

## ANALYST MEETING

# Results for FY March 2012 and Forecasts for FY March 2013



May 11, 2012

Setsuo Wakuda  
Representative Director and CEO

**AUTOBACS SEVEN CO., LTD.**

## 1. CONSOLIDATED FINANCIAL RESULTS FOR FY MARCH 2012:

- Achieved performance targets although the Group had to face with a rapidly changing business environment

## 2. PROGRESS AND UPDATES OF THE “AUTOBACS 2010 MEDIUM-TERM BUSINESS PLAN”

- First two years proceeded in line with the plan;  
Ready to achieve the Group's goal

## 3. FINANCIAL FORECASTS FOR FY MARCH 2013 AND MEASURES TO ACHIEVE THE GOAL OF THE MEDIUM-TERM BUSINESS PLAN

- Showed results toward the goal of medium-term business plan

# 1. CONSOLIDATED FINANCIAL RESULTS FOR FY March 2012

# FINANCIAL RESULTS (FY MARCH 2012)



**BOTH SALES AND PROFIT RISING:** Performance targets were achieved as planned by adapting to the rapidly changing business environment, and by steadily implementing the medium-term business plan policies.

(Billion Yen)

	FY March 2012				FY March 2011
	Latest forecast	Actual result	YoY change ratio	Change from initial forecast	
Net Sales	233.8	237.3	+0.4%	+1.5%	236.4
Gross margin	75.5	77.0	+1.7%	+2.0%	75.7
SG&A	62.7	63.3	-0.7%	+1.0%	63.8
Operating income	12.8	13.7	+14.5%	+7.2%	12.0
Ordinary income	14.7	15.3	+17.2%	+4.1%	13.1
Net income	8.3	8.4	+36.0%	+1.2%	6.2
EPS(Yen)	254.3	252.9	+42.1%	-0.6%	178.0
ROE	5.0%	5.7%	+1.6pt	+0.7pt	4.1%

Amounts are rounded to the nearest hundred million yen.

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

# FACTORS AFFECTED TO THE FY 2012 RESULT



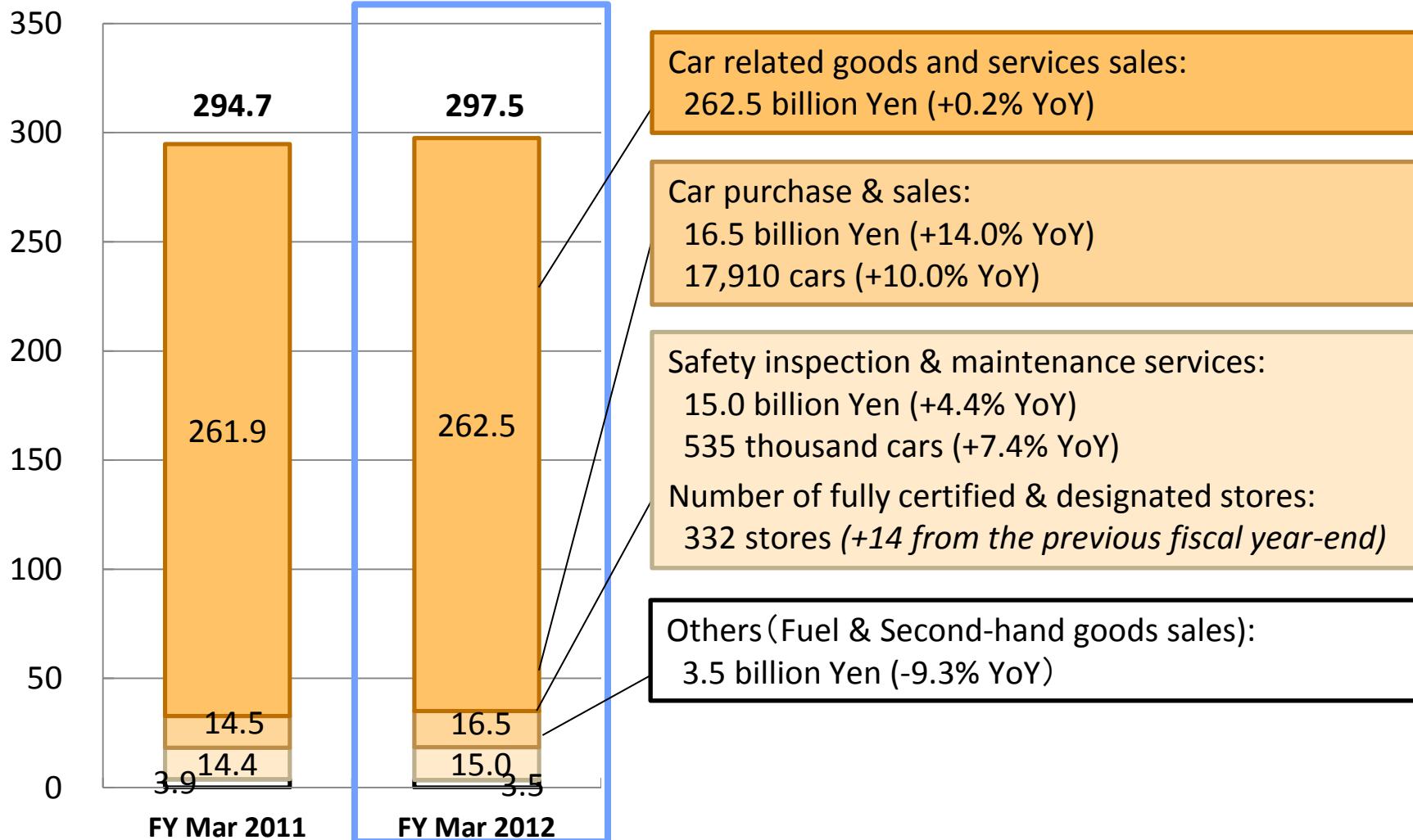
	1st Half	2nd Half
<b>Disaster, Earthquake</b>	<ul style="list-style-type: none"> <li>• Suspended operations at two stores (until August 2011)</li> <li>• Demand drop for automotive goods and services due to car sales decline</li> <li>• Shortage in procurement of car navigation devices</li> <li>• Change in working days at factories</li> </ul>	<ul style="list-style-type: none"> <li>• Demand rise for automotive goods and services thanks to the recovery of car sales</li> <li>• Shortage of car electronics caused by flooding in Thailand</li> </ul>
	<ul style="list-style-type: none"> <li>• Increase in demand for car goods in Tohoku region (sales increased by approximately +20% from a year ago at three prefectures in Tohoku region)</li> </ul>	
<b>Tire</b>	<ul style="list-style-type: none"> <li>• Rush of demand before price hike</li> <li>• Increase in demand of snow tires on fears of shortage</li> </ul>	<ul style="list-style-type: none"> <li>• Heavier snowfall than usual</li> <li>• Less demand for tire chains due to fewer snowfall in Kanto region</li> </ul>
<b>Impact of government policies and other</b>	<ul style="list-style-type: none"> <li>• Boosted demand for car tuners and navigation devices according to the shift to digital terrestrial broadcasting</li> </ul>	<ul style="list-style-type: none"> <li>• Demand rise for automotive goods and services in response to revival of subsidies for purchase of fuel efficient cars</li> </ul>

# DOMESTIC RETAIL SALES (FY MARCH 2012)



(Billion Yen)

**Retail sales including FCs\*: 297.5 billion Yen (+ 0.9% YoY)**



\* Sales at all domestic store formats (AUTOBACS, Super AUTOBACS, AUTO HELLOES, CARS, AUTOBACS Secohan Ichiba and AUTOBACS EXPRESS)

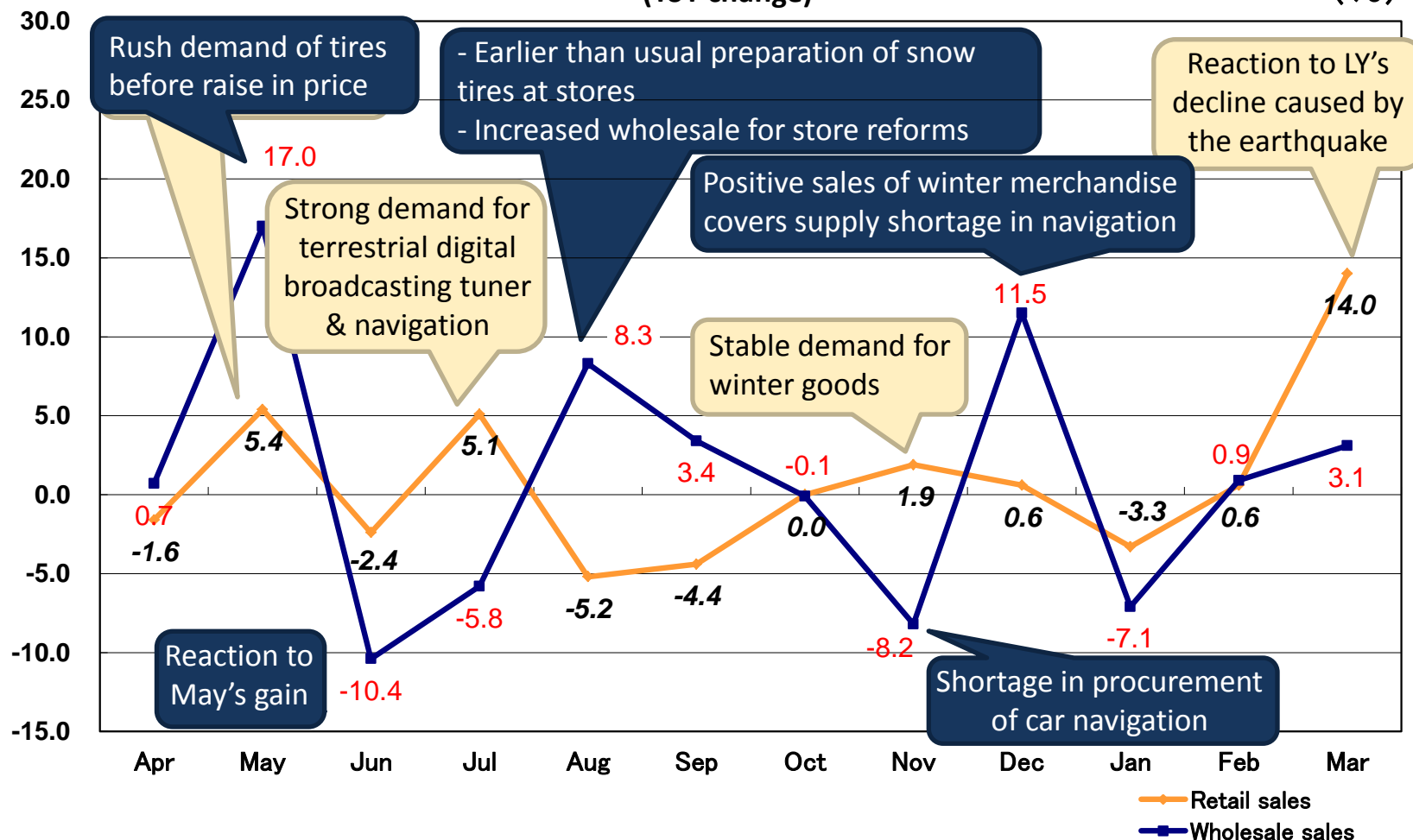
# SALES TREND : RETAIL & WHOLESALE (FY March 2012)



## Retail sales\* & Wholesale sales

(YoY change)

(%)



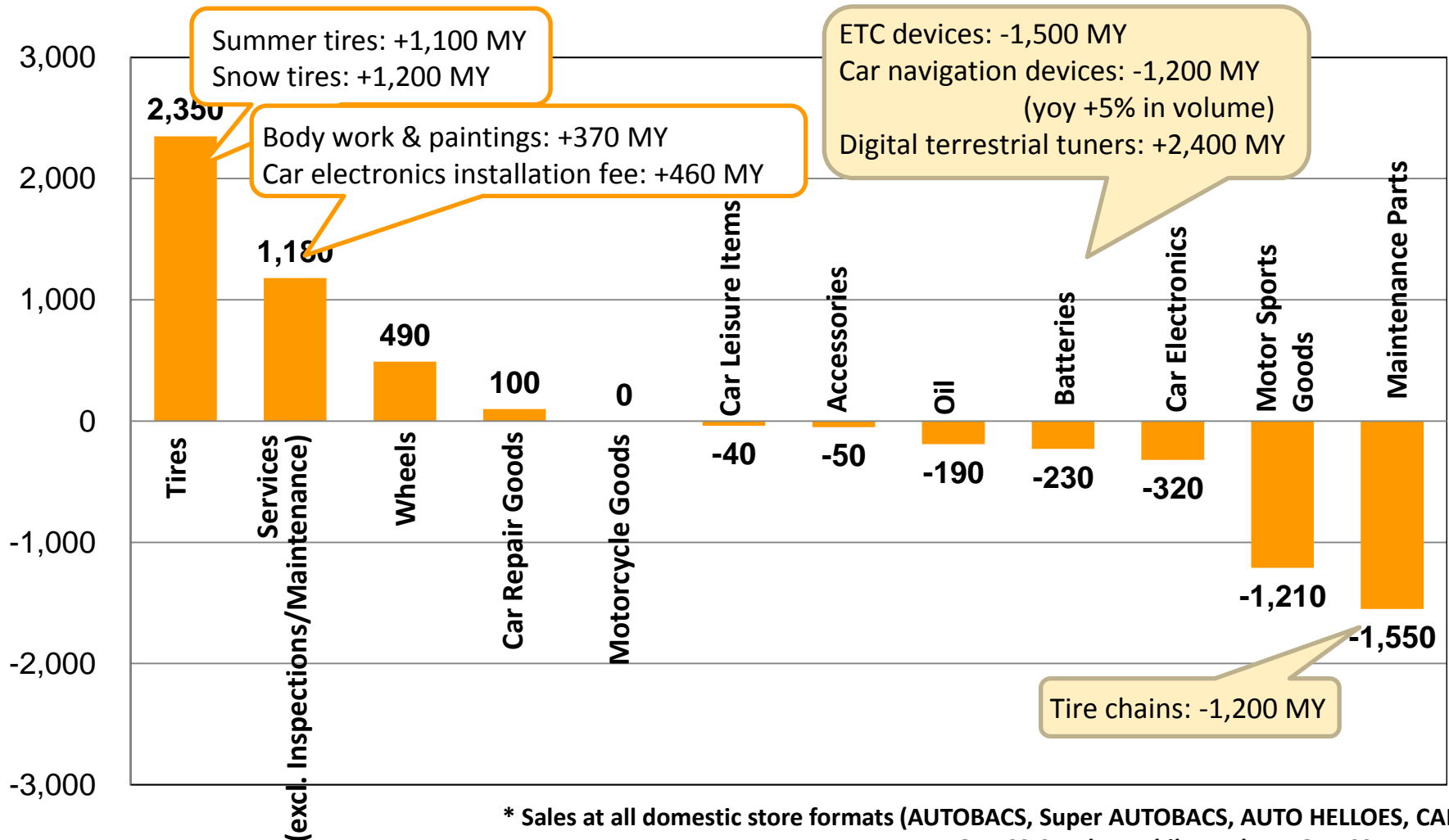
\*Domestic retail sales including FCs: Sales at all domestic store formats (AUTOBACS, Super AUTOBACS, AUTO HELLOES, AUTOBACS Secohan Ichiba and AUTOBACS EXPRESS)

# SALES TREND: BY MERCHANDISE\* (FY March 2012)



(for 12 months ended March 31, 2012; YoY change in amount; total store basis)

(Million Yen)



\* Sales at all domestic store formats (AUTOBACS, Super AUTOBACS, AUTO HELLOES, CARS, AUTOBACS Secohan Ichiba and AUTOBACS EXPRESS)



# PERFORMANCE BY COUNTRY (FY March 2012)



	FRANCE		CHINA		SINGAPORE		THAILAND	
Number of stores at March 31, 2012 -including FC stores-	11		4		3		4	
Same store sales -including FC stores-	+2.1%		-3.0%		+5.1%		-3.6%	
Period	FY March 2012	FY March 2011	FY March 2012	FY March 2011	FY March 2012	FY March 2011	FY March 2012	FY March 2011
Net sales (Million Yen)	7,028	6,812	413	391	1,142	1,075	512	530
SG&A (Million Yen)	3,292	3,421	290	229	360	325	135	160
Operating income (Million Yen)	22	(179)	(68)	(62)	133	128	(0)	(7)
Business conditions	From summer on, sales were affected by the impact of weather and economy, but overall sales and earnings grew due to promotions centering on tires and audio		The first direct managed store is getting familiar to local community. There are still challenges at other two stores. Wholesale sales to local franchisees and exports to Japan were positive		Business sentiment slowed in the second half, but promotions were successful and results were positive. Profit also increased due to expansion of service sales.		Political unrest, flooding, etc. had an influence on existing stores. Cost cutting kept profits at last year's levels	

Note: Figures in parentheses are negative.

# OPERATING INCOME COMPONENTS (FY March 2012)



Domestic Retail sales		Total store basis: +0.9% / same store basis: +0.1%	
		Operating income (Million yen)	
		Amount	Major drivers of variance (yoy)
Segment	Non-consolidated	13,590	<b>+1,841 MY</b> <ul style="list-style-type: none"> <li>• Net sales +886 (+0.5%)</li> <li>• Gross Profit +1,120 (21.3% (last year 20.9%))                             <ul style="list-style-type: none"> <li>-due to gross margin improvement in Tires and Car electronics</li> </ul> </li> <li>• SG&amp;A -721                             <ul style="list-style-type: none"> <li>-Expenses, including self-restraint of sales promotions following the earthquake, were reduced</li> </ul> </li> </ul>
	Store subsidiaries	434	<b>+53 MY (+0.6% in Sales)</b>
	Overseas subsidiaries	86	<b>+209 MY</b>
	Subsidiaries for supporting function, car goods supply and other	542	<b>-178 MY</b>
	Segment total	14,654	<b>+1,926 MY</b>
Consolidation Adjustments		(934 )	<b>-194 MY</b> <ul style="list-style-type: none"> <li>I. Unrealized profit on parent company sales of merchandise to store subsidiaries increased due to increased new stores</li> <li>II. Credit commissions transferred from non-operating income of parent company to sales of subsidiary for supporting function</li> <li>III. Valuation loss on merchandise increased at subsidiaries' stores where the transfer of store is planned</li> </ul>
Consolidated		13,720	<b>+1,732 MY</b>

# MAJOR DRIVERS OF VARIANCE (FY March 2012)



(Billion Yen)

	FY March 2012			FY Mar 2011 % of Sales
	Results % of Sales	YoY change	Major drivers of variance	
Net sales	237.3	+0.4%	Non-consolidated sales: +0.9BY Domestic store subsidiaries: +0.5BY Overseas subsidiaries: +0.3BY	236.4
Gross margin	77.0 32.5%	+1.7%	Wholesale sales: +1.0 Retail sales: +0.1 ➢ Increase in gross margin by sales improvement of Tires & Wheels ➢ Increase in gross margin ratio of Car electronics ➢ higher sales of store fixtures	75.7 32.0%
SG&A	63.3 26.7%	-0.7%	Salaries: Increase in employee bonuses and other incentives Selling Expenses: Decrease due to the Group's self-restraint following earthquake, increase due to new store openings Others: Decline in attorney's fees, consulting fees, earthquake donations, etc.	63.8 26.9%
Non-operating income/ expense	1.6 0.7%	+48.2%	Non-operating income: Decline in commissions received Non-operating expenses: Decline in foreign exchange loss	1.1 0.5%
Extraordinary gains	0.06 0.03%	-94.2%	Profit on sale of shares in related company 0.06BY	1.1 0.5%
Extraordinary loss	0.16 0.1%	-94.2%	Impairment loss on fixed assets, loss on sale of fixed assets, loss on store closures :0.16BY	2.7 1.1%
Adjustments to Income Taxes	-0.12	—	Reversal of deferred tax assets due to changes in the tax rate had a 0.51BY impact on net income for the current term	0.9

Amounts are rounded down to the nearest hundred million Yen.  
% of Net Sales and YoY comparisons are calculated in million Yen.

# STORE OPENINGS AND CLOSINGS (FY March 2012)



## Domestic stores

Store Type	No. of stores at March 31, 2011	FY March 2012						No. of stores at March 31, 2012
		1st-half			2nd-half			
		New	S/B • R/L	Close	New	S/B • R/L	Close	
AUTOBACS	404	+ 6	+ 5/-3		+ 17	+ 3/-1	-1	430
Super AUTOBACS	76							76
AUTO HELLOES	5		-4					1
AUTOBACS Secohan Ichiba	21					+ 2/-2	-3	18
AUTOBACS EXPRESS	7			-2				5
Total	513	+ 6	+ 5/-7	-2	+ 17	+ 5/-3	-4	530

S/B=Scrap & Build, R/L=Relocation

## Overseas stores

Country / Region	No. of stores at Mar 31, 2011	FY March 2012		No. of stores at Mar 31, 2012
		1st-half	2nd-half	
France	11			11
China	4	+1/-1		4
Taiwan	4	+1		5
Thailand	4			4
Singapore	2		+1	3
<b>Total</b>	<b>25</b>	<b>+2/-1</b>	<b>+1</b>	<b>27</b>

## 2. PROGRESS AND UPDATES OF THE “AUTOBACS 2010 MEDIUM-TERM BUSINESS PLAN”

## Management Targets

**Consolidated operating income: 16 BY**

**ROE 7.0%**

**DOE\* 3.0%**

### 1. Domestic Business

#### 1) Improving store profitability

Operating margin of existing  
AB-format stores: 6.9%

Existing store reform

Merchandise/ purchase reform

Human resources/ store operation reform

#### 2) Increasing market share

Auto aftermarket share: 18%

New store opening

Development of service formats/  
multichannel strategy

### 2. Overseas Business

- Making overseas business profitable
- Verification and study of Asian business

### 3. Financial Strategies

- Creating cash flow through investment and enhancing shareholder returns

# 1-1) IMPROVING STORE PROFITABILITY

**FY March 2012 result**

**Operating margin of existing AB-format stores: 6.0%\* (LY: 5.7%)**

## Existing store reform

- Executed at 217 AB-format stores (as planned)

Effect of Store reform experiment

	After-reform	Before-reform	Difference
Retail sales (YoY rate)	101.7%	97.9%	+3.8%
Number of customers (YoY rate)	100.0%	96.9%	+3.1%

## Merchandise/ purchase reform (Gross Margin improvement program)

- Non-consolidated wholesale gross margin: 20.8% (LY: 20.2%)

## Human resources/ store operation reform

- Customer treatment training: 8,800 employees completed
- Continuous use of mystery shoppers

\*provisional figure

# 1-1) IMPROVING STORE PROFITABILITY



## Gross Margin Improvement Program

### Initiatives taken by each merchandise category

#### Tires

- Improved gross profit by putting sales composition target per major manufacturer

#### Car Electronics

- Reviewed pricing of bargain items; strengthened sales of regular goods
- Improved gross margins by reviewing annual contracts with manufacturers

#### Oil, Batteries, Accessories, Motor sports goods, and other

- Improved wholesale gross margins on merchandise displayed on central shelves through store remodeling
- Store gross profit failed to improve due to selling-out of old model items
- Oil gross margin dropped as sales weight for private brand oil declined



# 1-2) INCREASING MARKET SHARE



**FY March 2012 result**

**AUTOBACS Group's Auto aftermarket share: approx. 15%\***  
(level equal to last FY)

## **New store opening**

- Number of new stores: 23 (up 17 stores from last FY)
- New store sales budget achievement rate: 105.4%
- Store running costs reduction: proceeded about 70% of the 12 MY target
  - Opening of a new type of store designed to fill the gap, is running behind plan. The concept is being verified
  - Running costs: Store fixtures (reduced by 30%)  
Service bay equipment (reduced by more than 10%)  
etc.

## **Development of service formats/ multichannel strategy**

- Launched new format, Auto Body Repair and Painting Center in April 2012
- Renewed Internet sales site and triggered sales

\*Company's estimation

# 1-2) INCREASING MARKET SHARE



## New Store Opening in FY March 2012

STORE NAME			Opening date	STORE NAME			Opening date
1	AUTOBACS Matsuyama Homen Store	April 21, 2011		13	AUTOBACS Kumamoto Ueki Store	November 17, 2011	
2	AUTOBACS Tokamachi Store	April 22, 2011		14	AUTOBACS Ibaraki Nishi Store	November 18, 2011	
3	AUTOBACS Tsuruoka Store	August 11, 2011		15	AUTOBACS Kawasaki Saiwai Store	November 23, 2011	
4	AUTOBACS Kumata Store	August 12, 2011		16	AUTOBACS Nagakute Store	January 19, 2012	
5	AUTOBACS Iwamisawa Store	September 11, 2011		17	AUTOBACS Tire Shop Ogori	February 16, 2012	
6	AUTOBACS Abashiri Store	September 30, 2011		18	AUTOBACS Anan Store	March 15, 2012	
7	AUTOBACS Tomiya Store	October 6, 2011		19	AUTOBACS Minami Alps Store	March 16, 2012	
8	AUTOBACS Miyanomori Store	October 7, 2011		20	AUTOBACS Sakura Store	March 16, 2012	
9	AUTOBACS Hita Store	October 21, 2011		21	AUTOBACS Minoh Store	March 20, 2012	
10	AUTOBACS Senrioka Store	October 28, 2011		22	AUTOBACS Gosen Store	March 30, 2012	
11	AUTOBACS Toyokawa Store	November 3, 2011		23	AUTOBACS Tamura Funehiki Store	March 30, 2012	
12	AUTOBACS Chiba New Town Store	November 3, 2011					

# 1-2) INCREASING MARKET SHARE

## Expansion of body repair and painting business

### All stores started reception of BP\* services

- Implemented reception/ valuation system for light body work (“AUTOBACS Quick Repair”)

### Launched Auto BP Center in Urayasu district

- Started services of accident body repair
- Acquiring body work techniques, front desk know-hows

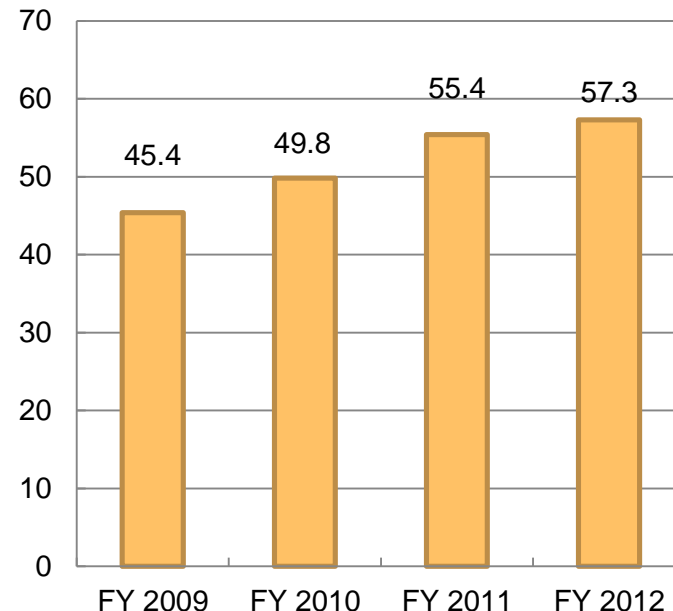
⇒ Realized through the Acquisition of Yanaka Corporation in Urayasu

\*Body repair and Painting



### Number of cars that received body repair and painting services at AUTOBACS

(thousand cars) Group stores



## 2. OVERSEAS BUSINESS

### FY March 2012 result

- **Overseas Subsidiaries: Operating Income turned into the black**
  - France: Become profitable at the operating level through continuous management effort
  - China: Opened the 2<sup>nd</sup> store in Shanghai  
Services are positive but issues remain in retail of automotive goods
  - Singapore: Opened the 3<sup>rd</sup> store. Sales are in good condition



**AUTOBACS SHANGHAI  
CAO AN GONG LU Store**  
(opened on May. 14, 2011)

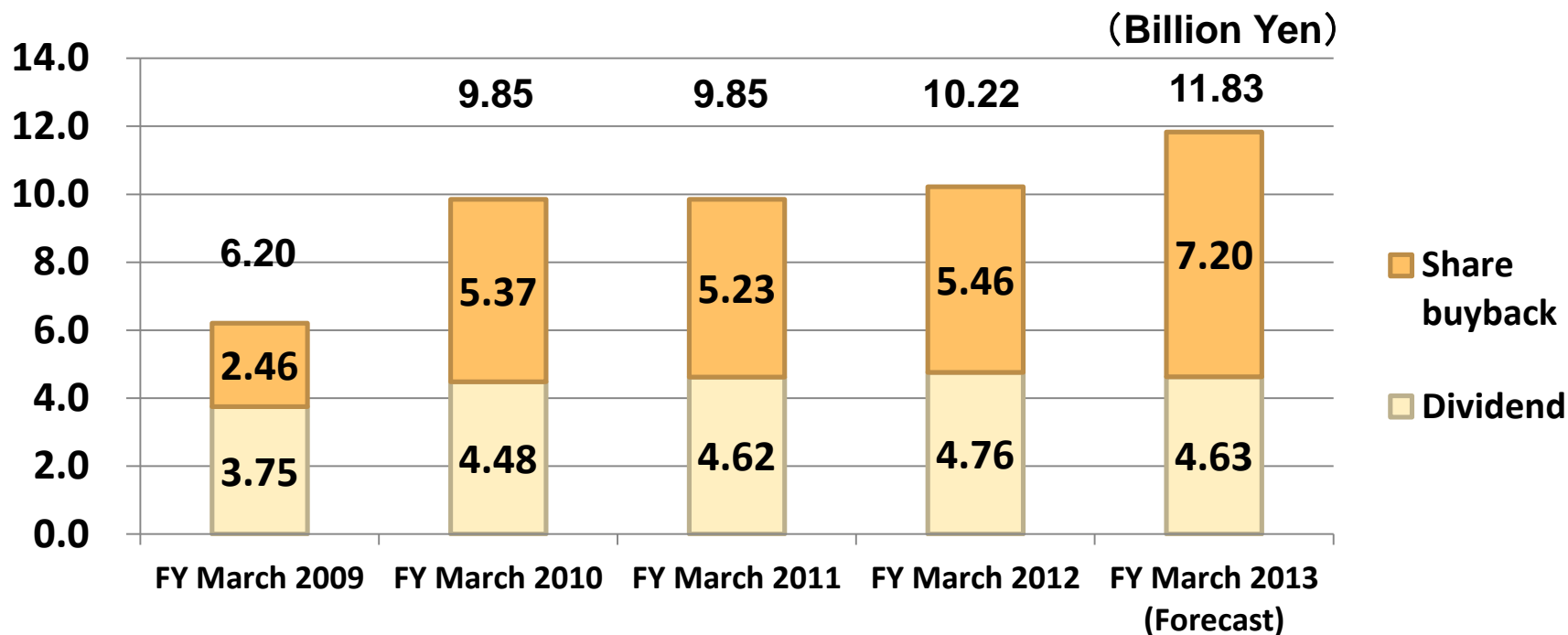


**Automatic car-washing  
machine in  
Shanghai store**



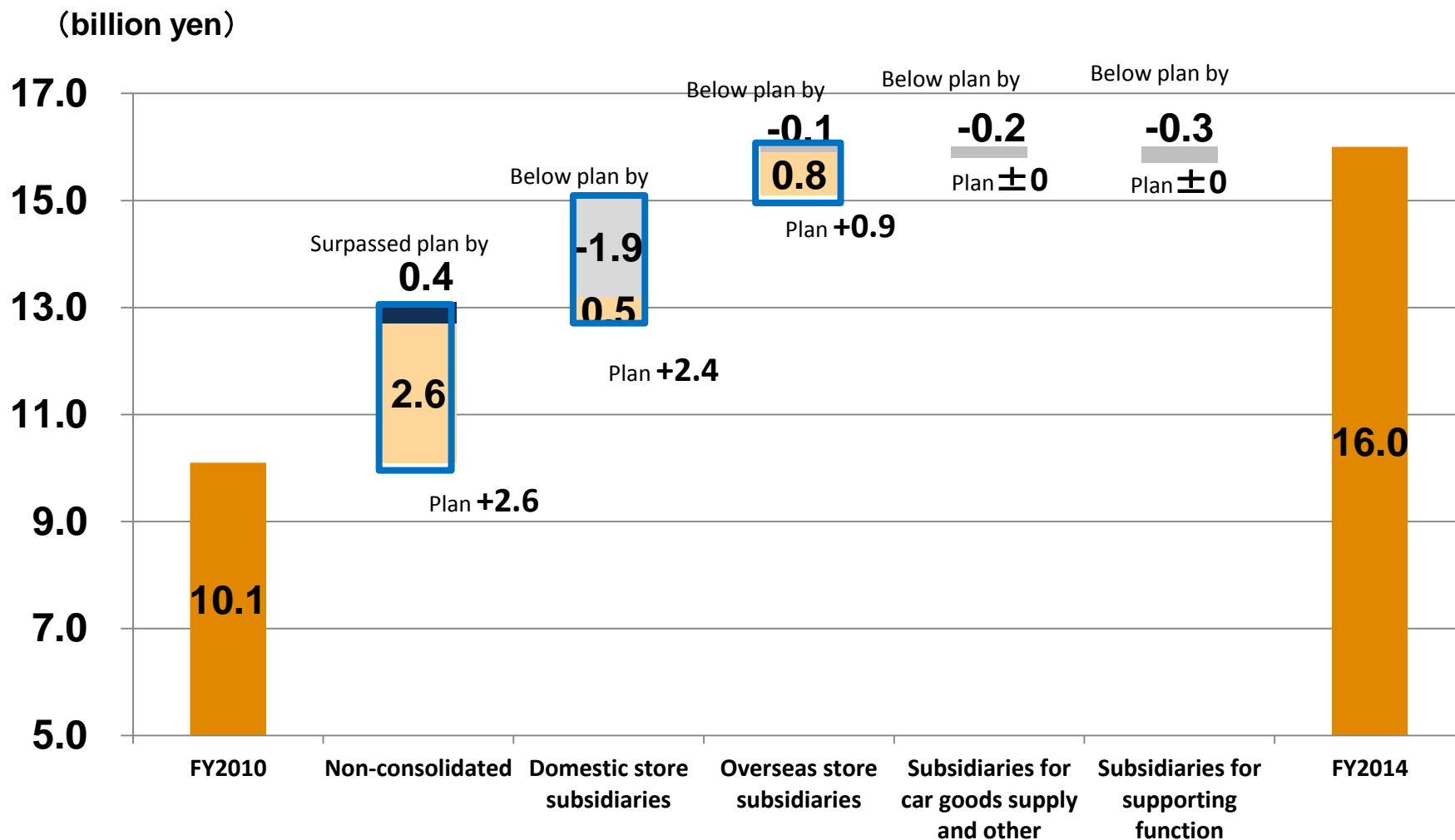
**Loyang store, third store at  
Singapore**  
(opened on Dec. 2, 2011)

### 3. FINANCIAL STRATEGIES – Shareholder return policy



Dividend per share	100 Yen	125 Yen	135Yen	145 Yen	150 Yen
DOE	2.4%	3.0%	3.2%	3.3%	3.3%
Total return ratio	-	168.0%	159.5%	121.7%	124.5%
Dividend payout ratio	-	77.2%	75.9%	57.3%	51.5%

# TOWARD THE GOAL OF 16BY IN OPERATING INCOME



### **3. FINANCIAL FORECASTS FOR FY MARCH 2013 AND MEASURES TO ACHIEVE THE GOAL OF THE MEDIUM-TERM BUSINESS PLAN**

# FINANCIAL FORECASTS (FY March 2013)



(Billion Yen)

	FY March 2012 Results	FY March 2013 (Forecasts)			
		1st-half	2nd-half	Full year	YoY change (amount & rate)
Net sales	237.3	116.3	126.2	242.5	+5.2
Gross margin	77.0	37.1	41.1	78.2	+1.2
% to Net sales	32.5%	31.9%	32.6%	32.2%	+1.5%
SG&A	63.3	30.9	32.8	63.7	+0.4
% to Net sales	26.7%	26.6%	26.0%	26.3%	+0.6%
Operating income	13.7	6.2	8.3	14.5	+0.8
% to Net sales	5.8%	5.3%	6.6%	6.0%	+5.7%
Ordinary income	15.3	7.1	8.8	15.9	+0.6
% to Net sales	6.5%	6.1%	7.0%	6.6%	+3.9%
Net income	8.4	4.2	5.3	9.5	+1.1
% to Net sales	3.5%	3.6%	4.2%	3.9%	+13.1%
ROE	5.7%			6.5%	+0.8%
Same store sales	+0.1%	+2.2%	+2.9%	+2.6%	+2.4pt
Total store sales	+0.9%	+3.8%	+4.7%	+4.3%	+3.4pt

Amounts are rounded down to the nearest hundred million Yen.  
% of Net Sales and YoY comparisons are calculated in million Yen.



## Business Environment

- Robust earthquake recovery demand in the Tohoku region
- Strong new car sales trend
- Increasing energy cost

## Items likely to affect the Company's performance

1. Reaction to last year's high tire prices; demand resulting from unusual snowfall
2. Increase in demand for automotive goods and services due to strong new car sales
3. Increase in retail sales and costs due to new store openings
4. Profit improvement in car purchase and sale business
5. Profit improvement in domestic store subsidiaries

## Automotive Goods Sales:

- Concentrate on sales of Tires, Oil and Batteries
- Implement sales promotions aiming at new car purchasing customers (car navigation devices, car accessories, etc.)
- Promote internet sales

## Installation and Maintenance Services:

- Increase statutory safety inspections (full-scale deployment of “statutory safety inspection contact center”)
- Strengthen body repair and painting business
- Prepare stores authorized to handle hybrid vehicles

## Car Sales

- Acquire customers through car purchasing and appraisal services
- Enhance retail sales to improve store profitability

# FORECASTS AT PARENT & SUBSIDIARY LEVEL



(FY March 2013)

(Billion Yen)

		FY March 2012 results	FY March 2013 (Forecasts)			
			1st-half	2nd-half	Full Year	YoY change (amount)
Non-consolidated	Net sales	195.6	97.7	104.8	202.5	+6.9
	Ordinary income	13.59	6.5	7.7	14.2	+0.61
Domestic store subsidiaries	Net sales	81.71	39.7	43.7	83.4	+1.69
	Ordinary income	0.43	-0.3	0.9	0.6	+0.17
Overseas subsidiaries	Net sales	9.09	4.78	4.42	9.2	+0.11
	Ordinary income	0.08	0.08	0	0.08	±0.0
Subsidiaries for supporting functions	Net sales	3.38	1.7	1.7	3.4	+0.02
	Ordinary income	0.43	0.2	0.2	0.4	-0.03
Subsidiaries for car goods supply and other	Net sales	12.6	6.9	6.9	13.8	+1.2
	Ordinary income	0.11	0.1	0.1	0.2	+0.09

Amounts are rounded down to the nearest ten million Yen.

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

## Key Measures in FY Mar 2013

### 1. Domestic Business

#### I. Improving Store Profitability

- Enhance the power of individual stores
- Improve profitability of domestic store subsidiaries

#### II. Promoting New Store Openings

- Target: 40 new stores  
(financial forecast figures are based on 30 new stores)

### 2. Overseas Business

**Accelerate new deployment in China; consider opening stores in the ASEAN region**

## Enhance the power of individual stores

### Performance after Store Reform

	Top 10 stores	Worst 10 stores
Retail sales (YoY rate)	+21.6%	-3.5%
Number of customers (YoY rate)	+15.0%	-3.6%

1. Improve store operation efficiency through store operation reform
2. Apply training to store managers to improve skills
3. Apply individual programs for stores that remain sluggish after remodeling (horizontal development by successful stores, etc.)

+

Execute reform of Super AUTOBACS format stores (28 stores)

## Improve profitability of domestic store subsidiaries

### Operating margin of domestic store

subsidiaries' AB-format stores: 2.5% (FY March 2012)

- AUTOBACS is creating a special task to improve performance

# STORE OPENINGS AND CLOSINGS (FY MARCH 2013 )



## Domestic stores

Store Type	No. of stores at Mar 31, 2012	FY March 2013 (Forecasts)						No. of stores at Mar 31, 2013
		1st-half			2nd-half			
		New	S/B・R/L	Close	New	S/B・R/L	Close	
AUTOBACS	430	+12	+1/-1		+17	+4/-3	-1	459
Super AUTOBACS	76							76
AUTO HELLOES	1					-1		0
AUTOBACS Hashiriya Tengoku Secohan Ichiba	18							18
AUTOBACS EXPRESS	5	+1						6
Domestic total	530	+13	+1/-1		+17	+4/-4	-1	559

S/B=Scrap & Build, R/L=Relocation

## Overseas stores

Country / Region	No. of stores at Mar 31, 2012	FY March 2013(Forecasts)		No. of stores at Mar 31, 2013
		1st-half	2nd-half	
France	11			11
China	4	+1/-2	+1	4
Taiwan	5			5
Thailand	4			4
Singapore	3			3
Malaysia	0	+1		1
<b>Total</b>	<b>27</b>	<b>+2/-2</b>	<b>+1</b>	<b>28</b>

Number of new stores: 30  
(up 29stores from last FY)

## CHINA

- **Open 2 new stores in Shanghai, China**  
**Continue effort to build new store model**
- **Conduct joint research into China's statutory safety inspection and maintenance system**

## ASEAN

- **Conduct full-scale study of opening stores including in Malaysia**

## FRANCE

- **Improve corporate value through store reforms and attempts to increase efficiency of service facilities**

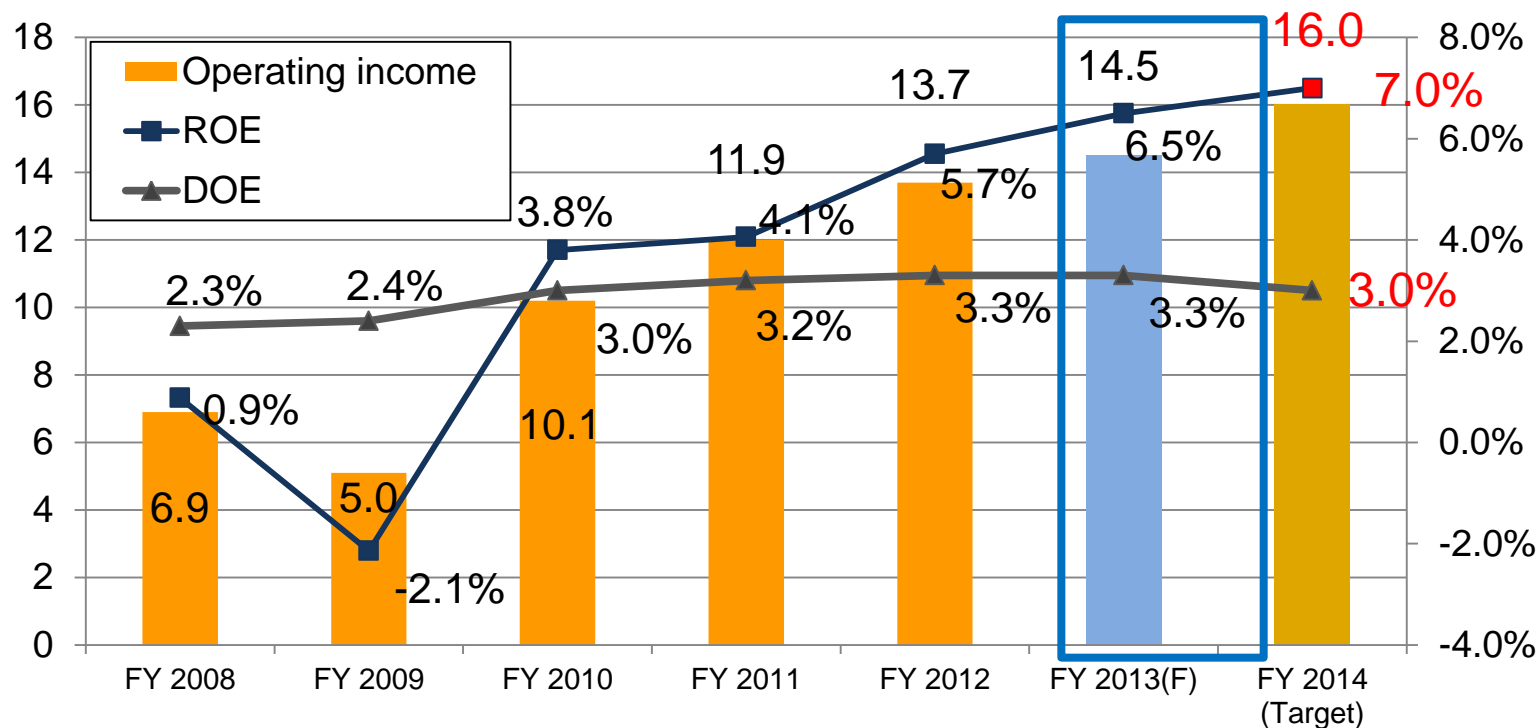
# TOWARD THE GOAL OF MEDIUM-TERM BUSINESS



## PLAN

(Billion Yen)

### Operating income & ROE



AUTOBACS BIG Plan

AUTOBACS 2010 Mid-term  
Business Plan



## APPENDIX

# QUARTERLY P/L (FY March 2012)



(Billion Yen)

	Q1		Q2		Q3		Q4	
		YoY		YoY		YoY		YoY
Net Sales	59.3	+0.5%	55.4	-1.1%	72.9	+0.4%	49.7	+2.1
Gross margin	18.6	+3.2%	18.3	+3.1%	22.9	+2.1%	17.2	-1.7
SG&A	15.4	-3.3%	15.4	-2.4%	16.1	+1.6%	16.5	+1.3
Operating income	3.2	+52.3%	3.0	+45.8%	6.8	+3.1%	0.8	-40.0
Non-operating Income/expenses	0.7	-	0.4	-	0.4	-	0.1	-
Ordinary income	3.9	+75.7%	3.4	+54.6%	7.2	+4.4%	0.9	-50.5
Extraordinary gains/ losses	-0	-	-0	-	-0.1	-	0	-
Net income	2.2	+306.2%	2.0	+72.4%	4.0	-3.1%	0.2	-50.5

Amounts are rounded to the nearest hundred million yen.  
% of Net Sales and YoY comparisons are calculated in million yen.

# PERFORMANCE BY COMPANY SEGMENTS



(Billion Yen)

		FY March 2012	FY March 2011	YoY (%)	Latest forecast	Actual vs. forecast (%)
Non-consolidated	Net Sales	195.6	194.7	0.5	194.2	0.7
	Operating Income	13.6	11.7	15.7	12.6	7.9
Domestic store subsidiaries	Net Sales	81.7	81.2	0.6	81.2	0.6
	Operating Income	0.4	0.4	13.9	0.3	44.7
Overseas subsidiaries	Net Sales	9.1	8.8	3.3	9.3	▲2.2
	Operating Income	0.1	▲0.1	—	0.1	▲14.0
Subsidiaries for supporting function	Net Sales	3.4	6.2	▲45.3	3.3	2.5
	Operating Income	0.4	0.5	▲11.7	0.3	34.4
Subsidiaries for car goods supply and other	Net Sales	12.6	13.0	▲3.3	13.1	▲3.8
	Operating Income	0.1	0.2	▲51.9	0.3	▲55.2
Segment total	Net Sales	302.4	303.9	▲0.5	301.1	0.4
	Operating Income	14.7	12.7	15.1	13.6	8.0

Amounts are rounded down to the nearest ten million Yen.

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

# PERFORMANCE BREAKDOWN (FY 2012 vs FY 2011)



## Parental company (Non-consolidated)

(Billion Yen)

<b>Net Sales</b> <b>195.6BY</b> YoY +0.89BY	Wholesale	+1.12BY +0.6%	↑Tires & wheels, other equipments ↓Car electronics devices, motorsports goods, etc
	Retail	-0.27BY -2.9%	↓Second-hand automobile goods, external items, etc
<b>Gross Margin</b> <b>41.7BY</b> YoY +1.12BY	Wholesale	+1.31BY +3.6%	↑Tires & wheels, Car electronics devices, other equipments
	Retail	-0.26BY -8.7%	↓Withdrawal from directly managed stores selling used merchandise
<b>SG&amp;A</b> <b>28.2BY</b> YoY -0.72BY	Personnel: Increase in employee bonuses, number of employees increased by merger ( Brain-ing.)		
	Sales promotion costs: Advertising and publicity expenses reduced, assistance for store remodeling increased		
	Equipment costs: U.S. attorney's fees, consulting fees, earthquake donations reduced		

## Domestic store subsidiaries

(Billion Yen)

<b>Net Sales</b> <b>81.7BY</b> YoY +0.51BY	New store opening : 9 stores Sales of merchandize category :↑ Tires & wheels, Service
<b>Ordinary Income</b> <b>0.43BY</b> YoY +0.05BY	Profit ratio : 36.5% → 36.8% SG&A : Increase of new store opening costs

Amounts are rounded down to the nearest ten million Yen

# REORGANIZATION OF STORE SUBSIDIARIES



Measures	Contents
<b>Transfer of Store Ownership</b>	<ol style="list-style-type: none"><li>1. Transfer store ownership of three stores in Hiroshima prefecture to the Group's franchisee</li><li>2. Transfer store ownership of one store in Osaka prefecture to the Group's franchisee</li></ol>
<b>Merger among Consolidated Subsidiaries</b>	<ol style="list-style-type: none"><li>1. Consolidate store ownership in Hokkaido area (merger between A.M.C. Co., Ltd. and AUTOBACS Asahikawa Ltd.)</li><li>2. Consolidate store ownership in Tohoku area (merger between AUTOBACS Miyagi Ltd. and ADR Ltd.)</li></ol>
<b>Share Acquisition of Franchise Company</b>	Acquire all share of the Group's franchisee and take over the business as the Group's wholly-owned subsidiary

The fiscal year ending March 2013 will start with 25 store subsidiaries

# DECREASE IN CONSOLIDATION ADJUSTMENTS



## Consolidation Adjustments

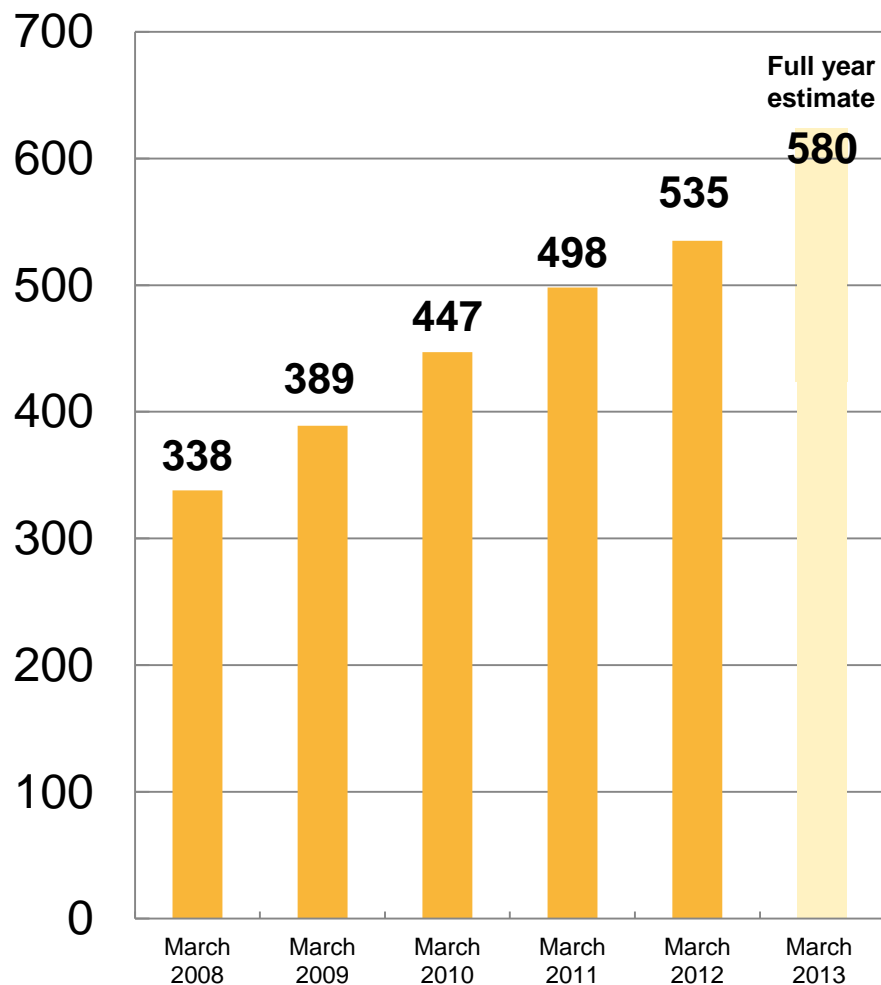
(Million Yen)

	FY March 2012	FY March 2011
Operating Income for segment total	14,654	12,728
Inventories (Unearned income of subsidiary inventories, etc.)	-325	-66
Depreciation of Goodwill	-76	-152
Allowance for point card	-83	-24
Elimination of Intersegment transaction	-477	-343
Adjustment in fixed assets	8	-60
Other	20	-91
Consolidation adjustment	-934	-740
Consolidated operating income	13,720	11,988

# Statutory Inspection and Car Sales Business

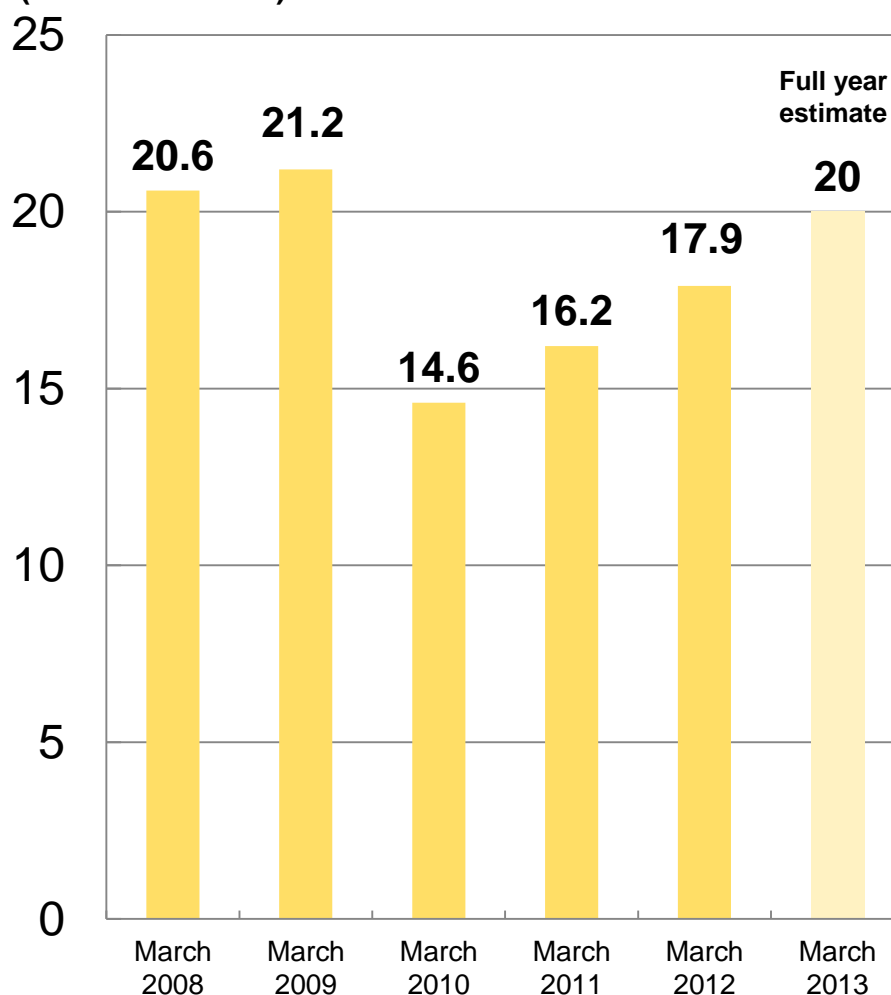
## Statutory car inspection (total stores)

(Thousands cars)



## Car sales (total stores)

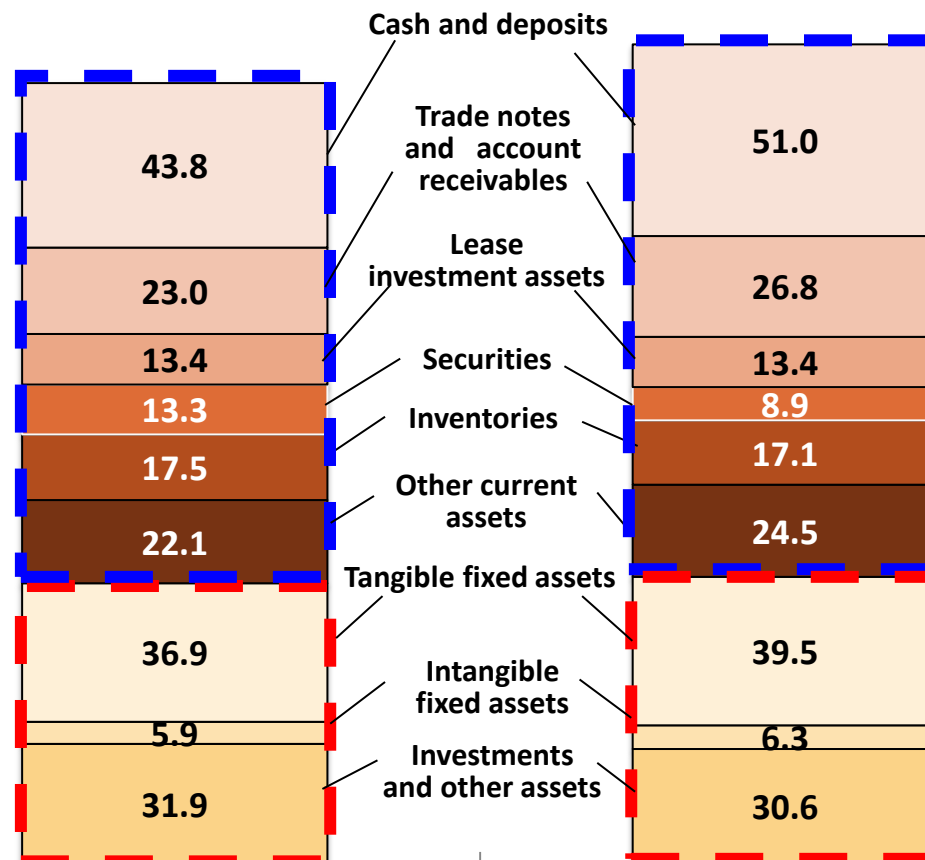
(Thousands cars)



# BALANCE SHEET: Assets

(Billion Yen)

Total Assets	
207.8 BY	217.9 BY



At March 31, 2011

At March 31, 2012

**Cash and deposit: +7.2 BY**

**Land and Building: +2.1 BY**

Increase due to new store opening and store reform

**System software: +0.4 BY**

Increase due to logistics system development

**Deferred tax assets : -0.3 BY**

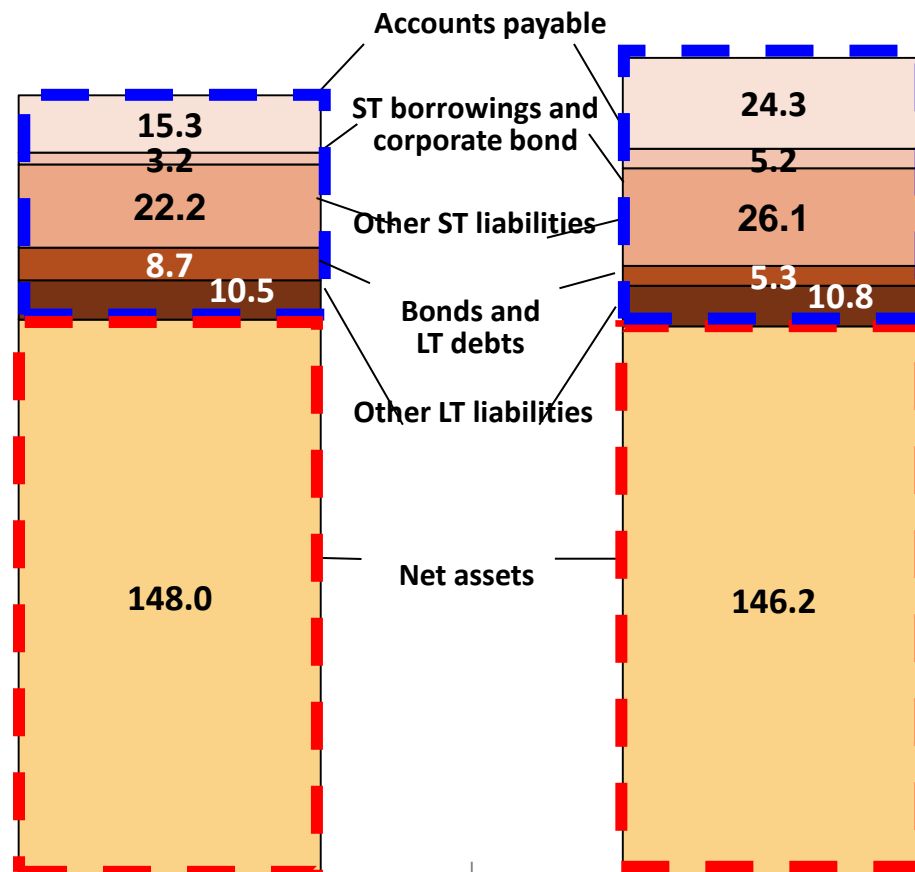
Impact from change of income taxes ratio: -0.5 BY



# BALANCE SHEET: Liabilities and Equity

(Billion Yen)

Total Liabilities and Equity	
207.8 BY	217.9 BY



## Major items changed

Accounts payable: +9 BY

Other LT liabilities: -3.3 BY

Real estate lease transfer posted: +0.5 BY

### Net assets

-Retained Earnings (dividend payments): -6.9BY

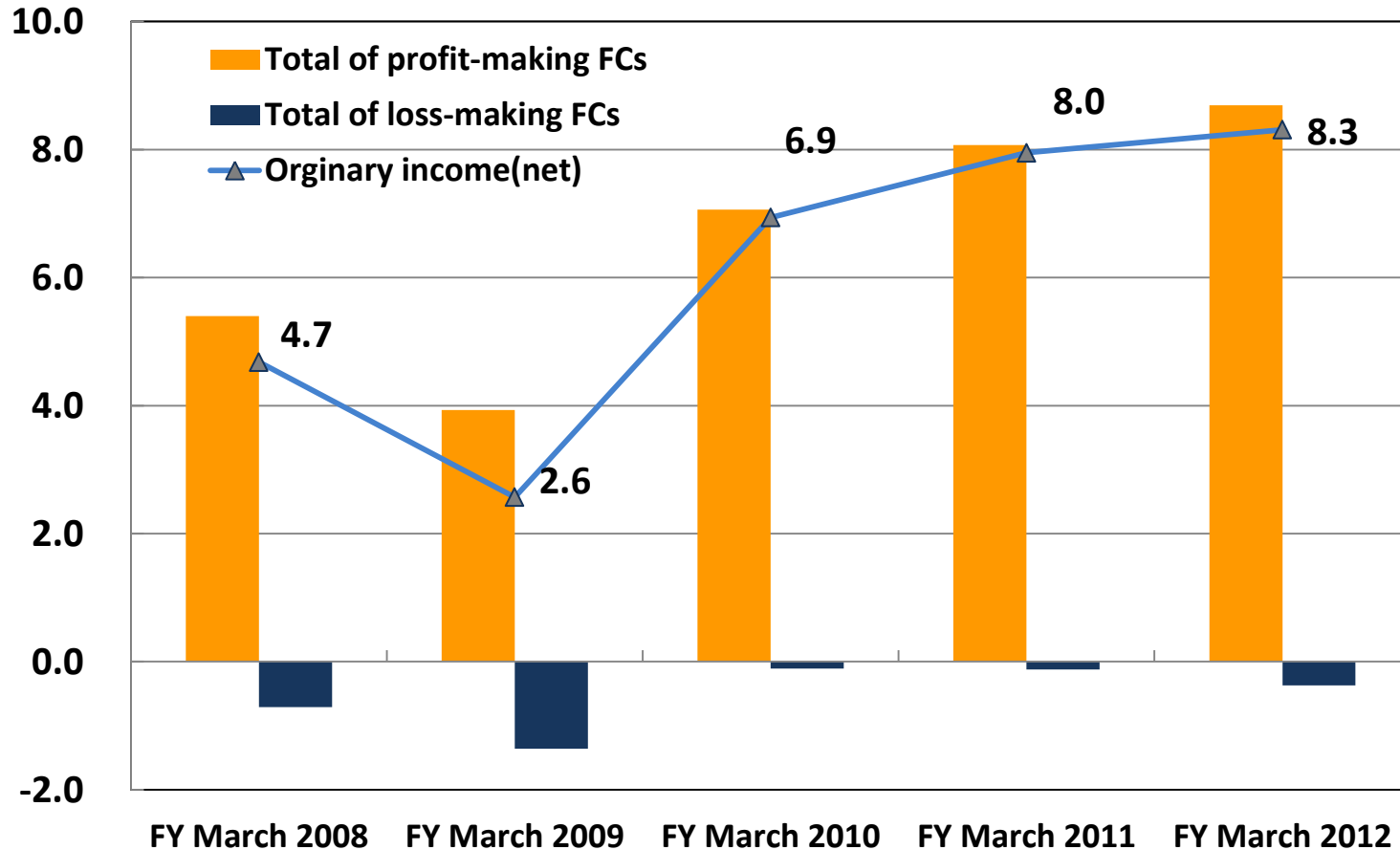
-Treasury Stock (share buyback): +5.1 BY

At March 31, 2011

At March 31, 2012

## Ordinary Income of Franchise Companies (Preliminary)

(Billion Yen)





## 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.