

Summary Report of Consolidated Financial Results For the First Quarter Ended September 30, 2012

(All financial information has been prepared in accordance with accounting principles generally accepted in Japan.)

Don Quijote Co., Ltd.

Securities Code No.: 7532
 Shares Listed: Tokyo Stock Exchange
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(Amounts in million yen are rounded off to the nearest million)

1. Overview of Business Results and Financial Position for the first quarter of fiscal 2013 (From July 1, 2012 to September 30, 2012)

(1) Results of Business Operations

(Millions of yen, except per-share data)

	Net Sales	Change (%)	Operating Income	Change (%)	Ordinary Income	Change (%)
Three Months Ended September 30, 2012	140,379	4.1	8,244	6.0	8,366	13.0
Three Months Ended September 30, 2011	134,863	8.1	7,781	13.1	7,405	15.3

(Note) Comprehensive income: 4,960 million yen [Δ 27.0%] (FY 2013.6 1Q), 6,793 million yen [133.9%] (FY 2012.6 1Q)

	Net Income	Change (%)	Net Income Per Share (Yen)	Net Income Per Share-fully diluted (Yen)
Three Months Ended September 30, 2012	5,069	Δ 24.0	65.72	65.59
Three Months Ended September 30, 2011	6,674	116.3	86.64	86.44

(2) Financial Position

(Millions of yen, except per-share data)

	Total Assets	Net assets	Ratio of Shareholders' Equity to Total Assets (%)
As of September 30, 2012	375,193	148,461	39.0
Last Fiscal Year	362,651	145,735	39.5

(Reference) Equity: 146,276 million yen (as of September 30, 2012), 143,195 million yen (as of June 30, 2012)

2. Dividends

	Yen				
	Three Months Ended September 30	Six Months Ended December 31	Nine Months Ended March 31	Year Ended June 30	Total
Year Ended June 30, 2012	—	10.00	—	21.00	31.00
Year Ending June 30, 2013	—				
Year Ending June 30, 2013 (Forecast)		10.00	—	21.00	31.00

(Note) Revision to the dividend forecast in the first quarter of fiscal 2013: None

3. Consolidated Business Forecast : For the year ending June 30, 2013 (From July 1, 2012 to June 30, 2013)

(Millions of yen, except per-share data)

	Net Sales	Change (%)	Operating Income	Change (%)	Ordinary Income	Change (%)	Net Income	Change (%)	Net Income per Share (Yen)
Six Months Ending December 31, 2012	287,000	3.6	17,400	1.1	17,000	3.3	11,000	Δ 7.8	142.61
Year Ending June 30, 2013	560,000	3.7	30,500	4.0	30,300	3.5	20,000	0.8	259.29

(Note) Revision to the business forecast in the first quarter of fiscal 2013: None

4. Others

- (1) Significant changes in the scope of consolidation: None
(2) Simplified accounting methods and special accounting methods for preparation of the quarterly consolidated financial statements: None

(3) Changes in accounting policies concerning preparation of quarterly consolidated financial statements

- ① Changes in line with revision to accounting standards: Yes
② Other changes: None
③ Changes in accounting estimates: Yes
④ Restatement: None

(4) Number of outstanding shares (Common stock)

① Number of outstanding shares (Treasury stock included)	September 30, 2012	77,142,980 shares
	June 30, 2012	77,134,880 shares
② Number of treasury stock	September 30, 2012	1,244 shares
	June 30, 2012	1,244 shares
③ Average number of outstanding shares during the period	September 30, 2012	77,135,589 shares
	September 30, 2011	77,035,875 shares

※Implementation Status of Financial Audit

Financial Audit based on Financial Instrument and Exchange Act for the first quarter ended September 30, 2012 is in progress.

※Explanation regarding the appropriate use of forecasts of business results

The financial forecasts of business results are based on judgments and estimates that have been made using currently available information. By nature, such financial forecasts are subject to uncertainties and risks. Therefore, actual results might be significantly different from the aforementioned forecasts for a variety of reasons, including changes in economic environments related to our business, market trends and exchange rates.

Consolidated Quarterly Balance Sheets

	(Millions of yen)	
	As of September 30, 2012	As of June 30, 2012
	Amount	Amount
Assets		
Current assets		
Cash and deposits	¥38,868	¥34,237
Notes and Accounts receivable-trade	4,719	4,889
Purchased receivables	5,997	6,761
Merchandise and finished goods	79,570	83,641
Other	10,995	9,302
Allowance for doubtful accounts	(13)	(14)
Total current assets	140,136	138,816
Noncurrent assets		
Property, plant and equipment		
Buildings and structures, net	64,422	59,899
Tools, furniture and fixtures, net	11,330	11,522
Land	104,188	97,317
Other, net	1,050	598
Total property, plant and equipment	180,990	169,336
Intangible assets	10,199	10,266
Investments and other assets		
Investment securities	3,685	3,779
Lease and guarantee deposits	32,110	32,286
Other	11,193	11,290
Allowance for doubtful accounts	(3,120)	(3,122)
Total investments and other assets	43,868	44,233
Total noncurrent assets	235,057	223,835
Total assets	¥375,193	¥362,651

	As of September 30, 2012 Amount	(Millions of yen) As of June 30, 2012 Amount
Liabilities		
Current liabilities		
Accounts payable-trade	¥45,008	¥44,793
Short-term loans-payable	23,358	14,866
Current portion of long-term loans payable	14,225	11,121
Current portion of bonds	21,700	23,059
Current portion of convertible bonds	350	—
Income taxes payable	3,115	5,783
Provision for point card certificates	192	179
Provision for loss on disaster	23	193
Other	18,316	20,249
Total current liabilities	126,287	120,243
Noncurrent liabilities		
Bonds payable	48,320	47,470
Convertible bonds	—	350
Long-term loans payable	37,387	36,476
Derivatives liabilities	95	119
Provision for directors' retirement benefits	391	387
Asset retirement obligations	2,348	2,163
Negative goodwill	1,377	1,592
Other	10,527	8,116
Total noncurrent liabilities	100,445	96,673
Total liabilities	226,732	216,916
Net assets		
Shareholders' equity		
Capital stock	19,672	19,664
Capital surplus	22,474	22,466
Retained earnings	107,912	104,463
Treasury stock	(3)	(3)
Total shareholders' equity	150,055	146,590
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(454)	(391)
Foreign currency translation adjustment	(3,325)	(3,004)
Total accumulated other comprehensive income	(3,779)	(3,395)
Minority interests	2,185	2,540
Total net assets	148,461	145,735
Total liabilities and net assets	¥375,193	¥362,651

Consolidated Quarterly Statements of Income

(Millions of yen)

	Three months ended September 30, 2012	Three months ended September 30, 2011
	Amount	Amount
Net sales	¥140,379	¥134,863
Cost of sales	103,369	100,026
Gross profit	37,010	34,837
Selling, general and administrative expenses	28,766	27,056
Operating income	8,244	7,781
Non-operating income		
Interest and dividends income	165	170
Amortization of negative goodwill	214	214
Other	341	363
Total non-operating income	720	747
Non-operating expenses		
Interest expenses	391	420
Loss on valuation of derivatives	—	323
Other	207	380
Total non-operating expenses	598	1,123
Ordinary income	8,366	7,405
Extraordinary income		
Marginal gain of repaid corporate reorganization debts	—	1,782
Other	—	391
Total extraordinary income	—	2,173
Extraordinary loss		
Loss on retirement of noncurrent assets	48	49
Loss on sales of investment securities	—	109
Loss on closing of stores	22	2
Impairment loss	24	94
Other	2	27
Total extraordinary losses	96	281
Income before income taxes and minority interests	8,270	9,297
Income taxes - Current	3,059	2,746
Income taxes - Deferred	(131)	(360)
Total income taxes	2,928	2,386
Income before minority interests	5,342	6,911
Minority interests in income	273	237
Net income	¥5,069	¥6,674

Consolidated Quarterly Statements of Comprehensive Income

(Millions of yen)

	Three months ended September 30, 2012	Three months ended September 30, 2011
	Amount	Amount
Income before minority interests	¥5,342	¥6,911
Other comprehensive income		
Valuation difference on available-for-sale securities	(62)	(77)
Foreign currency translation adjustment	(320)	(41)
Total other comprehensive income	(382)	(118)
Comprehensive income	¥4,960	¥6,793
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	¥4,686	¥6,556
Comprehensive income attributable to minority interests	274	237

Consolidated Quarterly Statements of Cash Flows

	(Millions of yen)	
	Three months ended September 30, 2012	Three months ended September 30, 2011
	Amount	Amount
Net cash provided by (used in) operating activities:		
Income before income taxes and minority interests	¥8,270	¥9,297
Depreciation and amortization	2,568	2,357
Impairment loss	24	94
Amortization of negative goodwill	(214)	(214)
Decrease in provision	(73)	(119)
Interest and dividends income	(165)	(170)
Interest expenses	391	420
Loss (gain) on valuation of derivatives	(7)	323
Marginal gain of repaid corporate reorganization debts	—	(1,782)
Decrease in notes and accounts receivable-trade	918	187
Decrease (increase) in inventories	4,040	(1,921)
Increase in notes and accounts payable-trade	234	736
Other, net	1,264	571
Sub total	17,250	9,779
Interest and dividends income received	126	126
Interest expenses paid	(505)	(532)
Payments for loss on disaster	(6)	(256)
Income taxes paid	(5,558)	(4,264)
Net cash provided by operating activities	11,307	4,853
Net cash provided by (used in) investing activities:		
Payments into time deposits	—	(11,800)
Proceeds from withdrawal of time deposits	306	7,172
Purchase of property, plant and equipment	(13,854)	(5,130)
Payments for lease and guarantee deposits	(47)	(20)
Proceeds from collection of lease and guarantee deposits	67	579
Payment for store opening in progress	(266)	(275)
Proceeds from sales of investment securities	8	190
Purchase of investments in subsidiaries resulting in change in scope of consolidation	—	(6,360)
Other, net	33	7
Net cash used in investing activities	(13,753)	(15,637)
Net cash provided by (used in) financing activities:		
Net increase in short-term loans payable	8,493	5,150
Proceeds from long-term loans payable	7,500	12,000
Repayment of long-term loans payable	(3,485)	(3,335)
Proceeds from issuance of bonds	5,201	4,901
Redemption of bonds	(5,809)	(5,254)
Rehabilitation lien	—	(2,550)
Cash dividends paid	(1,620)	(1,387)
Cash dividends paid to minority shareholders	(630)	—
Other, net	5	28
Net cash provided by financing activities	¥9,655	¥9,553

(Millions of yen)

	Three months ended	Three months ended
	September 30, 2012	September 30, 2011
	Amount	Amount
Effect of exchange rate change on cash and cash equivalents	¥(151)	¥(20)
Net increase (decrease) in cash and cash equivalents	7,058	(1,251)
Cash and cash equivalents at beginning of period	29,973	26,875
Decrease in cash and cash equivalents resulting from exclusion of subsidiaries from consolidation	—	(0)
Increase in cash and cash equivalents resulting from change in fiscal year-end of consolidated subsidiaries	—	3,507
Cash and cash equivalents at end of period	¥37,031	¥29,131

Segment Information

For the first quarter ended September 30, 2012

1. Information concerning sales and income by reporting segment

(Millions of yen)

	Reporting segment			Others (Note 1)	Total	Adjustment (Note 2)	Consolidated (Note 3)
	Retail business	Rent business	Sub Total				
Sales, Segment income							
Sales							
Sales to third parties	¥135,221	¥3,950	¥139,171	¥1,208	¥140,379	¥—	¥140,379
Intersegment sales	1	673	674	911	1,585	(1,585)	—
Total	135,222	4,623	139,845	2,119	141,964	(1,585)	140,379
Segment income	¥6,331	¥1,338	¥7,669	¥552	¥8,221	¥23	¥8,244

Notes

- The other businesses segment includes the services of real estate business, marketing business, cellular phones sales business and financial service business that are not included in other reporting segments.
- The ¥23 million adjustment to segment income is an intersegment elimination.
- Segment income is adjusted to the quarterly consolidated operating income.

2. Information concerning impairment loss of fixed assets or goodwill by reporting segment

Not applicable

For the first quarter ended September 30, 2011

1. Information concerning sales and income by reporting segment

(Millions of yen)

	Reporting segment			Others (Note 1)	Total	Adjustment (Note 2)	Consolidated (Note 3)
	Retail business	Rent business	Sub Total				
Sales, Segment income							
Sales							
Sales to third parties	¥129,625	¥3,977	¥133,602	¥1,261	¥134,863	¥—	¥134,863
Intersegment sales	1	720	721	449	1,170	(1,170)	—
Total	129,626	4,697	134,323	1,710	136,033	(1,170)	134,863
Segment income	¥5,943	¥1,289	¥7,232	¥488	¥7,720	¥61	¥7,781

Notes

- The other businesses segment includes the services of real estate business, marketing business, cellular phones sales business and financial service business that are not included in other reporting segments.
- The ¥61 million adjustment to segment income is an intersegment elimination.
- Segment income is adjusted to the quarterly consolidated operating income.

2. Information concerning impairment loss of fixed assets or goodwill by reporting segment

In the others segment, the Company recognized goodwill ¥1,870 million because of the newly consolidation of two subsidiaries.

Notes on the going-concern assumption

Not applicable

Notes on significant changes in the amount of shareholders' equity

Not applicable

Material subsequent events

Not applicable