

November 8, 2013

Summary of Financial Results for the Six Months Ended September 30, 2013 [Japanese standards] (Consolidated)

Company Name: PC DEPOT CORPORATION	Stock Exchange Listing:
Securities Code: 7618	TSE Securities Exchange [JASDAQ]
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Scheduled date of quarterly securities report filing:	November 14, 2013
Scheduled date of dividend payment:	December 5, 2013
Preparation of supplementary references for quarterly financial results	Yes
Holding of an IR Briefing on quarterly financial results	Yes

(All amounts have been rounded off to the nearest million yen.)

1. Consolidated Financial Results for the Six Months Ended September 30, 2013 (April 1, 2013 – September 30, 2013)

(1) Consolidated operating results (For the cumulative quarterly period)

(%: Change from the corresponding period of the previous fiscal year)

	Net sales		Operating income		Ordinary income		Net income	
	Mil. yen	%	Mil. yen	%	Mil. yen	%	Mil. yen	%
Six months ended September 30, 2013	24,433	1.1	923	362.1	985	277.6	638	575.3
Six months ended September 30, 2012	24,168	4.6	199	(49.9)	261	(47.0)	94	(64.1)

(Note) Comprehensive income Six months ended September 30, 2013: 632 mil. yen (664.5%)
Six months ended September 30, 2012: 82 mil. yen (-70.3%)

	Net inc. per share	Diluted net inc. per share
	Yen	Yen
Six months ended September 30, 2013	29.17	29.05
Six months ended September 30, 2012	4.32	4.30

(Note) We split each of our common shares into 100 shares on October 1, 2013. We calculated quarterly net income per share and income per share adjusted for latent shares on the assumption that the stock split took place at the beginning of the previous consolidated fiscal year.

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Mil. yen	Mil. yen	%	Yen
As of September 30, 2013	22,435	10,332	46.0	471.38
As of March 31, 2013	22,933	9,774	42.5	445.96

(Reference) Shareholder equity As of Sept. 30, 2013: 10,312 mil. yen
As of Mar. 31, 2013: 9,756 mil. Yen

(Note) We split each of our common shares into 100 shares on October 1, 2013. We calculated net assets per share on the assumption that the stock split took place at the beginning of the previous consolidated fiscal year.

2. Dividends

	Annual dividend per share				
	End of 1Q	End of 2Q	End of 3Q	Year-end	Annual
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended Mar. 31, 2013	—	350.00	—	350.00	700.00
Fiscal year ending Mar. 31, 2014	—	350.00	—	—	—
Fiscal year ending Mar. 31, 2014 (forecast)	—	—	—	3.50	—

(Note) Recent announcement of revisions to forecasted amounts of dividends: No

(Note) We split each of our common shares into 100 shares on October 1, 2013. The amount of the dividend forecast for the term ending March 31, 2014 takes the stock split into consideration.

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

3. Consolidated Forecast for the Fiscal Year Ending March 31, 2014 (April 1, 2013–March 31, 2014)

(% Figures indicate year-on-year increase/decrease.)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	Mil. yen	%	Mil. yen	%	Mil. yen	%	Mil. yen	%	Yen
Full year	51,400	0.1	1,900	116.8	2,000	114.3	1,220	173.6	55.76

(Note) Recent announcement of revisions to earnings forecast: Yes

*** Notes**

(1) Were there changes in important subsidiaries during the six 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 Sept. 30, 2013: 22,502,000 shares
As of Mar. 31, 2013: 22,502,000 shares
- 2) Number of shares of treasury stock as of the end of the period
As of Sept. 30, 2013: 623,800 shares
As of Mar. 31, 2013: 623,800 shares
- 3) Average number of shares outstanding during the cumulative quarterly period
2Q of fiscal year ending March 2014: 21,878,200 shares
2Q of fiscal year ended March 2013: 21,878,200 shares

(Note) We split each of our common shares into 100 shares on October 1, 2013. We calculated the number of shares outstanding at the end of each period (including treasury stock), the number of our own shares at the end of each period, and the average number of shares during each period (quarterly cumulative total) on the assumption that the stock split took place at the beginning of the previous consolidated fiscal year.

*** 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 Six Months Ended September 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 Six Months Ended September 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.	Material Events Related to Assumptions of Going Concern	3
3.	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)	6
	(Second quarter of consolidated period)	6
	(Quarterly consolidated comprehensive statement of income)	8
	(Second quarter of consolidated period)	8
	(3) Quarterly Consolidated Statements of Cash Flows	9
	(4) Notes on quarterly consolidated financial statements.....	11
	(Notes on premise of going concern).....	11
	(Notes on significant changes in the amount of equity capital)	11
	(Segment information).....	11
4.	Supplementary Information.....	13
	Sales results	13

1. Qualitative Information on the Consolidated Financial Results for the Six Months Ended September 30, 2013

(1) Explanation of operating results

As for the Japanese economy during the six months under review (April 1, 2013 to September 30, 2013), because of concerns about a possible relapse in the economic recovery due to consumption tax increase scheduled to go into effect in April of next year and the still strong tendency toward saving among consumers due to a feeling of uneasiness regarding possible price hikes, overall consumption continued to be less favorable while consumer spending, especially on luxury products, showed signs of a pickup resulting from expectations regarding the government's economic measures and easy monetary policy.

Regarding over-the-counter sales of PCs and other devices, PC unit prices rose due to a shift toward high-end models and the low valuation of the yen, but the number of PCs sold fell. Sales of smart devices such as smartphones and tablets remained strong, chiefly due to the launch of new products.

Against this backdrop, we not only sold PCs, smartphones, tablets, and other devices as well as provided 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 support for 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.

Regarding service products, we offered more solutions by combining enriched content with quality services and started to provide service products that combine a tablet with a digital magazine content subscription service and usage support. In this way, we strove to meet potential customer demand and broaden our customer base. Net sales from stores and those from services continued to be brisk, growing 102.0% and 124.2%, respectively, compared to the same period during the previous fiscal year.

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 lead 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 (at 100.6%).

As a result, net sales for the six months ended September 30, 2013 amounted to 24.433 billion yen, a 1.1% increase from the corresponding period of the previous fiscal year. Operating income was 923 million yen (up 362.1% YoY), ordinary income was 985 million yen (up 277.6% YoY), and net income was 638 million yen (up 575.3%).

Operating results per business segment are as follows:

1) PC Sales Business

As for hardware products, we increased the number of stores selling Apple's MacBook from 26 to 50, and expanded the number of stores operated by PC DEPOT and its subsidiaries selling the iPad to 61.

In terms of services, we stepped up our efforts to provide digital content offerings, launching "ozzio Theater with U-NEXT," a new video-on-demand service that enables customers to view content on the iPad mini and other tablets as well as the MacBook and Windows PCs. We expanded the range of our digital magazine subscription services to include 30 publications, including: Toyo Keizai and other economic magazines; ESSE, Fujingaho, and other women's magazines; and sports and hobbyist magazines (as of September 30, 2013). To meet potential customer demand, we also actively provided solution services such as "Smart Pack," which offers a combination of mobile communications service with a PC or tablet for a fixed, lump-sum fee each month; "ozzio050," an IP telephony service that uses the Internet; and "ozzio Drive," a 1-TB cloud computing service that boasts the largest capacity for its type in the industry, thereby striving to encourage new customers to use our services and increase the number of Premium Service members. In addition, due to the spread of malicious adware, there is growing demand for technical services and support for PCs, including those purchased at other stores, and this contributed to a boost in net sales from services beyond the previous year's level.

As a result, net sales for the Premium Service (maintenance services provided on a monthly membership basis), digital magazine subscription and video-on-demand services, solution services (such as cloud computing and IP telephony), and technical services/support for PCs and smart devices all increased.

At the end of this quarterly period, there were 66 PC DEPOT stores: 50 stores directly managed by the company, including the PC DEPOT Smart Life Nishimagome Store, which is being run on a trial basis; 11 operated by subsidiaries; and five operated by franchisees. 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, PC DEPOT Smart Life, and PC DEPOT PC Clinic stores in total.

As a result, net sales for the PC sales business amounted to 23.711 billion yen (up 2.0% YoY) and ordinary income for this segment was 1.005 billion yen (up 551.4% 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 the outsourcing of the PC DEPOT group's Premium Service among group companies.

Net sales remained almost at the same level as the corresponding period of the previous fiscal year as a result of efforts to strengthen the outsourcing of the PC DEPOT group's Premium Service among group companies. 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 722 million yen (down 22.5% YoY) and ordinary income for the segment was 148 million yen (up 29.4% YoY).

(2) Explanation of financial condition

As of September 30, 2013, consolidated total assets were 22.435 billion yen, which represents a decrease of 497 million yen from March 31, 2013. Consolidated total liabilities were 12.103 billion yen, a decrease of 1.056 billion yen from March 31, 2013. Net working capital (the amount calculated by subtracting current liabilities from current assets) was 5.044 billion yen, indicating continued financial soundness.

Capital investments made during the six months ended September 30, 2013 totaled 297 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 August 8, 2013. For details, please see "Notice of differences between performance forecasts and actual results for the six months ending September 30, 2013 and revised forecasts of financial results for the fiscal year ending March 31, 2014" released on November 8, 2013.

2. Material Events Related to Assumptions of Going Concern

N/A

3. Quarterly Consolidated Financial Statements

(1) Quarterly consolidated balance sheets

(Thousands of yen)

	FY2012 (As of Mar. 31, 2013)	FY2013 Second Quarter (As of Sept. 30, 2013)
Assets		
Current assets		
Cash and deposits	2,982,430	2,794,117
Accounts receivable- trade	4,098,813	4,689,707
Inventories	5,986,284	5,373,355
Accounts receivable- other	305,257	311,924
Deferred tax assets	217,761	251,311
Other	465,537	442,372
Allowance for doubtful accounts	(64,542)	(72,546)
Total current assets	13,991,542	13,790,241
Non-current assets		
Property, plants and equipment		
Buildings and structures	6,016,530	6,070,890
Accumulated depreciation	(1,769,209)	(1,956,874)
Buildings and structures- net	4,247,321	4,114,016
Tools, furniture and fixtures	1,958,847	2,013,460
Accumulated depreciation	(1,487,122)	(1,538,451)
Tools, furniture and fixtures- net	471,724	475,008
Land	263,011	263,011
Construction in progress	91,442	44,497
Other	1,910	—
Accumulated depreciation	(1,814)	—
Other- net	95	—
Total property, plants and equipment	5,073,594	4,896,534
Intangible assets		
Goodwill	155,339	82,819
Other	362,767	502,830
Total intangible assets	518,107	585,650
Investments and other assets		
Investment securities	290,047	150,759
Deferred tax assets	228,872	251,422
Guarantee deposits	1,387,660	1,346,787
Lease deposits	1,268,206	1,258,830
Other	175,895	155,764
Total investments and other assets	3,350,681	3,163,564
Total non-current assets	8,942,384	8,645,749
Total assets	22,933,926	22,435,991

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

(Thousands of yen)

	FY2012 (As of Mar. 31, 2013)	FY2013 Second Quarter (As of Sept. 30, 2013)
Liabilities		
Current liabilities		
Accounts payable- trade	2,087,529	2,432,830
Short-term loans payable	2,550,000	2,300,000
Current portion of long-term loans payable	1,849,608	1,694,585
Accounts payable- other	886,250	808,762
Income taxes payable	333,804	469,115
Provision for bonuses	163,335	168,056
Provision for merchandise warranties	77,735	76,911
Other	1,061,176	795,933
Total current liabilities	9,009,438	8,746,193
Non-current liabilities		
Long-term loans payable	3,479,993	2,687,574
Long-term accounts payable- other	122,760	122,760
Provision for retirement benefits	11,682	12,903
Asset retirement obligations	391,370	394,798
Long-term guarantee deposits	144,031	138,952
Total non-current liabilities	4,149,837	3,356,988
Total liabilities	13,159,276	12,103,182
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	6,965,264
Treasury stock	(151,298)	(151,298)
Total shareholder equity	9,722,165	10,283,761
Other comprehensive income		
Valuation difference on available-for-sale securities	34,559	29,146
Total other comprehensive income	34,559	29,146
Subscription rights to shares	17,924	19,901
Total net assets	9,774,649	10,332,809
Total liabilities and net assets	22,933,926	22,435,991

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

(Thousands of yen)

	FY2012 Second Quarter (Apr.1, 2012–Sept. 30, 2012)	FY2013 Second Quarter (Apr.1, 2013–Sept. 30, 2013)
Net sales	24,168,294	24,433,950
Cost of sales	16,504,073	16,004,484
Gross profit	7,664,220	8,429,465
Selling, general and administrative expenses		
Advertising expenses	816,832	595,933
Sales commissions	255,894	274,275
Directors' compensation	63,516	68,580
Salaries and allowances	2,336,620	2,546,519
Bonuses	94,094	104,384
Provision for bonuses	181,711	168,056
Retirement benefit expenses	28,633	31,384
Provision for directors' retirement benefits	842	—
Supplier expenses	247,982	238,929
Depreciation	336,955	309,246
Amortization of goodwill	125,654	72,519
Rent expenses on real estate	1,109,819	1,112,018
Other	1,865,787	1,983,927
Total selling, general and administrative expenses	7,464,345	7,505,775
Operating income	199,875	923,690
Non-operating income		
Interest income	1,498	1,252
Dividends income	2,982	2,982
Sales incentives	45,493	22,879
Rent income	58,462	68,086
Commission fees	21,799	21,964
Equity in earnings of affiliates	—	1,614
Other	30,107	42,799
Total non-operating income	160,344	161,579
Non-operating expenses		
Interest expenses	46,801	41,378
Rent expenses	48,254	57,176
Equity in losses of affiliates	3,454	—
Other	569	755
Total non-operating expenses	99,080	99,309
Ordinary income	261,139	985,960
Extraordinary income		
Gains on sales of investment securities	—	63,600
Gains from business transfers	—	17,000
Other	574	—
Total extraordinary income	574	80,600

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

(Thousands of yen)

	FY2012 Second Quarter (Apr.1, 2012–Sept. 30, 2012)	FY2013 Second Quarter (Apr.1, 2013–Sept. 30, 2013)
Extraordinary losses		
Losses from sales of fixed assets	—	54
Losses on retirement of non-current assets	24,164	8,740
Impairment loss	5,755	—
Other	5,904	—
Total extraordinary losses	35,823	8,794
Income before income taxes and minority interests	225,889	1,057,765
Income taxes- current	157,888	472,706
Income taxes- deferred	(29,112)	(53,111)
Total income taxes	128,776	419,595
Income before minority interests	97,113	638,170
Minority interests in income	2,606	—
Net income	94,507	638,170

(Quarterly consolidated comprehensive statement of income)

(Second quarter of consolidated period)

(Thousands of yen)

	FY2012 Second Quarter (Apr.1, 2012–Sept. 30, 2012)	FY2013 Second Quarter (Apr.1, 2013–Sept. 30, 2013)
Income before minority interests	97,113	638,170
Other comprehensive income		
Valuation difference in available-for-sale securities	(14,346)	(5,413)
Total other comprehensive income	(14,346)	(5,413)
Comprehensive income	82,766	632,757
(Breakdown)		
Comprehensive income related to parent company shareholders	80,160	632,757
Comprehensive income related to minority shareholders	2,606	—

(3) Quarterly Consolidated Statements of Cash Flows

(Thousands of yen)

	FY2012 Second Quarter (Apr.1, 2012–Sept. 30, 2012)	FY2013 Second Quarter (Apr.1, 2013–Sept. 30, 2013)
Cash flow from operating activities		
Quarterly net income before income taxes	225,889	1,057,765
Depreciation and amortization	350,797	325,992
Amortization of goodwill	125,654	72,519
Increase (decrease) in allowance for doubtful accounts	(3,867)	8,004
Increase (decrease) in provision for bonuses	25,603	4,721
Increase (decrease) in provision for directors' retirement benefits	(28,284)	—
Increase (decrease) in provision for retirement benefits	1,754	1,220
Increase (decrease) in provision for merchandise warranties	4,397	(824)
Losses (gains) on sales of investment securities	—	(63,600)
Interest and dividend income	(4,481)	(4,234)
Interest expenses	46,801	41,378
Foreign exchange losses (gains)	474	(340)
Equity in (earnings) losses of affiliates	3,454	(1,614)
Losses (gains) on sales of property, plants, and equipment	—	54
Impairment losses	5,755	—
Losses on retirement of noncurrent assets	24,164	8,740
Gains on business transfers	—	(17,000)
Decrease (increase) in notes and accounts receivable-trade	36,279	(590,893)
Decrease (increase) in inventories	1,423,717	612,929
Decrease (increase) in accounts receivable-other	83,198	(17,302)
Increase (decrease) in notes and accounts payable-trade	(970,052)	298,164
Increase (decrease) in accounts payable-other	(210,400)	(38,478)
Decrease (increase) in other assets	39,096	22,721
Decrease (increase) in other liabilities	222,467	(262,103)
Other	21,486	19,036
Subtotal	1,423,908	1,476,855
Interest and dividend income received	3,102	3,023
Interest expenses paid	(47,165)	(41,043)
Income taxes paid	(117,605)	(326,630)
Net cash provided by operating activities	1,262,239	1,112,206

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

(Thousands of yen)

	FY2012 Second Quarter (Apr.1, 2012–Sept. 30, 2012)	FY2013 Second Quarter (Apr.1, 2013–Sept. 30, 2013)
Cash flow from investment activities		
Purchases of property, plants and equipment	(548,719)	(123,160)
Proceeds from sales of property, plants and equipment	—	33
Purchases of intangible assets	(33,494)	(166,026)
Proceeds from sales of investment securities	—	196,100
Proceeds from business transfers	—	17,000
Payments for leases and guarantee deposits	(13,349)	(2,523)
Proceeds from collection of leases and guarantee deposits	55,212	53,188
Repayments of guarantee deposits received	(5,079)	(5,079)
Other	4,912	3,734
Net cash provided by investment activities	(540,517)	(26,732)
Cash flow from financing activities		
Increase in short-term loans payable	13,300,000	13,100,000
Decrease in short-term loans payable	(13,550,000)	(13,350,000)
Proceeds from long-term loans payable	1,200,000	—
Repayment of long-term loans payable	(815,792)	(947,442)
Cash dividends paid	(79,330)	(76,686)
Cash dividends paid to minority shareholders	(497)	—
Cash flow provided by financing activities	54,379	(1,274,128)
Effect of exchange rate change on cash and cash equivalents	(474)	340
Net increase (decrease) in cash and cash equivalents	775,626	(188,313)
Cash and cash equivalents at the beginning of the period	2,083,068	2,982,430
Cash and cash equivalents at the end of the quarter	2,858,694	2,794,117

(4) 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 second quarter (April 1, 2012 to September 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	23,236,949	931,344	24,168,294	—	24,168,294
(2) Inter-segment	864	143,370	144,234	(144,234)	—
Total	23,237,813	1,074,715	24,312,528	(144,234)	24,168,294
Segment income	154,280	114,624	268,905	(7,765)	261,139

(Note) 1. The negative 7,765 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 second quarter (April 1, 2013 to September 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	23,711,764	722,185	24,433,950	—	24,433,950
(2) Inter-segment	376	355,979	356,355	(356,355)	—
Total	23,712,141	1,078,164	24,790,306	(356,355)	24,433,950
Segment income	1,005,028	148,288	1,153,317	(167,356)	985,960

- (Note) 1. The negative 167,356 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

(Material subsequent events)

(Stock split, introduction of the unit share system, and partial revision of the Articles of Association)

(1) Purpose of the stock split, introduction of the unit share system, and partial revision of the Articles of Association

In consideration of the purpose of the Action Plan for Consolidation of Trading Units published by stock exchanges nationwide, 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.

(2) Method of the split

With September 30 (Monday), 2013 as the date of record, we split each of our common shares held by our shareholders included or recorded in the final list of shareholders at a rate of 100 to 1 shares.

(3) Number of shares resulting from the split

Total number of shares issued prior to the stock split: 225,020

Number of shares resulting from the stock split: 22,276,980

Total number of shares issued after the stock split: 22,502,000

Authorized number of shares that can be issued after the stock split: 89,000,000

(4) Day when the stock split took effect

October 1, 2013

4. Supplementary Information

Sales results

(Sales by product)

(Segment) Product category	FY2012 Second Quarter (Apr. 1, 2012–Sept. 30, 2012)		FY2013 Second Quarter (Apr. 1, 2013–Sept. 30, 2013)		YoY change (%)
	Amount (thousands of yen)	Pct. of sales (%)	Amount (thousands of yen)	Pct. of sales (%)	
(PC sales business)					
PCs	6,378,775	26.4	5,936,402	24.3	93.1
Peripherals	5,089,897	21.1	4,442,060	18.2	87.3
Accessories and supplies	2,313,705	9.6	1,951,830	8.0	84.4
Software	592,874	2.4	713,985	2.9	120.4
Previously owned products and other	2,669,736	11.0	3,002,663	12.3	112.5
Total product sales	17,044,988	70.5	16,046,941	65.7	94.1
Royalties and other revenue	83,789	0.3	81,233	0.3	96.9
Sales from technical services and commissions	6,108,171	25.3	7,583,589	31.0	124.2
Total	23,236,949	96.1	23,711,764	97.0	102.0
(Internet-related business)	931,344	3.9	722,185	3.0	77.5
Grand total	24,168,294	100.0	24,433,950	100.0	101.1

(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 1,363,485,000 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 six months ended September 30, 2012 presented in the above table are also based on the revised classification.