

NEWS RELEASE

October 31, 2016

AUTOBACS SEVEN Announces Basic Agreement with Culture Convenience Club Co., Ltd.

AUTOBACS SEVEN Co., Ltd.

(As of Ostober 21, 2016)

AUTOBACS SEVEN Co., Ltd. ("the Company," Representative Director and CEO: Kiomi Kobayashi) announces that it has entered into a basic agreement on a business alliance with Culture Convenience Club Co., Ltd. ("CCC," Representative Director and CEO: Muneaki Masuda) today. Details are as follows.

1. Purpose of the basic agreement

The purpose of the Company entering into the agreement is to provide services that offer even stronger satisfaction to customers, create new synergies, maximize customer satisfaction and maintain and strengthen competitiveness through the integration of the business resources of the two companies, specifically the customer base of 15 million people and expertise in total car-life service businesses that the Company possesses, and the customer base of 60.5 million people and the lifestyle proposal capabilities that CCC possesses.

2. Outline of the basic agreement

- (1) Establishment of a joint venture company
- (2) Establishment of a data base centered on total car-life service and the implementation of marketing services
- (3) Integration of the Company's points services with T Points and the issuance of T Cards

3.Description of the alliance partner

	1	(As of October 31, 2016)
Company name	Culture Convenience Club Co., Ltd.	
Location	Shibuya Garden Tower 6F,16-17 Nanpeidai-cho, Shibuya-ku, Tokyo	
Representative	Muneaki Masuda	
Line of business	A planning company provides customers with lifestyle through the platform, such as TSUTAYA/TSUTAYA BOOKS, T-SITE, T- CARD, etc.	
Capital	27,037million yen (as of March 31, 2016) * Total of capital and capital surplus	
Incorporation	September 20, 1985	
Present relationship between the alliance partner	Capital relationship	No relevant items
	Personnel relationship	No relevant items
	Business relationship	Introduction of T point program of T Point Japan Co., Ltd., an affiliate company of Culture Convenience Club Co., Ltd.
	Related party transactions	Not applicable





4. Future schedule

The two companies expect to examine the contents of the contract in detail, aiming to conclude an agreement in FY2017. When specific details are determined as a result of examinations, the Company will promptly make an announcement on the matter. The influence of this transaction on the Company's consolidated financial performance is assumed to be low.

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