

*** Notes**

(1) Were there changes in important subsidiaries during the three months under review (changes in specific subsidiaries resulting in modifications of the scope of consolidation): No

New companies: - (Company name)
Excluded companies - (Company name)

(2) Adoption of special accounting methods for preparation of quarterly consolidated financial statements: No

(3) Changes in accounting principles/Changes and restatements of accounting estimates

- 1) Were there changes in accounting principles caused by revisions to accounting standards: No
- 2) Were there changes other than 1): No
- 3) Were there changes in accounting estimates: No
- 4) Were there any restatements: No

(4) Number of outstanding shares (common shares)

- 1) Number of shares issued and outstanding as of the end of the period (including treasury stock)
As of June 30, 2013: 225,020 shares
As of Mar. 31, 2013: 225,020 shares
- 2) Number of shares of treasury stock as of the end of the period
As of June 30, 2013: 6,238 shares
As of Mar. 31, 2013: 6,238 shares
- 3) Average number of shares outstanding during the cumulative quarterly period
1Q of fiscal year ending March 2014: 218,782 shares
1Q of fiscal year ended March 2013: 218,782 shares

*** Presentation concerning the implementation status of quarterly review procedures**

These consolidated financial results are not subject to quarterly review procedures based on the Financial Instruments and Exchange Act. Quarterly review procedures have not been completed as of disclosure in these consolidated financial results.

*** Explanation and other special notes regarding the appropriate use of the earnings forecast**

Earnings forecasts and other statements on the future contained in this document are based on the information currently available to the Company as well as certain reasonable assumptions. Actual results may differ materially from the forecasts due to various factors. For details on matters regarding earnings forecasts, please see page 3 of the appendix, "1. Qualitative Information on the Consolidated Financial Results for the Three Months Ended June 30, 2013: (3) Explanation of qualitative information concerning forecasts of consolidated financial results for the fiscal year ending March 31, 2014."

Table of Contents for the Appendix

1.	Qualitative Information on the Consolidated Financial Results for the Three Months Ended June 30, 2013	2
	(1) Explanation of operating results	2
	(2) Explanation of financial condition	3
	(3) Explanation of qualitative information concerning forecasts of consolidated financial results for the fiscal year ending March 31, 2014.....	3
2.	Quarterly Consolidated Financial Statements	4
	(1) Quarterly consolidated balance sheets.....	4
	(2) Quarterly consolidated statement of income and quarterly consolidated statement of comprehensive income	6
	(Quarterly consolidated statement of income)	
	(First quarter of consolidated period).....	6
	(Quarterly consolidated comprehensive statement of income)	
	(First quarter of consolidated period).....	8
	(3) Notes on quarterly consolidated financial statements.....	9
	(Notes on premise of going concern).....	9
	(Notes on significant changes in the amount of equity capital)	9
	(Segment information).....	9
3.	Supplementary Information.....	10
	Sales results	10

1. Qualitative Information on the Consolidated Financial Results for the Three Months Ended June 30, 2013

(1) Explanation of operating results

As for the Japanese economy during the three months under review (April 1, 2013 to June 30, 2013), overall consumption continued to be less favorable while consumer spending, especially on luxury products, showed signs of a pickup resulting from expectations for an economic recovery associated with weakening deflation as well as improvements in corporate performance backed by the low valuation of the yen.

Regarding over-the-counter sales of PCs and other devices, tablet devices (portable multi-function devices) showed favorable sales growth. However, the number of PCs sold fell significantly while their unit prices rose due to the yen's decline.

Against this backdrop, we not only sold PCs, smartphones, tablets, and other devices as well as provided configuration support, we also stepped up our efforts to provide support under a new concept, "Smart Life Partner (SLP)," which enable customers to receive a number of types of support ranging from advice on buying devices to connecting their devices to the Internet as well as support for continued use and purchase of additional devices at a single location. Regarding service products, we offered more solutions by combining enriched content with quality services; we shifted into high-gear provision of our all-in-one package product, which includes a tablet combined with a magazine content subscription service and usage support. We have increased the number of magazines available for subscription that are bundled with our different types of tablets to 13 in order to attract new customers—including females—which partly contributed to a 100.2% increase in net sales from stores and a 108.2% rise in gross profit compared to the corresponding period of the previous fiscal year.

As a result, net sales for the three months ended June 30, 2013 amounted to 12.19 billion yen, a 0.3% decrease from the corresponding period of the previous fiscal year. Operating income was 496 million yen (up 531.8% YoY), ordinary income was 528 million yen (up 353.7% YoY), and net income was 365 million yen (up 724.3% YoY). Operating income, ordinary income and net income were the highest ever recorded.

Operating results per business segment are as follows:

1) PC Sales Business

As for hardware products, we continued to focus on marketing tablet devices (portable multi-function devices) and other smart devices; in terms of services, we launched digital content offerings, such as newspapers and magazines. We also strove to stimulate latent demand in order to acquire new customers and increase the number of Premium Service subscribers chiefly by launching "Smart Pack," our one-stop support package product that enables customers to enjoy the Internet and digital content on smart devices such as Apple's MacBook and iPad mini for which the necessary connections, mobile data communication and digital content subscriptions have been preconfigured by PC DEPOT, as well as by providing our all-in-one package product that includes a smart device, applications, digital content subscription service, and usage support.

These efforts led to steady growth in sales of technical services and support, MVNO (Mobile Virtual Network Operator) mobile communications services for PCs, the Premium Service (maintenance services provided on a monthly membership basis) and services for PCs and smart devices, such as content and cloud services.

At the end of this quarterly period, there were 66 PC DEPOT stores: 50 directly managed by the company, 11 operated by subsidiaries and 5 operated as franchises. PC DEPOT PC Clinics had 57 stores: 49 stores directly managed by the company, 1 store operated by a subsidiary independently on a trial basis and 7 franchise stores. Thus, there were 123 PC DEPOT and PC DEPOT PC Clinic stores in total.

As a result, net sales for the PC sales business amounted to 11.819 billion yen (up 0.4% YoY) and ordinary income for this segment was 613 million yen (up 602.8% YoY).

2) Internet-related Business

Sales for the Internet-related business fell below those of the corresponding period of the previous fiscal year due to a decline in the number of Internet service subscribers handled by our subsidiaries, despite our efforts to strengthen service outsourcing among group

companies.

Regarding income, ordinary income for the segment increased due to a decline in selling, general and administrative expenses owing to a drop in the amortization of goodwill as well as personnel costs associated with a change in call center operating hours.

As a result, sales for the Internet-related business amounted to 371 million yen (down 17.6% YoY) and ordinary income for the segment was 69 million yen (up 84.8% YoY).

(2) Explanation of financial condition

As of June 30, 2013, consolidated total assets were 22.513 billion yen, which represents a decrease of 420 million yen from March 31, 2013. Consolidated total liabilities were 12.445 billion yen, a decrease of 713 million yen from March 31, 2013. Net working capital (the amount calculated by subtracting current liabilities from current assets) was 5.151 billion yen, indicating continued financial soundness.

Capital investments made during the three months ended June 30, 2013 totaled 70 million yen, which were covered by our own funds and loans.

(3) Explanation of qualitative information concerning forecasts of consolidated financial results for the fiscal year ending March 31, 2014

Revisions have been made to the consolidated earnings forecasts for the fiscal year ending March 31, 2014 announced on May 10, 2013. For details, please see “Notice of revised forecasts of financial results for the six months ending September 30, 2013 and the fiscal year ending March 31, 2014” released on August 8, 2013.

2. Quarterly Consolidated Financial Statements

(1) Quarterly consolidated balance sheets

(Thousands of yen)

	FY2012 (As of Mar. 31, 2013)	FY2013 First Quarter (As of Jun. 30, 2013)
Assets		
Current assets		
Cash and deposits	2,982,430	2,753,587
Accounts receivable- trade	4,098,813	4,303,065
Inventories	5,986,284	5,807,937
Accounts receivable- other	305,257	342,080
Deferred tax assets	217,761	280,715
Other	465,537	442,785
Allowance for doubtful accounts	(64,542)	(68,298)
Total current assets	13,991,542	13,861,872
Non-current assets		
Property, plants and equipment		
Buildings and structures	6,016,530	6,019,821
Accumulated depreciation	(1,769,209)	(1,862,361)
Buildings and structures- net	4,247,321	4,157,459
Tools, furniture and fixtures	1,958,847	1,961,339
Accumulated depreciation	(1,487,122)	(1,497,010)
Tools, furniture and fixtures- net	471,724	464,328
Land	263,011	263,011
Construction in progress	91,442	80,399
Other	1,910	1,910
Accumulated depreciation	(1,814)	(1,819)
Other- net	95	90
Total property, plants and equipment	5,073,594	4,965,290
Intangible assets		
Goodwill	155,339	119,079
Other	362,767	376,687
Total intangible assets	518,107	495,767
Investments and other assets		
Investment securities	290,047	162,427
Deferred tax assets	228,872	235,983
Guarantee deposits	1,387,660	1,364,248
Lease deposits	1,268,206	1,264,115
Other	175,895	163,929
Total investments and other assets	3,350,681	3,190,705
Total non-current assets	8,942,384	8,651,762
Total assets	22,933,926	22,513,635

PC DEPOT CORPORATION (7618)
Summary of Financial Results for the Three Months Ended June 30, 2013

(Thousands of yen)

	FY2012 (As of Mar. 31, 2013)	FY2013 First Quarter (As of Jun. 30, 2013)
Liabilities		
Current liabilities		
Accounts payable- trade	2,087,529	1,907,063
Short-term loans payable	2,550,000	2,550,000
Current portion of long-term loans payable	1,849,608	1,797,594
Accounts payable- other	886,250	852,655
Income taxes payable	333,804	289,108
Provision for bonuses	163,335	332,416
Provision for merchandise warranties	77,735	76,693
Other	1,061,176	904,425
Total current liabilities	9,009,438	8,709,956
Non-current liabilities		
Long-term loans payable	3,479,993	3,067,452
Long-term accounts payable- other	122,760	122,760
Provision for retirement benefits	11,682	11,063
Asset retirement obligations	391,370	393,084
Long-term guarantee deposits	144,031	141,492
Total non-current liabilities	4,149,837	3,735,852
Total liabilities	13,159,276	12,445,809
Net assets		
Shareholder equity		
Capital stock	1,601,196	1,601,196
Capital surplus	1,868,598	1,868,598
Retained earnings	6,403,667	6,692,229
Treasury stock	(151,298)	(151,298)
Total shareholder equity	9,722,165	10,010,726
Other comprehensive income		
Valuation difference on available-for-sale securities	34,559	37,027
Total other comprehensive income	34,559	37,027
Subscription rights to shares	17,924	20,071
Total net assets	9,774,649	10,067,826
Total liabilities and net assets	22,933,926	22,513,635

(2) Quarterly consolidated statement of income and quarterly consolidated statement of comprehensive income
(Quarterly consolidated statement of income)
(First quarter of consolidated period)

(Thousands of yen)

	FY2012 First Quarter (Apr. 1, 2012–Jun. 30, 2012)	FY2013 First Quarter (Apr. 1, 2013–Jun. 30, 2013)
Net sales	12,224,110	12,190,597
Cost of sales	8,323,323	7,969,665
Gross profit	3,900,786	4,220,932
Selling, general and administrative expenses		
Advertising expenses	408,016	300,323
Sales commissions	125,772	133,018
Directors' compensation	32,138	31,580
Salaries and allowances	1,186,625	1,235,872
Provision for bonuses	168,940	169,081
Retirement benefit expenses	14,214	15,166
Provision for directors' retirement benefits	842	—
Supplier expenses	141,307	111,107
Depreciation	165,550	152,970
Amortization of goodwill	62,827	36,259
Rent expenses on real estate	556,788	554,834
Other	959,197	984,336
Total selling, general and administrative expenses	3,822,220	3,724,551
Operating income	78,565	496,380
Non-operating income		
Interest income	275	108
Dividends income	2,982	2,982
Sales incentives	22,823	11,664
Rent income	30,206	34,035
Commission fees	11,826	11,966
Equity in earnings of affiliates	—	1,048
Other	18,981	22,009
Total non-operating income	87,096	83,816
Non-operating expenses		
Interest expenses	22,842	21,241
Rent expenses	24,127	30,745
Equity in losses of affiliates	1,996	—
Other	271	—
Total non-operating expenses	49,237	51,987
Ordinary income	116,424	528,210
Extraordinary income		
Gains on sales of investment securities	—	63,600
Gains from business transfers	—	17,000
Other	40	—
Total extraordinary income	40	80,600

PC DEPOT CORPORATION (7618)
Summary of Financial Results for the Three Months Ended June 30, 2013

(Thousands of yen)

	FY2012 First Quarter (Apr. 1, 2012 – Jun. 30, 2012)	FY2013 First Quarter (Apr. 1, 2013 – Jun. 30, 2013)
Extraordinary losses		
Losses on retirement of non-current assets	—	7,499
Total extraordinary losses	—	7,499
Income before income taxes and minority interests	116,464	601,310
Income taxes- current	127,035	307,603
Income taxes- deferred	(56,153)	(71,428)
Total income taxes	70,882	236,174
Income before minority interests	45,582	365,135
Minority interests in income	1,285	—
Net income	44,296	365,135

(Quarterly consolidated comprehensive statement of income)

(First quarter of consolidated period)

(Thousands of yen)

	FY2012 First Quarter (Apr.1, 2012 – Jun. 30, 2012)	FY2013 First Quarter (Apr.1, 2013 – Jun. 30, 2013)
Income before minority interests	45,582	365,135
Other comprehensive income		
Valuation difference in available-for-sale securities	(5,855)	2,468
Total other comprehensive income	(5,855)	2,468
Comprehensive income	39,726	367,603
(Breakdown)		
Comprehensive income related to parent company shareholders	38,440	367,603
Comprehensive income related to minority shareholders	1,285	—

(3) Notes on quarterly consolidated financial statements

(Notes on premise of going concern)

N/A

(Notes on significant changes in the amount of equity capital)

Descriptions have been omitted because there were no significant changes.

(Segment information)

I. FY2012 first quarter (April 1, 2012 to June 30, 2012)

1. Information on net sales and income or loss by reportable segment

(Thousands of yen)

	Reportable segment			Adjustment (Note 1)	Amount on consolidated statements of income (Note 2)
	PC Sales Business	Internet-related Business	Total		
Net sales					
(1) External customers	11,773,244	450,865	12,224,110	—	12,224,110
(2) Inter-segment	664	48,145	48,809	(48,809)	—
Total	11,773,908	499,011	12,272,919	(48,809)	12,224,110
Segment income	87,229	37,443	124,672	(8,247)	116,424

(Note) 1. The negative 8,247 thousand yen adjustment in segment income includes a negative 8,730 thousand yen due to inter-segment eliminations of dividends received.

2. Segment income is reconciled to ordinary income in the quarterly consolidated income statements.

2. Information on impairment losses of fixed assets or goodwill, etc. by reportable segment

(Significant impairment losses related to fixed assets)

N/A

(Significant changes in the amount of goodwill)

N/A

(Significant gains on negative goodwill)

N/A

II. FY2013 first quarter (April 1, 2013 to June 30, 2013)

1. Information on net sales and income or loss by reportable segment

(Thousands of yen)

	Reportable segment			Adjustment (Note 1)	Amount on consolidated statements of income (Note 2)
	PC Sales Business	Internet-related Business	Total		
Net sales					
(1) External customers	11,819,011	371,585	12,190,597	—	12,190,597
(2) Inter-segment	108	109,606	109,714	(109,714)	—
Total	11,819,119	481,191	12,300,311	(109,714)	12,190,597
Segment income	613,021	69,211	682,232	(154,022)	528,210

(Note) 1. The negative 154,022 thousand yen adjustment in segment income includes a negative 154,504 thousand yen due to inter-segment eliminations of dividends received.

2. Segment income is reconciled to ordinary income in the quarterly consolidated income statements.

2. Information on impairment losses of fixed assets or goodwill, etc. by reportable segment

(Significant impairment losses related to fixed assets)

N/A

(Significant changes in the amount of goodwill)

N/A

(Significant gains on negative goodwill)

N/A

3. Supplementary Information

Sales results

(Sales by product)

(Segment) Product category	FY2012 First Quarter (Apr. 1, 2012–Jun. 30, 2012)		FY2013 First Quarter (Apr. 1, 2013–Jun. 30, 2013)		YoY change (%)
	Amount (yen)	Pct. of sales (%)	Amount (yen)	Pct. of sales (%)	
(PC sales business)					
PCs	3,393,043	27.7	3,042,980	25.0	89.7
Peripherals	2,523,342	20.6	2,225,850	18.3	88.2
Accessories and supplies	1,169,556	9.6	987,374	8.1	84.4
Software	315,828	2.6	341,467	2.8	108.1
Previously owned products and other	1,304,242	10.7	1,491,937	12.2	114.4
Total product sales	8,706,013	71.2	8,089,610	66.4	92.9
Royalties and other revenue	42,155	0.3	40,191	0.3	95.3
Sales from technical services and commissions	3,025,074	24.8	3,689,209	30.3	122.0
Total	11,773,244	96.3	11,819,011	97.0	100.4
(Internet-related business]	450,865	3.7	371,585	3.0	82.4
Grand total	12,224,110	100.0	12,190,597	100.0	99.7

(Notes) 1. The above amounts do not include sales tax, etc.

2. Inter-segment transactions are written off by offsetting.

3. Sales of franchise stores from which royalties and other revenues are earned total 673,035,000 yen.

* As a result of our business restructuring efforts, we have made changes to the classification of PCs, previously owned products and other products as well as technical services and commissions since preparing financial statements for the three months ended June 30, 2013. Please note that sales by product for the three months ended June 30, 2012 presented in the above table are also based on the revised classification.