

January 13, 2016

**AUTOBACS SEVEN Announces Capital and Business Alliance
with a Philippine Company**

January 13, 2016 (Tokyo, Japan) — AUTOBACS SEVEN Co., Ltd. (“the Company,” Representative Director and CEO: Setsuo Wakuda) announced that it has reached an agreement and signed to related documents to enter into a capital and business alliance with Motech Group in Philippines.

1. Purpose of the capital and business tie-up

Since the economy of the Philippines is growing rapidly and the number of cars is rising, the Company considered there is a large potential in the retail and wholesale of automotive related goods and automotive repair services, and decided to enter into these business fields through an alliance with Motech Group that operates an automotive maintenance and repair service chain in Philippines.

The Company will continue to invest its management resources and make concerted efforts to develop overseas market that contains great business opportunity.

In the ASEAN region, the AUTOBACS Group operates three stores in Singapore, six in Thailand, four in Malaysia and one in Indonesia since its first opening in Singapore in 1995.

2. Contents of the capital and business tie-up

The Company acquires 9.93% of the share of Magnificent’7 Automotive and Franchising Company (“Magnificent’7”), which operates an automotive maintenance and repair service chain in Philippines.

Through this alliance, it is expected for the Company to share its business knowledge and skills required for multiple store development and to supply its merchandise to Magnificent’7.

3. Description of the alliance partner

Company name	Magnificent’7 Automotive and Franchising Company, Inc. (Magnificent’7)
Location	#216 Mac Arthur Highway, Pulung Bulo Angeles City, Pampanga
Representative	Eugene Sergio T. Naguiat
Line of business	Operates a franchise chain of automotive maintenance and repair stores in Philippines(18 stores) and offers management consultation services to stores operated by its subsidiary (6 stores)
Capital	7.5MPH (20 million yen)
Incorporation	March 18, 2015 (foundation of Motech Group is September 12, 1979)
Ownership ratio	Eugene Sergio T. Naguiat : 40.00% Anna Karina N. Africa : 15.00% Xavier Inigo T. Naguiat : 15.00% Johann Rommel T. Naguiat : 15.00% Marie Nicole T. Naguiat : 15.00%



Present relationship between Magnificent'7 and the Company	Capital relationship	No relevant items
	Personnel relationship	No relevant items
	Business relationship	No relevant items
	Related party transactions	Not applicable

4. Impact on forecasts of the Company

The above alliance is not expected to have a material impact on the Company's either consolidated or non-consolidated business results for the current fiscal year ending March 31, 2016.

If the Company presumes any impact on its business results for the fiscal year thereafter, it will include them in its earnings forecasts for the fiscal year ending March 31, 2016.

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