January 31, 2022

Consolidated Financial Results for the Nine Months Ended December 31, 2021 【Japanese GAAP】

Summary of Quick Financial Announcement of Consolidated Financial Information for the Nine Months Ended December 31, 2021.

Company name: AUTOBACS SEVEN CO., LTD.
Code number: 9832
(URL https://www.autobacs.co.jp/)
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Stock exchange listing: Tokyo
Submission of Quarterly Business Report: February 7, 2022
Start of cash dividend payments: -
Supplementary quarterly materials prepared: Yes
Quarterly results information meeting held: None

1. Results for the Nine months ended December 31, 2021 (From April 1, 2021 to December 31, 2021)

(Note: Amounts less than 1 million Yen have been rounded down. A figure in ( ) indicates a loss or a negative figure.)

(1) Results of operations:

(Unit: Millions of Yen except for per share information, and % information which indicates increase or decrease( ).)

	Net sales	%	Operating income	%	Ordinary income	%
Nine months ended December 31, 2021	**171,937**	—	**8,804**	—	**9,443**	—
Nine months ended December 31, 2020	171,434	(2.9)	10,467	18.0	11,280	19.1

Note: Comprehensive income: 6,712 million yen for the Nine months ended December 31, 2021: —%
8,645 million yen for the Nine months ended December 31, 2020: 28.7%

	Profit attributable to owners of parent	%	Basic net income per share (Yen)	Basic net income per share - diluted (Yen)
Nine months ended December 31, 2021	**6,158**	—	**78.11**	—
Nine months ended December 31, 2020	7,371	18.2	92.31	—

Note: The Accounting Standard for Revenue Recognition (ASBJ Statement No. 29, March 31, 2020), etc. were applied from the beginning of the first three month of the consolidated fiscal year. Accordingly, the figures for the nine months ended December 31, 2021 reflect said accounting standard, etc., and increase or decrease rates from the same quarter of the previous year are not indicated.

(2) Financial position:

(Unit: Millions of Yen except for per share information)

	Total assets	Total net assets	Equity ratio	Net assets per share (Yen)
			%	
Nine months ended December 31, 2021	**214,993**	**122,119**	**56.6**	**1,560.11**
Fiscal year ended March 31, 2021	187,914	123,833	65.6	1,542.40

(Reference) Equity: **Nine months ended December 31, 2021: 121,585 million Yen**

Fiscal year ended March 31, 2021: 123,180 million Yen

Note: The Accounting Standard for Revenue Recognition (ASBJ Statement No. 29, March 31, 2020), etc. were applied from the beginning of the first three month of the consolidated fiscal year. Accordingly, the figures for the nine months ended December 31, 2021 reflect said accounting standard, etc.

2. Dividends

Dividends per share (Yen)

	First Quarter	Second Quarter	Third Quarter	Year -end	Annual
Fiscal year ended March 31, 2021	–	30.00	–	30.00	60.00
Fiscal year ended March 31, 2022	**–**	**30.00**	**–**		
Fiscal year ended March 31, 2022 (forecast)				**30.00**	**60.00**

Note: Revisions to dividend forecasts published most recently: None

3. Forecast for the fiscal year ending March 2022 (from April 1, 2021 to March 31, 2022)

(Unit: Millions of Yen, percentage figures denote year-on-year change)

	Net sales		Operating income		Ordinary income	
		%		%		%
Annual	226,500	–	9,500	–	10,000	–

	Profit attributable to owners of parent		Basic net income per share (Yen)
		%	
Annual	6,700	–	85.97

Note: Revisions to financial forecasts published most recently: None

Note: The Accounting Standard for Revenue Recognition (ASBJ Statement No. 29, March 31, 2020), etc. were applied from the beginning of the current consolidated fiscal year under review. Accordingly, the figures for the forecast of the fiscal year ending March 2022 reflect said accounting standard, etc., and increase or decrease rates from the same period of the previous year are not indicated.

4. Other

(1) Significant changes in scope of consolidation: None

(2) Adoption of special accounting policies for quarterly financial statements: None

(3) Changes in accounting policies, accounting estimation change and restatement
1. Changes due to changes in accounting standard : Yes
2. Changes due to changes in accounting standard except (3)-1. : None
3. Changes due to accounting estimation change : None
4. Restatement : None
Note: For further details, please refer to "7. Notes on the quarterly consolidated financial statements", "Changes in Accounting Policies".

(4) Shares outstanding (common stock)
1. Number of shares outstanding (including treasury stock)
Nine months ended December 31, 2021: 82,050,105 shares
Fiscal year ended March 31, 2021: 84,050,105 shares

2. Number of treasury stock at the end of period
Nine months ended December 31, 2021: 4,116,262 shares
Fiscal year ended March 31, 2021: 4,187,061 shares

3. Average shares outstanding over quarter
Nine months ended December 31, 2021: 78,845,919 shares
Nine months ended December 31, 2020: 79,858,526 shares

※These financial results are not subject to quarterly review procedures by certified public accountants or auditing firms.

※Statement regarding the proper use of financial forecasts and other special remarks
(Statement regarding the proper use of financial forecasts)
These forecast performance figures are based on the information currently available to the Company's management and certain assumptions judged rational. Accordingly, these might be cases in which actual results materially differ from forecasts of this report.

5. Qualitative Information Concerning the Nine Months Ended December 31, 2021

Explanation of business results

During the first nine months of the fiscal year under review, uncertainty remained regarding the Japanese economy, mainly reflecting worries about the resurgence of infections due to COVID-19 variants, although the impact of COVID-19 has been gradually mitigated as a result of a range of measures including vaccination.

Looking at trends in the domestic automotive-related industry, the situation remained severe, reflecting a reduction in new car production due to the global shortage of semiconductors and used car shortages that were the result of this. In terms of automotive-related goods, demand for winter season items increased in the winter due to cold snaps and snowfalls, offsetting challenges caused by restrictions on activities and restrictions on going out amid the spread of infection in the summer.

Some car electronic goods have been affected by the semiconductor shortage.

To prevent the spread of COVID-19, the Group has made the health and safety of its customers in local communities, business partners and employees its top priority. With this in mind, it seeks to establish an environment enabling everyone to visit stores and engage in services without worry.

In these circumstances, based on the Five-year Rolling Plan illuminating the direction to be pursued, the Group enacted a range of measures to establish and link six networks for offering services suited to scenarios in which customers use cars, with an eye on continuing to grow its business by responding to changing demand and continuing to contribute to local customers and communities.

As a result, the Group's sales during the first nine months of the consolidated fiscal year under review were 171,937 million yen (compared to 171,434 million yen in the same period of the previous year), gross profit was 57,351 million yen (compared to 56,112 million yen in the same period of the previous year), and selling, general, and administrative expenses were 48,547 million yen (compared to 45,645 million yen in the same period of the previous year), resulting in operating income of 8,804 million yen (compared to 10,467 million yen in the same period of the previous year). Ordinary income was 9,443 million yen (compared to 11,280 million yen in the same period of the previous year). Consequently, profit attributable to owners of parent stood at 6,158 million yen (compared to 7,371 million yen in the same period of the previous year).

As the Group has adopted the Accounting Standard for Revenue Recognition, etc. from the beginning of the first three months of the consolidated fiscal year under review, the rates of increase or decrease from the same quarter of the previous year are not stated. However, simple comparisons of the actual results for the current period with those of the previous period are as follows: the Group's net sales increased by 0.3% year on year, gross profit increased by 2.2% year on year, selling, general and administrative expenses increased by 6.4% year on year, operating income decreased by 15.9% year on year, ordinary income decreased by 16.3% year on year, and net income attributable to shareholders of the parent company decreased by 16.5% year on year.

Results by business segment are as follows.

[Domestic AUTOBACS Business]

For the first nine months of the consolidated fiscal year under review, total sales for domestic businesses in the entire AUTOBACS chain (including franchisees' stores) increased by 0.1% year on year on a same-store basis, and by 0.3% year on year on an overall-store basis.

In light of the importance of cars in people's lives from the perspective of infrastructure even amid a state of emergency, the AUTOBACS chain continued sales operations while simultaneously paying maximum attention to the prevention of infection through the minimization of physical contact between customers and employees, among other means, to aid customers in leading secure and safe lives with their cars. AUTOBACS will continue to make efforts to prevent the spread of infection.

The number of customers and sales increased year on year in April and May as the frequency of use of automobiles increased. From June, however, the number of customers decreased in summer, reflecting the continued trend of refraining from long-distance driving due to people refraining from travel and returning to hometowns amid the pandemic. Sales and the number of customers were trending toward recovery from September due to a decline in the number of new infections, and in November and December, they rose to the level of the same period of the previous year, when sales of winter season

merchandise had grown significantly.
Demand for tires was affected by the trend of refraining from long drives due to the impact of people refraining from going out. Even so, sales increased because summer tires and all-season tires started to perform strongly in October due to the enhancement of the product range and sales promotion programs, and on top of that, demand for snow tires rose due to cold snaps and snowfalls. Sales of car electronics fell, reflecting a decline in demand due to a reduction in new car production and the deterioration of product supply conditions amid the prolonged global shortage of semiconductors. Regarding its private brands, the Company expanded the merchandise lines of AQ. (AUTOBACS Quality) and GORDON MILLER, improving the appeal of its merchandise. In addition, the Company has been continuously bolstering operations in stores and proceeding with facility renovations, including sales floors and service pits.
Regarding statutory safety inspection and maintenance services, the Company promoted reservations via the website and phone as an initiative to reduce opportunities for physical contact with customers and increase convenience. Further, the Company added a new feature notifying user of the timing of car maintenance to its official application, which, along with the service pit feature, contributed to an increase of convenience for customers. Due to the market environment backed by the increased number of vehicles subject to statutory safety inspections in the first half of the fiscal year under review, the number of vehicles that underwent statutory safety inspection and maintenance services rose by 3.0% year on year, to approximately 469,000. In addition, the domestic AUTOBACS chain is working to comply with the Automobile Specific Maintenance System that was established to maintain safe advanced automobiles equipped with driver assistance and autonomous driving features. All of the 434 designated factories have completed their application for automobile specific maintenance certification, and additionally, the certified factories are gradually working to acquire this certification.
In automobile purchases and sales, new car sales and car purchases increased, while used car sales decreased. As a result, the total number of automobiles sold increased 2.6% year on year, to approximately 21,600.
The total number of stores in operation in Japan stood at 587, with three stores added at the end of March 2021. The number of CARS franchise stores decreased to 392 from 402 as of the end of March 2021.
As a result, sales in the domestic AUTOBACS business during the first nine months of the consolidated fiscal year under review were 133,610 million yen (compared to 139,552 million yen in the same period of the previous year), and segment profit was 14,808 million yen (compared to 15,532 million yen in the same period of the previous year).

[Overseas Business]
Sales for the Overseas Business were 8,297 million yen (compared to 7,650 million yen in the same period of the previous year), and segment loss was 217 million yen (compared to a segment loss of 45 million yen in the same period of the previous year).
In the retail and service business, sales decreased due to the impact of closures and people voluntarily refraining from outings due to the pandemic, while in the wholesale business, sales increased mainly due to the acquisition of new customers. In France, sales are recovering despite ongoing unstable conditions due to the government repeatedly imposing and lifting restrictions on going out. In Singapore, sales fell reflecting the impact of people voluntarily refraining from and restrictions on outings due to the significant rate of COVID-19 infection, especially since September. In China, the Company increased the number of authorized dealers and promoted the acquisition of new wholesale customers. Also, in Australia, wholesale sales increased due to sales activities such as the introduction of new goods, in addition to car electronics devices and radio equipment, despite the impact of lockdowns in some regions.
In terms of the number of store openings and closures outside Japan, with eleven store openings and one closure, the number of stores increased from 45 as of the end of March 2021, to 55.

[Car Dealership, BtoB and Online Alliance Business (formerly Car Dealership, BtoB and Internet Business)]
Sales for the Car Dealership, BtoB and Online Alliance Business were 37,545 million yen (31,553 million yen in the same period of the previous year), and segment loss was 25 million yen (compared to a

segment profit of 149 million yen in the same period of the previous year).

In the Car Dealership business, AUTOBACS DEALER GROUP HOLDINGS Co., Ltd., a wholly owned subsidiary of the Group, acquired all shares in TA Import Co. Ltd., which operates three authorized Audi dealers in Tochigi Prefecture and the northern part of Chiba Prefecture, to make it a subsidiary (second-tier subsidiary of the Group) and have started operating as BACS Advance Co., Ltd.

In the BtoB business, in April 2021, the Company acquired all the shares of Joyful Shaken & Tire Center Co., Ltd., which operates six locations for statutory safety inspection, maintenance, and tire sales in the Kanto region. The Company started operations as BACS Boots Co., Ltd., with the stores named AUTO IN Shaken and Tire Center. Also in April 2021, the Company entered into a business alliance with Nissan Motor Co., Ltd., based on which automotive goods such as car wash products supplied by the Company were presented in catalogs for new Nissan cars and the development of items for cars featuring special specifications is conducted. The Company also began offering the AUTOBACS corporate membership program for corporate customers. The program skips the process of making payments for the maintenance services and automotive goods of company cars that had hitherto been settled at each sales facility every time they were incurred, enabling companies to make lump sum payments on a monthly basis.

In the Online Alliance business (formerly the Internet business), the Company strengthened its lineup of goods through measures including starting to supply NB tires on its e-commerce site. The Company also developed its website by expanding the search function to improve customer convenience. Moreover, to help eliminate drunk driving, the Company launched an enterprise version of the ALC Cloud, the cloud-based mobile alcohol checking service, in which the inebriation of drivers is checked before driving company cars and the relevant information is managed on the cloud. The Company is also promoting business development through its efforts to revitalize local communities and solve local issues in collaboration with local governments.

[Other Business]

Sales in the Other Business totaled 3,758 million yen (2,599 million yen in the same period of the previous year), and segment loss totaled 549 million yen (218 million yen in the same period of the previous year).

6. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2021	As of December 31, 2021
Assets		
Current assets		
Cash and deposits	38,940	28,531
Notes and accounts receivable - trade	23,580	37,363
Merchandise	18,327	21,753
Accounts receivable - other	21,954	32,029
Other	7,865	13,460
Allowance for doubtful accounts	(90)	(63)
Total current assets	110,578	133,075
Non-current assets		
Property, plant and equipment		
Land	21,992	24,066
Other, net	20,094	20,725
Total property, plant and equipment	42,086	44,791
Intangible assets		
Goodwill	1,697	2,235
Other	5,459	6,510
Total intangible assets	7,157	8,745
Investments and other assets		
Guarantee deposits	13,008	12,733
Other	15,102	15,664
Allowance for doubtful accounts	(18)	(17)
Total investments and other assets	28,092	28,380
Total non-current assets	77,336	81,917
Total assets	187,914	214,993
Liabilities		
Current liabilities		
Notes and accounts payable - trade	13,845	34,377
Short-term borrowings	5,885	6,516
Accounts payable - other	15,104	19,683
Income taxes payable	3,462	922
Other	8,279	14,286
Total current liabilities	46,577	75,786
Non-current liabilities		
Long-term borrowings	2,567	2,043
Provisions	57	42
Retirement benefit liability	3,151	3,247
Asset retirement obligations	2,320	2,546
Other	9,407	9,208
Total non-current liabilities	17,503	17,087
Total liabilities	64,081	92,874

(Millions of yen)

	As of March 31, 2021	As of December 31, 2021
Net assets		
Shareholders' equity		
Share capital	33,998	33,998
Capital surplus	34,286	34,193
Retained earnings	61,359	58,590
Treasury shares	(7,747)	(7,015)
Total shareholders' equity	121,897	119,766
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	2,367	2,523
Foreign currency translation adjustment	505	722
Remeasurements of defined benefit plans	(1,590)	(1,426)
Total accumulated other comprehensive income	1,283	1,818
Non-controlling interests	653	533
Total net assets	123,833	122,119
Total liabilities and net assets	187,914	214,993

(2) Consolidated Statements of Income and Comprehensive Income

(Millions of yen)

	Nine months ended December 31, 2020	Nine months ended December 31, 2021
Net sales	171,434	171,937
Cost of sales	115,321	114,586
Gross profit	56,112	57,351
Selling, general and administrative expenses	45,645	48,547
Operating profit	10,467	8,804
Non-operating income		
Interest income	39	39
Dividend income	54	78
Share of profit of entities accounted for using equity method	317	321
Lease revenue-system equipment	531	472
Other	922	798
Total non-operating income	1,866	1,709
Non-operating expenses		
Interest expenses	50	57
Lease cost-system equipment	491	435
Loss on retirement of non-current assets	46	74
Other	464	503
Total non-operating expenses	1,052	1,070
Ordinary profit	11,280	9,443
Extraordinary losses		
Impairment losses	90	—
Total extraordinary losses	90	—
Profit before income taxes	11,189	9,443
Income taxes - current	3,656	3,077
Income taxes - deferred	(93)	198
Total income taxes	3,563	3,276
Profit	7,626	6,166
Profit attributable to		
Profit attributable to owners of parent	7,371	6,158
Profit attributable to non-controlling interests	254	8
Other comprehensive income		
Valuation difference on available-for-sale securities	560	158
Foreign currency translation adjustment	238	162
Remeasurements of defined benefit plans, net of tax	171	164
Share of other comprehensive income of entities accounted for using equity method	47	60
Total other comprehensive income	1,018	545
Comprehensive income	8,645	6,712
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	8,357	6,694
Comprehensive income attributable to non-controlling interests	287	17

7. Notes on the quarterly consolidated financial statements

(Notes on the Going-concern Assumption)

Not applicable.

(Notes in case significant changes were made to the amount of shareholders' equity)

1. Acquisition of treasury shares

According to the approval of the Board of Directors Meeting held on May 10, 2021, Autobacs Seven Co., Ltd. repurchased 1,942,500 shares of common stock. As a result, during the first nine months of the consolidated fiscal year under review, Treasury shares at cost were increased by 2,999 million yen.

2. Cancellation of treasury shares

According to the approval of the Board of Directors Meeting held on May 10, 2021, the Company canceled 2,000,000 shares of treasury shares on May 17, 2021. As a result, during the first nine months of the consolidated fiscal year under review, Retained earnings and Treasury shares at cost were decreased by 3,707 million yen.

(Changes in Accounting Policies)

(Application of Accounting Standard for Revenue Recognition, etc.)

The Group started to apply the Accounting Standard for Revenue Recognition (ASBJ Statement No. 29, March 31, 2020, hereinafter "the Revenue Recognition Accounting Standard") at the beginning of the first quarter of the fiscal year. Accordingly, it recognized revenue in the amount expected to be received in exchange for promised goods and services at points where control over such goods or services is transferred to customers. Major changes attributable to the application are as follows.

・Sales with return rights

With respect to the sale of certain goods to customers, in the occurrence of returns under certain conditions, the Group had been reducing net sales and the cost of sales upon acceptance of such returns from the perspective of materiality. Now, instead of such handling, the Group has adopted a method in which net sales and amounts equivalent to the cost of sales are not recognized for goods that are expected to be returned.

・Transactions through agents

Regarding the sales of certain goods and provision of maintenance services to customers, the Group had been recognizing the total amount of consideration received from customers as revenue. Now, for transactions in which the Group provides goods and services to customers as an agent, it decided to recognize net amounts, which are calculated by subtracting amounts to be paid to suppliers from amounts to be received from customers, as revenue.

・Consideration to be paid to customers

In conjunction with certain expenses that had been recorded as selling, general and administrative expenses, the Group decided to reduce net sales by amounts equivalent to such expenses and treat them as a consideration to be paid to customers.

・Obligation to be fulfilled at some point in time or for a certain period of time

With respect to revenue related to the provision of certain maintenance services to customers, the Group had been applying a method in which revenue is recognized upon conclusion of relevant agreements from the perspective of materiality. Now, it decided to recognize such revenue at a point or for a certain period of time in which performance obligation is fulfilled and customers receive benefits.

Regarding the application of the Revenue Recognition Accounting Standard, etc., the Group followed the provisional measures prescribed in the proviso of paragraph 84 of the Revenue Recognition Accounting Standard. Accordingly, it adjusted retained earnings as of the beginning of the first three months of the consolidated fiscal year to reflect the cumulative amount of impacts expected to be produced if new accounting policies had been applied prior to the beginning of the first three months of the consolidated fiscal year. Starting with the balance of such retained earnings, the Group applied new accounting policies.

As a result, during the first nine months of the consolidated fiscal year under review, net sales decreased by 8,018 million yen, the cost of sales declined by 7,077 million yen, and selling, general and administrative expenses dropped by 399 million yen, operating income , ordinary income and profit before income taxes each decreased by 542 million yen. The balance of retained earnings at the beginning of the fiscal year under review decreased by 479 million yen.

According to the transitional measures prescribed in the paragraph 28-15 of the Accounting Standard for Quarterly Financial Reporting (ASBJ Statement No. 12, March 31, 2020), the Group did not include information on the breakdown of revenue arising from contracts with customers in the first nine months of the previous consolidated fiscal year.

(Application of Accounting Standard for Fair Value Measurement, etc.)

The Company started to apply the Accounting Standard for Fair Value Measurement (ASBJ Statement No. 30, July 4, 2019, hereinafter the "Fair Value Measurement Accounting Standard") at the beginning of the first quarter of the fiscal year. Accordingly it decided to continue to adopt the new accounting policies specified in the Fair Value Accounting Standard and other standards according to the transitional measures prescribed in the paragraph 19 of the Fair Value Measurement and the paragraph 44-2 of the Accounting Standard for Financial Instruments (Accounting Standard (ASBJ Statement No. 10, July 4, 2019). The application has no effect on quarterly consolidated financial statements.

8. Segment Information

I Nine months ended December 31, 2020

1. Information about sales and profit (loss)

(Millions of yen)

	Reportable segments					Reconciling items (Note 1)	Per quarterly consolidated financial statements (Note 2)
	Domestic AUTOBACS business	Overseas business	Car Dealership, BtoB and Online Alliance business	Other business	Total Reportable segments		
Sales							
Revenues from external customers	137,558	7,265	24,472	2,138	171,434	—	171,434
Transactions with other segments	1,994	385	7,081	460	9,921	(9,921)	—
Net sales	139,552	7,650	31,553	2,599	181,356	(9,921)	171,434
Operating profit (loss)	15,532	(45)	149	(218)	15,417	(4,950)	10,467

Notes:

1. The amount (4,950) million yen of "Reconciling items" of Operating profit (loss) is the corporate administrative expense which is not allocable to each reportable segment.
2. Operating profit (loss) corresponds to Operating profit in the Consolidated Statements of Income and Comprehensive Income.

2. Impairment losses of assets, goodwill, and others, by reportable segments

Important matters to be stated is none.

II Nine months ended December 31, 2021

1. Information about sales and profit (loss) and breakdown of sales

(Millions of yen)

	Reportable segments					Reconciling items (Note 1)	Per quarterly consolidated financial statements (Note 2)
	Domestic AUTOBACS business	Overseas business	Car Dealership, BtoB and Online Alliance business	Other business	Total Reportable segments		
Sales							
Revenue from contracts with customers	129,836	8,055	29,842	2,452	170,186	—	170,186
Other revenue	1,295	—	—	455	1,751	—	1,751
Revenues from external customers	131,131	8,055	29,842	2,908	171,937	—	171,937
Transactions with other segments	2,478	241	7,702	850	11,272	(11,272)	—
Net sales	133,610	8,297	37,545	3,758	183,210	(11,272)	171,937
Operating profit (loss)	14,808	(217)	(25)	(549)	14,015	(5,211)	8,804

Notes:

1. The amount (5,211) million yen of "Reconciling items" of Operating profit (loss) is the corporate administrative expense which is not allocable to each reportable segment.
2. Operating profit (loss) corresponds to Operating profit in the Consolidated Statements of Income and Comprehensive Income.

2. Matters concerning change in reportable segments

(Changes in segment names)

Starting from the first three months of the consolidated fiscal year, the Group changed one of its segment names, renaming the business previously called the "Car Dealership, BtoB and Internet Business" as the "Car Dealership, BtoB and Online Alliance Business" to ensure that the nature of the business is more properly reflected.

This is a change in segment name. It does not have any impact on the segment information.

In addition, the segment information for the first nine months of the previous consolidated fiscal year is presented under the altered name.

(Application of Accounting Standard for Revenue Recognition, etc.)

As described in Changes in Accounting Policies, the Group applied the Accounting Standard for Revenue Recognition, etc. from the beginning of the three months of the consolidated fiscal year, changing its accounting treatment method with respect to revenue recognition. Reflecting the change, it modified the method for the measurement of profits and losses of its business segments.

As a result, during the first nine months of the consolidated fiscal year under review, when compared to those compiled with the previous method, net sales decreased 7,354 million yen and segment profit decreased 543 million yen in the Domestic AUTOBACS Business. Meanwhile, net sales decreased 664 million yen in the Car Dealership, BtoB and Online Alliance Business while segment profit increased 1 million yen.

3. Impairment losses of assets, goodwill, and others, by reporting segment

Important matters to be stated is none.