May 8, 2014

Consolidated Financial Results for the Year Ended March 31, 2014【Japanese Standards】

Summary of Quick Financial Announcement of Consolidated Financial Information For the Year Ended March 31, 2014.

Company name：AUTOBACS SEVEN CO., LTD.
Code number：9832
(URL http://www.autobacs.co.jp/)
Headquarters：Tokyo, Japan
Company Representative：Setsuo Wakuda, Representative Director
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Telephone：+81-3-6219-8787
Stock exchange listing：Tokyo
Annual meeting of shareholders：June 24, 2014
Start of cash dividend payments：June 25, 2014
Submission of Annual Securities Report：June 25, 2014
Supplementary materials prepared：Yes
Financial results information meeting held：Yes(for securities analysts and institutional investors, etc)

1. Results for the year ended March 31, 2014 (From April 1, 2013 to March 31, 2014)

(Note: Amounts less than 1 million Yen have been rounded down. A figure in ( ) indicates a loss or a negative figure.)

(1) Results of operations:

(Unit: Millions of Yen except for per share information, and % information which indicates increase or decrease( ).)

	Net sales		Operating income		Ordinary income	
Fiscal year ended March 31, 2014	**231,697**	**%** **0.7**	**13,944**	**%** **9.4**	**16,421**	**%** **13.5**
Fiscal year ended March 31, 2013	230,168	(3.0)	12,745	(7.1)	14,472	(5.5)

Note: Comprehensive income： **10,628 million yen for the year ended March 31, 2014：15.5 %**
9,205 million yen for the year ended March 31, 2013：10.9 %

	Net income		Basic net income per share (Yen)	Basic net income per share - diluted (Yen)
Fiscal year ended March 31, 2014	**9,786**	**%** **28.9**	**107.71**	-
Fiscal year ended March 31, 2013	7,590	(9.7)	81.22	-

	Net income to shareholders' equity	Ordinary income to total assets	Operating income to net sales
Fiscal year ended	%	%	%
March 31, 2014	**6.8**	**8.1**	**6.0**
Fiscal year ended March 31, 2013	5.3	6.8	5.5

Reference: Equity income on a affiliates :

For the year ended March 31, 2014 : 50 million Yen

For the year ended March 31, 2013 : 68 million Yen

The Company conducted a 1:3 stock split on common stock, with an effective date of April 1, 2013.Net income per share data has been calculated as if the stock split was conducted at the beginning of the previous consolidated fiscal year.

(2) Financial position:

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

	Total assets	Total net assets	Equity ratio	Net assets per share (Yen)
Fiscal year ended			%	
March 31, 2014	**201,481**	**144,363**	**71.5**	**1,608.36**
Fiscal year ended March 31, 2013	205,526	143,301	69.5	1,544.08

(Reference) Equity : **For the year ended March 31, 2014 : 143,978 million Yen**

For the year ended March 31, 2013 : 142,861 million Yen

The Company conducted a 1:3 stock split on common stock, with an effective date of April 1, 2013.Net assets per share data has been calculated as if the stock split was conducted at the beginning of the previous consolidated fiscal year.

(3) Statements of cash flows:

(Unit: Millions of Yen)

	Operating activities	Investing activities	Financing activities	Ending balances of cash and cash equivalents
Fiscal year ended March 31, 2014	**12,072**	**1,519**	**(11,166)**	**45,384**
Fiscal year ended March 31, 2013	10,741	(4,522)	(14,861)	42,832

2.Dividends

Dividends per share (Yen)

	First Quarter	Second Quarter	Third Quarter	Year-end
Fiscal year ended March 31, 2013	-	75.00	-	81.00
Fiscal year ended March 31, 2014	**-**	**27.00**	**-**	**37.00**
Fiscal year ended March 31,2015 (forecast)	-	30.00	-	30.00

	Full Year	Total Dividends Paid (Full Year) (Millions of Yen)	Payout Ratio (Consolidated)	Dividends paid/Net Assets (Consolidated)
Fiscal year ended March 31, 2013	156.00	4,812	% 64.0	% 3.4
Fiscal year ended March 31, 2014	**64.00**	**5,763**	**59.4**	**4.1**
Fiscal year ended March 31,2015 (forecast)	60.00	-	56.5	-

Notes：

1. The Company conducted a 1:3 stock split on common stock, with an effective date of April 1, 2013. The total dividends data for the year ending March 31, 2013, is the actual amount prior to the common stock split.
2. Dividend for the year ending March 31, 2014:
ordinary dividend of 27.00 yen and commemorative dividend of 10.00 yen

3. Forecast for the fiscal year ending March 2015 (from April 1, 2014 to March 31, 2015)

(Unit: Millions of Yen, percentage figures denote year-on-year change)

	Net sales	%	Operating income	%	Ordinary income	%
Semiannual	104,700	0.9	3,900	(12.6)	4,800	(14.2)
Annual	228,400	(1.4)	13,500	(3.2)	15,400	(6.2)

	Net income	%	Basic net income per share(Yen)
Semiannual	3,100	3.7	34.63
Annual	9,500	(2.9)	106.12

4.Other

(1) Significant changes in subsidiaries during the year ended ：None

(2) Changes in accounting policies, accounting estimation change and restatement

1. Changes due to changes in accounting standard ：None
2. Changes due to changes in accounting standard except (2)-1. ：Yes

(Change in inventory valuation)

Prior to April 1, 2013, the Companies' inventories held at stores were costed using the lower of cost, determined by the retail method, or net selling value.

Effective April 1, 2013, however, the Companies changed its method of costing for inventory to the lower of cost, determined by the average method, or net selling value.

This accounting policy change was reflected to the consolidated financial statements as of April, 2013. As a result, the effect of this change on inventories, cost of goods sold, operating income, ordinary income, income before income taxes and minority interests and per share information for the current year is minimal.

3. Changes due to accounting estimation change ：None
4. Restatement ：None

(3) Shares outstanding (common stock)

1. Number of shares outstanding (including treasury stock)

Fiscal year ended March 31, 2014：92,950,105 shares
Fiscal year ended March 31, 2013：97,950,105 shares

2. Number of treasury stock at the end of period

Fiscal year ended March 31, 2014： 3,431,070 shares
Fiscal year ended March 31, 2013：5,428,003 shares

3. Average shares outstanding over period

Fiscal year ended March 31, 2014：90,860,487 shares
Fiscal year ended March 31, 2013：93,450,013 shares

The Company conducted a 1:3 stock split on common stock, with an effective date of April 1, 2013.Number of shares outstanding has been calculated as if the stock split was conducted at the beginning of the previous consolidated fiscal year.

※Indication regarding the situation of annual audit procedures

These financial results are not subject to the audit procedures pursuant to the Financial Instruments and Exchange Act. As of the disclosure of the financial results, the procedures for auditing financial statements pursuant to the Financial Instruments and Exchange Act are in progress.

※Statement regarding the proper use of financial forecasts and other special remarks

These forecast performance figures are based on the information currently available to the Company's management and certain assumptions judged rational. Accordingly, these might be cases in which actual results materially differ from forecasts of this report.

※Autobacs Seven Co.,Ltd. will be held the Analysts Meeting on May 9,2014. The presentation material and video picture of the meeting will be uploaded as soon as possible on the Company's website afterwards.

5. Analysis of Operating Results and Financial Position

(1) Analysis of Operating Results

(i) Operating Results for the Fiscal Year Ended March 31, 2014

(Business environment)

During the consolidated fiscal year under review, the Japanese economy began showing signs of positive developments with clear trends of a weaker yen and higher stock prices on the back of monetary easing and stimulus packages. However, consumer spending remained uncertain, mainly reflecting the sluggish growth of personal income. With respect to the domestic consumption of automotive goods and services, overall demand declined in the first half of the year in reaction to strong sales of new cars that were recorded in the previous year due to the impact of government subsidies for the purchase of fuel efficient cars. In the second half of the year, with the peaking of this reactionary impact, as well as the last-minute demand in anticipation of the higher consumption tax from April 2014, overall demand for new and used cars and automotive goods increased.

(Overview of the domestic retail business)

For the consolidated fiscal year under review, overall sales for Japanese businesses in the AUTOBACS chain (including franchise outlets) declined by 0.6% year on year on a same-store basis, and increased by 1.2% year on year on an overall store basis.

Sales in the automotive goods segment declined year on year. To offset the continued fall in the unit prices of car navigation devices, from the beginning of the fiscal year under review the Group strove to increase sales across the entire AUTOBACS chain, mainly of tires. However, sales remained sluggish in the first half of the year, primarily due to stagnant demand for tire changes. In response to these results, the Group further strengthened its sales promotion measures and sales structure in the second half of the year, particularly for fuel-efficient tires and studless snow tires. As a result, partly reflecting the nationwide snowfall and last-minute demand before the consumption tax hike, sales of tires and wheels rose from the previous fiscal year, improving the earnings of both the Group and the entire AUTOBACS chain. Meanwhile, the number of unit sales of car navigation devices stood at almost the same level as the previous fiscal year, but sales were down, largely attributable to declining unit prices. Sales of merchandise, including interior accessories and car sport items, also declined, mostly reflecting a decline in sales of new cars in the first half of the fiscal year under review.

In its statutory safety inspections and maintenance segment, the number of statutory safety inspections being carried out remained high in the first half of the fiscal year under review as a result of the continued receipt of telephone bookings and the start of the receipt of bookings at statutory safety inspection contact centers, in addition to the provision of guidance to stores, focusing on those with low sales of statutory safety inspections. However, the number of statutory safety inspections being carried out was sluggish in the second half of the year, partly due to the fact that the number of cars subject to the second statutory safety inspection was decreased because the fifth anniversary of the collapse of Lehman Brothers, when there was a drop in the number of cars sold, fell in the second half under review, as well as the progress of replacements for new or used cars. As a result, the number of statutory safety inspections carried out in the fiscal year under review increased by 1.3% year on year, to about 580,000.

In the automobile purchases and sales business segment, the number of vehicles sold to auto auctions and other used car dealers rose by 32.5% year on year, given an increase in the number of vehicles purchased, mainly reflecting the effects of updating the vehicle assessment system and providing training on the system in stores. Moreover, by strengthening its sales system and increasing the number of cars on display in stores, the Group achieved a 20.0% year-on-year increase in the number of cars sold through the retail channel. As a result, the total number of vehicles sold increased by 25.5% year on year, to approximately 23,100. The number of CARS franchise stores rose from 244 as of the end of the previous fiscal year to 359 as of the end of

March 2014.

Domestic store openings and closures resulted in a net increase of 19 stores, from 552 stores at the end of March 2013 to 571 stores, as 25 new stores were opened, five stores were closed and also opened through scrap and build, and six stores were closed.

(Consolidated business results)

The Group's sales during the consolidated fiscal year under review increased by 0.7% year on year, to 231,697 million yen, gross profit rose by 1.6%, to 76,907 million yen, and selling, general and administrative expenses remained at almost the same level, 62,962 million yen, resulting in operating income of 13,944 million yen, an increase of 9.4% year on year. Ordinary income rose by 13.5% year on year, to 16,421 million yen mainly due to decline of non-operating expenses. In addition, an impairment loss on fixed assets of 469 million yen related to land and buildings for domestic and overseas stores was recorded as an extraordinary loss. Consequently, net income increased by 28.9% year on year, to 9,786 million yen.

Results by business segment are as shown below.

<Non-consolidated>

Sales fell by 1.9% year on year, to 183,758 million yen. In wholesale operations for franchise outlets, sales fell by 0.1%, almost unchanged from the previous fiscal year, reflecting higher sales of tires, wheels and car exterior items such as tire chains, as well as cars and fuel, which almost offset the decline in car electronics sales. In retail operations, sales declined by 38.4% year on year, chiefly reflecting the transfer of directly managed stores to domestic store subsidiaries. Gross profit decreased by 4.7% year on year, to 39,001 million yen, reflecting a decline in gross profit attributable to the transfer of directly managed stores, in addition to a decline in the gross margin of car electronics, car interior merchandise and other goods, despite an improvement in the gross margin thanks to the effects of a sales increase and a gross profit reform for wheels and tires. Selling, general and administrative expenses declined by 5.6% year on year, to 25,670 million yen, reflecting a decline in depreciation expenses for information systems and paid commissions, as well as a decrease in store management costs attributable to the transfer of directly managed stores to domestic store subsidiaries, despite a rise in personnel expenses as a result of the acceptance of staff members from domestic store subsidiaries, an increase in selling expenses as a result of initiatives to strengthen advertising through mass media and sales promotions in stores in the second half of the fiscal year under review, and other factors. As a result, operating income decreased by 2.9% year on year, to 13,330 million yen.

<Domestic Store Subsidiaries>

Sales increased by 4.3% year on year, to 81,391 million yen, and operating income was 555 million yen, a substantial improvement from an operating loss of 788 million yen for the previous fiscal year. The higher sales were attributable to stronger sales of mainly tires and wheels, given the implementation of store sales system and sales promotion, as well as the impact of the conversion of franchise outlets into subsidiaries and the takeover of directly managed stores, despite a decline in sales of car electronics. Gross profit rose from the previous fiscal year, mainly reflecting an improvement in the gross margin of merchandise, such as tires, car electronics and car interior merchandise. Selling, general and administrative expenses in terms of the ratio to sales declined year on year, mainly reflecting the effects of efficient store operation including the optimization of personnel distribution in stores, despite a rise in expenses, which was attributable to the conversion of franchise outlets into subsidiaries and the takeover of directly managed stores, as well as the effects of initiatives to strengthen sales promotions in the third quarter of the fiscal year under review.

<Overseas Subsidiaries>

Sales rose by 18.1% year on year, to 10,372 million yen. Operating income amounted to 11 million yen, compared with an operating loss of 72 million yen for the previous fiscal year. In the earnings of subsidiaries in China was the main contributor to the improvement in the operating income of overall overseas subsidiaries. Looking to the conditions for each country on a local currency basis, in France, amid the economic slowdown in Europe, sales declined due to escalating price competition with competitors, while sales of seasonal winter goods remained brisk. However, the scale of the operating loss declined from the previous fiscal year, mainly reflecting the effects of initiatives to improve the gross margin and control expenses. In China, one store was closed at the end of October 2013, however the extent of the operating loss was reduced, given a rise in the sales of wheels, oil and other goods in the existing store (one store) and a decline in expenses as a result of the closure of the store. In Thailand, sales declined and operating loss increased, because certain stores were forced to suspend their operations or shorten operating hours as a result of the antigovernment demonstrations that commenced in November 2013. In Singapore, business remained steady with the ratio of operating income to net sales at the 11% level, although operating income declined slightly from the previous fiscal year, mainly reflecting the decline in sales due to intensified competition with competitors.

<Subsidiaries for Car Goods Supply, etc. >

Sales increased by 5.7% year on year, to 15,174 million yen, chiefly thanks to the brisk sales of Palster K. K., which undertakes sales of wholesale oil and other merchandise. As a result, operating income rose by 56.7% year on year, to 255 million yen.

<Subsidiaries for Supporting Functions>

Sales declined by 6.7% year on year, to 3,147 million yen, partly due to a decline in sales of the leasing of store equipment to franchise companies, while operating income increased by 3.8% year on year, to 432 million yen, almost unchanged from the previous fiscal year.

<Adjustments to Consolidated Operating Income>

The amount of adjustments from the aggregated amount of segments' operating income to consolidated operating income decreased 68 million yen year on year, to 640 million yen. Major items contributing to the change in adjustments to consolidated amounts from the previous fiscal year included a decline in the amount of amortization of goodwill, which was attributable to the change of franchise companies into subsidiaries.

(ii) Outlook for Next Fiscal Year

Looking at the business environment for the fiscal year ending March 2015, the impact of the consumption tax hike on consumer spending, including sales of new cars, is still believed to be uncertain. In this environment, the Group will take the initiative to strengthen its business earning capabilities and improve its ability to take action in the current fiscal year, the first year of the 2014 Medium-Term Business Plan. In the AUTOBACS business, the Group will continue to work on strengthening relationships with customers by opening stores in small market areas, in addition to striving to improve cooperation between the automotive goods segment and the statutory safety inspections and maintenance segment by introducing automobile purchases and sales operations to almost all the stores. In the overseas business, the Group will aim to develop business foundations in ASEAN countries, mainly by seeking to establish an alliance with local partner companies. The Group will also focus on the establishment and development of new businesses as businesses that will become a pillar for its growth in the future.

With respect to the opening and closure of stores, the Group plans to open 20 new domestic stores. Overseas, it has not established a plan for the specific number of stores to be opened, but it is examining the possibility of carrying out experimental initiatives with local partner companies in the ASEAN region.

As for the full-year results for the fiscal year ending March 2015, the Group expects decrease in sales on a same-store basis, primarily reflecting a decline in demand in reaction to the last-minute shopping spree before the consumption tax hike. However, with higher sales as a result of the opening of new stores and the impact of efforts made to control expenses, the Group expects consolidated sales to decrease by 1.4%, to 228,400 million yen, operating income to fall by 3.2%, to 13,500 million yen, ordinary income to decline by 6.2%, to 15,400 million yen, and net income to fall by 2.9%, to 9,500 million yen.

(iii) Progress of the Medium-Term Business Plan

The Group has executed a number of initiatives including business and financial strategies and CSR and corporate governance activities under the AUTOBACS 2010 Medium-Term Business Plan, which ended in fiscal year March 2014.

In terms of existing store reform—a key policy with the aim of strengthening the domestic business—the Group has carried out sales floor remodeling in 374 AUTOBACS stores over the last four years. Consequently, improved results were achieved, attributable to the effects of the sales floor remodeling in many of the stores.

With respect to new store openings, the Group opened an accumulated total of 82 new stores in the four years from April 2010, which was short of its initial plan of opening 120 stores.

(Business strategy)

Under its business strategy, the Group continually emphasized the strengthening of the domestic franchise business and took steps to improve the earnings of the existing AUTOBACS stores.

In existing store reform, to maximize the benefit of the sales floor remodeling that was completed in fiscal year March 2011 and to enhance its presentation capabilities on the sales floor, the Group took initiatives such as the proactive distribution of information about hot items and the standardization of the sales floors. The Group also took steps to further improve its store operating efficiency by reviewing the allocation of staff members, strengthening cooperation between staff members and introducing tablet terminals to certain stores. As a result, many stores improved their earnings and store operating efficiency as initially planned. For stores with comparatively little improvement, the Group analyzed the underlying factors for each store in detail, and implemented unique measures to respond to the relevant factors, while introducing the practices of stores that successfully generated strong results to other stores. Through these initiatives, the Group strove to achieve improvements in both store performance and customer convenience.

Moreover, using the know-how developed through the remodeling of the sales floors of AUTOBACS stores, the Group launched the remodeling of Super AUTOBACS ("SA") stores from fiscal year March 2013 as part of its commitment to improving the profitability of SA stores. To differentiate SA stores from competing stores, the Group has been carrying out the remodeling by taking into account the customer attributes and area characteristics in each store location while being sure to take advantage of the strength of Super AUTOBACS. The Group had remodeled the sales floors of 50 SA stores by fiscal year March 2014, and the remodeled stores have shown improved performance in the same manner as AUTOBACS stores.

In terms of human resources reform, the Group has been continuing to focus on training. It provided customer service training to the staff members of the existing stores while also continuing to carry out training of the staff members of new stores and newly recruited employees. Moreover, the Group provided training to store managers and assistant managers with the aim of improving the managerial capabilities and leadership of the store executives.

With regard to new stores, the Group opened 25 new stores in fiscal year Mach 2014 with the aim of improving customer convenience and attracting more customers. It also facilitated the opening of stores in areas where the Group had not previously aggressively opened stores, and accelerated the pace of opening new stores by using properties already furnished with equipment. The Group also managed to further reduce the costs of opening stores by reviewing construction materials, store fixtures and service bay equipment.

Moreover, the Group opened three new tire specialty stores (in Nagareyama-shi, Chiba Prefecture, Akiruno-shi, Tokyo and Sendai-shi, Miyagi Prefecture), with the stores' experimental operations having been carried out in Yamaguchi Prefecture since fiscal year March 2012. This is one of the challenges that the Group is taking on for its future growth, alongside the development of the Auto Body Repair and Painting Centers in three locations (Urayasu-shi, Chiba Prefecture, Toda-shi, Saitama Prefecture, and Fukuoka-shi, Fukuoka Prefecture), a new service framework. The Group is committed to developing these stores in the future by making the most of the AUTOBACS brand dynamics.

With respect to CRM Strategy Implementation that commenced in earnest in the fiscal year ended March 31, 2013, the Group has been pursuing initiatives to further strengthen ties between customers and the AUTOBACS Group by taking into account changes in customers' feelings about cars and the trends of the market environment in the future. It is now taking steps to develop a new customer system through which the Group will be able to identify customers' interests and preferences based on their existing purchasing history, and propose merchandise and services that are suitable for individual customers.

Strengthening e-commerce is positioned as one of the pillars supporting the future growth of the AUTOBACS Group. Accordingly, the Group focused on further expanding its sales channels by opening new stores on Amazon and Yahoo Shopping, in addition to improving and strengthening the functions of the Group's own online shopping site and opening a store in Rakuten Ichiba, an Internet shopping mall. Through the Internet sales channel, the Group has attracted a large number of customers who have not previously used the stores of the AUTOBACS Group, resulting in new customers being gained. The Group is also gaining the synergy effects of the physical stores and Internet stores, as customers can visit the physical stores to fit merchandise purchased through the Internet stores in their cars.

Overseas, the Group has been focusing on the ASEAN region, where future growth is anticipated. It opened one store in each of Malaysia and Taiwan. Moreover, the Group established a joint venture company in Indonesia in July 2013, which will be engaged mainly in the automotive goods and services wholesale business, with PT. Central Sole Agency, a company belonged to the Indo Mobile Group, a leading auto-related business group in Indonesia. The Group also started business operation in September 2013 in Malaysia, focusing mainly on the automotive retail business that is expected to attract strong demand through a business alliance and capital participation with JX Nippon Oil & Energy Trading Corporation and Malaysian Harvest Sdn. Bhd. The Group will continue to strive to further expand its earnings in the future from a long-term perspective.

(Financial Strategy)

In terms of its financial strategy, to increase operational cash flow, the Group made aggressive business investments, mainly by opening 28 new stores and carrying out the relocation of four stores, both in Japan and overseas.

Further, with the aim of improving capital efficiency, and based on a policy of increasing shareholder returns, a total of 3 million shares of its own stock were purchased for approximately 4.6 billion yen. As for dividends, the Group maintained a consolidated ratio of dividend on equity (DOE) of at least 3%, and it distributed steady and sustainable dividends in line with its business performance.

(CSR and Governance)

The AUTOBACS Group positions CSR activities as an important management issue, and it has continued to take initiatives to operate its businesses in an environmentally friendly manner. Accordingly, in September 2013, the Group launched the electricity sales business based on solar power generation by utilizing premises and a certain area of the building rooftops in its Western Japan Logistics Center. It is also continually striving to reduce electricity consumption, the amount of copy paper used and waste in its offices nationwide. Moreover, the head office and stores routinely cleaned up their neighborhood areas and participated in tree-planting activities as a contribution to the local communities. Going forward, the Group will continue to exert comprehensive efforts to carry out environmental conservation initiatives.

In an effort to strengthen risk management, with the aim of improving the accuracy of the risk management of the AUTOBACS Group, the Group has been striving to ensure that officers who are familiar with the situation on store floors share information about the nature of risks and the Group's response. It has also sought to strengthen risk management, primarily by improving the compliance structure of the franchise outlets.

(2) Basic policy for profit appropriation and dividends for the fiscal year under review and the next fiscal year

The Company positions shareholder returns as one of the most important management issue. To describe the Company's thinking on profit appropriation, the basic policy is to maintain sustainable and stable dividends with a DOE (consolidated ratio of dividend on equity) target of at least 3%, while taking into consideration financial results and stability and ensuring cash flow sufficient for business continuity. The Company plans to set a commemorative dividend at 10 yen per share for the 40th anniversary of the year-end dividend, in addition to year-end dividend of 27 yen per share. Consequently, the annual dividend will be 64 yen per share and the consolidated ratio of dividend on equity (DOE) will be 3.4%.

The Company plans to pay an annual dividend of 60 yen per share for the fiscal year ending March 31, 2015, with 30 yen per share each for intermediate and year-end dividends, by taking into consideration its dividend policy.

6. Management Policy

(1) Policy Concerning Company Control

Since the opening of the first AUTOBACS store in 1974, the Company has been striving to contribute to enriching its customers' driving experiences by developing and expanding the AUTOBACS franchise chain, comprising AUTOBACS headquarters, the Company's directly operated stores, and its domestic and foreign franchise stores.

Based on its founding management principle, namely "constantly suggesting the most appropriate driving experiences to each customer and creating a rich and sound motorized society," the Group has been making all-out, concerted efforts to communicate its vision, "Anything about cars, you find at AUTOBACS," thereby winning support and trust from customers.

In the years ahead, the Group is determined to develop the AUTOBACS franchise chain even further, continuously enhance its corporate governance and investor relations, and ensure greater transparency of the Group's management. These steps, the Group believes, will contribute toward maximizing profits for all the stakeholders, particularly the shareholders.

In this context, the Company is convinced that the people who make decisions on the Company's financial and business policies must be those who understand the importance of mutual trust among franchise stores, clients, employees and other parties concerned in the AUTOBACS franchise chain and who are willing and able to improve the medium- and long-term corporate values and shareholders' common profit.

(2) Management Targets

The Group set consolidated operating income of 18 billion Yen, consolidated ROE of 8% and consolidated dividends to shareholders' equity (DOE) ratio of 3% or more, as the management target specified in 2014

Medium-Term Business Plan which will be end in fiscal year March 2018.

(3) Medium- to Long-term Business Plan

The management environment surrounding the Group is expected to continue to change quickly and dramatically in the future, with the continued contraction of the domestic automotive aftermarket industry, the diversification of vehicles mainly as a result of the rising popularity of next generation automobiles and technological innovations, changes in the competition environment, reflecting the entry of different business categories to the market, such as car dealers and the Internet and communications-related companies, and changes in customers' purchasing behavior as a result of the expansion of the use of the Internet.

On the other hand, growth opportunities are also likely to be created from rising demand for maintenance due to an increase in the length of use of automobiles, and needs to keep pace with technological progress.

In this business environment, the Group launched the 2014 Medium- Term Business Plan in May 2014.

(4) Issues to be addressed

To respond accurately to these changes in the management environment, in fiscal 2014 the Group launched the 2014 Medium-Term Business Plan, a new medium-term business plan that will end in fiscal 2017.

(i) Overview of the 2014 Medium-Term Business Plan

The Group regards its mission as contributing to the development of a safe and comfortable automotive society through its business activities, and it has set out a long-term vision for accomplishing its goal: "Anything about cars, you find at AUTOBACS."

Based on this long-term vision, the Group positions the 2014 Medium-Term Business Plan as the starting point for a new stage in which it will achieve medium- to long-term growth, and it will establish three business pillars by expanding its overseas businesses and new businesses in addition to the AUTOBACS business.

As its management target, the Group will aim to achieve consolidated operating income of 18 billion yen, a consolidated ROE of 8% and dividend on Equity(DOE) of at least 3% for the fiscal year ending March 2018.

(ii) AUTOBACS business strategies

The Group positions the AUTOBACS business as its core operation that generates the highest earnings, and it will continue to take the necessary measures on a priority basis in the same manner as it has been doing up until the present time.

To establish a competitive advantage, the Group will redevelop the value of the convenience and security that are provided to customers. In this way, it will strive to gain support from customers who are not familiar with vehicles but hope to continue to drive them by taking care of them, in addition to its existing customers.

In an effort to accomplish this aspiration, the Group will take initiatives including the transformation of its business to a one-stop automotive services business through which the Group provides the services of auto sales and maintenance, as well as the joy of driving cars, the diversification of sales channels and the expansion of sales bases, and the redevelopment of PB strategies by focusing on security.

The Group will also strive to increase earnings through the implementation of more efficient store management by reviewing the allocation of human resources and operations in stores.

As a result of these initiatives, the Group will realize sales of 8 million tires, automobile purchases and sales of 50 billion yen, statutory safety inspections of 1 million vehicles, and total sales of the AUTOBACS chain of 330 billion yen.

(iii) New domestic business strategies

The Group will position new domestic businesses as a pillar for the Group's new growth in the future, and it will strive not only to forge the synergy effects with the existing AUTOBACS business, but also to develop independent businesses centered on the auto-related segment.

The Group will respond promptly to changes in the management environment, and will provide merchandise and services not only to customers who have been using AUTOBACS, but also to new customers, regardless of whether they are private or corporate customers.

(iv) Overseas business strategies

The Group will position the overseas business as a pillar for the Group's new growth in the future, and will strive to expand businesses mainly in the ASEAN region, which is now entering a growth period.

The Group will promptly develop operations in the ASEAN region by not only developing the retail and service businesses in its stores, but also by entering merchandise wholesaling and other peripheral business segments.

(v) Financial strategies

The Group will make aggressive business investments to increase operational cash flow in the future.

With respect to shareholder returns, the Group adopts the basic policy of making steady and sustainable dividend payments in accordance with the earnings situation, targeting a consolidated dividend on equity (DOE) ratio of at least 3% in the same manner as it has been doing.

For the details of the 2014 Medium-Term Business Plan, please refer to "AUTOBACS Announces Establishment of New Medium-Term Business Plan" published on May 8, 2014.

7.Consolidated Financial Statements

(1)Consolidated Balance Sheets

(Unit: Millions of Yen)

Assets	March 31, 2013 Amount	**March 31, 2014** **Amount**
Current assets		
Cash and deposits	48,197	**45,675**
Trade notes and accounts receivable	24,748	**22,467**
Investments in lease	12,361	**12,001**
Marketable securities	1,000	**801**
Inventories	16,576	**16,383**
Deferred tax assets	1,950	**1,979**
Short-term loans	176	**100**
Accounts receivable-other	20,089	**25,219**
Other current assets	2,331	**2,264**
Allowance for doubtful receivables	(228)	**(183)**
Total current assets	127,202	**126,709**
Fixed assets		
Tangible fixed assets		
Building and structures	40,150	**41,034**
Accumulated depreciation	(25,720)	**(27,027)**
Building and structures(net of depreciation)	14,429	**14,007**
Machinery, equipment and vehicle	5,667	**5,684**
Accumulated depreciation	(4,676)	**(4,524)**
Machinery, equipment and vehicle (net of depreciation)	990	**1,160**
Tools, furniture and fixtures	13,198	**13,162**
Accumulated depreciation	(10,773)	**(11,018)**
Tools, furniture and fixtures(net of depreciation)	2,425	**2,143**
Land	22,919	**22,849**
Leased assets	526	**568**
Accumulated depreciation	(91)	**(125)**
Leased assets (net of depreciation)	435	**443**
Construction in progress	252	**397**
Total tangible fixed assets	41,453	**41,002**
Intangible fixed assets		
Goodwill	867	**880**
Software	3,845	**3,968**
Other intangible fixed assets	746	**744**
Total intangible fixed assets	5,459	**5,592**
Investments		
Investment securities	7,756	**7,833**
Long-term loans	280	**92**
Deferred tax assets	3,582	**1,374**
Rental deposits	18,618	**17,709**
Other investments	5,172	**1,251**
Allowance for doubtful receivables	(3,999)	**(84)**
Total investments	31,411	**28,177**
Total fixed assets	78,324	**74,771**
Total assets	205,526	**201,481**

Liabilities and Net assets	March 31, 2013 Amount	**March 31, 2014 Amount**
Current liabilities		
Trade notes and accounts payable-trade	21,647	**17,600**
Short-term borrowings	2,124	**4,394**
Current portion of bond	70	**50**
Leased obligations	111	**93**
Accrued liabilities	12,153	**13,998**
Income taxes payable	2,578	**1,818**
Allowance for point card	465	**477**
Allowance for business restructuring	988	**194**
Other current liabilities	4,880	**5,405**
Total current liabilities	45,020	**44,033**
Long-term liabilities		
Bonds	65	**15**
Long-term debt	6,083	**2,312**
Leased obligations	1,401	**1,324**
Deferred tax liabilities	64	**49**
Accrued for retirement benefits	221	**-**
Accrued for directors' retirement benefits	195	**152**
Net defined benefit liability	-	**189**
Asset retirement obligations	1,980	**2,005**
Other long-term liabilities	7,193	**7,036**
Total long-term liabilities	17,204	**13,084**
Total liabilities	62,225	**57,118**
Shareholders' equity		
Common stock	33,998	**33,998**
Capital surplus	34,278	**34,278**
Retained earnings	80,438	**78,679**
Treasury stock at cost	(7,230)	**(5,165)**
Total shareholders' equity	141,484	**141,790**
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,271	**1,588**
Foreign currency translation adjustments	105	**599**
Total accumulated other comprehensive income	1,377	**2,188**
Minority interests	439	**384**
Total net assets	143,301	**144,363**
Total liabilities and net assets	205,526	**201,481**

(2)Consolidated Statements of Income and Comprehensive Income
(Unit: Millions of Yen)

	Fiscal year ended March 31, 2013 Amount	**Fiscal year ended March 31, 2014 Amount**
Net sales	230,168	**231,697**
Cost of goods sold	154,438	**154,790**
Gross profit	75,729	**76,907**
Selling, general and administrative expenses	62,984	**62,962**
Operating income	12,745	**13,944**
Non-operating income		
Interest income	133	**91**
Dividend income	41	**97**
Equity in income on affiliates	68	**50**
Commission income	437	**470**
Lease revenue-system equipment	1,201	**1,292**
Foreign exchange gains	534	**-**
Insurance income	271	**654**
Other non-operating income	1,759	**1,905**
Total non-operating income	4,448	**4,562**
Non-operating expenses		
Interest expenses	122	**88**
Lease cost-system equipment	1,143	**1,158**
Loss on disposal of fixed assets	153	**142**
Other non-operating expenses	1,301	**696**
Total non-operating expenses	2,721	**2,085**
Ordinary income	14,472	**16,421**
Extraordinary gains		
Gain on sales of investment securities		
Gain on sales of shares in affiliates	-	**133**
Total extraordinary gains	-	**133**
Extraordinary losses		
Impairment losses on fixed assets	88	**469**
Loss on sales of investment securities	467	**-**
Total extraordinary losses	556	**469**
Income before income taxes and minority interests	13,915	**16,085**
Income taxes		
Current	5,912	**4,310**
Deferred	435	**1,962**
Total income taxes	6,347	**6,272**
Income before minority interests	7,568	**9,812**
Minority interests in net income (losses)	(21)	**26**
Net income	7,590	**9,786**

	Fiscal year ended March 31, 2013 Amount	Fiscal year ended March 31, 2014 Amount
Minority interests in net income (losses)	(21)	**26**
Income before minority interests	7,568	**9,812**
Other comprehensive income		
Valuation difference on available-for-sale securities	1,216	**315**
Foreign currency translation adjustment	417	**499**
Share of other comprehensive income of associates accounted for using equity method	3	**1**
Total other comprehensive income	1,636	**816**
Comprehensive income	9,205	**10,628**
Comprehensive income attributable to		
Owners of the parent	9,197	**10,597**
Minority interests	7	**31**

(3)Consolidated Statements of Changes in assets
Fiscal year ended March 31,2013

(Unit: Millions of Yen)

	Owners' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total owners' equity
Balance at the beginning of current period	33,998	34,278	83,074	(5,496)	145,854
Changes of items during the period					
Dividends from surplus			(4,762)		(4,762)
Net income			7,590		7,590
Purchase of treasury stock				(7,198)	(7,198)
Cancellation of treasury stock			(5,463)	5,463	-
Net change of items other than owners' equity					
Total changes of items during the period	-	-	(2,635)	(1,734)	(4,370)
Balance at the end of the period	33,998	34,278	80,438	(7,230)	141,484

	Accumulated other comprehensive income			Minority interests	Total net assets
	Valuation different on available-for-sale securities	Foreign currency translation adjustments	Total valuation and translation adjustments		
Balance at the beginning of current period	51	(281)	(229)	567	146,193
Changes of items during the period					
Dividends from surplus					(4,762)
Net income					7,590
Purchase of treasury stock					(7,198)
Cancellation of treasury stock					-
Net change of items other than owners' equity	1,219	387	1,606	(128)	1,478
Total changes of items during the period	1,219	387	1,606	(128)	(2,892)
Balance at the end of the period	1,271	105	1,377	439	143,301

Fiscal year ended March 31,2014

(Unit: Millions of Yen)

	Owners' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total owners' equity
Balance at the beginning of current period	33,998	34,278	80,438	(7,230)	141,484
Cumulative effect of changes in accounting policies			63		63
Balance at the beginning of current period reflected the changes in accounting policies	33,998	34,278	80,501	(7,230)	141,547
Changes of items during the period					
Dividends from surplus			(4,948)		(4,948)
Net income			9,786		9,786
Purchase of treasury stock				(4,595)	(4,595)
Cancellation of treasury stock			(6,660)	6,660	-
Disposal of treasury stock				0	0
Net change of items other than owners' equity					
Total changes of items during the period	-	-	(1,822)	2,065	242
Balance at the end of the period	33,998	34,278	78,679	(5,165)	141,790

	Accumulated other comprehensive income			Minority interests	Total net assets
	Valuation different on available-for-sale securities	Foreign currency translation adjustments	Total valuation and translation adjustments		
Balance at the beginning of current period	1,271	105	1,377	439	143,301
Cumulative effect of changes in accounting policies					63
Balance at the beginning of current period reflected the changes in accounting policies	1,271	105	1,377	439	143,364
Changes of items during the period					
Dividends from surplus					(4,948)
Net income					9,786
Purchase of treasury stock					(4,595)
Cancellation of treasury stock					-
Disposal of treasury stock					0
Net change of items other than owners' equity	316	493	810	(54)	756
Total changes of items during the period	316	493	810	(54)	998
Balance at the end of the period	1,588	599	2,188	384	144,363

(4)Consolidated Statements of Cash Flows

(Unit: Millions of Yen)

	Fiscal year ended March 31, 2013 Amount	**Fiscal year ended March 31, 2014 Amount**
Operating Activities:		
Income before income taxes and minority interests	13,915	**16,085**
Depreciation and amortization	4,921	**4,423**
Impairment losses on fixed assets	88	**469**
Amortization of goodwill	272	**127**
Increase (decrease) in allowance for business restructuring	(101)	**5**
Increase (decrease) in allowance for doubtful accounts	422	**(3,964)**
Increase (decrease) in provision for retirement benefits	0	**-**
Increase (decrease) in provision for retirement benefits for directors and corporate auditors	(60)	**(42)**
Increase (decrease) in net defined benefit liability	-	**(35)**
Interest and dividend income	(174)	**(188)**
Insurance income	(271)	**(654)**
Interest expenses	122	**88**
Equity (income) loss on affiliates	(68)	**(50)**
Loss (gain) on sales or disposal of fixed assets	166	**138**
Loss (gain) on sales of investment in securities	467	**(133)**
Decrease (increase) in trade notes and accounts receivable	1,841	**(2,960)**
Decrease (increase) in investments in lease	947	**269**
Decrease (increase) in inventories	209	**435**
Increase (decrease) in trade notes and accounts payable	(2,797)	**(4,187)**
Others	(1,213)	**7,251**
Subtotal	18,689	**17,077**
Interest and dividend received	233	**230**
Interest paid	(132)	**(91)**
Proceeds from insurance income	271	**654**
Litigation settlement paid	-	**(858)**
Income taxes paid	(8,320)	**(4,938)**
Net cash provided by (used in) operating activities	10,741	**12,072**
Investing Activities:		
Payments into time deposits	(13,330)	**(1,277)**
Proceeds from withdrawal of time deposits	13,092	**6,407**
Purchase of short-term investment securities	(499)	**-**
Proceeds from sales and redemption of securities	1,500	**-**
Payment for tangible and intangible fixed assets	(6,248)	**(4,819)**
Proceeds from sales of tangible fixed assets and intangible fixed assets	223	**22**
Purchase of investment securities	(2,155)	**(0)**
Proceeds from sales and redemption of investment securities	2,927	**1,145**
Purchase of investments in subsidiaries resulting in change in scope of consolidation	(256)	**-**
Proceeds from purchase of investments in subsidiaries resulting in change in scope of consolidation	140	**-**
Purchase of stocks of subsidiaries and affiliates	-	**(386)**
Payment of loans receivable	-	**(173)**
Collection of loans receivable	229	**440**
Payment for rental deposits	(898)	**(262)**
Collection of rental deposits	679	**397**
Others	73	**25**
Net cash provided by (used in) investing activities	(4,522)	**1,519**

	Fiscal year ended March 31, 2013 Amount	**Fiscal year ended March 31, 2014 Amount**
Financing Activities:		
Net increase (decrease) in short-term loans payable	(5)	**(433)**
Proceeds from long-term debt	2,470	**520**
Repayments of long-term debt	(5,069)	**(1,587)**
Purchase of treasury stock	(7,195)	**(4,592)**
Dividends paid	(4,762)	**(4,949)**
Others	(299)	**(123)**
Net cash provided by (used in) financing activities	(14,861)	**(11,166)**
Effect of exchange rate changes on cash and cash equivalents	74	**126**
Net increase (decrease) in cash and cash equivalents	(8,568)	**2,551**
Cash and cash equivalents, beginning of the period/ year	51,401	**42,832**
Cash and cash equivalents, end of the period	42,832	**45,384**

(5)Notes to consolidated financial statements

(Changes in presentation methods)

(Consolidated Balance Sheets)

(Consolidated Statements of Cash Flows)

"Accrued for retirement benefits" recorded in the previous consolidated fiscal year was changed "Net defined benefit liability" from the current consolidated fiscal year because the Companies have adopted "Accounting Standard for Retirement Benefits" (Accounting Standards Board of Japan (ASBJ) Statement No. 26, May 17, 2012, hereinafter the "Retirement Benefits Accounting Standard") and "Guidance on Accounting Standard for Retirement Benefits" (ASBJ Guidance No. 25, May 17, 2012).

With regard to the application of the Accounting Standard for Retirement Benefits, in accordance with the provisions on transitional implementation indicated in Paragraph 37 of the Accounting Standard for Retirement Benefits, the account has not been reclassified.

(Consolidated Balance Sheets)

"Lease assets" under Intangible assets in the previous consolidated fiscal year, included in "Other" in the current consolidated fiscal year because of its decreased significance in monetary terms.

The consolidated financial statements have been reclassified to reflect these change in presentation.

As a result, "Lease assets" 7 million yen recorded under Intangible assets on the consolidated balance sheets in the previous consolidated fiscal year is reclassified as "Other".

(Consolidated Statements of Income and Comprehensive Income)

In the previous consolidated fiscal year, "Insurance income" was included in "Other" under "Non-operating income". However, because the amount of "Insurance income" exceeded 10% of the total amount of non-operating income, it is presented separately from the period under review. To reflect this change in the method of presentation, the consolidated financial statements for the previous fiscal period have been restated.

As a result, 2,031 million yen that was presented in "Other" under "Non-operating income" in the consolidated statements of income and comprehensive income for the previous fiscal period has been restated as 271 million yen in "Insurance income" and 1,759 million yen in "Other".

"Provision of allowance for doubtful accounts" under Non-operating expenses in the previous consolidated fiscal year, included in "Other" in the current consolidated fiscal year because of its decreased significance in monetary terms.

The consolidated financial statements have been reclassified to reflect these change in presentation.

As a result, "Provision of allowance for doubtful accounts" 477 million yen recorded under Non-operating expenses on the consolidated statements of income and comprehensive income in the previous consolidated fiscal year is reclassified as "Other".

(Consolidated Statements of Cash Flows)

In accordance with changes in presentation methods of the consolidated statements of income and comprehensive income, in the cash flows from operating Activities section, "Insurance income" was included in "Income before income taxes and minority interests" in the previous consolidated fiscal year.

"Insurance income" is now presented as "Insurance income" and "Proceeds from insurance income" from the current consolidated fiscal year.

As a result, in the Cash Flows from Operating Activities section, (271) million yen in "Insurance income" and 271 million yen in "Proceeds from insurance income" that had previously been included in "Income before income taxes and minority interests" are now presented separately.

8. Segment Information

(1)Outlines reportable segment

The Company's reporting segments are the components of the Company about which separate financial information is available. These segments are subject to periodic examination to enable the Company's Board of Directors to decide how to allocate resources and assess performance. The companies operate the AUTOBACS franchise chain consisting of businesses in automotive goods, safety inspections and maintenance services, and sales business and automobile purchase. The Group comprises segments made up of groups of companies based on wholesale division and retail division functions for these businesses. The Group has five reporting segments: "the company," "domestic store subsidiaries," "overseas subsidiaries," "subsidiaries for car goods supply and other," and "subsidiaries for supporting functions."

	The Company	Domestic Store Subsidiaries	Overseas Subsidiaries	Subsidiaries for Car Goods Supply and Other	Subsidiaries for Supporting Functions
Automotive goods	Wholesale・Retail	Retail	Wholesale・Retail	Wholesale	-
Safety inspection and maintenance services	Wholesale・Retail	Retail	Retail	Retail	-
The automobile purchase and sales business	Wholesale・Retail	Retail	-	Retail	-
Others	Lease business	-	-	-	Lease business・Others

Note：Others of subsidiaries for supporting functions are loan credit business , nonlife insurance agency and office work representation business.

(2)Methods of measurement for the amounts of sales, profit (loss), assets and other items for each reportable segment

Segment income for each reporting segment is presented on an operating income basis. Internal sales and transfers between segments are based, for the most part, on prevailing market prices. Among the assets of the reporting segments, the goodwill associated with overseas subsidiaries is tested for impairment as a non-amortized asset, while in the consolidated financial statements it is amortized using the straight-line method. In addition, some store buildings, POS systems and other items are subject to lease transactions between segments. The asset and expense items of the reporting segments and their amounts are adjusted as shown below.

	Reportable segment			Consolidated Financial Statement
	The Company	Domestic Store Subsidiaries	Subsidiaries for Supporting Functions	
Assets	Investments in Lease	-	Investments in Lease	Property ,Plant and equipment and Intangible assets
Cost	Cost of goods sold	Rent payment and Lease payment	Cost of goods sold	Depreciation
Amortized method	Interest method	-	Interest method	Declining balance method and Straight-line method

(3)Segment sales ,income(loss),assets and others

Fiscal year ended March 31,2013

(Unit: Millions of Yen)

	The Company	Domestic Store Subsidiaries	Overseas Subsidiaries	Subsidiaries for Car Goods Supply and Other	Subsidiaries for Supporting Functions	Total
Net sales						
Sales to outside customers	136,062	77,272	8,533	7,297	1,002	230,168
Intersegment sales or transfers	51,236	785	248	7,057	2,372	61,700
Total	187,298	78,057	8,781	14,355	3,375	291,868
Net income (loss)	13,735	(788)	(72)	162	416	13,453
Segment assets	196,532	22,747	9,508	4,749	26,882	260,420
Other items						
Depreciation	2,165	333	225	45	11	2,782
Amortization of goodwill	-	15	-	-	6	21
Share of associates accounted for using equity method	461	-	-	-	-	461
Increase in property and equipment and intangible assets	4,153	313	153	52	6	4,679

Fiscal year ended March 31,2014

(Unit: Millions of Yen)

	The Company	Domestic Store Subsidiaries	Overseas Subsidiaries	Subsidiaries for Car Goods Supply and Other	Subsidiaries for Supporting Functions	Total
Net sales						
Sales to outside customers	132,738	79,928	9,975	8,182	871	231,697
Intersegment sales or transfers	51,019	1,463	397	6,992	2,275	62,147
Total	183,758	81,391	10,372	15,174	3,147	293,844
Net income	13,330	555	11	255	432	14,585
Segment assets	187,912	21,937	10,418	4,974	29,444	254,687
Other items						
Depreciation	2,056	317	256	38	13	2,682
Amortization of goodwill	-	15	-	-	6	21
Share of associates accounted for using equity method	848	-	-	-	-	848
Increase in property and equipment and intangible assets	4,064	314	108	24	-	4,512

(4)Reconcilisation of published figures and aggregated of reportable operating segment

(Adjustment) (Unit: Millions of Yen)

Net sales	Fiscal year ended March 31,2013	**Fiscal year ended March 31,2014**
Total reportable segments	291,868	**293,844**
Elimination of intersegment transaction	(61,700)	**(62,147)**
Net sales	230,168	**231,697**

(Adjustment) (Unit: Millions of Yen)

Income	Fiscal year ended March 31,2013	**Fiscal year ended March 31,2014**
Total reportable segments	13,453	**14,585**
Elimination of intersegment transaction	(383)	**(526)**
Inventories	(297)	**(253)**
Amortization of goodwill	(263)	**(105)**
Allowance for point card	(35)	**(17)**
Fixed assets	179	**256**
Others	91	**5**
Operating income	12,745	**13,944**

(Adjustment) (Unit: Millions of Yen)

Assets	Fiscal year ended March 31,2013	**Fiscal year ended March 31,2014**
Total reportable segments	260,420	**254,687**
Elimination of intersegment transaction	(48,503)	**(46,117)**
Amortization of goodwill	(3,398)	**(4,101)**
Fixed assets	(3,333)	**(3,299)**
Inventories	(1,441)	**(1,460)**
Investments in associates accounted for using equity method	928	**949**
Others	853	**823**
Total assets	205,526	**201,481**

(Unit: Millions of Yen)

Other items	Total reportable segments		Adjustment		Consolidated total	
	Fiscal year ended March 31,2013	**Fiscal year ended March 31,2014**	Fiscal year ended March 31,2013	**Fiscal year ended March 31,2014**	Fiscal year ended March 31,2013	**Fiscal year ended March 31,2014**
Depreciation	2,782	**2,682**	1,576	**1,386**	4,359	**4,068**
Amortization of goodwill	21	**21**	263	**105**	284	**127**
Investments in associated for using equity method	461	**848**	928	**949**	1,390	**1,797**
Increase in property, plant and equipment and intangible assets	4,679	**4,512**	1,569	**307**	6,248	**4,819**

Note : The adjustment amounts for other items are as follows.

1. Depreciation and the increase in property and equipment and intangible assets, is principally the adjustment amount for intersegment lease transactions on the consolidated financial statements.
2. The adjustment amount for amortization of goodwill is principally the amount for amortization of goodwill recorded for overseas subsidiaries.
3. The adjustment amount for investments in associates accounted for using the equity method is the adjustment amount according to the equity method.

9.Subsequent Events

(Treasury stock)

At the Board of Directors meeting held on May 8, 2014, the Board approved the repurchase of common stock up to a maximum of 3,000,000 shares to the aggregate amount of 5,400 million yen from May 12, 2014 to November 28, 2014.

At the Board of Directors held on May 8, 2014, the Board approved the cancellation 3,000,000 shares of treasury stock and will carry it out on May 15, 2014.

10.Additional Information

(1)Consolidated Sales Component and Percentage By Division

(Unit: Millions of Yen)

Divisions	Fiscal year ended March 31,2013 Amount	Ratio	**Fiscal year ended March 31,2014 Amount**	**Ratio**	Year-on -year Increase/Decrease Ratio
		%		**%**	%
Wholesale	131,858	57.3	**132,733**	**57.3**	100.7
Retail	94,770	41.2	**95,540**	**41.2**	100.8
Others (letting and hiring fee of leased object)	3,538	1.5	**3,422**	**1.5**	96.7
Total	230,168	100.0	**231,697**	**100.0**	100.7

Note : Consumption taxes are excluded from the above amounts.

(2)Consolidated Sales Component and Percentage by Product Category

(Unit: Millions of Yen)

Products	Fiscal year ended March 31, 2013 Amount	Ratio	Fiscal year ended March 31, 2014 Amount	Ratio	Year-on-Year Increase/Decrease Ratio
Wholesale		%		%	%
Tires and wheels	35,209	26.7	35,905	27.1	102.0
Car electronics	28,885	21.9	26,822	20.2	92.9
Oil and batteries	17,305	13.1	17,817	13.4	103.0
Car exterior items	13,202	10.0	13,436	10.1	101.8
Car interior items	13,904	10.5	13,179	9.9	94.8
Motor sports	8,028	6.1	8,077	6.1	100.6
Services	2,856	2.2	3,351	2.5	117.3
Others	12,467	9.5	14,142	10.7	113.4
Subtotal	131,858	100.0	132,733	100.0	100.7
Retail					
Tires and wheels	21,142	22.3	22,337	23.4	105.7
Car electronics	15,604	16.5	13,877	14.5	88.9
Oil and batteries	8,262	8.7	8,324	8.7	100.8
Car exterior items	10,852	11.5	11,232	11.8	103.5
Car interior items	9,577	10.1	9,572	10.0	100.0
Motor sports	6,012	6.3	5,697	6.0	94.8
Services	16,392	17.3	16,709	17.5	101.9
Others	6,925	7.3	7,789	8.1	112.5
Subtotal	94,770	100.0	95,540	100.0	100.8
Others (letting and hiring fee of leased object)	3,538	-	3,422	-	96.7
Total					
Tires and wheels	56,351	24.5	58,243	25.1	103.4
Car electronics	44,490	19.3	40,700	17.6	91.5
Oil and batteries	25,568	11.1	26,142	11.3	102.2
Car exterior items	24,054	10.4	24,668	10.7	102.6
Car interior items	23,481	10.2	22,752	9.8	96.9
Motor sports	14,040	6.1	13,775	5.9	98.1
Services	19,249	8.4	20,060	8.7	104.2
Others	22,931	10.0	25,354	10.9	110.6
Total	230,168	100.0	231,697	100.0	100.7

Notes : 1.Consumption taxes are excluded from the above amounts.

2.Others is consisted of revenue of Car sales, Used car goods sales and Royalty income .

3.The sales amount to application of equity method companies are in the wholesale.