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For Immediate Release

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PARCO to open ZERO GATE store in new Hiroshima Takarazuka Kaikan

PARCO Co., Ltd. (PARCO+) has reached a basic agreement with Toho Co., Ltd. (Toho+) relating to the opening of a store in the shopping complex part of the new Hiroshima Takarazuka Kaikan being planned by Toho. The new store will be operated under the ZERO GATE business model.¹

About the planned store

Toho, the owner of the Hiroshima Takarazuka Kaikan, which is located beside the Hiroshima PARCO New Building, plans to replace the existing building, which is getting old, with a new mixed-use building. PARCO has reached a basic agreement with Toho in which it will lease the lower floors, the shopping complex part.

We aim to combine this facility with the Hiroshima PARCO Main Building and New Building to continue to improve our offering in the local market.

We intend to open the store in autumn 2013 as another model low to medium-rise urban shopping complex, as part of our strategy of innovating existing complexes. This follows on from the change of business format at Shibuya PARCO ZERO GATE and the rebuilding of Shinsaibashi PARCO.

Overview of new store

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| Address | 2-10 Shintenchi, Naka-ku, Hiroshima-shi |
| Structure | 14 above-ground floors and 1 basement level (PARCO space: 1st-3rd floors) |
| Floor area | Approx. 12,300m ² (part leased by PARCO: 2,575m ²) |
| Opening | Provisionally scheduled for autumn 2013 |
| Tenants | Not decided |

Notes:

1. For details of the ZERO GATE business model, please refer to PARCO's press release of January 12, 2012 entitled "Introducing the ZERO GATE business model and decision to open store in Dotonbori area of Osaka."
2. This press release is an adapted translation of a Japanese press release first issued on September 27, 2011.