

May 21, 2003

Summary of Quick Financial Announcement of Consolidated Financial Information For the Year Ended March 31,2003

Company name: AUTOBACS SEVEN CO., LTD.

Code Number : 9832

(URL <http://www.autobacs-seven.com/>)

Headquarters : Tokyo, Japan

Company Representative: Koichi Sumino, Representative Director

Contact for further information: Takashi Matsuo, Director

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Date of the Board of Directors' meeting for approval of annual accounts: May 21, 2003

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

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

1. Results for the fiscal term (From April 1, 2002 to March 31, 2003)

(Note: Amounts less than Yen1 million have been rounded down)

(1) Results of operations:

Year ended	Net sales		(Unit: Millions of Yen except for per share information)		Ordinary income	
		% of increase or decrease(-)	Operating income	% of increase or decrease(-)		
March 31,2003	230,478	1.2%	7,652	-20.0%	10,273	-16.3%
March 31,2002	227,737	1.0%	9,569	-22.7%	12,271	-17.5%
Year ended	Net income % of increase or decrease(-)		Net income per share-Basic		Net income per share-Diluted	
March 31,2003	4,003	-27.5%	Yen 106.76		-	
March 31,2002	5,520	-28.9%	Yen 147.28		-	
Year ended	Net income to Shareholders' equity		Ordinary income to total assets		Ordinary income to net sales	
March 31,2003	2.7%		5.4%		4.5%	
March 31,2002	3.9%		6.4%		5.4%	

Notes:

- 1) Equity income on affiliates: Yen 58 million
(For the year ended March 31, 2002: Yen 32 million)
- 2) The weighted average number of shares used in computing net income per share: 37,395,147
(For the year ended March 31, 2002: 37,481,289)
- 3) Changes in Accounting policies: None.
- 4) Regarding net sales, operating income, ordinary income and net income, percentages show

changes from the previous year.

(2) Financial position:

	Total assets	(Unit: Millions of Yen except for per share information) Shareholders' equity	Equity ratio	Equity per share
Year ended March 31,2003	187,138	145,817	77.9%	Yen 3,979.02
Year ended March 31,2002	190,815	145,391	76.2%	Yen 3,879.09

Note: Number of shares outstanding: 36,632,540
(For the year ended March 31, 2002: 37,480,850)

(3) Statements of cash flows:

	Operating activities	Investing activities	Financing activities	(Unit: Millions of Yen) Ending balances of cash and cash equivalents
Year ended March 31,2003	7,925	(8,002)	(9,098)	23,437
Year ended March 31,2002	11,795	(8,856)	(5,296)	32,835

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

Number of consolidated subsidiaries	67
Number of non-consolidated subsidiaries	None
Number of affiliated companies to which equity method was applied	8

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

Consolidation	Addition	14
	Exclusion	10
Equity method	Addition	1
	Exclusion	None

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

(Unit: Millions of Yen)

	Net sales	Ordinary income	Net income
Semiannual	110,000	4,900	2,300
Annual	234,000	10,700	5,000

Note: The estimated net income per share for the year ending March 31,2004 will be Yen 136.49
This forecasts are made based on the assumptions, estimates, recognition of facts, 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	(March31, 2003)		(March31, 2002)	
	Amount	Ratio	Amount	Ratio
		%		%
Current assets				
Cash and deposits	23,681		33,198	
Trade notes and accounts receivable	12,272		12,859	
Marketable securities	5,721		3,760	
Inventories	17,549		15,918	
Deferred tax assets	2,240		2,832	
Short-term loans	1,333		860	
Accounts receivable-other	13,302		12,824	
Other current assets	1,826		1,965	
Allowance for doubtful receivables	(2,100)		(2,177)	
Total current assets	75,828	40.5	82,042	43.0
Fixed assets				
Tangible fixed assets				
Buildings and structures	26,370		22,646	
Machinery, equipment and vehicle	1,598		1,638	
Tools, furniture and fixtures	5,906		5,614	
Land	25,014		23,762	
Construction in progress	574		285	
Total tangible fixed assets	59,463	31.8	53,948	28.3
Intangible fixed assets				
Goodwill	-		28	
Software	2,327		2,878	
Other intangible fixed assets	468		523	
Total intangible fixed assets	2,795	1.5	3,430	1.8
Investments				
Investment securities	16,128		16,779	
Long-term loans	3,614		5,841	
Deferred tax assets	3,182		2,886	
Rental deposits	25,375		25,851	
Other investments	2,069		2,192	
Allowance for doubtful receivables	(1,319)		(2,156)	
Total investments	49,051	26.2	51,395	26.9
Total fixed assets	111,310	59.5	108,773	57.0
Total assets	187,138	100.0	190,815	100.0

(Unit: Millions of Yen)

Liabilities and Shareholders' equity	(March31, 2003)		(March31, 2002)	
	Amount	Ratio	Amount	Ratio
		%		%
Current liabilities				
Trade notes and accounts payable-trade	13,109		14,170	
Short-term borrowings	3,111		4,917	
Income taxes payable	2,342		2,394	
Other current liabilities	11,397		11,985	
Total current liabilities	29,961	16.0	33,468	17.5
Long-term liabilities				
Long-term debt	2,019		2,316	
Liability for retirement benefits	1,299		1,385	
Accrued retirement benefits for directors and corporate auditors	233		261	
Goodwill	42		-	
Other long-term liabilities	7,239		6,735	
Total Long-term liabilities	10,834	5.8	10,697	5.6
Total liabilities	40,796	21.8	44,166	23.1
Minority interests				
Minority interests	524	0.3	1,257	0.7
Shareholders' equity				
Common stock	31,958	17.1	-	-
Capital Surplus	32,241	17.2	-	-
Retained earnings	84,523	45.2	-	-
Net unrealized loss on investment securities	(126)	(0.1)	-	-
Foreign currency translation adjustments	(179)	(0.1)	-	-
Treasury stock, at cost	(2,601)	(1.4)	-	-
Total shareholders' equity	145,817	77.9	-	-
Common stock	-	-	31,958	16.8
Additional paid-in capital	-	-	31,719	16.6
Consolidated Retained earnings	-	-	81,901	42.9
Net unrealized loss on investment securities	-	-	(169)	(0.1)
Foreign currency translation adjustments	-	-	(16)	(0.0)
Treasury stock, at cost	-	-	(1)	(0.0)
Total shareholders' equity	-	-	145,391	76.2
Total liabilities, minority interests and shareholders' equity	187,138	100.0	190,815	100.0

Consolidated Statements of Income

(Unit: Millions of Yen)

	Year ended March 31,2003		Year ended March 31,2002	
	Amount	Ratio	Amount	Ratio
		%		%
Net sales	230,478	100.0	227,737	100.0
Cost of good sold	<u>163,457</u>	70.9	<u>163,056</u>	71.6
Gross profit	67,021	29.1	64,680	28.4
Selling, general and administrative expenses	<u>59,369</u>	25.8	<u>55,111</u>	24.2
Operating income	7,652	3.3	9,569	4.2
Non-operating income				
Interest income	378		454	
Dividend income	43		39	
Equity income on affiliates	58		32	
Rental income	1,778		1,538	
Lease revenue - system equipment	805		-	
Other income	<u>3,145</u>		<u>3,016</u>	
Total non-operating income	<u>6,210</u>	2.7	<u>5,081</u>	2.2
Non-operating expenses				
Interest expenses	152		198	
Loss on disposal of fixed assets	421		253	
Other expenses	<u>3,016</u>		<u>1,928</u>	
Total non-operating expenses	<u>3,589</u>	1.5	<u>2,379</u>	1.0
Ordinary income	10,273	4.5	12,271	5.4
Extraordinary gains				
Gain on sale of investment securities	9		-	
Reversal of allowance for doubtful receivables	470		891	
Others	<u>-</u>		<u>8</u>	
Total extraordinary gains	<u>480</u>	0.2	<u>900</u>	0.4
Extraordinary losses				
Loss on sale of fixed assets	-		0	
Loss on disposal of fixed assets	-		3	
Write down of land	189		-	
Loss on sale of investment securities	45		1,697	
Write down of investment securities	330		1,083	
Extraordinary retirement benefits	377		-	
Loss on store arrangement	184		-	
Write down of golf membership	-		127	
Termination losses of pension and severance payment plan of subsidiaries	9		92	
Others	<u>-</u>		<u>17</u>	
Total extraordinary losses	<u>1,137</u>	0.5	<u>3,021</u>	1.3
Income before income taxes and minority interests	9,616	4.2	10,149	4.5
Income taxes - current	5,392	2.4	6,058	2.7
Income taxes - deferred	300	0.1	(1,181)	(0.5)
Loss of minority interests	<u>80</u>	0.0	<u>247</u>	0.1
Net income	<u>4,003</u>	1.7	<u>5,520</u>	2.4

Consolidated Statements of Capital Surplus and Retained Earnings

(Unit: Millions of Yen)

	Year ended March 31, 2003	Year ended March 31, 2002
Capital surplus		
Balance at beginning of year	31,719	-
Increase in capital surplus		
Issuance of common stock	522	-
Disposal of treasury stock	<u>0</u>	-
Balance at end of year	32,241	-
Retained earnings		
Balance at beginning of year	81,901	-
Increase in retained earnings		
Net income	4,003	-
Decrease in retained earnings		
Cash dividends	(1,349)	-
Bonuses to directors and corporate auditors	<u>(31)</u>	-
Balance at end of year	84,523	-
Consolidated retained earnings		
Retained earnings, beginning of year	-	77,751
Increase in retained earnings		
New application of equity method for affiliated companies	-	32
Decrease in retained earnings		
Cash dividends	-	(1,349)
Bonuses to directors and corporate auditors	-	(53)
Net income	-	<u>5,520</u>
Retained earnings, end of year	-	81,901

Consolidated Statements of Cash Flows

(Unit: Millions of Yen)

	Year ended March31, 2003	Year ended March31, 2002
	Amount	Amount
Operating Activities:		
Net income before income taxes and minority interests	9,616	10,149
Depreciation and amortization	5,394	5,409
Amortization of goodwill	114	238
Increase (Decrease) in allowance for doubtful receivables	(507)	440
Increase (Decrease) in retirement benefits	(116)	39
Increase (Decrease) in retirement benefits for directors and corporate auditors	(27)	27
Interest and dividend income	(422)	(494)
Interest expenses	152	198
Gain on foreign currency translation	(69)	(15)
Equity income on affiliates	(58)	(32)
Lease revenue	(1,818)	(1,943)
(Gain) Loss on sale of marketable securities	0	99
Loss on sale or disposal of fixed assets	513	256
Loss on sale of investment securities	45	1,697
Write-down of investment securities	329	1,083
Write-down of golf membership	-	127
Increase in trade notes and accounts receivable	(130)	(71)
Increase in inventories	(842)	(1,087)
Increase (Decrease) in trade notes and accounts payable	(1,480)	925
Payment for bonuses for directors and corporate auditors	(31)	(53)
Others	2,056	2,519
Subtotal	<u>12,718</u>	<u>19,514</u>
Interest and dividend received	806	858
Interest paid	(154)	(196)
Taxes paid	<u>(5,445)</u>	<u>(8,380)</u>
Net cash provided by operating activities	<u>7,925</u>	<u>11,795</u>
Investing Activities:		
Decrease in time deposit	325	67
Payment for purchase of marketable securities	(99)	(5,187)
Proceeds from sales of marketable securities	1,599	6,153
Payment for tangible and intangible fixed assets other than software	(9,728)	(7,927)
Proceeds from sale of tangible and intangible fixed assets other than software	202	182
Payment for software	(603)	(842)
Payment for investment securities	(10,235)	(9,760)
Proceeds from sale of investment securities	7,182	6,295
Cash of subsidiaries acquired	316	441
Proceeds from loans	(549)	(947)
Collection of loans	1,996	2,411
Payment for rental deposits	(1,408)	(1,840)
Collection of rental deposits	888	481
Lease revenue	1,459	1,549
Others	652	66
Net cash used in investing activities	<u>(8,002)</u>	<u>(8,856)</u>
Financing Activities:		
Net decrease in short-term borrowings	(2,562)	(2,286)
Proceeds from long-term debt	773	1,153
Repayments of long-term debt	(3,467)	(2,951)
Repurchase of common stock	(2,575)	(1)
Proceeds from issuance of subsidiary stock	83	145
Dividends paid	(1,349)	(1,349)
Others	0	(6)
Net cash provided by (used in) financing activities	<u>(9,098)</u>	<u>(5,296)</u>
Effect of exchange rate changes on cash and cash equivalents	(25)	73
Net decrease in cash and cash equivalents	(9,200)	(2,284)
Cash and cash equivalents, beginning of year	32,835	35,575
Net increase in cash and cash equivalents from merger	-	8
Decrease in cash and cash equivalents exclusion of consolidated subsidiaries	(197)	(464)
Cash and cash equivalents, end of year	<u>23,437</u>	<u>32,835</u>

Consolidated Sales Component and Percentage by Division

(Unit: Millions of Yen)

Divisions	Year ended March31, 2003		Year ended March31, 2002		Increase or (Decrease)
	Amount	Ratio %	Amount	Ratio %	Ratio %
Wholesale	137,267	59.6	138,366	60.8	(0.8)
Retail	93,211	40.4	89,370	39.2	4.3
Total	230,478	100.0	227,737	100.0	1.2

Consolidated Sales Component and Percentage by Product Category

(Unit: Millions of Yen)

Products	Year ended March 31, 2003		Year ended March31, 2002		Increase or (Decrease)
	Amount	Ratio %	Amount	Ratio %	Ratio %
Tires and wheels	47,243	20.5	48,340	21.3	(2.3)
Car electronics	68,672	29.8	67,880	29.8	1.2
Oil and batteries	19,253	8.3	20,295	8.9	(5.1)
Car exterior items	25,969	11.3	27,364	12.0	(5.1)
Car interior items	20,776	9.0	19,853	8.7	4.6
Motor sports goods and others	48,564	21.1	44,002	19.3	10.4
Total	230,478	100.0	227,737	100.0	1.2

New Executive Appointments

(1) New Candidate for Board of Director: (as of June 26, 2003)

Setsuo Wakuda	(current Executive Officer, In charge of Franchise Business Strategy)
Hidehiro Ide	(current Executive Officer, In charge of Supporting Franchisee Corporations)
Yasuhiro Tsunemori	(current Executive Officer, In charge of Merchandising Strategy)
Hideaki Yokoi	(current Executive Officer, In charge of Business Development)

(2) Resigning from Board of Directors: (as of June 26, 2003)

Tomikazu Nishihara	(current Director, to be appointed Advisor of the Board)
Hiroshi Yamamoto	(current Director, to be appointed Advisor of the Board)

New Management (as of June 26, 2003)

< Board of Directors >

Koichi Sumino	Representative Director and Chief Executive Officer
Akira Nogami	Director and Chief Operating Officer
Hiroshi Sumino	Director
Kozo Sumino	Director
Takashi Matsuo	Director
Setsuo Wakuda	Director
Hidehiro Ide	Director
Yasuhiro Tsunemori	Director
Hideaki Yokoi	Director

< Auditors >

Kotaro Morino	Senior Corporate Auditor (Full-time)
Katsushi Koyama	Senior Corporate Auditor (Full-time)
Harukuni Yoshida	Senior Corporate Auditor (Full-time)
Kenji Ogawa	Corporate Auditor

(Note)

The above New Management is subject to the approval of the shareholders at the Annual General Meeting scheduled to be held on June 26, 2003.

< Corporate Officers >

Satoshi Kohira	In charge of AUTOBACS Business Development and General Manager of Store Support Planning Office
Kazuyoshi Sawada	In charge of Car Inspection Business Promotion and Maintenance Service Skill Development
Shuichi Shino	In charge of Store Development Strategy
Masachika Sumikura	In charge of SUPER AUTOBACS Business Development and Project Manager of SA Planning & Development Project
Kenichi Takeda	In charge of Sales Promotion
Yuzuru Toide	In charge of Northern Japan Store Support Division
Naohumi Kamata	In charge of South Kanto Store Support Division
Yoshihiro Emoto	In charge of North Kanto Store Support Division
Hironori Morimoto	In charge of Chubu Store Support Division
Kosuke Kaya	In charge of Kansai Store Support Division
Teruyuki Matsumura	In charge of Southern Japan Store Support Division
Kiomi Kobayashi	In charge of Overseas Store Support Division
Yoshirou Miyama	In charge of AUTOBACS C@RS (cars) Division
Masahiro Morimoto	In charge of Used Parts Sales Division