

Fiscal Year 3/2018 Financial Results

Announcement on May 14, 2018
 PC DEPOT Corporation
 Code Number 7618 TSE 1st section
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- ◆ Windows Vista support termination on April 11, 2017 → Limited impact on the support service and replacement demand
- ◆ Product sales → Increasing for PC and related devices on the back of education market/eSports demand
- ◆ Solution service sales
 - On September 22, a new product which bundles premium service[※] and devices “**Value Pack (integrated member service product)**” **simultaneously launched** such as Mac Value Pack, Windows PC Value Pack
 - ※Premium service (Our original monthly membership based maintenance service)
 - Steady sales growth in the integrated member service product
 - Increasing sales of the membership service hardware solution plan
- ◆ Operating Profit → in line with the company plan
 (Factors affecting fiscal year 3/2018)
 - ◆ Changes in provision related to warranty ◆ Improved loss ratio for integrated member service product receivables → about 360 million yen contribution to profit

Unit: millions of yen, %	FY 3/2017	FY3/2018	change	Y/Y	forecast	vs forecast
Revenue	46,417	43,590	△2,826	93.9	46,600	93.5
Operating profit	3,402	2,981	△421	87.6	2,420	123.2
Recurring profit	3,467	3,079	△388	88.8	2,500	123.2
Profit attributable to owners of parent	2,269	1,958	△310	86.3	1,650	118.7

1

P/L (consolidated)



unit: millions of yen, %	FY 3/2017		FY3/2018	
	results	Y/Y	results	Y/Y
Revenue	46,417	89.7	43,590	93.9
Products	20,099	78.1	17,720	88.2
Services	24,984	101.4	24,566	98.3
Internet related business (subsidiary)	1,258	99.3	1,241	98.7
Gross profit	21,249	97.9	20,044	94.3
SGA cost	17,846	101.2	17,062	95.6
Operating profit	3,402	83.3	2,981	87.6
Recurring profit	3,467	83.8	3,079	88.8
Profit attributable to owners of parent	2,269	84.3	1,958	86.3

Gross profit margin
46.0%

Recurring profit margin
7.1%

2

Outlook for Fiscal Year 3/2019



unit: millions of yen, %	FY 3/2018 results		FY 3/2019 forecasts	
	Results	Y/Y	Forecasts	Y/Y
Revenue	43,590	93.9	43,000	98.6
Operating profit	2,981	87.6	2,400	80.5
Recurring profit	3,079	88.8	2,500	81.2
Profit attributable to owners of parent	1,958	86.3	1,650	84.2

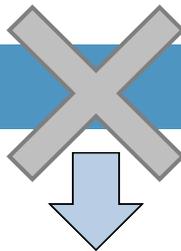
- **Solution service sales 107%** (Last year 98.3%)
- **Gross profit margin 45.0%** (Last year 46.0%)
- **Capex 10 Bil**
- **Depreciation 5 Bil**

Fiscal Year 3/2019 Continuation of our policy



Mass consumption

Mass volume sales



Continuous support ▪ Continuous use
Well-planned proposal ▪ Well-planned creation

Proceed with the business model

