

May 25, 2001

## Summary of Quick Financial Announcement of Consolidated Financial Information

For the year ended March 31,2001

Company name: AUTOBACS SEVEN CO., LTD.

Code Number: 9832

Prefecture of Headquarters: Osaka

Contact for further information:

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Managing Director

Telephone: 81 - 3 - 3454 - 0062

Date of the Board of Directors' meeting for approval of annual accounts: May 25, 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 fiscal term (From April 1, 2000 to March 31, 2001)

(Note: Amounts less than ¥ 1 million 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	
Year ended March 31,2001	225,377	2.5%	12,386	-2.1%	14,879	-4.4%
Year ended March 31,2000	219,956	3.0%	12,651	-5.7%	15,557	2.0%
	Net income [ % of increase or decrease( - ) ]		Net income per share		Net income per share diluted	
Year ended March 31,2001	7,767	-1.8%	¥ 207.23		-	
Year ended March 31,2000	7,913	0.6%	¥ 211.13		-	
	Net income to Shareholders' equity		Ordinary income to total assets		Ordinary income to net sales	
Year ended March 31,2001	5.6%		8.1%		6.6%	
Year ended March 31,2000	6.0%		8.9%		7.1%	

## Notes:

Equity in profit of affiliates: Current period: ¥ 8 million Previous period: ¥ 25 million

The weighted average number of shares used in computing net income per share:

Current period: 37,481,404; Previous period: 37,481,399.

Changes in Accounting policies: None.

## (2) Financial position:

(Unit: ¥ million except for per share information)

	Total assets	Shareholders' equity	Equity ratio	Equity per share
Year ended March 31,2001	191,072	141,095	73.8%	¥ 3,764.43
Year ended March 31,2000	177,097	135,064	76.3%	¥ 3,603.50

## (3) Statements of cash flows:

(Unit: ¥ million)

	Operating activities	Investing activities	Financing activities	Ending balances of cash and cash equivalents
Year ended March 31,2001	15,017	(8,990)	1,186	35,575
Year ended March 31,2000	9,925	(9,886)	(858)	28,296

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

Number of consolidated subsidiaries	60
Number of non-consolidated subsidiaries	-
Number of affiliated companies to which equity method was applied	4

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

Consolidation	Addition	5
	Exclusion	1
Equity method	Addition	-
	Exclusion	-

## 2. Forecast for the next year (April 1,2001 to March 31,2002):

(Unit: ¥ million except for per share information)

	Net sales	Ordinary income	Net income
Semiannual	112,000	6,500	3,700
Annual	233,000	16,200	9,300

Reference: The estimated net income per share for the year ending March 31,2002 will be ¥ 248.12

## Consolidated Balance Sheets

(Unit: ¥ million)

Assets	Current period (March31,2001)	Previous period (March31,2000)	Increase or Decrease(-)
<b>Current assets</b>			
Cash and deposits	15,450	14,139	1,310
Trade notes and accounts receivable	13,509	11,734	1,775
Marketable securities	27,389	30,798	(3,409)
Inventories	14,481	13,962	519
Short-term loans	1,835	1,837	(1)
Accounts receivable-other	12,039	9,474	2,564
Deferred income taxes	2,615	2,142	472
Other current assets	1,975	2,052	(77)
Allowance for doubtful receivables	(2,354)	(1,328)	(1,025)
<b>Total current assets</b>	<b>86,941</b>	<b>84,813</b>	<b>2,128</b>
<b>Fixed assets</b>			
<b>Tangible fixed assets</b>			
Buildings and structures	22,902	21,012	1,889
Machinery, equipment and vehicle	1,905	2,206	(301)
Tools, furniture and fixtures	6,356	6,381	(24)
Land	19,198	18,609	588
Construction in progress	1,007	1,179	(171)
<b>Total tangible fixed assets</b>	<b>51,369</b>	<b>49,389</b>	<b>1,980</b>
<b>Intangible fixed assets</b>			
Goodwill	128	227	(99)
Softwares	3,472	3,425	47
Other intangible fixed assets	408	314	94
<b>Total intangible fixed assets</b>	<b>4,008</b>	<b>3,967</b>	<b>41</b>
<b>Investments</b>			
Investment securities	13,727	2,642	11,085
Long-term loans	6,555	6,471	83
Rental deposits	25,644	25,822	(178)
Deferred income taxes	2,073	1,449	624
Other investments	2,316	3,120	(803)
Allowance for doubtful receivables	(1,565)	(638)	(926)
<b>Total investments</b>	<b>48,752</b>	<b>38,868</b>	<b>9,884</b>
<b>Total fixed assets</b>	<b>104,130</b>	<b>92,224</b>	<b>11,906</b>
Foreign currency translation adjustment	-	59	(59)
<b>Total assets</b>	<b>191,072</b>	<b>177,097</b>	<b>13,974</b>
Note : Accumulated depreciation	24,661	20,345	

(Unit: ¥ million)

Liabilities and Shareholders' equity	Current period (March31,2001)	Previous period (March31,2000)	Increase or Decrease(-)
<b>Current liabilities</b>			
Trade notes and accounts payable-trade	13,021	11,495	1,526
Short-term borrowings	6,638	4,768	1,869
Income taxes payable	4,719	4,026	693
Other current liabilities	11,755	9,007	2,748
<b>Total current liabilities</b>	<b>36,134</b>	<b>29,296</b>	<b>6,837</b>
<b>Long-term liabilities</b>			
Long-term borrowings	4,158	3,882	275
Liability for pension and severance pay	1,334	-	1,334
Accrued retirement benefits for directors and corporate auditors	233	843	(609)
Long term accounts payable-other	-	691	(691)
Other long-term liabilities	6,584	5,904	680
<b>Total Long-term liabilities</b>	<b>12,311</b>	<b>11,321</b>	<b>989</b>
<b>Total liabilities</b>	<b>48,446</b>	<b>40,618</b>	<b>7,827</b>
<b>Minority interests</b>			
Minority interests	1,530	1,414	115
<b>Shareholders' equity</b>			
Common stock	31,958	31,958	-
Additional paid-in capital	31,719	31,719	-
Retained earnings	77,751	71,386	6,364
Net unrealized loss on investment securities	(315)	-	(315)
Foreign currency translation adjustment	(17)	-	(17)
Treasury stock, at cost	(0)	(0)	(0)
<b>Total shareholders' equity</b>	<b>141,095</b>	<b>135,064</b>	<b>6,031</b>
<b>Total liabilities, minority interests and shareholders' equity</b>	<b>191,072</b>	<b>177,097</b>	<b>13,974</b>
<b>Note : Number of treasury stock</b>	<b>119 shares</b>	<b>36 shares</b>	

## Consolidated Statements of Income

(Unit: ¥ million)

	〔 Year ended March 31,2001 〕		〔 Year ended March 31,2000 〕		〔 Increase or decrease(-) 〕	
	Amount	Ratio	Amount	Ratio	Amount	Ratio
		%		%		%
Net sales	225,377	100.0	219,956	100.0	5,420	2.5
Cost of goods sold	160,034	71.0	157,757	71.7	2,276	1.4
Gross profit	65,342	29.0	62,198	28.3	3,144	5.1
Selling, general and administrative expenses	52,956	23.5	49,547	22.5	3,409	6.9
Operating income	12,386	5.5	12,651	5.8	(265)	(2.1)
Non-operating incomes						
Interest and dividend income	632		534		98	
Equity income on affiliates	8		25		(17)	
Other income	4,044		3,819		225	
Total non-operating income	4,685	2.1	4,379	2.0	306	7.0
Non-operating expenses						
Interest and discount charges	168		178		(9)	
Other expenses	2,022		1,294		728	
Total non-operating expenses	2,191	1.0	1,473	0.7	718	48.8
Ordinary income	14,879	6.6	15,557	7.1	(677)	(4.4)
Extraordinary gains						
Gain on sale of fixed assets	0		3		(3)	
Reversal of allowance for doubtful receivables	74		138		(63)	
Prior year adjustments	-		2		(2)	
Profit on bad debt recovered	22		-		22	
Total extraordinary gains	97	0.0	144	0.0	(47)	(32.9)
Extraordinary losses						
Write down of investment securities	34		52		(17)	
Loss on sale of investment securities	-		28		(28)	
Loss on sale of fixed assets	0		-		0	
Loss on disposal of fixed assets	46		11		35	
Extraordinary retirement benefits	171		338		(167)	
Amortization of prior service costs of pension	-		739		(739)	
Amortization of transitional liability of pension	452		-		452	
Write down of golf membership	325		-		325	
Other losses	132		13		119	
Total extraordinary losses	1,164	0.5	1,183	0.5	(19)	(1.6)
Income before income taxes	13,812	6.1	14,518	6.6	(706)	(4.9)
Income taxes - current	7,421	3.3	7,047	3.2	374	5.3
Income taxes - deferred	(866)	0.4	(386)	0.2	(480)	124.3
Loss of minority interests	509	0.2	55	0.0	453	820.3
Net income	7,767	3.4	7,913	3.6	(146)	(1.8)

**Consolidated Statements of Retained Earnings**

(Unit: ¥ million)

	( Year ended March 31,2001 )	( Year ended March 31,2000 )	( Increase or decrease(-) )
Decrease by Retained earnings, beginning of year	71,386	64,943	6,443
Decrease in Retained earnings	1,402	1,470	( 67)
Decrease by changes in scope for application of equity method	-	8	( 8)
Cash dividends	1,349	1,405	( 56)
Bonuses to directors and corporate auditors	53	56	( 3)
Net income	7,767	7,913	( 146)
Decrease by Retained earnings, end of year	77,751	71,386	6,364

## Consolidated Statements of Cash Flows

(Unit: ¥ million)

	( Year ended ) March 31,2001	( Year ended ) March 31,2000
	Amount	Amount
<b>Operating Activities:</b>		
Net income before income taxes	13,812	14,518
Depreciation and amortization	5,377	4,858
Amortization of goodwill	107	68
Provision for allowance for doubtful receivables	1,937	102
Provision for retirement benefit	1,330	-
Increase(Decrease) in retirement benefit for directors and corporate auditors	(609)	35
Interest and dividend income	(632)	(534)
Interest cost	168	178
Gain on foreign currency translation	(38)	53
Equity income on affiliates	(8)	(25)
Lease revenue	(1,843)	(1,467)
Gain on sale of securities	(26)	(24)
Loss on disposal of fixed assets	254	536
Loss on sale of investment securities	-	28
Loss on revaluation of investment securities	34	52
Amortization of prior service costs of pension	-	739
Write down of golf membership	325	-
Increase (decrease) in trade notes and account receivable	(4,185)	341
Increase (decrease) in inventories	(477)	413
Increase (decrease) in trade notes and account payable	1,468	(171)
Payment for bonuses for directors and corporate auditors payable	(53)	(56)
Others	3,936	(1,793)
Subtotal	<u>20,880</u>	<u>17,854</u>
Interest and dividend received	1,026	869
Interest paid	(159)	(179)
Taxes paid	(6,729)	(8,619)
Net cash provided by operating activities	<u>15,017</u>	<u>9,925</u>
<b>Investing Activities:</b>		
Decrease in time deposit	392	666
Payment for purchase of marketable securities	(12,488)	(10,163)
Proceeds from sales of marketable securities	13,775	10,688
Payment for tangible and intangible fixed assets other than software	(8,211)	(8,163)
Proceeds from sale of tangible and intangible fixed assets other than software	116	655
Payment for software development	(654)	(2,367)
Payment for investment securities	(6,190)	(44)
Proceeds from sale of investment securities	2,275	92
Cash of a subsidiary acquired	198	-
Loans made	(2,300)	(2,880)
Collection of loans	2,224	2,206
Payment for rental deposits	(1,144)	(3,263)
Collection of rental deposits	191	1,548
Rental received	1,421	1,152
Others	1,403	(15)
Net cash used for investing activities	<u>(8,990)</u>	<u>(9,886)</u>
<b>Financing Activities:</b>		
Net increase in short-term borrowings	1,917	518
Proceeds from long-term borrowings	2,414	1,634
Repayment of long-term borrowings	(2,187)	(1,604)
Redemption of bonds	-	(300)
Sale of common stock by a subsidiary	391	299
Dividends paid	(1,349)	(1,405)
Net cash provided by (used for) financing activities	<u>1,186</u>	<u>(858)</u>
Effect of exchange rate changes on cash and cash equivalents	66	(97)
Net decrease in cash and cash equivalents	7,279	(917)
Cash and cash equivalents, beginning of term / year	28,296	29,213
Cash and cash equivalents, end of term / year	<u>35,575</u>	<u>28,296</u>

## Consolidated Sales Component and Percentage by Division

(Unit: ¥ million)

Divisions	〔 Year ended March 31,2001 〕		〔 Year ended March 31,2000 〕		〔 Increase or decrease(-) 〕
	Amount	Ratio %	Amount	Ratio %	%
Wholesale	143,391	63.6	141,030	64.1	1.7
Retail	81,985	36.4	78,925	35.9	3.9
Total	225,377	100.0	219,956	100.0	2.5

## Consolidated Sales Component and Percentage by Product Category

(Unit: ¥ million)

Products	〔 Year ended March 31,2001 〕		〔 Year ended March 31,2000 〕		〔 Increase or decrease(-) 〕
	Amount	Ratio %	Amount	Ratio %	%
Tires and wheels	48,248	21.4	45,806	20.8	5.3
Car electronics	66,855	29.7	66,396	30.2	0.7
Oil and batteries	20,995	9.3	21,557	9.8	(2.6)
Car exterior items	28,740	12.7	29,138	13.2	(1.4)
Car interior items	20,009	8.9	21,734	9.9	(8.0)
Motor sports goods and others	40,527	18.0	35,323	16.1	14.7
Total	225,377	100.0	219,956	100.0	2.5