

ANALYST MEETING

**Current Trends and Future Outlook
with results of fiscal year ended March 31, 2009**

“Anything car-related, you find at AUTOBACS”



May 18, 2009

Setsuo Wakuda

Representative Director and CEO

I. CONSOLIDATED FINANCIAL RESULTS OF THE FISCAL YEAR ENDED MARCH 31, 2009

- **Posted earning decline due to fundamental changes in the operating environment**
- **Posted extraordinary losses by implementing series of strategic initiatives in line with the mid-term business plan**

II. FINANCIAL ESTIMATES FOR THE FISCAL YEAR ENDING MARCH 31, 2010

- **Aiming for profit maximization by continuous implementation of strategic initiatives**

III. FUTURE DIRECTION OF THE GROUP'S BUSINESS

- **Continuing company-wide effort to realize our goal; "Anything car-related, you find at AUTOBACS"**



I. CONSOLIDATED FINANCIAL RESULTS OF THE FISCAL YEAR ENDED MARCH 31, 2009

FINANCIAL RESULTS



(Billion Yen)

	Fiscal year ended March 2009				FY Mar 08 results %of Sales
	Estimate	Results	YoY (%)	Change from the original estimate (Amount)	
	% of Sales	% of Sales			
Net Sales	282.0	259.1	-7.2 ▲2.7%	-22.8	266.4
Gross Margin	88.0 31.2%	81.1 31.3%	-1.6 ▲2.0%	-6.8	82.8 31.1%
SG&A	81.0 28.7%	76.1 29.4%	+1.0 0.2%	-4.8	75.9 28.5%
Operating Income	7.0 2.5%	5.0 2.0%	-1.8 ▲26.6%	-1.9	6.9 2.6%
Ordinary Income	9.0 3.2%	6.5 2.5%	4.0 8.2%	-2.4	6.0 2.3%
Net Income	6.1 0.0%	-3.3 -%	-4.8 —	-9.4	1.4 0.6%
ROE	—	-2.1%	—	—	0.9%

DECLINE OF REVENUE AND EARNING

The Group posted huge earning losses for the year by implementing series of strategic initiatives, the result of which, however, is bringing improvement in its performance from the next fiscal year.

1. Net sales were negatively impacted by changes in operating environment

- Both retail and wholesale results ended lower than targets reflecting factors such as steep rise of crude oil prices, fall in the number of cars owned, slump in global economy and fewer than usual snowfall in the Pacific Ocean side of the Country.

2. However, the Company expects to make improvement in the next fiscal year as a result of the implementation of strategic initiatives

- The Group implemented several sales reinforcement initiatives including discounts and promotions on tires and portable navigation devices and used direct marketing to increase orders of statutory safety inspections, as well as accelerated cost reduction efforts to buffer the tough environmental impact.
- The Company conducted full review of its business portfolio, reduced its non-core business assets and completed the streamlining of its administration function.

FINANCIAL RESULTS



(Billion Yen)

	Fiscal year ended March 31, 2009			FY Mar 08 results (% of Sales)
	Results (% of Sales)	YoY	Major factors of increase/decrease	
Net Sales	259.1	-2.7%	<ul style="list-style-type: none"> ▲ Poor automotive goods sales in Japan, especially in winter goods, car audio and car sports goods. ▲ Sales reduction in overseas business due to exchange rate fluctuation ▲ Sales reduction by business transfer and store closing (Taiwanese subsidiary, RICOLAND, CARS-Sapporo, Sales of customized car, etc) 	266.4
Gross Margin	81.1 31.3%	-2.0%	<ul style="list-style-type: none"> ▲ Decrease from sales reduction + Improvement of gross margin ratio through merchandise mix change <ul style="list-style-type: none"> - Increase in higher gross margin products: Service and overseas business - Decrease in lower gross margin products: Car electronics 	82.8 31.1%
SG&A	76.1 29.4%	+0.2%	<ul style="list-style-type: none"> ▲ Increase in cost of store IT systems ▲ increase in expenses related to four store takeovers from FCs and new store opening in Japan and overseas ▲ Increase in sales promotion fees of tires and delivery costs + Reduction of controllable expenses 	75.9 28.5%
Non operating Income & Expenses	1.4	+2.3	<ul style="list-style-type: none"> + Income: income by system equipments leases to stores (+0.42) ▲ Expenses: loss on revaluation of investment securities (-2.99), exchange loss(+0.58), system equipments lease expenses(+0.81) 	-0.8
Extraordinary Gains and Losses	-10.4	-9.4	<ul style="list-style-type: none"> + Income: revision of lease accounting standard(+4.6), others (+0.18) ▲ Losses: (please refer to the next slide) 	-0.1

EXTRAORDINARY LOSSES



	Major items of extraordinary losses	Amount (in billion yen)
Overseas business	Business restructuring expense and other (U.S. subsidiaries)	5.39
	Impairment loss on goodwill and other (French subsidiary)	3.17
	Loss on sales of shares of affiliates (Taiwanese subsidiary)	0.14
Domestic business	Loss on business restructuring (CARS Sapporo, DIA BACS)	0.11
	Impairment loss on land held for driving schools	0.26
	Charges for store consolidation, impairment loss on fixed assets, loss related to store transfers and etc.	1.82
Administrative function	Cost of providing additional retirement benefits (voluntary retirement program)	0.43
Financial	Loss on sales and revaluation of investment securities (Halfords Group plc stock, investment securities)	3.99
TOTAL EXTRAORDINARY LOSSES		15.31

PERFORMANCE OF SUBSIDIARIES



(Billion Yen)

		Fiscal year ended March 31, 2009				FY Mar 08 results
		Original estimates	Results	YoY	Change from original estimates	
Domestic retail sales including FCs	Net Sales		296.2	-2.9%		304.9
Non-consolidated	Net Sales	212.0	199.0	-2.6%	-6.1%	204.2
	Ordinary Income	9.60	8.56	+2.9%	-10.8%	8.32
Domestic store subsidiaries	Net Sales	82.8	76.2	-2.9%	-7.9%	78.4
	Ordinary Income	0.65	-0.61	-	-	0.62
Overseas subsidiaries	Net Sales	34.3	27.0	-4.7%	-21.2%	28.3
	Ordinary Income	-1.70	-2.96	-	-	-2.78
Subsidiaries for supporting function	Net Sales	19.1	16.5	-0.2%	-13.5%	16.5
	Ordinary Income	0.60	0.90	+25.7%	+50.8%	0.72
Subsidiaries for car goods supply and other	Net Sales	18.7	16.7	-4.5%	-10.2%	17.5
	Ordinary Income	0.25	0.04	-81.0%	-81.2%	0.24

PERFORMANCE OF SUBSIDIARIES



Non-consolidated

(Billion Yen)

Net Sales 199.0 (YoY: -5.28)	Wholesale	-5.47(-2.9%)	Decrease: Car electronics devices and motorsports goods
	Retail	+0.15(+1.3%)	Increase: New store opening Decrease: Car electronics and Car sports
Gross Margin 39.8 (YoY: -1.49)	Whole Sale	-1.49(-4.1%)	Decrease from reduction of car goods
	Retail	-0.22(-5.8%)	Decrease from reduction of car goods
SG&A 30.9 (YoY: 0.04 Original forecast 34.0 Million Yen)	Personnel fees: Increase by new store opening and recruit of new graduates		
	Sales promotion costs: Increase from tire and wheels sales campaign and increase in delivery costs		
	Equipment costs: Increase of costs of new store and depreciation of IT system		
	Other: Reduction of expenses of IT, traveling expense and consulting fee		

Domestic store subsidiaries

(Billion Yen)

Net Sales 76.2 (YoY: -2.26)	Sales: sluggish sales of car parts and accessories Gross margin ratio: stable from last year
Ordinary Income -0.61 (YoY: -1.23)	SG&A: Increase in costs related to statutory inspection and used-car sales and purchase

GEOGRAPHICAL SEGMENTS (Overseas)



	U.S.A.	FRANCE	ASIA
Number of Stores (at Mar 31, 2009)	83	12	17
Comparable store sales (yoy change rate)	West Coast: ▲26.7% STRAUSS: +7.2%	+2.8%	Taiwan: ▲0.1% Singapore: ▲3.1% Thailand: +4.6% China: +11.3%
Net Sales (billion yen)	15.7	7.8	3.3
Operating Expenses (billion yen)	18.0	8.3	3.5
Operating Income (billion yen)	▲2.3	▲0.5	▲0.2
Business Conditions	<p>STRAUSS: loss widened as SG&A cost ratio increased though higher-than-last-year sales were achieved</p> <p>West Coast: same store sales declined strongly impacted by the economic downtrend</p>	<p>Sales increased due to in-store improvements and profits improved, thanks to change in pricing policy. SG&A expenses increased.</p>	<p>Thailand and Singapore: achieved operating income targets. Opened two new stores</p> <p>China: stores sales decelerated due to economic slowdown</p>

BALANCE SHEET / Assets

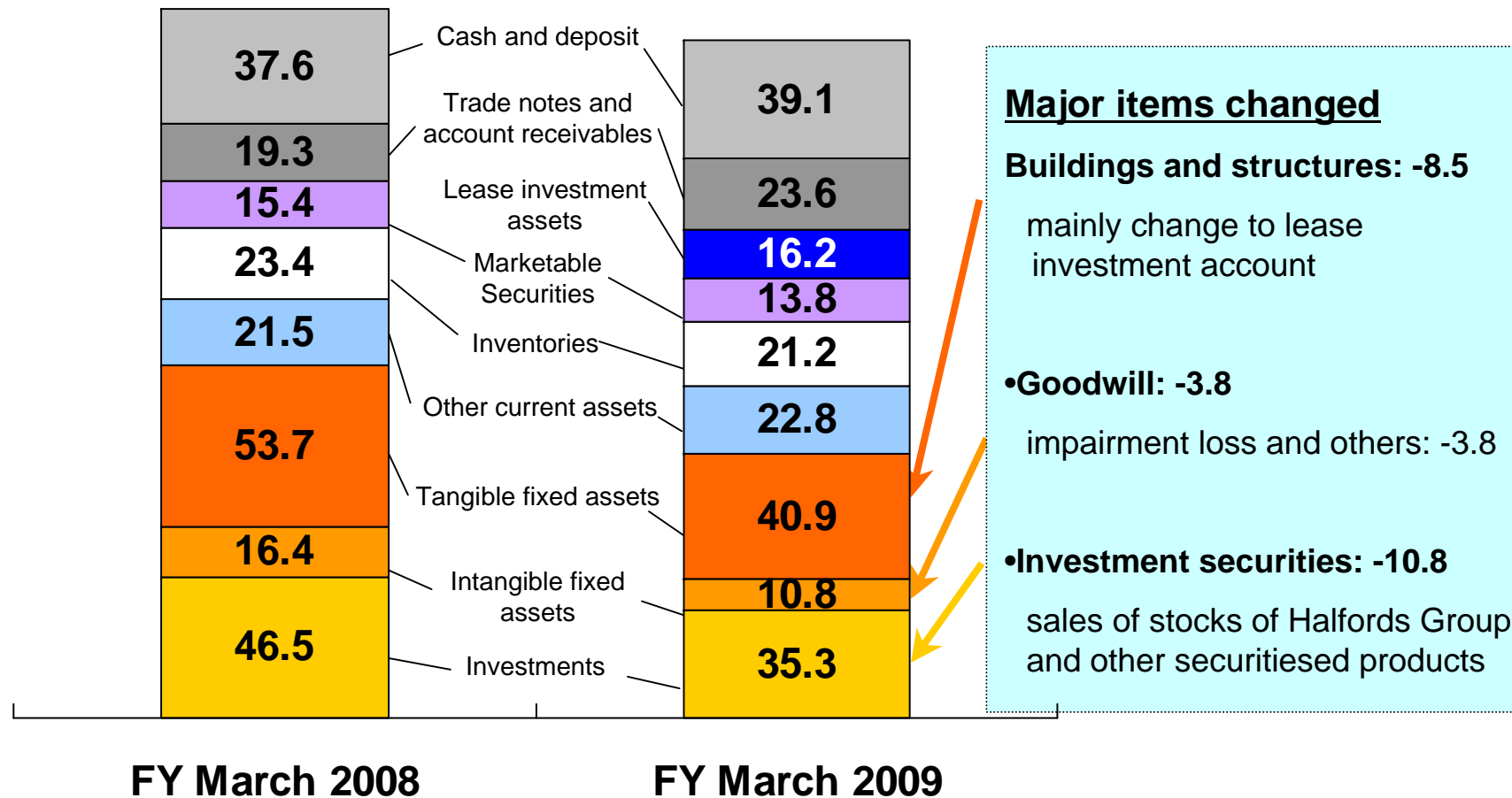


TOTAL ASSETS

234.1 billion Yen



224.1 billion Yen



BALANCE SHEET / Liabilities & Net Assets

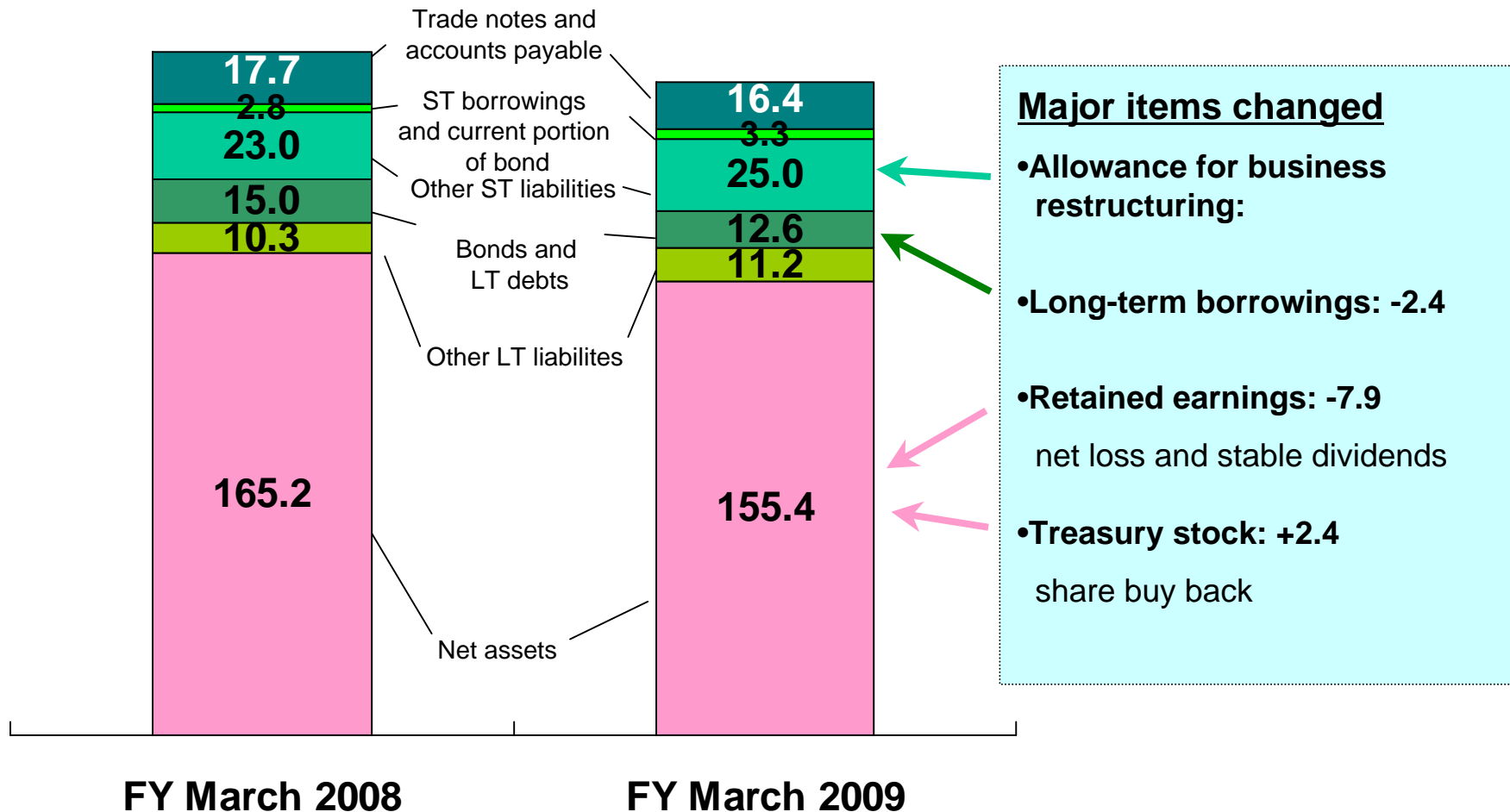


TOTAL LIABILITIES AND NET ASSETS

234.1 billion Yen



224.1 billion Yen

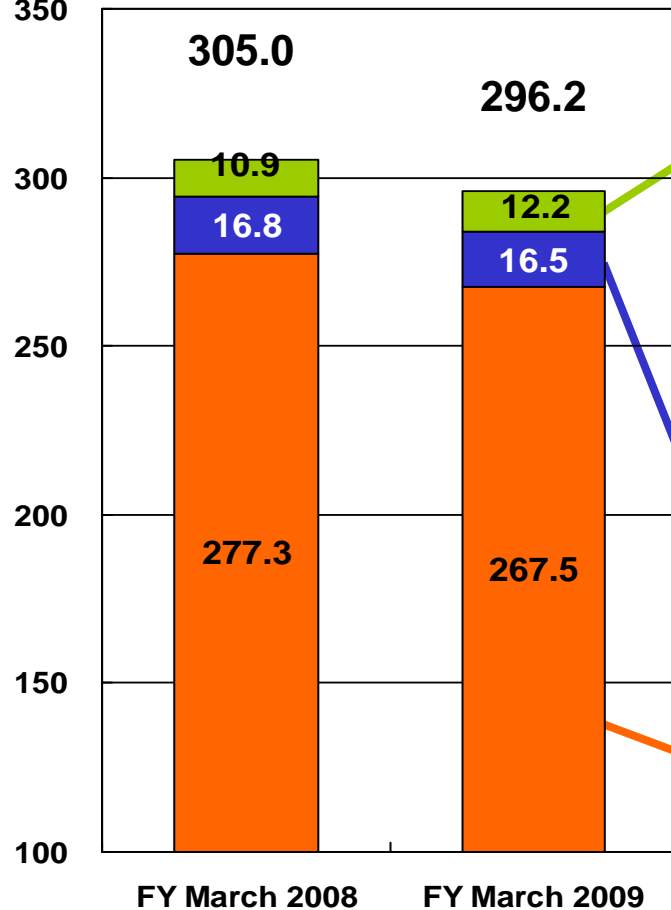


RETAIL SALES INCLUDING FC*



RETAIL SALES INCLUDING FCs: 296.2 billion yen (down by 2.9% YoY)

(billion yen)
350



Statutory safety inspection revenue:**
12.2billion (+12.4% YoY)
 No. of cars inspected: 387,000cars (+ 15.4% YoY)
 No. of fully certified & designated stores: 282 stores
 (+17 stores YoY)

Car sales: 16.5billion (-1.6% YoY)
 No. of cars sold at AUTOBACS Group stores: 21,200 cars
 (+2.9% YoY)

Car related goods sales: 267.5billion (-3.6% YoY)

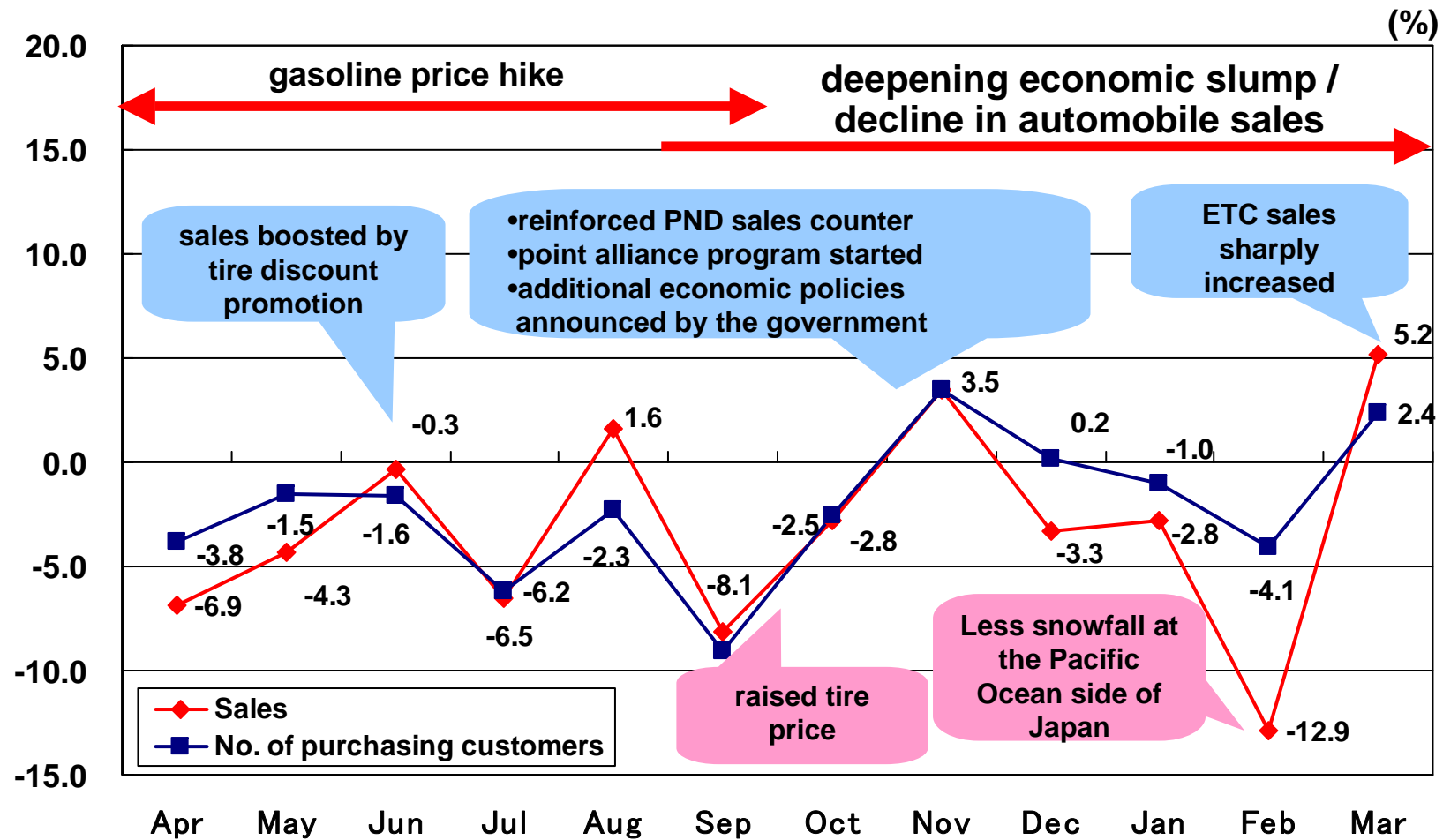
*Domestic retail sales including FCs: Major format stores(AB, SA, AH)+Used car goods+C@RS(with vehicle search terminals)

** 2,000 units inspected at the AUTOBACS EXPRESS stores are not included in this figure.

RETAIL SALES TREND



TREND OF SALES AND NUMBER OF PURCHASING CUSTOMERS (yoy)



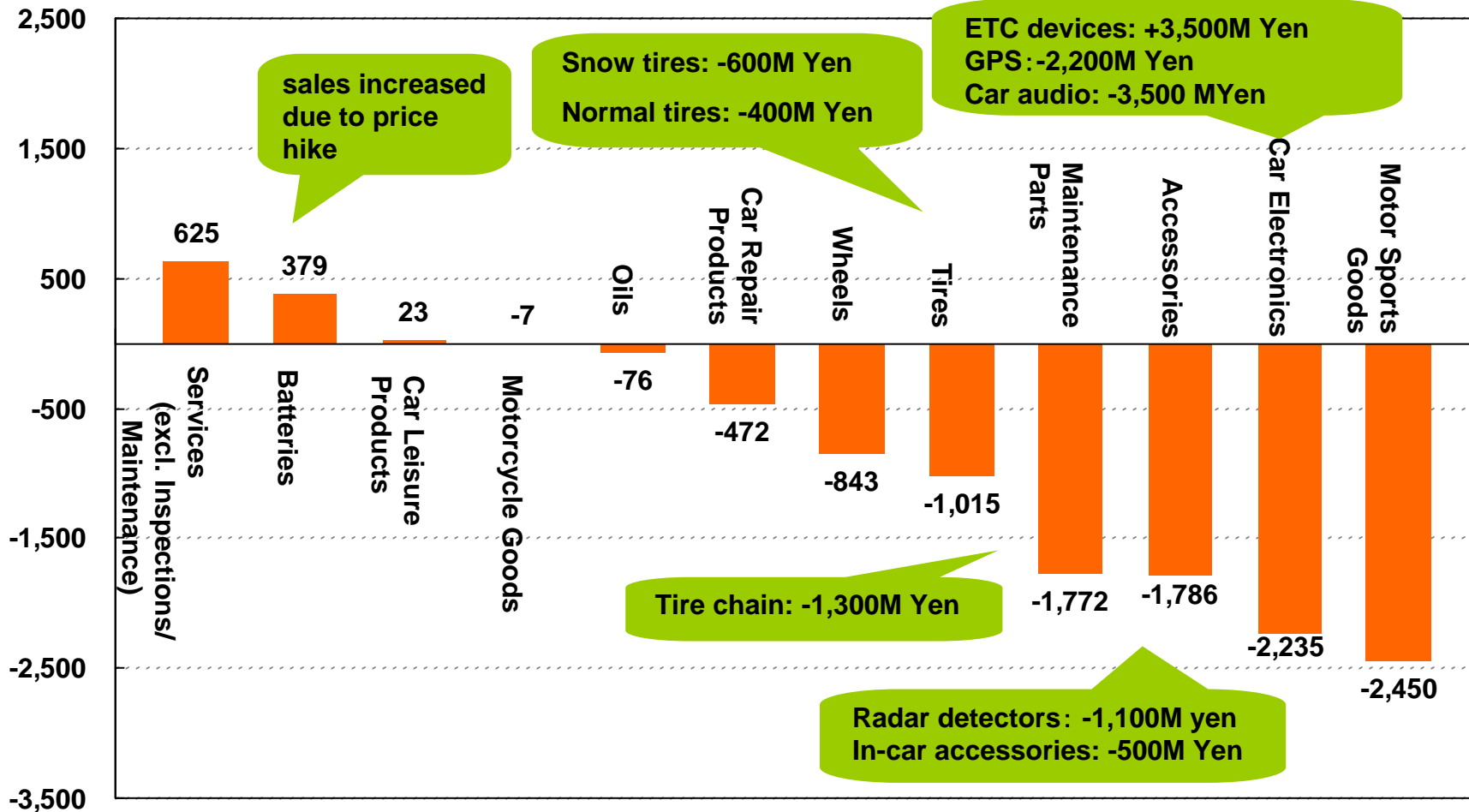
Sales at major store types (AB, SA, AH)

SALES BY MERCHANDISE



SALES INCREASES AND DECREASES (yoy, total store basis)

(Million Yen)



Sales at major store formats (AB, SA, AH)

STORE OPENING AND CLOSING



Domestic store

Store Type	No. of stores at Mar 31, 2008	Fiscal year ended March 31, 2009								No. of stores at Mar 31, 2009
		1st-half (result)				2nd-half (plan)				
		New	AB⇒SA	S/B · R/L	Close	New	AB⇒SA	S/B · R/L	Closed	
AB	399	+2	▲2	+2/▲2	▲2	+2		+5/▲5	▲2	397
SA	74		+2							77
AH	10								▲2	8
SH	31	+1			▲1	+1			▲1	30
AE	9	+1							▲4	6
RL	8								▲7*	1
Total	531	+4	0	0	▲3	+3	0	0	▲16	519

Overseas store

* transferred operation of seven RICOLAND stores

Country / Region	No. of stores at Mar 31, 2008	Fiscal year ended March 31, 2009		No. of stores at Mar 31, 2009
		1st-half (result)	2nd-half (plan)	
U.S.A	89	+1/▲1	▲6	83
France	9	+2	+1	12
China	12	+1	▲1	12
Taiwan	4			4
Thailand	2	+1		3
Singapore	1	+1		2
Total	117	+5	▲6	116

AB: AUTOBACS
 SA: Super AUTOBACS
 AH: AUTO HELLOES
 SH: AUTOBACS Hashiriya
 Tengoku Secohan Ichiba
 AE: AUTOBACS EXPRESS
 RL: RICOLAND

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

II. FINANCIAL ESTIMATES FOR THE FISCAL YEAR ENDING MARCH 31, 2010

FINANCIAL ESTIMATES (Consolidated)



(Billion Yen)

	Fiscal year ended March 31, 2009 Results (% of sales)	Fiscal year ended March 31, 2010 (Estimates)			
		1st-half (% of sales)	2nd-half (% of sales)	Full Year (% of sales)	YoY (%)
Net Sales	259.1	112.6	116.7	229.3	▲29.8 ▲ 11.5%
Gross Profit	81.1 31.3%	35.9 31.9%	37.6 32.2%	73.5 32.1%	▲7.6 ▲9.5%
SG&A	76.1 29.4%	31.9 28.3%	32.6 27.9%	64.5 28.1%	▲11.6 ▲ 15.2%
Operating Income	5.0 2.0%	4.0 3.6%	5.0 4.3%	9.0 3.9%	+3.9 +76.8%
Ordinary Income	6.5 2.5%	4.6 4.1%	5.4 4.6%	10.0 4.4%	+3.4 +52.5%
Net Income	▲3.3 —%	2.6 2.3%	3.1 2.7%	5.7 2.5%	+9.0 —
ROE	▲2.1%			3.7%	—

REVENUE DECLILNE AND EARNING GROWTH

1. Business conditions may remain challenging

- sales of car goods (especially luxury items) are likely to remain weak. On the other hand, statutory safety inspections and maintenance services are expected to grow in its demand.

2. Earning is expected to increase sharply by the result of series of business restructuring initiatives implemented in the previous year

3. Further actions to be taken in line with mid-term business plan

- Gross profit reinforcement program and restructuring effort of auto-parts retail business
- Establish success models for car sales and purchase business
- Improve profitability of French and China business.

SUBSIDIARIES' PERFORMANCE ESTIMATES



(Billion Yen)

		Fiscal year ended March 31, 2009 Results	Fiscal year ended March 31, 2010 (Estimates)			
			1st-half	2nd-half	Full Year	YoY
Non-consolidated	Net Sales	1,99.0	94.2	95.8	1,90.0	▲4.5%
	Ordinary Income	8.56	5.10	5.40	10.50	+22.6%
Domestic store subsidiaries	Net Sales	76.2	37.9	41.8	79.7	+4.6%
	Ordinary Income	▲0.61	▲0.70	0.90	0.20	—
Overseas subsidiaries	Net Sales	27.0	4.8	4.4	9.3	▲65.4%
	Ordinary Income	▲2.96	▲0.19	▲0.28	▲0.47	—
Subsidiaries for supporting functions	Net Sales	16.52	6.7	7.7	14.4	▲12.8%
	Ordinary Income	0.90	0.29	0.41	0.70	▲22.7%
Subsidiaries for car goods supply and other	Net Sales	16.7	6.4	6.2	12.6	▲25.0%
	Ordinary Income	0.04	0.09	0.06	0.15	+219.1%

FINANCIAL ESTIMATES: MAJOR POINTS



● RETAIL SALES GROWTH RATE (yoy, total store basis*):

	1st-half	2nd-half	Full year
Auto parts and goods	▲1.2%	▲2.5%	▲2.0%
Statutory safety inspection and maintenance services	+10%	+10%	+10%
TOTAL RETAIL SALES	▲1.0%	▲2.0%	▲1.4%

※include sales of AUTOBACS, Super AUTOBACS and AUTO HELLOES

● TARGET NUMBER OF STATUTORY INSPECTIONS: 430 thousand cars

● TARGET NUMBER OF CAR SALES: 16 thousand cars

● ESTIMATES FOR NON-CONSOLIDATED BUSINESS RESULTS:

Wholesale: may slowdown especially in car electronics and motorsports goods. The Group is reducing the assortments of motorcycle goods.

Retail: may be reduced as the Group is focusing on maintenance business such as statutory safety inspection and also trimming down the RICOLAND business.

Gross margin: may improve due to efficient purchasing initiatives and change in sales mix of merchandises

SG&A: may trim down as a result of several restructuring initiatives taken in the past as well as according to further cost reductions

FINANCIAL ESTIMATES: MAJOR POINTS



● DOMESTIC STORE SUBSIDIARIES

Net sales: flat yoy is expected on same store sales. Sales are estimated to increase due to the increase in the number of stores

Gross margin: estimated to improve due to change in merchandise mix and consolidation of store subsidiaries

SG&A: expected to improve by store consolidations and cost reductions

● OVERSEAS SUBSIDIARIES

France: sales may follow the downtrend but earning may recover due to cost reduction efforts

China: profits may improve according to review on management structure. Cost cutting efforts (mainly administrative) may also push up its earning

● FUNCTIONAL, CAR GOODS SUPPLY AND OTHER SUBSIDIARIES

Sales and Gross profit may decline due to a decrease in the number of companies

BUSINESS IMPROVEMENT MEASURES



● DOMESTIC FRANCHISE BUSINESS

1. Automotive parts and goods sales

- Improve sales counters of stores from the viewpoint of customers (review of sales counter and assortment)
- Reinforce customer relation using direct marketing through telephone calls and internet
- Improve gross margin by reviewing the pricing of merchandises and re-negotiating with manufacturers
- Review the area-based management structure. Continue cost-reductions at stores

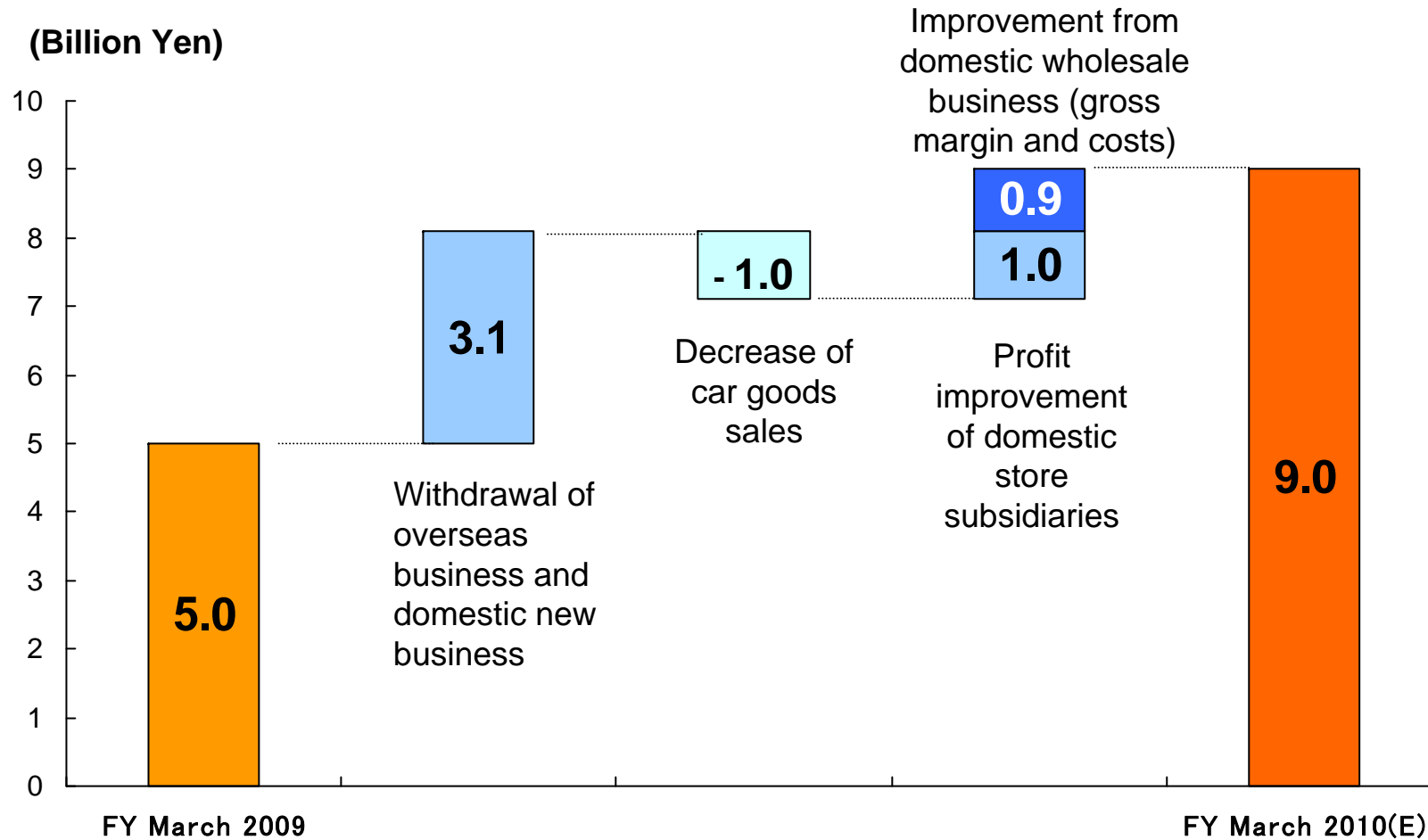
2. Car sales and purchases

- Focus on increasing the numbers of successful models of stores
- Reinforce the number of store supervisors

OPERATING INCOME TARGETS



IMPROVEMENT OF OPERATING INCOME



STORE OPENING AND CLOSING IN FY MAR 2010



Domestic store

Store Type	No. of stores at Mar 31, 2009	Fiscal year ended March 31, 2010 (Estimates)								No. of stores at Mar 31, 2010
		1st-half				2nd-half				
		New	AB⇒SA	S/B ·R/L	Close	New	AB⇒SA	S/B ·R/L	Close	
AB	397	+1	+1	+2/▲2			▲1	+2/▲2	▲1	397
SA	77		▲1				+1			77
AH	8									8
SH	30				▲1					29
AE	6									6
Total	518	+1	0	0	▲1		0	0	▲1	517

*RICOLAND stores are removed from the above chart as the Company has transferred its franchise business to the third party.

Overseas store

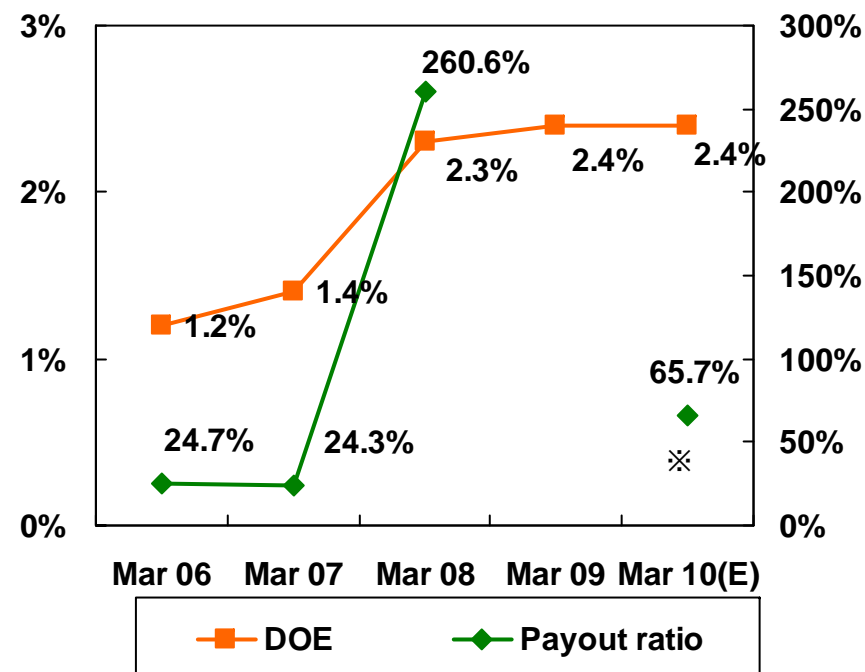
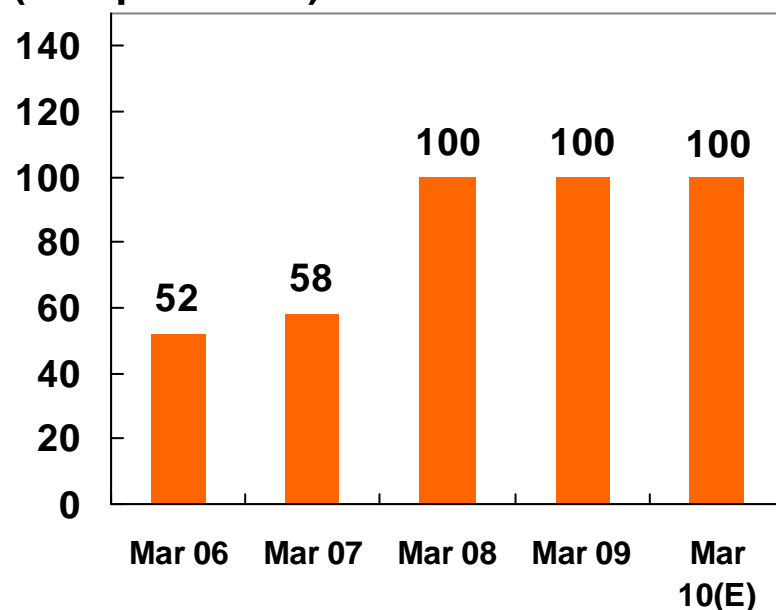
	No. of stores at Mar 31, 2009	Fiscal year ended March 31, 2010 (Estimates)		No. of stores at Mar 31, 2010
		1st-half	2nd-half	
France	12		+1	13
China	12	+1	▲3	10
Taiwan	4			4
Thailand	3			3
Singapore	2			2
Total	33	+1	▲2	32

S/B=Scrap & Build,
R/L=Relocation
AB: AUTOBACS
SA: Super AUTOBACS
AH: AUTO HELLOES
SH: AUTOBACS Hashiriya
Tengoku Secohan Ichiba
AE: AUTOBACS EXPRESS

DIVIDEND PLAN

RESULTS AND PLAN OF DIVIDEND

(Yen per share)



* Excluding the effect of share buy back in FY march 2010

SHARE BUY-BACK

Period: May 18, 2009 - July 31, 2009

Aggregate number of shares to be acquired: up to 1,600,000 shares


Aggregate purchase price of shares: up to 5,600 million Yen

***Cancellation of the treasury stock: all of 1.8 million stocks held**

7,974 million Yen, on May 22, 2009

III. FUTURE DIRECTION OF THE GROUP'S BUSINESS

PROGRESS TOWARD THE VISION

	FY March 2008 and before	FY March 2009	FY March 2010 to FY March 2011
Operational environment	<ul style="list-style-type: none"> - economy shift from uptrend to downtrend - sales decline of car navigation devices and motor sports goods 	<ul style="list-style-type: none"> - sluggish consumer spending - shift in consumer taste to low price and high value-added - lack of interest in cars among young generation - longer use of cars 	<ul style="list-style-type: none"> - economic slump deepening - demand drop for luxury items - increasing demand for maintenance items - growing concern for environmental issues
Vision	“total car-life support”	 “anything car related, you find at AUTOBACS”	
Business objectives	Expansion <ul style="list-style-type: none"> - entry into other car related businesses and new countries and regions 	Profitability <ul style="list-style-type: none"> - concentration of corporate resources - withdrawal from unprofitable business operations 	Profitability + Earning growth <ul style="list-style-type: none"> - re-bolstering of the domestic franchise business
Operating measures		<ul style="list-style-type: none"> - review of business portfolio - streamlining and consolidation of supporting functional subsidiaries - streamlining and consolidation of domestic store subsidiaries - dividend increase and share buybacks - improvement in store profits 	<ul style="list-style-type: none"> - regaining FC store profitability - improvement in profitability of domestic store subsidiaries - building of business foundation of CARS - staff training and activation
Financial targets	Net sales: 36 billion yen (BY) Ordinary income 18 BY		ROE: 7% and more DOE: 3% ordinary income: 16 BY

PRIORITY ISSUES FOR MANAGEMENT

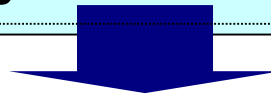
RE-BOLSTERING DOMESTIC FRANCHISE BUSINESS

through...

1. Commitment and pursuit of customer satisfaction
2. Quick response to the changing customer portfolios and demands



- review and upgrade of sales counters, store types and merchandise line-ups
- training and activation of staffs in headquarters and stores
- profitability improvement through a thorough review of the area-dominant strategy



Continuing company-wide effort toward the realization of vision,
“ANYTHING CAR-RELATED, YOU FIND AT AUTOBACS”

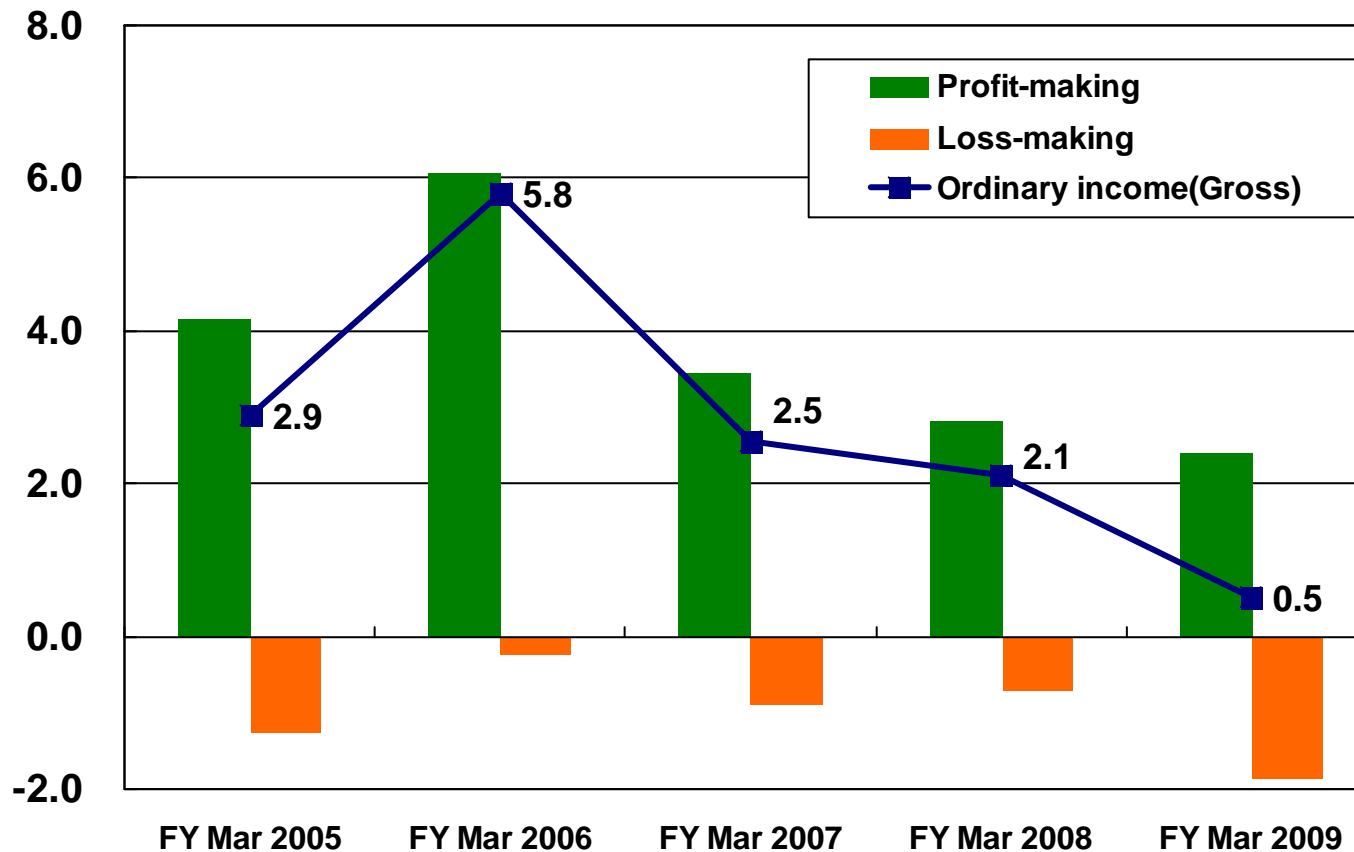
APPENDIX

PERFORMANCE RESULTS OF FRANCHISEES



ORDINARY INCOME OF FRANCHISE COMPANIES

(Billion Yen)



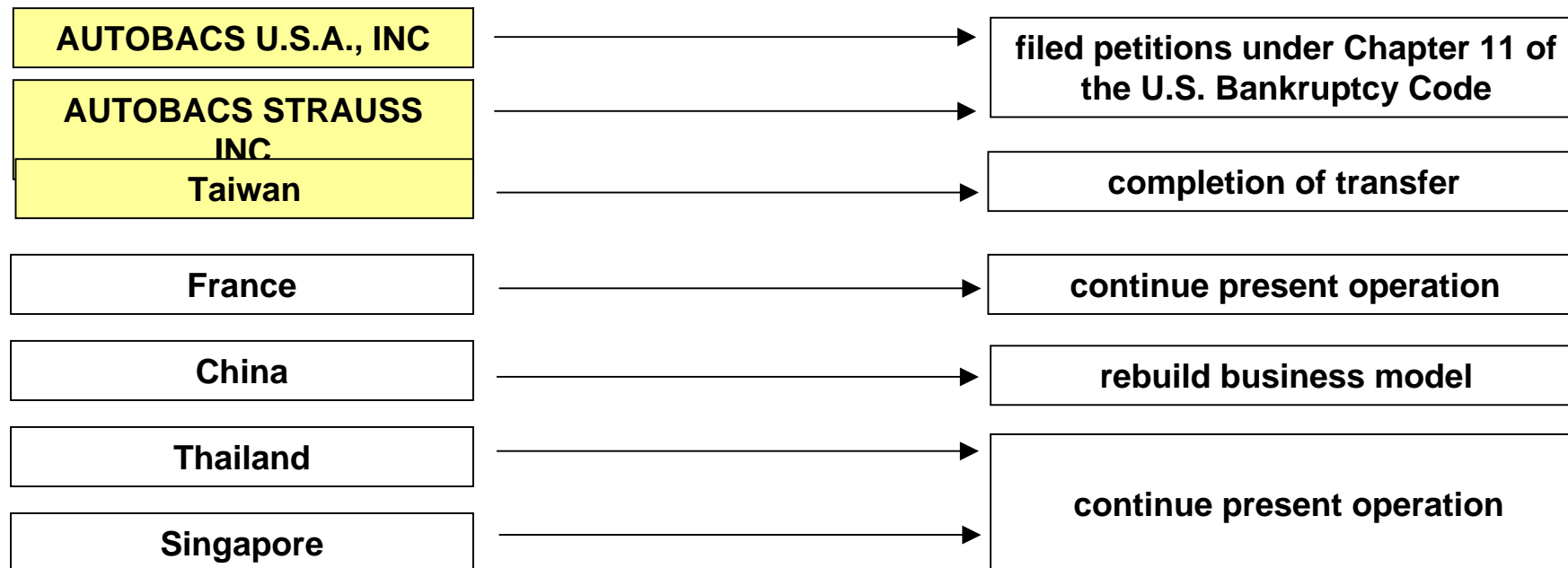
Notes) Three listed companies are not included.

Franchise figures of FY Mar 2009 are preliminary and are subject to revision.

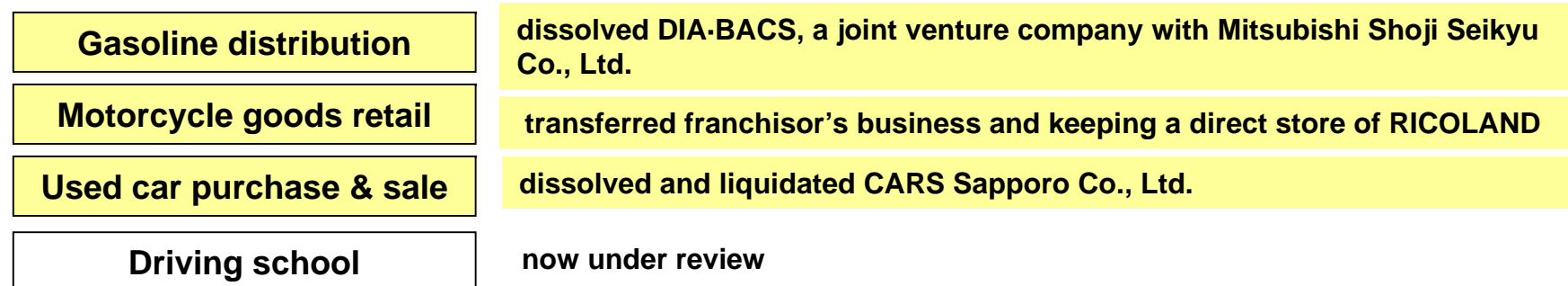


REVIEW OF BUSINESS PORTFOLIO

Overseas business



Domestic new business



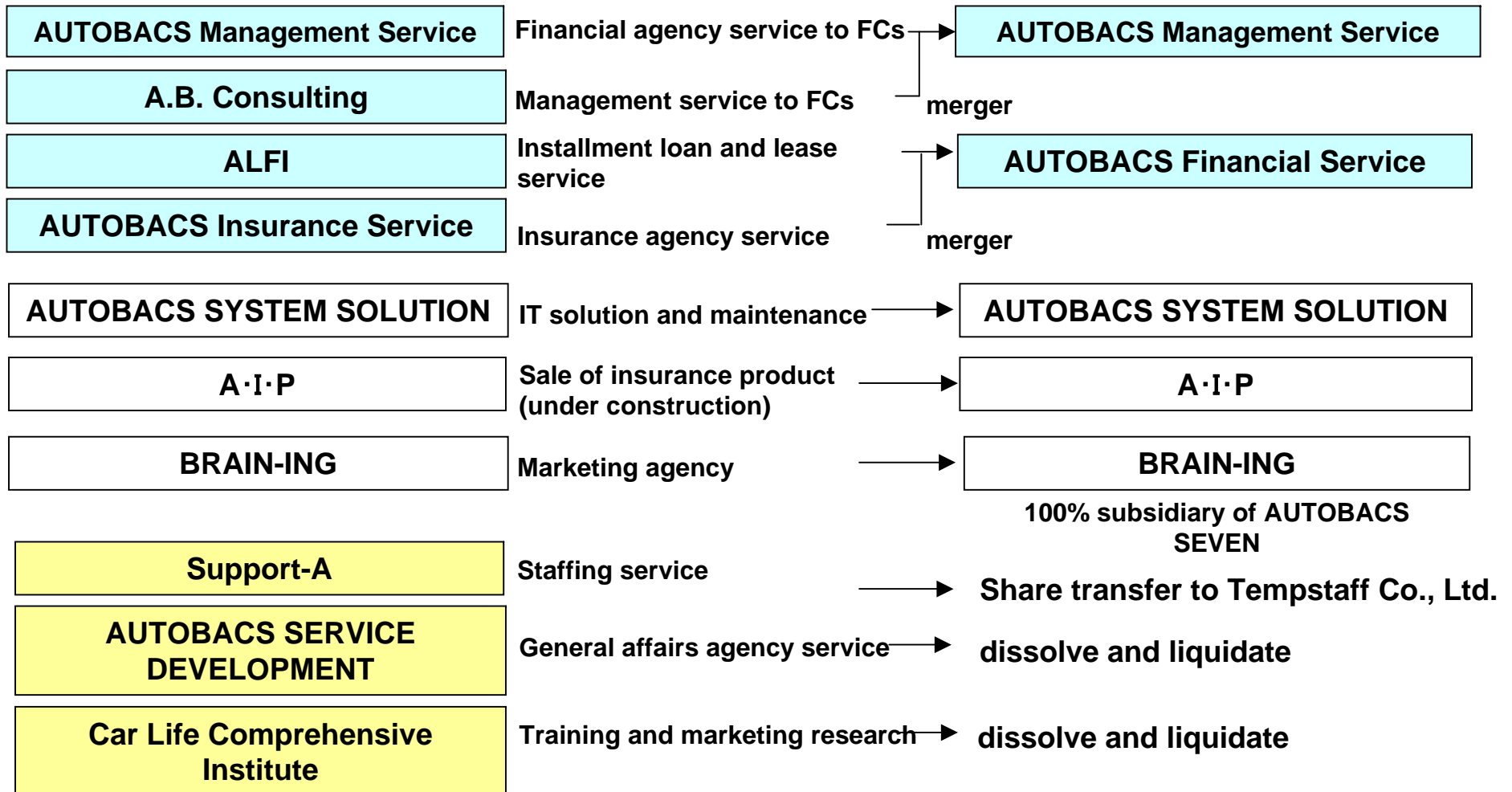
RESTRUCTURING OF FUNCTIONAL SUBSIDIARIES



before consolidation
there were 10 companies

major functions

after consolidation there
are 5 companies





“Anything car-related, you find at AUTOBACS”



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 substantially from forecasts due to such factors as changes in operating circumstances.