

November 19, 2001

Summary of Quick Financial Announcement of Consolidated Financial Information for the six months ended September 30, 2001

Company name: AUTOBACS SEVEN CO., LTD.

Code Number : 9832

Headquarters : Tokyo, Japan

Contact for further information:

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Managing Director

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Date of the Board of Directors' meeting for approval of interim accounts: November 19, 2001

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

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

1. Results for the interim term (From April 1, 2001 to September 30, 2001)

(Note: Amounts less than ¥ 1 million in this summary and attached financial information have been rounded down)

(1) Results of operations:

(Unit: ¥ million except for per share information)

	Net sales		Operating income [ % of increase or (decrease) ]		Ordinary income	
Six months ended September 30, 2001	107,545	0.5%	4,482	(3.6)%	5,986	(2.4)%
Six months ended September 30, 2000	106,959	- %	4,650	- %	6,133	- %
Year ended March 31, 2001	225,377		12,386		14,879	

  

	Net income [ % of increase or (decrease) ]		Net income per share	Net income per share diluted
Six months ended September 30, 2001	3,306	12.1%	¥ 88.21	-
Six months ended September 30, 2000	2,949	- %	¥ 78.69	-
Year ended March 31, 2001	7,767		¥ 207.23	-

Notes:

Equity in profit or (loss) of affiliates (¥ 27) million

( Forth 6 months ended September 30, 2000 (¥ 10) million

For the year ended March 31, 2001 ¥ 8 million)

The weighted average number of shares used in computing net income per share: 37,481,416

(For the 6 months ended September 30, 2000: 37,481,398

For the year ended March 31, 2001: 37,481,404)

Changes of Accounting policies: None.

(2) Financial position:

(Unit: ¥ million except for per share information)

	Total assets	Shareholders' equity	Equity ratio	Equity per share
Six months ended September 30,2001	191,659	143,537	74.9%	¥ 3,829.55
Six months ended September 30,2000	180,525	137,183	76.0%	¥ 3660.05
Year ended March 31,2001	191,072	141,095	73.8%	¥ 3,764.43

Note: The number of stocks issued: 37,481,466

(For the 6 months ended September 30, 2000: 37,481,294

For the year ended March 31, 2001: 37,481,374)

(3) Statements of cash flows:

(Unit: ¥ million)

	Provided by Operating activities	Used by Investing activities	Provided by Financing activities	Balances at end of cash and cash equivalents
Six months ended September 30,2001	2,827	(4,696)	214	33,938
Six months ended September 30,2000	2,325	(6,277)	1,825	26,156
Year ended March 31,2001	15,017	(8,990)	1,186	35,575

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

Number of consolidated subsidiaries	64
Number of non-consolidated subsidiaries	None
Number of affiliated companies	5

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

Consolidation	Addition	4 subsidiaries
Equity method	Addition	1 company

2. Forecast for this fiscal year (April 1,2001 to March 31,2002):

(Unit: ¥ million except for per share information)

	Net sales	Ordinary income	Net income
Annual	229,700	15,000	8,500

Reference: The estimated net income per share for the year ending March 31,2002 will be ¥ 226.78

## Consolidated Balance Sheets

(Unit: ¥ million)

Assets	(September 30,2001)		(September 30,2000)		(March 31,2001)	
	Amount	Ratio	Amount	Ratio	Amount	Ratio
<b>Current assets</b>						
Cash and deposits	12,157		11,263		15,450	
Trade notes and accounts receivable	11,422		10,375		13,509	
Marketable securities	29,971		22,323		27,389	
Inventories	17,204		15,722		14,481	
Deferred income taxes	2,929		2,117		2,615	
Accounts receivable-other	10,477		10,096		12,039	
Other current assets	4,079		5,493		3,810	
Allowance for doubtful receivables	( 1,998 )		( 1,142 )		( 2,354 )	
<b>Total current assets</b>	<b>86,243</b>	<b>45.0</b>	<b>76,250</b>	<b>42.2</b>	<b>86,941</b>	<b>45.5</b>
<b>Fixed assets</b>						
<b>Tangible fixed assets</b>						
Buildings and structures	22,233		20,637		22,902	
Land	19,198		19,262		19,198	
Other tangible fixed assets	10,225		9,966		9,268	
<b>Total tangible fixed assets</b>	<b>51,657</b>	<b>26.9</b>	<b>49,866</b>	<b>27.6</b>	<b>51,369</b>	<b>26.9</b>
<b>Intangible fixed assets</b>						
Goodwill	117		178		128	
Software	3,138		3,248		3,472	
Other intangible fixed assets	706		424		408	
<b>Total intangible fixed assets</b>	<b>3,962</b>	<b>2.1</b>	<b>3,850</b>	<b>2.2</b>	<b>4,008</b>	<b>2.1</b>
<b>Investments</b>						
Investment securities	15,617		14,484		13,727	
Long-term loans	5,621		7,036		6,555	
Deferred income taxes	2,469		1,388		2,073	
Rental deposits	25,636		25,933		25,644	
Other investments	2,229		2,404		2,316	
Allowance for doubtful receivables	( 1,777 )		( 689 )		( 1,565 )	
<b>Total investments</b>	<b>49,796</b>	<b>26.0</b>	<b>50,557</b>	<b>28.0</b>	<b>48,752</b>	<b>25.5</b>
<b>Total fixed assets</b>	<b>105,415</b>	<b>55.0</b>	<b>104,274</b>	<b>57.8</b>	<b>104,130</b>	<b>54.5</b>
<b>Total assets</b>	<b>191,659</b>	<b>100.0</b>	<b>180,525</b>	<b>100.0</b>	<b>191,072</b>	<b>100.0</b>
Note : Accumulated depreciation	26,735		22,332		24,661	



## Consolidated Statements of Income

(Unit: ¥ million)

	Six months ended September 30,2001		Six months ended September 30,2000		Increase or (decrease)		Year ended March 31,2001	
	Amount	Ratio %	Amount	Ratio %	Amount	Ratio %	Amount	Ratio %
Net sales	107,545	100.0	106,959	100.0	586	0.5	225,377	100.0
Cost of goods sold	77,167	71.8	76,944	71.9	223	0.3	160,034	71.0
Gross Profit	30,377	28.2	30,014	28.1	362	1.2	65,342	29.0
Selling, general and administrative expenses	25,895	24.1	25,363	23.7	531	2.1	52,956	23.5
Operating income	4,482	4.1	4,650	4.4	(168)	(3.6)	12,386	5.5
Non-operating income								
Interest income	215		239		(24)		569	
Rental income	784		667		117		1,211	
Other income	1,567		1,726		(159)		2,904	
Total non-operating income	2,567	2.4	2,632	2.4	(65)	(2.5)	4,685	2.1
Non-operating expenses								
Interest expenses	93		87		6		168	
Loss on disposal of fixed assets	156		199		(42)		208	
Other expenses	812		863		(51)		1,814	
Total non-operating expenses	1,062	1.0	1,150	1.1	(87)	(7.6)	2,191	1.0
Ordinary income	5,986	5.5	6,133	5.7	(147)	(2.4)	14,879	6.6
Extraordinary gains								
Reversal of allowance for doubtful receivables	109		317		(208)		74	
Other income	3		-		3		22	
Total Extraordinary gains	112	0.1	317	0.3	(205)	(64.5)	97	0.0
Extraordinary losses								
Write down of investment securities	81		54		27		34	
Other losses	0		698		(697)		1,130	
Total Extraordinary losses	81	0.0	752	0.7	(671)	(89.2)	1,164	0.5
Income before income taxes and minority interests	6,017	5.6	5,698	5.3	319	5.6	13,812	6.1
Income taxes-current	3,339	3.1	2,873	2.7	466	16.2	7,421	3.3
Income taxes-deferred	(593)	(0.5)	128	0.1	(722)	-	(866)	(0.4)
Minority interests	34	0.0	252	0.2	(218)	(86.4)	509	0.2
Net income	3,306	3.0	2,949	2.7	356	(12.1)	7,767	3.4

## Consolidated Statements of Retained Earnings

(Unit: ¥ million)

	Six months ended September 30,2001	Six months ended September 30,2000	Increase or (decrease)	Year ended March 31,2001
Retained earnings, beginning of period / year	77,751	71,386	6,364	71,386
Cash dividends	(674)	(674)	-	(1,349)
Bonuses to directors and corporate auditors	(53)	(53)	-	(53)
Net income	3,306	2,949	356	7,767
Retained earnings, end of period / year	80,329	73,608	6,721	77,751

## Consolidated Statements of Cash Flows

(Unit: ¥ million)

	( Six months ended 30,2001 )	( Six months ended 30,2000 )	( Year ended March 31,2001 )
	Amount	Amount	Amount
<b>Operating Activities:</b>			
Net income before income taxes and minority interests	6,017	5,698	13,812
Depreciation and amortization	2,584	2,549	5,377
Amortization of goodwill	109	48	107
Provision for (Reversal of) allowance for doubtful receivables	(144)	(110)	1,937
Provision for pension and severance cost	80	1,034	1,330
Increase(Decrease) in retirement benefit for directors and corporate auditors	13	(622)	(609)
Interest and dividend income	(243)	(275)	(632)
Interest expenses	93	87	168
Equity (income) or loss on affiliates	27	10	(8)
Lease revenue	(1,003)	-	(1,843)
Decrease (Increase) in trade notes and account receivable	3,492	726	(4,185)
Increase in inventories	(2,440)	(1,751)	(477)
Increase (Decrease) in trade notes and account payable	(453)	(798)	1,468
Others	(886)	(626)	4,433
Subtotal	7,245	5,969	20,880
Interest and dividend received	417	447	1,026
Interest paid	(93)	(81)	(159)
Taxes paid	(4,742)	(4,009)	(6,729)
Net cash provided by operating activities	2,827	2,325	15,017
<b>Investing Activities:</b>			
Payment for purchase of marketable securities	(4,187)	(4,487)	(12,488)
Proceeds from redemption and sales of marketable securities	3,404	5,754	13,775
Payment for tangible and intangible fixed assets other than software	(2,424)	(3,564)	(8,211)
Payment for software development	(576)	(347)	(654)
Payment for investment securities	(5,493)	(4,190)	(6,190)
Net cash from acquisition of subsidiaries	209	-	198
Increase in loans	(335)	(1,709)	(2,300)
Collection of loans	1,285	1,163	2,224
Payment for rental deposits	(665)	(815)	(1,144)
Collection of rental deposits	183	146	191
Lease revenue	783	-	1,421
Others	3,121	1,773	4,187
Net cash used for investing activities	(4,696)	(6,277)	(8,990)
<b>Financing Activities:</b>			
Net increase in short-term borrowings	804	1,884	1,917
Proceeds from long-term borrowings	613	2,214	2,414
Repayment of long-term borrowings	(523)	(1,891)	(2,187)
Dividends paid	(674)	(674)	(1,349)
Others	(4)	292	391
Net cash provided by financing activities	214	1,825	1,186
Effect of exchange rate changes on cash and cash equivalents	8	(14)	66
Net decrease in cash and cash equivalents	(1,645)	(2,140)	7,279
Cash and cash equivalents, beginning of period / year	35,575	28,296	28,296
Net increase in cash and cash equivalents from merger	8	-	-
Cash and cash equivalents, end of period / year	33,938	26,156	35,575

### Consolidated Sales Component and Percentage by Division

(Unit: ¥ million)

Divisions	Six months ended September 30,2001		Six months ended September 30,2000		Increase or (decrease)		Year ended March 31,2001	
	Amount	Ratio %	Amount	Ratio %	Amount	Ratio %	Amount	Ratio %
Wholesale	65,482	60.9	68,422	64.0	(2,939)	(4.3)	143,391	63.6
Retail	42,062	39.1	38,536	36.0	3,526	9.2	81,985	36.4
<b>Total</b>	<b>107,545</b>	<b>100.0</b>	<b>106,959</b>	<b>100.0</b>	<b>586</b>	<b>0.5</b>	<b>225,377</b>	<b>100.0</b>

### Consolidated Sales Component and Percentage by Product Category

(Unit: ¥ million)

Products	Six months ended September 30,2001		Six months ended September 30,2000		Increase or (decrease)		Year ended March 31,2001	
	Amount	Ratio %	Amount	Ratio %	Amount	Ratio %	Amount	Ratio %
Tires and wheels	19,735	18.4	19,779	18.5	(43)	(0.2)	48,248	21.4
Car electronics	34,804	32.4	35,299	33.0	(495)	(1.4)	66,855	29.7
Oil and batteries	10,147	9.4	10,497	9.8	(350)	(3.3)	20,995	9.3
Car exterior items	11,130	10.3	11,617	10.9	(486)	(4.2)	28,740	12.7
Car interior items	10,479	9.7	11,001	10.3	(521)	(4.7)	20,009	8.9
Motor sports goods and others	21,247	19.8	18,763	17.5	2,484	13.2	40,527	18.0
<b>Total</b>	<b>107,545</b>	<b>100.0</b>	<b>106,959</b>	<b>100.0</b>	<b>586</b>	<b>0.5</b>	<b>225,377</b>	<b>100.0</b>