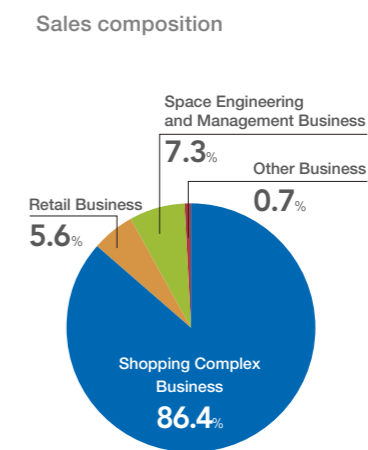
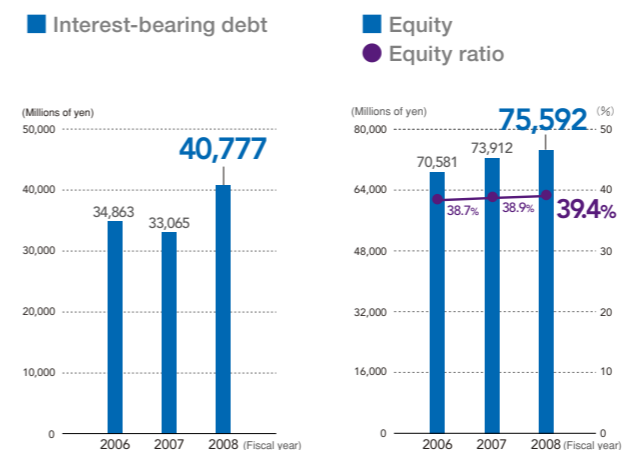
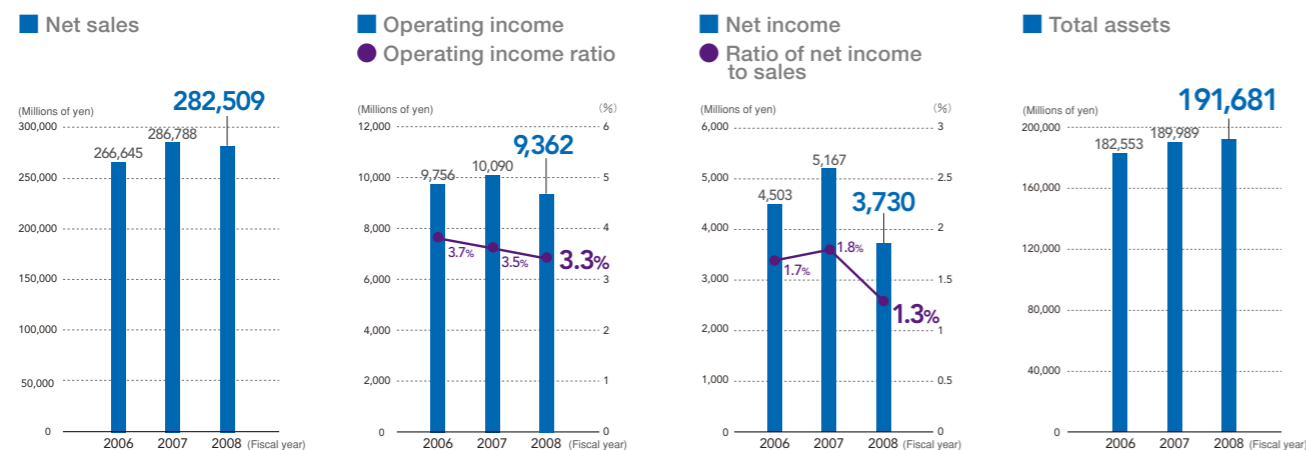


PARCO at a Glance

The PARCO Group is involved in four categories of business. Our core Shopping Complex Business operates our PARCO commercial facilities. The Retail Business operates distinctive specialty shops. The Space Engineering and Management Business conducts interior design, decorating and electrical work, and manages buildings. Finally, our Other Business segment provides web-based information and online shopping services.

PARCO works with its tenants to create commercial spaces that provide customers with enjoyment and maximize synergies within the Group.



Shopping Complex Business

PARCO development, operation and management

The Shopping Complex Business is the PARCO Group's flagship operation. Expert in total commercial facility production, this business develops and operates PARCO shopping complexes in Japan and overseas.

As of February 28, 2009, the Shopping Complex Business operates 20 shopping complexes in Japan. We are strengthening each complex's competitiveness through ongoing renovations that enhance unique facility characteristics. We also attract customers through proactive sales promotion and advertising activities. We are developing business focused in ordinance-designated cities through the development of new properties, business alliances, M&A activities and the acquisition of furnished properties. We promote the creation of profitable new operations based on our property management and consulting experience in shopping complex business development. In addition, our entertainment business engages in a diverse range of novel promotion activities for theater, music, film and publishing, designed to differentiate us from other commercial facilities, improve our corporate brand and more effectively attract customers.

Year	2006	2007	2008
Net sales (Millions of yen)	248,725	266,263	264,595
Operating income (Millions of yen)	8,698	9,085	8,826
Operating margin (%)	3.5%	3.4%	3.3%

Retail Business

Operating fashion variety specialty shops in commercial facilities

The Retail Business is centered around NEUVE A CO., LTD., which operates five specialty store formats offering fashion components with the concept of customer lifestyle support.

We implement an aggressive scrap-and-build program to increase the number of stores and remodel existing stores to heighten their attractiveness as specialty stores. Along with the opening of new stores outside of PARCO complexes, we develop new business formats in urban cities as well as trading zones in rural areas with the aim of expanding earnings.

- TICTAC Business: Watch specialty store
- EYEWEAR Business: Eyeglass specialty store
- COLLECTORS Business: Men's variety shop
- ANNABELLE Business: Ladies variety shop
- ROSEMARY Business: Cosmetics and accessories specialty shop

Year	2006	2007	2008
Net sales (Millions of yen)	16,718	17,097	17,079
Operating income (Millions of yen)	495	496	276
Operating margin (%)	3.0%	2.9%	1.6%

Space Engineering and Management Business

Interior electrical work and building management for commercial facilities

PARCO SPACE SYSTEMS CO., LTD., which handles the Space Engineering and Management Business, is involved in the development and operation of commercial facilities through its two pillars of the Space Production Department, which handles planning and design of commercial spaces to interiors, fixtures and electrical work, as well as supervising interior decorating, and the Building Management Department, which provides safety and maintenance, janitorial and security services for maintaining a comfortable building environment.

We promote contracts with external commercial facilities taking advantage of our specialized and comprehensive expertise accumulated through designing PARCO spaces and managing facilities.

Year	2006	2007	2008
Net sales (Millions of yen)	22,754	26,365	22,437
Operating income (Millions of yen)	535	695	383
Operating margin (%)	2.4%	2.6%	1.7%

Other Business

Development of Internet-based customer communication

Other Business is centered on web-based information services, which is handled by PARCO-CITY CO., LTD.

Engaged in the operation and management of PARCO commercial facilities website, we also create, operate and manage websites for other companies, applying expertise gained through retail operations. We also operate <PARCO-CITY>, an online shopping mall focused on specialty stores that have opened in PARCO complexes.

Year	2006	2007	2008
Net sales (Millions of yen)	2,449	2,330	2,218
Operating income (Millions of yen)	65	-118	-125
Operating margin (%)	2.7%	-5.1%	-5.6%