



AUTOBACS SEVEN CO., LTD.

# INTEGRATED REPORT 2025





# AUTOBACS SEVEN Group Philosophy Framework

## Ensuring the safety of our communities while driving and enriching customers' lives

We constantly embrace change and pledge further evolution, always holding dear our desire for traffic safety in society and for people to enjoy individualized car lifestyles.

**OUR PURPOSE**  
Raison d'être

AUTOBACS SEVEN Group  
Philosophy

**Realize  
Your Dreams**

"Realize Your Dreams" is a phrase passed down since the founding days as part of the AUTOBACS SEVEN Group's DNA. It embodies the belief that "if you bring your heart's vision to life, fuel your passion, believe deeply, and act with enthusiasm, anything can be achieved and become reality."

**OUR MISSION**  
Mission to be fulfilled

2024 Medium-term Business Plan "Accelerating Towards Excellence"

**Aim to provide "Mobility Lifestyle Infrastructure"**  
for our customers on a global scale

**OUR VISION**

Medium- to long-term vision

**AUTOBACS SEVEN GROUP**  
Code of Conduct and  
Guidelines for Action  
Sustainability-Related  
Policies

**OUR SHARED VALUES**

Principles of conduct to uphold and values to value

AUTOBACS SEVEN Management Philosophy

**Shaping a Future Where  
People and Mobility Connect  
—With More Joy and  
Greater Freedom**

At AUTOBACS SEVEN, we honor individuality and embrace the joy of diverse forms of mobility, working to build a society where people and mobility coexist in harmony.

**AUTOBACS SEVEN/GROUP**

# Contents

## About Us

- 01 AUTOBACS SEVEN Group Philosophy Framework

### Business Overview

- 03 Business Overview of the AUTOBACS SEVEN Group
- 04 The AUTOBACS Brand: Trusted and Reliable
- 05 Stores and Sales Network
- 06 History of Value Creation

### Business Model

- 07 Business Model of the AUTOBACS SEVEN Group
- 08 Strengths of the AUTOBACS SEVEN Group (Six Capitals)
- 09 Financial & Non-financial Highlights

## CEO Message

- 10 CEO Message
- We will work with our franchisees and other partners to promote transformation, aiming to achieve our long-term vision.**

## Value Creation of the AUTOBACS SEVEN Group

- 14 Value Creation Model
- 15 Business Environment Analysis (Business Environment, Risks and Opportunities)
- 16 Growth Strategy
- 17 Long-term Vision Overview
- 18 2024 Medium-term Business Plan Overview
- 19 Message from the General Manager of Corporate Management
- 22 Feature: Franchisee Interviews
- Feature: Strategy for Realizing Mobility Lifestyle Infrastructure**
- 23 Strategy 1  
"Create Touch Points"  
to Continue to Support Mobility Lifestyles
- 24 Strategy 2  
"Develop and Supply Products and Solutions"  
Tailored to Mobility Lifestyles
- 25 Strategy 3  
"Establish New Business Domains"  
in Response to Changes in Mobility Lifestyles
- 26 Capital Allocation  
Background of improving the drive of the Medium-term Business Plan
- 27 Round-table Talk by the Outside Directors
- To achieve our long-term vision, we expect to steadily drive transformation through strategic investments and the evolution of our organization and human resources.**

## Sustainability

- 32 Concept of Sustainability
- 33 Material Issues
- Initiatives to Promote Sustainability**
- 36 Response to Climate Change/  
Strengthening Human Capital
- 37 Promoting Efforts to Eliminate Traffic Accidents /  
Promoting Environmentally Conscious Business
- 38 Improving Status of Certified Mechanics and  
Fostering Them / Promoting Spread of Safe  
and Secure EVs Toward Realization of a  
Zero-Carbon Society
- 39 Promoting Environmentally Conscious Business /  
Realizing Circular Ecosystem / Reducing CO<sub>2</sub> by  
Establishing Environmentally Enhanced Stores

## Corporate Governance

- 40 Directors
- 41 Succession Plan/Skills Matrix
- 42 Corporate Governance
- 46 Compliance/Risk Management
- 47 Major Risks

## Data Section

### Overview by Segment

- 48 AUTOBACS Business
- 50 Consumer Business
- 52 Wholesale Business
- 54 Expansion Business
- 55 11-Year Financial Summary
- 56 ESG Data
- 57 List of Major Consolidated Subsidiaries
- 58 Corporate Profile/Stock Information

### Editorial Policy

This report contains a comprehensive overview of AUTOBACS SEVEN Group businesses, our initiatives aimed at improving corporate value, and non-financial information, and it was created for the purpose of deepening our stakeholders' understanding of the Group.

In the Integrated Report 2025, we focused on the theme "Ensuring the Achievement of the Medium-term Business Plan and Growth Beyond." We endeavored to present the progress and likelihood of achieving the Medium-term Business Plan, along with the story of transformation and renewed growth toward realizing our long-term vision, in a way that is understandable to our readers.

Furthermore, on the Sustainability page, we structured the content so readers can gain a convincing understanding of how each initiative contributes to enhancing corporate value over the medium to long term. This is achieved by having the responsible persons for non-financial KPIs explain the significance, outcomes, and challenges of our ESG initiatives.

### Reporting Period

from April 1, 2024 to March 31, 2025  
(We have included some information for FY2025 regarding organizational structure and policies.)

### Reporting Scope

AUTOBACS SEVEN CO., LTD. and consolidated subsidiaries

### Guidelines Referred to

We have referenced the International Integrated Reporting Council (IIRC)'s International Integrated Reporting Framework and the Ministry of Economy, Trade and Industry's Guidance for Integrated Corporate Disclosure and Company-Investor Dialogue for Collaborative Value Creation.

### Forward-Looking Statements

The forward-looking statements such as earnings forecasts contained in this report are based on the information currently available and represent the current outlook or expectations. These forward-looking statements have intrinsic risks and uncertainties and do not guarantee future performance. Actual results may significantly differ from these statements due to various factors.

### Explanation of Names

Within this report, "AUTOBACS SEVEN Co., Ltd.," and "AUTOBACS SEVEN" refer to the non-consolidated entity, while "AUTOBACS SEVEN Group" and "the Group" refer to the consolidated entity. The "AUTOBACS chain" refers to consolidated Domestic AUTOBACS Business and franchisees. The "AUTOBACS Group" refers to consolidated and franchisees.

# Business Overview of the AUTOBACS SEVEN Group

Fiscal Year Ended March 2025

Consolidated Net Sales

¥**249.5** billion

Consolidated Operating Income

¥**12.1** billion

Profit Attributable to Owners of Parent

¥**8.1** billion

ROIC

**5.6**%

## Wholesale Business

Gross Sales

¥**35.5** billion

In Japan, we wholesale automotive goods to home improvement stores and other retailers. We also export and sell automotive goods overseas. Additionally, we wholesale private brand products.

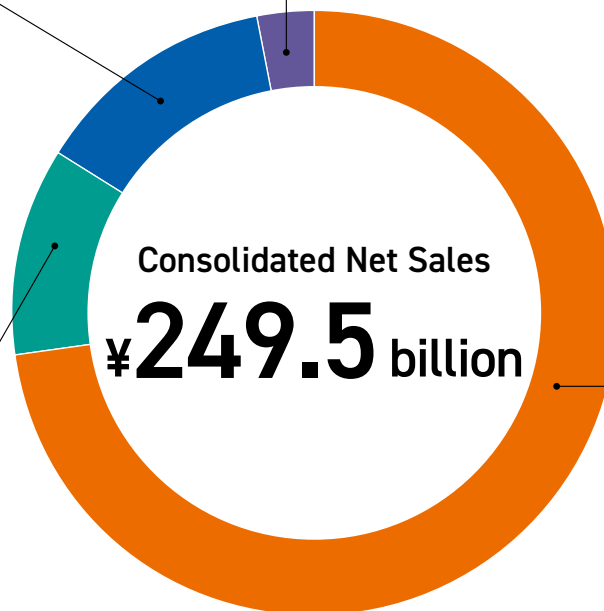


## Consumer Business

Gross Sales

¥**29.3** billion

We offer new car sales, used car purchasing and sales, online sales of automotive goods and services, and statutory safety inspection and maintenance services.



## Expansion Business

Gross Sales

¥**9.1** billion

We operate in credit-related businesses, insurance agency services, real estate development projects, and micro-mobility solutions.



## AUTOBACS Business

Gross Sales

¥**197.1** billion

We sell automotive goods and services, provide statutory safety inspection and maintenance, and buy and sell used cars at AUTOBACS stores both domestically and internationally. We also wholesale automotive goods and other products to franchisees.



\*Gross sales include inter-segment sales



## The AUTOBACS Brand: Trusted and Reliable

We have consistently strived to provide high-quality products and services, enabling customers to use their vehicles safely and with peace of mind, while aiming to deliver value that exceeds their expectations. These efforts have borne fruit, as external surveys have highly evaluated our brand strength.

In recent years, society as a whole has seen a shift in values from “consumption of goods” to “consumption of experiences.” To make all experiences customers gain from their relationship with their car more convenient and enriching, we will continue to strengthen our brand value while expanding our business domains to evolve into a company that provides total support for customers’ car life.

In a survey on tires,

**No. 1**  
tire retailer\*<sup>1</sup>  
(9 years in a row)

In a survey on used car purchaser and used car seller,

**AUTOBACS CARS is**  
**No. 1 overall**\*<sup>2</sup>  
(4 years in a row)

\*1 The result of the 2025 survey on tires conducted by the JMA Research Institute, Inc.

\*2 The result of the 2024 Oricon Customer Satisfaction® Survey Used Car Purchaser Ranking and 2025 Oricon Customer Satisfaction® Survey Used Car Seller Ranking conducted by oricon ME inc.

## Store Brand / Group Stores

### AUTOBACS Business



**AUTOBACS**

One-stop shop for car goods and maintenance



**Super AUTOBACS**



**A PIT AUTOBACS**

**A PIT AUTOBACS**

Concept store featuring a BOOK&CAFE style



**AUTOBACS GARAGE**

Lifestyle-focused store

### Consumer Business



**AUTO IN**  
**Shaken & Tire Center**

Maintenance workshop attached to the home improvement center



**Otoron**

Used car dealership specializing in in-house financing

### Wholesale Business



**GORDON MILLER**

A brand proposing a lifestyle that expands from the garage



**AUTOBACS CARS**

Car purchasing and sales store



**AUTOBACS EXPRESS**

Self-service gas station



**AUTOBACS Secohan Ichiba**

Used car goods purchasing and sales store



**RECARO Specialty Store ASM**

RECARO seat specialty store



**Smart+1**

Specialty store for car care



**BEELINE**

Tire specialty store

WEB | Major AUTOBACS Group Stores

## Stores and Sales Network

We operate 1,300 stores worldwide and conduct retail and wholesale operations in nine countries and regions, including Japan.

Total Number of Group Stores Worldwide

# 1,300 stores

\*As of March 31, 2025

### Number of Overseas Stores

# 148 stores

**France** Retail store

- AUTOBACS 8 stores

**China** Wholesale base

- AUTOBACS (CHINA) AUTOGOODES COMMERCE Co., Ltd.

**Thailand** Retail store

- AUTOBACS 122 stores

**Malaysia** Retail store

- AUTOBACS 4 stores

**Malaysia** Wholesale base

- AUTOBACS CAR SERVICE MALAYSIA SDN. BHD.

**Australia** Wholesale base

- AUTOBACS AUSTRALIA PTY LTD

**Taiwan** Retail store

- AUTOBACS 6 stores

**Philippines** Retail store

- AUTOBACS 6 stores

**Singapore** Retail store

- AUTOBACS 2 stores

### Number of Domestic Stores

# 1,152 stores

**Japan** Retail store

- AUTOBACS 509 stores
- Super AUTOBACS 71 stores
- A PIT AUTOBACS 2 stores
- AUTOBACS GARAGE 1 store
- AUTOBACS CARS 394 stores
- AUTOBACS EXPRESS 11 stores
- AUTOBACS Secohan Ichiba 17 stores
- RECARO Specialty Store ASM 1 store
- Smart+1 14 stores
- AUTO IN Shaken & Tire Center 8 stores
- BEELINE 79 stores
- Otoron 17 stores
- GORDON MILLER 1 store
- Authorized Dealerships 20 stores
- Maintenance Operations Base 4 stores
- Insurance Shop LifeSalon 3 stores

\*Number of domestic stores includes affiliated stores and in-store shops.

**Japan** Wholesale base

- AUTOBACS SEVEN CO., LTD.
- CAP CO., LTD.
- HOT STUFF CORPORATION
- GORDON MILLER INC.



## Responding to Diverse Needs and Continuously Delivering New Value

Alongside Japan's motorization development, AUTOBACS has built its position as the No. 1 player in the domestic car accessories market by meeting customers' diverse preferences and needs with its unique product lineup and services.

Amidst the ongoing significant changes in the automotive business environment, we are pursuing business expansion through overseas expansion, the development of new services, and the creation of new business formats. We will continue to constantly challenge ourselves to deliver new value.

**Dedicated towards providing you the joy of going out**

Direction of the AUTOBACS SEVEN Evolution  
Beyond AUTOBACS Vision 2032

### Developing a one-stop business model for automotive goods and services



Amid growing interest in purchasing personal vehicles, AUTOBACS was established in 1974. At a time when distribution channels varied by product, its AUTOBACS store format—offering both purchase and installation of complete automotive goods and services sets—gained strong support.

### Strengthening product appeal to meet diversifying preferences



As the demand for "car individuality" grew, AUTOBACS responded precisely to customers' diversifying preferences through lifestyle-based displays and proposals. In 1977, we began selling private brand products.

### New business development and full entry into vehicle inspection services



In the 1990s, we developed Super AUTOBACS. These stores featured expansive sales floors, installation and maintenance service pits, CD sales, and light food service, hosting diverse events. We also made a full-scale entry into the vehicle inspection business.

### "Automotive goods and services," "vehicle inspection and maintenance," and "used car purchasing and sales" as our three pillars

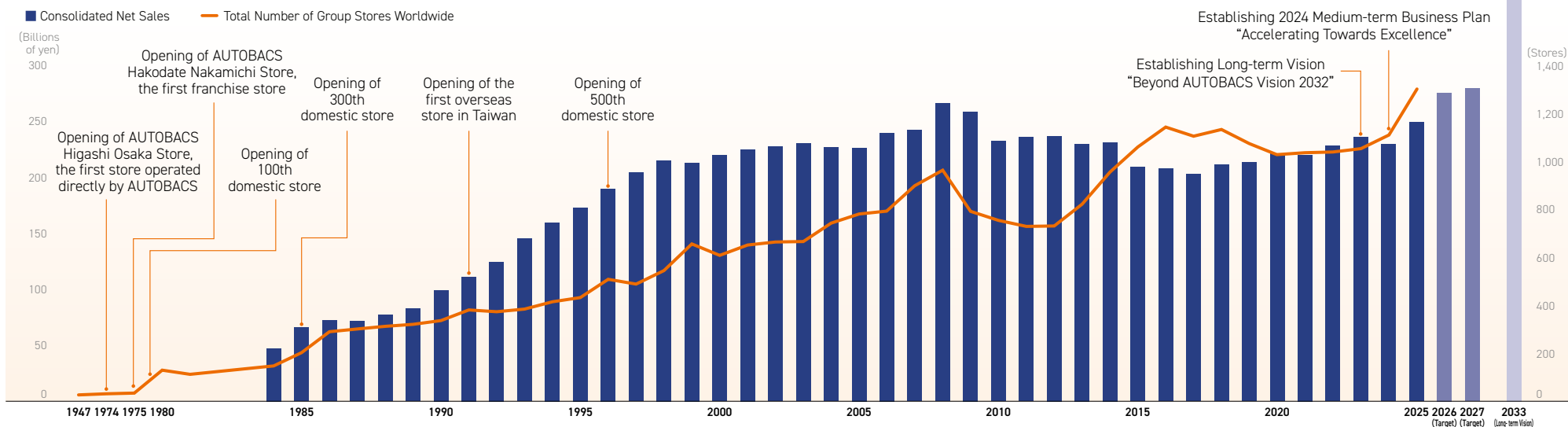


We have grown into a company that supports all aspects of customers' car lifestyle through three pillars: "automotive goods and services," "vehicle inspection and maintenance," and "used car purchasing and sales," so that everyone can drive safely and with peace of mind for a long time.

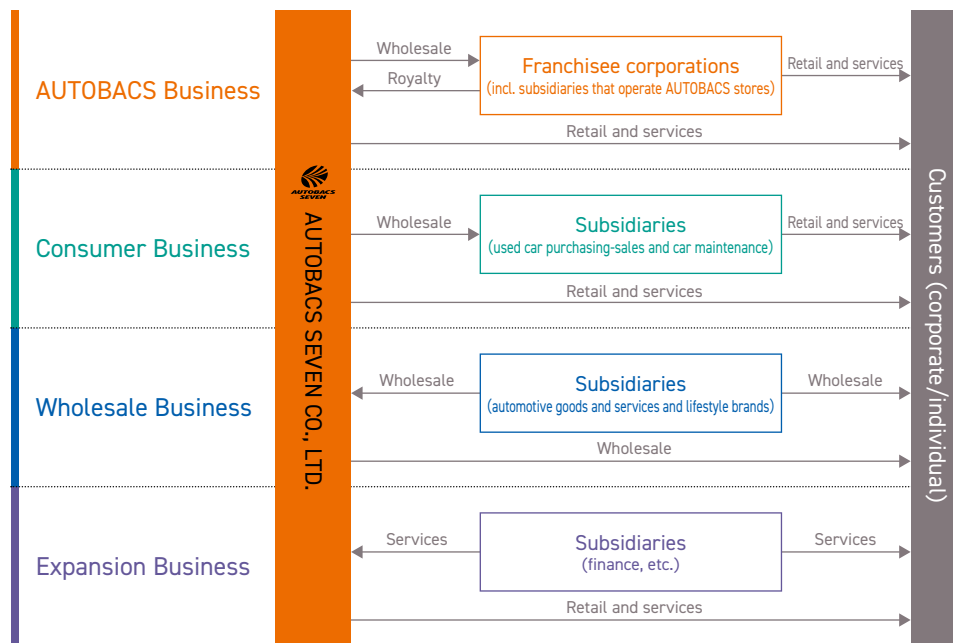
### Expanding our business scope into comprehensive mobility after-sales services



As mobility options and consumer preferences become increasingly diverse, we are expanding our business areas to include micro-mobility sales and car rentals. We will enhance service quality and convenience to achieve sustainable growth.



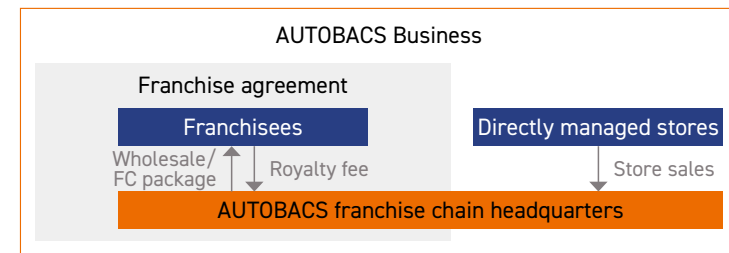
## Business Model of the AUTOBACS SEVEN Group



## AUTOBACS Franchise System

The AUTOBACS franchise system operates on a structure based on the division of roles between headquarters and franchisees. Headquarters provides expertise, develops products, and maintains IT Infrastructure, while also handling wholesale distribution and logistics for franchisees. It generates operating revenue through franchisee royalties. Domestic stores consist of directly managed stores and franchisees, with franchisees accounting for approximately 98%\* of the total.

In April 2024, as part of franchise chain reforms, we implemented a reduction in wholesale prices for franchisees and a revision of royalty rates. This enables a shift towards a retail-focused business model while also achieving consistent, high-quality service provision across the entire franchise chain through DX initiatives and the introduction of nationwide standardized tools, aiming for the sustained growth of the AUTOBACS Group.



\*Including stores operated by consolidated subsidiaries (roughly 27%)

## Store Support in the AUTOBACS Franchise System

### ● Sales and marketing support

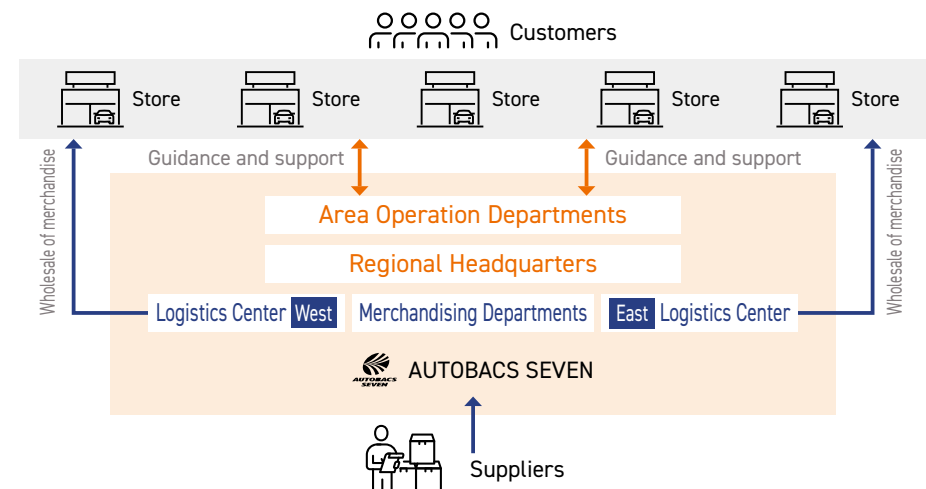
We have assigned store supervisors to area operation departments in 12 areas nationwide to support the planning and implementation of store reforms.

### ● Human resources training support/certified mechanic dispatch

We provide support for on-the-job training and human resource development plans at stores, as well as hold training sessions for store executives. Through our subsidiary, Chain Growth Co., Ltd., we train certified mechanics and dispatch them within AUTOBACS chain.

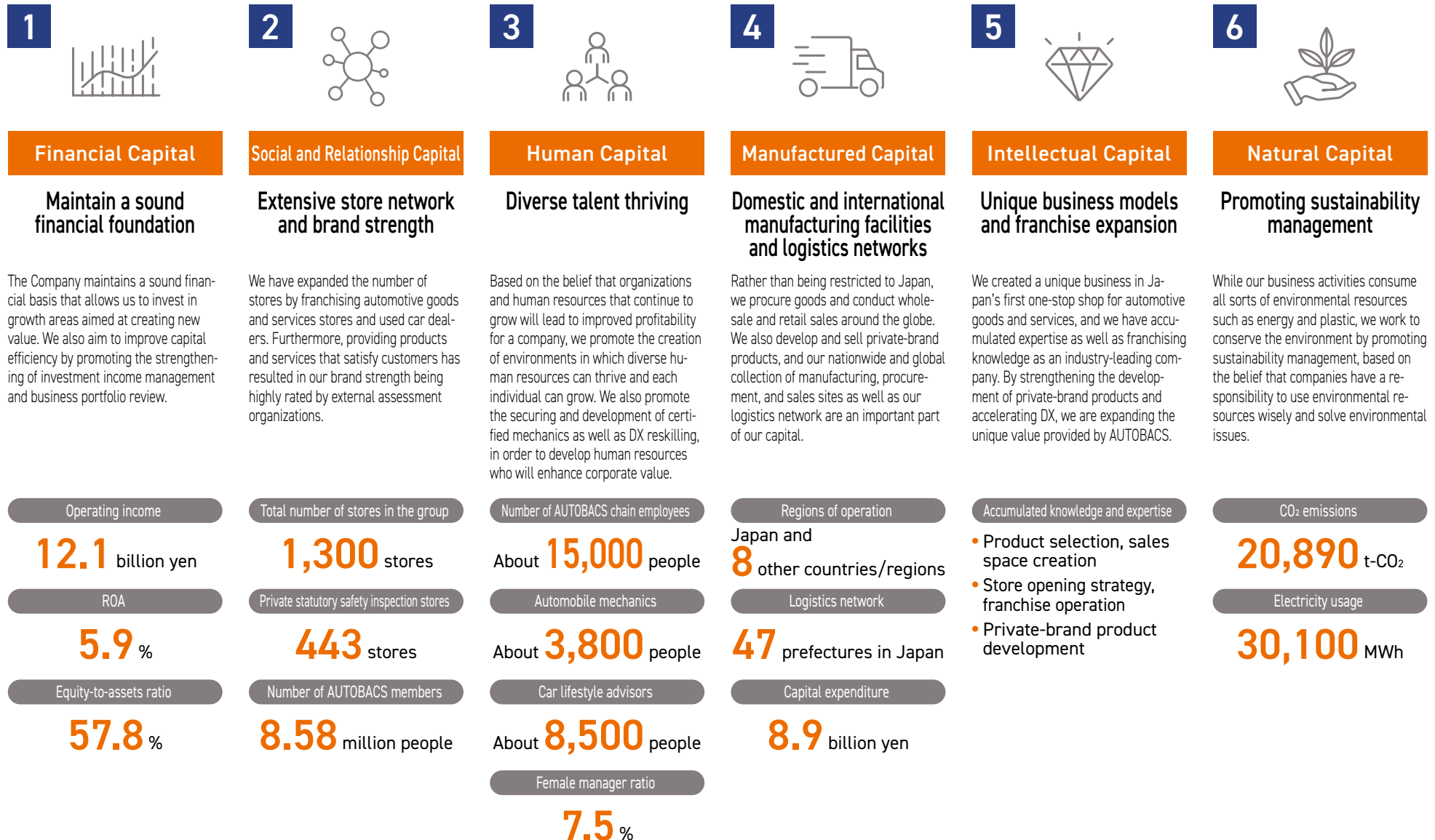
### ● Customer Voice Program (CVP)

Since fiscal year ended March 31, 2017, we have been implementing a program to collect feedback from customers who use our stores in the form of questionnaires, and link it to improvements in customer service, merchandise assortment, operations, product development, sales promotion, and facilities at each store. In the fiscal year ended March 31, 2025, we collected over 490,000 opinions from customers.





## Strengths of the AUTOBACS SEVEN Group (Six Capitals)

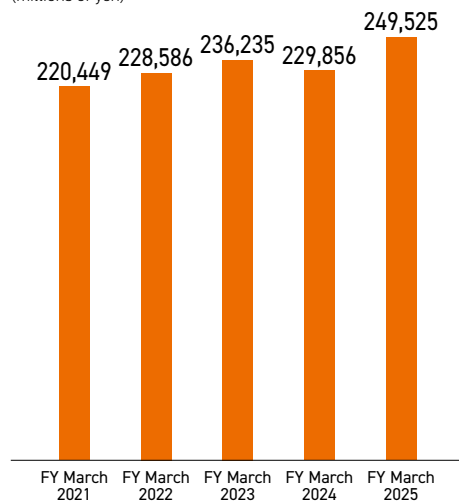


\*Figures are for the fiscal year ended March 2025 or as of the end of March 2025

## Financial & Non-financial Highlights

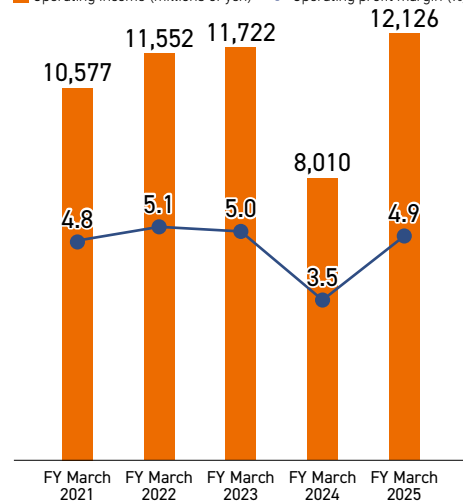
### Net sales

(millions of yen)



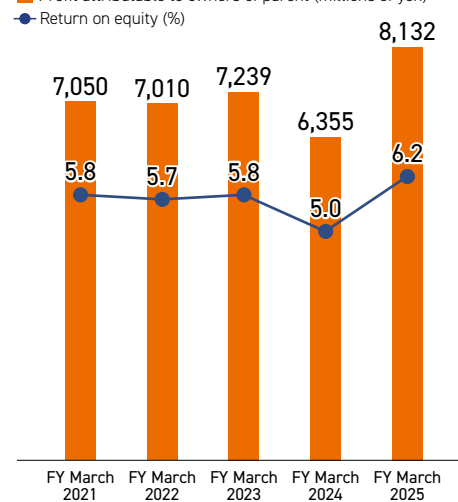
### Operating income/Operating income margin

Operating income (millions of yen) Operating profit margin (%)



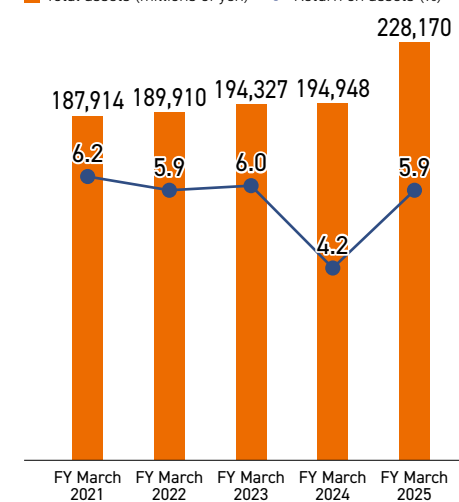
### Profit attributable to owners of parent/Return on equity

Profit attributable to owners of parent (millions of yen) Return on equity (%)



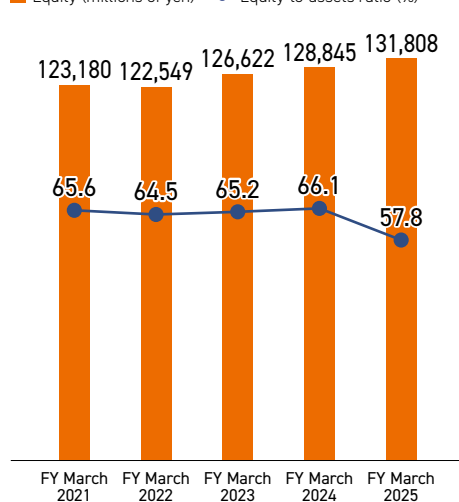
### Total assets/Return on assets

Total assets (millions of yen) Return on assets (%)



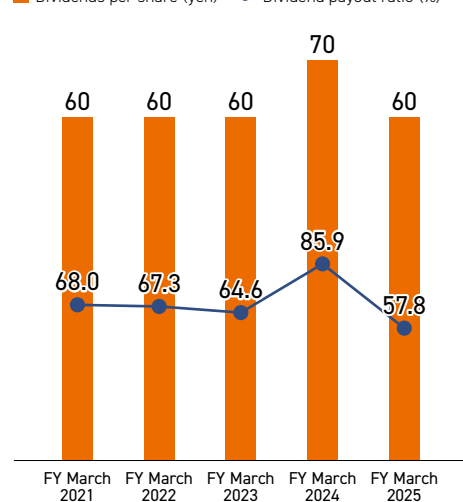
### Equity/Equity-to-assets ratio

Equity (millions of yen) Equity-to-assets ratio (%)



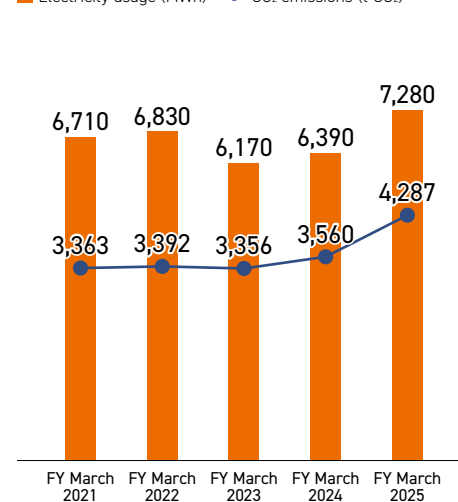
### Dividends per share/Dividend payout ratio

Dividends per share (yen) Dividend payout ratio (%)



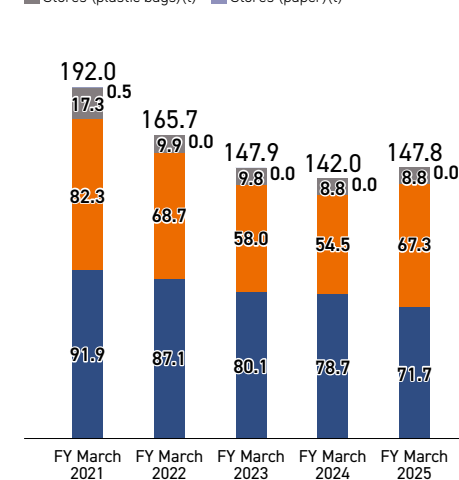
### Electricity usage/CO<sub>2</sub> emissions

Electricity usage (MWh) CO<sub>2</sub> emissions (t-CO<sub>2</sub>)



### Volume of packaging used at AUTOBACS chain and headquarters

Product packaging (plastics)(t) Product packaging (paper)(t)  
Stores (plastic bags)(t) Stores (paper)(t)



\*The Accounting Standard for Revenue Recognition began to be applied in the fiscal year ended March 31, 2022. The standard was not applied on figures for up to the fiscal year ended March 31, 2021.

\*Total for headquarters of AUTOBACS SEVEN Co., Ltd., regional business locations, directly managed stores, and logistics centers.





# We will work with our franchisees and other partners to promote transformation, aiming to achieve our long-term vision.

**Yugo Horii**

Representative Director & Chief Executive Officer

## Becoming a presence that supports mobility society

Currently, with the shift to electric vehicles and autonomous driving technology, the automotive industry is seeing not only the evolution of vehicles themselves, but also significant changes to car-related values, such as car sharing and other changes in the shape of car ownership. Furthermore, with new modes of transportation emerging to replace cars, the industry is at a major turning point.

Competition in the automotive aftermarket sector, in which the Company operates, is becoming increasingly intense. In addition to traditional automotive goods and services stores, e-commerce sites and discount stores increase their sales of automotive goods and services, dealers expand their areas of business, and companies in different industries enter the market through M&A.

Under these conditions, in order to provide a safe, secure, and enjoyable mobility lifestyle for all car users, the Group will build on its core business of automotive goods and services sales, which has been its foundation since its establishment, while expanding into businesses areas such as vehicle purchasing and sales, statutory safety inspection and maintenance services, and vehicle insurance, in order to fulfill its role as an infrastructure that resolves all vehicle-related troubles. In this way, we will evolve into an “integrated mobility after-sales market player” that comprehensively addresses customers’ diverse needs, and support society as a local mobility maintenance hub.

As a growth strategy, the establishment of a business model that eliminates the hassle in providing mobility lifestyles will be positioned as a key measure, translated into a concrete plan, and steadily implemented. This will be done by establishing a competitive advantage in the

revenue pillars of tire sales and vehicle maintenance, strengthening points of contact with customers through a wide range of products and services, and utilizing customer data and vehicle data.

In May 2023, we announced our long-term vision “Beyond AUTOBACS Vision 2032,” which sets a goal of achieving consolidated net sales of 500.0 billion yen by FY2032. On the premise of expanding existing businesses and creating new businesses, we have set number of stores, number of vehicles inspected, and number of vehicles purchased and sold as domestic KPIs.

- Number of Group stores  
**1,300** stores (FY2024: 1,152 stores)
- Number of vehicles inspected  
**1,000,000** vehicles (FY2024: 690,000 vehicles)
- Number of vehicles purchased and sold  
**150,000** vehicles (FY2024: 43,000 vehicles)



### Significant progress in FY2024

In FY2024, we began our Medium-term Business Plan “Accelerating Towards Excellence” aimed at achieving our long-term vision. The plan promotes various measures under the three pillars of “creating touch points,” “developing and supplying products and solutions,” and “establishing new business domains.”

In FY2024, the first year of the plan, we got off to a strong start that exceeded our initial plan, increasing sales and profits with net sales of 249.5 billion yen, operating income of 12.1 billion yen, and profit attributable to owners of parent of 8.1 billion yen. This performance is attributed in part to the results of ongoing internal reforms, and has brought about a sense of unprecedented certainty.

In FY2024, in addition to changes in our franchise chain package, we consolidated and rationalized headquarters functions through the promotion of supply chain management and reassigned franchise headquarters (hereinafter, “headquarters”) personnel to stores. I believe it demonstrates significant potential for future growth that we were able to generate revenue exceeding the cost of transformation and work together as a company to achieve our targets, without any particularly favorable external factors.

In order to accelerate the creation of touch points, we also conducted multiple M&As in the Consumer Business. In August 2024, we made a subsidiary of Otoron Co., Ltd., which operates used car dealerships that provide in-house loans, and in October 2024, we made a subsidiary of Tokatsu Holdings Co., Ltd., which operates authorized Honda dealerships. Furthermore, in January 2025, we made a subsidiary of tire dealer BEE LINE Corporation and in April 2025, we made a subsidiary of JCA Co., Ltd., which engages in sales of automotive goods and services and vehicle maintenance services at DIY stores. Through these acquisitions, we have significantly expanded our retail locations.

We are currently working to create synergy between these new subsidiaries and AUTOBACS SEVEN and its Group companies. To strengthen ties between our Group companies, in addition to creating opportunities for mutual communication, we will share the Group philosophy, integrate systems, and otherwise strengthen PMI, aiming to promote Group-wide business expansion. Furthermore, as the parent company, AUTOBACS SEVEN will promote the sharing of assets and business infrastructures across the Group and make prompt decisions regarding IT systems, logistics, and other investments that contribute to cross-business collaboration and scale-ups.

In this way, we will focus on PMI for new subsidiaries and creating business synergy with existing businesses, aiming to achieve net sales of 280.0 billion yen and operating income of 15.0 billion yen, which are our targets for FY2026, the final year of the Medium-term Business Plan.

### Toward a “true” shared destiny with franchisees

When I was appointed as Chief Executive Officer in 2022, I individually visited each franchisee in Japan. During these visits, franchisees who work diligently every day with pride in the AUTOBACS brand asked a question that sincerely resonated with me: “We are dedicating our lives to this job -- are you doing the same?” Taking these words to heart, I have clearly demonstrated my unwavering resolve in how I will approach this mission and meet everyone’s expectations.

Through these visits, I strongly felt first-hand that there is a deep emotional connection between AUTOBACS and its franchisees that extends beyond a general “franchise agreement,” and that a culture has taken root in which headquarters and franchisees mutually support and elevate each other.



Based on this strong relationship, as part of reforms aimed at promoting regrowth for AUTOBACS, I decided to revise the franchise chain package, including the royalty rate. This change was implemented in April 2024. AUTOBACS SEVEN, as headquarters, shifted its business model from relying on wholesale profits from conventional product supply to one that receives royalties on franchisee sales. In conjunction, we are including sales promotion and DX tools in the franchise chain package and implementing these uniformly at all stores, aiming to enhance the effectiveness of policy implementation and increase customer satisfaction.

With this change, we promised all franchisees that the headquarters would move forward together with them as holders of a “true shared destiny.” Going forward, our business will not succeed without the growth of franchisee sales. Even so, this model was adopted based on the decision to build a shared future with franchisees in addition to a relationship of strong trust.

I believe it was a significant change to renew the business model established by our founder on the milestone of our 50th anniversary. However, many franchisees have expressed the forward-thinking sentiment, “Development cannot be achieved by simply extending the status quo. The headquarters has taken the first step toward transformation, so we must change as well.”

Many of the AUTOBACS chain franchisees have been with us for as long as 40 to 50 years. Until recently, it had been a long time since we had recruited new franchisees. However, in 2024, we launched the AUTOBACS CARS chain, a new chain that engages in the purchase and sale of used cars, marking the first time in many years that we welcomed new franchisees from outside the Group. With this change, I believe that existing franchisees can also feel that the franchise business is entering a new phase.

If we can set aside past conventions and customs to further strengthen the relationship between the

headquarters and franchisees and move forward together, I am certain that AUTOBACS can achieve strong growth once again.

### Aiming to achieve the 2024 Medium-term Business Plan

While we have formulated Medium-term Business Plans in the past, we have been unable to achieve the expected results. Upon reflection, one of the reasons for this may be lack of communication between the members of management that formulate the plans and the members in the field responsible for implementation.

In order for a business plan to be steadily implemented and to achieve results, it is important that each employee understands its policies and strategies and executes them with a shared understanding on a company-wide level.

For the 2024 Medium-term Business Plan, we used a non-conventional approach in which the plan is promoted in a consistent manner across companies and departments from the planning through execution stages by task teams composed of young mid-level members responsible for next-generation management. Having core members responsible for practical operations formulate a plan upon envisioning specific measures for the implementation stage has increased its viability and led to the creation of a plan with driving force. In addition, seamless collaboration from plan formulation to execution has significantly improved the speed of progress.

Furthermore, managers and task teams from each business participate in department and subsidiary meetings and encourage conversation about the Medium-term Business Plan, which has promoted understanding and permeation of the plan. This has led to a gradual increase in employees who resonate with the transformation and initiative behavioral change, and the



steady cultivation of an organizational culture that embraces change.

The series of initiatives implemented through this Medium-term Business Plan have not only improved the effectiveness of implementation but also contributed to transforming the organizational culture, which I view as an important element in accelerating the AUTOBACS Group's growth to the next level.

I also personally repeatedly communicate the Company's purpose, philosophy, and vision to each employee through the intranet and at the regular online meetings attended by department managers and subsidiary presidents.

I believe that fostering an organization that takes the initiative to bring about change without fear through this repeated communication is one of my important missions as a representative, and that it is an essential element of the Company's sustainable growth.

## Strengthening human resources with a focus on “jobs only people can do”

In order for a company to achieve sustainable success going forward, it is clear that promoting DX through the use of AI will be the key to improving productivity. However, I believe that a company’s intrinsic value lies within jobs only people can do.

There are numerous jobs at the AUTOBACS SEVEN Group that cannot be replaced by AI, such as customer service and vehicle maintenance. These experiences and



skills are a strength that we have accumulated over many years, and are the true source of value.

I encourage employees to take charge of shaping their own careers and acquire the necessary skills, whether they choose the path of creating value through establishing mechanisms in the office or the path of providing value through uniquely human roles at our stores.

The personnel system that forms the foundation for this has undergone a gradual renewal over the past three years to make it possible for all employees to make career choices based on their diverse work styles and skills. As a result, it has evolved into the current system that spotlights employees’ expertise and strengths.

From an education perspective, we are promoting the acquisition of highly specialized skills such as certified mechanics and reskilling aimed at improving IT literacy. As an example, we implemented an IT and DX reskilling program for all employees in order to improve and streamline operations for store management and headquarters functions. Furthermore, through our subsidiary AUTOBACS Digital Initiative Co., Ltd., we are actively investing in human capital through the development of human resources engaged in data analysis using business intelligence tools, training on generative AI, and more. Through such initiatives, we aim to build a solid HR infrastructure that supports our management strategy.

## To our stakeholders

I consider it my important obligation as an executive to strike the right balance to satisfy all of our stakeholders, which include our customers, shareholders, investors, suppliers, franchisees, employees, and members of local communities.

Maintaining an equal balance among these is not always the right answer. The balance must be flexibly

changed based on the situation. We are currently focusing on business transformation including changes to the franchise chain package and reforming organizational culture, with a priority on growth investments.

While we have yet to demonstrate sufficient results, first, we will begin by ensuring that we achieve the targets of the 2024 Medium-term Business Plan that is currently underway, and clearly outlining the path toward the long-term vision that lies beyond it.

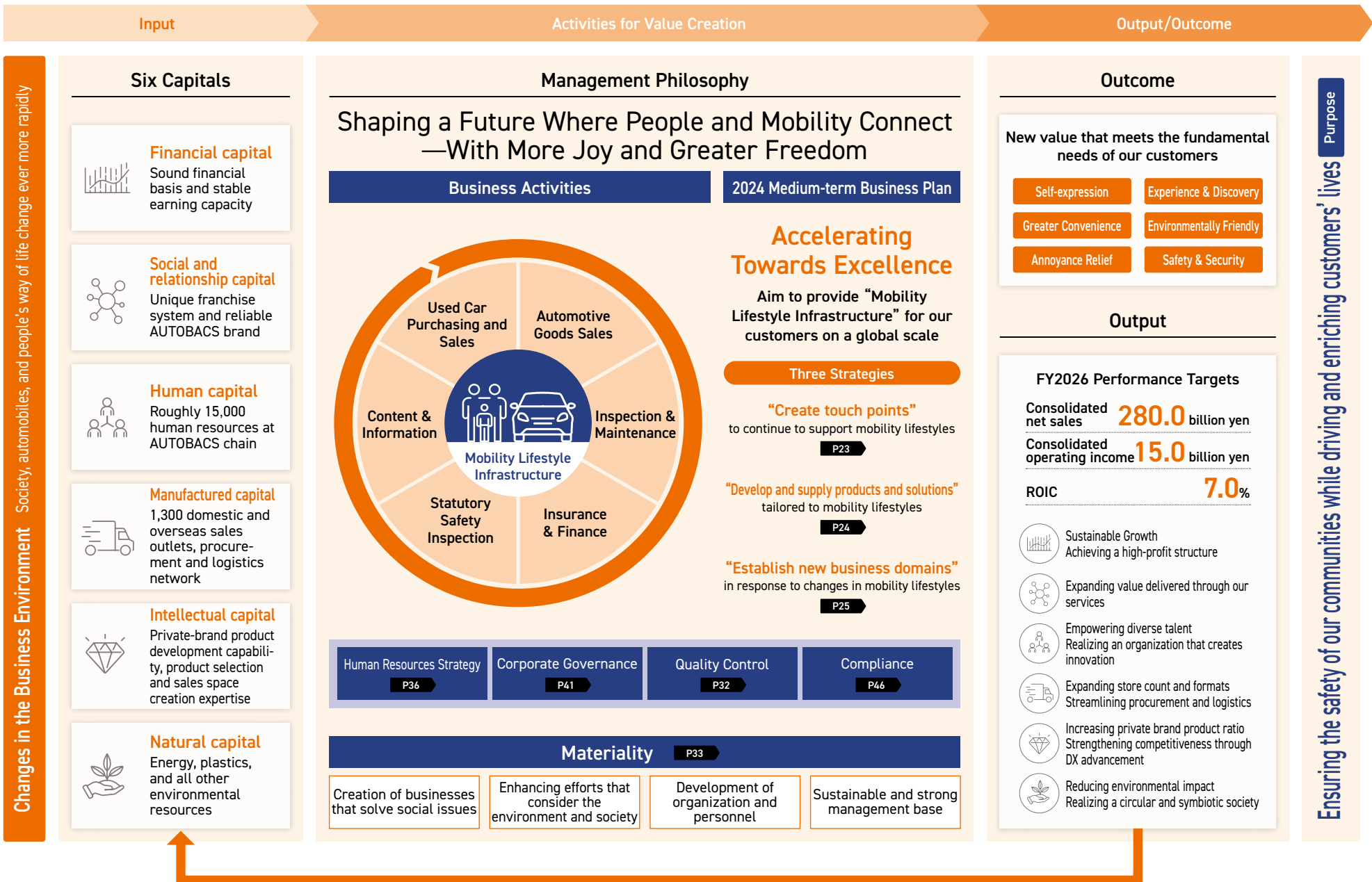
In order to enhance corporate value, it is essential that we adopt investor-focused initiatives internally as well. As one such initiative, in 2019, we introduced a restricted stock compensation plan for directors, and in 2024, we granted stocks to Group employees on the occasion of the AUTOBACS 50th anniversary.

I have also increased the proportion of stock-based compensation for myself, further reinforcing my commitment to approaching management with the same perspective as our investors.

With its network of over 1,000 stores nationwide, the AUTOBACS SEVEN Group will mobilize all available resources to resolve all kinds of car-related concerns.

In order to successfully grow into an essential corporate group that supports a safe, secure, and enjoyable mobility lifestyle for all car users even more than ever before, we will further strengthen ties with our franchisees and other partners, accelerate transformation, and achieve sustainable growth.

I appreciate your continued support and interest going forward.



# Business Environment Analysis (Business Environment, Risks and Opportunities)

## Changes in the Business Environment

## Risks and Opportunities

## Related Initiatives (Pillars of the Growth Strategy)

<b>Automotive industry</b> <ul style="list-style-type: none"> <li>Technological innovations such as electrification and autonomous driving are advancing</li> <li>The shift from car “ownership” to “usage” is progressing as car-sharing and subscription service usage increases</li> <li>Industry consolidation is becoming pronounced as M&amp;A by companies from other sectors and expansion into peripheral business areas accelerate</li> <li>EV promotion policies</li> </ul>	<b>Risks</b> <ul style="list-style-type: none"> <li>Delay in responding to technological advances</li> <li>Increase in logistics costs</li> <li>Loss of EV/hybrid vehicle sales opportunities</li> <li>Soaring costs of raw materials</li> <li>Ongoing yen depreciation and rising prices</li> <li>Decline in purchase appetite due to rising prices</li> </ul>	<b>Opportunities</b> <ul style="list-style-type: none"> <li>Entry to new market</li> <li>Capturing demand for new products</li> <li>Establishing a position as a major dealer of ZEVs</li> <li>Evolution of content and expansion of points of contact with customers by leveraging DX</li> <li>Creation of new points of contact with customers through collaboration with other industries</li> <li>Increased maintenance demand due to the longevity of vehicles</li> <li>Establishment of a competitive edge through early response to advances in automobile maintenance</li> <li>Improvement of efficiency of production and logistics processes</li> </ul>	<ul style="list-style-type: none"> <li>➡ <b>P16</b> Growth Strategy</li> <li>➡ <b>P17</b> Long- term Vision Overview</li> <li>➡ <b>P18</b> 2024 Medium-term Business Plan Overview <ul style="list-style-type: none"> <li><b>P23</b> Create Touch Points</li> <li><b>P24</b> Develop and Supply Products and Solutions</li> <li><b>P25</b> Establish New Business Domains</li> </ul> </li> </ul>
<b>Society</b> <ul style="list-style-type: none"> <li>Changes in customer purchasing behavior accompanying the maturation of society</li> <li>Changes in customer composition due to low birth-rate and aging population</li> <li>Diversification of customer needs</li> </ul>	<b>Risks</b> <ul style="list-style-type: none"> <li>Damage to corporate value due to failure to respond to the market pressure for improvement</li> <li>Dysfunctional governance</li> </ul>	<b>Opportunities</b> <ul style="list-style-type: none"> <li>Enhancement of corporate governance and risk management</li> <li>Enhancement of corporate value by practicing management conscious of capital costs and return on invested capital</li> </ul>	<ul style="list-style-type: none"> <li>➡ <b>P19</b> Capital Cost- and Stock Price-Conscious Management <ul style="list-style-type: none"> <li>Message from the General Manager of Corporate Management</li> </ul> </li> <li>➡ <b>P41</b> Corporate Governance System Supporting Growth Strategy <ul style="list-style-type: none"> <li>Corporate Governance</li> </ul> </li> </ul>
<b>Capital markets</b> <ul style="list-style-type: none"> <li>Request for securing profitability exceeding capital costs</li> <li>Request for strengthening governance functions</li> </ul>	<b>Risks</b> <ul style="list-style-type: none"> <li>Difficulty in hiring personnel</li> <li>Increase in employee turnover</li> <li>Increase in overtime</li> <li>Increase in personnel costs</li> </ul>	<b>Opportunities</b> <ul style="list-style-type: none"> <li>Building a sustainable organization that simultaneously achieves growth for the company and employees</li> <li>Hiring of diverse human resources</li> <li>Improvement of operational efficiency using DX</li> </ul>	<ul style="list-style-type: none"> <li>➡ <b>P36</b> Strengthening Human Capital</li> <li>➡ <b>P38</b> Improving Status of Certified Mechanics and Fostering Them</li> </ul>
<b>Employees</b> <ul style="list-style-type: none"> <li>Labor shortages</li> <li>Diversity</li> <li>Low birthrate and aging population</li> <li>Requests for consideration of human rights</li> </ul>	<b>Risks</b> <ul style="list-style-type: none"> <li>Physical risks due to natural disasters, etc.</li> <li>Transition risks such as stricter environmental regulations, etc.</li> </ul>	<b>Opportunities</b> <ul style="list-style-type: none"> <li>Increase in demand for eco-friendly products</li> <li>Entry to ZEV-related markets</li> </ul>	<ul style="list-style-type: none"> <li>➡ <b>P36</b> Response to Climate Change</li> <li>➡ <b>P37-39</b> Promoting Environmentally Conscious Business</li> <li>➡ <b>P38</b> Promoting Spread of Safe and Secure EVs toward Realization of a Zero-carbon Society</li> </ul>
<b>Environment</b> <ul style="list-style-type: none"> <li>Trends toward achieving carbon neutrality</li> <li>Automotive environmental regulations by country</li> </ul>			

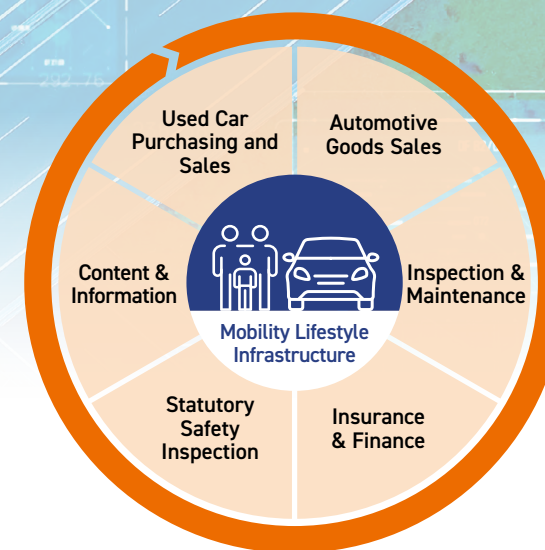


# Mobility Lifestyle Infrastructure

The number of passenger vehicles owned in Japan exceeded 60 million by the end of March 2025. Within the domestic automotive aftermarket\* where our group operates, businesses targeting these vehicles include automotive goods and services sales, statutory safety inspections, maintenance, used car sales, auto insurance, and vehicle rentals (rental cars, leases). The market size is estimated at approximately 20 trillion yen.

Our group aims to serve as the essential infrastructure enabling all vehicle owners and users to experience safe, secure, and enjoyable mobility lifestyles. While maintaining our core business of automotive goods and services sales at our founding AUTOBACS stores, we are expanding beyond traditional boundaries. Our business now encompasses statutory safety inspections, maintenance, used car purchasing, and solution proposals in the BtoB domain. We conduct our business activities with the goal of continuously supporting the mobility society.

\*The automotive aftermarket refers to the market for products and services provided after a new vehicle is sold.



## Strategic Policy

### From Automotive Goods to Mobility After-Sales: Expanding Our Business Domain

In order to become a “Mobility Lifestyle Infrastructure,” a presence that continues to support a mobility lifestyle, we must expand our business area from the “automotive goods and services sales business” that defines us as AUTOBACS to an “integrated mobility after-sales market player” that comprehensively handles various products and services needed when using cars.

We have established “enhancing areas of overwhelming strength,” “creating products and services that will strengthen connections,” and “establishing mechanisms for engagement” as the three main pillars for becoming an integrated mobility after-sales market player, which serve as the Group’s growth strategy policy.

The AUTOBACS SEVEN Group aims to establish a business model that acts as a concierge leading to the resolution of diverse vehicle-related issues. By establishing this business model across the entire Group including consolidated subsidiaries, rather than limiting it to the AUTOBACS brand, we will improve our competitive advantage, strengthen points of contact with customers, and achieve sustainable growth.

#### The three pillars for becoming an integrated mobility after-sales market player

##### Enhancing areas of overwhelming strength

Ensuring a competitive advantage in tire sales and vehicle maintenance beyond the AUTOBACS brand

- ⌚ Expanding the share of domestic tire sales
- ⌚ Promoting lifetime customer creation by capturing vehicle maintenance demand (B2C & B2B)

##### Creating products and services that will strengthen connections

Expanding sales channels and enhancing the product and service lineup across the car life cycle

- ⌚ Providing a wide range of products and services through integration of online and physical stores
- ⌚ Expanding the lineup of products and services that contribute to improving store repeat rates

##### Establishing mechanisms for engagement

Establishing a business model that eliminates hassle for customers by combining customer data and vehicle data

- ⌚ Integrating management of customer data and vehicle data across the Group through DX
- ⌚ Establishing a system that stays with customers throughout their life of car ownership like a concierge

# Beyond AUTOBACS Vision 2032

## Growth Target

Consolidated  
net sales  
FY2032

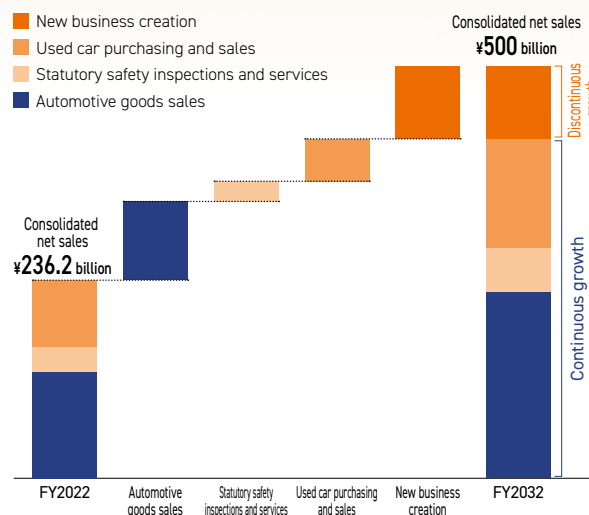
¥**500** billion

Through continuous growth and disruptive innovation, we aim to achieve consolidated sales of ¥500 billion by fiscal year 2032.

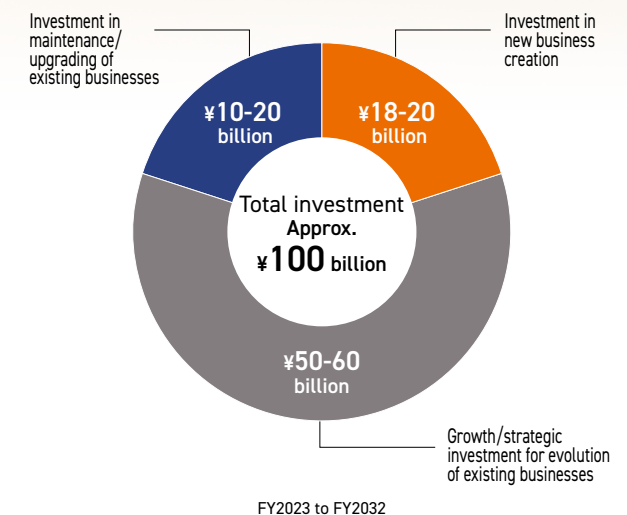
While steadily growing our core business, we will continue to challenge upstream areas of the automotive industry by creating new businesses such as expanding ZEV offerings, creating the micro-mobility market, and building a mobility information platform.

By fiscal year 2032, we will invest approximately ¥100 billion to expand our business. This investment will support maintaining and renewing existing businesses, funding growth and strategic initiatives, and creating new businesses.

## Envisaged Business Growth



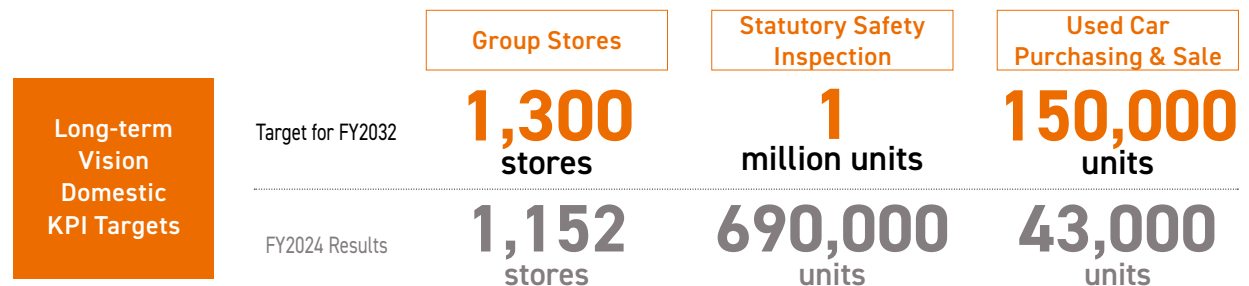
## Envisaged Scale of Investment



## Long-term Vision KPI Targets

We have set and announced domestic KPI targets to achieve consolidated sales of ¥500 billion.

In our key areas of "statutory safety inspections" and "used car purchasing and sales," we aim to expand our market share by growing existing businesses and acquiring locations through M&A and other means.



※The targets and results for this KPI apply to the AUTOBACS SEVEN Group (parent company + domestic subsidiaries) and domestic AUTOBACS franchisee corporations.



# Aim to provide “Mobility Lifestyle Infrastructure” for our customers on a global scale

## Strategy to Realize the “Mobility Lifestyle Infrastructure”

### “Create touch points”

to continue to support mobility lifestyles

Enhancing economies of scale through base expansion

### “Develop and supply products and solutions”

tailored to mobility lifestyles

Cost reduction through organizational and functional consolidation / Enhancing price competitiveness

### “Establish new business domains”

in response to changes in mobility lifestyles

Proactive initiatives to secure future revenue streams

## FY2026 Performance Targets

### Consolidated net sales

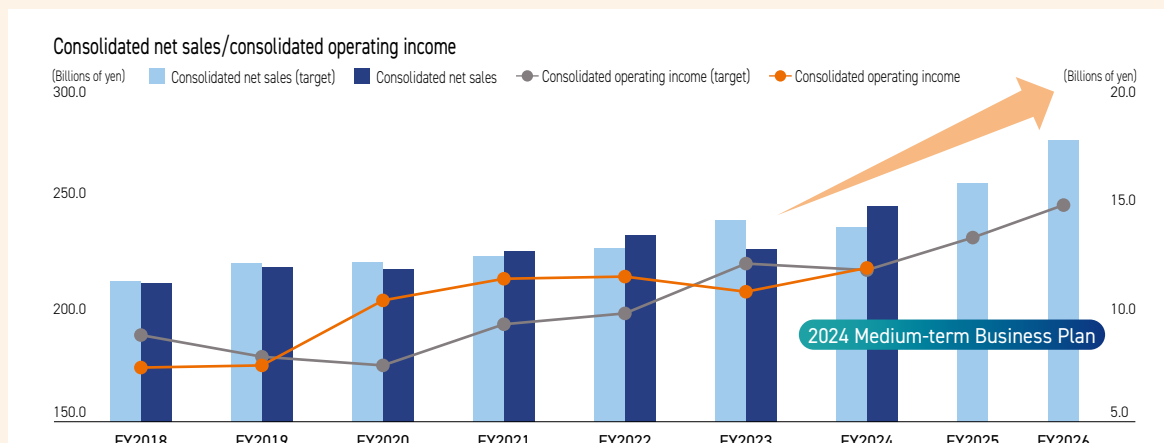
**280.0** billion yen (FY2024: 249.5 billion yen)

### Consolidated operating income

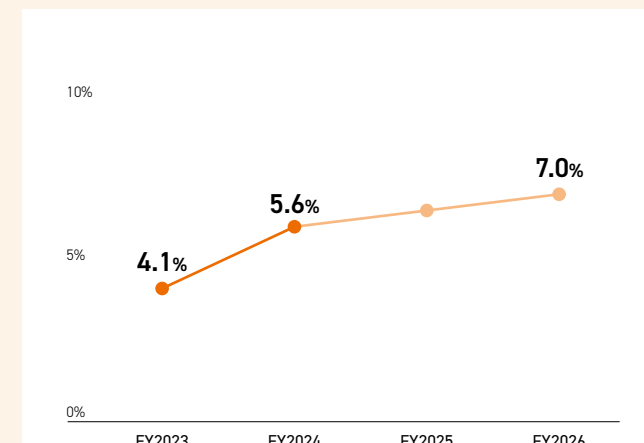
**15.0** billion yen (FY2024: 12.1 billion yen)

### ROIC

**7.0%** (FY2024: 5.6%)



\*Operating income in FY2023: excluding the temporary decrease (about 3.0 billion yen) due to the change in franchise chain package



# We will strive to continuously enhance corporate value by steadily implementing the Medium-term Business Plan and restructuring our business portfolio with an awareness of capital efficiency.

## Business environment and commencement of the Medium-term Business Plan

The automotive industry has reached the significant milestone of the transition to a next-generation mobility society. The business environment surrounding us is changing rapidly each day, causing a highly uncertain situation with an unpredictable direction and speed.

The automotive aftermarket is also seeing an acceleration in M&As through companies from different industries and expansion into related businesses, causing competition for customer acquisition to become more intense than ever before. With technological innovation and societal maturation, consumer values and purchasing behavior are also becoming more diverse.

Amidst this environment, we determined that it would be difficult to achieve sustainable growth with only the conventional business model centered on sales of automotive goods and services, and we took steps toward transformation aimed at creating new value. Specifically, we are promoting strategic business operation by restructuring the AUTOBACS Business with changes to the franchise chain package, expanding into related businesses through M&A, and creating synergy between businesses.

This transformation serves as an important stepping stone not only for expanding businesses, but also for improving capital efficiency and profitability. As the General Manager of Corporate Management, I strive to take appropriate measures while holding ongoing discussions with the management team, always considering how to effectively allocate limited management resources to maximize corporate value. In particular, I consider it my important obligation to properly balance risks and returns while maintaining alignment between the financial strategy and business strategy.

## Noritaka Hiraga

General Manager  
Corporate Management

\*The General Manager of Corporate Management oversees management as a whole (Corporate Planning, Finance & Accounting, PR & IR, Personnel, Recruitment & Training, General Affairs, and Legal) and plays an important role in carrying out the management strategy.

## Results of the first year of the Medium-term Business Plan

As the first year of the Medium-term Business Plan “Accelerating Towards Excellence” (hereinafter, the “current Medium-term Business Plan”), FY2024 was an extremely important year for taking the first step towards the next growth stage. The results of the first year were a litmus test for the future effectiveness of the growth strategy, and the significant improvement in business performance brought about a solid sense of progress.

As shown below, increased sales and profits were seen in the consolidated business performance.

- Consolidated net sales: 249.5 billion yen (+8.6% YoY)
- Consolidated operating income: 12.1 billion yen (+51.4% YoY)
- Profit attributable to owners of parent: 8.1 billion yen (+28.0% YoY)



These results are due not simply to increasing the numbers, but to steadily implementing the key measures established by the Company. In particular, the key measure of “creating touch points” has contributed significantly to increasing profits on a consolidated basis. In addition to opening 13 new AUTOBACS stores, we expanded to a total of 101 stores through the M&A of authorized Honda dealers, used car dealerships that provide in-house loans, and tire specialty stores. Furthermore, the contribution of newly consolidated subsidiaries to performance has also become apparent.

The current Medium-term Business Plan sets the following targets for FY2026.

- Consolidated net sales: 280.0 billion yen
- Consolidated operating income: 15.0 billion yen
- ROIC: 7.0%



## Message from the General Manager of Corporate Management

These targets were calculated by backcasting, aiming for consolidated net sales of 500.0 billion yen in FY2032, the final year of the long-term vision. They are positioned as the minimum level that must be reached to ensure sustainable growth for the Company.

These numerical targets are viewed as milestones to balance capital efficiency with profitability. In particular, I believe that improving ROIC will lead directly to continuous enhancement of corporate value, and that this indicator will play a central role in future investment decisions and business evaluations.

### Trends in reporting segments

**AUTOBACS Business:** In addition to increased demand for maintenance due to longer vehicle lifespans, service sales increased with the introduction of the "AQ. pit menu," a selection of original low-cost, high-quality pit services. Tire sales also increased in monetary amount and quantity as a result of last year's mild winter.

**Consumer Business:** Although M&A-related costs were incurred by making four companies into subsidiaries, sales increased by 7.4 billion yen and operating income improved. Existing businesses such as sale of new and used cars and online sales increased, increasing sales and reducing deficit.

**Wholesale Business:** While sales increased due to increased domestic wholesale sales to customers such as Nissan Motor

and 7-Eleven, profits decreased due to a decline in overseas exports.

**Expansion Business:** Finance remained strong due to increased interest rates and progress in cashless payment. Real estate income also improved with increased sales and profits.

### Promotion of the financial strategy aimed at continuous enhancement of corporate value

We are promoting the restructuring of our business portfolio under the current Medium-term Business Plan's policy to concentrate management resources on the two axes of retail and wholesale, which are our strengths. In FY2024, we strengthened our competitiveness in the retail area through M&As of tire retailers, used car dealerships, and companies that operate maintenance bases. Furthermore, in July 2025, we spun off part of our used car purchasing and sales business and our real estate management and brokerage business with a view to enhancing our business portfolio management system.

This is not simply an organizational restructuring, but a strategic effort aimed at improving capital efficiency and maximizing corporate value. In particular, after repeated careful consideration from the perspective of financial rationality and strategic alignment, we established a hurdle rate for M&As based on weighted average cost of capital (WACC: 5-6%) and factoring in a risk premium based on the features of the applicable businesses, based on which the Board of Directors makes appropriate decisions. During the post-acquisition integration process, we focus on creating synergy and improving capital efficiency, and we have developed a quantitative evaluation system.

The new franchise chain package launched in April 2024 revised the revenue structure by reducing wholesale prices to franchisees and increasing the retail royalty rate. Furthermore, we are promoting the standardization of high-quality services on a total store basis by incorporating DX tools and training costs for stores into royalties. These measures promote the steady development of infrastructure aimed at sustainable growth by improving customer satisfaction and promoting the restructuring of stores, which are our source of revenue.

On the other hand, in FY2023, we promoted business development by closing overseas stores and dissolving overseas joint ventures. This was a strategic withdrawal decision emphasizing capital efficiency. Going forward, we

will continue to optimize our business portfolio by making decisions related to restructuring and withdrawal while accurately assessing business growth phases and changes in the market environment.

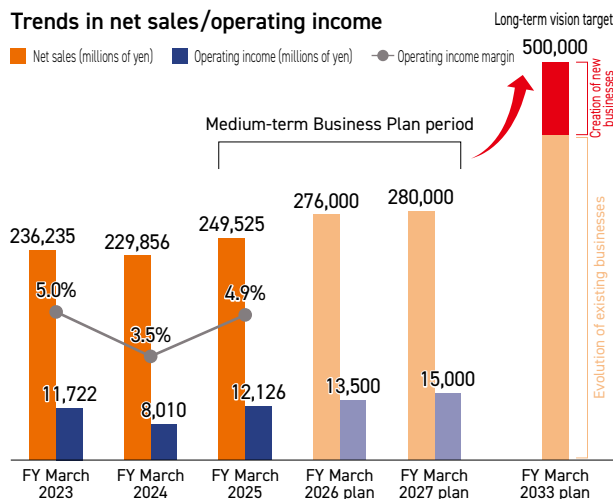
### Capital cost and stock price-conscious management

In order to achieve sustainable growth and enhance corporate value, we consider management conscious of capital efficiency and capital cost to be an important issue. I believe that suggestions obtained through dialogue with capital markets are essential for establishing the direction of the financial strategy, and that they will lead directly to fundamentally enhancing corporate value.

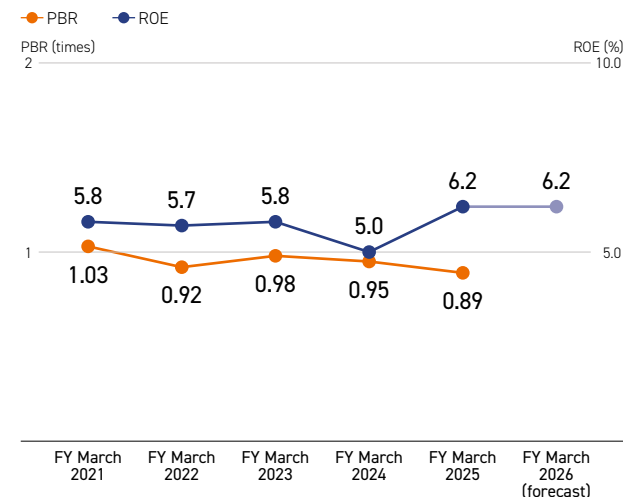
However, PBR is currently below 1.0, which we are aware falls short of capital market expectations. We recognize contributing factors to be the limited nature of market assessments on the growth potential of the AUTOBACS Business, which is our core business, and the as yet insufficient visualization of the results of reforms such as the changes to the franchise chain package in April 2024.

In response to this issue, we established a policy of concentrating management resources on the two axes of retail and wholesale under the current Medium-term Business Plan,

### Trends in net sales/operating income



### Trends in PBR/ROE



## Message from the General Manager of Corporate Management

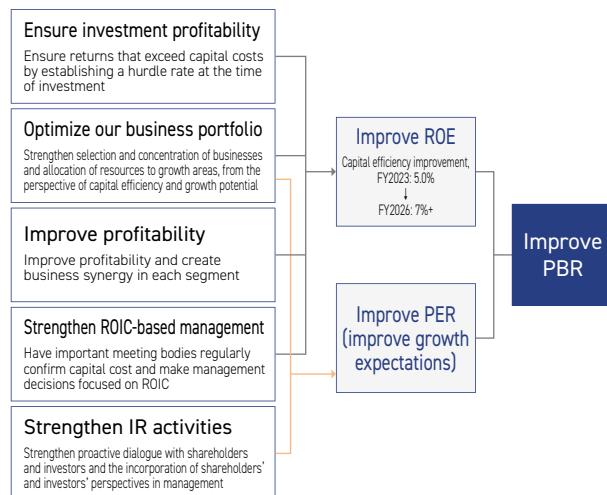
and in July 2024, we changed the reporting segments and conducted organizational restructuring. This aims to optimize our business portfolio and strengthen our strategy implementation capabilities, and it is also an important measure from a financial standpoint, aimed at striking a balance between capital efficiency and growth potential.

In addition, we have been strengthening ROIC-based management since FY2023, and we established an ROIC target for each business in FY2024. We have established a system in which ROIC by segment and capital cost are regularly confirmed by important meeting bodies and reflected in management decisions. These values are positioned as measures of management quality, and we are focused on spreading internal awareness of them.

In future growth investments, we will thoroughly assess quantitative return on investment using the ROIC indicator and continue to make decisions focused on return on invested capital. The current Medium-term Business Plan establishes a target ROIC of 7.0% for FY2026. In FY2024, ROIC was 5.6% due to the acquisition of fixed assets from M&As, but we aim to achieve the target through business growth and increased profitability.

For ROE, we will first set a target of 7.0%, which we consider the minimum level that must be exceeded. We will aim for further improvement in the next Medium-term Business Plan.

### Initiatives aimed at improving PBR



### Balancing growth investments and shareholder returns

The current Medium-term Business Plan calls for total growth investments of 35.0 billion yen in the three-year period from FY2024 to FY2026, with 17.0 billion yen of which allocated to M&As. In FY2024, we invested approximately 10.0 billion yen in M&As and made multiple retail businesses into subsidiaries in the Consumer Business. Furthermore, we promoted active investment from the first year of the plan, making roughly 9.0 billion yen in capital investments with a focus on opening new stores. In this way, we are already more than 50% of the way to achieving our three-year investment plan.

Going forward, we will strengthen investments in business infrastructure development such as IT and logistics, aiming to achieve growth and create business synergy for the subsidiaries that have become part of the Group. On the other hand, we will continuously monitor businesses and sites that are not expected to be profitable, eyeing the possibility of withdrawal or downsizing.

With regard to shareholder returns, we have established a basic policy of prioritizing investments in growth opportunities aimed at achieving our long-term vision and providing stable annual dividends of 60 yen per share. We will continue

to promote a sustainable dividend policy while taking into account the balance with growth investments.

### Initiatives aimed at enhancing corporate value

Aiming to continuously improve corporate value, the AUTO-BACS SEVEN Group promotes integrated capital management, including the non-financial areas of human capital, intellectual capital, and natural capital, as well as the financial areas. By incorporating the ESG perspective into management, we strive to achieve long-term growth and gain the trust of stakeholders while fulfilling our social obligations.

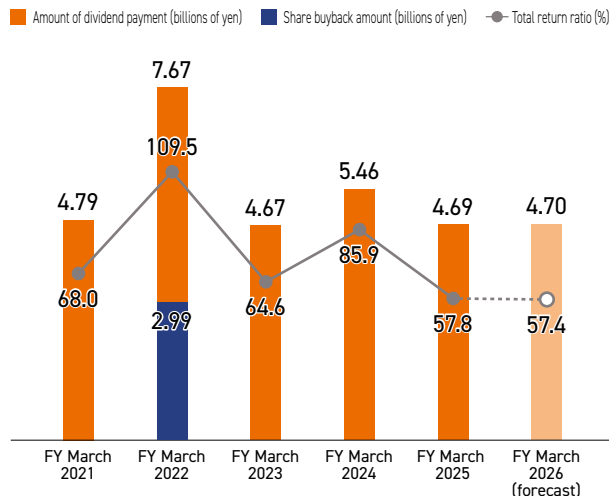
Among these, we recognize human capital as an important foundation for corporate competitiveness and sustainability. We are working to establish an environment in which all employees can grow independently by developing employee skills, improving engagement, and promoting diverse work styles. These initiatives will also lead us to improve productivity and create innovation, and I believe they will directly result in enhancing corporate value.

In addition, dialogue with investors is recognized as an important management activity for enhancing corporate value. Feedback, requests, expectations, and concerns received through IR interviews and financial results briefing are regularly reported to the management team and the Board of Directors and reflected in our business plan formulation and information disclosure policies.

In FY2025, we are also working on specific improvements such as expanding the scope of disclosure for each segment. As honest and clear information sharing is essential to building trust with capital markets, we will carefully communicate the Group's medium- to long-term growth strategy through integrated reports and a variety of other communication tools.

Our long-term vision to achieve 500.0 billion yen in consolidated net sales in FY2032 is a bold and ambitious goal that lies beyond our usual trajectory. The current Medium-term Business Plan, which is positioned as the first step towards this goal, is an extremely important milestone that will influence the Company's regrowth. As the General Manager of Corporate Management, with steady achievement of the current Medium-term Business Plan as a given, I will continue putting my utmost effort into enhancing corporate value in terms of both financial strategy and non-financial value as a financial leader who supports the achievement of sustainable business growth and enhanced corporate value.

### Trends in shareholder returns/total return ratio



## The change in the franchise chain package is a historical turning point toward growth.

In FY2024, the AUTOBACS SEVEN Group implemented major revisions to the franchise chain package, taking a significant step toward reforming the foundation of its business model.

In this interview, we are joined by the Chief Executive Officers of two of our franchisees, who spoke candidly about their assessment of the reforms, challenges faced, and future prospects.

P. 07 AUTOBACS Franchise System



**Yuji Sakamoto**  
BUFFALO CO., LTD.  
Representative  
Director & President



**Takeshi Yamaguchi**  
WAKI CO., LTD.  
Representative  
Director & President

### Q What is your assessment of the recent changes to the franchise chain package?

**Sakamoto** I see the recent changes to the franchise chain package as a very significant reform that clearly demonstrated the headquarters' stance of breaking away from the conventional wholesale-centered business model and working together with franchisees to increase sales. I feel that this has laid the groundwork for the headquarters and franchisees to grow together, moving in step toward expanding retail sales.

Store management has completely changed over the past twenty years. As the Company expands its business from one centered on automotive goods to one that includes statutory safety inspections, body work, and maintenance such as car washing and coating, I see the royalty rate revision as a "challenge for survival" for the headquarters. The change from 1% to 9% is not only a simple rate adjustment. It means developing new services and otherwise reforming AUTOBACS stores. I believe that it will bring about opportunities for revision of the revenue structure and growth for franchisees.

**Yamaguchi** The recent reforms are indeed a historical turning point in which the headquarters tackled long-standing issues head-on. Mr. Horii's bold step of revising the royalty structure is a decision that I hold in high regard. While opposition to the reforms is inevitable, I feel that the rapid and simultaneous implementation was extremely effective.

As franchisees, we see these reforms as an opportunity. Improving the gross profit margin by reducing the cost of products and aligning our perspectives with the

headquarters allows us to be hopeful about the potential for sales growth. Particularly in the previous fiscal year, we have made proactive capital investments, increased wages, and revised our sales promotion methods in line with the reforms, and these decisive actions have led to results.

These reforms have laid a new foundation for franchisees and the headquarters to grow together, and I am certain that they will serve as an opportunity for further development going forward.



### Q Are there any issues with the reforms or areas for future improvement?

**Sakamoto** I think that expanding the service business into areas such as maintenance and statutory safety inspections is essential for further growth. With the shift to a service-centered business model, all franchisees must establish a solid service-based revenue base.

In addition, there are currently inconsistencies in the facilities and service menus at each store, so it is important to unify and standardize this as soon as possible. I believe that we can improve brand value by developing a system through which all stores can provide the same quality of services.



**Yamaguchi** As Mr. Sakamoto says, strengthening our service areas is very important for sustainable future growth. Furthermore, it is essential to invest in "human resources" that support this. Going forward, as education and training is incorporated into the franchise chain package, there will be a need for more practical human resource development mechanisms with more visible results. For example, rather than simply counting the number of participants, such as the number of employees who can contribute to statutory safety inspections, a mechanism will need to be established for quantitatively evaluating and visualizing the results of education.

Furthermore, we expect the headquarters to strengthen the system so that it carefully determines the state of each corporation, assesses whether appropriate employee placement and education investments have been made, and offers support. If sales decline, such investments will be postponed, resulting in a reduction in service quality. It is precisely for this reason that I wish for the headquarters to be able to accurately assess the situation at stores and provide prompt support when necessary.

### Q What are your future prospects?

**Sakamoto** The recent changes to the franchise chain package are not simply revisions to the system, but a redefining of the values and direction of the Group as a whole. They have brought about a new relationship in which the headquarters and franchisees can see the business from the same perspective and expand sales together, which is a major step forward.

However, the reforms still have a long way to go. There are a mountain of issues to address and changes to make going forward, such as strengthening maintenance and service areas, unifying stores, and further revising revenue structure. One specific example is the sales promotion activities conducted by the headquarters. The content of products and services included in flyers and direct mail has, in fact, barely changed from the past. Given that the headquarters changed the business model from wholesale to retail, this is something that should also be promptly changed from a retail perspective. It feels as though we have not yet managed to completely break free from the past. We are also approaching the implementation phase of reforms with resolve, and hope that the headquarters will continue demonstrating strong leadership.

There are still many things that must be done for the AUTOBACS Group to become a worthy industry leader. I believe that this is the time to move forward together in earnest.

**Yamaguchi** Mr. Sakamoto called these reforms a "challenge for survival" for the headquarters, and I think they are for franchisees as well. Now that the headquarters has made a major decision, we must also undergo real changes. If there are franchisees that are complacent with the status quo, they should use these reforms as an opportunity to change their awareness.

By viewing the reforms as an opportunity to actively engage in capital investment, human resources development, and sales promotion activities, I wish to enhance our value as franchisees and create stores that can contribute to local communities. As holders of a true shared destiny, the headquarters and franchisees will support each other and build a stronger AUTOBACS Group. In order to do so, I would like to continue sharing feedback from the field with Mr. Horii and promote the reforms together.

## Strategy 1 “Create Touch Points” to Continue to Support Mobility Lifestyles

### Enhancing economies of scale through base expansion

In addition to accelerating the expansion of our core AUTOBACS stores, we are actively pursuing M&A targeting key areas of our growth strategy and new store brand development—namely tire sales, vehicle purchasing and sales\*, and statutory inspections and maintenance. Through the expansion of store locations, we aim to acquire more customers and enhance economies of scale.

\*including new car dealerships

#### Measures

- ①. Expansion of AUTOBACS stores: +13 stores
- ②. Expansion of new store brands: +3 stores
- ③. Expansion through M&A: +101 stores

Expanding 117 new locations

### 1 | Expansion of AUTOBACS stores

In FY2024, we opened 13 new AUTOBACS stores, approximately four times the number opened in the previous fiscal year. By revising our store opening scheme and shortening the review period, we have re-accelerated store expansion. We plan to open 10 new stores in FY2025.



AUTOBACS Yurihonjo Store

### 2 | Expansion of new store brands

We are actively expanding our new store brands, including “AUTOBACS CARS,” which specializes in vehicle purchasing and sales; “AUTO IN Shaken & Tire Center,” which focuses on tire sales and vehicle inspections; and “Smart+1,” which specializes in car washing and coating services. In addition to opening stores under the comprehensive AUTOBACS format—which offers automotive goods, inspections, maintenance, and vehicle transactions—we are developing specialized formats tailored to regional characteristics and target customer segments. Through this approach, we aim to meet a wider range of customer needs and attract new customers.



AUTO IN Shaken & Tire Center Kumamoto Tamana store

### 3 | Expansion through M&A

Through M&A, we have expanded our network to a total of 101 stores, including used car dealerships, Honda-authorized dealerships, and tire specialty stores. We remain committed to actively growing our network through further M&A opportunities.

#### Key Area 1: “Tire sales”

##### BEE LINE Corporation



BEE LINE Yukuhashi R10

January 2025

We have made BEE LINE Corporation, which operates 73 tire specialty stores (including franchisees) primarily in the Kyushu region, a subsidiary. The company offers tires at competitive prices and provides speedy and meticulous tire replacement services. We are working to strengthen our competitiveness by expanding our tire sales market share.

#### Key Area 2: Vehicle purchasing and sales

##### Otoron Co., Ltd.



Otoron Takasaki

August 2024

Otoron Co., Ltd., which operates used car dealerships specializing in in-house loans, has become a subsidiary. Otoron runs its own branded stores, offering in-house loans based on proprietary credit screening, and has 16 stores across 12 prefectures, primarily in the metropolitan area.

##### Tokatsu Holdings Co., Ltd.



Honda Cars Matsudo Higashi

October 2024

We have acquired Tokatsu Holdings Co., Ltd., a consolidated subsidiary that operates Honda authorized dealerships. The company operates 12 dealerships within Chiba Prefecture. With the acquisition, our group now operates authorized dealerships for three brands: Audi, BYD, and Honda.



Strategy  
2

## “Develop and Supply Products and Solutions” Tailored to Mobility Lifestyles

### Cost reduction through consolidation/Enhancing price competitiveness

Our group is streamlining organizations and functions related to the supply chain of products, which are the source of our revenue, to reduce costs and enhance price competitiveness.

We are also implementing changes to the franchise chain package, aiming to improve customer satisfaction through measures including revising royalty rates, maintaining nationwide standardized tools for stores, and strengthening staff training systems.

Measures

- ① 1. Promotion of supply chain management
- ② 2. Changes to the franchise chain package
- ③ 3. Reform of headquarters functions and operations

### 1 | Promotion of supply chain management

From a supply chain management perspective, we are promoting structural reforms from a group-wide optimization viewpoint across three key functions: product procurement and development, logistics, and sales.

As Phase 1, we consolidated product procurement and development functions. Effective April 1, 2025, we absorbed the product procurement and development operations of a subsidiary, and integrated them with AUTOBACS SEVEN's corresponding functions. This enables us to enhance competitiveness through the development of high-quality, low-cost private brand products. We will sequentially proceed with the integration of logistics and sales functions going forward.



PB Gasoline Additive



PB Car Air Conditioner Filter

### 2 | Changes to the franchise chain package

Starting in April 2024, we revised our franchise chain package. In addition to adjusting royalty rates, we have incorporated new nationwide standardized measures.

These include the implementation of the “Safety Pit Camera” across all stores, enabling customers to view service pit operations via smartphone, as well as enhancements to staff training—both in basic customer service and specialized areas such as pit services.



Safety Pit Camera

### 3 | Reform of headquarters functions and operations

At AUTOBACS Chain Headquarters, we are reviewing back-office functions and consolidating departments, while working to reassign personnel to customer-facing locations such as stores.

Through continuous business reviews and operational improvement initiatives across the company and within each department, by April 2025, approximately 40% of headquarters personnel had undergone placement optimization compared to April 2023, resulting in significant labor savings in headquarters operations.

Furthermore, to support stores without requiring permanent personnel transfers, we have established and are operating a work system in which employees assigned to headquarters departments continue their regular duties while also handling customer service tasks at stores or call centers for a set number of days. Additionally, we are working to improve productivity at headquarters by simplifying business processes, including revamping the headquarters intranet and reviewing internal application systems.



Call Center Staff at Work



Store Staff at Work

## Strategy 3 “Establish New Business Domains” in Response to Changes in Mobility Lifestyles

### Proactive initiatives to secure future revenue streams

In addition to expanding existing businesses, we are proactively pursuing initiatives such as electric vehicle (EV) sales, the development of EV-related solutions, and the introduction of new electric mobility options. These efforts aim to establish new business domains that will serve as future revenue sources.

We are also taking on the challenge of commercializing services that contribute to solving social issues, and we continue to promote the creation of new businesses through innovation and social value.

#### Measures

- 1. EV sales and development of EV-related solutions
- 2. Expansion of electric mobility offerings
- 3. Launch of VEEMO Welfare services

### 1 | EV sales and development of EV-related solutions

Our group aims to promote the safe and secure adoption of EVs to help realize a zero-carbon society. To this end, we are advancing the operation of EV dealerships and the development of charging infrastructure.

In terms of charging infrastructure maintenance, we have set a target to install EV fast chargers at 100 AUTOBACS Group stores by 2030. As of the end of FY2024, installations had been completed at 16 stores.

For EV sales, our subsidiary, Backs e-Mobility Co., Ltd., operates three authorized dealerships for electric vehicle manufacturer BYD: BYD AUTO Nerima, BYD AUTO Utsunomiya, and BYD AUTO Tokyo Bay Shinonome.



BYD AUTO Nerima



EV Rapid Charger

### 2 | Expansion of electric mobility offerings

The AUTOBACS Group began handling electric mobility products, such as electric kickboards, which are seeing growing demand as new modes of transportation, in February 2024. We are currently focusing on expanding both the product lineup and the number of stores offering these electric mobility products. By the end of FY2024, the number of stores handling them had increased to 38.

Furthermore, starting in May 2025, we opened a store on the rental and subscription mall “Kauriru,” operated by TENT Inc., and launched subscription and rental services for electric mobility products.



### 3 | Launch of VEEMO Welfare services

VEEMO Welfare is a solution that allows users to reserve accessible parking spaces for individuals with disabilities or physical impairments in advance via smartphone. It aims to prevent the inappropriate use of these spaces—a growing societal issue—while improving convenience for users. In May 2025, the service was introduced at Narita International Airport (Narita City, Chiba Prefecture). Moving forward, we aim to expand its implementation to large commercial facilities, hospitals, public institutions, and other locations nationwide, working toward the realization of a society where everyone can move with peace of mind.



VEEMO Welfare

# Capital Allocation

## Proactively invested in capex and M&A from year one of the Medium-term Business Plan

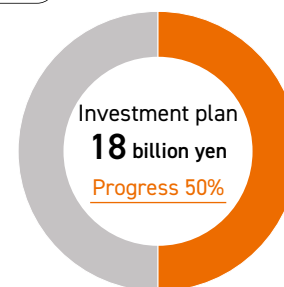
During the period of the Medium-term Business Plan, we plan to allocate capital totaling approximately 35 billion yen in cumulative investments. While prioritizing investments in growth opportunities, we maintain a policy of sustaining a stable annual dividend of 60 yen per share.

Since the first year of the Medium-term Business Plan, we have actively pursued capital expenditures and M&A activities, achieving over 50% progress against the investment plan for the three-year period. In FY2024, the contribution to earnings from subsidiaries acquired through M&A has become evident, contributing to profit growth on a consolidated basis.

We plan to continue expanding our business by advancing new store openings and capital investment in IT and other areas within existing businesses, while also driving M&A to create group synergies.

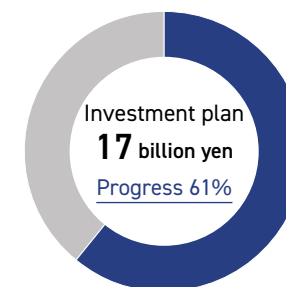
## FY2024 Results

### Investment Capital expenditure



Major breakdown	• New store openings	2.5 billion yen
	• S/B R/L extension and renovation	0.3 billion yen
	• Land	2.4 billion yen
	• Investment in information technology	1.2 billion yen
	• Other	2.3 billion yen

### M&A investment



Major breakdown	• Otoron Co., Ltd.
	• Tokatsu Holdings Co., Ltd.
	• BEELINE Group, etc.
	*Total M&A investment amounts are calculated based on consolidated investment cash flows, deducting cash and deposits held by the acquired company at the time of acquisition from individual investment amounts.

## Background of improving the drive of the Medium-term Business Plan

### Organizing task teams across departments and subsidiaries Consistent promotion of the plan from the formulation through implementation stages by mid-level and young members



**Hironori Suzuki**  
Department Manager,  
Corporate Planning Department

In previous Medium-term Business Plans, the Company has been unable to generate sufficient drive in the implementation stage after announcing the plan. The Company struggled with insufficient concreteness and practical implementation of measures at business departments and subsidiaries. In addition, it was often observed that departments tended to focus on individual optimization, making it impossible to generate sufficient unity and drive as a Group.

In response to such issues, the current Medium-term Business Plan takes a new, unconventional approach, fundamentally revising the process from plan formulation to implementation.

Formulation of the 2024 Medium-term Business Plan began in October 2022 with the formation of a formulation review team composed of 30 members, mainly from among department managers who are candidates for the next generation of executives. Beginning with the fundamental question of whether a Medium-term Business Plan was necessary in the first place, members held repeated discussions on strategies and tactics from a neutral perspective, such as the direction in which the Company should proceed, through analysis of the external environment, the Company itself, and competitors.

Based on the shared understanding that, when executing a plan, it is important that all employees

take the plan personally and change their awareness and behavior accordingly, kick-off meetings were held at each site, and the plan was promoted as a management plan that the consolidated Group would work toward together, not passively, but actively.

In the implementation stage, we formed a “Medium-term Business Plan Implementation Taskforce” consisting of approximately 50 members split into nine teams, one for each strategy or measure. This taskforce encouraged cooperation between businesses and departments and regularly monitored progress to improve the effectiveness of implementation. Upon reflection, each team’s activities promoted understanding and dissemination among employees, which led to the steady implementation of each issue and contributed to achieving the first-year targets of the plan.

Going forward, the Corporate Planning Department will take the lead in promoting the Medium-term Business Plan, aiming to achieve the FY2026 management targets by steadily executing the plan’s strategies and key measures.





**Yosuke Matsuda**

Outside Director

**Ayako Kanamaru**

Outside Director  
Audit and Supervisory Committee Member

**Masami Koizumi**

Outside Director  
Audit and Supervisory Committee Member

**Tatsuya Kamoi**

Outside Director

To achieve our long-term vision, we expect to steadily drive transformation through strategic investments and the evolution of our organization and human resources.

**Q** Please share your assessment of the first year of the 2024 Medium-term Business Plan and key points for improving the effectiveness of strategy implementation.

**Matsuda** FY2024 was the important first year aimed at transitioning to the new business model established by the Company, and I highly commend the

active implementation of strategic M&As. This is not simply business expansion, but also a strategic investment from a long-term perspective, and the management team is making decisions with strong resolve. In addition to promoting a policy of expansion while balancing the accelerator and brakes, it is important to operate in such a way that each measure steadily leads to results. In particular, in order to maintain our

speed of growth, we must thoroughly review unprofitable businesses and strive to continuously improve ROE.

**Koizumi** I was appointed as an Outside Director of AUTOBACS SEVEN in 2021. At the time, I promoted the establishment of the Six Networks and the enhancement of the Five Business Infrastructures under the Five-year Rolling Plan in order to provide services



tailored to car usage scenarios. These initiatives absorbed the initial M&A costs and rising labor costs in FY2024, leading to increased sales and profits exceeding the targets of the plan. In particular, the steady progress of the three key strategies to “create touch points,” “develop and supply products and solutions,” and “establish new business domains” can be considered a solid foundation for future growth. The increased number of locations is expected to increase customers going forward, which I believe will contribute to medium- and long-term growth. With regard to capital efficiency, while ROIC and ROE have both improved, I recognize that PBR falling below 1.0 is an ongoing issue.

**Kanamaru** We got off to a good start in FY2024 by achieving our targets while making various preparations for the future. I feel that employee motivation has increased, and a positive atmosphere has been cultivated throughout the organization. Going forward, I would like to keep a close eye on the progress of how various initiatives can bear fruit.



At Board of Directors meetings, regular reports are given on the progress of the Medium-term Business Plan, and Outside Directors are also given the opportunity to express their candid opinions. The management team takes such feedback and suggestions from Outside Directors seriously. Going forward, I hope to continue the highly transparent disclosure of information while making the relationship between each strategy clear.

**Kamoi** I was appointed as an Outside Director of AUTOBACS SEVEN in June 2025. When I was offered the position of Outside Director, I spoke with other Outside Directors who briefed me on what kind of thinking guides their participation in management. In addition, during the onboarding process, I was given the opportunity by the Corporate Planning Department to gain a deep understanding of the Company’s strategies and issues in relation to the details of the 2024 Medium-term Business Plan.

The domestic market is undergoing major changes such as digitalization of points of contact with customers and the increased use of software in vehicles, and the declining population is expected to bring about a reduction in the number of vehicles sold. Amidst this business environment, the Company established in the 2024 Medium-term Business Plan that it will pursue diversification by making active investments aimed at a new growth stage and focusing on exploring new business domains.

When promoting the plan, the management team communicates thoroughly with the leaders overseeing operations on site and strives to disseminate policies and strategies. However, in order to ensure complete implementation of the plan, it is essential to enhance the organization-wide effectiveness of implementation. Specifically, we have thus far been in a stage of expansion and growth centered on a strong AUTOBACS Business, but moving forward, particular-



ly to the stage of creating new businesses, will require even stronger market analysis skills, strategic planning skills, and problem-solving skills. In addition, homogenous discussions only among people who share the same culture and experiences will not lead to transformation. It is important to bring in new perspectives by actively recruiting human resources from outside the Company with skills and experiences not found within, and recruiting and promoting human resources with diverse backgrounds.

It is also important to work to strengthen the supply chain. I would like to see reassessments of whether it is suitable for the operation of new businesses, whether it is sustainable, and whether its digital infrastructure is robust and flexible.

**Koizumi** Securing and developing human resources is extremely important in order to explore and expand into new business areas with a view to achieving target net sales of 500.0 billion yen in FY2032. As the Company shifts its business model from goods to



services, I appreciate that it has made efforts to secure and develop certified mechanics from an early stage.

With the domestic market expected to shrink going forward, global expansion is an important growth driver. While overseas businesses have struggled in the past, the system has been revamped under Mr. Horii, transitioning from a vertically-divided regional headquarters-based system to a dual-axis system based on retail and wholesale. I look forward to future development, focusing on the restructuring of the global strategy.

I also look forward to seeing innovative evolution achieved through the impressive brand strength of the AUTOBACS Business.

**Matsuda** While it is great news that business performance is improving, in order to ensure steady growth going forward, it is important that we accurately analyze which measures are proving effective and further develop our strengths. It is also essential that

we engage in constant, thorough communication so that employees feel a sense of accomplishment. The FY2032 target of 500.0 billion yen in net sales is not a figure that we can achieve by merely building on the current situation. The management team will be required to reach beyond individual strategies for a grand vision for achieving non-consecutive growth and a strong will to support it.

**Q** We are shifting from an “automotive goods and services sales business” to an “integrated mobility after-sales market player.” What are your thoughts on the current situation and future expectations?

**Koizumi** In the four years since I was appointed as an Outside Director of AUTOBACS SEVEN, the transformation of the automotive industry has accelerated, with the further diversification of customer needs and the transformation of the concept of cars themselves. To achieve top-line growth in the mature domestic market, I feel that highly accurate directional guidance is being provided by our current efforts, which are expanding and strengthening engagement with customers through new services and the used car business in addition to goods and statutory safety inspection services.

**Matsuda** In April 2024, the franchise chain package was revised based on the idea of franchisees and the Company both focusing on retail with a view to re-growth across the AUTOBACS Group. While this is a major change carrying the risk of franchisee withdrawal, I see its bold implementation as a deeply meaningful initiative. Within the Company, it has been praised as a “change that only Mr. Horii could achieve.”

We are currently actively promoting growth-oriented investments, with investment decisions being made with a focus on profitability. While this is an important perspective, simply making repeated safe investments will not lead to fundamental change, even if they lead to an expanded size. In order to launch new businesses and drive transformation, we must make decisions from a broader perspective, including that of whether the Company possesses the necessary functions and human resources.

**Kanamaru** Changing the franchise chain package was a huge decision for the Company. At present, the changes are proceeding smoothly and management has not faced any obstacles. However, we must continue to monitor what changes occur to franchisees’ business performance going forward, and how they affect the Company’s business performance.

It is also important to continuously confirm trends in customer satisfaction, and whether service quality is maintained and improved. I would like to keep a



close eye on whether these reforms lead to a “win-win” relationship that is profitable for both franchisees and the Company.

### **Q The purpose and vision were announced in May 2023. What are your thoughts on the Company’s social significance and your expectations?**

**Koizumi** The Company’s purpose of “ensuring the safety of our communities while driving and enriching customers’ lives” and its direction of evolution as to become a company that is “dedicated towards providing you the joy of going out” were presented based on deliberations by the executive side in discussions at the Board of Directors meeting related to the long-term vision “Beyond AUTOBACS Vision 2032.” At the Board of Directors meeting, Outside Directors also presented many opinions on the concreteness of growth drivers aimed at achieving the target of 500.0 billion yen in net sales, and whether we can present a persuasive narrative to investors, taking into consideration alignment between the purpose and business strategy, their relationship with the Company’s strengths and competitive advantages, and future market trends.

I believe that we should consider whether our current purpose is adequate for the move toward the “integrated mobility after-sales market player” as a familiar maintenance hub, and establish a new purpose if necessary.

**Matsuda** We must clarify which areas will be developed in order to achieve non-consecutive growth. In order to do so, in addition to presenting the resolve to transform AUTOBACS as an impact, sharp-edged message, it is important that we organize our vision and direction into a concrete and compelling narrative and

communicate it repeatedly. If this equity story convinces investors of profitability, we can expect to enhance corporate value.

In addition, even if changes to the Company are not noticed internally, gaining recognition externally will increase employee awareness and motivation, creating vitality throughout the organization. I would like the management team to disseminate information even more actively in order to create such a positive cycle.

**Kamoi** I have served as the Chief Executive Officer of multiple companies. During my time in office, I put a lot of effort into the external dissemination of information. While the purpose of this was to gain the understanding of external parties, I also had a strong desire for employees to recognize the company’s direction and values. In truth, I remember disseminating information with an awareness that was 40% external and 60% internal. I expect the AUTOBACS SEVEN management team to further strengthen internal and external dissemination with the same perspective.

### **Q What are the characteristics and issues related to the Company’s governance and Board of Directors?**

**Koizumi** Board of Directors meetings previously contained a lot of deliberation of individual agenda items and reports on execution of duties. Now, however, under the 2024 Medium-term Business Plan, there have been more discussions on how to enhance corporate value by improving “earning power” and more candid and constructive exchanges of opinion.

As an issue for future examination, I would raise the fact that a low portion of total director remuneration is composed of performance-based remuneration (stock remuneration). Formulating an incentive plan

linked to the long-term vision and the Medium-term Business Plan is important in more strategically connecting the awareness and actions of the management team, and I believe this is a theme that should be further examined.

**Kanamaru** As a characteristic of the Company’s Board of Directors, I would raise the fact that Outside Directors are deeply involved in management and actively give advice and recommendations. At Board of Directors meetings, there are many situations in which the opinions of Outside Directors are sought, and information is sufficiently provided by the executive side. We are also given adequate opportunities for conversation with the Chief Executive Officer, allowing for smooth communication.

There are also regular Independent Outside Directors Liaison Meetings, in which discussions are held only among Outside Directors. The content of these meetings is provided as feedback to the Chief Executive Officer, allowing us to share multifaceted perspectives on management issues. As issues made clear in evaluations of the Board of Directors’ effectiveness are also addressed seriously, going forward, we can expect further improvement of effectiveness of the Board of Directors and other meeting bodies, in regards to their ideal state and decision-making process.

**Matsuda** After Mr. Horii was appointed as Chief Executive Officer, restructuring of the management and executive system has progressed with the abolition of the officer system in 2023 and organizational restructuring in conjunction with changes to the reporting segments in 2024. These initiatives demonstrate a strong conviction toward transformation as a company, and I believe that they will be an important foundation for future growth.



Achieving the target of 500.0 billion yen in net sales will be difficult if we do not maximize our organizational capability. I would like to continue being actively involved by providing necessary advice and recommendations as an Outside Director, with a view to establishing a more robust organizational system with stronger implementation capabilities.

**Kamoi** The most important factor for enhancing corporate value is how to make the executive system as robust as possible. The Company is trying to transition to a new growth phase, which also changes the skills required of the executive side. I recognize that we are currently in a period of transitioning to a leadership team with strong strategic planning and implementation capabilities. I would like to help build this new stage by offering support from a perspective close to the executive side.

### Q What are the themes and issues on which we should focus as we aim for sustainable growth?

**Kanamaru** In recent years, a series of scandals has occurred in automotive-related industries, causing corporate trust to be once again called into question. Having expanded the Group with the addition of new subsidiaries and franchisees, thorough compliance and highly transparent operations are essential in order to maintain the trust of society. From a position with a specialized legal perspective, I would like to help achieve sound corporate management by continuously confirming the status of Group-wide corporate governance systems and risk management and providing advice and recommendations as needed.

**Koizumi** With M&As being implemented at unprecedented speeds and consolidated subsidiaries



increasing, strengthening Group-wide internal control is an urgent priority. As a Full-time Audit and Supervisory Committee Member, I would like to further strengthen defensive governance through required audits and recommendations, and work to create a foundation that supports sustainable growth.

**Kamoi** The Company provides important services related to the social infrastructure of mobility. Considering Japan's aging population, active information dissemination will be required to ensure recognition of the Company's purposes and roles in society, such as mobility and other support for the elderly.

As business diversification progresses, it is essential that we strengthen our governance and human resources strategy. From a human resources

perspective, in addition to quantitative indicators such as the ratio of female managers and the acquisition rate of childcare leave, I would also like to see the active external dissemination of the image of diverse human resources thriving with high engagement.

**Matsuda** Steadily implementing the measures set forth in the Medium-term Business Plan and achieving its targets will be the foundation for sustainable growth. We got off to a good start in the first year of the plan. Going forward, we must accelerate changes by further strengthening our organizational systems and human resources, and further increase the likelihood of achieving our long-term vision of 500.0 billion yen in net sales. I will present suggestions and opinions to that end.



The AUTOBACS SEVEN Group will continue to provide diverse value as a professional and friendly presence supporting people's lives, working toward the realization of a safe, secure, and gentle society in which people, cars, and the environment exist in harmony.

## Concept of Sustainability

In its Basic Sustainability Policy, the Group has set forth the goals of "creating businesses that solve social issues" and "enhancing efforts that consider the environment and society." Through the products and services it provides, the Group aims to build a sustainable society where people and cars can continue to coexist in harmony. The Group believes that the concerted efforts of its employees towards the realization of such a society will meet society's expectations of the Group by solving various social issues and also helping achieve the Sustainable Development Goals (SDGs)

[WEB](#) | Sustainability Basic Policy

[WEB](#) | ESG data

### Our Ideal Society

A safe, secure, and gentle society in which people, cars, and the environment exist in harmony

### What We Aim to Be

Professional & Friendly



## Environment

Our company considers the environmental impact of its business activities, implements proper waste disposal and reduces environmental burdens in logistics and stores, aiming for a sustainable and prosperous society.

- Environmental Policy
- Response to Climate Change (Disclosures Based on TCFD Recommendations)
- Waste Reduction
- Recycling System
- Environmentally Conscious Products

[WEB](#) | Environment | Sustainability



## Society

Our company promotes various initiatives to contribute to society as we strive to create a prosperous automotive society. We rigorously manage the quality of our products and services, while also advancing employee development, improving work practices, and strengthening our diversity initiatives. Furthermore, we engage in community contribution activities at our stores nationwide.

- Safety and Security
- Talent Development
- Health Management
- Community
- Respect for Human Rights
- Product Quality Control
- Diversity
- Supply Chain

[WEB](#) | Society | Sustainability



## Governance

We will strengthen our corporate governance while continuously working to build internal control systems, ensure strict compliance with laws and regulations, and implement integrated risk management, aiming to become a company trusted by our stakeholders.

- Internal Control System
- Compliance
- Integrated Risk Management
- Whistleblowing System
- Information Security

[WEB](#) | Governance | Sustainability

# Material Issues



## Creation of Businesses That Solve Social Issues

We will develop businesses that contribute to the SDGs, such as initiatives related to EVs and build our business structures using an open innovation model.



## Enhancing Efforts That Consider the Environment and Society

We are striving to reduce CO<sub>2</sub> emissions through energy conservation and other means, reduce our environmental impact, and coexist with local communities



## Development of Organization and Personnel

We are working to develop the next generation of human resources and mechanics, to reform the way we work, to promote health management, and to achieve diversity and inclusion.



## Sustainable and Strong Management Base

We will promote management reform through digital transformation and build a solid management foundation by practicing ESG-centered management.

## Key Initiatives for the 2024 Medium-term Business Plan Period

We created a list of social issues that we should address, gathered from the SDGs, ISO 26000, GRI standards, etc. We then assessed their importance from both an economic and social standpoint, and evaluated their validity. Then, we identified the following four material issues: "creation of businesses that solve social issues," "enhancing efforts that consider the environment and society," "development of organization and personnel," and "sustainable and strong management base."

Every year, there is an increasing social demand for companies to adopt sustainability management that takes the natural environment and human rights into consideration. With issues such as the growing labor shortage and the progression of digital technology, the environment surrounding the Company is undergoing rapid changes and becoming increasingly severe. In light of this business environment, we have organized and identified a list of pressing issues that we must address in order to become a company that is "dedicated towards providing you the joy of going out," as well as established a list of non-financial issues on which we must focus in our Medium-term Business Plan. As part of our medium-term HR policy, we have established the following strategic priorities: "maximization of human capital," "transformation into an organization that creates innovation," and "strategic allocation of human resources."

### Priority Issues to Be Promoted During the 2024 Medium-term Business Plan

Materiality	Contribution to society (Non-financial targets)	Creation of economic value/KPIs	FY2024 Results	FY2030 Targets
Enhancing efforts that consider the environment and society	Promoting spread of safe and secure EVs toward realization of a zero-carbon society	Installing fast chargers	13 stores	43 stores
		Promoting statutory safety inspections of EVs (No. of EVs inspected)	1,136 units/year	3,440 units/year
		Promoting sale of EVs (No. of EVs sold)	302 units/year	2,500 units/year
	Reducing CO <sub>2</sub> by establishing environmentally-enhanced stores	Promoting environmentally-friendly stores	103 stores	140 stores
	Promoting environmentally conscious business	Developing environmentally-friendly products	298 products	300 products
	Realizing circular ecosystem	Reducing oil cans (increasing ratio of oil sale by measure)	Reduction of 50,000 cans	Reduction of 260,000 cans
Medium-term HR policy	Priority fields of investment in human capital	KPIs	FY2024 Results	FY2030 Targets
Maximization of human capital	Human resource development/reskilling	Development of personnel for data analysis	training participants: 183 persons	320 persons
		Ensuring and fostering Level-2 mechanics	1,059 persons	1,100 persons
	Diversity & inclusion	Increasing ratio of female managers	7.5%	18.0%
Transformation into an organization that creates innovation	Resourcing/talent management	Ratio of female employees	18.1%	30.0%
		Promoting paternity leave	51.7%	100.0%
Strategic allocation of human resources	Enhancement of engagement	Employee engagement (previously called "employee energetic level")	2.6	3.0

## Promotion System

Addressing overall sustainability issues as an important theme, the Company established the ESG & SDGs Project, led by the Representative Director & Chief Executive Officer, and has been promoting it as a company-wide project. The contents of relevant discussions and decisions are reported to the Board of Directors, and the Board provides approval on the Company's initiatives, issues instructions and conducts supervision, as necessary.

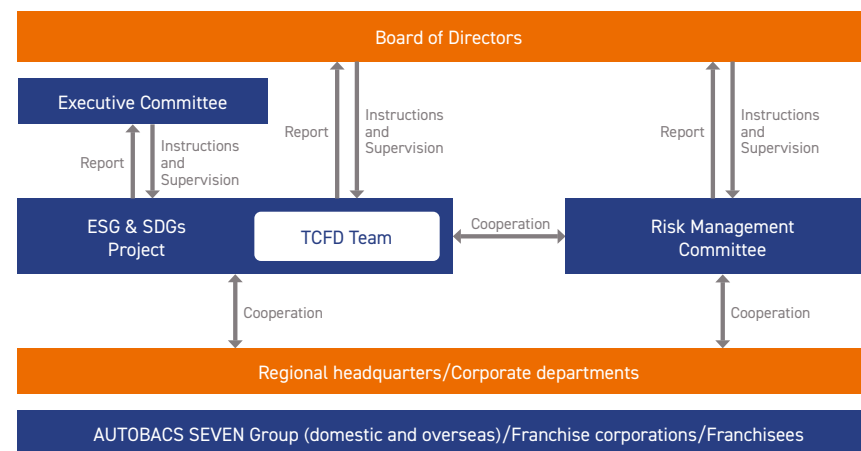
In May 2022, we established non-financial targets and formulated KPIs for fiscal year 2030. Since FY 2023, the General Managers (non-board member) at the time have led initiatives to achieve each target, driving progress in collaboration with all business divisions and corporate departments. In FY2024, we established a framework to transfer the responsibility for driving these initiatives to the Department Managers. Under this framework, the Executive Committee continuously monitors the progress of implementation measures, evolving our efforts towards realizing a "safe, secure, and gentle society in which people, cars, and the environment exist in harmony." Progress on KPIs is reported four times a year at either the Executive Committee or the Board of Directors meeting, ensuring progress is shared. Furthermore, when revisions or changes to KPIs are necessary, they are deliberated and decided upon in the appropriate meeting body.

Additionally, each General Manager (at the time) shared the details of measures, the status of initiatives, and challenges for each KPI via the intranet, aiming to permeate the initiatives throughout the entire company.

## Materiality Identification Process

In May 2021, the Company identified its materiality. In identifying materiality, we created a list of social issues gathered from the SDGs, ISO 26000, GRI standards, etc. Based on the list, the ESG & SDGs Project members discussed and held workshops to select the social issues to be addressed by the Company. Then, we evaluated the importance of social issues based on the two axes of economy and sociality, and organized them as materiality proposals. The Chief Executive Officer, Directors, and Officers (at the time) exchanged opinions with outside experts on the materiality proposals to verify their appropriateness. Then, after holding discussions at the Board of Directors and gaining its approval, we identified four material issues: creation of businesses that solve social issues, enhancing efforts that consider the environment and society, development of organization and personnel, and sustainable and strong management base.

Going forward, we will review the materiality to reflect changes in the social environment and business conditions, while also incorporating ESG perspectives into various Group policies. Through these efforts, we will strive to carry out business activities that contribute to realizing a sustainable society.



January 2021	Launched the ESG & SDGs Project
May 2021	Identified materiality by holding discussions among project members, exchanging opinions with outside experts, and then gaining approval from the Board of Directors
May 2022	Set non-financial targets
June 2022	Expressed support for TCFD recommendations
April 2023	Established the Sustainability Basic Policy, Human Rights Policy, Diversity Policy, and Procurement Policy. Revised our Environmental Policy
July 2023	Commencement of response to the CDP climate change questionnaire
Through 2030	Promoting initiatives to achieve KPIs and review materiality in accordance with changes in the business environment

## Progress on Material Issues

Our company sets key themes as non-financial targets and establishes corresponding KPIs. This allows us to clearly define our corporate direction while ensuring steady progress toward these goals through precise monitoring. Progress on each KPI is regularly monitored in committee meetings. In FY2024, these KPIs were also incorporated into the evaluation criteria for the CEO and all General Managers (at the time). These initiatives foster company-wide accountability for achieving goals and drive rigorous progress management.

Materiality	Non-financial Targets and KPIs				
Creation of businesses that solve social issues	Promotion of efforts to eliminate traffic accidents	Consolidated	Sale of merchandise for curbing accidents	190,000 units/year	230,000 units/year
		AUTOBACS Chain	Tire safety inspection*1	7.62 million inspections	8.6 million inspections
	Improving status of certified mechanics and fostering them	Consolidated	Holding regional traffic safety events	9 times/year	25 times/year
		Consolidated	Ensuring and fostering inspectors	680 persons	1,000 persons*2
		Consolidated	Ensuring and fostering Level-2 mechanics	1,059 persons	1,100 persons*2
Enhancing efforts that consider the environment and society	Promoting social contribution related to automobiles	Consolidated	Completing education for supporting EVs	698 persons	1,069 persons
		Consolidated	Disaster assistance using automobiles	59 units	111 units
	Reducing CO <sub>2</sub> by establishing environmentally-enhanced stores	Consolidated	Promoting environmentally-enhanced stores	103 stores	140 stores
	Promoting environmentally conscious business Realizing circular ecosystem	AUTOBACS SEVEN	Developing eco-friendly products	298 products	300 products
		Consolidated	Reducing oil cans (increasing ratio of oil sale by measure)	50,000 cans/year	260,000 cans/year*3
Development of organization and personnel	Promoting spread of safe and secure EVs toward realization of a zero-carbon society	Consolidated	Installing fast chargers	13 stores	43 stores
		Consolidated	Promoting statutory safety inspections of EVs (No. of EVs inspected)	1,136 units/year	3,440 units/year
		Consolidated	Promoting sale of EVs (No. of EVs sold)	302 units/year	2,500 units/year
	Creating corporate culture full of diversity	Consolidated	Increasing ratio of female employees	18.1%	30.0%
		Consolidated	Increasing ratio of female managers	7.5%	18.0%
Sustainable and strong management base	Establishing mechanism for evaluating challenges	Consolidated	Promoting acquisition of childcare leave by male employees	51.7%	100.0%
		AUTOBACS SEVEN	Keeping employees energetic	2.6	3.0
	Creating healthy and active workplaces	Consolidated	Reducing ratio of smokers	36.4%	20.0%
	Reviewing and formulating ESG/SDGs-related policies, and complying with them	AUTOBACS SEVEN	Enhancing sustainability policy and related policies	Implemented fixed-point checks of existing policies, established and disclosed Policies	Renewal
	Further strengthening monitoring	AUTOBACS SEVEN	Further monitoring corporate governance system and progress status	Internal distribution and appropriate disclosure	Improvement
Sustainable and strong management base	Developing and utilizing data infrastructures toward value creation	Consolidated	Promoting data utilization project	Constructed customer data base. Promoting utilization	Collaboration/ utilization of data
		AUTOBACS SEVEN	Development of personnel for data analysis	training participants: 183 persons	320 persons

\*1 We initially set the KPI as "Building of bases for checking tires and emergency (including bases of partner companies)," but this was revised in FY2024 to "Tire safety inspection."

\*2 Due to an increase in consolidated subsidiaries, actual result has increased. The FY2030 goal is scheduled to be reviewed in FY2025.

\*3 Due to an increase in consolidated subsidiaries, the FY2030 goal has been revised.



# Response to Climate Change

## Disclosures Based on the TCFD Recommendations

The Company believes that responding to climate change is an important management issue and expressed its support for the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) in June 2022. Based on the TCFD recommendations that require disclosure of information regarding financial impact of risks and opportunities brought about by climate change, the Company will proactively disclose information on governance, risk management, strategy, and metrics and targets.

Starting in FY2023, we are collecting Scope 1 and 2 emissions data from all domestic subsidiaries and preparing for Scope 3 disclosure by FY2025. We are also working to visualize CO<sub>2</sub> emissions while streamlining processes through system implementation. Furthermore, by responding to CDP, we are enhancing and disclosing climate-related information, promoting smooth dialogue with stakeholders, and aiming to increase corporate value.



### WEB | Response to Climate Change

#### Governance

Governance related to climate change is promoted by the ESG & SDGs Project, led by the Representative Director & Chief Executive Officer as the Project Leader. The Board of Directors receives reports on these discussions and decisions, and approves the Company's initiatives while providing necessary direction and oversight. Progress on KPIs set as non-financial targets is reported four times a year at either the Executive Committee or the Board of Directors meeting to share updates. Any revisions or changes to KPIs are deliberated and decided within the appropriate meeting.

#### Strategy

The Company views risks and opportunities associated with climate change as one of the important perspectives to be considered when formulating its business strategy. With 2050 as the timeframe, the Group assumed two scenarios: the 1.5/2°C scenario, assumes that governments "work to limit the global average temperature increase to well below 2°C in comparison with pre-industrial revolution levels, preferably to 1.5°C," in line with the overarching goal of the Paris Agreement, and the 4°C scenario, which assumes that greenhouse gas emissions continue to increase at the current pace. Based on these two scenarios, the Company identified climate-related risks and opportunities and then identified the transition risks and physical risks created by climate change and the opportunities arising from adaptation to climate change, in line with the TCFD recommendations.

#### Risk management

As the organization responsible for centrally managing company-wide risks, we have established the Risk Management Committee, chaired by the Representative Director & Chief Executive Officer. This committee regularly identifies risks inherent in business activities, determines significant risks, and strengthens the management framework accordingly. It analyzes and evaluates both the potential impact and frequency of occurrence, prioritizing high-risk items and discussing countermeasures to enable preemptive control. The status of significant risks is reported to the Board of Directors, and concrete support, including countermeasures, is provided to each department. For sustainability-related risks, the ESG & SDGs Project takes the lead by gathering information from each business unit to identify risks and opportunities, and to promote appropriate responses. In addition, a dedicated TCFD team evaluates the impacts of climate change, including financial implications. All identified risks and corresponding countermeasures are shared with the Risk Management Committee and integrated into the company-wide risk management framework.

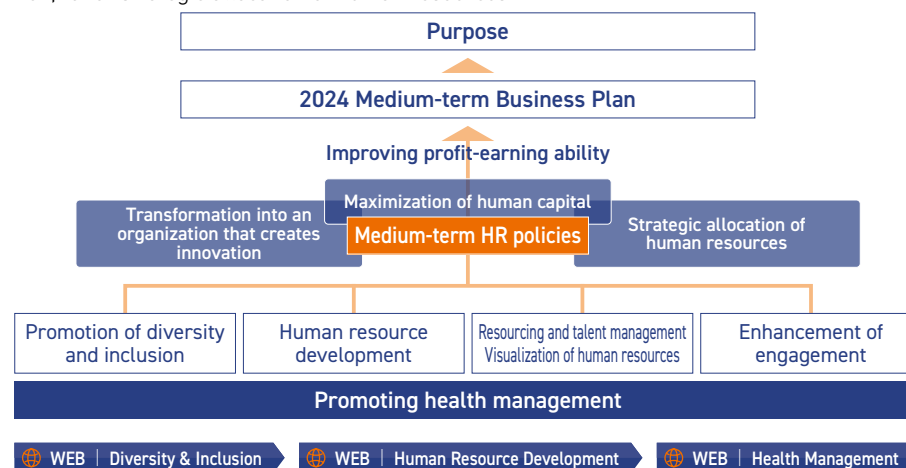
#### Metrics and targets

We are working to reduce greenhouse gas emissions with the goal of creating a safe, secure, and gentle society in which people, cars, and the environment exist in harmony. Our reduction target is to cut CO<sub>2</sub> emissions per ¥100 million in sales revenue by 40% by FY2030, compared to FY2024 levels. Furthermore, in line with the Japanese government's declaration, we are advancing initiatives to achieve carbon neutrality (net-zero emissions) by FY2050.

# Strengthening Human Capital

## Human Resources Strategy

In order to achieve the 2024 Medium-term Business Plan and improve the Group's earning power with the foundation of a continuously growing organization and human resources, we have established the priority issues of "promotion of diversity and inclusion," "human resource development," and "enhancement of engagement," based on the three human resource policies of "maximization of human capital," "transformation into an organization that creates innovation," and "strategic allocation of human resources."



## TOPICS

### Initiatives to Promote Women's Participation in the Workforce

Our group aims to achieve an 18% ratio of female managers (consolidated) by 2030. However, the current ratio stands at just 7.5%, and the limited number of female employees aspiring to management roles remains a key challenge. To address this issue, beginning in FY2023, we have been conducting opinion exchanges and workshops involving female employees, female managers, an outside director, and a corporate advisor. Through dialogue that incorporates diverse perspectives, we support participants in forming a clearer image of managerial roles, discovering role models, and identifying workplace challenges.

We will continue to foster an environment where women can proactively shape their careers, aiming to transform into an organization that drives innovation through the active participation of diverse talent.



Scene from the exchange meeting held in December 2024

## Promoting efforts to eliminate traffic accidents: Tire safety inspections



**Masayoshi Hirai**  
Non-financial Target KPI Manager  
Department Manager,  
Sales Planning Department

Eliminating traffic accidents is an urgent issue not only for AUTOBACS SEVEN, but for the entire automotive industry. As a company that supports Mobility Lifestyle Infrastructure, AUTOBACS SEVEN aims to achieve a safe and secure society through tire safety inspections and local events.

### KPI Tire safety inspections

FY2024 results

**7,620,000** inspections/year

FY2030 target

**8,600,000** inspections/year

### Background and issues

Of the top three reasons for dispatching four-wheeled and two-wheeled vehicles on local roads and highways, the first is dead batteries and the second is flat tires (Source: Japan Automobile Federation). The main cause of flat tires is low tire pressure, and in recent years, there are fewer opportunities to check tire pressure due in part to the increase in self-service gas stations. For these reasons, strengthening tire safety inspections at stores is positioned as an important initiative for preventing traffic accidents.

[Reference website | Japan Automobile Federation \(JAF\)](#)

### Initiatives

The Company aims to eliminate traffic accidents by offering “free car safety inspections” at AUTOBACS stores and conducting awareness activities. Specific initiatives are as follows.

- Solicitation of “free car safety inspections” on the Company’s website and establishment of a complete online reservation system
- Having staff wear vests advertising tire pressure checks
- Awareness activities through store events
- Tire pressure check awareness events at Michi-no-Eki roadside stations (rest areas) and interchanges



### Future prospects

Going forward, the headquarters and franchisees will continue working together to conduct activities aimed at “eliminating traffic accidents.” As a company that supports Mobility Lifestyle Infrastructure, we will contribute to the development of the automobile maintenance industry as a whole by promoting free safety inspections at stores and providing safety and security through local events.

#### Main effects of promoting tire safety inspections

##### ► Environmental aspects

**Improved fuel efficiency:** Proper tire pressure reduces rolling resistance, which improves fuel efficiency. It also reduces CO<sub>2</sub> emissions and daily costs.

**Extended tire life:** Uneven wear is prevented, reducing the frequency of replacement. Resources are used effectively.

##### ► Improved traffic safety

**Accident prevention:** Trouble due to low tire pressure and wear is prevented, reducing the risk of a serious accident.

**Improved vehicle stability:** Proper tire pressure and groove depth maintenance improve brake functionality and steering stability.

##### ► Social aspects

**Improved local safety awareness:** Awareness activities cultivate traffic safety awareness and help create local communities with fewer accidents.

## Promoting environmentally conscious business: Reducing engine oil cans



**Katsura Nakanishi**  
Non-financial Target KPI Manager  
Department Manager,  
Car Maintenance Parts Department

As part of environmentally conscious business, we are working to reduce engine oil cans. By increasing the ratio of oil sale by measure, we are promoting the reduction of waste and the effective use of resources, in order to contribute to the achievement of a sustainable society.

### KPI Oil can reduction

FY2024 results

**50,000** cans reduced/year

FY2030 target

**260,000** cans reduced/year

### Background and issues

A large number of gasoline vehicles are still owned in Japan, and demand for oil changes is expected to continue going forward. Oil is mainly provided in metal cans, and even AUTOBACS stores generate a lot of used cans from oil changes. As such, reducing oil cans at stores is an important issue for reducing waste and environmental burden.

### Initiatives

The Company is working to reduce engine oil cans by increasing the ratio of oil sale by measure. Specific initiatives are as follows.

- Collaboration with suppliers to develop oil products by measure
- Development and provision of products that are appealing to franchisees and stores as well as customers
- Provision of options by expanding the product lineup

These initiatives increased the ratio of oil sale by measure from 27% in FY2020 to 44% in FY2024.



### Future prospects

Going forward, we will continue to reduce the volume of used cans associated with oil changes by continuously increasing the ratio of oil sale by measure. Through the expansion of environmentally conscious business, we will contribute to the establishment of a sustainable society by balancing the effective use of resources with waste reduction.

#### Main effects of reducing oil cans

##### ► Environmental aspects

**Waste reduction:** The generation of used metal cans is reduced. The environmental burden is reduced.

**Reduction of CO<sub>2</sub> emissions:** Emissions from the manufacture, transport, and disposal of cans are reduced.

##### ► Economic aspects

**Cost reduction:** The cost of containers and waste disposal is reduced, improving operational efficiency.

**Streamlined operations:** Sale by measure reduces the burden of inventory and waste management.

##### ► Social aspects

**Cultivation of environmental awareness:** The selection of sale by measure encourages sustainable consumer behavior.

### Improving status of certified mechanics and fostering them: Ensuring and fostering Level-2 mechanics and inspectors



**Hisamitsu Kubota**  
Non-financial Target KPI Manager  
Division Manager,  
Maintenance Business Division

Ensuring and fostering certified mechanics is an urgent issue not only for AUTOBACS SEVEN, but for the entire automotive industry. With the proliferation of advanced safety technologies such as autonomous driving and driver assistance systems, it is essential that we hire, develop, and retain specialized human resources who can maintain and inspect these technologies.

KPI Ensuring of Level-2 mechanics and inspectors			
FY2024 results		FY2030 target	
Level-2 mechanics:	1,059 persons	Level-2 mechanics:	1,100 persons
Inspectors:	680 persons	Inspectors:	1,000 persons

\*The results increased due to an increase in consolidated subsidiaries. The FY2030 target will be changed in FY2025.

#### Background and issues

By positioning automobile mechanics as important human resources who contribute to resolving social issues, the Company is working to improve the status of certified mechanics and foster them.

#### Initiatives

In addition to hiring professional certified mechanics, the Company has established a mechanism to train general employees from the ground up to gradually become certified as mechanics. The development program begins with general operations staff, helping them progress to Level-3 mechanics and finally Level-2 mechanics, with multifaceted support measures offered to franchisees. Specific initiatives are as follows.

- In addition to basic training for new pit staff and skill enhancement training, we offer a "Short-term seminar for Level-3 mechanics" and a "Short-term seminar for Level-2 mechanics" in cooperation with the Fukuoka Automobile Service Promotion Association and the Chiba Automobile Service Promotion Association
- "Short-term (one-month) intensive seminar for Level-3 mechanics" aimed at foreign personnel → A high-quality seminar using experienced instructors and educational materials
- Activities aimed at helping high school graduates and working adults acquire mechanic certification in collaboration with our subsidiary (Chain Growth Co., Ltd.)

#### Future prospects

Going forward, we will work to solve the urgent industry-wide issue of insufficient certified mechanics by fostering automobile mechanics and inspectors, while working to improve the status of certified mechanics and contribute to the sustainable development of the automobile maintenance industry.

#### Main effects of ensuring and fostering Level-2 mechanics and inspectors

##### ► Improved quality of vehicle maintenance

Support for advanced technology: Systems are established that can support vehicles equipped with advanced technology.

Prevention of maintenance errors: Accurate work by certified mechanics reduces the risk of accidents and breakdowns.

##### ► Sustainability of the industry

Resolution of the labor shortage: The shortage of certified mechanics is resolved by fostering young and foreign human resources.

Promotion of the passing down of techniques: The passing down of knowledge and techniques from veterans to young staff is promoted.

##### ► Social aspects

Job creation and career support: Stable career opportunities are provided.

Strengthening of local maintenance capability: Fostering human resources locally establishes an environment in which cars can be used safely.

### Promoting spread of safe and secure EVs toward realization of a zero-carbon society: Promoting statutory safety inspections of EVs

With an eye toward the proliferation of electric vehicles, we are working to establish systems in response to the increased demand for statutory safety inspections of EVs. In particular, since a maintenance network for overseas EV manufacturers (Tesla, BYD, etc.) has not been sufficiently established in Japan, we are expecting to fulfill the role of external contractor.

#### Hisamitsu Kubota

Non-financial Target KPI Manager  
Division Manager,  
Maintenance Business Division

#### KPI Number of EVs inspected

FY2024 results

1,136 units

FY2030 target

3,440 units

#### Background and issues

As electric vehicles become more prevalent, needs for statutory safety inspections and maintenance are expected to become increasingly diverse and sophisticated. While Japanese EV manufacturers have established dealer-centered maintenance systems, overseas manufacturers have not yet fully developed maintenance networks in Japan, making the role of maintenance providers as external contractors increasingly important. While EVs have fewer inspection areas, we will be expected to supply genuine parts, acquire technical information related to vehicle control, provide support from a perspective of safety. We will need to have specialized knowledge and advance technical skills and develop collaborative systems with manufacturers.

#### Initiatives

In light of these market trends, the Company is promoting the following initiatives.

- We are working to establish a referral system for EV statutory safety inspections through business alliances with overseas EV manufacturers. In particular, through our alliance with Tesla, seven stores (as of August 31, 2025) were certified as Tesla statutory safety inspection stores.
- We provide safety training on inspection points unique to EVs and electric shock prevention through our subsidiary AUTOBACS Next-Generation Vehicle Laboratory Inc.
- We have acquired technical information and established a maintenance system by strengthening our alliance with automobile manufacturers. → We are working to create an environment in which EV users feel safe and entrust their maintenance to us.

#### Future prospects

Going forward, we will continue to strengthen EV statutory safety inspection systems and enhance technical training, and work to create a safe and secure maintenance environment. In doing so, we will contribute to the achievement of a sustainable mobility society by providing maintenance services adapted to the proliferation of EVs.

#### Main effects of promoting statutory safety inspections for EVs

##### ► Environmental aspects

Contribution to a zero-carbon society: Establishing an EV maintenance system will boost the proliferation of EVs. It will also contribute to the reduction of CO<sub>2</sub> emissions.

Effective use of resources: We will support the long-term use of EVs and help reduce waste.

Practice of ESG management: Environmentally conscious business will be strengthened.

##### ► Economic aspects

Creation of new maintenance demand: Alliances with overseas EV manufacturers will make market expansion possible.

Increased added value: Learning maintenance techniques unique to EVs will differentiate our services and increase profitability.

##### ► Social aspects

Enhancement of local infrastructure: Establishing an EV maintenance system will create an environment in which local residents can use EVs with peace of mind.



## Promoting environmentally conscious business/Realizing circular ecosystem: Developing eco-friendly products



**Takuro Zama**

Non-financial Target KPI Manager  
Department Manager,  
Merchandising Planning Department

The circular ecosystem is a circular economic model that maximizes resource use while minimizing waste from the product planning stage until disposal. AUTOBACS SEVEN incorporates this approach into all product development, distribution, and sale processes.

### KPI Eco-friendly product development

FY2024 results

**298** products

FY2030 target

**300** products

\*Cumulative total from FY2021

### Background and issues

In recent years, as the global environmental issues of climate change and resource depletion intensify, companies are expected to actively reduce their environmental burden and promote resource circulation. In order to respond to these social demands, the Company promotes initiatives that are conscious of the circular ecosystem, mainly in the development of private brand products. In addition to the conventional three Rs, amidst the demand for design that considers the entire product lifecycle from planning to disposal, we view the development of eco-friendly products as an important obligation as an industry leader. On the other hand, there are also challenges to achieving this, such as reconciling environmental considerations with cost, and balancing the simplification of packaging with product appeal.

### Initiatives

The AUTOBACS SEVEN Group promotes the development of "eco-friendly products" as defined from the following three perspectives.

①Resource-saving and plastic-free products ②Products that use environmentally-friendly materials ③Products with features such as being long-lasting, refillable, or sold by volume

For our private brand AQ., we have established a policy of replacing all products with environmentally conscious alternatives, and we consistently consider the environment throughout the entire product life cycle from development to distribution, through means such as reexamining packaging and wrapping methods.



Packaging made of approximately 60% paper

### Future prospects

Going forward, we will continue to develop eco-friendly products for AQ. and our other private brands. In addition, we aim to strengthen our internal and external ties while establishing a sustainable product development system, in order to respond to the challenges of reconciling environmental considerations with cost and balancing the simplification of packaging with product appeal.

### Main effects of promoting eco-friendly product development

#### ► Environmental aspects

**Waste reduction:** Reducing the amount of waste generated will reduce the processing load.

**Promotion of resource circulation:** We will use resources effectively by reusing raw materials and extending product life.

#### ► Economic aspects

**Enhancement of brand value for environmentally conscious products:** We will obtain the trust of consumers and differentiate ourselves.

**Improvement of development efficiency:** We will optimize design and logistics by using plastic-free materials and increasing the use of common materials.

#### ► Social aspects

**Improvement of consumers' environmental awareness:** We will promote sustainable consumer behavior.

**Industry-wide ripple effects:** We will cause a positive impact on other companies and overall industry advancement.

## Reducing CO<sub>2</sub> by establishing environmentally-enhanced stores: Promoting environmentally-enhanced stores



**Yasutaka Kurosawa**

Non-financial Target KPI Manager  
AUTOBACS PROPERTY DEVELOPMENTZ Co., Ltd.  
Department Manager,  
Property Development Business Operation Department

The AUTOBACS SEVEN Group views reducing the environmental burden of store operations as an important management issue. In addition to introducing energy-saving facilities, we are undertaking a diverse range of environmentally conscious measures such as using renewable energy and adopting stores constructed of wood. In this way, we aim to reduce CO<sub>2</sub> emissions and create sustainable brand value.

### KPI Promotion of environmentally-enhanced stores

FY2024 results

**103** stores

FY2030 target

**140** stores (consolidated)

### Background and issues

The Group has opened AUTOBACS and other stores throughout Japan, and is working to optimize its network of stores by opening new locations every year, as well as relocating and renovating existing stores. Considering the environment in store operations through these business characteristics is an important issue for ESG management. On the other hand, with the increasing social demand for response to climate change and increased energy efficiency, multiple issues remain in the company-wide development of environmentally-enhanced stores, such as initial investment costs for energy-saving facilities and the establishment of management systems.

### Initiatives

When opening new stores, measures to reduce the environmental burden are considered from the planning stage, such as introducing energy-saving equipment, using renewable energy, and selecting building materials. Considering the location and construction conditions, eligible stores are equipped with solar panels and constructed of wood. In FY2024, we pursued acquisition of ZEB (Net Zero Energy Building) Ready Certification for twenty stores. In addition, in accordance with the "Agreement to Promote the Use of Timber in the Construction of New Stores" formed with the Ministry of Agriculture, Forestry and Fisheries, we contributed to the achievement of carbon neutrality by 2050 and the revitalization of local communities and mountain villages by using locally-sourced timber in the structure, exterior, and interior of stores.



Ceiling of main building of AUTOBACS Shikoku Chuo Store

### Future prospects

Going forward, we will further accelerate the introduction of energy-saving facilities through the expansion of environmentally-enhanced stores. In addition, by combining various methods such as expanding wooden stores and ZEB certification into the East Japan area and using a third-party ownership model for solar panels, we will strive to strike a balance between reducing our environmental burden and economic rationality as we promote the establishment of a sustainable store operation system.

### Main effects of promoting environmentally-enhanced stores

#### ► Environmental aspects

**Reduction of power consumption:** We will reduce CO<sub>2</sub> emissions.

**Use of renewable energy:** We will contribute to a zero-carbon society.

**Reexamination of construction materials:** We will reduce our environmental burden through the use of wood.

#### ► Economic aspects

**Reduction of electricity costs:** We will reduce long-term operation costs.

**Optimization of facility upgrades:** We will optimize costs through bulk construction.

**Enhancement of brand value:** We will improve our reputation as an environmentally-friendly company.

#### ► Social aspects

**Improvement of employees' working environment:** We will improve our hiring power and retention rate.

**Improvement of customer comfort:** We will improve customer satisfaction upon store visits.



**Tatsuya  
Kamoi**

Outside Director

**Yosuke  
Matsuda**

Outside Director

**Shinichi  
Fujiwara**

Senior Managing  
Director

**Yugo Horii**

Representative  
Director & Chief  
Executive Officer

**Masahiro  
Nishikawa**

Managing Director

**Ayako  
Kanamaru**

Outside Director

**Tomoaki  
Ikeda**

Director

**Masami  
Koizumi**

Outside Director



## Succession Plan

We recognize that securing talented human resources is essential to the sustainable growth of the consolidated Group. To this end, the Company has formulated a "Succession Plan" aimed at conducting talent management of personnel in the consolidated Group, including subsidiaries, and developing personnel that can take on important posts from a medium- to long-term perspective. Under this plan, we are systematically developing CEOs and executives as well as consolidated Group executives, top management, CFO, CLO, and other specialized personnel. In addition, the Corporate Governance Committee, chaired by an Outside Director, and composed of all of the Outside Directors, the Chairperson of the Board, and the Representative Director, holds discussions for regular review and revision of the plan to ensure its objectivity and transparency.

In the development of potential successors, we are strategically enhancing candidates' skills and careers by giving them access to management experience at subsidiaries, etc. and different positions within the Company according to each rank.

The elements required of the consolidated Group executives are "experience, knowledge, and skills," "capability," "qualification," and "values, personality, and ethics." Among these, particular emphasis is placed on "capability," which include "strategic thinking," "market insight," "team management," "talent and organizational development," "collaborative ability," "results orientation," and "change leadership." We advance development and appointment by adjusting the level of importance and priority of each capability in accordance with the business stage and surrounding environment.

## Knowledge and Experience of Directors/Skills Matrix

The Group aims to become a corporate group essential to customers and local communities by promoting the initiatives to "ensure the safety of our communities while driving and enriching customers' lives" through swift and resolute decision-making by way of achieving our long-term vision and the 2024 Medium-term Business Plan "Accelerating Towards Excellence."

We think it is important that the Board of Directors that plays a central role for supporting the growth aimed for by the Group in the Medium-term Business Plan and for enhancing its corporate value over the medium to long term by sustainable means should be composed of

directors equipped with appropriate insight and experience in order to fulfill the responsibility of the Board.

The Group believes that insight and experience in the fields described in the table below, such as "management experience," "capital cost management/financial strategy," "portfolio management," and "organization/human resources strategy," are particularly important.

The following lists the types of insight and experience possessed by the Board of Directors as a whole and by each director.

Name	Position	Skills							
		Management experience	Capital cost management/ Financial strategy	Portfolio management	Organization/Human resources strategy	Insight and experience in the Company's business fields	Risk management/ Compliance	ESG/Diversity	IT/DX
Yugo Horii	Directors who are not Audit and Supervisory Committee Members	Representative Director & Chief Executive Officer	●	●	●	Distribution/global	●	●	
Shinichi Fujiwara		Senior Managing Director	●	●	●	Retail/marketing			●
Masahiro Nishikawa		Managing Director		●	●	Retail	●		
Yosuke Matsuda		Outside Director	●	●	●	Digital/service/ marketing		●	●
Tatsuya Kamoi		Outside Director	●		●	Digital/global		●	●
Tomoaki Ikeda	Directors who are Audit and Supervisory Committee Members	Director	●	●		Wholesale/retail	●	●	
Masami Koizumi		Outside Director	●	●	●	Wholesale/retail	●		
Ayako Kanamaru		Outside Director		●	●	Global	●	●	



## Basic concept of corporate governance

Based on the AUTOBACS SEVEN Group Purpose, AUTOBACS SEVEN Group Code of Conduct and Guidelines for Action, and AUTOBACS SEVEN Group Sustainability Basic Policy, we operate our business with consideration to all stakeholders. As a public institution of society, we will achieve sustainable growth and improve corporate value over the medium and long terms, and will continue striving to strengthen corporate governance to contribute to society.

Based on this fundamental philosophy, we will build a system to achieve fair and transparent management including separation of the execution of operation and supervision, together with swift, bold decision making and proper monitoring, and will endeavor to make the system fully functional in substance.

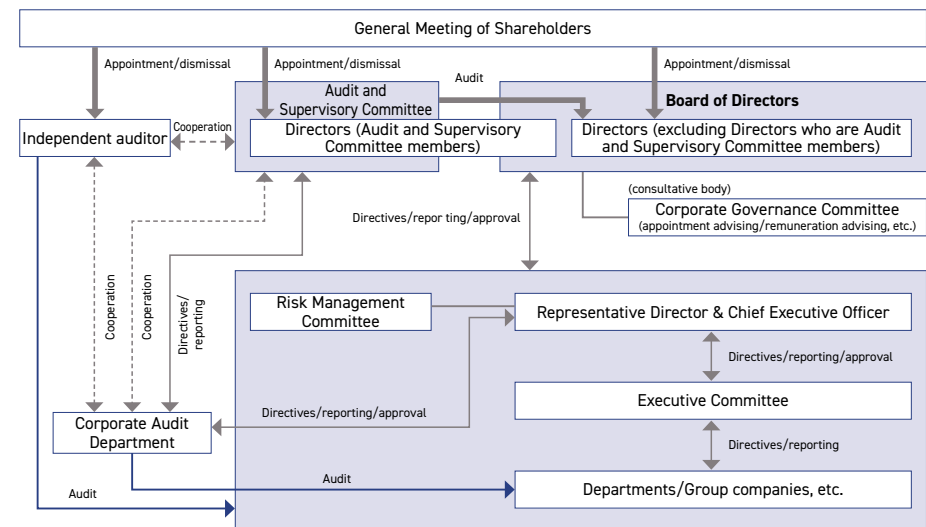
## Features of the Company's corporate governance

Our company has adopted the structure of a company with an Audit and Supervisory Committee to achieve a more effective Corporate Governance System that separates business execution from supervision, enabling swift and decisive decision-making coupled with appropriate monitoring. This aims to foster sustainable growth and enhance medium- to long-term corporate value. Furthermore, we are further strengthening our corporate governance framework through the following measures.

- 1. Appointment of one third or more of Independent Outside Directors:** enhancement of the supervisory function, protection of general shareholders' interest
- 2. Establishment of committees as consultative bodies to the Board of Directors:** ensuring of transparency, objectivity and appropriateness
- 3. Selection of full-time and selected members of the Audit and Supervisory Committee:** ensuring of effectiveness of the activities of Audit and Supervisory Committee, enhancement of the audit function
- 4. Reporting segments centered on retail and wholesale:** portfolio optimization
- 5. Regular meetings with business managers and executive candidates by Audit and Supervisory Committee members:** enhancement of monitoring

## Corporate governance system chart

(As of April 1, 2025)



Name	Regular meeting	Chairperson	Members	Directors (excluding Directors who are Audit and Supervisory Committee members)		Directors who are Audit and Supervisory Committee members		Main roles
				Internal	Outside	Internal	Outside	
Board of Directors	Once every month in principle	Appointed in accordance with provisions prescribed by the Board of Directors	Directors	●	●	●	●	Decides the medium- to long-term course of action and annual business plans, as well as matters specified in laws and regulations or in the Articles of Incorporation, and important matters concerning the Company's business activities, and supervises the execution of duties of Directors.
Audit and Supervisory Committee	Once every month in principle	Appointed from among Audit and Supervisory Committee members by mutual election	Directors who are Audit and Supervisory Committee members	—	—	●	●	<ul style="list-style-type: none"> <li>Audits the execution of duties of Directors through supervision and assessment using audits via full-time and selected Audit and Supervisory Committee members and internal control systems via audits performed by the Corporate Audit Department.</li> <li>Members attend important meetings and meetings with the Independent Auditor; full-time Audit and Supervisory Committee members improve the auditing environment, gather internal information mainly by perusing important documents, and share important matters with other Audit and Supervisory Committee members</li> <li>Reports on and explains audit policies and audit results of the Audit and Supervisory Committee regularly at meetings of the Board of Directors</li> </ul>
Corporate Governance Committee	Once every month in principle	Appointed from among Outside Directors through mutual election by committee members	Independent Outside Directors, Representative Director, and Chairperson of the Board	● (Representative Director and Chairperson of the Board only)	●	—	●	Provides reports and suggestions to the Board of Directors on the matters listed below and thereby enhances the Board of Directors' supervisory functions by strengthening the functional independence, objectivity, and accountability of the Board of Directors to further deepen corporate governance <ol style="list-style-type: none"> <li>Election and dismissal of candidates for Directors (including Directors who are Audit and Supervisory Committee members) *Including positions with titles</li> <li>Election, dismissal, and succession planning for the Representative Director</li> <li>Remuneration system for Directors (excluding Directors who are Audit and Supervisory Committee members)</li> <li>Other matters relating to corporate governance</li> </ol>
Executive Committee	Once every month in principle	Chairperson of the Board Directors	Directors	●	●	●	●	Serves as a forum to deliberate and build consensus on execution-related matters, where risks inherent in items subject to Board of Directors resolutions and corresponding countermeasures are discussed in advance, and company-wide policies and plans are formulated.
Risk Management Committee	Once every year in principle	Representative Director & Chief Executive Officer	Executive Directors	●	○	○	○	<ul style="list-style-type: none"> <li>Formulates annual risk management policies</li> <li>Promotes smooth and appropriate risk management</li> </ul>

●: Attendees ○: Observers

As of July 7, 2025

## Board of Directors

With the aim of achieving sustainable growth and improving the medium- to long-term corporate value in consideration of fiduciary duties and accountability to shareholders, the Board of Directors decides the medium- to long-term course of action and annual business plans, as well as matters specified in laws and regulations or in the Articles of Incorporation, and important matters concerning the Company's business activities, and supervises the execution of duties of Directors.

### Best efforts to achieve the Medium-term Business Plan

To achieve our long-term vision and realize accelerated growth, we announced our Medium-term Business Plan, the 2024 Medium-term Business Plan "Accelerating Towards Excellence," in May 2024 and are currently advancing it. We have positioned the global pursuit of becoming the "Mobility Lifestyle Infrastructure" for our customers as our new direction for evolution. We will strive relentlessly, both domestically and internationally, to reduce the "hassles" associated with mobility for our customers and to continuously propose the 'joy of going out'. We aim to evolve into a corporate group that earns even greater customer support and to become an indispensable presence in society as the infrastructure supporting the mobility society.

This plan focuses on concentrating management resources on two core pillars: "Retail" and "Wholesale." It places global expansion within these business domains and business expansion into adjacent and peripheral areas at the core of our strategy. For the final year of the plan, FY2026, we have set management targets of consolidated net sales of ¥280 billion, consolidated operating income of ¥15 billion, and a ROIC of 7.0%. We are advancing various initiatives under three key focus areas: "Creating Touch Points", "Developing and Supplying Products and Solutions", and "Establishing New Business Domains". To advance this Medium-term Business Plan, we have established a system where young talent poised to lead the next generation of management takes the lead, consistently executing the plan from formulation to implementation. Concurrently, we are maximizing company-wide execution and driving force by forming cross-departmental and cross-group company task forces. Furthermore, to accelerate management decision-making and enhance operational efficiency, we are abolishing positions equivalent to executive officers starting in FY2025 and concurrently advancing the spin-off of each business unit. We regularly analyze the causes of discrepancies between annual budgets and actual results for each fiscal year and disclose and explain these findings to stakeholders, including shareholders, through financial results announcements and other channels.

### Composition of the Board of Directors

- With an emphasis on having a good balance of knowledge, experience, and skill,\* the Board of Directors consists of internal Directors well-versed in the Company's business, and Outside Directors with diverse backgrounds, including one female Director.
- Board composition is decided following the careful consideration of diversity and appropriate scale, including gender, internationality, career history, and age.

\*The Group believes that it is important for the Board of Directors that will support the growth aimed for in the Medium-term Business Plan and play a key role to sustainably enhance its corporate value in the medium- to long-term to be composed of Directors equipped with appropriate insight and experience in order to fulfill their responsibilities. The kinds of insight and experience in the fields such as "management experience," "capital cost management/financial strategy," "portfolio management," and "organization/human resources strategy," are particularly important in our view.

## Policies and Procedures for the Appointment and Dismissal of Management Team Executives and the Nomination of the Candidates for Directors

Our Directors are individuals who understand the importance of the relationship of mutual trust we have with franchisees, suppliers, employees, and others in the AUTOBACS franchise chain, and who have the will and ability to improve corporate value and common shareholder interests over the medium to long term.

Candidates for internal Directors shall be individuals who are familiar with the Company's business. Candidates for Outside Directors shall have corporate management experience, and expertise and experience with laws and regulations, finance, governance, risk management, etc. They shall also meet the requirements for independence stipulated in Article 436-2 of the Securities Listing Regulations of the Tokyo Stock Exchange, Inc. and the requirements for independence stipulated by the

Company. In addition, we strive to ensure that one or more of the Directors who are Audit and Supervisory Committee members have considerable expertise in finance and accounting.

We established the Corporate Governance Committee, chaired by an Outside Director, and composed of all of the Outside Directors, Chairperson of the Board, and Representative Director, as a consultative body to the Board of Directors. Decisions on proposals to be submitted to the General Meeting of Shareholders regarding the selection of Director candidates and the dismissal of Directors are made by the Board of Directors after consulting and receiving reports from this Committee. When appointing Directors who are Audit and Supervisory Committee members, the Representative Director and the Audit and Supervisory Committee discuss the required human resource qualifications at the time of Director candidate selection.

In addition, in order to ensure the timely and fair appointment and dismissal of Representative Director, beginning in the fiscal year ended March 31, 2024, the Corporate Governance Committee evaluates their performance and verifies whether they are fulfilling their role appropriately.

In addition, the Audit and Supervisory Committee discusses and expresses its opinion as to whether the Director candidates selected by the Corporate Governance Committee, in which Outside Directors who are Audit and Supervisory Committee members participate, are suitable for the position. In doing so, the Audit and Supervisory Committee considers the following: the selection policies that took into account such matters as the qualifications of each candidate and his or her eligibility as a Director, the status of nomination procedures, and for Executive Director candidates, the status of their business execution and contribution to business performance in each fiscal year.

## Outside Directors

### Status of appointment

The Company's Outside Directors consist of personnel with diverse backgrounds, including one female. All Outside Directors meet the criteria for independence set forth by the Tokyo Stock Exchange, Inc. and the independence requirements set forth by the Company. Outside Directors with experience and knowledge in a variety of fields actively contribute to discussions, such as at meetings of the Board of Directors, from an independent and objective standpoint.

### Independent Outside Directors Liaison Meeting

The Company has appointed a chief independent Outside Director.

In addition, the Independent Outside Directors Liaison Meeting, consisting of four independent Outside Directors and hosted by the chief independent Outside Director, meets several times a year to strengthen mutual information sharing and communication among Outside Directors. In the fiscal year ended March 31, 2025, the meeting was held five times and the recommendations that resulted therefrom were reported to the Representative Director.

### Support system for Outside Directors

When Outside Directors assume their positions, they are given explanations of the Company's management philosophy, strategies, and line of business, and are also given tours of our core business bases.

Regarding the Board of Directors and the Executive Committee, we send materials and minutes via e-mail or paper documents, and the secretariat or the department in charge of agenda items provides necessary information as appropriate, as well as explanations in advance as necessary.

In addition, we have established the Executive Committee, which consists of Directors, to ensure that Outside Directors can make appropriate judgments based on sufficient information. As a forum for deliberating in advance the matters to be resolved by the Board of Directors, it examines business profitability, risks, and other aspects of the matters for resolution. Through this, Outside Directors will be able to gain a deeper understanding of the matters to be resolved and the issues facing the Company and be able to fully discuss them at the Board of Directors meetings.

## Evaluation of the Board of Directors' Effectiveness

The Company analyzes and evaluates the effectiveness of the Board of Directors every year since fiscal year 2015 to assess whether it is appropriately performing its roles, and to identify issues in the Board of Directors in order to make continuous improvements.

The effectiveness evaluation for the fiscal year ended March 31, 2025 was answered by all Directors with multiple choice and free-form responses. In addition, the "gap analysis on the level of importance and amount of discussion of Board of Directors proposals," which was newly incorporated into the effectiveness evaluation in the fiscal year ended March 31, 2023, was conducted again as a reference material for future Board of Directors discussion themes. Based on the results, the Board of Directors and the Corporate Governance Committee conducted multiple discussions before finalizing the evaluation results.

Evaluation items	Overall Board evaluation, Board operation, Board composition, Board agenda, Board discussion and decision-making process, support system for Outside Directors, Audit and Supervisory Committee, Corporate Governance Committee, relationship with investors and shareholders, response to issues pointed out in FY2023, etc.
------------------	---

### Evaluation results for the fiscal year ended March 31, 2025

Positive feedback	<ul style="list-style-type: none"> <li>The Board of Directors, Audit and Supervisory Committee, and Corporate Governance Committee are generally effective</li> </ul>
Expected improvements	<ul style="list-style-type: none"> <li>There is room for improvement in deepening discussions from a management perspective and strengthening group governance.</li> <li>With regard to issues pointed out, as a result of discussions by the Board of Directors, it was decided to focus on the following initiatives</li> </ul>

### Countermeasures

#### 〈Deepening Management Discussions〉

- Enhance progress reports on business strategies and Medium-term Business Plans by business managers to ensure substantive discussion opportunities
- Strengthen initiatives to concretize and deepen company-wide discussions on long-term strategy, management strategy, and growth strategy

#### 〈Strengthening Group Governance〉

- Conduct discussions to strengthen group governance supporting business expansion and identify specific challenges
- For post-group-formation monitoring, regularly conduct progress reports and discussions/confirmations on improvement items

## Monitoring Sustainability Activities

Addressing overall sustainability issues as an important theme, the Company established the ESG & SDGs Project in January 2021, led by the Chief Executive Officer, and has been promoting it as a company-wide project. The contents of relevant discussions and decisions are reported to the Board of Directors, and the Board provides approval on the Company's initiatives, issues instructions and conducts supervision, as necessary.

## TOPICS

### Key Matters Discussed and Reported at the Board of Directors Meeting (Fiscal Year Ended March 2025)

<b>Business Strategy</b>	<ul style="list-style-type: none"> <li>2024 Medium-term Business Plan "Accelerating Towards Excellence"</li> <li>Subsidiarization through share acquisition</li> <li>Group's IT Strategy</li> <li>Assessment of the continued holding of strategic shareholdings</li> <li>Progress in brand business restructuring</li> <li>Post-investment monitoring/Post-merger Integration (PMI)</li> </ul>
<b>Sustainability</b>	<ul style="list-style-type: none"> <li>CDP Climate Change Questionnaire response results</li> <li>ESG &amp; SDGs Project KPI progress</li> </ul>
<b>Governance</b>	<ul style="list-style-type: none"> <li>Evaluation of the Board of Directors' effectiveness for the fiscal year ended March 31, 2025</li> <li>Review of the overall status of our governance measures and direction for addressing challenges</li> <li>Internal controls and compliance within the consolidated group</li> </ul>

### Activities of the Audit and Supervisory Committee and the Governance Committee (Fiscal Year Ended March 2025)

<b>Audit and Supervisory Committee (Number of meetings held: 17)</b>	<ul style="list-style-type: none"> <li>Reviewed and deliberated on audit-related matters</li> <li>All Audit and Supervisory Committee members attended Board of Directors meetings, Executive Committee meetings, and General Managers meetings, where they asked questions and expressed opinions</li> <li>Conducted on-site and remote audits of 13 subsidiaries, including 4 overseas subsidiaries</li> <li>Held monthly meetings with the department responsible for subsidiary corporate auditors</li> <li>Held biannual liaison meetings with subsidiary corporate auditors as participants</li> </ul>
<b>Governance Committee (Number of meetings held: 14)</b>	<ul style="list-style-type: none"> <li>Review of director candidates, including those who are candidates for Audit and Supervisory Committee members</li> <li>Examination of the compensation system for directors (excluding those who serve as Audit and Supervisory Committee members)</li> <li>Performance evaluation of the Representative Director</li> <li>Review of the overall status of the Company's governance initiatives and consideration of appropriate responses</li> </ul>



## Policy and Procedures for Determining Remuneration for Management Team Executives and Directors

The Company has established a policy for determining remuneration to maintain and increase the corporate value of the AUTOBACS SEVEN Group. The Company ensures the objectivity and transparency of a remuneration system for its Directors (excluding Directors who are Audit and Supervisory Committee members) through consultation with the Corporate Governance Committee, a body that is chaired by an Outside Director and composed of all of the Outside Directors, Chairperson of the Board, and the Representative Director.

## Directors' Remuneration

### Basic policy

The basic policy for determining Directors' remuneration has the criteria of maintaining and increasing the corporate value of the AUTOBACS SEVEN Group, which comprises a franchise system, and securing human resources capable of effectively supervising the Company's business operations as Directors of the Company.

### Remuneration standard

The remuneration standard is based on the results of third-party surveys on remuneration for directors and officers and takes into account such factors as the Company's position in the industry, the difficulty of achieving targets, and responsibilities.

### Composition and basic policy of remuneration

#### Remuneration for the Company's Directors

Remuneration for the Company's Directors (excluding Outside Directors and Directors who are Audit and Supervisory Committee members) consists of fixed remuneration (monetary remuneration and stock remuneration). The ratio of monetary remuneration to stock remuneration in fixed remuneration is 2 to 1 for the Representative Director and 7 to 3 for Directors. For Outside Directors and Directors who are Audit and Supervisory Committee members, fixed remuneration (monetary remuneration) set for each role is paid.

Fixed remuneration (monetary remuneration)	Determined based on the basic remuneration as a Director and the remuneration for other delegated duties set according to individual roles.
Fixed remuneration (stock remuneration)	Restricted stock issued in advance at a face value set according to each individual role, with the aim of improving medium- to long-term performance and corporate value and further sharing value with shareholders.

#### Remuneration for Directors for business execution

Remuneration for directors in charge of the execution of duties among the Company's directors (excluding outside directors and directors who are audit and supervisory committee members) consists of fixed remuneration for directors as well as of fixed remuneration (monetary remuneration), variable remuneration (monetary remuneration) and variable remuneration (stock remuneration) as types of remuneration for the execution of duties. The percentages set for fixed remuneration (monetary remuneration), variable remuneration (monetary remuneration), and stock remuneration (fixed and variable remuneration) for the Company's directors are roughly 42%, 28%, and 30%, respectively, in the case of Representative Director & Chief Executive Officer. The percentage of variable remuneration will become higher in proportion to the ranks of executive directors.

Fixed remuneration (monetary remuneration)	The scope of control and responsibility, degree of influence on the management of the AUTOBACS SEVEN Group, and achievements in the previous fiscal year are considered to determine fixed remuneration from the remuneration table.
Variable remuneration (monetary remuneration)	The achievement of a single-year consolidated operating income target is set as a payment condition. The amount varies between 0 and 150% of the performance based remuneration standard depending on the degree of achievement of the following targets: financial performance figures such as ordinary profit targets for all businesses and each area of responsibility, and an individual assignment based on a strategic target including a medium- to long-term perspective, which cannot be measured by financial performance figures alone.
Variable remuneration (stock remuneration)	To improve performance and corporate value over the medium and long term and better share value with shareholders, restricted stock (performance-based stock remuneration) is issued in advance linked with the achievement of single-year performance targets in the amount specified according to individuals' roles.

### Process of determining remuneration

1. Remuneration for the directors (excluding outside directors and directors who are audit and supervisory committee members)	Remuneration is determined at the Board of Directors' meeting, along with the remuneration system that ensures objectivity and transparency through consultation with the Corporate Governance Committee.
2. Remuneration for the execution of duties by the directors	Remuneration is determined by the Chief Executive Officer, based on the remuneration system for the execution of duties determined at the Board of Directors' meeting after consultation with the Corporate Governance Committee.
3. Remuneration for the directors (excluding directors who are audit and supervisory committee members)	The Audit and Supervisory Committee has expressed the opinion that the director remuneration policy, the content of the system, and the compensation determination procedures are appropriate, and that the remuneration amounts are appropriate as they correspond to the roles, responsibilities, and performance of each director.
4. Remuneration for the directors who are audit and supervisory committee members	Remuneration is determined at the Audit and Supervisory Committee, within the limit of the amount of remuneration resolved in advance at a General Meeting of Shareholders.

Our variable compensation (monetary remuneration) is determined based on the Company's director remuneration system, which is approved by the Board of Directors following consultation with the Corporate Governance Committee. This system takes into account the scope and responsibilities of executive duties and incorporates both financial and non-financial performance indicators. Financial metrics include common evaluation indicators such as the single-year consolidated ordinary profit target and the ROIC target. Non-financial metrics encompass key ESG and SDGs KPIs. To align with mid- to long-term performance goals outlined in our management strategy and Medium-Term Business Plan, and to promote sustainable enhancement of corporate value and value sharing with shareholders, we have newly introduced mid- to long-term performance-based remuneration. This remuneration is contingent upon achieving the operating profit targets set forth in the 2024 Medium-term Business Plan.

### Total amount of remuneration, etc. for fiscal year ended March 31, 2025

Classification	Fixed remuneration (monetary)		Variable remuneration (monetary)		Stock remuneration (fixed/variable)		Total amount of remuneration, etc. (million yen)
	Number of persons paid	Amount of payment (million yen)	Number of persons paid	Amount of payment (million yen)	Number of persons paid	Amount of payment (million yen)	
Directors who are not audit and supervisory committee members (excluding outside directors)	5	122	3	89	3	35	247
Directors who are not audit and supervisory committee members (outside directors)	3	24	—	—	—	—	24
<b>Total of directors who are not audit and supervisory committee members</b>	<b>8</b>	<b>146</b>	<b>3</b>	<b>89</b>	<b>3</b>	<b>35</b>	<b>271</b>
Directors who are audit and supervisory committee members (excluding outside directors)	1	25	—	—	—	—	25
Directors who are audit and supervisory committee members (outside directors)	2	36	—	—	—	—	36
<b>Total of directors who are audit and supervisory committee members</b>	<b>3</b>	<b>61</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>61</b>

- Stock remuneration is the amount recorded as an expense in the 78th fiscal year (April 1, 2024 to March 31, 2025).
- Remuneration for directors (excluding directors who are audit and supervisory committee members) was resolved in the amount of ¥480 million or less per year (including ¥50 million or less per year for outside directors) with the number of eligible directors being seven or less at the 72nd ordinary general meeting of shareholders held on June 21, 2019. At the conclusion of the ordinary general meeting of shareholders for the said term, the number of directors (excluding directors who are audit and supervisory committee members) was four (including one outside director).
- Remuneration for directors (audit and supervisory committee members) was resolved in the amount of ¥120 million or less per year with the number of eligible directors being five or less at the 72nd ordinary general meeting of shareholders held on June 21, 2019. At the conclusion of the ordinary general meeting of shareholders for the said term, the number of directors (audit and supervisory committee members) was three (including two outside directors).
- Remuneration for granting shares with restrictions on transfer for directors (excluding outside directors and directors who are audit and supervisory committee members) was resolved in the amount of ¥100 million or less per year with the number of eligible directors being seven or less at the 72nd ordinary general meeting of shareholders held on June 21, 2019. At the conclusion of the ordinary general meeting of shareholders for the said term, the number of directors (excluding outside directors and directors who are audit and supervisory committee members) was three.

# Compliance

## Compliance System

The Company has been strengthening its compliance system. At the same time, we are making sure that everyone at headquarters, subsidiaries, and all AUTOBACS Group stores, including those of franchisees, are fully aware of the importance of conducting business activities in compliance with laws and regulations and ethics.

Compliance with laws and regulations and corporate ethics is looked upon as a matter of course. Based on this premise, we have clearly defined our Code of Conduct and Guidelines for Action to meet the legitimate expectations of all stakeholders. With these as our basic principles, we promote thorough compliance and education and training activities not only within the Company, but also for our franchise corporations. Our Code of Conduct and Guidelines for Action include matters related to anti-corruption, the prohibition of insider trading, and the prohibition of business with antisocial forces. As a means to monitor the status of compliance, we hold monthly meetings of the Integrated Risk Management Secretariat Council, which

consists of relevant departments. We have established a system to check for any deviation from the Code of Conduct and Guidelines for Action and take prompt action if a problem is identified.

WEB | Compliance

## Ongoing educational initiatives regarding compliance

In accordance with our Basic Rules on Compliance, we provide compliance education on insider trading and security for all employees.

WEB | Code of Conduct and Guidelines for Action

# Risk Management

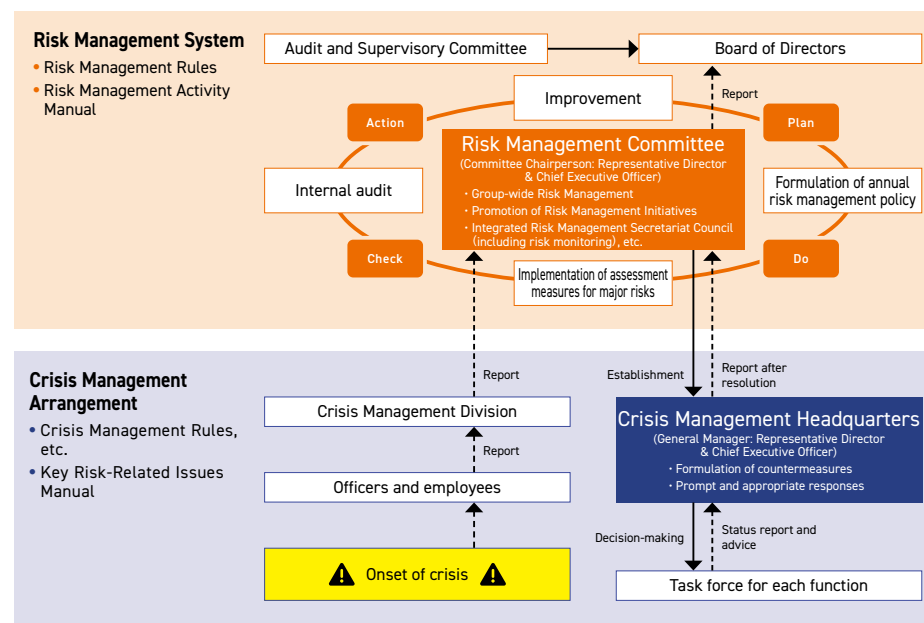
## Approach to Integrated Risk Management

Our company provides a wide range of products and services to numerous customers, including the AUTOBACS franchise system, aiming to become the Mobility Lifestyle Infrastructure. We recognize that our most critical management priority is to continuously work on maintaining and enhancing the "AUTOBACS" brand to earn further support and trust from all stakeholders.

To this end, we not only respond to the daily changes in the environment surrounding the Group, but also accurately identify, evaluate, and appropriately control various risks that may hinder the achievement of our goals. In addition, we strive to fulfill our corporate social responsibility by establishing a system that enables us to minimize damage and loss in the event of a serious incident and prevent the spread of such damage.

We believe that it is our corporate social responsibility to establish an integrated risk management system that combines the risk management system we employ during normal times with the crisis management arrangements we employ during emergencies, and continuously work to improve upon our integrated risk management. We have established the principles of integrated risk management in our Integrated Risk Management Policy. We will continuously work on improving integrated risk management throughout the Group and aim to become a corporate group that is trusted by its stakeholders.

## Integrated risk management system conceptual diagram



# Major Risks

Items	Major risks	Main countermeasures
<b>Risks associated with domestic market environment</b>	<ul style="list-style-type: none"> <li>Our operating results and financial condition could be negatively affected by the impact of changes in domestic and overseas situations on product procurement, the worsening of Japan's economy due to exchange rate fluctuation, sluggish consumer spending, changes in our competitive advantage, etc.</li> </ul>	<ul style="list-style-type: none"> <li>Mitigated risk by identifying important risks through risk assessment by the Risk Management Committee and external organizations, and taking action against them</li> </ul>
<b>Risks associated with store operation</b>	<ul style="list-style-type: none"> <li>Accidents could occur in association with store operations such as waste processing, handling of toxic substances, and pit work, reducing the number of customers due to a worsened impression of stores</li> </ul>	<ul style="list-style-type: none"> <li>Provided training and instructional education on pit work accidents, etc.</li> <li>Thoroughly disseminated work manuals</li> <li>Continuously inspected and improved a compliance check program</li> </ul>
<b>Risks associated with technological innovations</b>	<ul style="list-style-type: none"> <li>Technological developments in driving support functions and automated driving, the spread of EVs, etc., will bring about a change in market size and the demand of replacement parts sold by the Group</li> <li>If customer needs diversify with technological advances and we are unable to flexibly respond to customer needs, sales will decrease</li> </ul>	<ul style="list-style-type: none"> <li>Collaborated with domestic and foreign automobile manufacturers</li> <li>Entered the EV market</li> <li>Acquired Specific Maintenance Certifications (electronic control unit maintenance) at all stores designated for performing statutory safety inspections</li> <li>Promoted efforts to acquire expertise regarding technological innovations</li> </ul>
<b>Risks associated with information security</b>	<ul style="list-style-type: none"> <li>If a disaster, cyberattack, etc., causes the shutdown of the data center function, system failure, or an external leak of personal information or confidential corporate information, it will worsen the Group's social credibility, lead to the payment of damages, etc.</li> </ul>	<ul style="list-style-type: none"> <li>Implemented entrance and exit controls such as firewalls</li> <li>Implemented information protection measures with all access subject to verification</li> <li>Established regulations on information security</li> <li>Provided information security e-learning and targeted e-mail attack drills to all AUTOBACS SEVEN Group employees</li> <li>Established data centers that can provide 24-hour response</li> <li>Diversified risk by establishing data centers at multiple locations</li> <li>Backed up data regularly and established a system that allows the system to be restarted promptly</li> </ul>
<b>Risks associated with climate change</b>	<ul style="list-style-type: none"> <li>Climate change such as cool summers and mild winters will lead to decreased demand for seasonal products and decreased net sales due to a shift in sales timing</li> <li>If increased environment-related legal restrictions and social demands lead to the introduction of a carbon tax and an increase in various restrictions, it will restrict our business activities and increase operation and equipment costs</li> </ul>	<ul style="list-style-type: none"> <li>Utilized renewable energy</li> <li>Promoted environmentally-friendly stores</li> <li>Implemented decarbonization efforts such as the sale and maintenance of EVs</li> <li>Promoted energy conservation</li> <li>Flexibly reviewed our portfolio in order to balance the climate change issue with business promotion</li> </ul>
<b>Risks associated with securing and developing human resources</b>	<ul style="list-style-type: none"> <li>If changes in social attitudes and the employment environment make it difficult for us to continuously hire adequate human resources, it will keep us from securing sales in existing businesses and advancing our growth strategy</li> </ul>	<ul style="list-style-type: none"> <li>Bulk recruitment including the Group and franchisees</li> <li>Strengthened efforts to secure certified mechanics</li> <li>Established a personnel system and work environment that accommodate diverse working styles and values</li> <li>Implemented a human resource development program inclusive of the Group and franchisees</li> <li>Provided a support system for certified mechanic qualification and various other qualifications</li> <li>Established in-group qualifications</li> </ul>
<b>Risks associated with the development and procurement of products</b>	<ul style="list-style-type: none"> <li>If an accident, etc. occurs caused by private-brand products or other products, customers will lose trust and the brand will be damaged</li> <li>If product procurement becomes difficult due to the domestic or overseas situation, sales will decrease</li> <li>Rising retail costs associated with a steep increase in purchasing prices will cause the demand for products and services to recede</li> </ul>	<ul style="list-style-type: none"> <li>Established "AUTOBACS Group Product Quality Guidelines" to maintain and improve quality</li> <li>Conducted product inspections in accordance with AQL standards</li> <li>Managed quality in accordance with the "Product Quality Control Regulations"</li> </ul>
<b>Risks associated with compliance</b>	<ul style="list-style-type: none"> <li>If an officer or employee commits fraud, it will decrease the Group's social credibility and lead to large claims for damages</li> </ul>	<ul style="list-style-type: none"> <li>Promoted awareness and thorough compliance with the Code of Conduct and Guidelines for Action</li> <li>Executed a compliance check program in store operation</li> <li>Implemented a serious incident reporting system and whistleblowing system</li> </ul>
<b>Risks associated with natural disasters</b>	<ul style="list-style-type: none"> <li>If an earthquake, typhoon, or other natural disaster causes physical damage to a facility or vacant positions due to the death or injury of officers or employees, it will lead to product loss, a decrease in net sales, and the incurrence of costs associated with restoration to the original state, replenishment of personnel, etc.</li> </ul>	<ul style="list-style-type: none"> <li>Formulated a BCP (Business Continuity Plan)</li> <li>Identified issues and mitigated risk by envisioning various disaster cases and executing them in biannual drills</li> </ul>
<b>Risks associated with virulent infectious diseases</b>	<ul style="list-style-type: none"> <li>The outbreak of an infectious disease such as COVID-19 will lead to store closings and shortened business hours</li> </ul>	<ul style="list-style-type: none"> <li>Distributed countermeasure equipment and stored it in reserve</li> <li>Minimized the risk of infection by introducing teleworking for back office jobs</li> </ul>
<b>Risks associated with management of private and confidential information</b>	<ul style="list-style-type: none"> <li>If there is a leak of personal or confidential information held by the Company, it will decrease the Group's social credibility</li> </ul>	<ul style="list-style-type: none"> <li>Implemented regulations and restrictions on document handling</li> <li>Implemented strict measures for managing important electronic data, such as setting access permissions, passwords, and time limits</li> </ul>

 WEB | AUTOBACS SEVEN Group Information Security Policy

 WEB | Privacy Policy

 WEB | Annual Securities Report



# AUTOBACS Business

## Key points for the fiscal year ended March 2025

**Domestic retail sales were strong due to snowfall and vehicle maintenance demand, resulting in increased revenue and profits**

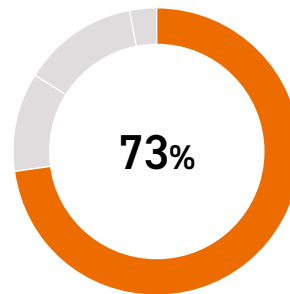
### Domestic AUTOBACS

- ➔ Strong sales of consumables like tires, oil, and batteries, as well as winter items like tire chains
- ➔ Used car purchasing and sales grew due to rising unit prices

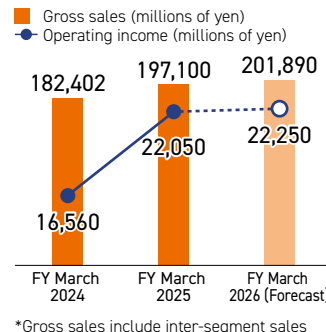
### Overseas Retail

- ➔ Sales decreased in France due to the impact of closing two stores in the previous period

### Breakdown of Gross Sales



### Gross Sales/Operating Income



## To become an indispensable company in society by serving as the “Mobility Lifestyle Infrastructure”

### Business Overview

- Franchise operations of stores, including “AUTOBACS,” a comprehensive automotive specialty retailer
- Automotive goods and services sales, installation services, vehicle maintenance, statutory safety inspections, and used car purchase and sales at domestic and international locations
- Wholesale of automotive goods to domestic franchisees as the AUTOBACS franchise chain headquarters

### Market Overview and Key Strengths

#### Strengths

- ▶ Domestic network of 1,020 stores and overseas network of 148 stores
- ▶ Brand strength and sales strength as the No. 1 tire retailer\*<sup>1</sup> and the No. 1 in customer satisfaction among used car dealers\*<sup>2</sup>
- ▶ Comprehensive services from maintenance and statutory safety inspections to vehicle goods sales
- ▶ Product development and procurement strength that is enhanced through Group collaboration
- ▶ High technical strength and quality of pit service

#### Opportunities

- ▶ Increased demand for maintenance due to lengthened vehicle life
- ▶ Increased demand for used cars due to the rising price of new vehicles
- ▶ Creation of new points of contact with customers through DX and collaboration with other industries
- ▶ Establishment of superiority through early adoption of advanced maintenance technology
- ▶ Creating business synergies through M&A

#### Threats

- ▶ Market contraction due to declining vehicle ownership
- ▶ Difficulty securing and aging of technician workforce (certified mechanics)
- ▶ Increased costs from rising raw material prices and yen depreciation
- ▶ Customer defection to dealerships and e-commerce sites
- ▶ Reduced demand for winter products due to mild winters

### Growth Strategy

We are pursuing a growth strategy focused on expanding our top line, with the goal of becoming an indispensable part of society as a Mobility Lifestyle Infrastructure. Under a unified system where headquarters and franchise stores collaborate to strengthen retail capabilities, we are working to enhance both profitability and customer satisfaction. At the same time, we are improving our pit services to create compelling reasons for customer visits, particularly through statutory safety inspections and maintenance services, thereby securing continuous customer touchpoints.

Furthermore, we are advancing highly convenient service offerings by reinforcing our OMO (Online-Merge-Offline) strategy, which integrates online and physical store experiences. On the product side, we are boosting price competitiveness and expanding our product lineup. The growth of our private brand products is also contributing to stronger brand recognition and a more robust profit structure.

In our overseas expansion, we are building operations through partnerships with local companies. By leveraging Japanese quality in both product strategies and store operations, we are enhancing brand recognition and competitiveness in local markets.

We remain committed to responding flexibly to changes in the market environment and steadily increasing our market share, even in mature markets.

\*1 The result of the 2025 survey on tires conducted by the JMA Research Institute, Inc.

\*2 The result of the 2024 Oricon Customer Satisfaction® Survey Used Car Purchaser Ranking and 2025 Oricon Customer Satisfaction® Survey Used Car Seller Ranking conducted by oricon ME inc.

# AUTOBACS Business

## TOPICS

### Expanding points of contact with customers by strengthening pit services

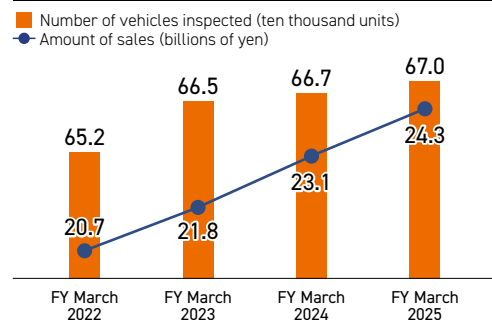
As vehicle lifespans become longer and vehicle technology advances, regular vehicle maintenance is becoming even more important, and the demand for regular maintenance such as statutory safety inspections and oil changes is steadily increasing. Under these circumstances, we are focusing on creating reasons to visit stores centered on statutory safety inspections and maintenance, and ensuring continuous points of contact with customers.

As one such measure, we launched the AQ. pit menu, a selection of low-cost, high-quality pit services from our private brand AQ. (AUTOBACS QUALITY.). We offer a selection of services to handle small routine concerns such as glass water repellency, interior deodorization, and headlight cleaning, offering maintenance services that are easy to use even for first-time visitors. These services will lead naturally into the maintenance cycle of statutory safety inspections and mandatory inspections, and help to encourage return visits and create regular points of contact with customers.

We are also working to improve the quality of pit services by strengthening our capability to handle EV statutory safety inspections and next-generation maintenance. Furthermore, we are installing AI-equipped cameras in all pit lanes at all AUTOBACS and Super AUTOBACS stores to bring visibility to the situation within the pit. In this way, we hope to improve the transparency of operations and trust.

Sales related to statutory safety inspections, maintenance, and other services increased approximately 25% from FY2015. Going forward, we will accelerate the shift toward a revenue structure that is not dependent on sales of automotive goods, and further increase the composition ratio of service-related sales.

**Trends in vehicles inspected and amount of sales**



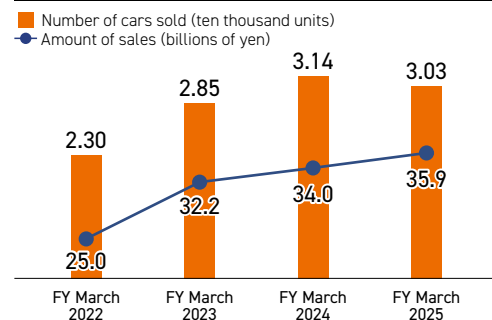
### Strengthening the used car business with a focus on purchasing

Amidst a shrinking automotive aftermarket, the Company is focusing on expanding the business of AUTOBACS CARS, which handles used car purchasing and sales, as a new growth area. Sales in this business have been steadily increasing in recent years, and the prominence of used car purchasing and sales has also increased in terms of the sales composition ratio of all stores.

In light of these circumstances, we are making the most of limited store resources and implementing a strategy that places the “purchasing” of used cars at the core of the used car business within the AUTOBACS Business. In this context, we are working to establish a direct purchase and resale model in order to maximize the lifetime value of customers by encouraging cross-selling between automotive goods and maintenance services, starting with used car purchasing and sales.

As a result of these initiatives, sales from used car purchasing and sales in the AUTOBACS Business increased approximately 52% from FY2015, and the business is becoming a key pillar that drives growth for the Company. Going forward, we will strive to achieve further growth for AUTOBACS CARS and strengthen its revenue structure by increasing transaction volume starting with purchasing and by optimizing sales channels.

**Trends in number of cars sold and amount of sales**



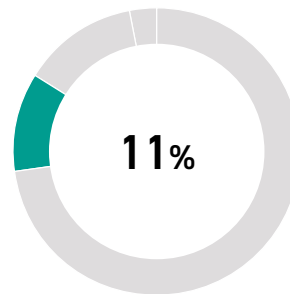
# Consumer Business

## Key points for the fiscal year ended March 2025

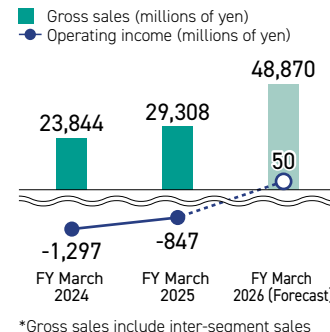
Despite incurring M&A-related expenses, revenue increased and the operating loss narrowed, driven by growth in its existing businesses

- ➡ The acquisition of Honda-authorized dealerships and in-house financing used car dealerships contributed significantly to revenue growth
- ➡ Used car sales performed strongly at auctions, supported by rising unit prices and increased purchase volumes
- ➡ Online sales grew due to the successful renewal of the official online store and an expanded product lineup

### Breakdown of Gross Sales



### Gross Sales/Operating Income



## Multi-brand strategy to create synergies with the AUTOBACS Business

### Business Overview

- Sales of new and used vehicles
- Online sales of automotive goods and services through our own e-commerce site and various online marketplaces
- Vehicle inspections, maintenance services, and bodywork repairs

### Market Overview and Key Strengths

#### Strengths

- ▶ Diversified automotive business models, including specialized maintenance shops, auto dealerships, and used car purchasing and sales
- ▶ Strong brand recognition and sales capabilities, ranked No. 1 in customer satisfaction among used car dealerships\*
- ▶ Extensive network encompassing AUTOBACS stores, affiliated subsidiaries, and logistics infrastructure
- ▶ OMO (Online-Merge-Offline) model integrating e-commerce with physical retail locations

#### Opportunities

- ▶ Increased demand for maintenance due to lengthened vehicle life
- ▶ Increased demand for eco-friendly mobility
- ▶ New customer touchpoints created through online channels
- ▶ Increased demand for used cars due to the rising price of new vehicles

#### Threats

- ▶ Market contraction due to declining vehicle ownership
- ▶ Difficulty securing and aging of technician workforce (certified mechanics)
- ▶ Increased costs from rising raw material prices and yen depreciation
- ▶ Intensifying competition with e-commerce channels

### Growth Strategy

In the Consumer Business, we are executing a growth strategy that leverages the unique strengths of each group company to drive integrated value creation and maximize profitability.

For our dealership operations, we are enhancing brand presence with a focus on Audi, Honda, and BYD, while actively pursuing initiatives in the EV sector and strategic M&A to capture emerging market opportunities.

In the used car segment, we are expanding our store network by increasing franchise partnerships outside the AUTOBACS Group. In addition to launching large-format stores, we are promoting mobile assessment services to improve customer convenience and maximize purchasing opportunities, thereby increasing transaction volume.

In online sales, we are broadening our sales channels through our proprietary e-commerce site and third-party platforms. We are also advancing a long-tail strategy to offer products that meet diverse customer needs.

Furthermore, by strengthening our corporate membership program and expanding maintenance facilities, we are enhancing our ability to provide tailored maintenance services and product proposals for corporate-owned vehicles, including company cars and leased fleets. Through these initiatives, we aim to generate synergies across the group and deepen our business domains.

\* The result of the 2024 Oricon Customer Satisfaction® Survey Used Car Purchaser Ranking and 2025 Oricon Customer Satisfaction® Survey Used Car Seller Ranking conducted by oricon ME inc.



# Consumer Business

## TOPICS

### Expanding locations and strengthening the business portfolio through M&A

The Medium-term Business Plan positions “creating touch points to continue to support mobility lifestyles” as a key strategy, and we have been actively and strategically implementing M&As in order to achieve the key measure of “expanding new bases, including new store openings, and expanding channels (100 bases).”

Our M&A strategy is centered on the three perspectives of horizontal, vertical, and depth. In the horizontal area in particular, we are steadily working to enhance points of contact by targeting authorized dealerships, used car retailers, and tire retailers. Specifically, in August 2024, we made a subsidiary of Otoron Co., Ltd., which operates used car dealerships that provide in-house loans, in order to acquire a new customer base and strengthen our sales channels. In October 2024, we made a subsidiary of Tokatsu Holdings Co., Ltd., which operates authorized Honda dealerships, in order to expand the range of brands handled by authorized dealers. In January 2025, we made a subsidiary of tire dealer BEE LINE Corporation, expanding our tire sales business through the acquisition of a third-party brand that handles affordable tires.

In addition to simply increasing the number of locations, these M&As have strengthened points of contact with customers different from those of AUTOBACS by diversifying store formats, regions, and channels. In fact, they also contributed to the reduction in operating deficit and the steady growth of gross operating income. Going forward, we will further deepen ties with Group companies and enhance the post-merger integration process by strengthening integrated management systems and conducting cross-brand collaboration.



HONDA CARS Matsudo Higashi Store

Otoron Morioka Store

### Strategic expansion of AUTO IN maintenance specialty stores

By establishing stores in locations adjacent to shopping malls and DIY stores, we have expanded AUTO IN, a highly-convenient service-oriented store format where customers can receive vehicle maintenance, including statutory safety inspections, tire replacement, and oil changes, while shopping. Unlike the AUTOBACS store format, AUTO IN specializes in maintenance without selling automotive goods.

In April 2025, we made a subsidiary of JCA Co., Ltd., which offers sales of automotive goods and services and vehicle maintenance services at 70 shopping centers and DIY stores throughout Japan. In September 2025, the store name was changed to AUTO IN. As we strive to expand our store network through new stores opening and M&As and maximize synergy with Group companies, AUTO IN is playing a central role in the Group’s maintenance network. We have established a streamlined work process in the pit driven by certified mechanics and other staff, allowing us to successfully offer short-time, high-quality service. In addition, we are steadily promoting its adoption as a new service model integrated into the flow of daily life, through means such as actively accepting customer-provided parts for maintenance through collaborations with DIY stores.

Going forward, AUTO IN will continue to evolve as a strategic hub that supports the Group-wide demand for maintenance centered on expanding sales of statutory safety inspections and maintenance, and will contribute to the expansion of the number of tires sold and the number of vehicles inspected.



AUTO IN Utsunomiya Store

AUTO IN Shaken &amp; Tire Center Kumamoto Tamana Store

# Wholesale Business

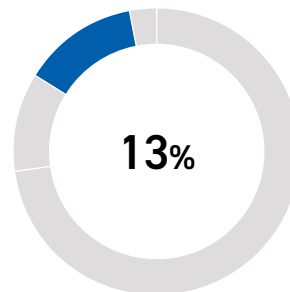
## Key points for the fiscal year ended March 2025

### Domestic sales to retailers expanded

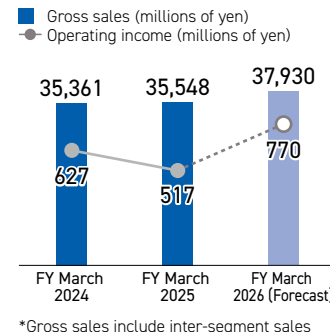
In overseas wholesale, export transactions from Japan declined, resulting in higher revenue but lower profits

- Sales of Nissan-specific vehicle items increased
- Wholesale of wheels and engine oil remained strong, driven by snowfall and vehicle maintenance demand
- Export transactions from Japan to overseas markets declined

### Breakdown of Gross Sales



### Gross Sales/Operating Income



## Expanding wholesale outside the AUTOBACS chain to become a core business alongside the AUTOBACS Business

### Business Overview

- Wholesale of automotive goods to domestic retailers
- Wholesale and export of automotive goods to overseas franchisees and retailers
- Wholesale of private brand products

### Market Overview and Key Strengths

#### Strengths

- ▶ A worldwide network of AUTOBACS stores, subsidiaries, and logistics infrastructure
- ▶ High-quality private brand products at competitive prices
- ▶ Strong partnerships with local overseas affiliates
- ▶ Capability to serve corporate and wholesale channels

#### Opportunities

- ▶ Acquiring new sales channels through partnerships with partner companies
- ▶ Enhancing competitiveness by revising private brand strategies and expanding overseas
- ▶ Optimizing product development and procurement systems through collaboration with domestic and international bases
- ▶ Improving responsiveness by advancing logistics and order-taking infrastructure

#### Threats

- ▶ Increased costs from rising raw material prices and yen depreciation
- ▶ Intensifying competition with rivals and e-commerce channels
- ▶ Supply chain disruptions due to external environmental changes
- ▶ Quality and supply risks for private brand products

### Growth Strategy

We aim to expand our wholesale business outside the AUTOBACS chain and grow it into a core business following the AUTOBACS business. To achieve this, we are promoting differentiation and providing added value in the areas of products, logistics, and services, thereby strengthening our unique strengths. We are also focusing on building a global procurement and sales structure and improving operational efficiency through the integration of functions across subsidiaries and businesses.

Meanwhile, establishing external sales infrastructure, including a wholesale system, remains a critical priority. We are working to automate the entire process from order receipt to shipment and build a same-day delivery system by improving our logistics network and order management systems.

For private brand products, we are advancing brand restructuring to expand sales both domestically and internationally. We are also working to further strengthen our competitive advantage by acquiring agency and sales rights.

At our overseas bases, we are strengthening product development and quality assurance systems, aiming for swift business expansion through collaboration with our Japanese headquarters.

# Wholesale Business

## TOPICS

### Creating new sales channels through collaboration with 7-Eleven

In December 2024, the Company officially launched the AUTOBACS Corner in 7-Eleven stores. This allowed efforts that were being tested in select regions in 2023 to be strategically expanded on a nationwide scale. By introducing select items from the Company's private brand AQ. (AUTOBACS QQUALITY.) that meet the demands of convenience store users, and providing "ready-to-use automotive goods" mainly in stores along major roads with a high number of customers visiting by car, these measures offer convenience in the face of sudden needs that arise during daily commutes or drives.

Convenience stores are an extremely large sales channel that is deeply rooted in everyday life. In cooperation with 7-Eleven, which has these characteristics, we aim to make the AUTOBACS a more familiar presence by significantly broadening brand touchpoints in everyday routines in addition to the usual AUTOBACS stores.

Going forward, the Company will work to strengthen the provision of value from the dual aspects of brand interaction opportunities and convenience and create new shopping experiences by expanding wholesale channels through collaboration with various retailers.



### Optimizing the supply chain and strengthening our lifestyle brands

In April 2025, businesses related to product procurement and development were transferred from our subsidiary CAP CO., LTD. to AUTOBACS SEVEN in order to strengthen the supply chain and improve operational efficiency. This integration has promoted accelerated decision-making and cost optimization by establishing a system in which all processes from product planning to sale are centrally managed by the Company. It has also strengthened our product development capability by enhancing the quality control and supply stability of our core products.

Furthermore, business under the lifestyle brand GORDON MILLER (GML) was transferred to FATRASTYLING INC., the name of which was changed to GORDON MILLER INC. This allows us to promote a business that offers a wide range of products based on the worldview of GML, such as automotive goods and services, apparel, and campers. Currently, we are focusing on expanding into overseas markets while also enhancing brand recognition through sales at directly managed GORDON MILLER KURAMAE stores and approximately 600 stores nationwide.



GORDON MILLER MOTORS, the car label of GORDON MILLER



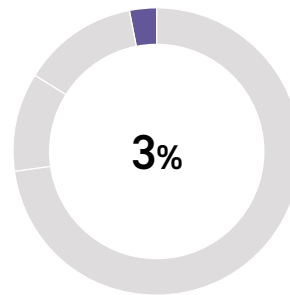
# Expansion Business

## Key points for the fiscal year ended March 2025

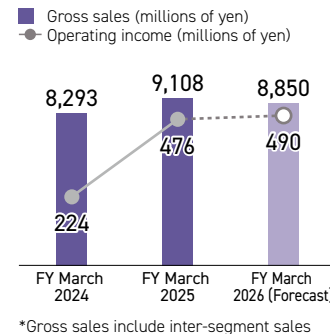
### Finance and real estate-related businesses performed strongly

- ➔ Credit income increased due to rising loan interest rates and the growing adoption of cashless payments
- ➔ Real estate income grew as a result of new store openings and rent adjustments

### Breakdown of Gross Sales



### Gross Sales/Operating Income



## Promoting the development of new markets with a focus on medium- to long-term revenue generation

### Business Overview

- Credit-related services and insurance agency operations
- Property development, site planning, and real estate leasing
- Sales of micromobility vehicles

### Market Overview and Key Strengths

#### Strengths

- ▶ AUTOBACS' brand power
- ▶ Nationwide network of stores and sales channels

#### Opportunities

- ▶ Mobility support in an aging society
- ▶ Growing demand for new services driven by the spread of EVs and expansion of car sharing

#### Threats

- ▶ Laws and regulations for new mobilities
- ▶ Increased costs from rising raw material prices and yen depreciation

## Next-generation mobility strategy to meet diversifying transportation needs

In response to evolving values around mobility, we are actively developing new services. In May 2025, we launched a subscription-based rental service on the "Kauriru" platform, offering electric kickboards and electric bikes at a fixed monthly rate. Currently, pickup and return are available only at select stores, but we plan to expand the network nationwide to accommodate diverse needs, including corporate use and rentals at tourist destinations. This initiative aims to enhance convenience for short-distance travel in urban and tourist areas, while promoting the adoption of environmentally friendly transportation options.

Additionally, our subsidiary, AUTOBACS Financial Services Co., Ltd., has introduced a rental car service at select locations using existing loaner vehicles. By making vehicles—previously used as loaner vehicles during inspections and repairs—available to the general public, we are effectively utilizing idle assets and improving vehicle utilization rates. Looking ahead, we plan to diversify our lineup to include electric vehicles (EVs), campers, and other vehicle types to meet a wide range of customer needs, from daily use to leisure activities.

Through these initiatives, we aim to offer mobility services that reflect changing lifestyles and transportation preferences, providing sustainable and highly convenient options for our customers.



	FY March 2015	FY March 2016	FY March 2017	FY March 2018	FY March 2019	FY March 2020	FY March 2021	FY March 2022	FY March 2023	FY March 2024	FY March 2025
<b>Profit and Loss (millions of yen)</b>											
Net sales	209,454	208,142	204,033	211,630	213,840	221,400	220,449	228,586	236,235	229,856	249,525
Wholesale	124,279	117,848	115,637	121,081	124,214	126,931	124,763	126,430	127,364	122,577	122,038
Retail	82,039	87,310	85,566	87,357	86,018	90,762	90,971	96,405	102,239	103,506	123,625
Others	3,136	2,983	2,830	3,190	3,607	3,705	4,713	5,751	6,631	3,773	3,861
Operating income	6,403	6,701	5,829	7,284	7,478	7,585	10,577	11,552	11,722	8,010	12,126
Ordinary profit	8,250	7,780	7,120	8,226	8,203	8,059	11,219	11,246	11,574	8,093	12,516
Profit attributable to owners of parent	4,609	4,371	3,015	5,403	5,485	3,764	7,050	7,010	7,239	6,355	8,132
Cash flows from operating activities	11,829	10,564	9,488	16,394	4,447	10,603	17,163	5,712	10,687	14,431	3,944
Cash flows from investing activities	-2,403	-4,984	-7,147	-2,915	-3,078	-3,370	-6,085	-7,710	-7,652	-449	-18,020
Cash flows from financing activities	-12,617	-11,154	-7,457	-5,840	-9,876	-9,684	-309	-12,300	-3,495	-7,413	13,973
Free cash flows	9,426	5,580	2,341	13,479	1,369	7,233	11,078	-1,998	3,035	13,982	-14,076
Capital expenditures	6,127	5,895	4,842	3,587	4,618	3,429	3,996	6,300	7,182	9,149	8,926
Depreciation and amortization of goodwill	4,804	4,012	4,384	4,131	4,045	4,665	4,154	4,554	4,686	5,283	6,014
<b>Financial Position (millions of yen)</b>											
Total assets	186,531	180,454	176,708	187,405	181,391	172,799	187,914	189,910	194,327	194,948	228,170
Equity	138,337	131,455	127,078	126,866	123,582	119,251	123,180	122,549	126,622	128,845	131,808
Interest-bearing debt	6,844	6,297	8,284	6,896	4,991	7,303	12,667	10,763	12,195	9,319	37,818
<b>Per Share Data (yen)</b>											
Net Income	52.83	51.60	36.00	65.49	66.58	47.10	88.28	89.17	92.87	81.52	103.89
Dividend	60	60	60	60	60	60	60	60	60	70	60
Dividend payout ratio (%)	113.6	116.3	166.7	91.6	90.1	127.4	68.0	67.3	64.6	85.9	57.8
Dividend on equity (DOE) (%)	3.7	3.8	3.9	3.9	3.9	4.0	4.0	3.9	3.8	4.3	3.6
Total shareholder return ratio (%)	222.2	235.4	255.7	91.6	142.5	182.8	68.0	109.5	64.6	85.9	57.8
<b>Management Indicators</b>											
Operating income margin (%)	3.1	3.2	2.9	3.7	3.5	3.4	4.8	5.1	5.0	3.5	4.9
Return on equity (%)	3.3	3.2	2.3	4.3	4.4	3.1	5.8	5.7	5.8	5.0	6.2
Return on assets (%)	4.3	4.2	4.0	4.5	4.4	4.6	6.2	5.9	6.0	4.2	5.9
Equity-to-asset ratio (%)	74.2	72.8	71.9	67.7	68.1	69.0	65.6	64.5	65.2	66.1	57.8

\*The Accounting Standard for Revenue Recognition began to be applied in the fiscal year ended March 31, 2022. The standard was not applied on figures for up to the fiscal year ended March 31, 2021

\*Beginning with the fiscal year ended March 2024, the classifications "Wholesale," "Retail," and "Others" were revised to align with the reporting segments.

## Environment

Items	Unit	FY March 2022	FY March 2023	FY March 2024	FY March 2025	Target Value [Deadline]
CO <sub>2</sub> emissions (consolidated)* <sup>1</sup>	t-CO <sub>2</sub>	14,804	17,018	16,808	20,890	Carbon Neutrality [March 2051]
Scope1	t-CO <sub>2</sub>	1,128	3,009	2,522	2,884	
Scope2	t-CO <sub>2</sub>	13,676	14,009	14,287	18,005	
CO <sub>2</sub> emissions (non-consolidated)* <sup>2</sup>	t-CO <sub>2</sub>	3,392	3,356	3,560	4,287	
Electricity usage (consolidated)	MWh	31,650	33,230	32,000	30,100	
Electricity usage (non-consolidated)	MWh	6,830	6,170	6,390	7,280	

## Social

Items	Unit	FY March 2022	FY March 2023	FY March 2024	FY March 2025	Target Value [Deadline]
<b>Personnel Data</b>						
Number of employees (consolidated)	People	4,388	4,477	4,385	5,201	
Number of employees (non-consolidated)	People	1,050	1,057	997	884	
Male	People	842	840	798	707	
Female	People	208	217	199	177	
Ratio of female employees* <sup>3</sup>	%	16.7	17.9	18.4	18.1	30.0% [2031.3]
Ratio of female managers* <sup>3</sup>	%	7.8	8.6	7.9	7.5	18.0% [2031.3]
Employment rate of persons with disabilities	%	2.24	2.25	2.46	2.35	
Number of employees re-employed after retiring at 60	People	36	44	23	10	
Number of foreign employees	People	19	17	22	18	
Acquisition rate of childcare leave by men* <sup>3</sup>	%	—	37.1	52.0	51.7	100.0% [2031.3]
Acquisition rate of childcare leave by women	%	100.0	100.0	100.0	100.0	
Return-to-work rate after childcare leave	%	100.0	100.0	100.0	100.0	
Number of new graduates hired	People	18	23	24	21	
Number of mid-career hires* <sup>4</sup>	People	40	54	27	86	
<b>Human Resources Development</b>						
Average cost of training per employee	Thousands of yen	23.1	24.2	48.5	35.7	
Average training hours per employee	Hours	9.61	10.51	21.79	6.44	
Number of participants in recommended training (Total count)	People	139	115	184	163	
Number of successful transfers on internal job posting	People	9	5	17	10	
Number of individuals who used free agent system	People	9	7	6	3	

The information for AUTOBACS SEVEN alone indicated unless otherwise noted.

\*1: The calculation scope includes domestic Japanese business locations, directly managed stores and subsidiary stores, and logistics facilities: 147 locations for the fiscal year ended March 2022, 196 locations for the fiscal year ended March 2023, 204 locations for the fiscal year ended March 2024, and 223 locations for the fiscal year ended March 2025.

\*2: The scope of calculation covers AUTOBACS SEVEN Co., Ltd.'s headquarters, regional business locations, directly managed stores, and logistics centers

\*3: Figures are consolidated for the AUTOBACS SEVEN Group. The female employee ratio represents the proportion of female employees within the total number of employees excluding part-time and temporary staff.

\*4: Number of regular employees and limited-term employees hired externally as mid-career hires.

Items	Unit	FY March 2022	FY March 2023	FY March 2024	FY March 2025	Target Value [Deadline]
<b>Work-style Reforms</b>						
Monthly average overtime hours	Hours	5.5	7.3	6.9	7.9	
Annual paid leave take-up rate	%	52.2	52.4	53.6	56.9	
<b>Health Management</b>						
Ratio of individuals who underwent periodic health examination	%	100	100	100	100	
Implementation ratio of specific health guidance	%	50.7	49.0	32.0	—	70% and more [March 2026]
Checkup rate of stress check	%	95.1	95.6	95.3	93.4	
Smoking rate	%	27.0	24.5	25.0	20.1	Less than 16% [March 2026]
Work engagement (individual)* <sup>5</sup>	pt	2.6	2.7	2.6	2.6	3.0 points and more [March 2026]
Presenteeism* <sup>6</sup>	%	87.0	87.0	86.0	85.1	90% and more [March 2026]
Investment related to health management	Thousands of yen	43	54	57	45	
<b>Number of Members/Automobile Mechanics</b>						
Number of AUTOBACS members* <sup>7</sup>	1,000 people	7,578	7,765	8,237	8,588	
Number of automobile mechanics* <sup>8</sup>	People	3,746	3,690	3,813	3,813	

## Governance

Items	Unit	As of July 2022	As of July 2023	As of July 2024	As of July 2025
Number of Directors	People	10	9	8	8
Outside Directors	People	4	4	4	4
Female Directors	People	1	1	1	1
Audit and Supervisory Committee Members	People	3	3	3	3

## Number of stores

Items	Unit	FY March 2022	FY March 2023	FY March 2024	FY March 2025
Number of domestic stores* <sup>9</sup>	Store	993	997	1,003	1,020
Domestic stores operated by franchisees	Store	764	760	766	728
Number of overseas stores	Store	62	78	109	148
Overseas stores operated by franchisees	Store	50	64	95	136
Designated stores (Private statutory safety inspection stores)	Store	434	440	440	443

\*5: Average of ratings on a scale from 1 to 4, with a higher rating representing a better status.

\*6: An indicator to measure the impact of mental and physical health on performance, with a higher score indicating better performance.

\*7: Starting in the fiscal year ended March 31, 2024, the definition of an active member was changed from "made a purchase within the past year" to "made a purchase or visited a store within the past year."

\*8: All AUTOBACS chain employees who have obtained the automobile mechanic (Level 1, 2, or 3) national qualification.

\*9: The number of stores includes co-located stores and in-shop locations.



## List of Major Consolidated Subsidiaries

As of July 1, 2025

**AUTOBACS SEVEN/GROUP**

### AUTOBACS Business

AUTOBACS Higashi-Nihon Sales Ltd.  
 AUTOBACS Chubu Sales Ltd.  
 AUTOBACS Kansai Sales Ltd.  
 AUTOBACS Nishi-Nihon Sales Ltd.  
 AUTOBACS Tsukuba Co., Ltd.  
 YUEI CO., LTD.  
 Puma Ltd.  
 AUTOBACS VENTURE SINGAPORE PTE LTD  
 AUTOBACS FRANCE S.A.S.  
 AUTOBACS CAR CARE (SINGAPORE) PTE. LTD.  
 UTAM ENTERPRISE CO., LTD.

### Other

Chain Growth Co., Ltd.  
 AUTOBACS Digital Initiative Co., Ltd.

### Consumer Business

Seiwa Automobile Sales Co., Ltd.  
 Takamori Jidousha Seibi Kogyo Co., Ltd.  
 Kondo Automotive Industry Co., Ltd.  
 BACS Boots Co., Ltd.  
 C6-2 Holdings Co., Ltd.  
 BEE LINE Corporation  
 JCA Co., Ltd.  
 AUTOBACS SQUARE CARS Co., Ltd.  
 AUTOBACS DEALER GROUP HOLDINGS Co., Ltd.  
 Bacs Advance Co., Ltd.  
 BACS e-Mobility Co., Ltd.  
 Power Control Technique Co., Ltd.  
 Tokatsu Holdings Co., Ltd.  
 HONDA CARS TOKATSU CO., LTD.  
 Otoron Co., Ltd.

### Wholesale Business

CAP CO., LTD.  
 HOT STUFF CORPORATION  
 GORDON MILLER INC.  
 AUTOBACS (CHINA) AUTOGOODS COMMERCE Co., Ltd.  
 AUTOBACS CAR SERVICE MALAYSIA SDN. BHD.  
 AUTOBACS AUSTRALIA PTY LTD

### Expansion Business

AUTOBACS Next-Generation Vehicle Laboratory Inc.  
 AUTOBACS Financial Service Co., Ltd.  
 TOKATSU PLANNING CO., LTD.  
 AUTOBACS PROPERTY DEVELOPMENTZ Co., Ltd.  
 VEEMO, Inc.  
 ABT Marketing Co., Ltd.  
 ARTA CO., LTD.  
 AUTOBACS Management Service Co., Ltd.

 WEB | List of Associated Companies

## Corporate Profile (As of March 31, 2025)

Name	AUTOBACS SEVEN CO., LTD.
Headquarters	6-52, Toyosu 5-chome, Koto-ku, Tokyo, Japan
Date of Foundation	February 1947
Capital Stock	33,998 million yen
Number of Employees (Consolidated)	5,201
Main Business Offices	Head Office (Koto-ku, Tokyo) Kansai Regional Headquarters (Osaka, Osaka) Eastern Japan Logistics Center (Ichikawa, Chiba) Western Japan Logistics Center (Miki, Hyogo)

## External Evaluation and Initiatives (As of July 31, 2025)



**FTSE Blossom  
Japan Sector  
Relative Index**

**2024 CONSTITUENT MSCI NihonKABU  
ESG SELECT LEADERS INDEX**



**TASK FORCE ON  
CLIMATE-RELATED  
FINANCIAL  
DISCLOSURES**



**Digital Transformation  
Certification**



**2025  
健康経営優良法人  
KENKO Investment for Health  
大規模法人部門**

\*THE INCLUSION OF AUTOBACS SEVEN CO., LTD IN ANY MSCI INDEX, AND THE USE OF MSCI LOGOS, TRADEMARKS, SERVICE MARKS OR INDEX NAMES HEREIN, DO NOT CONSTITUTE A SPONSORSHIP, ENDORSEMENT OR PROMOTION OF AUTOBACS SEVEN CO., LTD BY MSCI OR ANY OF ITS AFFILIATES. THE MSCI INDEXES ARE THE EXCLUSIVE PROPERTY OF MSCI. MSCI AND THE MSCI INDEX NAMES AND LOGOS ARE TRADEMARKS OR SERVICE MARKS OF MSCI OR ITS AFFILIATES.

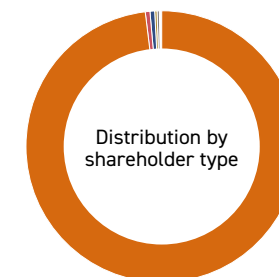
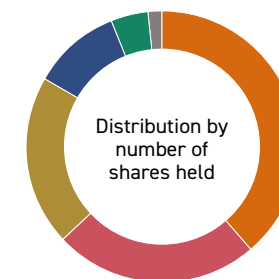
## Stock Information (As of March 31, 2025)

Number of Authorized Shares	328,206,900 shares
Number of Shares Issued	82,050,105 shares (including 3,559,443 treasury stock)
Number of Shareholders	68,909
One Unit	100 shares
Stock Listings	Tokyo Stock Exchange
Independent Auditor	Deloitte Touche Tohmatsu LLC
Administrator of the Register of Shareholders	1-4-1 Marunouchi, Chiyoda-ku, Tokyo Sumitomo Mitsui Trust Bank, Limited

### Major Shareholders

Name	Number of Shares Held (Thousands)	Shareholding Ratio (%)
The Master Trust Bank of Japan, Ltd. (Trust Account)	8,516	10.84
Sumino Holdings, Ltd.	4,243	5.40
The Yuumi Memorial Foundation for Home Health Care	3,990	5.08
Custody Bank of Japan, Ltd. (Trust Account)	3,804	4.84
K Holdings, Ltd.	2,750	3.50
The Master Trust Bank of Japan, Ltd. (Retail Trust Account 820079252)	1,800	2.29
Foreman Kyoei, Ltd.	1,560	1.98
Hiroshi Sumino	1,384	1.76
STATE STREET BANK WEST CLIENT-TREATY 505234	1,172	1.49
Live Field Co., Ltd.	1,000	1.27

(Notes) 1. The number of treasury shares are excluded in the calculation of shareholding ratios.  
2. The numbers of shares held are rounded down to the nearest thousand. The shareholding ratios are rounded down to the second decimal place.



\* Figures for the distribution by number of shares held and distribution by shareholder type are rounded off to two decimal places.



Shaping a Future Where People and Mobility Connect—With More Joy and Greater Freedom

## **INTEGRATED REPORT 2025**

PR & IR Department, AUTOBACS SEVEN CO., LTD.

NBF Toyosu Canal Front, 6-52, Toyosu 5-chome, Koto-ku, Tokyo, 135-8717

**PHONE:** +81-3-6219-8718

**URL:** <https://www.autobacs.co.jp/en/>