

July 26, 2013

To whom it may concern

Company name:	Don Quijote Co., Ltd.
Representative:	Takao Yasuda , Chairman of the Board, President and CEO
Securities code:	7532 First Section, Tokyo Stock Exchange
Location of head office:	2-19-10 Aobadai, Meguro-ku, Tokyo
Information disclosure officer:	Mitsuo Takahashi, Senior Managing Director
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**Notice of Establishment of Holding Company for Overseas Businesses and
Execution of Stock Purchase Agreement for the purchase of a U.S. Company**

Don Quijote Co., Ltd. (the “Company”), and Nagasakiya Co., Ltd. (“Nagasakiya”) have jointly established Pan Pacific International Holdings Pte. Ltd. (“PPI Holdings”) in Singapore as a holding company for their overseas businesses, functioning as the headquarters of the Company’s overseas business division.

The Company has also executed a share purchase agreement for the acquisition of MARUKAI CORPORATION (USA, “MARUKAI”), a subsidiary of MARUKAI CORPORATION (JPN) and the operator of eleven stores in the U.S. states of Hawaii and California, via PPI Holdings’ subsidiary Pan Pacific International & Co. (incorporated in the U.S. state of Delaware, “PPI Delaware”).

Details

1. Purpose for establishing holding company for overseas businesses

Since our founding, the Company has developed an original style of store operations based on our corporate principle of “Valuing the customer as our utmost priority,” and developed a nationwide network of stores using various formats tailored to the size and regional characteristics of each market. With the support of many customers, since our commencement of operations we have achieved 23 consecutive years of revenue and profit growth. We expanded into the United States in 2006 with our acquisition of THE DAI’EI (USA), INC. (Hawaii, U.S. states) as our first overseas store location. Since then we have conducted various studies toward the further expansion of our overseas business.

Based on these studies, we have determined that the full-fledged expansion of our business in countries operating under different systems going forward requires the establishment of an overseas group headquarters for flexible management. We have therefore established PPI Holdings in Singapore, a hub of the Asian region, as the Company’s overseas headquarters. PPI

Holdings has been established as a joint venture between the Company's consolidated subsidiaries Don Quijote International Co., Ltd., and Nagasakiya. The company was established as a joint venture with Nagasakiya because since becoming a part of the Don Quijote Group in 2007, Nagasakiya, operating under the name MEGA Don Quijote, has created a new store format that differs from conventional general merchandise stores and contributed to the Group's growth. In particular, we intend to utilize Nagasakiya's expertise as a specialist in the areas of fresh foods and prepared dishes to enhance the product strength and profitability of our overseas operations going forward.

2. Purpose for acquiring shares of MARUKAI

As noted above, the Company expanded into the U.S. state of Hawaii in 2006, and after achieving profitability in 2007 the business has recorded profit growth and enabled us to develop experience in U.S. operations. By making MARUKAI, the operator of 11 supermarkets in the U.S. states of Hawaii and California, a consolidated subsidiary, we will expand our operations in North America. This acquisition of shares also marks the first step in the Group's full-fledged global growth strategy, and will significantly enhance the value of our business.

The acquisition of the shares of MARUKAI is scheduled for September 30, 2013.

3. Outline of Holding Company for Overseas Business (PPI Holdings) (As of July 26, 2013)

(1)	Company Name	Pan Pacific International Holdings Pte. Ltd.	
(2)	Business	Headquarters for the group's overseas business	
(3)	Date Established	July 10, 2013	
(4)	Location of Head Office	6001 BEACH ROAD #14-01 GOLDEN MILE TOWER SINGAPORE (199589)	
(5)	Representative	Chairman: Takao Yasuda	
(6)	Capital	1,000,000 USD + 1 SGD	
(7)	Major Shareholders and Shareholding Ratio	Nagasakiya	60.00%
		Don Quijote International Co., Ltd.	40.00%

4. Outline of Subsidiary (PPI Delaware) to Acquire Stock (As of July 26, 2013)

(1)	Company Name	Pan Pacific International & Co.	
(2)	Business	Holding Company	
(3)	Date Established	July 3, 2013	
(4)	Location of Head Office	160 Green Tree Drive, Suite 101, in the City of Dover, County of Kent, 19904	
(5)	Representative	President: Naoki Yoshida	
(6)	Capital	950,000 USD	
(7)	Major Shareholders and Shareholding Ratio	Pan Pacific International Holdings Pte. Ltd.	100.00%

5. Outline of Subsidiary (MARUKAI) to Be Transferred (As of July 26, 2013)

(1)	Company Name	MARUKAI CORPORATION (USA)		
(2)	Business	Retail(Supermarket) Product development, import, and sales of food and household items		
(3)	Date Established	March 25, 1965		
(4)	Location of Head Office	2310 Kamehameha Highway, Honolulu, HI 96819		
(5)	Representative	President: Hidejiro Matsu		
(6)	Capital	319,000 USD		
(7)	Major Shareholders and Shareholding Ratio (As of July 26, 2013)	MARUKAI CORPORATION (JPN)		84.82%
		Other three shareholders		15.18%
(8)	Business results and financial condition for the past three years (Unit: 1,000 USD)			
	Fiscal Year-end	June 2010	June 2011	June 2012
	Net Assets	21,159	21,877	24,029
	Total Assets	52,165	51,407	53,005
	Net Assets per share(USD)	663.42	685.96	753.42
	Net Sales	133,207	136,799	145,369
	Operating Income	3,070	2,073	4,281
	Net Income	1,267	735	2,168
	Earnings per share (USD)	39.74	23.04	67.96
	Dividends per share (USD)	0.50	0.50	0.50

6. Outline of Counterpart of Stock Acquisition (As of July 26, 2013)

(1)	Company Name	MARUKAI CORPORATION (JPN)
(2)	Business	Import/export, production and sales of food, alcoholic beverages, sundry goods and smoking supplies
(3)	Location of Head Office	1-18-5 Kyomachibori, Nishi-ku, Osaka-shi, Osaka, Japan
(4)	Representative	President: Junzo Matsu
(5)	Relationship with the Company	No special notation

* We're acquiring 100% of the MARUKAI stocks from all of the shareholders.

7. Number of Shares to Be Acquired and Stock Ownership Before and After the Acquisition

(1)Number of Shares Owned Before the Transfer	0 share (Number of voting rights: 0, Shareholding ratio: 0.00%)
(2)Number of Shares to Be Acquired	31,893 shares (Number of voting rights: 31,893)
(3)Number of Shares Owned After the Transfer	31,893 shares (Number of voting rights: 31,893, Shareholding ratio: 100.00%)

8. Schedule

(1)Resolution at the Board of Directors Meeting	July 11, 2013
(2)Signing of Share Transfer Agreement	July 12, 2013
(3) Scheduled Stock Acquisition	September 30, 2013

9. Future Outlook

This transaction will have only a minor impact on the Company's business results and financial condition. We will notify immediately if there is any item to be disclosed.