

Results for the Three Months ended June 30, 2012



July 31, 2012

AUTOBACS SEVEN CO., LTD.

Q1 FY March 2013 Consolidated P/L



Sales and Profit declined from last FY. The main reasons were ...

- Last year's strong demand for digital terrestrial TV broadcasting tuner
- ASP decline for car navigation devices
- Last year's surging tire sales before the price-hike
- Last year's rising demand for maintenance items after the earthquake
- Increased advertising expenses compared to last years reduction after the earthquake
- New advertising initiatives focused in new car owners

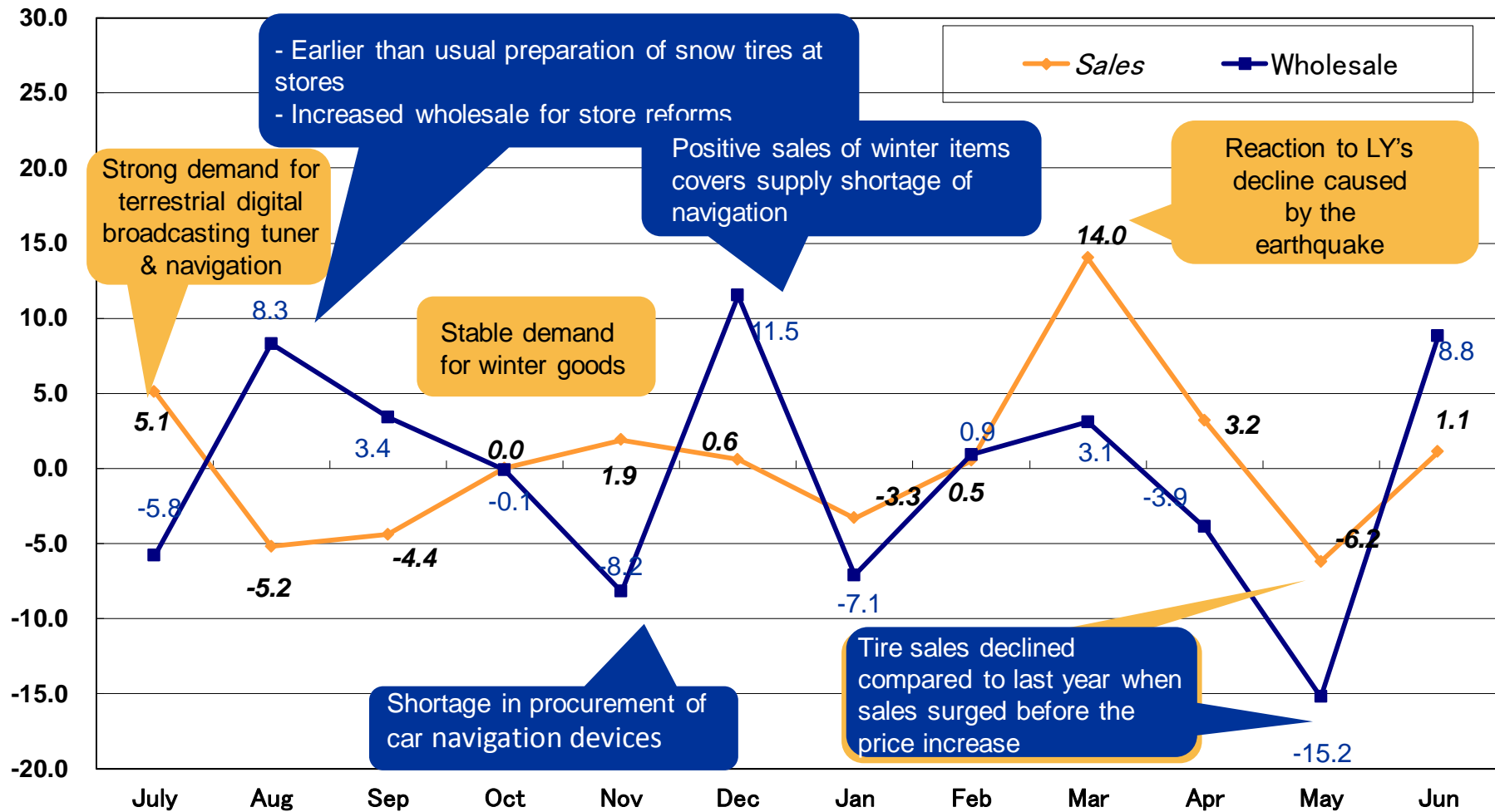
	Three months ended June 30, 2012			Three months ended June 30, 2011	
	Actual result	% of Sales	YoY change ratio	Actual result	YoY change ratio
Net sales	58.0		- 2.2	59.3	100.0%
Gross margin	17.7	30.6	- 4.5	18.6	31.3%
SG&A	15.6	27.0	+1.8	15.4	25.9%
Operating income	2.1	3.6	- 34.7	3.2	5.4%
Non-operating Income/expenses	0.4	0.7	- 44.2	0.7	1.2%
Ordinary income	2.5	4.3	- 36.4	3.9	6.6%
Extraordinary gains/ losses	—	—	—	0	—
Net income	1.3	2.3	- 39.8	2.2	3.7%

Amounts are rounded to the nearest hundred million yen.

% of Net Sales and YoY comparisons are calculated in million yen.

SALES TREND : RETAIL & WHOLESALE (July 2011 – June 2012)

(%) **【YoY change for the last 12 months】**



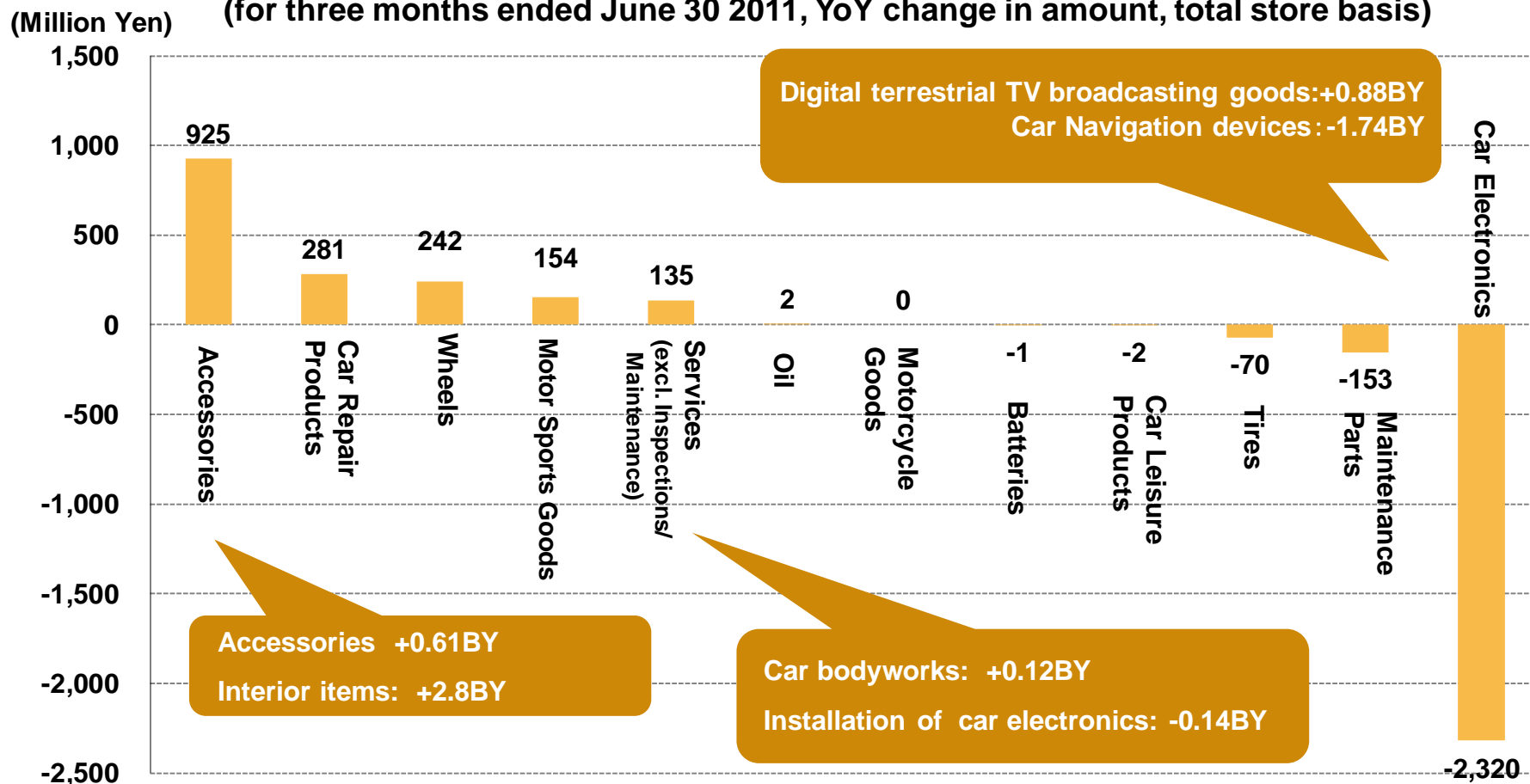
*Domestic retail sales including FCs: Major format stores (AB, SA, AH)
+ Used car goods + New & Used cars + Fuel

Sales Ups & Downs by Merchandise (Q1)

【Same Store Basis】 Sales: - 2.2 % YoY, Number of customers: +2.6% YoY

Retail sales ups and downs by merchandise category

(for three months ended June 30 2011, YoY change in amount, total store basis)



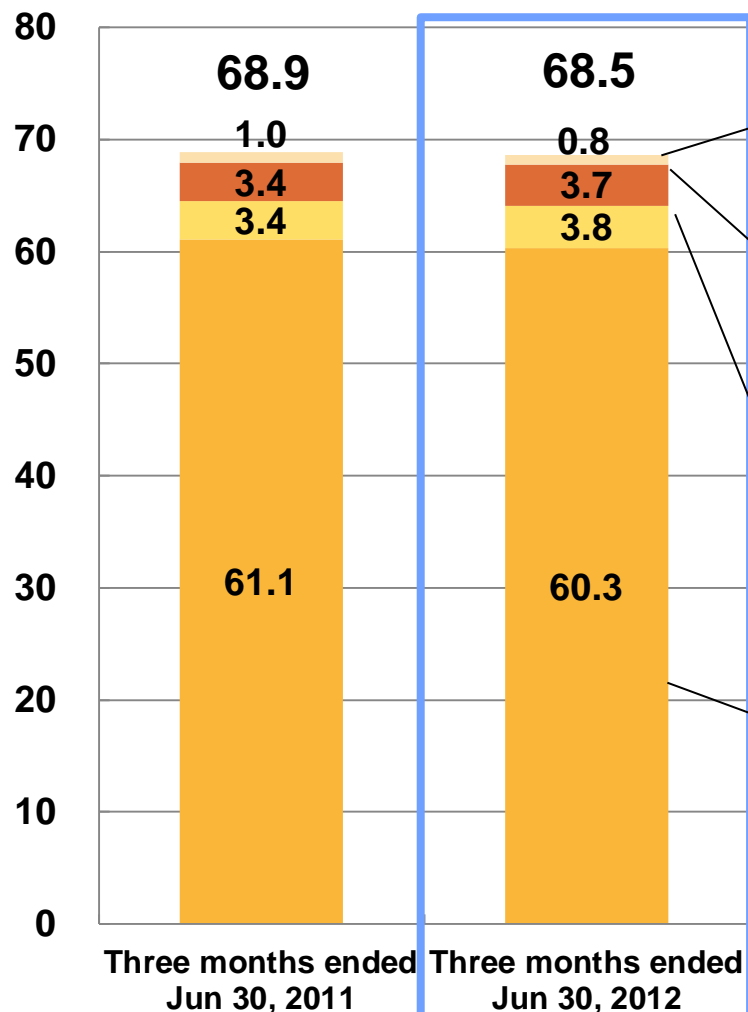
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+ Used car goods + New & Used Cars + Fuel

Retail Sales Including Franchisees



RETAIL SALES INCLUDING FCs*: 68.5billion yen (-0.5% YoY)

(Billion Yen)



Second hand goods & Fuel: 0.8BY (-13.9% YoY)

Statutory safety inspection: 3.7BY (+7.2% YoY)

Number of cars inspected: 127,000 cars (+7.5% YoY)
 Number of fully certified & designated stores: 334stores
 (Up from 332stores at March 31, 2012)

Car purchase & sales: 3.8BY (+10.6% YoY)

No. of cars sold: 3,980 cars (+2.6% YoY)

Car related goods & services: 60.3BY (-1.3% YoY)

*Domestic retail sales including FCs: Major format stores (AB, SA, AH)
 + Used car goods + New & Used cars + Fuel

Analysis for Operating Income

Domestic retail sales		Total stores -0.5% / Same store sales -2.2% (YoY)	
		Operating Income	YoY
Segments	Non-consolidated	3,100MY	-550MY Sales: -1,660MY (-3.3%) Gross profits: -420MY (GPM: 20.2% - down from LY's 20.4%) Decline of GPM of tires and car electronics SG&A +130MY Strengthened sales promotion on new car buyers
	Domestic store Subsidiaries	-720MY	-670MY (-810MY, -4.2%) Decrease in purchase of tires, lower GMP along with declining ASP of car electronics
	Overseas Subsidiaries	-30MY	-60MY
	Others	190MY	-180MY
Total segments		2,530MY	-1,300MY
Consolidation Adjustment		-440MY	Adjustment amount decreased by 190MY from last year Decreased by 190MY from last year mainly in adjustment of inventories which were sold from parent company to domestic store subsidiaries
Consolidated		2,090MY	-1,110MY

Decrease in Consolidation Adjustments

Consolidation Adjustments

(Million Yen)

	Three months ended June 30, 2012	Three months ended June 30, 2011
Operating Income for segment total	2,534	3,835
Inventories (Unearned income of subsidiary inventories, etc.)	(271)	(436)
Depreciation of Goodwill	(97)	(19)
Allowance for point card	(31)	8
Adjustment in fixed assets	60	(12)
Elimination of Intersegment transaction	(118)	(133)
Other	15	(40)
Consolidation adjustment	(443)	(633)
Consolidated operating income	2,091	3,202

Amounts are rounded off to the nearest million yen.

Note: Figures in parentheses are negative.

Performance Breakdown (Three months ended Jun 30, 2012)

Parental company (Non-consolidated)

Net Sales 48.8 BY <i>YoY: -1.65 BY</i>	Wholesale -1.68 BY -3.5%	↑ Car interior items, motor sports goods, oil, batteries ↓ Tires & wheels, car electronics devices, etc.
	Retail -0.0 BY -0.0%	↑ Car interior items, motor sports goods, services, etc. ↓ Car electronics devices, second-hand automobile goods
Gross Margin 9.8 BY <i>YoY: -0.41 BY</i>	Wholesale -0.37 BY -4.0%	↑ Car interior items, motor sports goods, external items, etc. ↓ Tires & wheels, car electronics devices, furniture and fixtures, etc.
	Retail -0.03 BY -4.9%	↑ Car interior items, motor sports goods, external items ↓ Car electronics devices, second-hand automobile goods, tires & wheels, etc.
SG&A 6.7 BY <i>YoY: +0.13 BY</i>	Personnel: Decrease in performance-based compensation(estimation)	
	Sales promotion costs: Increase in advertising and publicity expenses as a rebound to last year's reduction after the earthquake; new advertising initiatives focusing on new car owners	
	Equipment costs: Decrease in repair cost of a logistics center	
	Others: Increase in legal fee and consulting cost	

Domestic store subsidiaries

Net Sales: 18.4 BY <i>YoY: -0.81 BY</i>	Both Sales and GPM declined from last year due to the aftershocks of the earthquake, lower sales of tires compared to last year's surging sales before the price increase and the demand drop of digital terrestrial broadcasting tuners.
Ordinary Income: (0.72BY) <i>YoY: -0.66 BY</i>	

Segment Information



(Billion yen)

		Three months ended June 30, 2012	Three months ended June 30, 2011	YoY change
Non-consolidated	Net Sales	48.9	50.5	-3.3%
	Ordinary Income	3.1	3.7	-15.1%
Domestic store subsidiaries	Net Sales	18.5	19.3	-4.2%
	Ordinary Income	(0.7)	(0.1)	-
Overseas subsidiaries	Net Sales	2.1	2.5	-16.0%
	Ordinary Income	(0.0)	0.0	-
Subsidiaries for car goods supply and other	Net Sales	3.8	3.3	+13.6%
	Ordinary Income	0.0	0.1	-35.5%
Subsidiaries for supporting function	Net Sales	0.9	0.8	+3.2%
	Ordinary Income	0.1	0.1	+7.0%
Segment total	Net Sales	74.0	76.4	-3.1%
	Ordinary Income	2.5	3.8	-33.9%

Note: Figures in parentheses are negative.

Amounts are rounded down to the nearest ten million Yen.

Results of Overseas Operation by Country

	FRANCE		CHINA		SINGAPORE		THAILAND	
Number of stores at June 30, 2011 -including FCs stores-	11		3		3		4	
Total store sales -including FC stores-	-6.1%		-27.7%		+8.9%		+6.7%	
Period	Q1 FY2013	Q1 FY2012	Q1 FY2013	Q1 FY2012	Q1 FY2013	Q1 FY2012	Q1 FY2013	Q1 FY2012
Net sales (Million Yen)	1,560	1,940	90	110	290	280	140	130
SG&A (Million Yen)	760	890	90	60	90	80	40	40
Operating income (Million Yen)	(20)	10	(50)	(10)	30	40	0	0
Business conditions	Sales decreased due to economic slowdown in Europe and the effect of new law banning some stores to open on Sundays. Cost reduction efforts were made but, OP turned into loss.		Sales decreased but SG&A increased as two stores including the first direct-owned store had been closed, though one direct-owned store had been opened.		Loyang store is showing favorable results mainly in sales of tires, oils and batteries. Existing two stores also performed well.		All stores recorded good results in sales of tires, oil and other maintenance related items due to aggressive sales promotion.	

Note: Figures in parentheses are negative.

Amounts are rounded down to the nearest ten million yen.

Store Openings and Closings (Plan)

< Domestic stores >

	No. of stores as of March 31, 2012	Fiscal year ending March 31, 2013							No. of stores as of March 31, 2013
		Q1 (result)			No. of stores as of June 30, 2012	Q2 – Q3 (Plan)			
		New	S/B · R/L	Close		New	S/B · R/L	Close	
AUTOBACS	430	+4	+1 / -1		434	+26	+4 / -3	-2	459
Super AUTOBACS	76				76				76
AUTO HELLOES	1				1		-1		0
Secohan Ichiba	18		-3		15				15
AUTOBACS EXPRESS	5	+2		-1	6				6
Domestic total	530	+6	+1 / -4	-1	532	+26	+4 / -4	-2	556

S/B=Scrap & Build、R/L=Relocation

< Overseas stores >

	No. of stores as of March 31, 2012	FY March 2013(Results & Forecasts)			No. of stores as of Mar 31, 2013
		Q1 (result)	No. of stores as of June 30, 2012	Q2 - Q3 (Plan)	
France	11		11		11
China	4	+1 / -2	3	+1	4
Thailand	4		4		4
Singapore	3		3		3
Taiwan	5		5		5
Malaysia	0	+1	1		1
Total	27	+2 / -2	27	+1	28

Progress of AUTOBACS 2010 Business Plan



Measures	Progress of individual measure
1. Improving store profitability	
1) Store reform	<ul style="list-style-type: none"> • Improved each store by utilizing the knowledge acquired from the results of store reforms - Started renovation of Super AUTOBACS stores
2) Merchandise/ purchase reform	<ul style="list-style-type: none"> • Continued negotiation with suppliers to improve rebate income
3) Human resources/ store operation reform	<ul style="list-style-type: none"> • Executed store manager trainings and in-store communication studies
2. Increasing market share	
1) New store opening	<ul style="list-style-type: none"> • Opened four new AUTOBACS stores (also opened two AUTOBACS Express stores) - Planning thirty new store openings in this FY
2) Development of service formats/ multi-channel strategy	<ul style="list-style-type: none"> • Opened two Auto Body Repair and Painting Centers at Urayasu and Toda - Strengthened web shopping site
3. Overseas operation	<ul style="list-style-type: none"> • Opened the third and closed the first subsidiary-owned stores in Shanghai

Full Year Earning Forecasts Left Unchanged



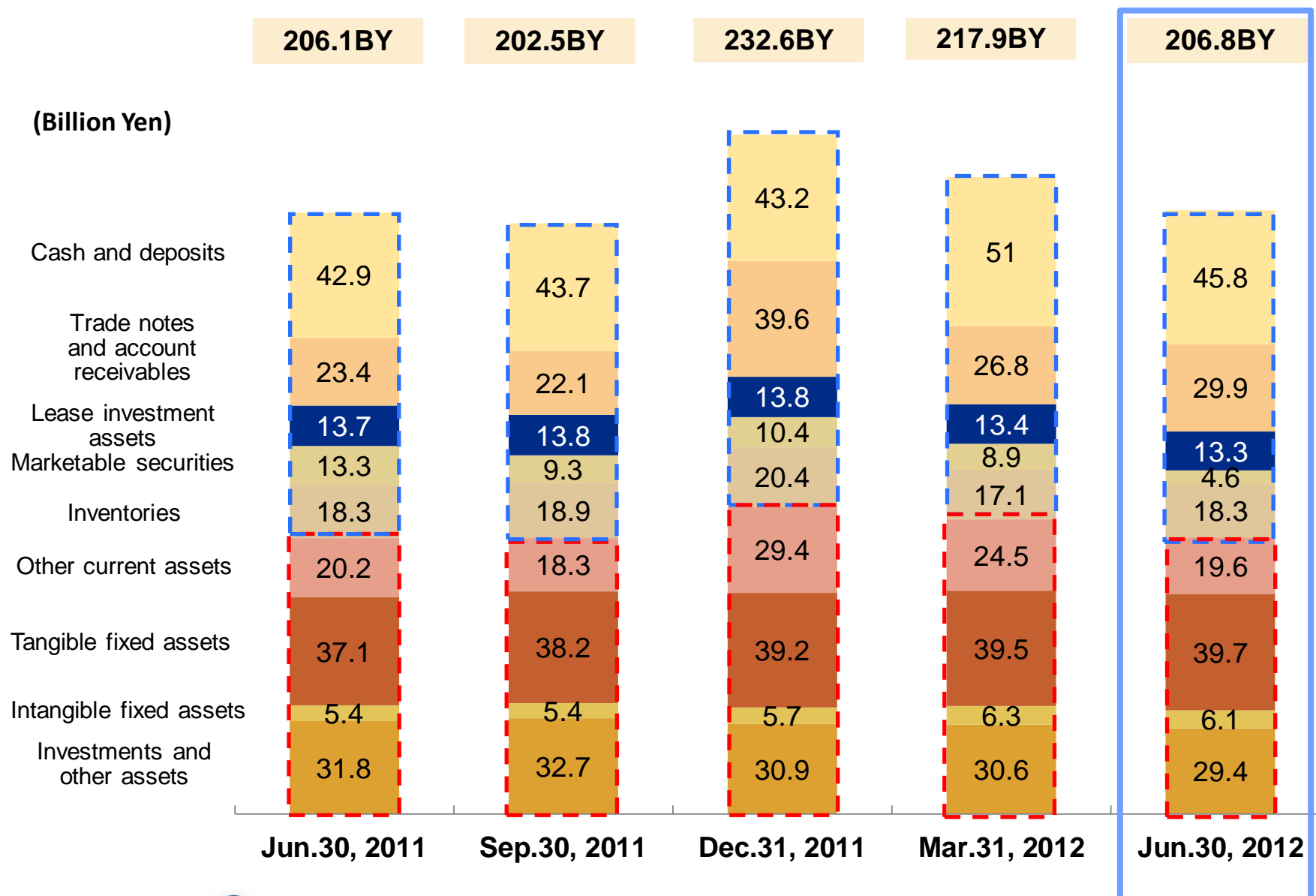
- Our OP forecast for the full fiscal year (2.8BY) unchanged, although the business environment for Q2 is expected to remain challenging
- Accelerating our business efforts in Q3 and Q4 to make up for the delay in Q1



- Focusing on gross margin improvement and cost control to achieve our OP forecast.

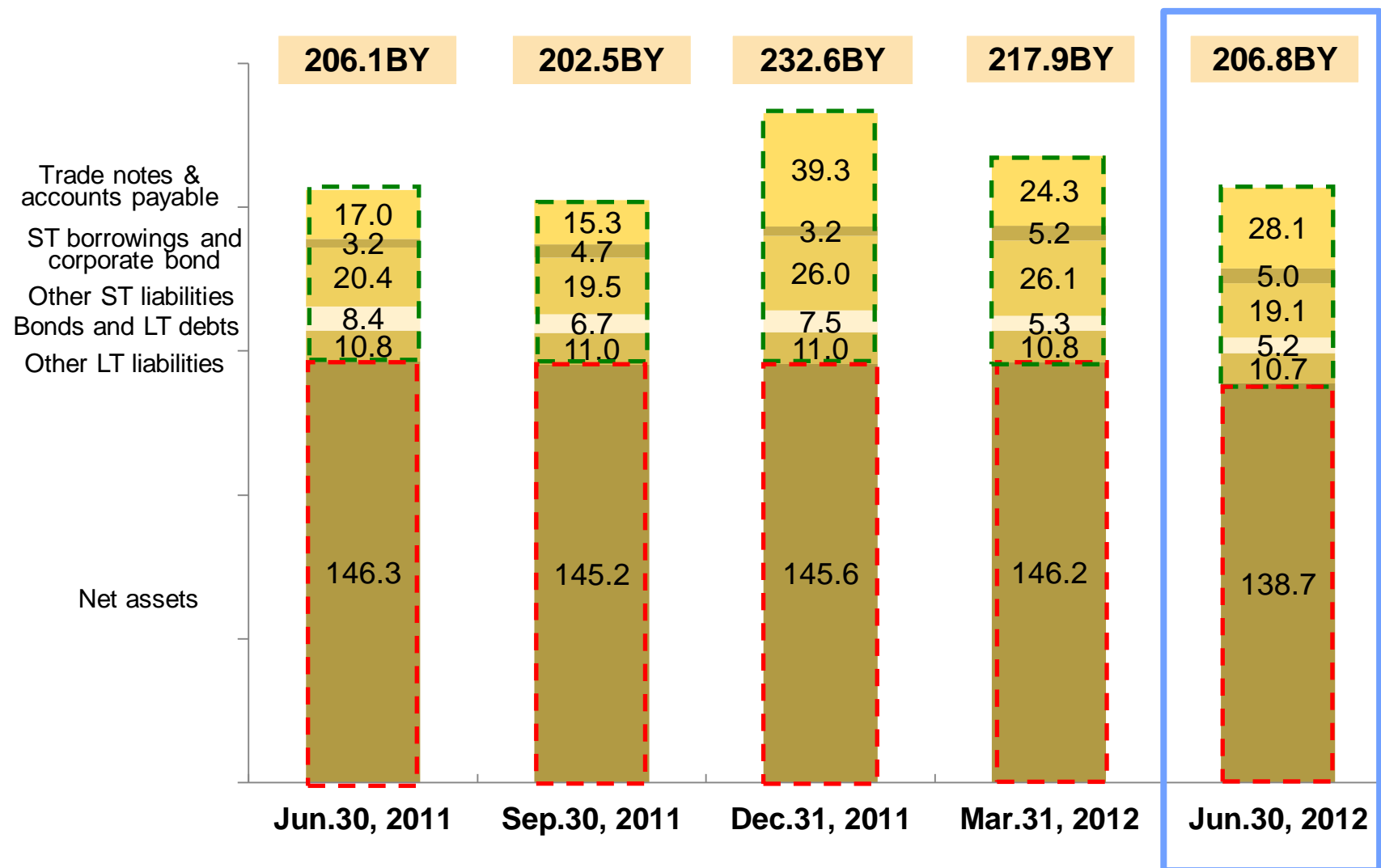
- Continuing our efforts toward the goal of AUTOBACS 2010 Business Plan.

Balance Sheet / Assets



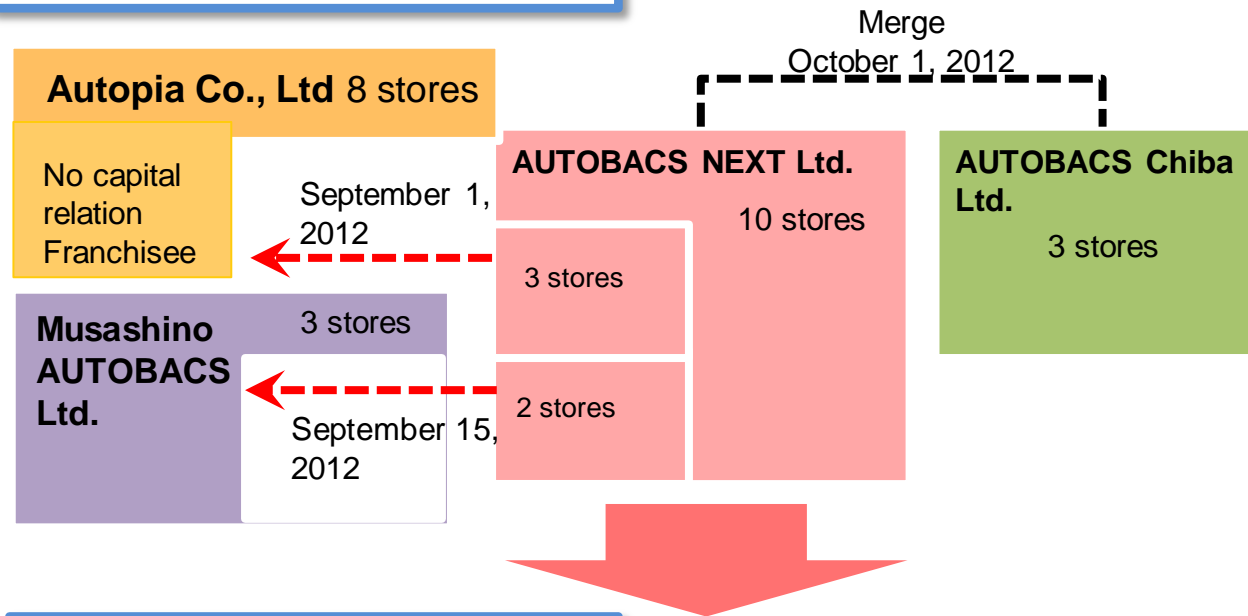
Balance Sheet / Liabilities & Net Assets

(Billion Yen)

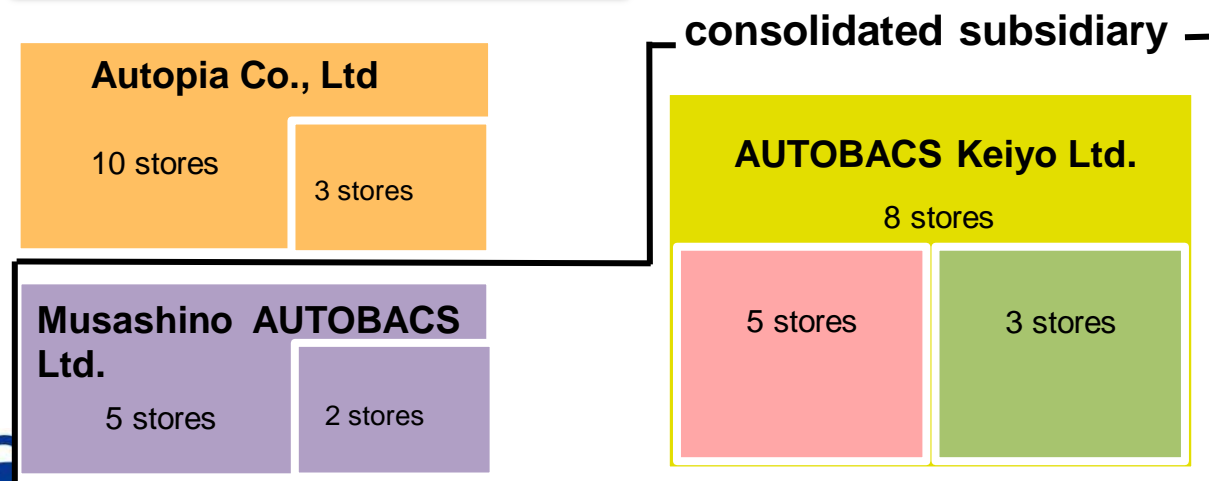


Transfer of Store Ownership, and Merger among Consolidated Subsidiaries

Before the store transfer and merger



After the store transfer and merger





Forward-Looking Statements

These materials include forecasts regarding the Company's future plans, strategies, and performance. This information is based on judgments and estimates made in accordance with information currently available. Actual results may differ materially from forecasts due to such factors as changes in operating circumstances.