

## Translation

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MEMBERSHIP

August 18, 2009

## Consolidated Financial Results for the Fiscal Year Ended June 30, 2009

Company name: **Don Quijote Co., Ltd.**  
Listing: First Section of the Tokyo Stock Exchange  
Stock code: 7532  
URL: <http://www.donki.com/>  
Representative: Junji Narusawa, President and Representative Director  
Inquiries: Mitsuo Takahashi, Senior Managing Director  
TEL: +81-3-5725-7588 (from overseas)

Scheduled date of ordinary general meeting of shareholders: September 25, 2009  
Scheduled date to commence dividend payments: September 28, 2009  
Scheduled date to file Annual Securities Report: September 25, 2009

(Millions of yen with fractional amounts discarded, unless otherwise noted)

### 1. Consolidated performance for the fiscal year ended June 30, 2009 (from July 1, 2008 to June 30, 2009)

#### (1) Consolidated operating results

(Percentages indicate year-on-year changes)

Fiscal year ended	Net sales		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
June 30, 2009	480,856	18.8	17,172	7.5	15,989	(7.1)	8,554	(8.1)
June 30, 2008	404,924	34.7	15,981	17.6	17,204	9.1	9,303	(12.6)

Fiscal year ended	Net income per share	Diluted net income per share	Net income/equity	Ordinary income/total assets	Operating income/net sales
	Yen	Yen	%	%	%
June 30, 2009	123.69	123.69	10.0	5.6	3.6
June 30, 2008	130.78	122.00	11.3	7.1	3.9

Reference: Equity in earnings of affiliates

Fiscal year ended June 30, 2009: -18 million yen

Fiscal year ended June 30, 2008: -160 million yen

## (2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
June 30, 2009	297,527	89,972	29.9	1,284.15
June 30, 2008	276,288	84,625	30.0	1,200.46

Reference: Equity

As of June 30, 2009: 88,839 million yen

As of June 30, 2008: 82,934 million yen

## (3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
Fiscal year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
June 30, 2009	19,513	(29,855)	14,316	42,040
June 30, 2008	7,788	(38,960)	31,368	38,086

## 2. Cash dividends

Record date	Cash dividends per share					Total cash dividends (Full year)	Dividend payout ratio (Consolidated)	Dividends/net assets (Consolidated)
	First quarter	Second quarter	Third quarter	Fiscal year-end	Annual			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended June 30, 2008	–	10.00	–	12.00	22.00	1,548	16.8	1.9
Fiscal year ended June 30, 2009	–	10.00	–	13.00	23.00	1,591	18.6	1.9
Fiscal year ending June 30, 2010 (Forecasts)	–	10.00	–	13.00	23.00		15.9	

## 3. Consolidated earnings forecasts for the fiscal year ending June 30, 2010 (from July 1, 2009 to June 30, 2010)

(Percentages indicate year-on-year changes)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending December 31, 2009	248,000	1.6	8,500	2.5	8,400	31.6	4,500	117.6	65.05
Fiscal year ending June 30, 2010	497,000	3.4	18,000	4.8	17,800	11.3	10,000	16.9	144.55

#### 4. Others

- (1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in the change in scope of consolidation): None
- (2) Changes in accounting policies, procedures, and methods of presentation for preparing the consolidated financial statements (changes described in the section pertaining to changes in significant matters forming the basis of preparing the consolidated financial statements, if applicable)
- a. Changes due to revisions to accounting standards and other regulations: None
- b. Changes due to other reasons: Yes
- (3) Number of issued shares (common stock)
- a. Total number of issued shares at the end of the period (including treasury stock)
- |                     |                   |
|---------------------|-------------------|
| As of June 30, 2009 | 72,022,209 shares |
| As of June 30, 2008 | 72,022,209 shares |
- b. Number of treasury shares at the end of the period
- |                     |                  |
|---------------------|------------------|
| As of June 30, 2009 | 2,840,970 shares |
| As of June 30, 2008 | 2,936,729 shares |

### Summary of Non-consolidated Financial Results (Reference)

#### 1. Non-consolidated performance for the fiscal year ended June 30, 2009 (from July 1, 2008 to June 30, 2009)

##### (1) Non-consolidated operating results

(Percentages indicate year-on-year changes)

Fiscal year ended	Net sales		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
June 30, 2009	307,997	5.9	14,565	(1.4)	13,748	(10.8)	7,378	(15.2)
June 30, 2008	290,779	6.5	14,769	12.6	15,420	3.4	8,701	(15.0)

Fiscal year ended	Net income per share	Diluted net income per share
	Yen	Yen
June 30, 2009	106.68	106.68
June 30, 2008	122.32	114.10

##### (2) Non-consolidated financial position

As of	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
June 30, 2009	264,198	87,619	33.2	1,266.52
June 30, 2008	232,840	82,471	35.4	1,193.75

Reference: Equity

As of June 30, 2009: 87,619 million yen

As of June 30, 2008: 82,471 million yen

#### \* Proper use of earnings forecasts, and other special matters

The forward-looking statements contained in these materials are based on information currently available to the Company and its Group, and contain potential risks and uncertainties. Therefore, actual results may differ substantially due to various factors. Important factors that may affect actual results include the economic environment encompassing the business of the Company and the Group, market fluctuations, etc.

## Consolidated financial statements

### (1) Consolidated balance sheets

(Millions of yen)

	As of June 30, 2008	As of June 30, 2009
<b>Assets</b>		
Current assets		
Cash and deposits	38,381	42,563
Notes and accounts receivable-trade	4,397	4,612
Inventories	67,411	–
Merchandise and finished goods	–	70,651
Prepaid expenses	2,368	2,173
Deferred tax assets	1,575	1,477
Other	2,530	2,500
Allowance for doubtful accounts	(82)	(174)
Total current assets	116,580	123,802
Noncurrent assets		
Property, plant and equipment		
Buildings and structures	72,419	79,649
Accumulated depreciation	(23,630)	(26,875)
Accumulated impairment loss	(3,337)	(2,851)
Buildings and structures, net	45,452	49,923
Vehicles	110	94
Accumulated depreciation	(74)	(73)
Accumulated impairment loss	(0)	(0)
Vehicles, net	36	21
Tools, furniture and fixtures	30,824	30,780
Accumulated depreciation	(21,609)	(21,161)
Accumulated impairment loss	(1,249)	(830)
Tools, furniture and fixtures, net	7,966	8,789
Land	48,779	55,028
Construction in progress	318	617
Total property, plant and equipment	102,551	114,378
Intangible assets	3,284	2,960
Investments and other assets		
Investment securities	9,703	12,055
Long-term loans receivable	935	1,251
Long-term prepaid expenses	2,644	2,222
Deferred tax assets	874	2,623
Lease and guarantee deposits	37,716	36,846
Other	5,000	4,156
Allowance for doubtful accounts	(2,999)	(2,766)
Total investments and other assets	53,873	56,387
Total noncurrent assets	159,708	173,725
Total assets	276,288	297,527

(Millions of yen)

	As of June 30, 2008	As of June 30, 2009
<b>Liabilities</b>		
Current liabilities		
Accounts payable-trade	39,172	41,062
Short-term loans payable	1,400	11,000
Current portion of long-term loans payable	8,284	9,696
Current portion of bonds	6,508	9,695
Current portion of convertible bonds	–	20,171
Accrued expenses	5,588	6,005
Income taxes payable	2,610	3,354
Provision for point card certificates	762	386
Other provision	–	52
Other	8,651	9,462
Total current liabilities	72,975	110,883
Noncurrent liabilities		
Bonds payable	49,583	53,253
Convertible bonds	32,026	9,335
Long-term loans payable	15,153	13,575
Derivatives liabilities	–	2,233
Provision for retirement benefits	5,687	472
Provision for directors' retirement benefits	185	162
Negative goodwill	4,657	4,163
Other	11,397	13,479
Total noncurrent liabilities	118,688	96,672
Total liabilities	191,663	207,555
Net assets		
Shareholders' equity		
Capital stock	14,977	14,977
Capital surplus	16,289	16,289
Retained earnings	58,777	65,806
Treasury stock	(5,144)	(4,976)
Total shareholders' equity	84,899	92,096
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	(680)	(1,856)
Foreign currency translation adjustment	(1,285)	(1,401)
Total valuation and translation adjustments	(1,965)	(3,257)
Subscription rights to shares	3	1
Minority interests	1,688	1,132
Total net assets	84,625	89,972
Total liabilities and net assets	276,288	297,527

**(2) Consolidated statements of income**

(Millions of yen)

	Fiscal year ended June 30, 2008	Fiscal year ended June 30, 2009
Net sales	404,924	480,856
Cost of sales	296,215	353,616
Gross profit	108,709	127,240
Selling, general and administrative expenses	92,728	110,068
Operating income	15,981	17,172
Non-operating income		
Interest and dividends income	632	580
Gain on sales of investment securities	31	4
Gain on anonymous association	172	147
Amortization of negative goodwill	1,119	858
Other	795	1,093
Total non-operating income	2,749	2,682
Non-operating expenses		
Interest expenses paid on loans and bonds	877	1,278
Loss on valuation of derivatives	–	2,009
Equity in losses of affiliates	160	18
Other	489	560
Total non-operating expenses	1,526	3,865
Ordinary income	17,204	15,989
Extraordinary income		
Gain on change in equity	3	–
Penalty income	243	–
Gain on liquidation of anonymous association	961	–
Gain on forgiveness of debts	500	–
Gain on abolishment of retirement benefit plan	–	1,556
Other	603	651
Total extraordinary income	2,310	2,207
Extraordinary loss		
Loss on retirement of noncurrent assets	258	232
Loss on store closure	837	1,254
Impairment loss	932	649
Settlement package	360	–
Loss on valuation of investment securities	44	1,417
Other	443	430
Total extraordinary losses	2,874	3,982
Income before income taxes and minority interests	16,640	14,214
Income taxes-current	6,607	6,403
Income taxes-deferred	565	(1,059)
Total income taxes	7,172	5,344
Minority interests in income	165	316
Net income	9,303	8,554

**(3) Consolidated statements of changes in net assets**

(Millions of yen)

	Fiscal year ended June 30, 2008	Fiscal year ended June 30, 2009
Shareholders' equity		
Capital stock		
Balance at the end of previous period	14,819	14,977
Changes of items during the period		
Issuance of new shares	158	–
Total changes of items during the period	158	–
Balance at the end of current period	14,977	14,977
Capital surplus		
Balance at the end of previous period	16,130	16,289
Changes of items during the period		
Issuance of new shares	159	–
Total changes of items during the period	159	–
Balance at the end of current period	16,289	16,289
Retained earnings		
Balance at the end of previous period	50,911	58,777
Changes of items during the period		
Dividends from surplus	(1,437)	(1,521)
Net income	9,303	8,554
Disposal of treasury stock	–	(4)
Total changes of items during the period	7,866	7,029
Balance at the end of current period	58,777	65,806
Treasury stock		
Balance at the end of previous period	(143)	(5,144)
Changes of items during the period		
Purchase of treasury stock	(5,001)	(0)
Disposal of treasury stock	–	168
Total changes of items during the period	(5,001)	168
Balance at the end of current period	(5,144)	(4,976)
Total shareholders' equity		
Balance at the end of previous period	81,717	84,899
Changes of items during the period		
Issuance of new shares	317	–
Dividends from surplus	(1,437)	(1,521)
Net income	9,303	8,554
Purchase of treasury stock	(5,001)	(0)
Disposal of treasury stock	–	164
Total changes of items during the period	3,182	7,197
Balance at the end of current period	84,899	92,096

(Millions of yen)

	Fiscal year ended June 30, 2008	Fiscal year ended June 30, 2009
Valuation and translation adjustments		
Valuation difference on available-for-sale securities		
Balance at the end of previous period	229	(680)
Changes of items during the period		
Net changes of items other than shareholders' equity	(909)	(1,176)
Total changes of items during the period	(909)	(1,176)
Balance at the end of current period	(680)	(1,856)
Foreign currency translation adjustment		
Balance at the end of previous period	305	(1,285)
Changes of items during the period		
Net changes of items other than shareholders' equity	(1,590)	(116)
Total changes of items during the period	(1,590)	(116)
Balance at the end of current period	(1,285)	(1,401)
Total valuation and translation adjustments		
Balance at the end of previous period	534	(1,965)
Changes of items during the period		
Net changes of items other than shareholders' equity	(2,499)	(1,292)
Total changes of items during the period	(2,499)	(1,292)
Balance at the end of current period	(1,965)	(3,257)
Subscription rights to shares		
Balance at the end of previous period	–	3
Changes of items during the period		
Net changes of items other than shareholders' equity	3	(2)
Total changes of items during the period	3	(2)
Balance at the end of current period	3	1
Minority interests		
Balance at the end of previous period	219	1,688
Changes of items during the period		
Net changes of items other than shareholders' equity	1,469	(556)
Total changes of items during the period	1,469	(556)
Balance at the end of current period	1,688	1,132
Total net assets		
Balance at the end of previous period	82,470	84,625
Changes of items during the period		
Issuance of new shares	317	–
Dividends from surplus	(1,437)	(1,521)
Net income	9,303	8,554
Purchase of treasury stock	(5,001)	(0)
Disposal of treasury stock	–	164
Net changes of items other than shareholders' equity	(1,027)	(1,850)
Total changes of items during the period	2,155	5,347
Balance at the end of current period	84,625	89,972



**(4) Consolidated statements of cash flows**

(Millions of yen)

	Fiscal year ended June 30, 2008	Fiscal year ended June 30, 2009
Net cash provided by (used in) operating activities		
Income before income taxes and minority interests	16,640	14,214
Depreciation and amortization, including prepaid expenses	7,398	8,898
Impairment loss	932	649
Amortization of negative goodwill	(1,119)	(858)
Increase (decrease) in allowance for doubtful accounts	993	(141)
Increase (decrease) in provision for directors' retirement benefits	17	(22)
Increase (decrease) in provision for retirement benefits	(1,078)	(5,216)
Increase (decrease) in provision for point card certificates	(289)	(376)
Interest and dividends income	(632)	(580)
Loss (gain) on valuation of derivatives	–	2,009
Equity in (earnings) losses of affiliates	160	18
Loss (gain) on change in equity	(3)	–
Loss (gain) on investments in anonymous association	(172)	(68)
Interest expenses paid on loans and bonds	905	1,278
Loss (gain) on sales of investment securities	6	28
Loss (gain) on sales and retirement of property, plant and equipment	269	82
Loss on store closure	433	929
Penalty income	(243)	–
Gain on liquidation of anonymous association	(961)	–
Gain on forgiveness of debt	(500)	–
Offset rent expense from deposit received from lessees	1,470	1,300
Loss (gain) on valuation of investment securities	–	1,417
Decrease (increase) in notes and accounts receivable-trade	263	(58)
Decrease (increase) in inventories	(8,420)	(2,171)
Decrease (increase) in other current assets	(730)	619
Increase (decrease) in notes and accounts payable-trade	1,368	711
Increase (decrease) in other current liabilities	1,332	1,060
Increase (decrease) in other noncurrent liabilities	188	2,111
Other, net	380	187
Subtotal	18,607	26,020
Interest and dividends income received	422	326
Interest expenses paid	(801)	(1,175)
Income taxes paid	(10,440)	(5,658)
Net cash provided by (used in) operating activities	7,788	19,513

(Millions of yen)

	Fiscal year ended June 30, 2008	Fiscal year ended June 30, 2009
Net cash provided by (used in) investing activities		
Payments into time deposits	(313)	(1,014)
Proceeds from withdrawal of time deposits	215	319
Purchase of property, plant and equipment	(19,305)	(17,757)
Proceeds from sales of property, plant and equipment	16	327
Purchase of intangible assets	(572)	(244)
Payments for lease and guarantee deposits	(4,109)	(2,596)
Proceeds from collection of lease and guarantee deposits	1,580	3,091
Purchase of investment securities	(3,144)	(8,340)
Proceeds from sales of investment securities	200	1,286
Purchase of investments in subsidiaries resulting in change in scope of consolidation	(11,261)	(1,893)
Payments for purchase of securities of an affiliated company accounted for by the equity method	(120)	–
Proceeds on withdrawal of anonymous association	203	21
Proceeds on liquidation of anonymous association	1,912	–
Purchase of investments in subsidiaries	–	(648)
Payment for purchase of investment funds	–	(1,000)
Other, net	(4,262)	(1,407)
Net cash provided by (used in) investing activities	(38,960)	(29,855)
Net cash provided by (used in) financing activities		
Net increase (decrease) in short-term loans payable	1,400	9,600
Proceeds from long-term loans payable	19,500	8,500
Repayment of long-term loans payable	(8,723)	(8,966)
Proceeds from issuance of bonds	50,500	14,000
Redemption of bonds	(24,838)	(7,143)
Repayment of lease liabilities	(308)	(436)
Proceeds from issuance of common stock	212	–
Purchase of treasury stock	(5,000)	(0)
Proceeds from sales of treasury stock	3	164
Cash dividends paid	(1,437)	(1,521)
Proceeds from stock issuance to minority shareholders	–	126
Other, net	59	(8)
Net cash provided by (used in) financing activities	31,368	14,316
Effect of exchange rate change on cash and cash equivalents	(235)	(20)
Net increase (decrease) in cash and cash equivalents	(39)	3,954
Cash and cash equivalents at beginning of period	38,164	38,086
Decrease in cash and cash equivalents resulting from exclusion of subsidiaries from consolidation	(39)	–
Cash and cash equivalents at end of period	38,086	42,040