

AUTOBACS Group

Car Purchase and Sales Business



AUTOBACS SEVEN CO., Ltd.

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Officer, Car Sales

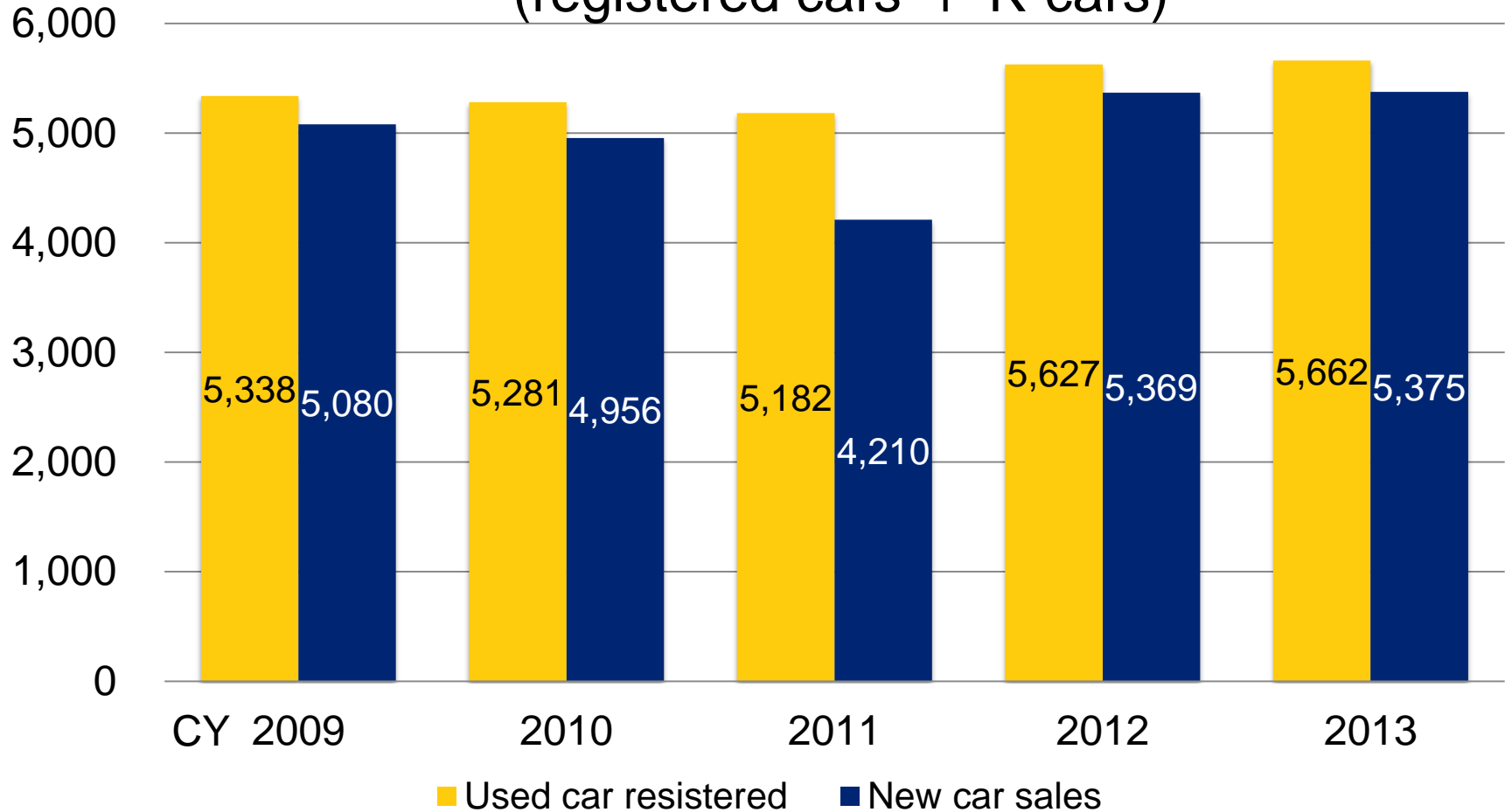
October 31, 2014

Number of Used Car Registrations in Japan



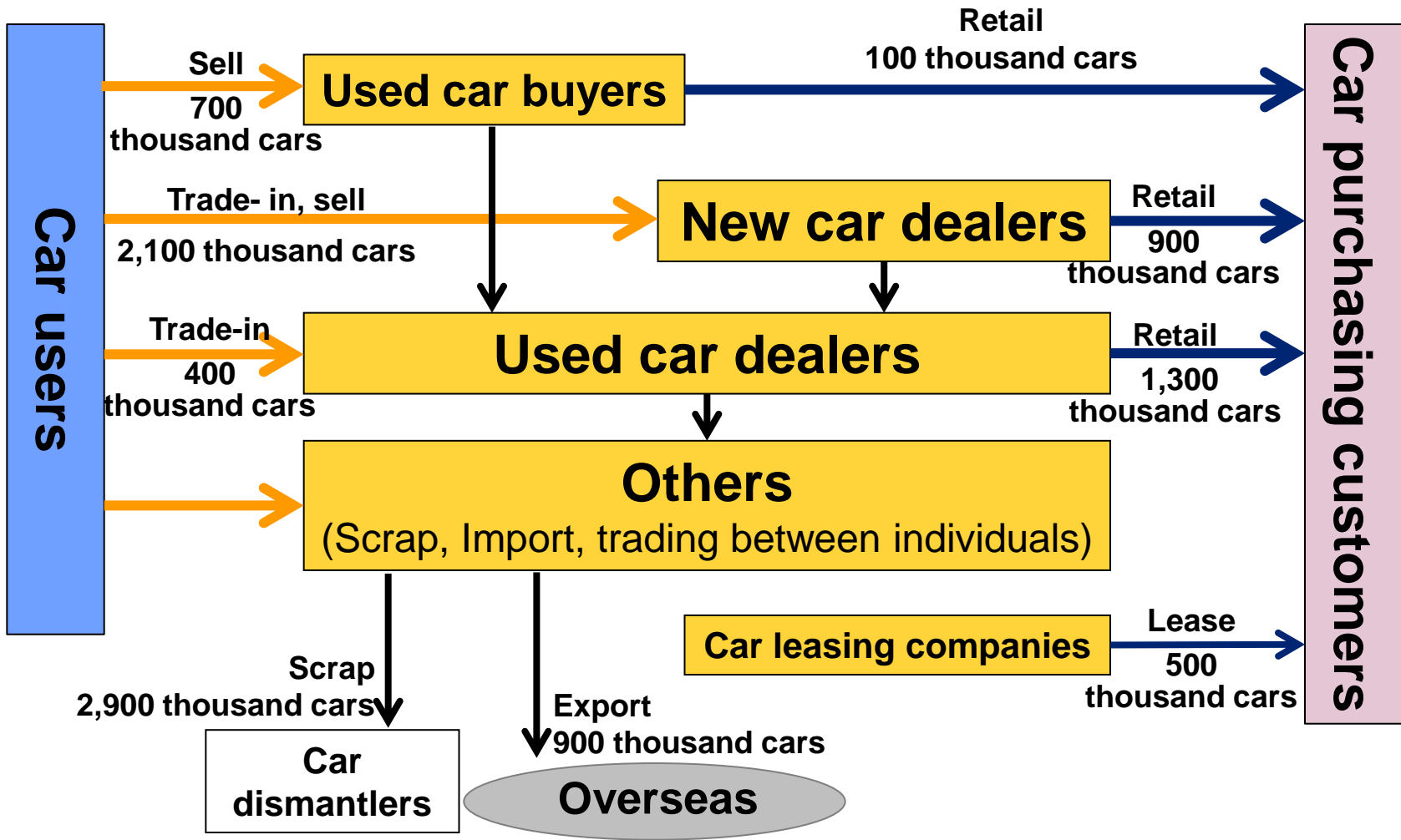
New car sales and used car registrations (registered cars + K-cars)

(Thousand cars)



Source: Japan Automobile Dealers Association,
Japan Light Motor Vehicle and Motorcycle Association

Distribution of Used Cars



Source: Automotive Aftermarket 2013 (Yano Research Institute)

Note: Distributions to auto auctions and used car dealers are omitted.

Used car buyers

	Stores	Cars bought in CY2011 (units)
Gulliver	417	200,000
Rabbit	164	150,000
Apple	214	72,000
T-UP	Over 1,300	65,000
AUTOBACS (FY March 2014)	359	7,757

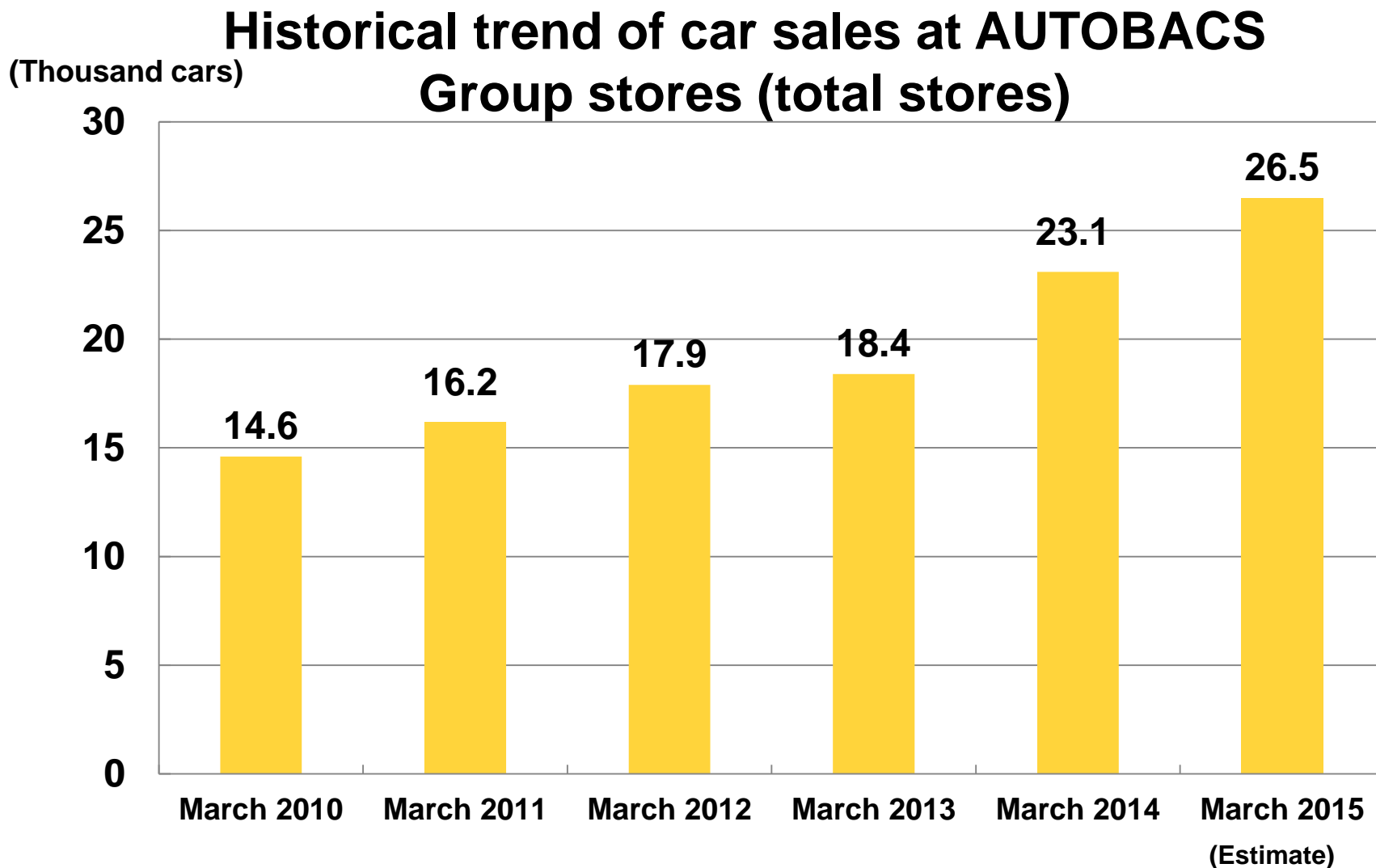
Source: Yano Research Institute (2013)

Used car dealers

Main players:

BIGMOTOR, Gulliver, KU, HANATEN, NEXTAGE, etc.

Note: The above figures have been obtained from various statistical materials. Please note that these figures do not necessarily represent data for the same period as some comparatively old figures are also included with the data.



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Storefront displays



Car evaluation service



Internet shopping site



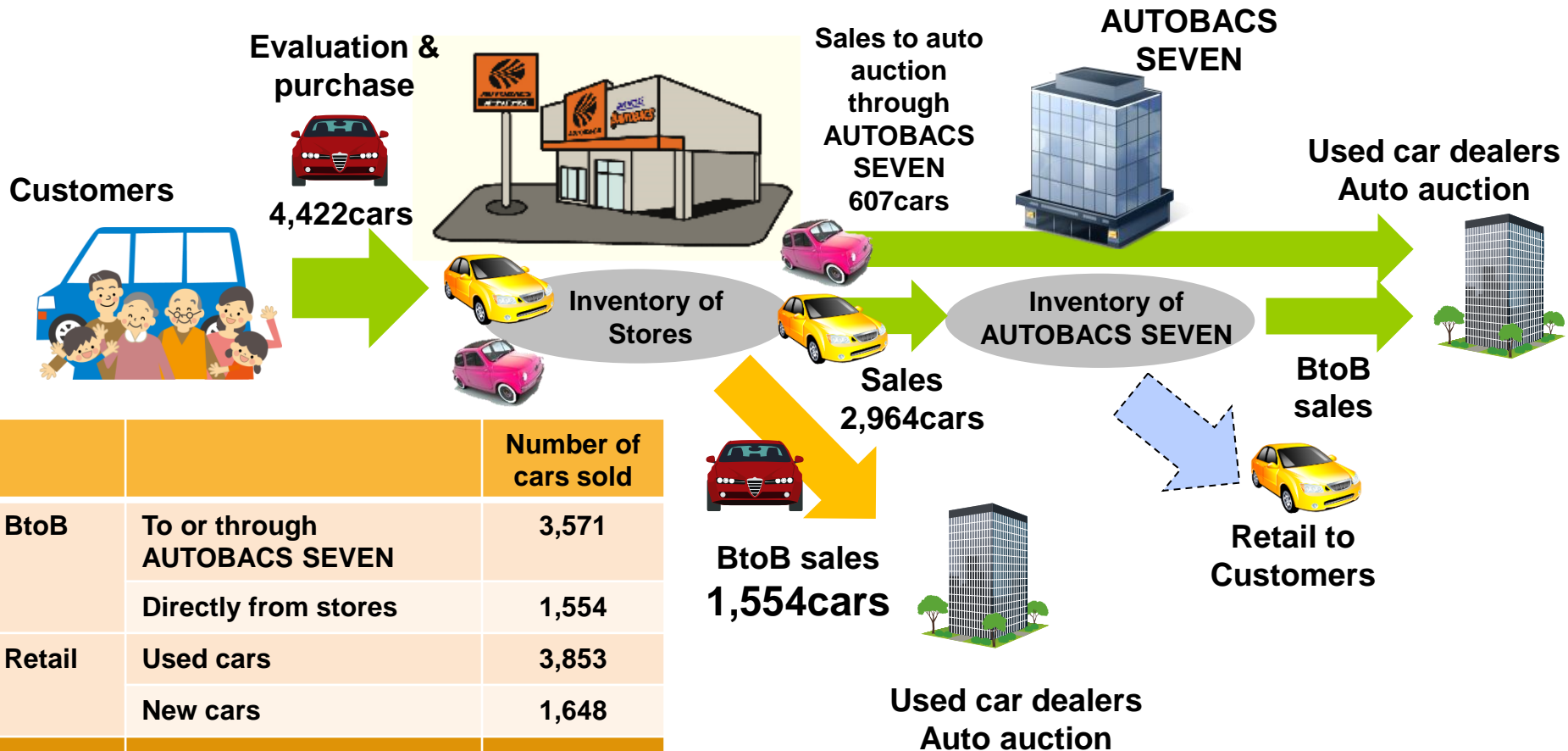
Car depot

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Flow of purchase and BtoB sales

(Sales unit of first half of March 2015)

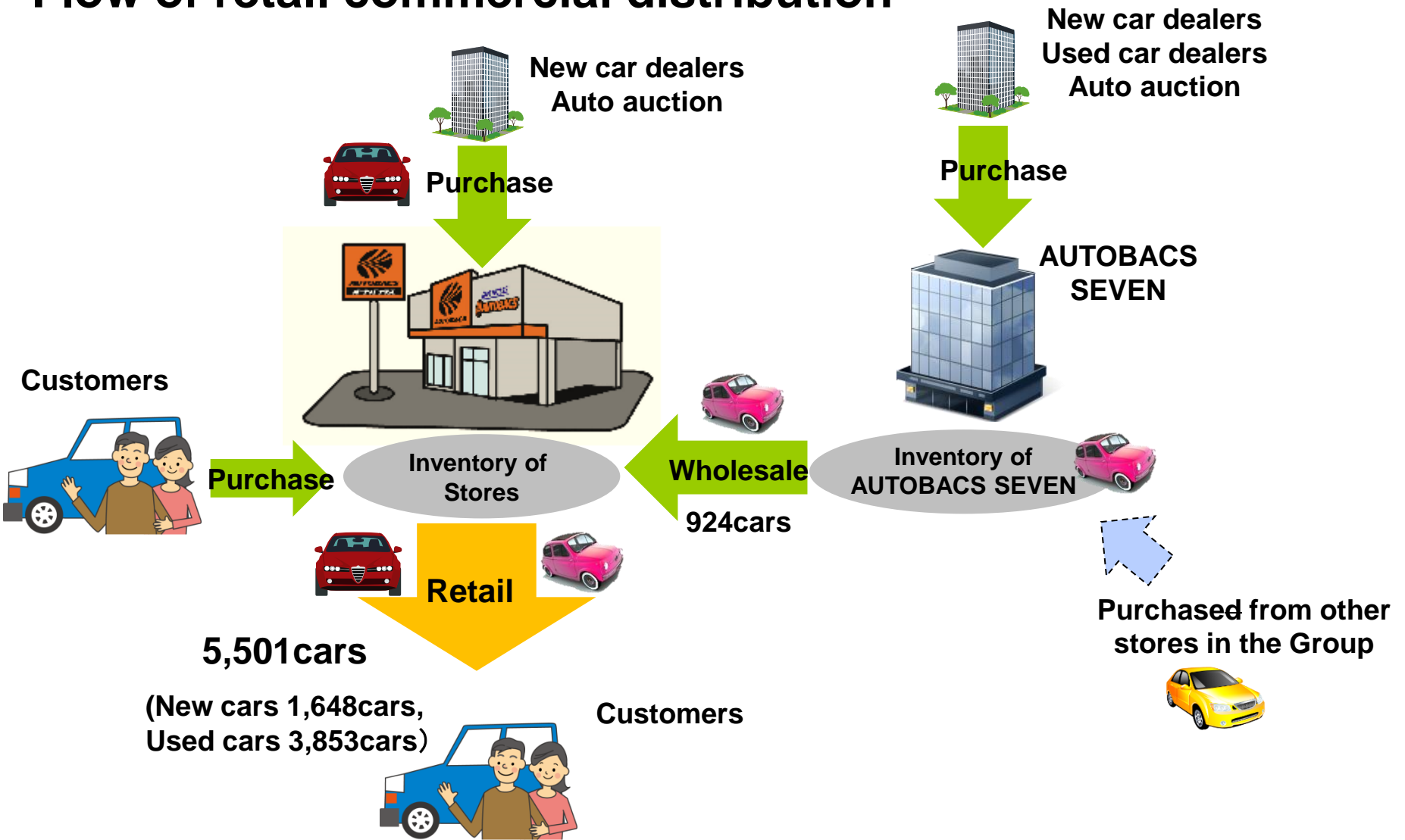


		Number of cars sold
BtoB	To or through AUTOBACS SEVEN	3,571
	Directly from stores	1,554
Retail	Used cars	3,853
	New cars	1,648
Total		10,626

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Flow of retail commercial distribution

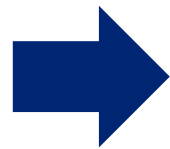


Maximizing AUTOBACS Strengths



AUTOBACS strengths

(brand, customers frequent store visit, nationwide store network)



- **Generating new sales opportunity**
- **Maximizing Marketing solutions by combining vehicle and customer data**

Car evaluation service and provision of used car information when customer visits stores



Car purchase & sales

Car parts & accessories
Statutory inspection

Attachment of car goods at the time of car sales.
Provision of information about maintenance goods, statutory safety inspection and maintenance services based on vehicle information



Advantage of Car Business at AUTOBACS



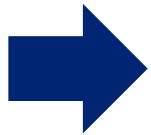
Comparison with car dealers and used car buyers

	Frequency of store visits	Car purchase	After-sale maintenance	New car sales	Car goods
AUTOBACS	◎	○ * Same evaluation pricing nationwide	◎	○	◎
Used car buyers	△	◎ * Different evaluation pricing depending on store	×	△	×
Used car Dealers	△	○ * Some stores only handle purchase of cars	△	×	×
New car Dealers	△	▲ * Trade-in at the time of car sales	◎	◎	△

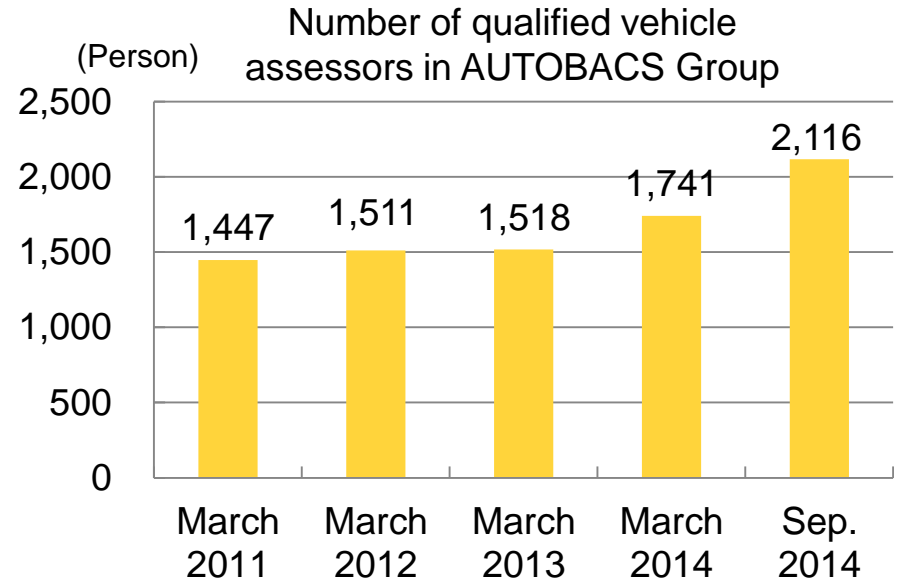
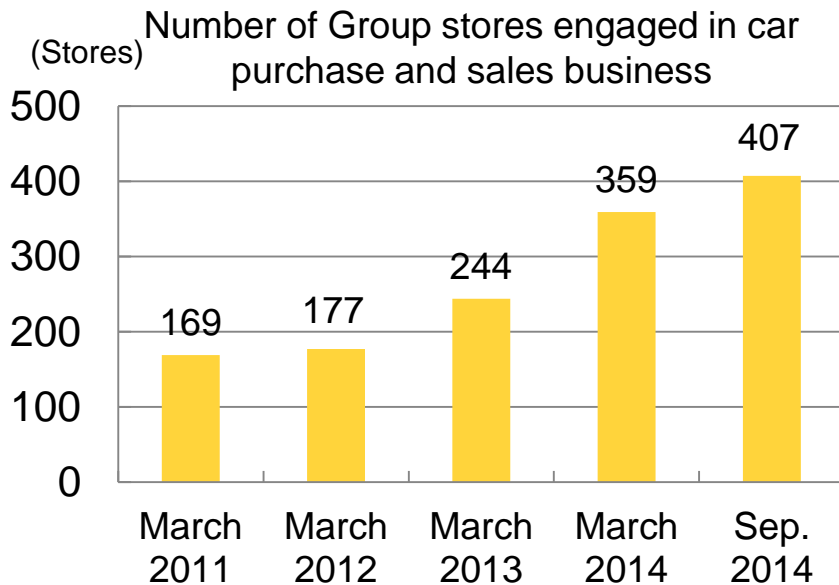
Enhancing Stores Engaged in Car Business



- Implementation of new evaluation system (in April 2013)
- Development of thorough training systems to membership stores
- Integration with the system of “Goo-net”



Franchisees are positively expanding their car business to strengthen profitability



1. Started car dealer business – SUZUKI CARS 43 Doi -

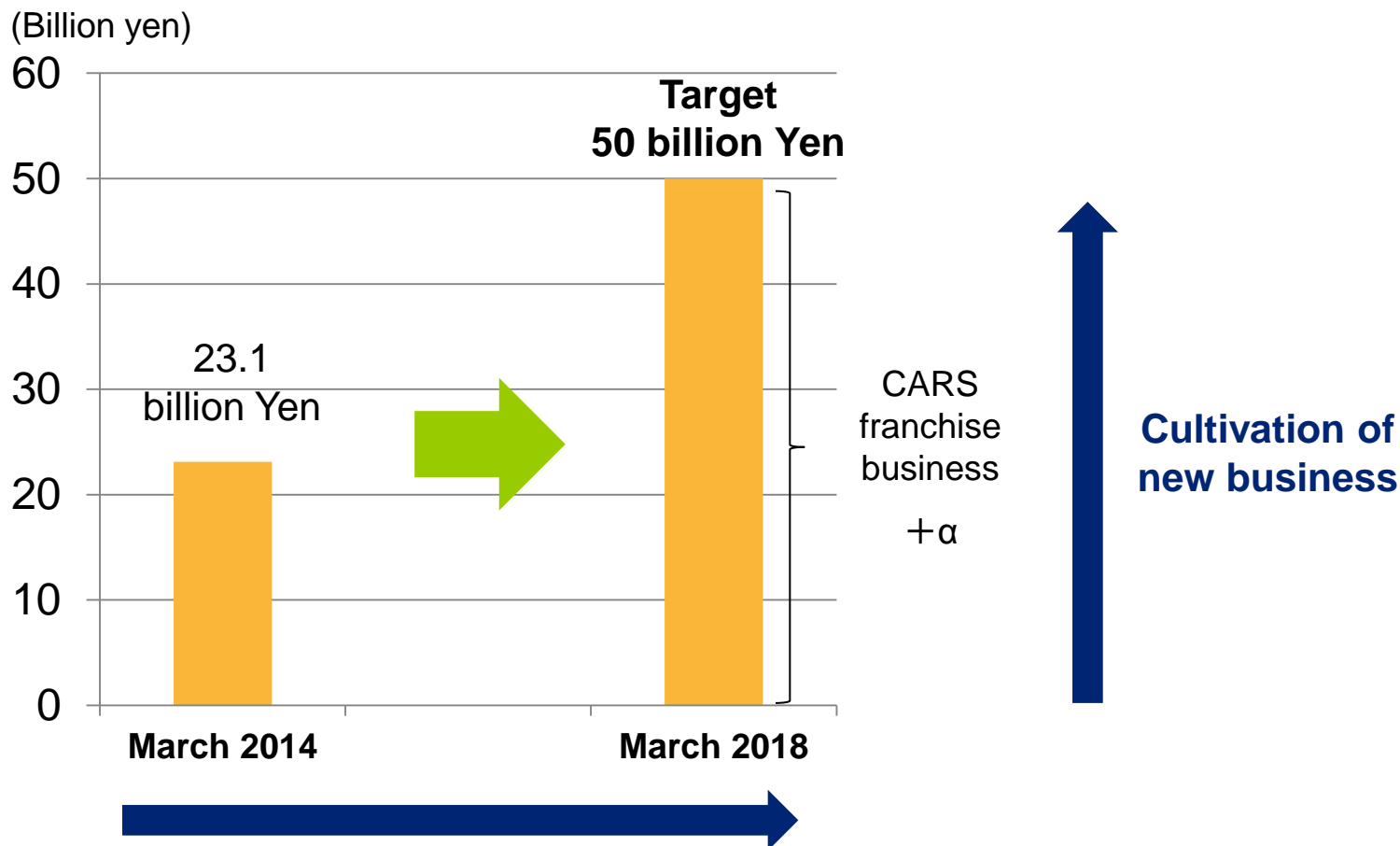
Certified as a sub-agency and started operations as a dealer (Inside of Super AUTOBACS 43 Doi Store)



2. Launched car leasing service business - AUTOBACS *Marunori* (all-in-one service) -

- Users can go to any AUTOBACS store in Japan to receive maintenance services.
- Costs for car goods and statutory safety inspection and maintenance can be included in the lease.
- ➡ Offering users an option for motor vehicle ownership
- Incentives for stores = Lease revenues recognized as store sales

Toward Achieving the Mid-Term Business Plan



- Increase of membership stores
- Staff development
- Gaining recognition by intensified promotion
- Enhance the variety of displayed cars



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.