



March 1, 2018

**AUTOBACS SEVEN Announces Acquisition of Shares
(for the establishment of an equity-method affiliate)**

March 1, 2018 (Tokyo, Japan) - AUTOBACS SEVEN Co., Ltd. (“the Company”; Representative Director and CEO: Kiomi Kobayashi) announces that it acquired shares of IAAUTOBACS Co., Ltd., its franchisee, and made the company its equity method affiliate on March 1, 2018. Details are as follows.

1. Reason for the acquisition of shares

The AUTOBACS Group is developing a variety of measures with the aim of increasing the earnings of the AUTOBACS Business. The Company has decided to solidify the partnership between the two companies and reinforce area competitiveness by converting the franchisee in the Tohoku area into its equity method affiliate.

2. Outline of the acquisition of shares

The Company acquired shares of IAAUTOBACS Co., Ltd. and made the company its equity method affiliate on March 1, 2018.

3. Overview of IAAUTOBACS

As of February 28, 2018

(1) Company name:	IAAUTOBACS Co., Ltd.(IAAUTOBACS)	
(2) Location:	Yokohama city, Kanagawa	
(3) Representative:	Hirotaka Arai	
(4) Line of business:	Retail of car goods and services	
(5) Capital:	JPY 98 million	
(6) Established:	January 2018	
(7) Major shareholder	I.A CORPORATION 100%	
(8) Present relationship between IAAUTOBACS and the Company:	Capital relationship	No relevant items
	Personnel relationship	No relevant items
	Business relationship	IAAUTOBACS and the Company are scheduled to conclude AUTOBACS franchise agreement, AUTOBACS CARS franchise basic agreement, AUTOBACS CARS franchise agreement and merchandise sale and purchase agreement.
	Third-party relationship	IAAUTOBACS and the Company have not concluded a third-party relationship.

4. Overview of I.A CORPORATION

(1) Company name:	I.A CORPORATION (I.A Corp)	
(2) Location:	Yokohama city, Kanagawa	
(3) Representative:	Takashi Oguma	
(4) Line of business:	Retail of car goods and services (Operation of 30 AUTOBACS stores) *	
(5) Capital:	JPY 300 million	
(6) Established:	April 2008	
(7) Net Sales:	20,940 million	
(8) Total net assets:	4,385 million	
(9) Total assets:	8,238 million	
(10) Major shareholder:	I.A GROUP CORPORATION 100%	
(11) Present relationship between I.A Corp and the Company:	Capital relationship	No relevant items
	Personnel relationship	No relevant items
	Business relationship	I.A Corp and the Company have concluded AUTOBACS franchise agreement, AUTOBACS CARS franchise basic agreement, AUTOBACS CARS franchise agreement and merchandise sale and purchase agreement.
	Third-party relationship	I.A Corp and the Company have not concluded a third-party relationship.

5. Status of shares acquired and shares owned before and after the acquisition

(1) Number of shares owned before the change	0 shares (Number of voting rights: 0) (Ownership: 0%)
(2) Number of shares acquired	680 shares (Number of voting rights: 680) (Ownership: 34.0%)
(3) Number of shares owned after the change	680 shares (Number of voting rights: 680) (Ownership: 34.0%)

6. Date of share transfer

Thursday, March 1, 2018



7. Future outlook

The scheduled transfer of the said shares will have no significant impact on the Company's consolidated business results for the current fiscal year. Any impact of the transfer on the business results for the fiscal year ending March 31, 2019 and thereafter will be incorporated in the performance forecast for the fiscal year ending March 31, 2019.

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