

April 22, 2015

AUTOBACS SEVEN Announces Revision of Financial Forecasts and Recording of Extraordinary Loss

AUTOBACS SEVEN Co., Ltd.

April 22, 2015 (Tokyo, Japan) — AUTOBACS SEVEN Co., Ltd. (Representative Director and Chief Executive Officer: Setsuo Wakuda) today announced the revision of its performance forecasts that were announced on October 29, 2014 and the occurrence of an extraordinary loss on a non-consolidated basis. Details are as follows.

1. Revision of forecast for the fiscal year ended March 31, 2015 (from April 1, 2014 to March 31, 2015)
1) Consolidated

	Net Sales	Operating Income	Ordinary Income	Net Income	Net Income per share
Previously announced forecast (A) (October 29, 2014)	216,600 million yen	9,000 million yen	10,800 million yen	6,000 million yen	69.35 yen
Revised forecast (B)	209,400	6,400	8,200	4,600	52.72
Amount of change (B-A)	Δ7,200	Δ2,600	Δ2,600	Δ1,400	—
Percentage change (%)	Δ3.3	Δ28.9	Δ24.1	Δ23.3	—
Results for the previous fiscal year (Apr 1, 2013 to Mar 31, 2014)	231,697	13,944	16,421	9,786	107.71

2) Non-consolidated

	Net Sales	Ordinary Income	Net Income	Net Income per share
Previously announced forecast (A) (October 29, 2014)	175,800 million yen	10,700 million yen	8,600 million yen	99.37 yen
Revised forecast (B)	166,800	8,800	3,300	37.82
Amount of change (B-A)	Δ9,000	Δ1,900	Δ5,300	—
Percentage change (%)	Δ5.1	Δ17.8	Δ61.6	—
Results for the previous fiscal year (Apr 1, 2013 to Mar 31, 2014)	183,758	13,330	9,370	103.10

2. Reasons for the revision of the full-year business results
(Consolidated Results)

Wholesale for franchise outlets and sales of domestic store subsidiaries declined on the back of sluggish automobile-related consumption that sank more than expected in the forecast that was previously announced, largely due to reaction to a last-minute rise in demand attributable to the consumption tax hike coupled with a subsequent slump in consumer sentiment. In response, the Group strove to enhance profits by strengthening its sales structure, taking steps to improve its gross margin and reducing controllable expenses. However, these measures still failed to match the scale of the decline in sales, and the Group's full-year sales, operating income, ordinary income and net income are expected to be below the forecasts that were previously announced.

(Non-consolidated Individual Results)

Wholesale for franchise outlets declined, reflecting the same factors as those in the consolidated results. As a result, full-year sales and operating income are expected to be below the forecasts that were previously announced. Moreover, net income is expected to be below the forecast that was previously announced.



because a loss on the valuation of shares of subsidiaries and associates of 4,691 million yen is expected to be recorded as an extraordinary loss in the fourth quarter of the fiscal year ended March 2015, as outlined below.

The forecast of dividends has not changed from the forecast announced at the beginning of the fiscal year.

3. Recording of extraordinary loss

As a result of the review of the profitability of overseas affiliates in France and other countries and domestic store subsidiaries, with respect to non-consolidated results forecast, the Group has recorded a loss on the valuation of shares of subsidiaries and associates of 4,691 million yen in relation to its overseas affiliates in France and other countries and its domestic store subsidiaries as an extraordinary loss in the fourth quarter of the fiscal year ended March 2015.

Moreover, the relevant loss on the valuation of shares of subsidiaries and associates is recorded in the non-consolidated results and eliminated in the consolidated results, so as a result, the loss described above has minor impact on the consolidated results.

*The above forecasts are based on information available to the Company as of the announcement date of these financial results. Going forward, the actual business results may differ from these forecast performance figures depending on various factors.

Disclaimer: Please note that this document is a summary translation of the Japanese press release and prepared for reference purposes only. We do not assure the correctness or completeness of this summary translation. Please note that this summary translation may be amended without notice, or be pulled from our website for such amendment purpose, etc., at our own discretion.