

Summary Report of Consolidated Financial Results

For the First Quarter Ended September 30, 2011

(All financial information has been prepared in accordance with accounting principles generally accepted in Japan.)

Don Quijote Co., Ltd.

Securities Code No.: 7532
 Shares Listed: Tokyo Stock Exchange
 Address: 2-19-10 Aobadai, Meguro-ku, Tokyo
 Representative: Junji Narusawa, President and Representative Director
 Contact: Mitsuo Takahashi, Senior Managing Director (Phone: +81-3-5725-7588)
 URL: http://www.donki.com

(Amounts in million yen are rounded off to the nearest million)

1. Overview of Business Results and Financial Position for the first quarter of fiscal 2012 (From July 1, 2011 to September 30, 2011)

(1) Results of Business Operations

(Millions of yen, except per-share data)

	Net Sales	Change (%)	Operating Income	Change (%)	Ordinary Income	Change (%)
Three Months Ended September 30, 2011	134,863	8.1	7,781	13.1	7,405	15.3
Three Months Ended September 30, 2010	124,716	0.9	6,881	32.9	6,422	32.3

(Note) Comprehensive income: 6,793 million yen [133.9%] (FY 2012.6 1Q), 2,904 million yen [-%] (FY 2011.6 1Q)

	Net Income	Change (%)	Net Income Per Share (Yen)	Net Income Per Share-fully diluted (Yen)
Three Months Ended September 30, 2011	6,674	116.3	86.64	86.44
Three Months Ended September 30, 2010	3,085	△13.5	42.78	40.09

(2) Financial Position

(Millions of yen, except per-share data)

	Total Assets	Net assets	Ratio of Shareholders' Equity to Total Assets (%)
As of September 30, 2011	355,360	132,172	36.7
Last Fiscal Year	341,300	125,242	36.2

(Reference) Equity: 130,299 million yen (as of September 30, 2011), 123,606 million yen (as of June 30, 2011)

2. Dividends

	Yen				
	Three Months Ended September 30	Six Months Ended December 31	Nine Months Ended March 31	Year Ended June 30	Total
Year Ended June 30, 2011	—	10.00	—	18.00	28.00
Year Ending June 30, 2012	—				
Year Ending June 30, 2012 (Forecast)		10.00	—	18.00	28.00

(Note) Revision to the dividend forecast in the first quarter of fiscal 2012: None

3. Consolidated Business Forecast : For the year ending June 30, 2012 (From July 1, 2011 to June 30, 2012)

(Millions of yen, except per-share data)

	Net Sales	Change (%)	Operating Income	Change (%)	Ordinary Income	Change (%)	Net Income	Change (%)	Net Income per Share (Yen)
Six Months Ending December 31, 2011	272,000	6.5	15,200	7.1	14,900	6.2	10,000	32.5	129.78
Year Ending June 30, 2012	528,900	4.2	27,000	6.6	26,800	6.6	14,000	10.6	181.69

(Notes) Revision to the business forecast in the first quarter of fiscal 2012: Yes

4. Others

- (1) Significant changes in the scope of consolidation: None
- (2) Simplified accounting methods and special accounting methods for preparation of the quarterly consolidated financial statements: None
- (3) Changes in accounting policies concerning preparation of quarterly consolidated financial statements
 - ① Changes in line with revision to accounting standards: None
 - ② Other changes: None
 - ③ Changes in accounting estimates: None
 - ④ Restatement: None

(4) Number of outstanding shares (Common stock)

① Number of outstanding shares (Treasury stock included)	September 30, 2011	77,055,380 shares
	June 30, 2011	77,030,780 shares
② Number of treasury stock	September 30, 2011	1,244 shares
	June 30, 2011	1,244 shares
③ Average number of outstanding shares during the period	September 30, 2011	77,035,875 shares
	September 30, 2010	72,102,709 shares

※Implementation Status of Financial Audit

Financial Audit based on Financial Instrument and Exchange Act for the first quarter ended September 30, 2011 is in progress.

※Explanation regarding the appropriate use of forecasts of business results

The financial forecasts of business results are based on judgments and estimates that have been made using currently available information. By nature, such financial forecasts are subject to uncertainties and risks. Therefore, actual results might be significantly different from the aforementioned forecasts for a variety of reasons, including changes in economic environments related to our business, market trends and exchange rate.

Consolidated Quarterly Balance Sheets

	(Millions of yen)	
	As of September 30, 2011	As of June 30, 2011
	Amount	Amount
Assets		
Current assets		
Cash and deposits	¥40,846	¥35,031
Notes and Accounts receivable-trade	4,266	4,585
Purchased receivables	7,026	6,787
Merchandise and finished goods	81,027	81,582
Other	7,452	6,544
Allowance for doubtful accounts	(14)	(14)
Total current assets	140,603	134,515
Noncurrent assets		
Property, plant and equipment		
Buildings and structures, net	57,749	58,056
Tools, furniture and fixtures, net	9,496	9,396
Land	93,766	87,187
Other, net	613	231
Total property, plant and equipment	161,624	154,870
Intangible assets	8,916	6,461
Investments and other assets		
Investment securities	3,949	4,362
Lease and guarantee deposits	32,508	33,303
Other	12,837	12,474
Allowance for doubtful accounts	(5,077)	(4,685)
Total investments and other assets	44,217	45,454
Total noncurrent assets	214,757	206,785
Total assets	¥355,360	¥341,300

	As of September 30, 2011 Amount	(Millions of yen) As of June 30, 2011 Amount
Liabilities		
Current liabilities		
Accounts payable-trade	¥43,700	¥42,430
Short-term loans-payable	20,085	14,935
Current portion of long-term loans payable	13,569	11,774
Current portion of bonds	13,977	12,922
Income taxes payable	2,829	4,434
Derivatives liabilities	3,295	2,978
Provision for point card certificates	163	186
Reserve for loss on disaster	475	1,132
Asset retirement obligations	94	153
Other	13,304	15,127
Total current liabilities	111,491	106,071
Noncurrent liabilities		
Bonds payable	56,720	58,029
Convertible bonds	350	350
Long-term loans payable	42,112	35,570
Derivatives liabilities	160	128
Provision for directors' retirement benefits	373	367
Negative goodwill	2,234	2,449
Asset retirement obligations	1,711	1,705
Other	8,037	11,389
Total noncurrent liabilities	111,697	109,987
Total liabilities	223,188	216,058
Net assets		
Shareholders' equity		
Capital stock	19,585	19,561
Capital surplus	22,388	22,364
Retained earnings	91,941	85,165
Treasury stock	(3)	(3)
Total shareholders' equity	133,911	127,087
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(416)	(327)
Foreign currency translation adjustment	(3,197)	(3,155)
Total accumulated other comprehensive income	(3,613)	(3,482)
Minority interests	1,873	1,637
Total net assets	132,172	125,242
Total liabilities and net assets	¥355,360	¥341,300

Consolidated Quarterly Statements of Income

(Millions of yen)

	Three months ended September 30, 2011	Three months ended September 30, 2010
	Amount	Amount
Net sales	¥134,863	¥124,716
Cost of sales	100,026	92,627
Gross profit	34,837	32,089
Selling, general and administrative expenses	27,056	25,208
Operating income	7,781	6,881
Non-operating income		
Interest and dividends income	170	152
Amortization of negative goodwill	214	214
Other	363	331
Total non-operating income	747	697
Non-operating expenses		
Interest expenses	420	416
Loss on valuation of derivatives	323	285
Other	380	455
Total non-operating expenses	1,123	1,156
Ordinary income	7,405	6,422
Extraordinary income		
Reversal of allowance for doubtful accounts	—	5
Marginal Gain of repaired corporate reorganization debts	1,782	—
Other	391	—
Total extraordinary income	2,173	5
Extraordinary loss		
Loss on retirement of noncurrent assets	49	22
Loss on valuation of investment securities	—	15
Loss on sales of investment securities	109	—
Loss on closing of stores	2	88
Impairment loss	94	—
Loss on adjustment for changes of accounting standard for asset retirement obligations	—	682
Other	27	280
Total extraordinary losses	281	1,087
Income before income taxes and minority interests	9,297	5,340
Income taxes - Current	2,746	2,416
Income taxes - Deferred	(360)	(287)
Total income taxes	2,386	2,129
Income before minority interests	6,911	3,211
Minority interests in income	237	126
Net income	¥6,674	¥3,085

Consolidated Quarterly Statements of Comprehensive Income

	(Millions of yen)	
	Three months ended September 30, 2011	Three months ended September 30, 2010
	Amount	Amount
Income before minority interests	¥6,911	¥3,211
Other comprehensive income		
Valuation difference on available-for-sale securities	(77)	(26)
Foreign currency translation adjustment	(41)	(281)
Total other comprehensive income	(118)	(307)
Comprehensive income	¥6,793	¥2,904
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	¥6,556	¥2,778
Comprehensive income attributable to minority interests	237	126

Consolidated Quarterly Statements of Cash Flows

	(Millions of yen)	
	Three months ended September 30, 2011	Three months ended September 30, 2010
	Amount	Amount
Net cash provided by (used in) operating activities:		
Income before income taxes and minority interests	¥9,297	¥5,340
Depreciation and amortization	2,357	2,197
Amortization of negative goodwill	(214)	(214)
Increase(decrease) in provision	(119)	81
Interest and dividends income	(170)	(152)
Interest expenses	420	416
Loss on valuation of derivatives	323	285
Loss on valuation of investment securities	—	15
Loss on adjustment for changes of accounting standard for asset retirement obligations	—	682
Marginal gain of repaid corporate reorganization debt	(1,782)	—
Decrease (increase) in notes and accounts receivable-trade	187	(313)
Increase in inventories	(1,921)	(2,672)
Increase in notes and accounts payable-trade	736	3,093
Other, net	665	1,381
Sub total	9,779	10,139
Interest and dividends income received	126	106
Interest expenses paid	(532)	(583)
Payments for loss on disaster	(256)	—
Income taxes paid	(4,264)	(3,688)
Net cash provided by operating activities	4,853	5,974
Net cash provided by (used in) investing activities:		
Payments into time deposits	(11,800)	(20,100)
Proceeds from withdrawal of time deposits	7,172	3,114
Purchase of property, plant and equipment	(5,130)	(2,998)
Payments for lease and guarantee deposits	(20)	(284)
Proceeds from collection of lease and guarantee deposits	579	632
Proceeds from sales of investment securities	190	927
Purchase of investments in subsidiaries resulting in change in scope of consolidation	(6,360)	—
Other, net	(268)	(362)
Net cash used in investing activities	(15,637)	(19,071)
Net cash provided by (used in) financing activities:		
Net increase in short-term loans payable	5,150	2,133
Proceeds from long-term loans payable	12,000	10,000
Repayment of long-term loans payable	(3,335)	(3,004)
Proceeds from issuance of bonds	4,901	9,000
Redemption of bonds	(5,254)	(4,554)
Rehabilitation lien	(2,550)	—
Cash dividends paid	(1,387)	(1,081)
Other, net	28	(28)
Net cash provided by financing activities	9,553	12,466
Effect of exchange rate change on cash and cash equivalents	(20)	(73)
Net decrease in cash and cash equivalents	(1,251)	(704)
Cash and cash equivalents at beginning of period	26,875	38,911
Increase in cash and cash equivalents from newly consolidated subsidiaries	—	8
Decrease in cash and cash equivalents resulting from exclusion of subsidiaries from consolidation	(0)	(215)
Increase in cash and cash equivalents resulting from change in fiscal year-end of consolidated subsidiaries	3,507	—
Cash and cash equivalents at end of period	¥29,131	¥38,000

Segment Information

For the first quarter ended September 30, 2011

1. Information concerning sales and income by reporting segment

(Millions of yen)

	Reporting segment			Others (Note 1)	Total	Adjustment (Note 2)	Consolidated (Note 3)
	Retail business	Rent business	Sub Total				
Sales, Segment income							
Sales							
Sales to third parties	¥129,625	¥3,977	¥133,602	¥1,261	¥134,863	¥-	¥134,863
Intersegment sales	1	720	721	449	1,170	(1,170)	-
Total	129,626	4,697	134,323	1,710	136,033	(1,170)	134,863
Segment income	¥5,943	¥1,289	¥7,232	¥488	¥7,720	¥61	¥7,781

Notes

- The other businesses segment includes the services of real estate business, marketing business, cellular phones sales business and financial service business that are not included in other reporting segments.
- The segment adjusted income of ¥61 million is an intersegment elimination.
- Segment income is adjusted with operating income.

2. Information concerning impairment loss of fixed assets or goodwill by reporting segment

In the others segment, the Company recognized goodwill ¥1,870 million because of the newly consolidation of two subsidiaries.

For the first quarter ended September 30, 2010

1. Information concerning sales and income by reporting segment

(Millions of yen)

	Reporting segment			Others (Note 1)	Total	Adjustment (Note 2)	Consolidated (Note 3)
	Retail business	Rent business	Sub Total				
Sales, Segment income							
Sales							
Sales to third parties	¥119,844	¥3,966	¥123,810	¥906	¥124,716	¥-	¥124,716
Intersegment sales	-	624	624	224	848	(848)	-
Total	119,844	4,590	124,434	1,130	125,564	(848)	124,716
Segment income	¥5,473	¥1,240	¥6,713	¥116	¥6,829	¥52	¥6,881

Notes

- The other businesses segment includes the services of real estate business, marketing business and cellular phones sales business that are not included in other reporting segments.
- The segment adjusted income of ¥52 million is an intersegment elimination.
- Segment income is adjusted with operating income.

2. Information concerning impairment loss of fixed assets or goodwill by reporting segment

In the retail business segment, goodwill has newly increased ¥66 million with having taken over a business about the membership system wholesale type retail business in the first quarter ended September 30, 2010.

Notes on the going-concern assumption

Not applicable

Notes on significant changes in the amount of shareholders' equity

Not applicable

Material subsequent events

Not applicable