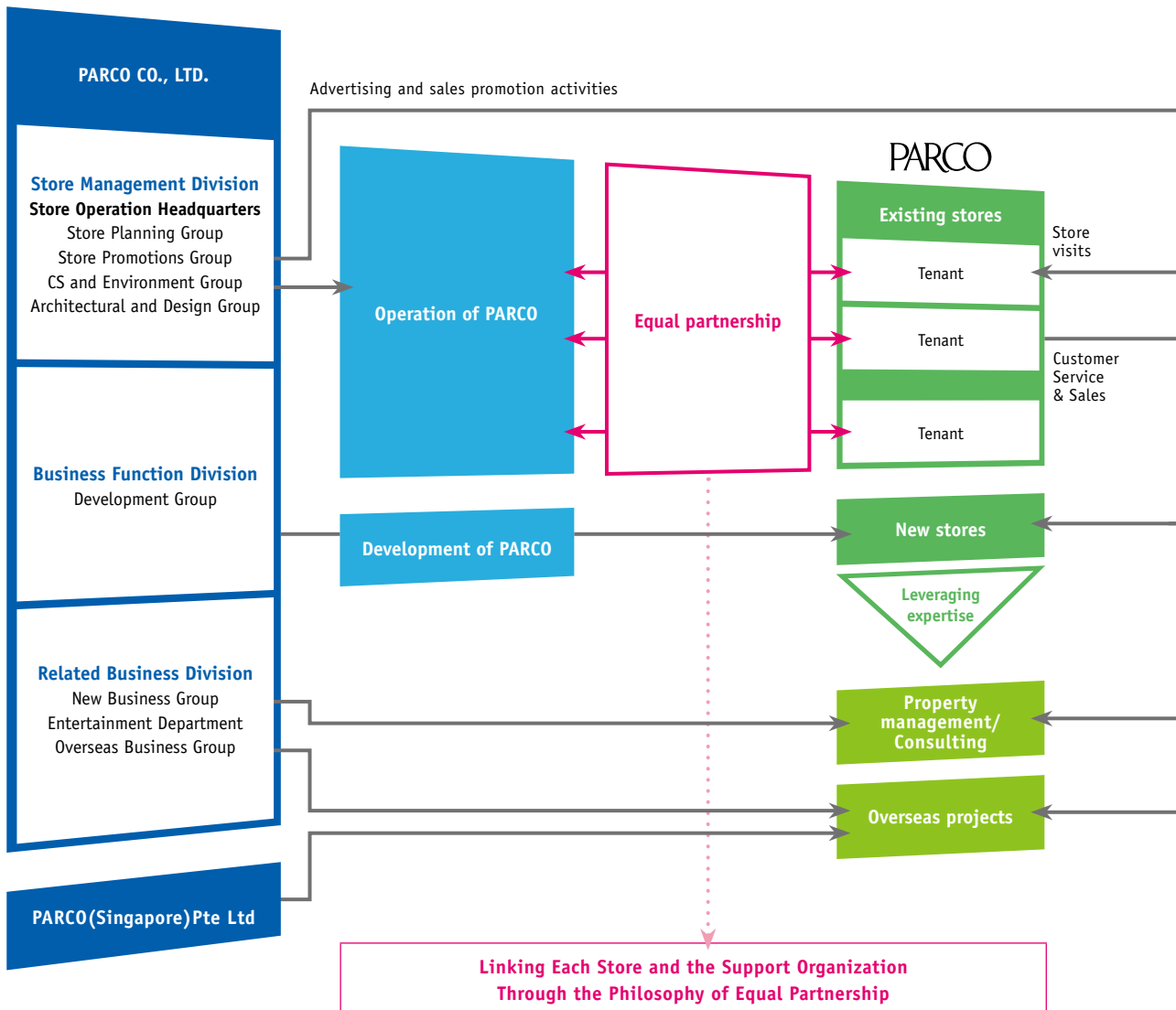


PARCO Business Model

Structure of the Shopping Complex Business



Within the design and structure of the Shopping Complex Business, one of the main characteristics that distinguishes PARCO is our equal partnership with tenants. We view our tenants as partners with whom we can grow and develop by virtue of our mutually shared values. Every one of our corporate divisions at PARCO headquarters works to support and invigorate the operations of the PARCO shopping complexes where our tenants open their stores.

The Store Management Division comprises four groups and the headquarters: the Store Planning Group, Store Promotions Group, CS and Environment Group, and Architectural and Design Group, all operating under the Store Operation Headquarters. The division as a whole controls all business processes related to operation of each shopping complex.

The Related Business Division comprises three groups: the Overseas Business Group, the Entertainment Department, and the New Business Group. This division is responsible for expansion of businesses in Asian markets, including China, overseas business development in cooperation with PARCO (Singapore) Pte Ltd, PARCO's initiatives in entertainment, including new businesses, and low-rise commercial real estate in urban areas.

The Development Group in the Business Function Division is responsible for new PARCO-brand project development.

Customer