



October 12, 2011

For Immediate Release

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PARCO signs agreement to operate Nison Plaza Project shopping complex in Suzhou City, China

PARCO Co., Ltd. ("PARCO") today announced that it has concluded an operating agreement with Suzhou Nison Plaza Co. Ltd ("Nison") to operate and manage a shopping complex inside the Nison Plaza Project (provisional name), a multipurpose building development being led by Nison in Suzhou City, Jiangsu Province, China.

1. Background to agreement

One of PARCO's business strategies based on its 2010-2012 medium-term business plan is to expand its urban retail business overseas, and as part of this effort PARCO has been working with numerous potential local partners to specifically consider business models and research business opportunities.

As a result, PARCO has concluded an operating agreement to operate and manage a shopping complex inside the Nison Plaza Project ("this Project"), a multipurpose building development being led by Nison in Suzhou Industrial Park in Suzhou City.

Situated close to Shanghai, Suzhou City has a long history of prosperity, and in recent years its GDP growth rates and per-capita GDP have surpassed those of both Shanghai and Beijing. With a new subway line scheduled to open in the near future and strong growth potential, the city is emerging as a major economic center in Jiangsu Province.

Suzhou Industrial Park was created as part of an economic partnership project between China and Singapore. Multiple development projects are underway in the area, where foreign companies are increasingly establishing operations.

Nison is a group company of the Suzhou-based conglomerate Nison International Holdings Limited,



which operates a range of businesses such as hotels and hardware centers. With this Project the Nison Group is promoting Nison as a business developer, as part of a wider diversification strategy being pursued by the Group.

The Nison Plaza Project is a large-scale multipurpose building development consisting of a shopping complex, offices and residences. The shopping complex is scheduled to open first in 2012, followed by the opening of the entire facility in 2013. The subway system opening and the development of office and retail facilities are expected to bring an increase in visitors to the area in the medium to long term. In view of this, PARCO deemed this Project a suitable opportunity for shopping complex operation and management that leverages its urban retail business expertise and therefore decided to conclude this agreement.

2. Outline of the operating agreement

An operating agreement has been concluded governing the operation and management of the shopping complex in the Nison Plaza Project, both prior to and subsequent to its opening.

Scope

PARCO will hire personnel and conduct the overall operation and management of the shopping complex (marketing, leasing, advertising and sales promotion, and guidance/direction on facility management).

3. Schedule

October 2011:	Conclusion of operating agreement
September 2012:	Scheduled advance opening of shopping complex
December 2013:	Scheduled completion of entire facility

4. Impact on future earnings

The impact of this agreement on PARCO's earnings has been incorporated into earnings forecasts announced on October 5, 2011. PARCO plans for this Project to be a first step in the expansion of its urban retail business in major cities throughout China.

It is planned that a local subsidiary will be established to implement this operating agreement and enable PARCO to further expand its business in China.

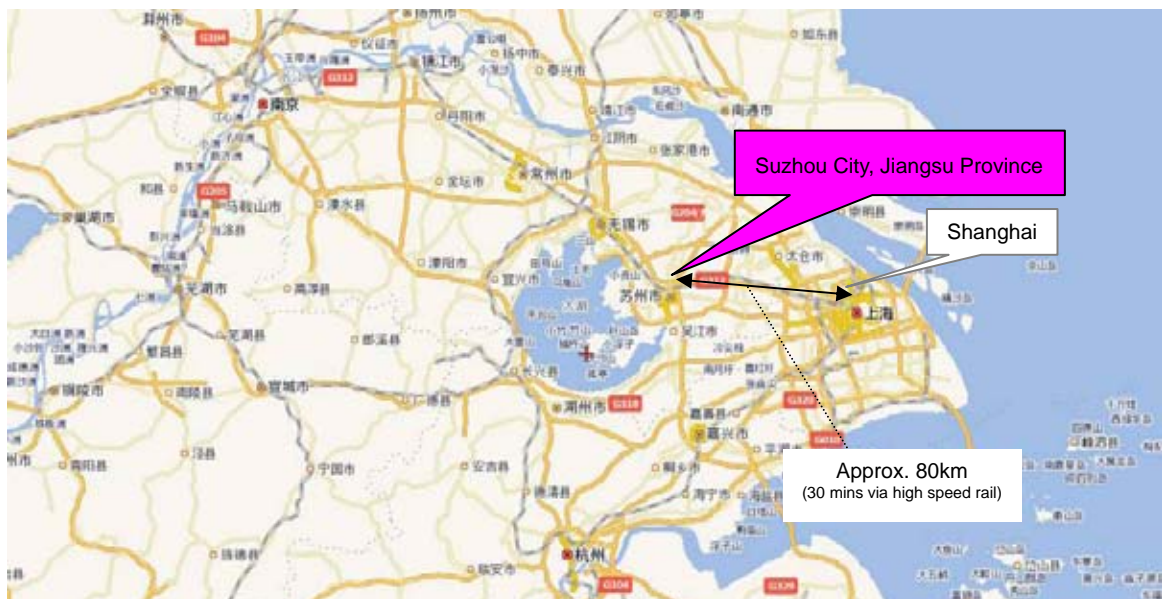
Reference 1

Comparison of Suzhou City, Jiangsu Province with Shanghai City and Beijing City (2010 data)

	Suzhou City	Shanghai City	Beijing City
Population (million)	10.47	23.02	19.61
Total GDP (billion yuan)	916.9	1,687.2	1,377.8
Total GDP (billion yen)	11,919.7	21,933.6	17,911.4
GDP growth rate (%)	13.2	9.9	10.2
GDP per capita (RMB)	87,574	73,293	70,260
GDP per capita (JPY)	1,138,462	952,806	913,381

*Figures based on a currency rate of RMB1 = JPY13

Source: National Bureau of Statistics of China, municipal statistics bureau websites; 2010 data



Suzhou Industrial Park

Since being launched as an economic partnership project between China and Singapore in 1994, Suzhou Industrial Park has grown into a competitive high tech industrial area. Suzhou Industrial Park is one of the fastest growing industrial centers in China and approximately 4,000 foreign companies have established offices there.

Please refer to the Suzhou Industrial Park website for further details

<http://www.sipac.gov.cn/english/>

Reference 2

Project outline

1. Planned location Su Hua Road, Suzhou Industrial Park
2. Land area Approx. 8,500m²
3. Total floor space Approx. 107,000m²
(shopping complex: approx. 33,000m²)
4. Buildings Shopping complex: B1 (1st basement) to 5th floors
Offices: 6th to 25th floors
Residences: 26th to 40th floors

■ Image of completed project



■ Image of development in the surrounding area



Subway line #1
(Currently under construction)

About the Nison Group

The Nison Group is one of Suzhou's leading conglomerates, operating a diverse range of businesses including hotels and hardware centers under the ownership of Nison International Holdings Limited. The Group is growing rapidly, in line with the continuing development of Suzhou City. This Project is Nison's first multipurpose building development.