,235	28.1	28,286	25.9	59,369	25.8
Operating income	1,935	1.8	3,356	3.1	7,652	3.3
Non-operating income						
Interest income	106		191		378	
Rental income	1,163		710		1,778	
Lease revenue-system equipment	377		377		805	
Other	1,710		1,376		3,247	
Total non-operating income	3,359	3.1	2,655	2.4	6,210	2.7
Non-operating expenses						
Interest expenses	57		50		152	
Loss on disposal of fixed assets	92		135		421	
Loss on lease cancellation	11		144		153	
Other	1,279		1,022		2,862	
Total non-operating expenses	1,441	1.3	1,352	1.2	3,589	1.5
Ordinary income	3,853	3.6	4,659	4.3	10,273	4.5
Extraordinary gains						
Reversal of allowance for doubtful receivables	225		245		470	
Other	-		9		9	
Total Extraordinary gains	225	0.2	255	0.2	480	0.2
Extraordinary losses						
Loss on sale of investment securities	-		13		45	
Write down of investment securities	76		89		330	
Other	-		9		760	
Total Extraordinary losses	76	0.1	112	0.1	1,137	0.5
Income before income taxes and minority interests	4,002	3.7	4,802	4.4	9,616	4.2
Income taxes-current	2,593		2,629		5,392	
Income taxes-deferred	(356)		67		300	
Minority interests	(8)	0.0	(28)	0.0	(80)	0.0
Net income	1,773	1.6	2,133	2.0	4,003	1.7

Consolidated Statements of Capital Surplus and Retained Earnings

(Millions of Yen)

	Six months ended September 30,2003	Six months ended September 30,2002	Year ended March 31,2003
(Capital surplus)			
Capital surplus at beginning of year	32,241	31,719	31,719
Increase in capital surplus			
Issuance of common stock	-	-	522
Gain on disposal of treasury stock	-	-	0
Capital surplus at end of period/year	32,241	31,719	32,241
(Retained earnings)			
Retained earnings at beginning of year	84,523	81,901	81,901
Increase in retained earnings			
Net income	1,773	2,133	4,003
Decrease in retained earnings			
Cash dividends	(659)	(674)	(1,349)
Bonuses to directors and corporate auditors	(10)	(31)	(31)
Loss on disposal of treasury stock	(2)	-	-
Retained earnings at end of period / year	85,624	83,328	84,523

Consolidated Statements of Cash Flows

(Millions of Yen)

	Six months ended September 30,2003	Six months ended September 30,2002	Year ended March 31,2003
	Amount	Amount	Amount
Operating Activities:			
Net income before income taxes and minority interests	4,002	4,802	9,616
Depreciation and amortization	2,802	2,545	5,394
Amortization of goodwill	119	144	114
Reversal of doubtful receivables	(315)	(224)	(507)
Reversal of retirement benefits	(45)	(36)	(116)
Decrease in retirement benefit for directors and corporate auditors	(74)	(46)	(27)
Interest and dividend income	(174)	(202)	(422)
Interest expenses	57	50	152
Equity loss (income) on affiliates	138	8	(58)
Lease revenue	(995)	(804)	(1,818)
Decrease (Increase) in trade notes and accounts receivable	3,582	3,546	(130)
Increase in inventories	(2,112)	(2,046)	(842)
Decrease in trade notes and accounts payable	(210)	(1,713)	(1,480)
Others	198	(982)	2,844
Subtotal	6,972	5,041	12,718
Interest and dividend received	434	365	806
Interest paid	(57)	(52)	(154)
Taxes paid	(2,309)	(2,496)	(5,445)
Net cash provided by operating activities	5,039	2,858	7,925
Investing Activities:			
Payment for marketable securities	(99)	(99)	(99)
Proceeds from redemption and sales of marketable securities	99	1,599	1,599
Payment for tangible and intangible fixed assets other than software	(4,275)	(2,842)	(9,728)
Payment for software development	(222)	(402)	(603)
Payment for investment securities	(1,797)	(4,714)	(10,235)
Proceeds from redemption and sales of investment securities	4,026	3,226	7,182
Net cash-out for (cash-in for) acquisition of subsidiaries	(988)	242	316
Proceeds from loans	(1,158)	(200)	(549)
Collection of loans	1,502	947	1,996
Payment for rental deposits	(371)	(683)	(1,408)
Collection of rental deposits	181	319	888
Lease revenue	776	638	1,459
Others	784	814	1,179
Net cash used in investing activities	(1,543)	(1,154)	(8,002)
Financing Activities:			
Net decrease in short-term borrowings	(780)	(365)	(2,562)
Proceeds from long-term borrowings	120	573	773
Repayment of long-term borrowings	(516)	(2,357)	(3,467)
Proceeds from issuance of zero coupon convertible bonds	10,000	-	-
Repurchase of common stock	(1,792)	-	(2,575)
Dividends paid	(659)	(674)	(1,349)
Others	39	79	82
Net cash provided by (used in) financing activities	6,411	(2,744)	(9,098)
Effect of exchange rate changes on cash and cash equivalents	7	(42)	(25)
Net increase (decrease) in cash and cash equivalents	9,915	(1,082)	(9,200)
Cash and cash equivalents, beginning of period / year	23,437	32,835	32,835
Decrease in cash and cash equivalents exclusion of a consolidated subsidiary	(12)	(197)	(197)
Cash and cash equivalents, end of period / year	33,340	31,555	23,437

Consolidated Sales Component and Percentage by Division

(Millions of Yen)

Divisions	Six months ended September 30,2003		Six months ended September 30,2002		Increase or (decrease)		Year ended March 31,2003	
	Amount	Ratio %	Amount	Ratio %	Amount	Ratio %	Amount	Ratio %
Wholesale	64,114	59.5	65,621	60.2	(1,506)	(2.3)	137,267	59.6
Retail	43,631	40.5	43,430	39.8	200	0.5	93,211	40.4
Total	107,746	100.0	109,052	100.0	(1,305)	(1.2)	230,478	100.0

Consolidated Sales Component and Percentage by Product Category

(Millions of Yen)

Products	Six months ended September 30,2003		Six months ended September 30,2002		Increase or (decrease)		Year ended March 31,2003	
	Amount	Ratio %	Amount	Ratio %	Amount	Ratio %	Amount	Ratio %
Tires and wheels	18,514	17.2	19,388	17.8	(873)	(4.5)	47,243	20.5
Car electronics	34,175	31.7	35,598	32.6	(1,422)	(4.0)	68,672	29.8
Oil and batteries	8,639	8.0	9,639	8.8	(999)	(10.4)	19,253	8.3
Car exterior items	10,429	9.7	10,850	10.0	(421)	(3.9)	25,969	11.3
Car interior items	10,681	9.9	10,987	10.1	(306)	(2.8)	20,776	9.0
Motor sports goods and others	25,305	23.5	22,587	20.7	2,718	12.0	48,564	21.1
Total	107,746	100.0	109,052	100.0	(1,305)	(1.2)	230,478	100.0