

> Innovations for Achieving Our Vision for the Future



## Development of Stores in Urban Areas Exhibiting Don Quijote's Unique Characteristics

The challenging environment for the retail industry has been increasingly forcing competitors to close their stores. Don Quijote, meanwhile, has been exploiting this trend to accelerate store openings at sites vacated by competitors. In addition, the recent diversification of hobbies and stricter regulatory climate have created a greater number of opportunities to open stores at sites previously occupied by pachinko parlors and video rental shops in urban and other areas. The Don Quijote Group has the advantage of being able to select the optimal store format based on the area or size of the property, and this strength is being utilized to accelerate new store openings. We will continue to develop community-rooted stores going forward by opening new stores in a wide range of locations, including urban shopping districts and roadside locations in suburban areas.

### Store Presentation Methods Featuring a Unique Amusement Element

Many properties in urban shopping districts in Japan are narrow, tall, multifloored buildings that could be described as "pencil-shaped."

Multifloored stores must find ways of drawing customers to its upper floors, and it can be difficult to effectively utilize space in these stores. Moreover, stores situated in such buildings also sometimes lack the space for escalators.

At these stores, we plan floors and presentation methods by focusing on the stairwell used to advance to other floors with the aim of fostering a sense of excitement and anticipation among our customers driven by a curiosity for what lies ahead of them.

By employing store presentation methods that feature a unique amusement element, we strive to create stores that make shopping feel like an adventure.



Bewildering yet impactful store displays at the Don Quijote Ikebukuro-Eki Kitaguchi store



Products along walls of stairwell



Display method encouraging longer shopping times

### Strength Derived From Diverse Range of Store Formats

The Don Quijote Group is expanding its store network largely through opening new stores in properties vacated by other business operators. Because of this approach, our stores are set up in a wide variety of properties, including those that previously housed general supermarkets, banks, and pachinko parlors.

As for location, we develop stores in areas ranging from urban shopping districts to along roads in suburban areas. We employ several store formats based on specific concepts and target demographics in order to respond flexibly to differing properties and locations as well as floor spaces.

### MEGA Don Quijote

MEGA Don Quijote is a format for large-sized stores with buying floor spaces ranging from 8,000 m<sup>2</sup> to 10,000 m<sup>2</sup>. These stores focus on fresh and other foods and daily commodities, and their main targets are women and families.



### New MEGA Don Quijote

New MEGA Don Quijote is a family-oriented format for stores with buying floor spaces ranging from 3,000 m<sup>2</sup> to 5,000 m<sup>2</sup>. The ratio of floor space dedicated to fresh foods is less than that of standard MEGA Don Quijote as these stores place greater emphasis on profitability and efficiency with lineups largely consisting of daily consumables and processed foods.



### Don Quijote

Don Quijote is a format for variety discount stores with buying floor spaces ranging from 1,000 m<sup>2</sup> to 3,000 m<sup>2</sup>. These stores mainly target youths and couples with diverse lineups that include everything from foods and miscellaneous household goods to home electrical appliances, fashion products, and import brand-name items.



### Small Formats (Picasso, Essence, Kyoyasudo, Ekidonki, and Soradonki)

Our small formats seek to form oligopolies in small business spheres through stores with buying floor spaces ranging from 300 m<sup>2</sup> to 1,000 m<sup>2</sup>. Located in highly convenient areas, such as in and around train stations and in airports, these stores boast convenience coupled with amusement through selectively limited product lineups.



### Doit

Doit is a format for home centers with buying floor spaces ranging from 2,000 m<sup>2</sup> to 7,000 m<sup>2</sup>. With lineups of do-it-yourself and professional products, these stores primarily target craftsmen and families.

