

Results for the year ended March 31, 2022



May 11, 2022

AUTOBACS SEVEN CO., LTD.

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Consolidated Results of FY March 2022 and Forecasts for FY March 2023

**Officer
Finance & Accounting / PR & IR
Tomoaki Ikeda**

FY March 2022 Consolidated P/L

Net sales and income increased due to strategic sales promotion for demand in winter items, although sales were affected by the rapid spread of COVID-19.

The Domestic AUTOBACS Business was affected a rapid spread of COVID-19 in summer. Even so, demand for winter season items such as snow tires and wheels grew due to strategic sales promotion. SG&A increased due to selling expenses, which had been restrained in the previous year due to the Corona disaster, and the two companies that became consolidated Group companies. Consolidated operating income was 11.5 billion yen (+2.0 billion yen from forecast).

	FY March 2022				FY March 2021	
	(Billion Yen)	Forecast	Actual results	Change from forecast	YoY change ratio	Actual results
Net sales		226.5	228.5 (233.7)	+0.9%	+3.7% (+6.0%)	220.4
Gross profit		75.9	77.1 (77.5)	+1.6%	+5.3% (+5.9%)	73.2
Gross profit ratio		33.5%	33.8%	+0.3pt	+0.6pt	33.2%
SG&A		66.4	65.5 (66.1)	- 1.2%	+4.6% (+5.4%)	62.7
Operating income		9.5	11.5 (11.4)	+21.6%	+9.2% (+8.3%)	10.5
Operating income ratio		4.2%	5.1%	+0.9pt	+0.3pt	4.8%
Ordinary income		10.0	11.2 (11.1)	+12.5%	+0.2% (-0.6%)	11.2
Profit attributable to owners of parent		6.7	7.0	+4.6%	-0.6%	7.0

Amounts are rounded down to the nearest hundred million yen.
% of Net Sales and YoY comparisons are calculated in yen.

*The figures in the upper row are based on a simple comparison between the actual results for the current fiscal year and those for the previous fiscal year.

*Figures in the parentheses in the bottom row show those that do not reflect the application of the Accounting Standard for Revenue Recognition, etc.

Key Points of Consolidated Financial Results

【Domestic】

- ✓ Sales and number of customers recovered in the second half of the year due to a decrease of COVID infection, despite a decline in customer numbers in the first half of the year due to voluntary curfew due to the rapid spread of the infection.
- ✓ Strategically acquired demand for winter goods (winter tires, tire chains, etc.) due to cold weather and snowfall.
- ✓ While car electronics and new car sales were weak as a result of the long-term shortage of semiconductors, used car unit price and vehicles purchase increased.

【Overseas】

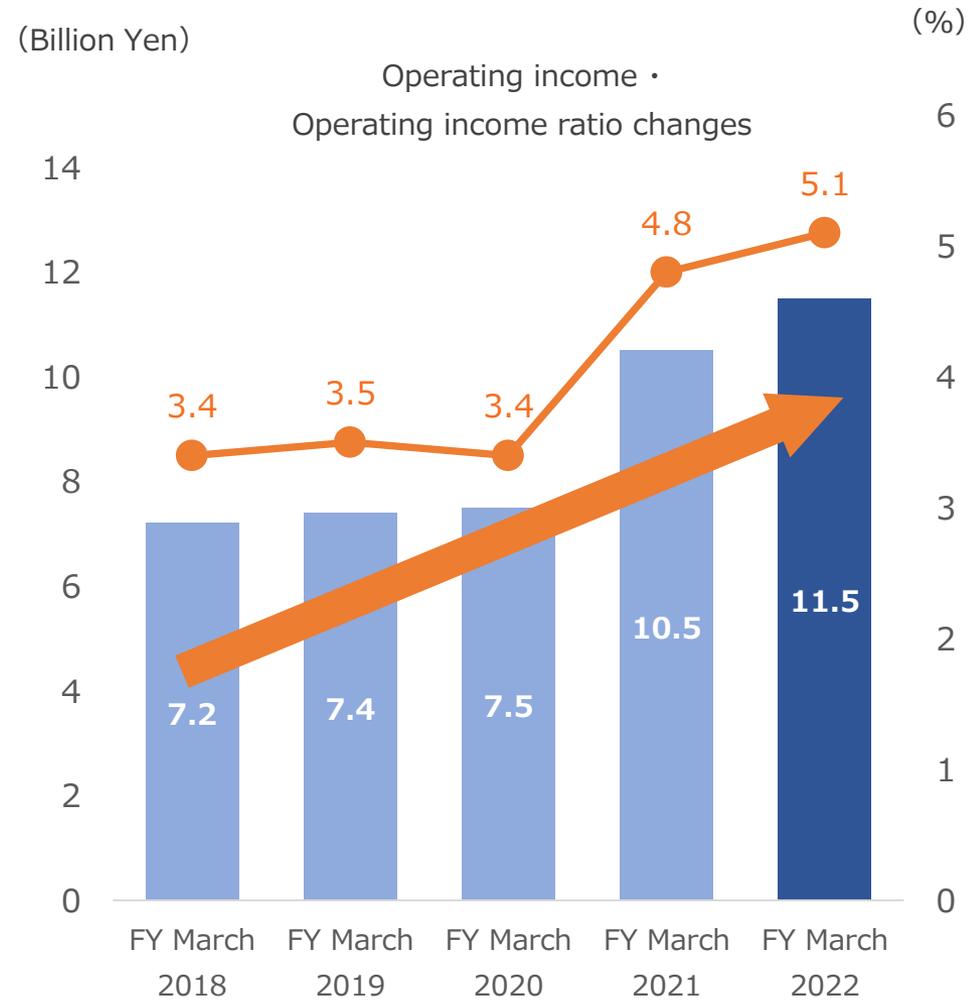
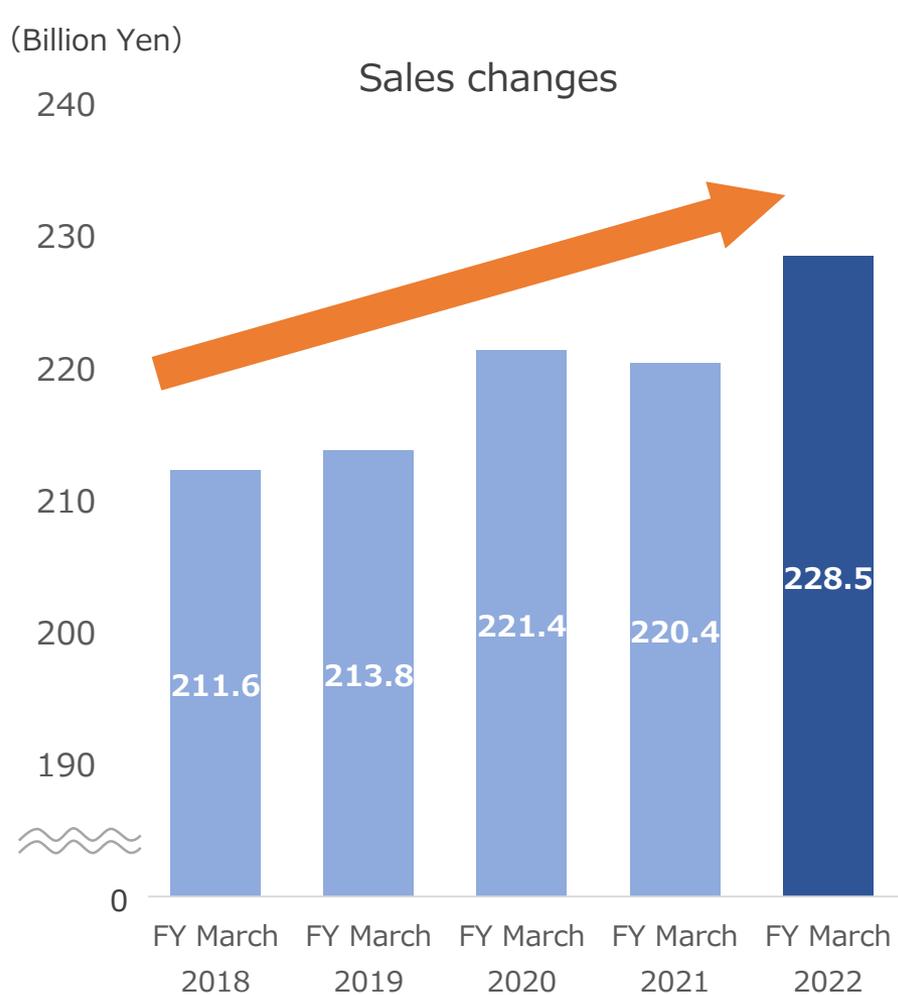
- ✓ Southeast Asia affected by the spread of infection, but France is on the road to recovery.
- ✓ Sales and income in Australia increased due to favorable development of new wholesale customers, etc.

【Summary】

- ✓ Despite the impact of the rapid spread of infection, both sales and income increased due to successful strategic capturing of winter demand, as well as efforts to improve profit margins and reduce costs.

FY March 2022 Consolidated P/L Five Years Changes

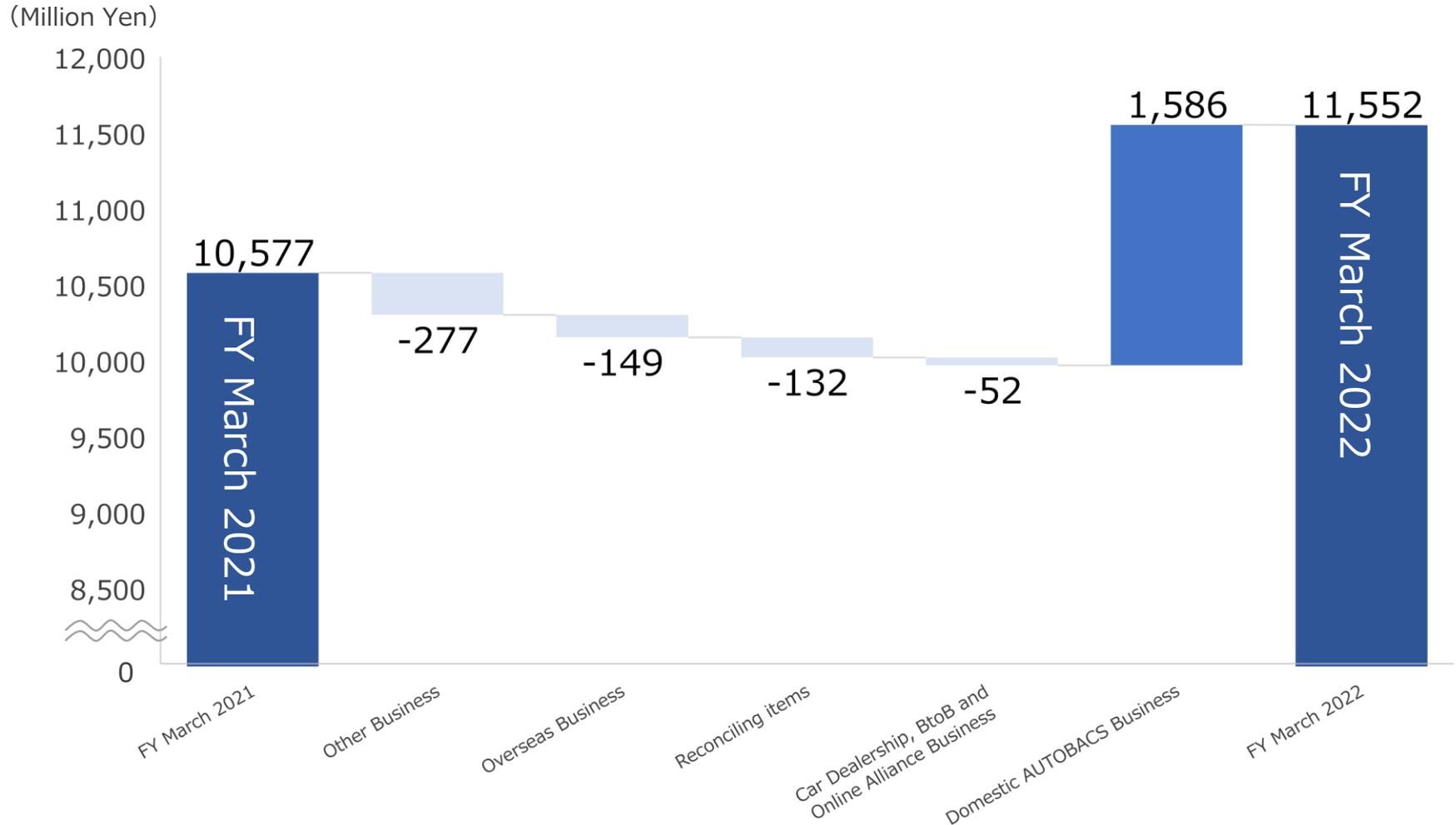
Income increased 5 consecutive years from FY March 2018



*Amounts are rounded down. *From the figures for FY March 2019 have been reclassified.

Operating Income YoY Ups & Downs by Reporting Segments

Operating Income increased due to Domestic AUTOBACS Business.



Amounts are rounded down.
% of Net Sales and YoY comparisons are calculated in yen.

Segment Information

*For reference purposes only

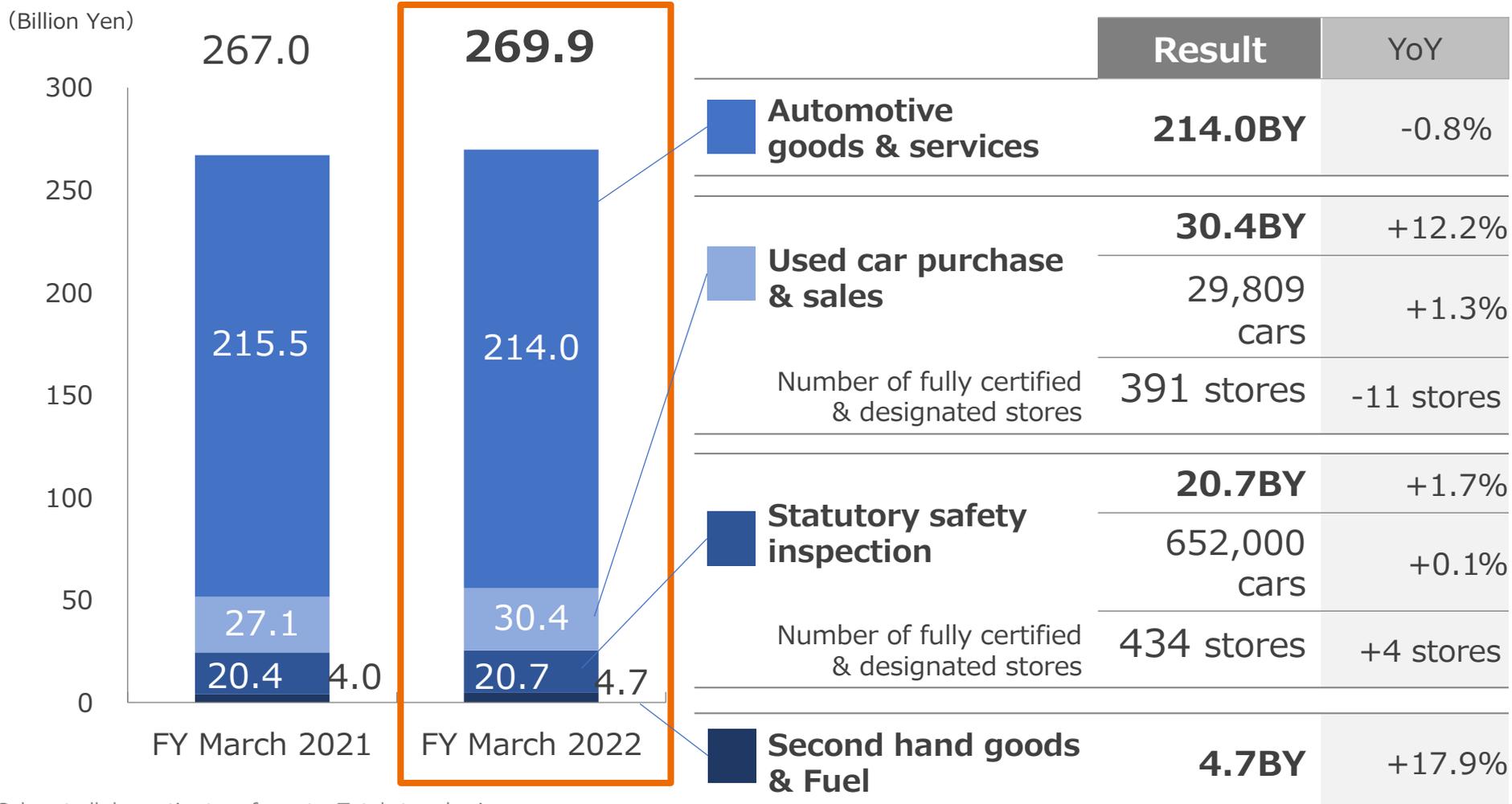
	(Million Yen)	FY March 2022	FY March 2021	YoY*	Summary
Domestic AUTOBACS Business	Sales	178,274	177,937	+0.2%	Although customer decreased due to a rapid spread of infection in the first half, sales of winter items such as snow tires and wheels increased due to the strategic sales promotion in the second half. In car electronics, the procurement of goods was affected by the global semiconductor shortage.
	Gross profit	60,343	58,891	+2.5%	
	SG&A	40,000	40,134	-0.3%	
	Operating income	20,343	18,756	+8.5%	
Overseas Business	Sales	11,084	10,077	+10.0%	Business in Southeast Asia was affected by the COVID-19 pandemic, but sales increased due to the sales recovery in France and strong wholesale in Australia. SG&A expenses increased because of an increase in personnel and equipment expenses in reaction to the decline in the previous fiscal year.
	Gross profit	4,815	4,592	+4.9%	
	SG&A	5,137	4,764	+7.8%	
	Operating income	-321	-172	—	
Car Dealership, BtoB and Online Alliance Business	Sales	48,527	41,408	+17.2%	Under Car Dealership and BtoB Businesses, the two companies that joined the Group in April contributed to sales and gross profit, in addition to the strong results of the existing businesses. SG&A expense increased due to proactive investment to expand business.
	Gross profit	10,263	8,551	+20.0%	
	SG&A	10,603	8,838	+20.0%	
	Operating income	-339	-287	—	
Other Business	Sales	5,003	3,471	+44.1%	Sales and SG&A increased chiefly due to the expansion of the Lifestyle Business.
	Gross profit	1,727	1,253	+37.9%	
	SG&A	2,523	1,771	+42.4%	
	Operating income	-795	-518	—	
Reconciling items	Operating income	-7,333	-7,201	—	

Amounts are rounded down to the nearest million yen. YoY comparisons are calculated in yen.

The figures for the previous fiscal year have not been reclassified to reflect the new presentation method. Reference YoY comparison is a simple comparison of the actual results for the current period with the actual results for the LY.

FY March 2022 Retail Sales in Total Domestic AUTOBACS Group Stores

RETAIL SALES INCLUDING FCs: 269.9 billion yen (+1.0% YoY)

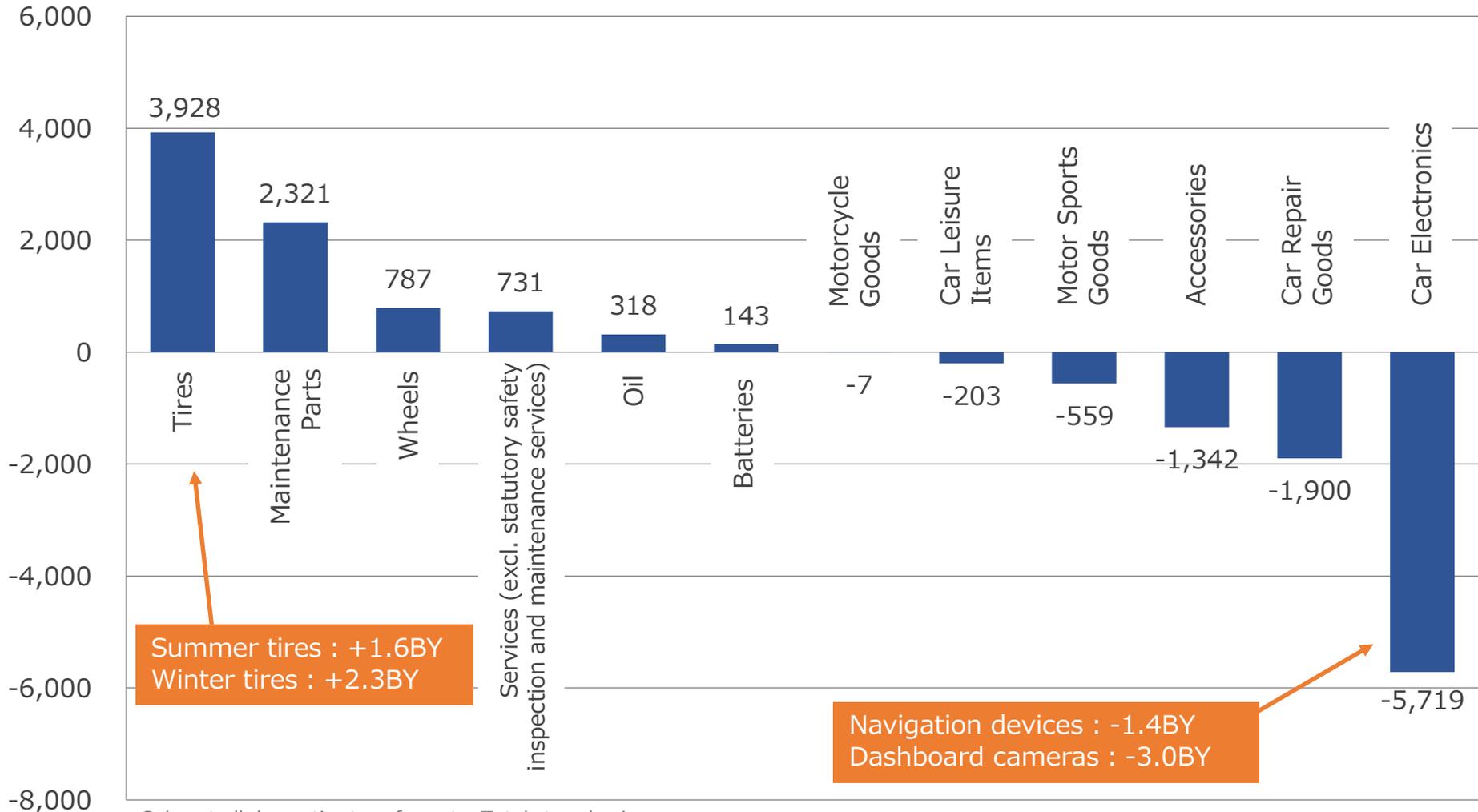


Sales at all domestic store formats. Total store basis.
Amounts are rounded down. YoY comparisons are calculated in yen.

Sales Variance by Merchandise (FY March 2022)

Sales* changes by merchandise category (YoY change in amount; total store basis)

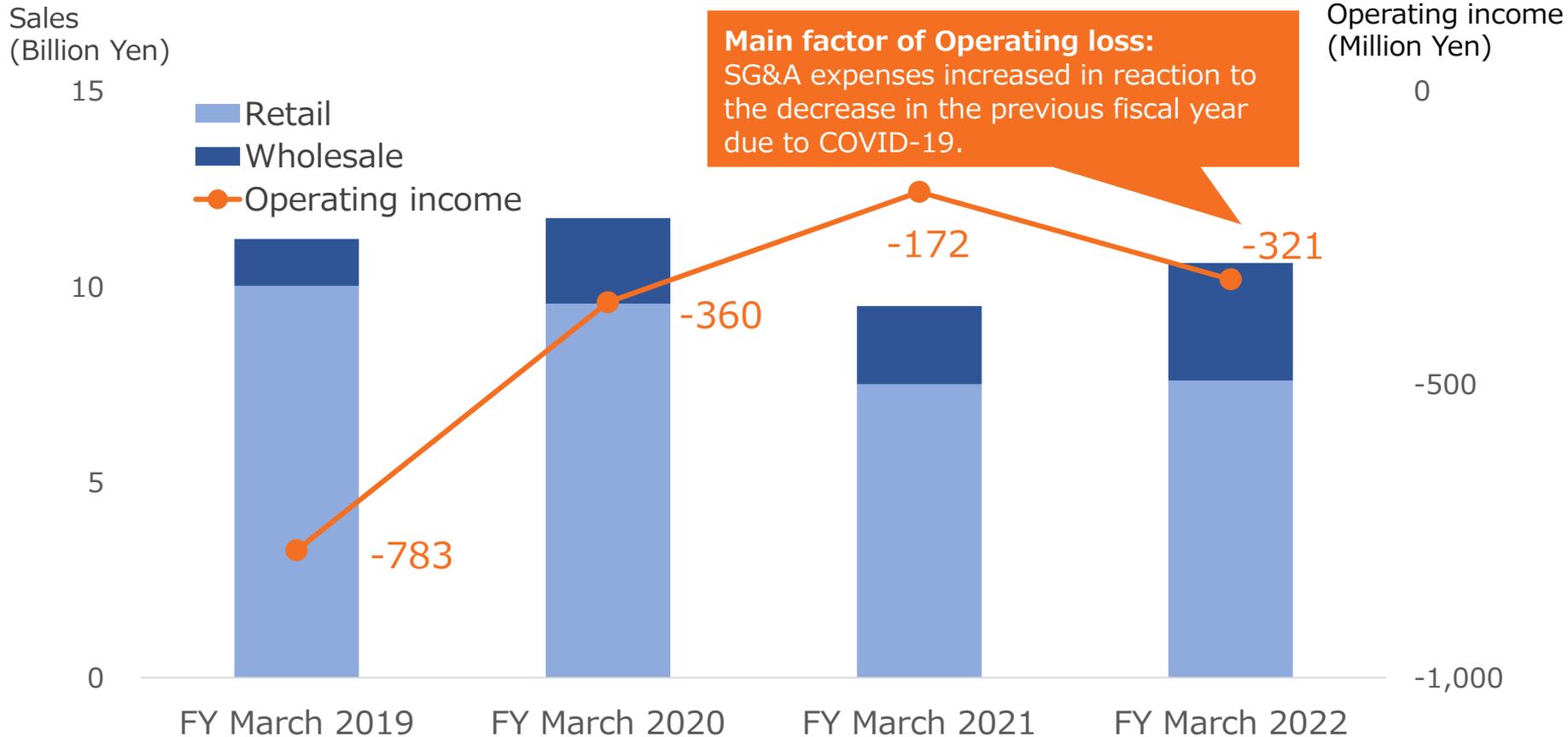
(Million Yen)



Sales at all domestic store formats. Total store basis.
Amounts are rounded down.

FY March 2022 Overseas Business Sales and Operating Income Changes

Sales increased with sales recovery in France and strengthening wholesaling, in Australia. SG&A expenses increased in reaction to the previous fiscal year.



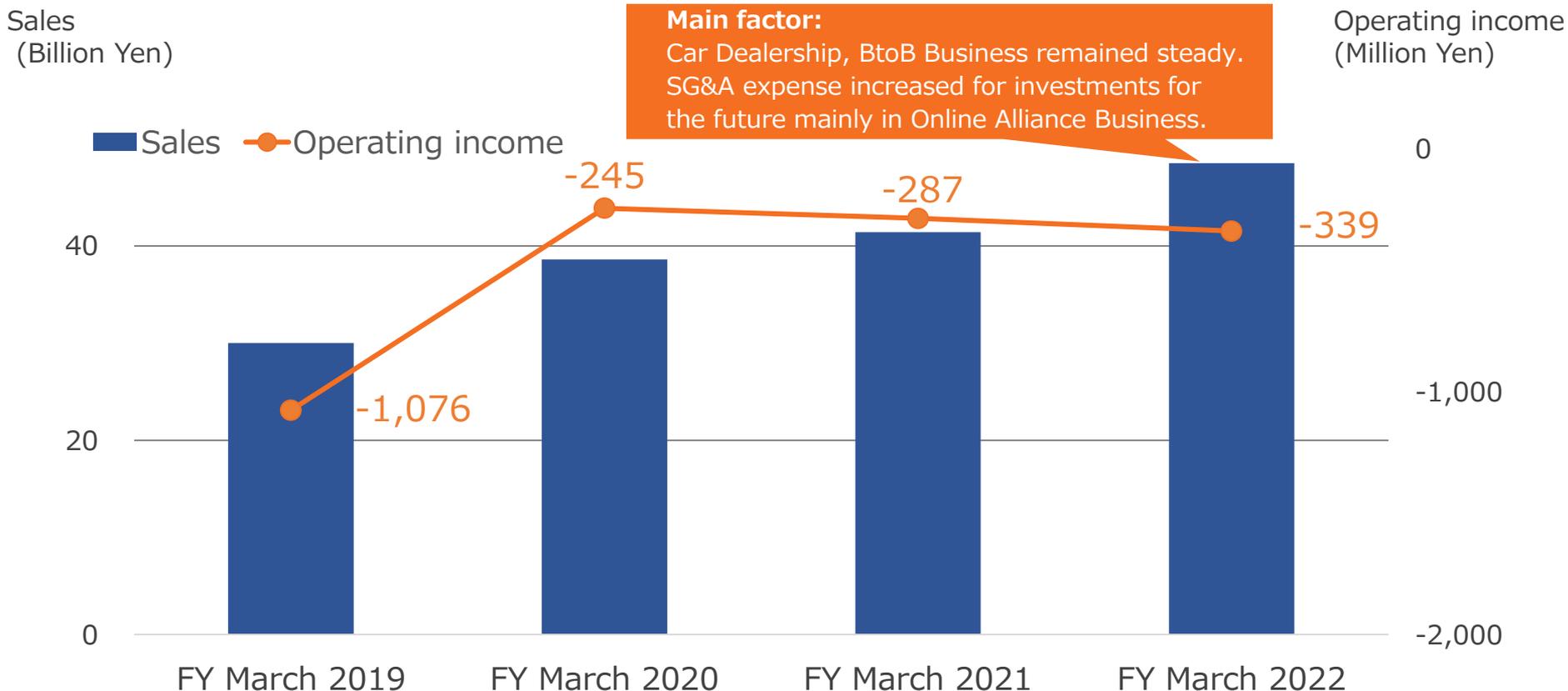
FY March 2022 Performance by Overseas Subsidiaries

(Million Yen)	France		Australia		Singapore		China		Malaysia		Thailand	
Number of stores	10		0		2		0		4		33	
Period	22/3	21/3	22/3	21/3	22/3	21/3	22/3	21/3	22/3	21/3	22/3	21/3
Net sales	6,395	5,784	2,478	1,689	1,282	1,503	1,021	778	52	40	0	329
SG&A	3,354	3,209	567	440	542	488	229	184	35	34	0	137
Operating income	-30	-183	130	74	-31	189	-49	5	-14	-17	0	-33
Business conditions	Sales recovered gradually despite unstable conditions due to the government repeatedly imposing and lifting restrictions on going out to prevent the spread of infection. Operating loss decreased although SG&A expenses increased in reaction to a partial decline of rent and other expenses in the previous fiscal year.		Wholesale increased thanks to car electronics devices and transceivers, coupled with sales activities mainly targeting new business partners, offsetting the impact of lockdowns in certain areas. The company became a wholly owned subsidiary in February 2022.		Sales decreased due to the lockdown, with the rate of COVID-19 infection being particularly high from September. SK Automobile Pte. Ltd, a subsidiary that provides body repairing and maintenance services saw a decline in the number of repairs caused by traffic volume reduction.		Wholesale climbed, mainly due to efforts made to increase the number of authorized dealers and develop new wholesale customers. SG&A expenses increased in reaction to a decline resulting from restrictions on activities amid the COVID-19 pandemic in the previous fiscal year.		The government ordered the partial suspension of business during its intermittent restrictions on activities. With infections spreading, sales continued to face challenging circumstances. Sales increased with increasing number of authorized dealer, etc.		The Company acquired and transferred shares of SAB and changed it from a consolidated subsidiary to an equity-method company in October 2020. The transfer made it possible to operate SAB locally.	

Amounts are rounded down.

FY March 2022 Sales and Operating Income Changes

Car Dealership, BtoB Business remained steady. SG&A expense increased for upfront investments.



*From FY March 2021, the department that promotes and manages the ICT platform, which belonged to the "Domestic AUTOBACS Business," has been transferred to the "Car Dealership, BtoB and Online Alliance Business". The department that promotes and manages the Lifestyle Business and certain consolidated subsidiaries have been transferred to the "Other Business". The figures for FY March 2020 have been reclassified.

*Amounts are rounded down.

FY March 2022 Overview of Business results

Car Dealership Business

- ✓ Acquired all shares of TA Import Co., Ltd., a company that operates authorized Audi dealers, in April 2021. (Development of its third brand following BMW and MINI)
- ✓ Revenue was higher than the previous fiscal year due chiefly to optimized sales activities, offsetting the impact of reductions in new car production attributable to the shortage of semiconductors.



BtoB Business

- ✓ Acquired all shares of Joyful Shaken & Tire Center Co., Ltd. and started operations as AUTO IN Shaken & Tire Center in suburban areas in Kanto.
- ✓ Established a business alliance with Nissan Motor Co., Ltd. in April 2021. Presentation of automotive goods in catalogs for Nissan's new model and planning and development of interior items for the Kicks Columbia Edition vehicle with special specifications.
- ✓ AUTOBACS Corporate Membership System started full operation in November 2021.



Online Alliance Business

- ✓ Launch of ALC Cloud, a cloud-based service detecting drunkenness and alcohol consumption for corporate use in October 2021.



Forecasts for FY March 2023

Assumption of Business Environment for FY March 2023

Positive factors

- ✓ Social and economic activity, which can be expected to recover (COVID-19)
- ✓ Increase in demand for maintenance parts for existing owned vehicles due to their aging

Negative factors

- ✓ A worsening of the economic situation due to rising prices of crude oil and raw materials and the situation in Ukraine
- ✓ Continued impact in car electronics goods production attributable to the global shortage of semiconductors

Domestic Store Sales (YoY)

	1 st Half (Plan)	2 nd Half (Plan)	Full Year (Plan)
Same store basis	+0.6%	-1.2%	-0.4%
Total store basis	+0.6%	-1.2%	-0.4%

FY March 2023 Forecast for Consolidated Result

(Billion Yen)	FY March 2022	FY March 2023 (Forecast)						
		1 st Half	YoY	2 nd Half	YoY	Full Year	YoY Up&Down	YoY
Net Sales	228.5	105.0	+1.4%	125.0	+0.0%	230.0	+1.4	+0.6%
Gross Profit	77.1	35.9	+3.0%	42.3	+0.1%	78.2	+1.1	+1.4%
Gross Profit Ratio	33.8%	34.2%		33.8%		34.0%	+0.2pt	-
SG&A	65.5	33.4	+4.6%	34.8	+3.4%	68.2	+2.6	+4.0%
Operating Income	11.5	2.5	-14.2%	7.5	-13.2%	10.0	-1.6	-13.4%
Operating Income Ratio	5.1%	2.4%		6.0%		4.3%	-0.8pt	-
Ordinary income	11.2	2.6	-15.7%	7.7	-5.7%	10.3	-0.9	-8.4%
Profit attributable to owners of parent	7.0	2.1	+11.2%	4.8	-6.3%	6.9	-0.1	-1.6%
ROE	5.7%					5.6%	-0.1pt	

Amounts are rounded down to the nearest hundred million yen.

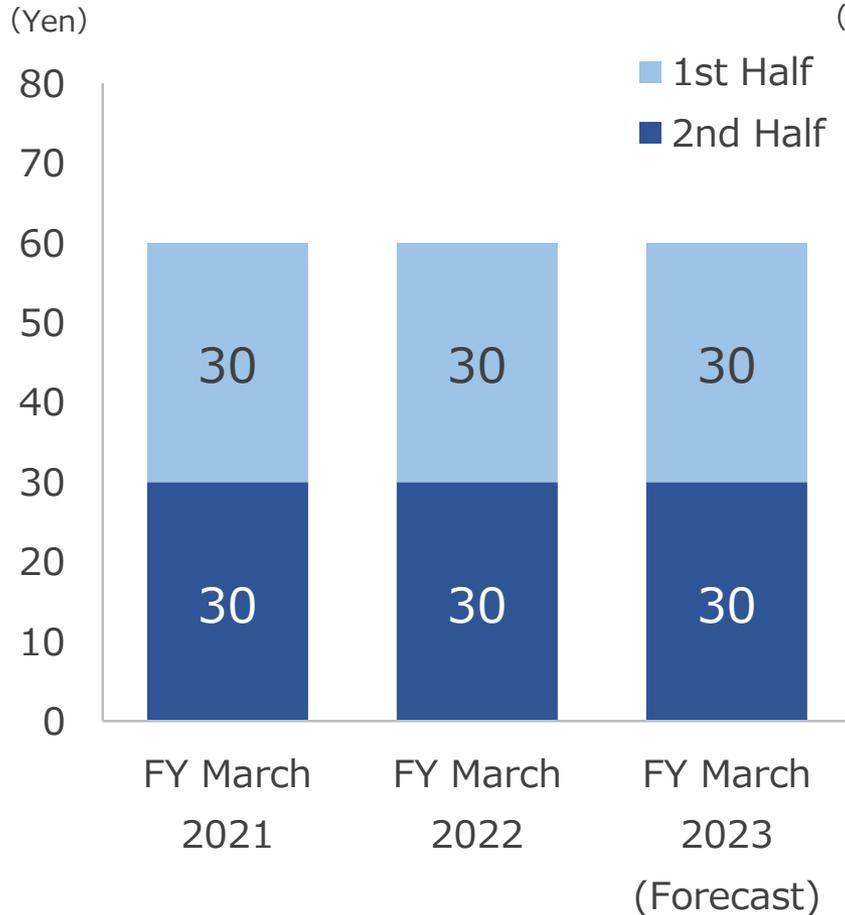
% of Net Sales and YoY comparisons are calculated in yen.

FY March 2023 Forecast for Segment

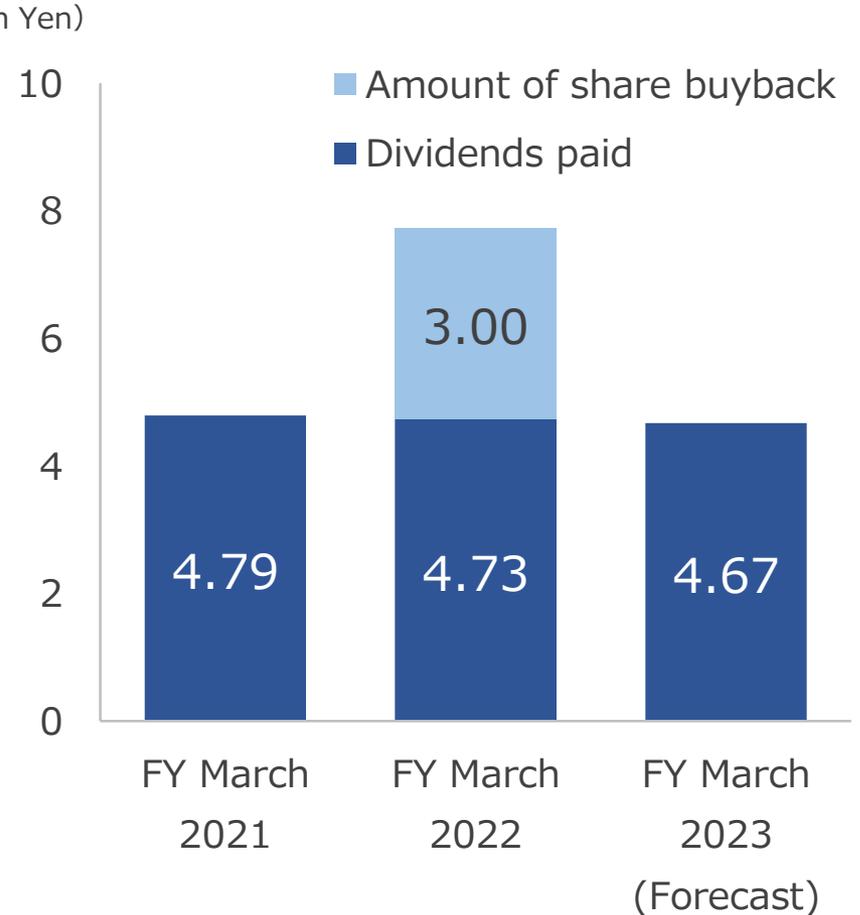
		FY March 2022	FY March 2023 (Forecast)			YoY
			1 st Half	2 nd Half	Full Year	
(Million Yen)						
Domestic AUTOBACS Business	Sales	178,274	78,590	95,690	174,280	-2.2%
	Operating Income	20,343	6,810	11,690	18,500	-9.1%
Overseas Business	Sales	11,084	6,670	7,280	13,950	+25.8%
	Operating Income	-321	-40	-60	-100	-
Car Dealership, BtoB and Online Alliance Business	Sales	48,527	23,220	26,590	49,810	+2.6%
	Operating Income	-339	10	190	200	-
Other Business	Sales	5,003	3,000	3,260	6,260	+25.1%
	Operating Income	-795	-490	-510	-1,000	-
Reconciling items	Operating Income	-7,333	-3,790	-3,810	-7,600	-

FY March 2023 Dividends and Share Buyback

Dividends per share



Dividends and Share Buyback



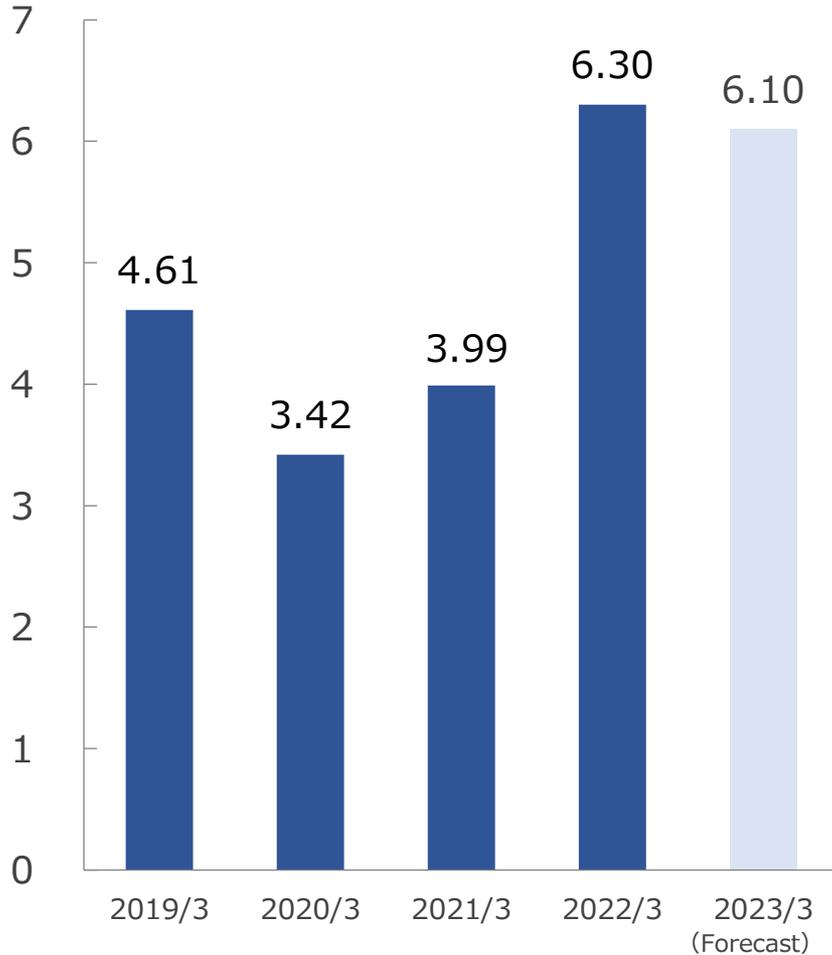
※Amounts are rounded down

※Plan: Calculated based on the figures before the acquisition of treasury stock

FY March 2023 Capital Expenditures & Depreciation

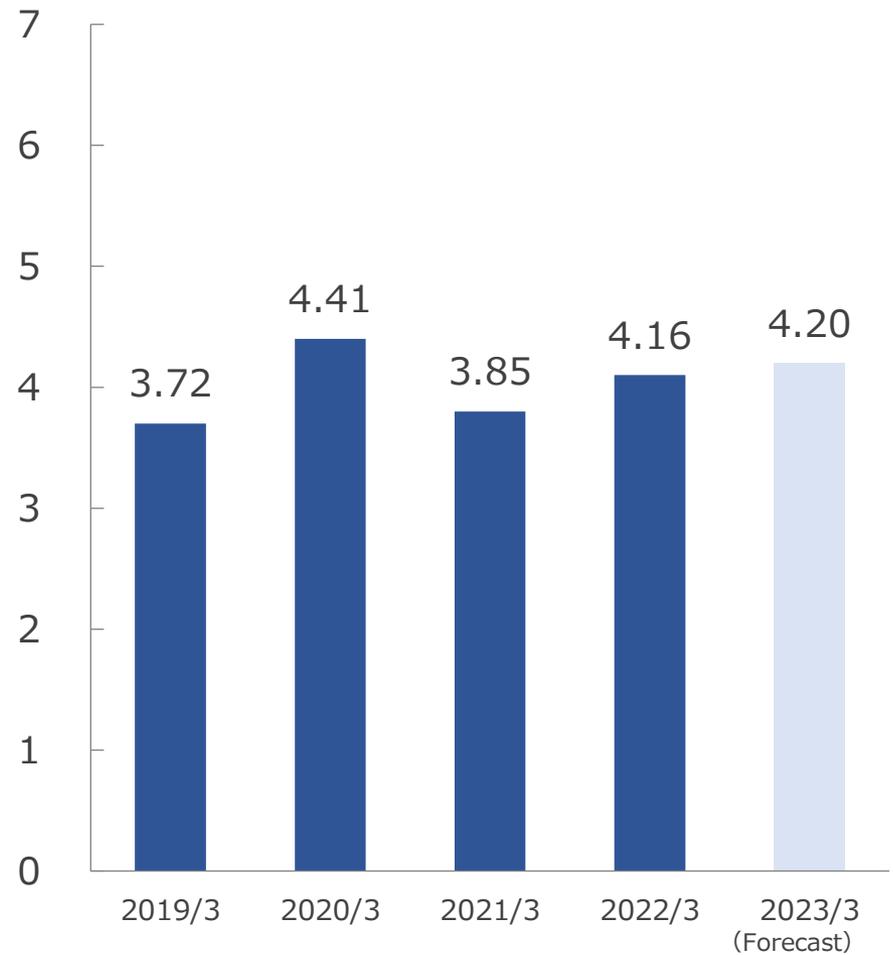
Capital Expenditures

(Billion Yen)



Depreciation

(Billion Yen)



※Amounts are rounded down

Initiative Results in FY March 2022

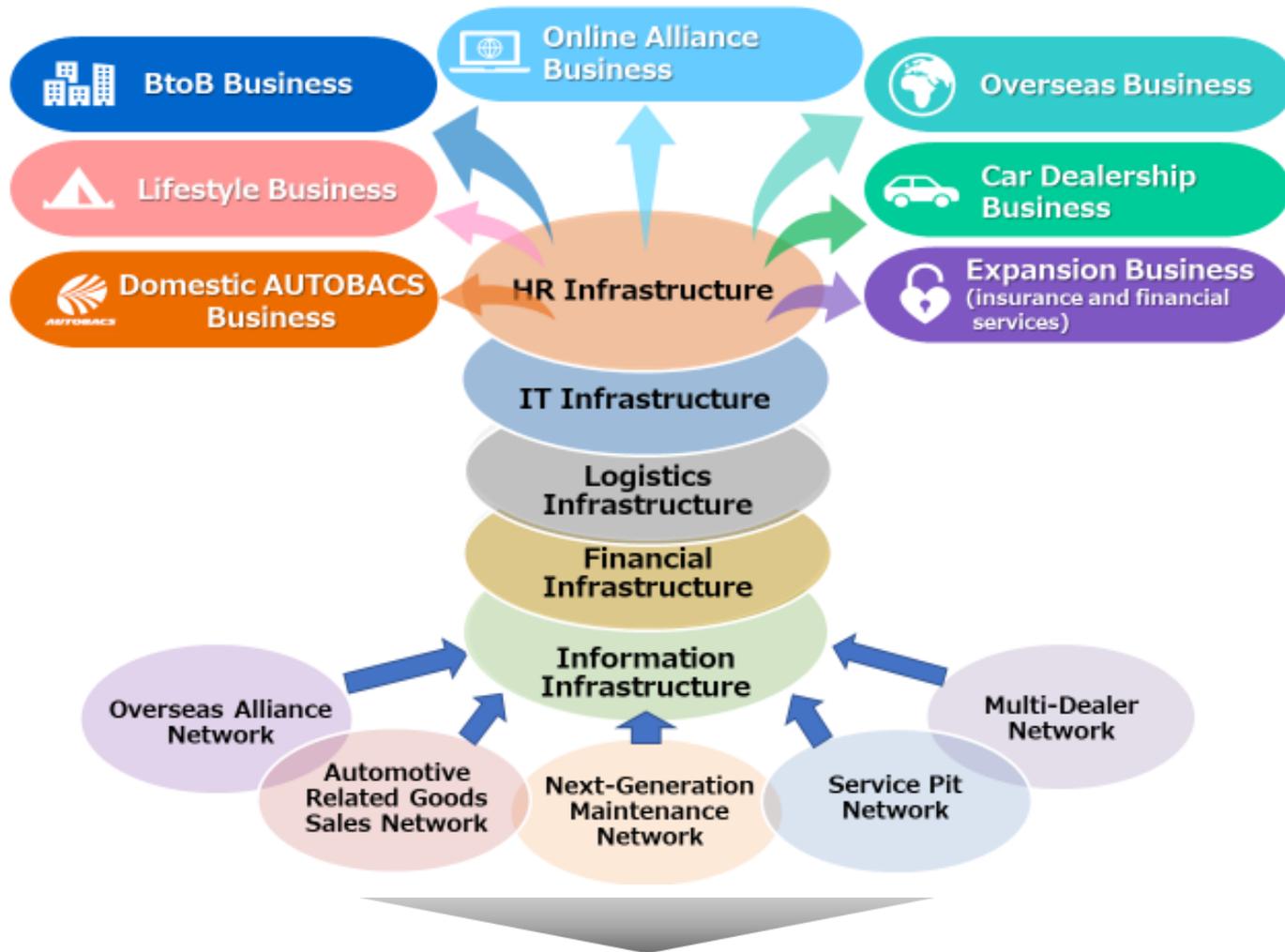
**Representative Director
and Chief Executive Officer
Kiomi Kobayashi**

Management Philosophy

AUTOBACS has always been committed to providing customers with the best solutions for their car lifestyles and creating a rich and healthy automotive society.



1. Our Goals through Five-year Rolling Plan



Actively promote collaboration across business boundaries to improve customer convenience

2. Initiatives in FY March 2022

(1) Policy

- Initiatives to increase contact points with customers
- Active response to environmental changes
- Initiatives for Human Resource Development

2. Initiatives in FY March 2022

(2) Priority matters

[Initiatives to increase contact points with customers]

Creation of new customers

- Presenting automotive goods in catalogs for new models and holding collaboration events supported by a business alliance with Nissan Motor Co., Ltd.
- Addition of functionality to the official Autobacs app - introduction of car medical records - (October 2021)
- Launch of online customer service demonstration experiment by professional staff (October 2021)
- GORDON MILLER has opened its first store (GORDON MILLER KURAMAE) (November 2021)
- Three AUDI official dealer stores opened, following BMW and MINI (April 2021)
- AUTO IN Shaken & Tire Center started operation (April 2021)
- Promotion of Motorsports Activities (Super GT, e-Motorsports) and strengthening of promotion activities
- AUTOBACS Corporate Membership System started full operation (November 2021)
- Sales of an alcohol checker for corporate use started (October 2021)



2. Initiatives in FY March 2022

(2) Priority matters

[Strengthen active response to environmental changes]

Improvement of Next-Generation Maintenance Services

- All 434 designated stores for statutory safety inspections achieved Specified Maintenance Certification (March 2022)
- A maintenance network established through a comprehensive business alliance with BS-Summit Business Cooperative
- Corporation with regional dealers and maintenance factories through the installation of calibration areas (July 2021)



Promotion of dissemination of electric vehicles (EV)

- Investing in HW ELECTRO and participating in the EV market (October 2021)
- Conclusion of a genuine parts supply agreement with Tesla in conjunction with statutory safety inspections and regular inspections (December 2021)



Promotion of ESG and SDGs

- Launching a project led by the Chief Executive Officer (January 2021)
- Identifying tasks for each Materiality and promoting them on a company-wide basis (September 2021)



2. Initiatives in FY March 2022

(2) Priority matters

[Initiatives for Human Resource Development]

Creation of workplace with job satisfaction

- Initiatives aiming to recruit, develop, and retain certified mechanics (improving their working environment in service pits, supporting certified mechanics)
- Improving working environments (work-style reforms, workplace improvement, health management)
- Suggesting new work-style (online customer services, remote support of service pits, etc.)
- Developing the management of human resources, increasing the motivation of young human resources (introduction of the company system)
- Promoting activities that recognize people for their hard work (AUTOBACS AWARDS, Employee Good Value Awards)



Initiatives in FY March 2023 and Future

**Representative Director
and Senior Managing Executive Officer
Yugo Horii**

2. Future Directions

2022年

2023年

2024年

2025年

2030年

Social environment

Advancement of the aging society

Aging of the working population

- Acceleration of the aging of the population

- In Japan, the percentage of the population that is 65 years of age or older will exceed 30%.
- Possibility that regional cities will disappear



Population decline

- Decrease in the working population

6.4 million person shortfall in the working population.

Automobiles

Longer vehicle lifetimes

Decrease in the number of owned vehicles

Promoting the ubiquitousization of EVs

- Carbon neutrality

- Dissemination of EVs
- Increase of new entry of rising manufacturers into the EV market
- Prosperity of the EV maintenance parts market

Installation of standard equipment that assists safe driving

Increased demands for safety support cars

Increased demands for EV charging spots

- Dissemination of full autonomous driving

Distributing vehicles with level 4 autonomous driving or higher



Promoting autonomous vehicles



- Fundamentally changing maintenance

Next-Generation Maintenance Services will become common.

The Japanese government announced the target of zero new gasoline-powered vehicles by 2035.



The sophistication of maintenance will increase.

- Shortage of certified mechanics

Customers

Recognizing the value of online and physical services



- Shifting from owning to sharing vehicles

- Changes in main shopping places

Many shift to online payments

- Fiercer competition for customer experiences

Increase of consumers using car sharing services



Increased usage of online payments

3. Future Initiatives

Policy

- Improve effectiveness and speed
- Strengthening initiatives for top-line growth
- Ongoing initiatives for human resource development

3. Future Initiatives

Priority initiatives in FY March 2023

Priority initiatives

Improve effectiveness and speed

- Review business portfolio by strengthening investment return management
- Investment in logistics and IT infrastructure

Strengthening initiatives for sustainable growth

- Integrating online and physical stores and the expansion of the EV market
- Improvement of stores markup

Ongoing initiatives for human resource development

- Recruiting, developing, and retaining certified mechanics
- Promote health management and expand training opportunities

4. Initiatives for ESG·SDGs

Materiality was identified through discussions at the Board of Directors

Society we want to realize

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

Our ideal company we want to be

Professional & Friendly

Social issues that we should solve

1. Realization of a cyclical and symbiotic society



2. Response to climate change



3. Revitalization of local communities



4. Pursuit of diverse human resources and diverse work styles



5. Creating healthy and rewarding jobs



Materiality

Development of organization and personnel

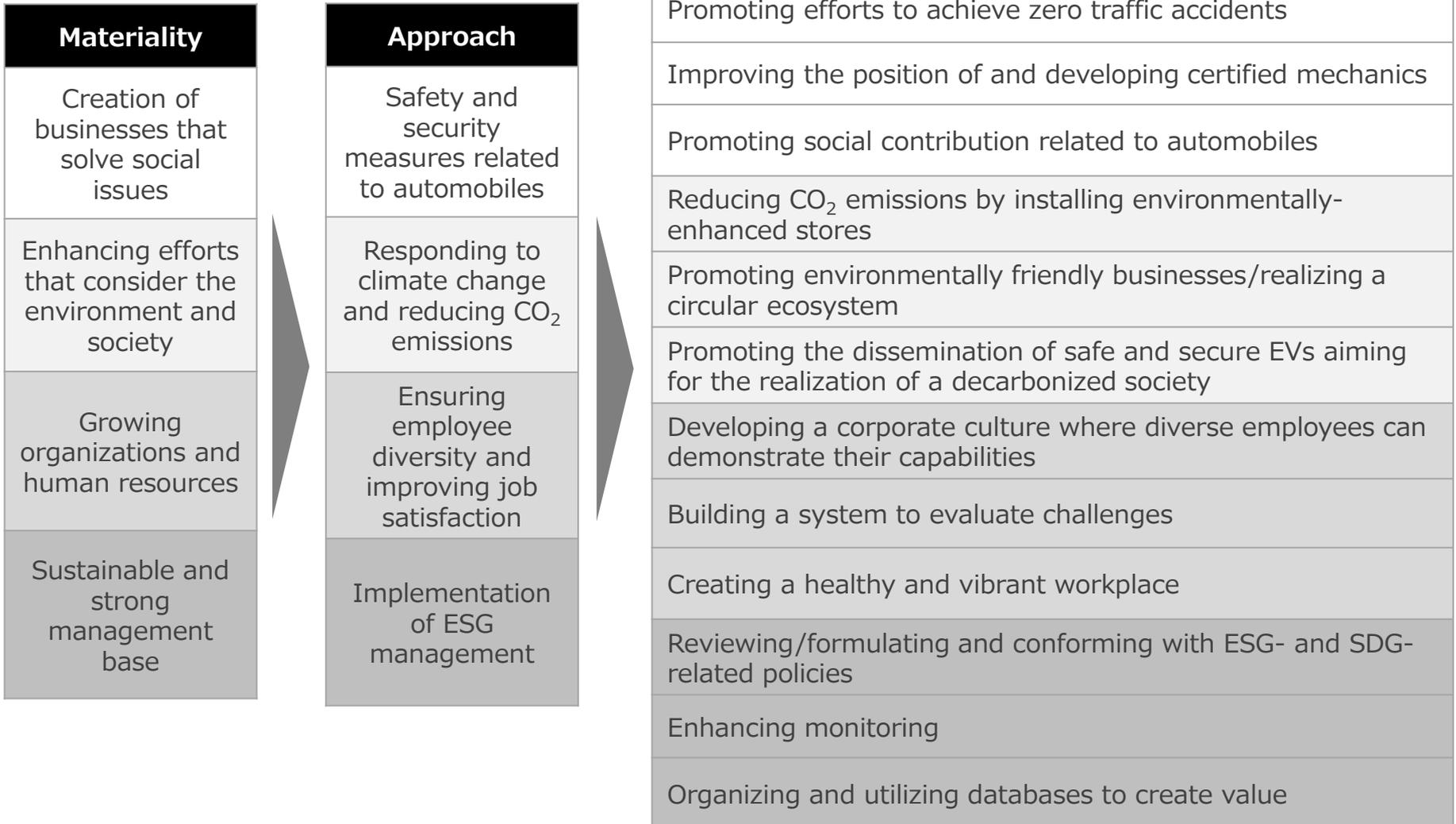
Creation of businesses that solve social issues

Enhancing efforts that consider the environment and society

Sustainable and strong management

4. Initiatives for ESG·SDGs

Non-financial objectives to achieve materiality



5. Targets for FY March 2023

Numerical Targets (Consolidated)

Sales	230.0BY
Operating Profits	10.0BY
Net Profit	10.3BY
Net Sales	6.9BY
ROE	5.6%

Five-year Rolling Plan: APPENDIX

Next- Generation Maintenance Network

- Conclusion of a genuine parts supply agreement with Telsa Motors Japan in conjunction with statutory safety inspections and regular inspections
- Statutory safety inspection and legal inspection services including the replacement of genuine parts are offered at A PIT AUTOBACS SHINONOME (Koto-ku, Tokyo)



Efforts to create networks

- Participation in EV market
 - Under consideration that collaboration and cooperation in the areas of sales and maintenance of EV vehicles (ELEMO) at AUTOBACS stores and joint development of new services



Aiming to reduce environmental impact by promoting the spread of EVs

Five-year Rolling Plan: APPENDIX

Automotive
goods sales
network

Efforts to create networks

■ Collaborations with Nissan Motor Co., Ltd.

- Formed a business alliance with Nissan crossing the boundaries between industries to improve customer convenience and create a richer car lifestyle culture

- Introduced automotive goods (such as car interior goods and car washing goods) in new car catalogs

- Handled at approx. 2,100 Nissan dealer shops

- Planning to supply some of our automotive goods to Nissan and collaborate in the planning and development of NISSAN/NISMO brand items

- Also began negotiations about goods to be supplied to overseas Nissan dealers

- Planning and development of interior items for the Kicks Columbia Edition vehicle with special specifications



April 2021: Business alliance

Right) Kiomi Kobayashi, Representative Director and Chief Executive Officer of the Company
Left) Nissan Motor Co., Ltd. Senior vice president, Global Aftersales: Kent O'Hara



November 2021



E-cigarette holder



Smartphone holder



USB power source



Umbrella case

August 2021

From the NISSAN AURA catalog

Five-year Rolling Plan: APPENDIX

■ Operates three Authorized Dealers of Audi

Multi-Dealer
Network

- Start operating the third brand following BMW and MINI
- Promote management visualization by setting common KPIs to all dealers



April 2021

Started operation as BACS Advance Co., Ltd.

Efforts to create networks

■ AUTO IN Shaken and Tire Center

Next-
Generation
Maintenance
Network

Service Pit
Network

Automotive
related
Goods Sales
Network

- Start operation as AUTO IN Shaken and Tire Center
- Changed distribution channel of national brand tires to AUTOBACS
- Aim to acquire Automobile Specific Maintenance Certification at all stores



April 2021

Started operation as BACS Boots Co., Ltd.

Five-year Rolling Plan: APPENDIX

■ Creating a local network for maintenance

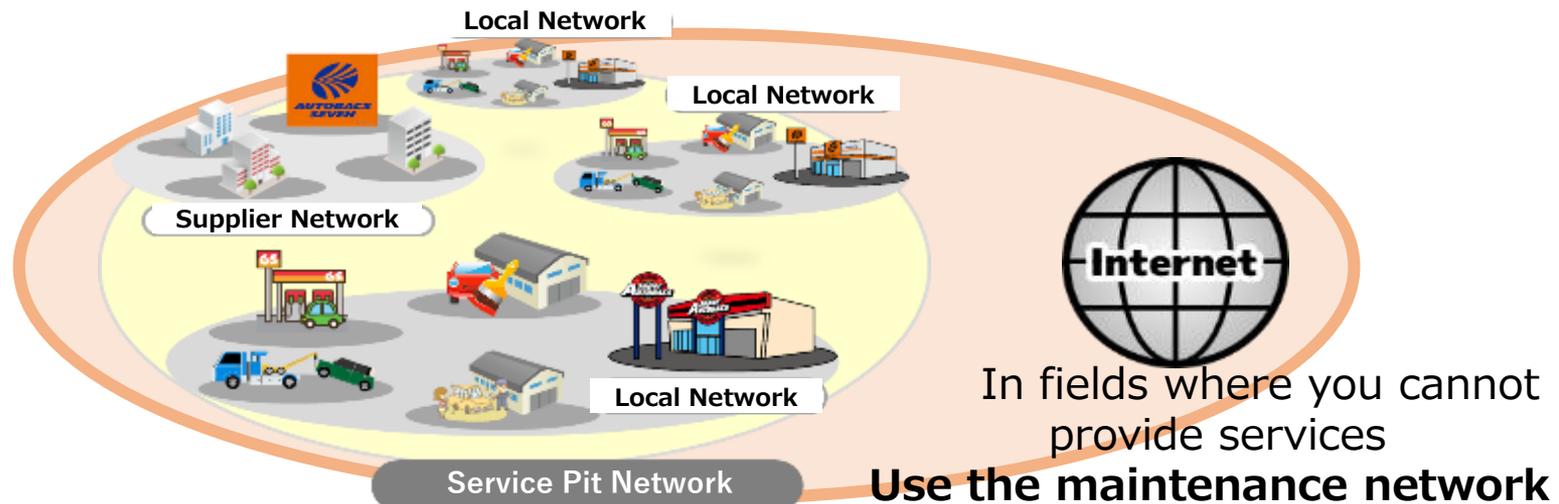
Efforts to create networks



- Established a system to respond promptly to environmental changes surrounding the maintenance industry, thus establishing a system providing high-quality services to car users
- Built local area maintenance networks (with network cooperation in 20 of the 50 areas in Japan) by having AUTOBACS Group stores and BS-Summit Business Cooperative* members' facilities promote optimal local cooperation using each others' resources

*The BS-Summit Business Cooperative is a nationwide network of body shops with automotive maintenance bases all over Japan

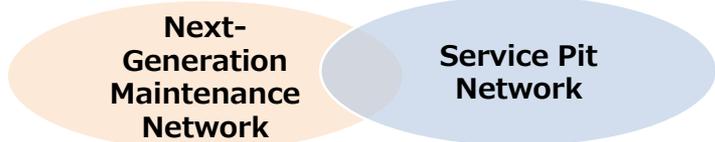
- Also started a collaboration in which AUTOBACS stores are used as bases by road service providers



Five-year Rolling Plan: APPENDIX

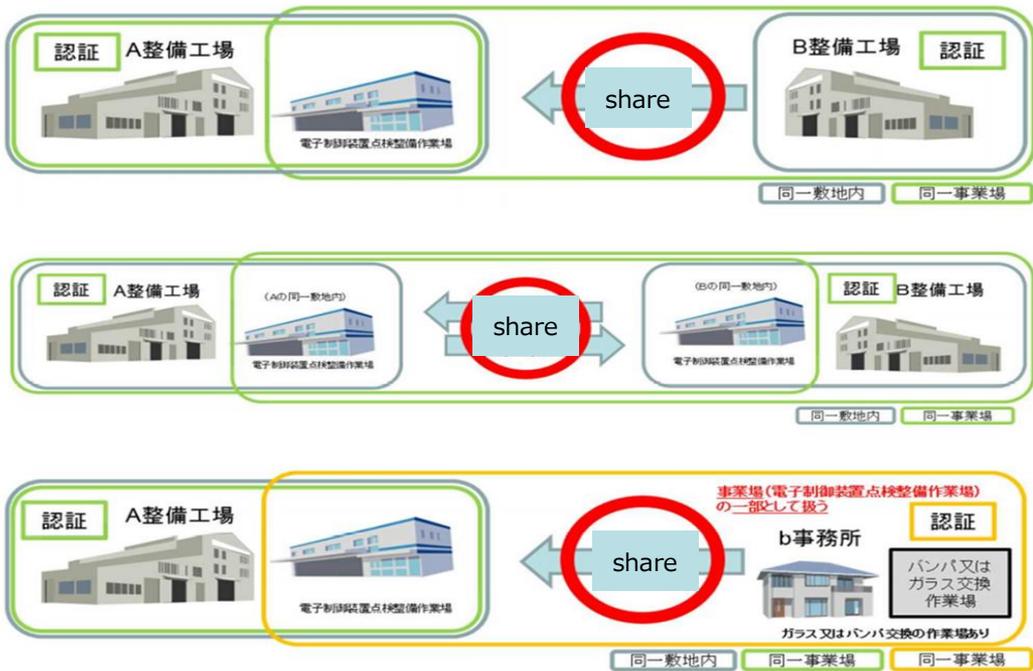
Opened a new ADAS Calibration Center*

Efforts to create networks



*Recently launched cars come with many features supporting safe driving, such as automatic braking. They therefore have cameras and sensors mounted on the windshield and bumpers. Accordingly, maintenance must include calibration to ensure this advanced equipment functions normally.

- A facility for sensor calibration (equipped with ADAS Calibration) was opened at the Super AUTOBACS Kumamoto Higashi Bypass store. The facility is available for local maintenance service providers as a shared service.
- Built a maintenance network that is highly convenient for car users by encouraging cooperation beyond boundaries in the auto aftermarket industry

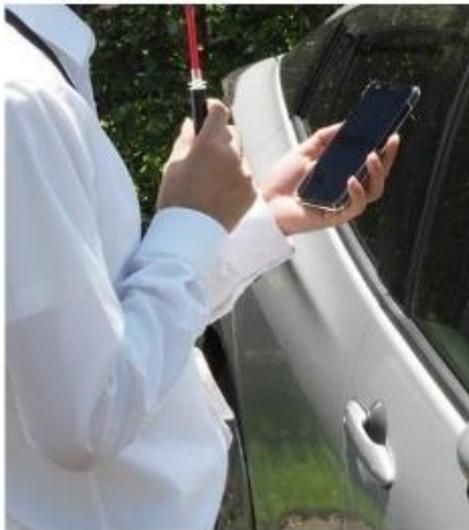


Five-year Rolling Plan: APPENDIX

■ Launch of a cloud-based service detecting drunkenness and alcohol consumption for corporate use

Online Network

- Launched the ALC Cloud, a cloud-based service detecting drunkenness and alcohol consumption in October 2021 with a focus on companies and national/local government organizations using company or official cars, as well as the recently increasing needs of customers using their own cars for business purposes.



Efforts to create networks

■ AUTOBACS app upgraded

Automotive-related Goods Sales Network

- The facility also has the ability to record vehicles' maintenance history (engine oil, oil filter, tires, battery, wipers, and other main maintenance items) and informing users of the next time that parts will need to be replaced
- Inspection results can be checked with the app immediately.

Online bookings for oil changes*
increased approx. 45%

* Cumulative comparison from April 2021 to March 2022

New application downloaded*
approx. 3.1 million people

* As of April 2022



Five-year Rolling Plan: APPENDIX

 Lifestyle Business

Initiatives of each business

■ Opening of the brand's first store GORDON MILLER KURAMAE

- The garage lifestyle-focused brand GORDON MILLER has opened its first store
- The store is the only one store that sells all GORDON MILLER items.
- The product lineup includes original custom car GORDON MILLER MOTORS.



Five-year Rolling Plan: APPENDIX

■ Unveiling of LEGAVELO, the first custom car from ARTA MECHANICS

 Lifestyle Business

- ARTA MECHANICS, a new custom car brand under the ARTA racing sports brand unveiled LEGAVELO, its first custom car, at the Tokyo Auto Salon 2022



January 2022 Unveiling at the Tokyo Auto Salon 2022

Initiatives of each business

■ Full-scale entry to custom complete car market

 Lifestyle Business

- The Company acquired FATRASTYLING Inc., which engages in the design and development of custom complete cars, as a subsidiary and promote product development under original brand names in the van and supercar/sports car BtoC markets.



Enhancing the original brand of FATRASTYLING, ESQUELETO, leveraging its expertise in the design and branding that it has developed in its Lifestyle Business

Five-year Rolling Plan: APPENDIX

Logistics Infrastructure

Initiatives for the establishment of business foundations

- Logistics reform through an AI-based DX of logistics
 - Invested in GROUND, a provider of logistics solutions, and concluded a business alliance agreement —

(January 26, 2022)

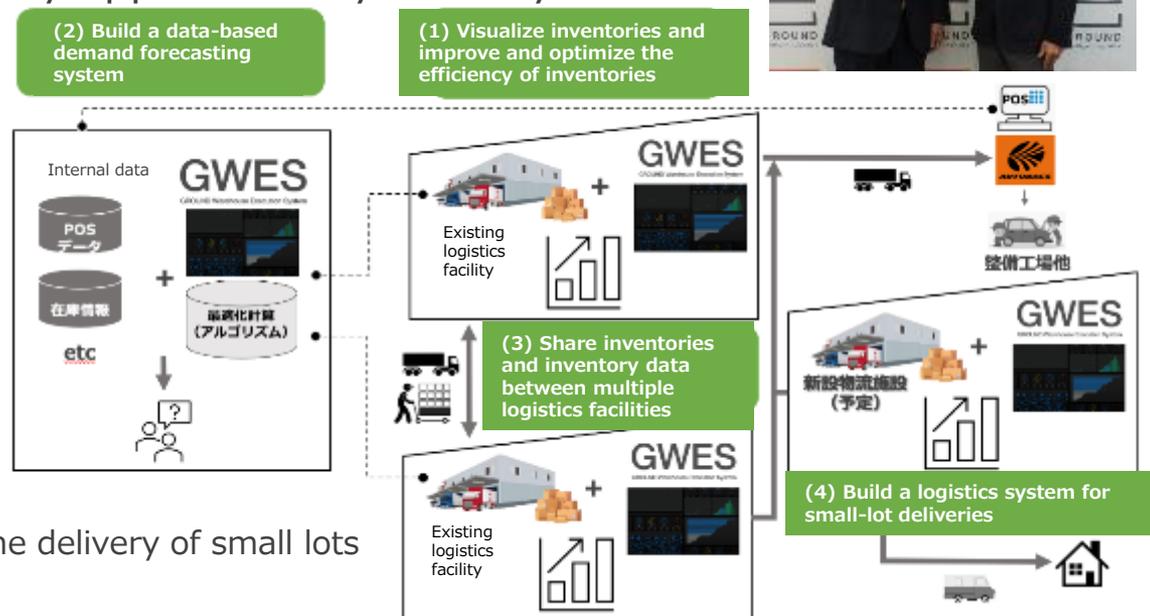
- Visualize inventories at logistics bases and optimize the procurement of products

- Reduce the current inventories by approximately 20% by fiscal year 2026



<Initiatives for business alliances>

- Visualization and streamlining of inventories
- AI-based demand forecasting
- Share inventories and inventory data between multiple logistics facilities
- Establishment of a logistics system for the delivery of small lots (e-commerce logistics center)



Five-year Rolling Plan: APPENDIX

■ Selected under the 2022 Certified Health & Productivity Management Outstanding Organizations Recognition Program (White 500)

HR
Infrastructure

- Third certification, following 2017 and 2019.
- The mental and physical health of our colleagues lays the foundation for a bright, exciting future.
- Working on the following six priority issues: Promoting the No-Smoking Challenge, promoting lifestyle-related disease prevention measures, promoting cancer prevention, promoting mental health, activities addressing the health issues that impact women, establishing a working environment that promotes health management.



Initiatives for the establishment of business foundations

(March 3, 2022)

■ Recognized as a DX-certified operator

IT
Infrastructure

Information
Infrastructure

- Establishing infrastructure development that supports the growth of each Business, and other themes in the Five-year Rolling Plan and establishing the promotion of DX as an initiative for efficiently and steadily promoting the businesses

Example Initiatives

- Started the company-wide Data Management Center PJ
Began the integration and effective use of information
- Experimentally implemented online customer service to address the shortage of employees at stores and for customers who want to receive services from the specialist staff of the AUTOBACS e-commerce website
- Promoting environment-responsive demonstration experiments for the standardization of work and to increase the efficiency of human resource development, such as remote support for pit services and the sharing of pit services knowledge



DX認定

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

From the fiscal year ended March 2022, the company have adopted the Accounting Standard for Revenue Recognition, etc.

Sales with a right of return

The Group implemented a change to adopt 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.

Agency transactions

Regarding transactions in which the Company operates as an agent, the sales are recognized as net sales with offsetting the gross sales and the Cost of Goods Sold.

Consideration payable to a customer

Consideration payable to a customer that had been recognized in SG&A is deducted from Net sales.

Performance obligations satisfied at some point in time or over time

With respect to maintenance agreements, the Company recognizes revenue at a point or for a certain period of time in which performance obligation is fulfilled and customers receive benefits.

The amount of impacts due to the application of the Accounting Standard for Revenue Recognition, etc.

	FY March 2022
(Million Yen)	
Net sales	-5,187
Costs of Goods Sold	-4,756
SG&A	-525
Operating Income	94
Ordinary Income	94

FY March 2022 Used Car Purchasing and Sales

Total **29,809** cars YoY **+1.3%**

BtoB Sales

Details	No. of cars sold
Sales to Headquarters	1,003
Sales to AA(Auto Auction) via Headquarters	4,607
Direct sales from stores	14,016
BtoB total	19,626

Retail

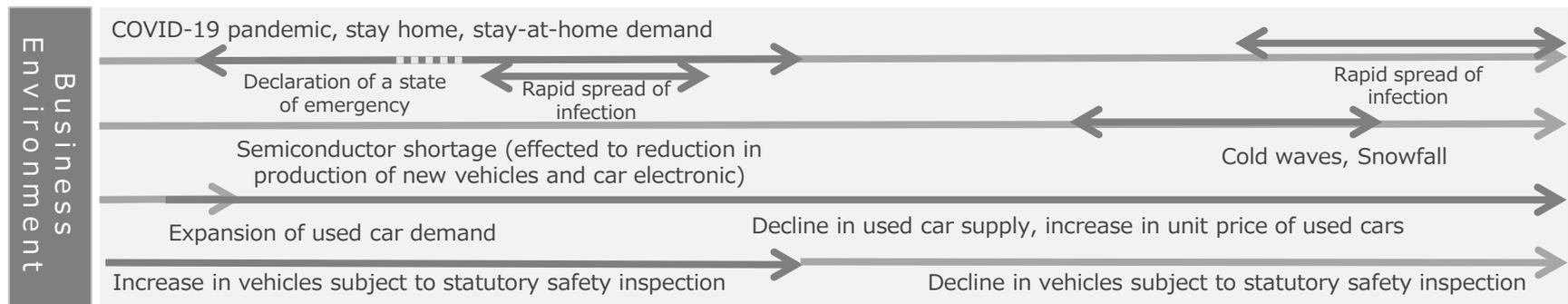
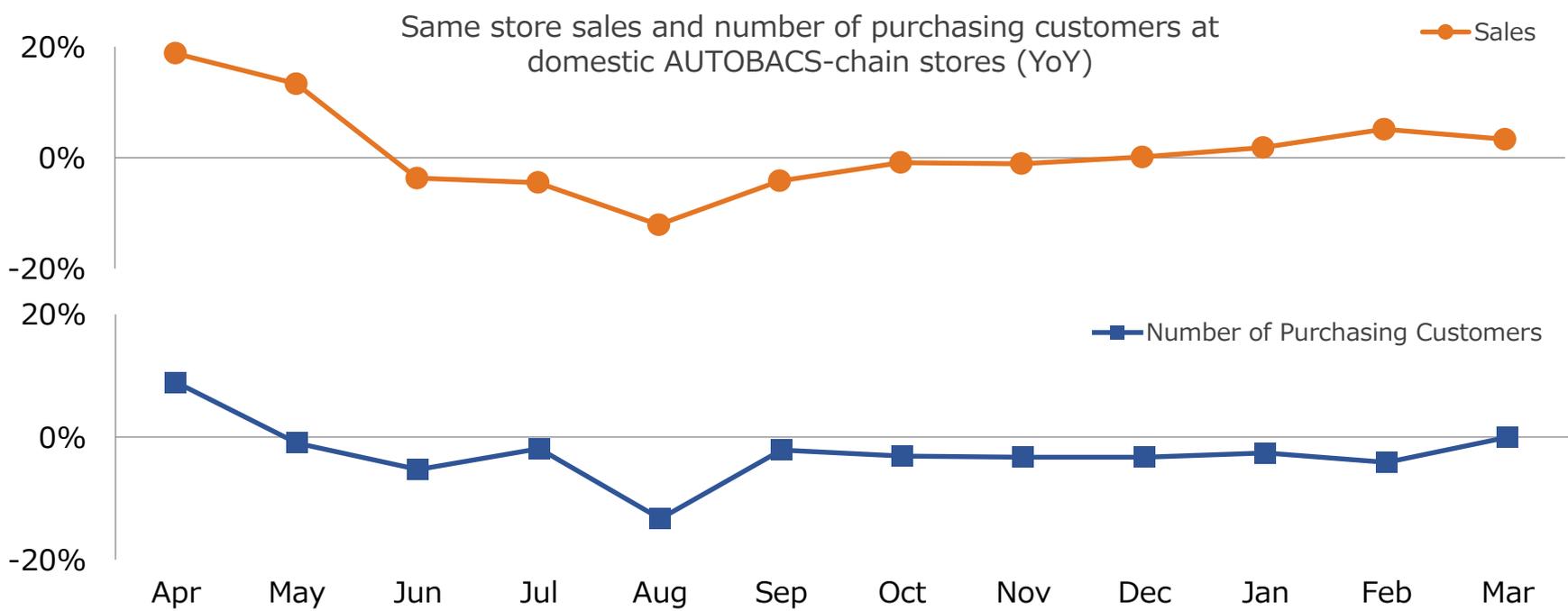
Details	No. of cars sold
Used cars	6,808
New cars	3,375
Retail total	10,183



Domestic Store Sales/Number of Purchasing Customers Changes

[Same store basis (YoY)]

Sales: +0.8% **Number of purchasing customers: -2.7%**



Store Openings and Closings

Domestic stores

No. of stores at end of March 2021

FY March 2022

No. of stores at end of March 2022

1st Half

No. of stores at end of Sep 2021

2nd Half

New

S&B R/L

Close

New

S&B R/L

Close

AUTOBACS

490

+ 1

+2/-2

491

+3

494

Super AUTOBACS

74

74

74

AUTOBACS Secohan Ichiba

6

6

6

AUTOBACS Express

11

11

11

AUTOBACS CARS

3

3

3

Total

584

+1

+2/-2

585

+3

588

Overseas stores

No. of stores at end of March 2021

FY March 2022

No. of stores at end of March 2022

1st Half

No. of stores at end of Sep 2021

2nd Half

France

10

10

10

Thailand

17

+5

22

+11

33

Singapore

2

2

2

Taiwan

6

+1/-1

6

6

Malaysia

4

4

4

Indonesia

3

+1

4

4

Philippines

3

3

3

Total

45

+6

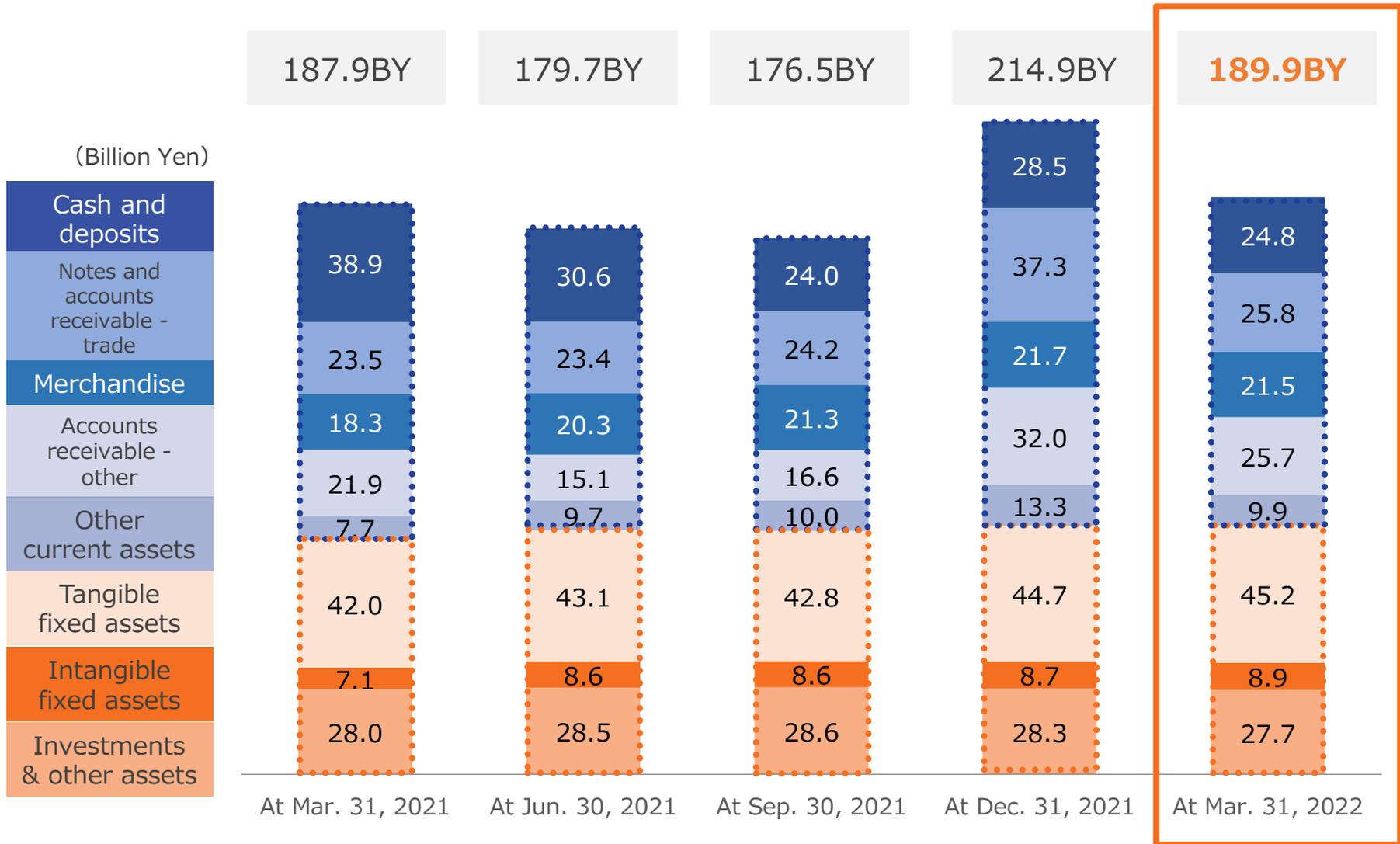
51

+11

62

※S/B=Scrap & Build
※R/L=Relocation

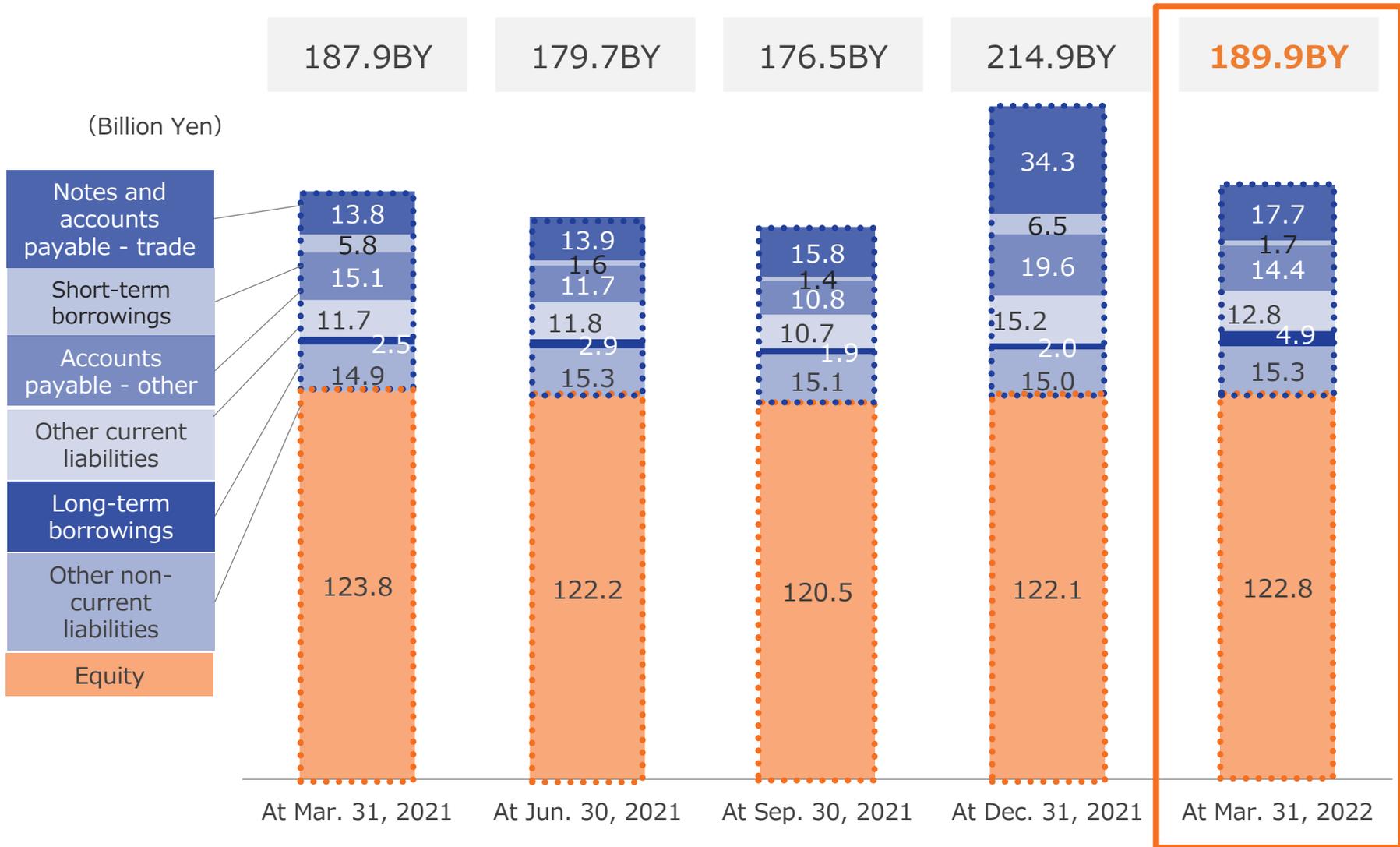
Balance Sheet: Assets



The figures for the previous fiscal year and earlier have not been reclassified to reflect the new presentation method.

Amounts are rounded down.

Balance Sheets: Liabilities and Equity



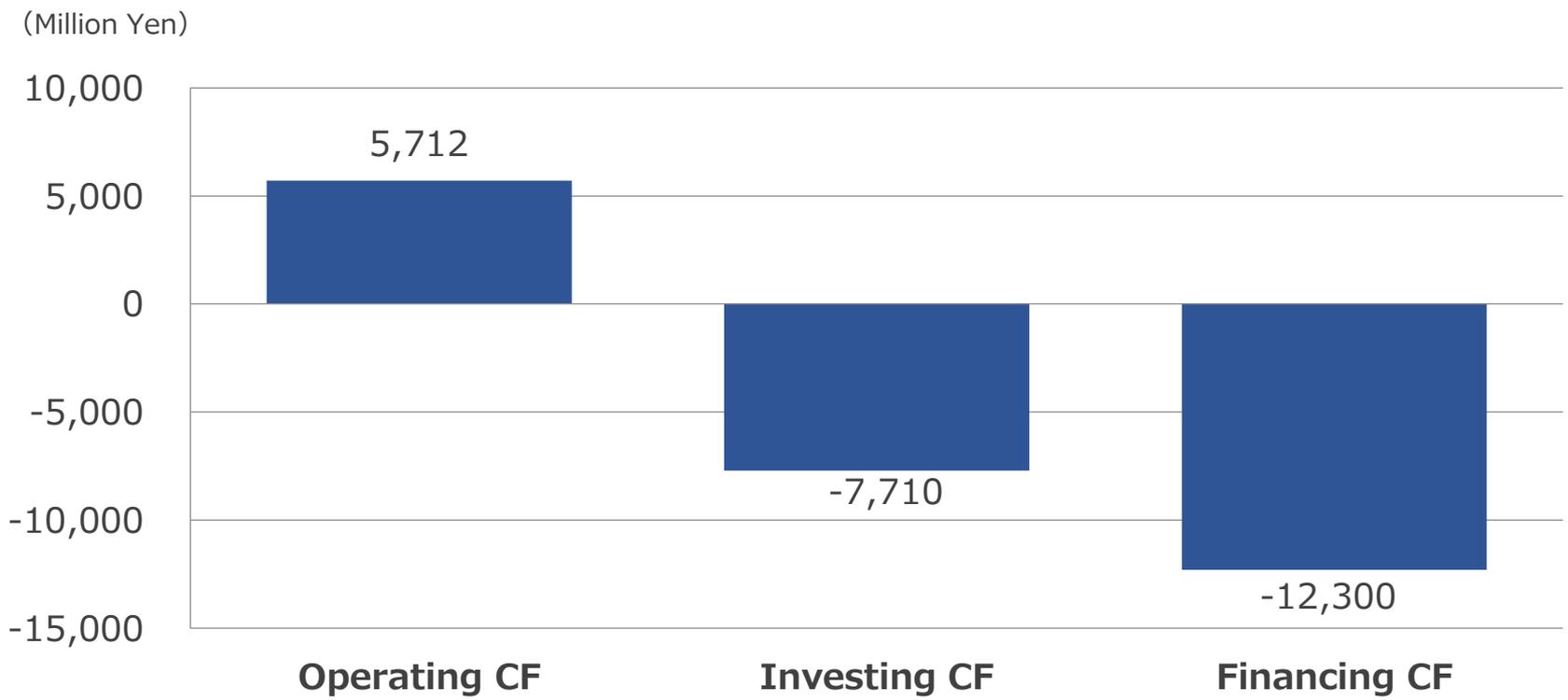
The figures for the previous fiscal year and earlier have not been reclassified to reflect the new presentation method.

Amounts are rounded down.



Cash Flows

Consolidated Cash Flows



Breakdown of major investments
- Investment to IT related
- Land acquisition, etc.

Cash and cash equivalents
End of March 2022 : 24.7BY
End of March 2021 : 38.9BY



Forward-Looking Statements

These materials include forecasts regarding the Company's future plans, strategies, and performance. This information is based on judgments and forecasts made in accordance with information currently available. Actual results may differ materially from forecasts due to such factors as changes in operating circumstances.