

Company Profile / Information for Shareholders

(As of September 30, 2013)

Company profile

Corporate name	PC DEPOT CORPORATION
Business outline	Direct and franchise management of PC DEPOT, a comprehensive store specializing in PCs and networks, and PC DEPOT PC Clinics which provide PC repairs and technical services
Head office	3-1-9, Shinyokohama kohoku-ku, Yokohama-shi, Kanagawa 222-0033 Japan Phone number : 045-472-7795 (Japan)
Date of establishment	August 1994
Date of stock exchange listings	October 1999
Capital	¥1,601,190,000
Consolidated subsidiaries	ejworks Corporation PC DEPOT STORES CORPORATION

Board members

President and CEO	Takahisa Nojima	Outside Director	Hidehiro Takayama
Senior Managing Director	Shigehiko Sakai	Outside Director	Hideaki Izawa
Managing Director	Mitsuyoshi Hae	Outside Director	Atsuomi Obayashi
Director	Kenshi Hamamatsu	Outside Auditor	Eizo Akashi
Director	Takayuki Shimano	Corporate Auditor	Masayuki Ishii
Director	Hideki Saito	Outside Auditor	Kunihiko Yamamoto
		Outside Auditor	Kazuo Yamamoto

Information for shareholders

Business Fiscal Year

From April 1 to March 31 of the following year

Ordinary General Shareholders' Meeting

June annually

Settlement Date of Shareholders to Whom Dividends of Retained Earnings Are Paid

September 30 and March 31

Record dates other than the above are determined through resolution of the Board of Directors.

Method of Public Notification

Public notifications are made by electronic means (URL:<http://www.pcdepot.co.jp>). However, in the event of problems preventing electronic announcements due to an accident or other unavoidable cause, details will be published in the Nikkei newspaper.

Administrator of Shareholder Registry / Special Account Management Institution

Mitsubishi UFJ Trust and Banking Corporation

1-4-5 Marunouchi, Chiyoda-ku, Tokyo 100-8212, Japan

Contact info

Mitsubishi UFJ Trust and Banking Corporation

Corporate Agency Department 7-10-11

Higashisuna, Koto-ku, Tokyo 137-8081, Japan

Tel : 0120-232-711 (toll free)

Investor's Guide

First Half of the Fiscal Year Ending March 31, 2014

(April 1, 2013 to September 30, 2013)



PC DEPOT CORPORATION

Securities Code: 7618

To Our Shareholders



Business Results for the Six Months Ended September 30, 2013

Takahisa Nojima
President and Chief Executive Officer

野島 隆久

	Six months ended September 30, 2012 (¥ million)	Six months ended September 30, 2013 (¥ million)	Rate of increase/ decrease
Consolidated net sales	24,168	24,433	+1.1%
Consolidated operating income	199	923	+362.1%
Consolidated ordinary profit	261	985	+277.6%
Consolidated net income	94	638	+575.3%

I would like to take this opportunity to extend our heartfelt thanks for your invaluable support.

Please below find a summary of the PC DEPOT Group's business results for the six months ended September 30, 2013.

Sales and income both increased during the six months under review.

We not only sold PCs, smartphones, tablets, and other devices as well as providing configuration support, we also continued to step up our efforts to provide support under a new concept, "Smart Life Partner (SLP)," which enables 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 providing support for the continued use and purchase of additional devices at a single location. In August, in order to test a new type of business, we remodeled an existing store in Tokyo's Ota Ward and put it into operation as PC DEPOT Smart Life Store Nishimagome.

Regarding service products, we offered more solutions by combining enhanced content with quality services and started to provide service products that combine tablets with content subscription services to digital magazines (including Toyo Keizai and other economic journals, ESSE, Fusingaho and other women's magazines and sports and hobbyist magazines) and usage support. In this way, we strove to meet potential customer demand and broaden our customer base, seeking to acquire new customers and increase the number of Premium Service members.

In addition, there is growing demand for technical services and support for PCs,

including those purchased at other companies' stores due to the spread of malicious adware. As a result, net sales from stores and those from services were brisk, growing 102.0% and 124.2%, respectively, compared to the same period during the previous fiscal year. Net sales went beyond the previous year's level.

In terms of profitability, the July increase in the base salary for all personnel, including part-time workers, as well as growth in service sales and support services led to an increase in overall personnel expenses, but we kept other expenses at reasonable levels. Therefore, selling, general, and administrative expenses remained almost at the same level as a year earlier.

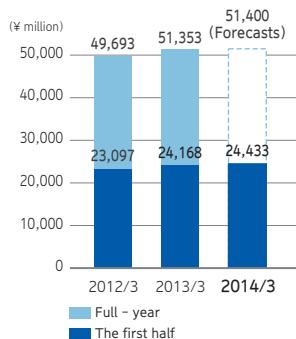
In the expectation that sales of Internet devices and service products will continue to grow at a steady pace in the latter half of this fiscal year and onward, we revised up our forecast of consolidated financial results for the fiscal year ending March 31, 2014. All incomes are expected to reach record highs. (Consolidated forecast for the fiscal year ending March 31, 2014: Net sales: 51.4 billion yen; Operating income: 1.9 billion yen; Ordinary income: 2.0 billion yen; Net income: 1.220 billion yen)

We will continue to strive to help our customers have more comfortable lives with safety and security by providing a variety of products that combine Internet devices with Internet, content and services.

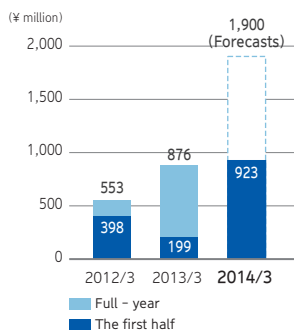
We look forward to your continued support as we make further progress.

December, 2013

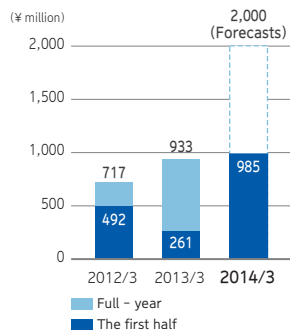
Net sales



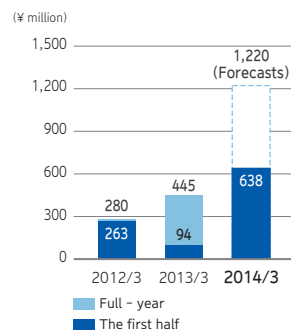
Operating income



Ordinary income



Net income



PC DEPOT Initiatives

As an IT solutions provider that provides before-sale and after-sale support, we strive to build longer-term ties with the customers we serve.

Stores

PC DEPOT Smart Life Store

The PC DEPOT Smart Life Store deals mainly in Internet devices and related services. It provides customers with support with regard to not only PCs but also all kinds of digital life.



NEW OPEN

PC DEPOT Smart Life Store
Higashifuchu

Opened on November 15, 2013 (Friday)

Repair and Maintenance Services for PCs, etc.

Free diagnoses and quick repair services


If you have any problems with your PCs and smartphones, please bring them to us.

Our diagnosis service will also be available to products purchased at other companies' stores.



Virus and security check for spyware and adware

このような画面出ていませんか？



- 何もした覚えがないのに変な画面が出る
- 何もしていないのに見覚えのないデータがある
- パソコンが遅い

このまま使用されると危険な場合がございます。
ご利用されているパソコンの3台に1台症状が確認されました。^{※1}

他店購入品OK 無料点検実施中

※1 当社へのお持ち込みパソコンにおける、1,600台中596台で症状が確認されております。

Solution Services

Digital magazine combined with Tablet

We provide our unique products that combine iPad or other tablets with digital magazines at lower prices. There are 33 publications available to choose from (as of the end of October, 2013).



PC DEPOT **64** Stores (FC 5 Stores)

PC DEPOT PC Clinic **57** Stores (FC 7 Stores)

PC DEPOT Smart Life **2** Stores

Number of stores **123** Stores

(As of November 15, 2013)

ピーシーデポ店舗情報

Search

www.pcdepot.co.jp/shop

Share Information

Shareholders benefits

Every year we present registered shareholders owning 400 or more shares as of March 31 with shareholder vouchers that can be used for purchases at our stores under the following conditions.

These complementary tickets for shareholders can be used at PC DEPOT stores, PC DEPOT PC Clinic counters, PC DEPOT Smart Life, and PC DEPOT Internet Shops.



Number of shares held	Benefits
400 shares or more	Complementary ticket for shareholders equivalent to 1,000 yen
1,000 shares or more	Complementary ticket for shareholders equivalent to 2,000 yen
5,000 shares or more	Complementary ticket for shareholders equivalent to 10,000 yen
10,000 shares or more	Complementary ticket for shareholders equivalent to 20,000 yen
40,000 shares or more	Complementary ticket for shareholders equivalent to 50,000 yen
100,000 shares or more	Complementary ticket for shareholders equivalent to 70,000 yen

Status of shares

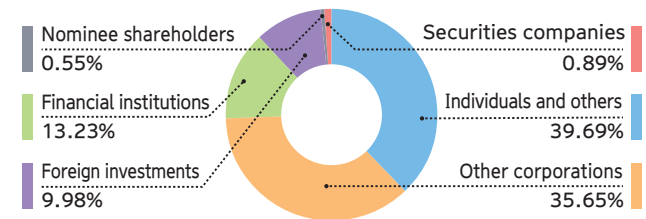
Total number of shares authorized to be issued 89,000,000 shares (*)

Total number of shares outstanding 22,502,000 shares (*)

Number of shareholders 2,511 persons

* Effective October 1, 2013, we split each of our shares into 100 shares so that our common shares can be traded in units of 100 shares, and introduced a unit share system in which 100 of our shares constitute one trading unit.

Composition of shareholders



Stock split and introduction of the unit share system

In consideration of the purpose of the Action Plan for Consolidation of Trading Units published in 2007 by stock exchanges across Japan, we split each of our shares into 100 shares and introduced a unit share system in which 100 of our shares constitute one trading unit, which took effect on October 1, 2013. There are no effective changes in the investment lot and the level of dividend in line with the introduction of this system.

Unit of trading : 1 shares> 100 shares
 Total number of shares outstanding : 225,020 shares> 22,502,000 shares

Major shareholders (as of September 30, 2013)

Name of shareholder	Number of shares held (shares)	Voting rights ratio (%)
TN HOLDINGS CO.,LTD.	60,000	26.81
Takahisa Nojima	34,594	15.45
K'S HOLDINGS CORPORATION	14,404	6.43
JAPAN TRUSTEE SERVICES BANK,LTD (TRUST ACCOUNT)	8,143	3.63
Mizuho Bank Ltd.	7,880	3.52
STATE STREET BANK AND TRUST COMPANY 505224	7,000	3.12
THE BANK OF NEW YORK -JASDECTREATY ACCOUNT	6,478	2.89
TRUST & CUSTODY SERVICES BANK,LTD (TRUST ACCOUNT)	5,000	2.23
Kinuyo Nojima	4,845	2.16
MSCO CUSTOMER SECURITIES	4,123	1.84

Investor Relations website

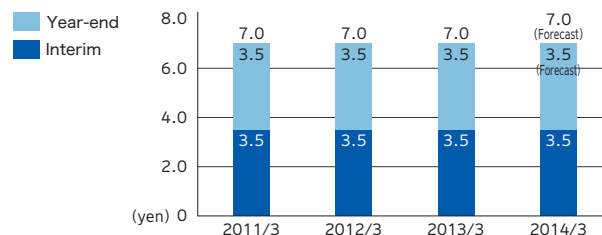
http://www.pcdepot.co.jp/co_ir/



The "Q&A with top management" page answers questions about our strategies and businesses every month.

PC DEPOT IR Email Transmission
 Currently accepting registration at our IR website. Registered users will be sent emails with new information related to investor relations at our company. Registration is free.

Dividend per share (yen per share) (*)



* The above figures show the dividends after retroactive adjustments were made, with the effects of stock split as of October 1, 2013 taken into account.

Consolidated Financial Statements (Overview)

Consolidated balance sheets (The end of second fiscal quarter)

(¥ million)	FY2012 (as of March 31, 2013)	Second quarter of FY2013 (as of September 30, 2013)	Amount of increase/ decrease
Assets			
Current assets	13,991	13,790	△ 201
Fixed assets	8,942	8,645	△ 297
Total assets	22,933	22,435	△ 498
Liabilities			
Current liabilities	9,009	8,746	△ 263
Long-term liabilities	4,149	3,356	△ 793
Total liabilities	13,159	12,103	△ 1,056
Total net assets	9,774	10,332	558
Total liabilities and net assets	22,933	22,435	△ 498

Note: Figures below ¥ 1 million are rounded down.

Point

【Assets】 Inventories decreased as a result of inventory optimization efforts.

【Liabilities】 Long-term loans payable decreased.

Consolidated Statements of income (The first half)

(¥ million, %)	First six months of FY2012 (ended September 30, 2012)	First six months of FY2013 (ended September 30, 2013)	Rate of increase/ decrease
Net sales	24,168	24,433	1.1
Gross profit	7,664	8,429	10.0
Selling, general and administrative expenses	7,464	7,505	0.6
Operating income	199	923	362.1
Ordinary profit	261	985	277.6
Net income before income taxes	225	1,057	368.3
Net income	94	638	575.3

Note: Figures below ¥ 1 million are rounded down, and percentages are rounded to one decimal place.

Point

【Sales】 Net sales increased owing to favorable growth in sales of services as well as a 102.0% increase in net sales from stores.

Consolidated Statements of cash flow (The first half)

(¥ million)	First six months of FY2012 (ended September 30, 2012)	First six months of FY2013 (ended September 30, 2013)	Amount of increase/ decrease
Cash flows from operating activities	1,262	1,112	△ 150
Cash flows from investing activities	△ 540	△ 26	514
Cash flows from financing activities	54	△ 1,274	△ 1,328
Cash and cash equivalents at end of year	2,858	2,794	△ 64

Note: Figures below ¥ 1million are rounded down.

Point

【Cash flow from operating activities】 Although there was an increase in accounts receivable, net cash provided by operating activities increased to 1.112 billion yen owing to a decrease in inventories, an increase in net income before income taxes and depreciation and amortization.

【Cash flow from investment activities】 Although there were acquisitions of tangible and intangible fixed assets, net cash used in investment activities decreased to 26 million yen as a result of the proceeds from sales of investment securities.

【Cash flow from financing activities】 Net cash used in financing activities decreased to 1.274 billion yen due to factors such as a decrease in loans payable.

Sales by product (The first half)

(¥ million, %)	First six months of FY2012 (ended September 30, 2012)	First six months of FY2013 (ended September 30, 2013)	Rate of increase/ decrease
PCs	6,378	5,936	△ 6.9
Peripherals	5,089	4,442	△ 12.7
Accessories and supplies	2,313	1,951	△ 15.6
Software	592	713	20.4
Previously owned products and other	2,669	3,002	12.5
Total sales of products	17,044	16,046	△ 5.9
Income from royalties	83	81	△ 3.1
Income from technical service and commissions	6,108	7,583	24.2
Total PC sales business	23,236	23,711	2.0
Internet-related business	931	722	△ 22.5
Total	24,168	24,433	1.1

Note: Figures below ¥ 1 million are rounded down, and percentages are rounded to one decimal place.

Point

【Technical service and commissions】 Net sales from services continued to be brisk owing to a rise in sales of service products offering a combination of device support and content, with growth of 124.2% compared to the same period during the previous fiscal year.