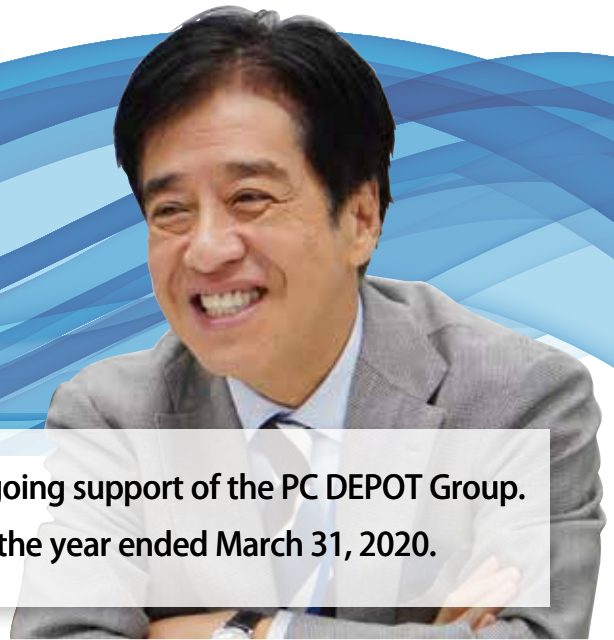




# Investors' Guide

Financial Results for Fiscal Year 2019

(April 1, 2019 to March 31, 2020)



**I would like to express my sincere gratitude for your ongoing support of the PC DEPOT Group. Please find below a summary of our business results for the year ended March 31, 2020.**

We would like to express our sincere gratitude for your long-standing patronage of PC DEPOT CORPORATION.

We hereby report the 26th Financial Results (from April 1, 2019 to March 31, 2020).

With respect to the situation surrounding the sale of PCs in Japan, there arose so-called "last-minute demand" before the consumption tax increase in October 2019 and a "demand for the purchase of new PCs" due to the termination of support services of Windows 7 on January 14, 2020. In addition, the demand among individuals is showing the following trends: an increasing demand for gaming PCs and peripheral devices due to the growing popularity of e-Sports, an increasing demand for computers due to the spread of students learning programming resulting from the shift to a new education guideline for elementary and junior high schools, and an increasing demand for internet devices, peripheral devices, telecommunication line maintenance, and support for how to use them due to the recommendation for teleworking from home, studying online at home, and people communicating using the internet to prevent the spread of the coronavirus pandemic.

Under these circumstances, we have shifted to the support, planning proposals, and creation of demand for a digital life. In our solution services, we will endeavor to increase the opportunities for Premium Members and general customers to visit our stores by placing "Demand Creation Advertisement," where we not only pursue "Goods=Products" and "Prices" but also propose "Things=Demand/Request" and "Value Creation," while starting to promote customers to carry computers bought in other stores in flyers inserted in newspaper.

Beginning with welcoming Premium Members preferentially, we will arrange an organization capable of taking necessary actions for "solving past problems" and "planned proposal for the future digital life" with regard to Premium Members and their families. Before December 2019, the qualifications for membership required an introduction by an existing Premium Member or the purchase of a computer when visiting our store. After January 2020, however, we have started to "recruit new Premium Members" in advertisements, considering that our capacity to accept new Premium Members has been

arranged.

The Group aims, as our basic CSR policy, to "solve through our stores the disparities within an information society arising from age, gender, income, education, area of residence, etc. (the digital divide)." Based on this principle, the Company recognizes that the important elements for business expansion and the means for being a going concern are the following: (1) only business based on management strategy being productive in terms of creation of long-term value; (2) active and continuous contribution to local communities, including stakeholders; and (3) continuing to be a human-centric organization recognizing the meaning and mission of a social entity. We will design sustainable management to create our future prospects as a company whose "reason for existing is being a sustainable social entity with ethical values" in common with its stakeholders.

It is foreseeable that uncertainty will still remain due to the influence of the spreading of the coronavirus pandemic. A new life style aiming at both preventing the spread of the pandemic and stimulating the economy is said to represent a "Smart Life" including teleworking from home, studying online at home, and people communicating using the internet. This indeed is our solution business, including PCs.

We will continue to contribute to secure management and customers' adapting to a new life style to support the digital foundations for customers' lives in local communities.

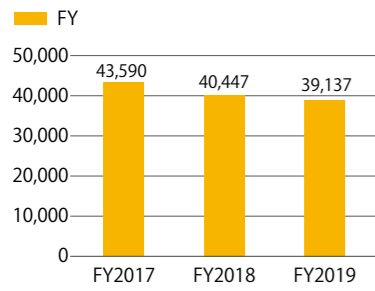
Look to, Design, and Build the Future



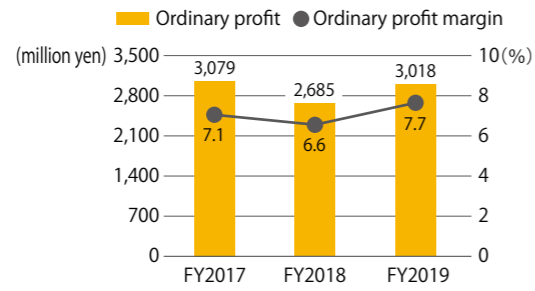
Takahisa Nojima  
President and Chief Executive Officer

## Financial highlights

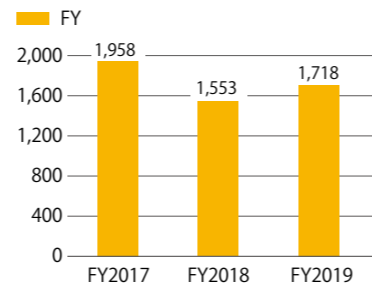
### Net sales (Units: million yen)



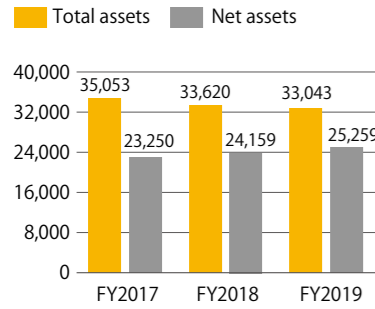
### Ordinary profit / Ordinary profit margin



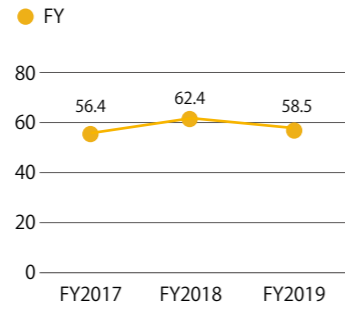
### Net income belonging to parent company shareholders (Units: million yen)



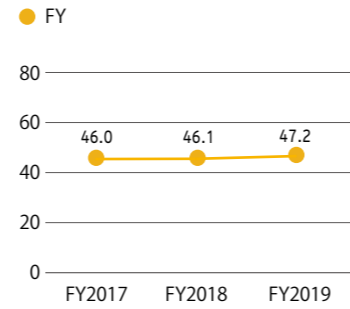
### Total assets / Net assets (Units: million yen)



### Solution Services sales share (Units: %)



### Gross profit margin (Units: %)



## Premium Membership: Introduction

### Technical difficulties Onsite support service



We provide support service for family members who are at home or live away from home for a beneficial fee.

### Consulting



Consulting sheet for three to four years out

### Conceptual view

Our dedicated service personnel help the customer jointly build a digital life offering peace of mind as well as a sense of joy and enthusiasm toward the future in accordance with their current home environment\* and family makeup.

\* The internet environment and digital devices in use such as PCs and smartphones as well as telecommunication fees

### Lounge

We have available a space Premium Members can use freely. This is space that provides various benefits and enables members to enjoy feeling and experiencing them. Free WiFi connection and smartphone charging services are available for use.

\* It should be noted that some stores do not have permanent lounges and certain features are not available in some lounges.



### Products that customers can actually experience working on



Products that customers can actually experience working on, which supports their desire to work on the product, are ones on which they work with our dedicated service personnel and include assembling PCs, making New Year's cards and other practical tasks that allow family members to enjoy together.

Each Premium Member is assigned dedicated service personnel, who not only provide support for digital devices such as PCs and smartphones but also respond swiftly to global changes, a series of digital IoT products involving AI and VR expected to launch onto the market going forward, coupled with voice recognition, programming education and electronic money promotion, whereby creating a rich digital life for the future. Please delegate to our dedicated personnel a task to resolve a technical trouble or other trouble.

### Premium Members' current and future digital life Can be left to our dedicated service personnel to support

### Solution service



Our dedicated service personnel provide proposals that enable Premium Members to enjoy their digital life by offering newspaper and magazine viewing service, subscription-based movie and music content and inexpensive SIMs.

### Technology, failure and repair



Our dedicated service personnel resolve problems and prevent them from occurring. You can leave handling your PC, smartphone or printer problems and deleting data to us.

### Lectures on usage and utilization



Lectures on basic usage for digital devices now in use. Our dedicated service personnel provide proposals from among over 1,000 items\* on features the customer was unaware of while using until now as well as various matters they were unable to ask about.

### Merchandise, buying and consideration



Our dedicated service personnel help each Premium Member consider and buy various devices and services so their digital life will be enjoyable.

## Financial Results Forecast for the Fiscal Year Ending March 2021

### Net sales

37,500 million yen

### Operating income

2,900 million yen

### Ordinary income

3,000 million yen

### Net income belonging to parent company shareholders

2,000 million yen

### EPS

39.73 yen

### ROE

7.9 %

## Have you decided on your dedicated personnel?

Please consult with the nearest PC DEPOT store or use the following contact details. We are looking forward to serving you.

### - PREMIUM - Member

PC DEPOT CORPORATION  
General Stakeholder Relations Office  
Persons in charge of shareholder relations: Takeda, Ishida and Makabe  
TEL +81-45-472-9838 (weekdays, from 10:00 a.m. to 5:00 p.m.)  
3-1-9, Shinyokohama, Kohoku-ku, Yokohama-shi, Kanagawa, 222-0033, Japan



## Complimentary ticket

For details, see our website



[https://www.pcdepot.co.jp/co\\_ir/stocks/return.html#return03](https://www.pcdepot.co.jp/co_ir/stocks/return.html#return03) (Japanese only)

Premium Members can use double the amount shown on the shareholder complimentary tickets



Ticket amount	Premium Member benefits (Monthly fee, shopping and technical service)	Non-Premium Member shareholder	
		Shopping benefit	Technical service benefit
1,000 yen	Worth 2,000 yen	Worth 1,000 yen	Worth 2,000 yen
5,000 yen	Worth 10,000 yen	Worth 5,000 yen	Worth 10,000 yen

### Notes for use of shareholder complementary tickets

- \* Not usable for some merchandise
- \* No change is provided when purchasing products or services with a shareholder complementary ticket.
- \* Gifted to shareholders holding at least 100 shares who are registered on the shareholder registry as of March 31 each year.
- \* Shareholder complementary tickets given in June 2020 are valid until June 30, 2021.

### Premium Members For payments of Monthly fee



### For shopping



### For repairs and checkups

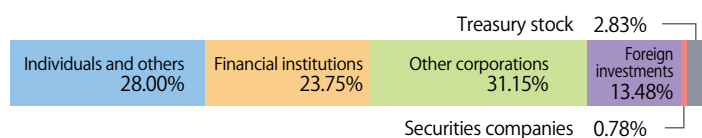


- Note 1: When using a shareholder complementary ticket, it should be sent to the Company by standard post.
- Note 2: Should you have any questions regarding the use of shareholder complimentary tickets, please feel free to contact: General Relations Office: Person in charge of shareholder relations TEL +81-45-472-9838 (weekdays, from 10:00 a.m. to 5:00 p.m.)
- Note 3: Internet shop <https://www1.pcdepot.co.jp> (Japanese only)

## Status of shares

Total number of shares authorized to be issued	160,200,000 shares
Total number of shares outstanding	52,622,400 shares
Number of shareholders	7,999 persons

## Composition of shareholders



## Company profile / Information for shareholders

<b>Corporate name</b>	PC DEPOT CORPORATION
<b>Business outline</b>	Direct management of ,which consists of a chain of comprehensive PC and network stores, PC DEPOT, PC DEOPT Smart Life Stores, and PC DEPOT PC Clinics, which provides PC repairmen and technical services, and management of the franchise headquarters.
<b>Head office</b>	3-1-9, Shinyokohama kohoku-ku, Yokohama-shi, Kanagawa 222-0033 Japan Phone number : +81-45-472-7795 (Japan)
<b>Date of establishment</b>	August 1994
<b>Date of stock exchange listings</b>	October 1999
<b>Capital</b>	¥ 4,737,610,000
<b>Number of employees</b>	788(consolidated)
<b>Consolidated subsidiaries</b>	ejworks Corporation PC DEPOT STORES CORPORATION

## Major shareholders

Name of shareholder	Number of shares held (shares)	Voting rights ratio (%)
TN HOLDINGS CO, LTD.	11,689,100	22.90%
Takahisa Nojima	6,942,360	13.60%
THE MASTER TRUST BANK OF JAPAN, LTD.(TRUST ACCOUNT)	5,180,400	10.15%
Broad Peak, Inc	4,130,900	8.09%
Trust & Custoday Services Bank,Ltd.(TRUST ACCOUNT B)	1,965,000	3.85%
PC DEPOT CORPORATION	1,489,606	—
JAPAN TRUSTEE SERVICES BANK,LTD. (TRUST ACCOUNT)	1,274,300	2.49%
BNP PARIBAS SECURITIES SERVICES LUXEMBOURG/JASDEC/FIM/LUXEMBOURG FUNDS/UCITS ASSETS	1,100,000	2.15%
MLI FOR CLIENT GENERAL OMNI NON COLLATERAL NON TREATY-PB	1,000,000	1.95%
Trust & Custoday Services Bank,Ltd.(TRUST ACCOUNT E)	801,900	1.57%

### 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

### Contact info

Mitsubishi UFJ Trust and Banking Corporation  
Corporate Agency Department  
New Tokyo Post Office P.O. Box 29 137-8081, Japan  
Tel : 0120-232-711 (toll free)

## Board members

(as of June 25, 2020)

President and CEO	Takahisa Nojima	Outside Director	Hidetaka Fukuda
Managing	Hideki Saitoh	Outside Director	Yumiko Masuda
Director	Kazuya Shinozaki	Corporate Auditor	Koji Suzuki
Director	Yuko Matsuo	Outside Auditor	Masaki Nishimura
Director	Kazuyuki Sugiura	Outside Auditor	Yoshinari Noguchi
Outside Director	Mineo Fukuda	Outside Auditor	Satoshi Tamai

## Information

### Inquiries about making a change of address, dividend transfers, purchases of less than one stock share, and more

Please inquire to the organization where you have opened an account such as a stock brokerage corporation. As for paperwork procedures related to stocks registered in special accounts, please inquire to Mitsubishi UFJ Trust and Banking Corporation.

### Inquiries on dividend payables

Please ask the shareholder registry administrator at the Mitsubishi UFJ Trust and Banking Corporation.

## Investor Relations website



You can find our basic approach for ensuring the sustainable growth and longevity of PC DEPOT business.

[https://www.pcdepot.co.jp/co\\_ir/](https://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. (Japanese only)



PC DEPOT CORPORATION

Securities Code : 7618

3-1-9, Shinyokohama kohoku-ku, Yokohama-shi, Kanagawa 222-0033 Japan

TEL +81-45-472-7795 FAX +81-45-472-7089

[www.pcdepot.co.jp](http://www.pcdepot.co.jp)