



April 5, 2013

Consolidated Financial Results for the Fiscal Year Ended February 28, 2013 <under Japanese GAAP>

Company name: **PARCO CO., LTD.**
 Listing: First Section of the Tokyo Stock Exchange
 Stock code: 8251
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Scheduled date of annual general shareholders' meeting: May 25, 2013
 Scheduled date of dividend distribution: May 8, 2013
 Scheduled date to file Annual Securities Report: May 27, 2013
 Preparation of supplementary material on earnings: Yes
 Holding of earnings performance review: Yes (for institutional investors and analysts)

(All amounts have been rounded down to the nearest million yen.)

1. Consolidated performance for the fiscal year ended February 28, 2013 (from March 1, 2012 to February 28, 2013)

(1) Consolidated operating results

(Percentages indicate year-on-year changes.)

	Net sales		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended February 28, 2013	264,779	1.9	10,824	18.1	10,329	15.2	5,083	17.7
February 29, 2012	259,789	(1.9)	9,168	(0.5)	8,966	2.5	4,319	(1.8)

Note: Comprehensive income

For the fiscal year ended February 28, 2013: 5,351 million yen [27.4%]

For the fiscal year ended February 29, 2012: 4,199 million yen [(7.3)%]

	Net income per share	Diluted net income per share	Net income/equity	Ordinary income/total assets	Operating income/net sales
Fiscal year ended	Yen	Yen	%	%	%
February 28, 2013	54.44	—	5.4	5.0	4.1
February 29, 2012	52.49	43.31	5.2	4.2	3.5

Reference: Equity in earnings (losses) of affiliates

For the fiscal year ended February 28, 2013: (180) million yen

For the fiscal year ended February 29, 2012: 101 million yen

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
February 28, 2013	206,243	103,573	50.2	1,020.92
February 29, 2012	208,697	84,577	40.5	1,028.21

Reference: Equity (Net assets – Minority interests)

As of February 28, 2013: 103,573 million yen

As of February 29, 2012: 84,555 million yen

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
Fiscal year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
February 28, 2013	13,938	(2,139)	(8,826)	10,463
February 29, 2012	11,274	(584)	(15,483)	7,437

2. Cash dividends

	Annual dividends					Total cash dividends (Annual) Millions of yen	Dividend payout ratio (Consolidated) %	Ratio of dividends to net assets (Consolidated) %
	First quarter-end Yen	Second quarter-end Yen	Third quarter-end Yen	Fiscal year-end Yen	Total Yen			
Fiscal year ended February 29, 2012	–	8.00	–	9.00	17.00	1,397	32.4	1.7
Fiscal year ended February 28, 2013	–	9.00	–	9.00	18.00	1,825	33.1	1.8
Fiscal year ending February 28, 2014 (Forecast)	–	9.00	–	9.00	18.00		30.4	

3. Consolidated earnings forecasts for the fiscal year ending February 28, 2014 (from March 1, 2013 to February 28, 2014)

(Percentages indicate year-on-year changes.)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
First six months ending August 31, 2013	131,150	2.2	5,350	10.1	5,150	13.1	2,650	18.4	26.12
Fiscal year ending February 28, 2014	271,400	2.5	11,800	9.0	11,350	9.9	6,000	18.0	59.14

* Notes

- (1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in the change in scope of consolidation): None
- (2) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements after error corrections
 - a. Changes in accounting policies due to revisions to accounting standards and other regulations: None
 - b. Changes in accounting policies due to other reasons: None
 - c. Changes in accounting estimates: None
 - d. Restatement of prior period financial statements after error corrections: None

- (3) Number of issued shares (common stock)
- Total number of issued shares at the end of the period (including treasury stock)

As of February 28, 2013	101,462,977 shares
As of February 29, 2012	82,475,677 shares
 - Number of shares of treasury stock at the end of the period

As of February 28, 2013	11,635 shares
As of February 29, 2012	240,250 shares
 - Average number of shares during the period

For the fiscal year ended February 28, 2013	93,377,787 shares
For the fiscal year ended February 29, 2012	82,289,840 shares

(Reference) Overview of non-consolidated performance

1. Non-consolidated performance for the fiscal year ended February 28, 2013 (from March 1, 2012 to February 28, 2013)

(1) Non-consolidated operating results

(Percentages indicate year-on-year changes.)

	Net sales		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended February 28, 2013	242,706	1.5	10,166	19.2	10,276	12.1	5,444	19.7
February 29, 2012	239,078	(2.6)	8,526	(2.1)	9,170	11.5	4,547	7.2

	Net income per share	Diluted net income per share
Fiscal year ended February 28, 2013	Yen 58.30	-
February 29, 2012	55.27	45.56

(2) Non-consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
February 28, 2013	203,181	104,413	51.4	1,029.20
February 29, 2012	205,014	85,169	41.5	1,035.68

Reference: Equity (Net assets – Minority interests)

As of February 28, 2013: 104,413 million yen

As of February 29, 2012: 85,169 million yen

2. Non-consolidated earnings forecasts for the fiscal year ending February 28, 2014 (from March 1, 2013 to February 28, 2014)

(Percentages indicate year-on-year changes.)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
First six months ending August 31, 2013	119,950	1.9	5,250	15.2	5,050	5.5	2,650	1.4	26.12
Fiscal year ending February 28, 2014	249,100	2.6	11,350	11.6	10,900	6.1	5,850	7.5	57.66

*** Indication regarding execution of audit procedures**

The audit procedures pursuant to the Financial Instruments and Exchange Act do not apply to this earnings report. At the time of disclosure of this earnings report, the audit procedures for financial statements are in progress.

*** Proper use of earnings forecasts, and other special matters**

Caution concerning forward-looking statements

The forward-looking statements, including earnings forecasts, contained in these materials are based on information available to the Company at the time of the filing and certain assumptions deemed reasonable by the Company. Consequently, any statements herein do not constitute assurances regarding actual results by the Company. Actual business and other results may differ significantly due to various unforeseen factors.

Method of accessing supplementary material on earnings

On Friday, April 5, 2013, the Company plans to hold an earnings performance review for institutional investors and analysts. The Company plans to post a video of this earnings performance review on its website promptly after the review is held.

Consolidated financial statements

(1) Consolidated balance sheets

(Millions of yen)

	As of February 29, 2012	As of February 28, 2013
Assets		
Current assets		
Cash and deposits	7,437	10,463
Notes and operating accounts receivable	7,686	7,675
Merchandise and finished goods	2,559	2,758
Work in process	229	225
Raw materials and supplies	38	41
Advance payments-trade	90	140
Prepaid expenses	850	816
Deferred tax assets	919	1,404
Short-term loans receivable	97	94
Other	3,413	5,376
Allowance for doubtful accounts	(7)	(5)
Total current assets	23,317	28,991
Noncurrent assets		
Property, plant and equipment		
Buildings and structures	119,392	119,131
Accumulated depreciation	(72,732)	(74,664)
Accumulated impairment loss	(876)	(1,034)
Buildings and structures, net	45,784	43,432
Buildings and structures in trust	17,209	17,209
Accumulated depreciation	(1,620)	(2,472)
Buildings and structures in trust, net	15,588	14,737
Machinery, equipment and vehicles	1,379	1,395
Accumulated depreciation	(1,035)	(1,089)
Machinery, equipment and vehicles, net	344	305
Machinery, equipment and vehicles in trust	16	16
Accumulated depreciation	(4)	(7)
Machinery, equipment and vehicles in trust, net	12	9
Tools, furniture and fixtures	4,698	4,843
Accumulated depreciation	(3,778)	(3,929)
Accumulated impairment loss	(90)	(122)
Tools, furniture and fixtures, net	828	791
Tools, furniture and fixtures in trust	136	136
Accumulated depreciation	(42)	(63)
Tools, furniture and fixtures in trust, net	94	73
Land	43,992	43,994
Land in trust	19,371	19,371
Lease assets	617	754
Accumulated depreciation	(155)	(297)
Lease assets, net	462	456
Construction in progress	11	526
Total property, plant and equipment	126,490	123,698

(Millions of yen)

	As of February 29, 2012	As of February 28, 2013
Intangible assets		
Leasehold right	10,949	10,949
Other	788	894
Total intangible assets	11,738	11,844
Investments and other assets		
Investment securities	2,702	2,924
Long-term loans receivable	294	181
Long-term prepaid expenses	1,221	1,108
Lease and guarantee deposits	41,000	35,631
Deferred tax assets	1,689	1,615
Long-term accounts receivable-other	111	114
Other	341	345
Allowance for doubtful accounts	(208)	(212)
Total investments and other assets	47,152	41,708
Total noncurrent assets	185,380	177,251
Total assets	208,697	206,243

(Millions of yen)

	As of February 29, 2012	As of February 28, 2013
Liabilities		
Current liabilities		
Notes and operating accounts payable-trade	16,526	16,278
Short-term loans payable	20,971	5,978
Lease obligations	129	159
Accounts payable-other	4,753	4,039
Accrued expenses	1,545	1,515
Income taxes payable	1,072	3,406
Provision for bonuses	1,019	1,032
Provision for sales returns	20	14
Provision for books unsold	150	137
Provision for sales promotion expenses	247	284
Current portion of bonds	1,000	1,000
Other	2,250	2,528
Total current liabilities	49,687	36,375
Noncurrent liabilities		
Bonds payable	1,000	-
Bonds with subscription rights to shares	15,000	-
Long-term loans payable	21,565	30,397
Long-term accounts payable-other	146	122
Lease obligations	355	319
Provision for retirement benefits	1,617	1,737
Guarantee deposits received	34,419	33,377
Asset retirement obligations	313	320
Other	15	19
Total noncurrent liabilities	74,432	66,295
Total liabilities	124,120	102,670
Net assets		
Shareholders' equity		
Capital stock	26,867	34,367
Capital surplus	27,526	35,124
Retained earnings	30,320	33,830
Treasury stock	(150)	(7)
Total shareholders' equity	84,563	103,314
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	200	397
Foreign currency translation adjustment	(209)	(138)
Total accumulated other comprehensive income	(8)	258
Minority interests	22	-
Total net assets	84,577	103,573
Total liabilities and net assets	208,697	206,243

(2) Consolidated statements of (comprehensive) income
Consolidated statements of income

(Millions of yen)

	Fiscal year ended February 29, 2012	Fiscal year ended February 28, 2013
Net sales	259,789	264,779
Cost of sales	220,862	224,951
Gross profit	38,927	39,827
Provision for sales returns	2	-
Reversal of provision for sales returns	-	6
Gross profit-net	38,924	39,834
Operating revenue	2,700	2,732
Operating gross profit	41,625	42,567
Selling, general and administrative expenses	32,456	31,742
Operating income	9,168	10,824
Non-operating income		
Interest income	79	52
Dividends income	55	49
Equity in earnings of affiliates	101	-
Miscellaneous income	416	344
Total non-operating income	653	446
Non-operating expenses		
Interest expenses	670	551
Interest on bonds	145	69
Equity in losses of affiliates	-	180
Miscellaneous expenses	39	140
Total non-operating expenses	855	941
Ordinary income	8,966	10,329
Extraordinary income		
Gain on sales of noncurrent assets	186	111
Gain on sales of investment securities	169	286
Reversal of allowance for doubtful accounts	7	-
Compensation income for loss from damage	-	569
Other	79	-
Total extraordinary income	443	968
Extraordinary loss		
Loss on retirement of noncurrent assets	928	958
Impairment loss	352	149
Loss on disaster	103	-
Loss on adjustment for changes of accounting standard for asset retirement obligations	148	-
Loss on valuation of investment securities	477	1
Special retirement expenses	35	64
Loss on closing of stores	4	-
Loss on cancellation of leasehold contracts	-	999
Other	26	21
Total extraordinary losses	2,076	2,195

(Millions of yen)

	Fiscal year ended February 29, 2012	Fiscal year ended February 28, 2013
Income before income taxes and minority interests	7,333	9,102
Income taxes-current	2,816	4,538
Income taxes-deferred	198	(519)
Total income taxes	3,014	4,018
Income before minority interests	4,319	5,083
Minority interests in loss	(0)	-
Net income	4,319	5,083

Consolidated statements of comprehensive income

(Millions of yen)

	Fiscal year ended February 29, 2012	Fiscal year ended February 28, 2013
Income before minority interests	4,319	5,083
Other comprehensive income		
Valuation difference on available-for-sale securities	(74)	196
Foreign currency translation adjustment	(45)	62
Share of other comprehensive income of associates accounted for using equity method	-	8
Total other comprehensive income	(119)	267
Comprehensive income	4,199	5,351
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	4,200	5,351
Comprehensive income attributable to minority interests	(1)	-

(3) Consolidated statements of changes in net assets

(Millions of yen)

	Fiscal year ended February 29, 2012	Fiscal year ended February 28, 2013
Shareholders' equity		
Capital stock		
Balance at the beginning of current period	26,867	26,867
Changes of items during the period		
Issuance of new shares-exercise of subscription rights to shares	–	7,500
Total changes of items during the period	–	7,500
Balance at the end of current period	26,867	34,367
Capital surplus		
Balance at the beginning of current period	27,528	27,526
Changes of items during the period		
Issuance of new shares-exercise of subscription rights to shares	–	7,500
Disposal of treasury stock	(1)	98
Total changes of items during the period	(1)	7,598
Balance at the end of current period	27,526	35,124
Retained earnings		
Balance at the beginning of current period	27,400	30,320
Changes of items during the period		
Dividends from surplus	(1,399)	(1,652)
Net income	4,319	5,083
Change of scope of equity method	–	78
Total changes of items during the period	2,920	3,509
Balance at the end of current period	30,320	33,830
Treasury stock		
Balance at the beginning of current period	(61)	(150)
Changes of items during the period		
Purchase of treasury stock	(111)	(0)
Disposal of treasury stock	21	144
Total changes of items during the period	(89)	143
Balance at the end of current period	(150)	(7)
Total shareholders' equity		
Balance at the beginning of current period	81,734	84,563
Changes of items during the period		
Issuance of new shares-exercise of subscription rights to shares	–	15,000
Dividends from surplus	(1,399)	(1,652)
Net income	4,319	5,083
Purchase of treasury stock	(111)	(0)
Disposal of treasury stock	20	242
Change of scope of equity method	–	78
Total changes of items during the period	2,829	18,751
Balance at the end of current period	84,563	103,314

(Millions of yen)

	Fiscal year ended February 29, 2012	Fiscal year ended February 28, 2013
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities		
Balance at the beginning of current period	275	200
Changes of items during the period		
Net changes of items other than shareholders' equity	(74)	196
Total changes of items during the period	(74)	196
Balance at the end of current period	200	397
Foreign currency translation adjustment		
Balance at the beginning of current period	(164)	(209)
Changes of items during the period		
Net changes of items other than shareholders' equity	(44)	70
Total changes of items during the period	(44)	70
Balance at the end of current period	(209)	(138)
Total accumulated other comprehensive income		
Balance at the beginning of current period	110	(8)
Changes of items during the period		
Net changes of items other than shareholders' equity	(118)	267
Total changes of items during the period	(118)	267
Balance at the end of current period	(8)	258
Minority interests		
Balance at the beginning of current period	23	22
Changes of items during the period		
Net changes of items other than shareholders' equity	(1)	(22)
Total changes of items during the period	(1)	(22)
Balance at the end of current period	22	-
Total net assets		
Balance at the beginning of current period	81,868	84,577
Changes of items during the period		
Issuance of new shares-exercise of subscription rights to shares	-	15,000
Dividends from surplus	(1,399)	(1,652)
Net income	4,319	5,083
Purchase of treasury stock	(111)	(0)
Disposal of treasury stock	20	242
Change of scope of equity method	-	78
Net changes of items other than shareholders' equity	(120)	244
Total changes of items during the period	2,709	18,995
Balance at the end of current period	84,577	103,573

(4) Consolidated statements of cash flows

(Millions of yen)

	Fiscal year ended February 29, 2012	Fiscal year ended February 28, 2013
Net cash provided by (used in) operating activities		
Income before income taxes and minority interests	7,333	9,102
Depreciation and amortization	6,350	6,120
Impairment loss	352	149
Increase (decrease) in provision for bonuses	15	13
Increase (decrease) in provision for retirement benefits	106	120
Increase (decrease) in provision for loss on store closing	(103)	-
Loss on store closings	4	-
Interest and dividends income	(135)	(101)
Interest expenses	816	620
Compensation income for loss from damage	-	(569)
Loss (gain) on sales and retirement of noncurrent assets	10	213
Loss on adjustment for changes of accounting standard for asset retirement obligations	148	-
Decrease (increase) in notes and accounts receivable- trade	(435)	17
Decrease (increase) in inventories	(77)	(197)
Increase (decrease) in notes and accounts payable-trade	407	(247)
Increase/decrease in other assets/liabilities	1,398	54
Other, net	195	2
Subtotal	16,389	15,298
Interest and dividends income received	135	101
Interest expenses paid	(891)	(685)
Compensation for loss from damage received	-	1,578
Payment resulting from store closing	(361)	(87)
Income taxes paid	(3,998)	(2,266)
Net cash provided by (used in) operating activities	11,274	13,938

(Millions of yen)

	Fiscal year ended February 29, 2012	Fiscal year ended February 28, 2013
Net cash provided by (used in) investing activities		
Purchase of property, plant and equipment	(2,993)	(4,131)
Proceeds from sales of property, plant and equipment	1,471	228
Purchase of investment securities	(229)	(1)
Proceeds from sales of investment securities	2,139	322
Payments for lease and guarantee deposits	(105)	(1,189)
Proceeds from collection of lease and guarantee deposits	2,151	3,717
Increase (decrease) in guarantee deposits received	(2,778)	(805)
Other, net	(240)	(279)
Net cash provided by (used in) investing activities	(584)	(2,139)
Net cash provided by (used in) financing activities		
Net increase (decrease) in short-term loans payable	2,955	(4,130)
Proceeds from long-term loans payable	175	15,000
Repayment of long-term loans payable	(16,040)	(17,078)
Redemption of bonds	(1,000)	(1,000)
Net decrease (increase) in treasury stock	(90)	241
Cash dividends paid	(1,399)	(1,652)
Other, net	(82)	(206)
Net cash provided by (used in) financing activities	(15,483)	(8,826)
Effect of exchange rate change on cash and cash equivalents	(21)	53
Net increase (decrease) in cash and cash equivalents	(4,815)	3,025
Cash and cash equivalents at beginning of period	12,253	7,437
Cash and cash equivalents at end of period	7,437	10,463

Non-consolidated financial statements

(1) Non-consolidated balance sheets

(Millions of yen)

	As of February 29, 2012	As of February 28, 2013
Assets		
Current assets		
Cash and deposits	6,647	9,282
Operating accounts receivable	6,057	6,097
Merchandise and finished goods	286	348
Work in process	68	88
Raw materials and supplies	1	2
Advance payments-trade	90	140
Prepaid expenses	732	708
Deferred tax assets	537	1,034
Short-term loans receivable	93	93
Short-term loans receivable from subsidiaries and affiliates	70	1,125
Current portion of guarantee deposits	1,308	4,166
Other	2,019	1,082
Allowance for doubtful accounts	(6)	(5)
Total current assets	17,907	24,166
Noncurrent assets		
Property, plant and equipment		
Buildings	116,937	116,544
Accumulated depreciation	(71,533)	(73,374)
Accumulated impairment loss	(439)	(426)
Buildings, net	44,964	42,743
Buildings in trust	16,940	16,940
Accumulated depreciation	(1,594)	(2,433)
Buildings in trust, net	15,345	14,507
Structures	1,720	1,643
Accumulated depreciation	(1,271)	(1,257)
Accumulated impairment loss	(6)	(6)
Structures, net	442	379
Structures in trust	269	269
Accumulated depreciation	(25)	(38)
Structures in trust, net	243	230
Machinery and equipment	1,396	1,411
Accumulated depreciation	(1,046)	(1,100)
Machinery and equipment, net	349	310
Machinery and equipment in trust	16	16
Accumulated depreciation	(4)	(7)
Machinery and equipment in trust, net	12	9
Vehicles	16	16
Accumulated depreciation	(13)	(14)
Vehicles, net	2	1
Tools, furniture and fixtures	3,511	3,553
Accumulated depreciation	(2,972)	(3,040)
Accumulated impairment loss	(8)	(8)
Tools, furniture and fixtures, net	530	503

(Millions of yen)

	As of February 29, 2012	As of February 28, 2013
Tools, furniture and fixtures in trust	136	136
Accumulated depreciation	(42)	(63)
Tools, furniture and fixtures in trust, net	94	73
Land	44,790	44,793
Land in trust	19,371	19,371
Lease assets	219	296
Accumulated depreciation	(90)	(139)
Lease assets, net	128	156
Construction in progress	6	516
Total property, plant and equipment	126,281	123,596
Intangible assets		
Leasehold right	10,949	10,949
Software	368	406
Other	194	188
Total intangible assets	11,512	11,545
Investments and other assets		
Investment securities	2,138	2,657
Stocks of subsidiaries and affiliates	4,961	4,541
Investments in capital	7	7
Investments in capital of subsidiaries and affiliates	–	70
Long-term loans receivable	274	181
Long-term loans receivable from subsidiaries and affiliates	–	112
Long-term prepaid expenses	1,218	1,106
Lease and guarantee deposits	40,096	34,689
Deferred tax assets	380	280
Long-term accounts receivable-other	110	105
Other	334	337
Allowance for doubtful accounts	(208)	(216)
Total investments and other assets	49,313	43,873
Total noncurrent assets	187,107	179,015
Total assets	205,014	203,181

(Millions of yen)

	As of February 29, 2012	As of February 28, 2013
Liabilities		
Current liabilities		
Operating accounts payable	13,047	12,628
Short-term loans payable	6,019	2,619
Current portion of long-term loans payable	16,822	5,959
Lease obligations	48	66
Accounts payable-other	5,385	4,620
Accrued expenses	1,039	992
Income taxes payable	838	3,112
Advances received	285	297
Deposits received	232	244
Provision for bonuses	583	605
Provision for sales returns	20	14
Provision for books unsold	150	137
Current portion of bonds	1,000	1,000
Current portion of guarantee deposits	1,182	1,453
Other	269	292
Total current liabilities	46,925	34,044
Noncurrent liabilities		
Bonds payable	1,000	–
Bonds with subscription rights to shares	15,000	–
Long-term loans payable	21,565	30,350
Long-term accounts payable-other	107	83
Lease obligations	86	97
Provision for retirement benefits	485	567
Guarantee deposits received	34,519	33,475
Asset retirement obligations	139	131
Other	15	19
Total noncurrent liabilities	72,920	64,723
Total liabilities	119,845	98,768

(Millions of yen)

	As of February 29, 2012	As of February 28, 2013
Net assets		
Shareholders' equity		
Capital stock	26,867	34,367
Capital surplus		
Legal capital surplus	6,100	13,600
Other capital surplus	21,426	21,524
Total capital surpluses	27,526	35,124
Retained earnings		
Legal retained earnings	681	681
Other retained earnings		
General reserve	12,811	12,811
Retained earnings brought forward	17,168	20,960
Total retained earnings	30,661	34,452
Treasury stock	(150)	(7)
Total shareholders' equity	84,904	103,937
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	265	476
Total valuation and translation adjustments	265	476
Total net assets	85,169	104,413
Total liabilities and net assets	205,014	203,181

(2) Non-consolidated statements of income

(Millions of yen)

	Fiscal year ended February 29, 2012	Fiscal year ended February 28, 2013
Net sales		
Tenants sales	232,710	236,711
Other sales	6,367	5,994
Total net sales	239,078	242,706
Cost of sales		
Cost of tenants sales	203,797	207,315
Other cost of sales	4,351	3,997
Total cost of sales	208,148	211,313
Gross profit	30,930	31,393
Provision for sales returns	2	-
Reversal of provision for sales returns	-	6
Gross profit-net	30,927	31,399
Operating revenue	2,408	2,419
Operating gross profit	33,336	33,819
Selling, general and administrative expenses	24,810	23,653
Operating income	8,526	10,166
Non-operating income		
Interest income	79	51
Dividends income	1,063	542
Miscellaneous income	366	282
Total non-operating income	1,509	876
Non-operating expenses		
Interest expenses	682	561
Interest on bonds	145	69
Miscellaneous expenses	37	134
Total non-operating expenses	865	765
Ordinary income	9,170	10,276
Extraordinary income		
Gain on sales of noncurrent assets	186	111
Gain on sales of investment securities	169	286
Reversal of allowance for doubtful accounts	7	-
Compensation income for loss from damage	-	569
Other	46	-
Total extraordinary income	409	968
Extraordinary loss		
Loss on retirement of noncurrent assets	947	951
Loss on disaster	100	-
Loss on adjustment for changes of accounting standard for asset retirement obligations	60	-
Loss on valuation of investment securities	477	1
Special retirement expenses	9	35
Loss on closing of stores	4	-
Loss on business of subsidiaries and affiliates	927	203
Loss on cancellation of leasehold contracts	-	999
Other	2	16
Total extraordinary losses	2,530	2,208

(Millions of yen)

	Fiscal year ended February 29, 2012	Fiscal year ended February 28, 2013
Income before income taxes	7,048	9,036
Income taxes-current	2,349	4,105
Income taxes-deferred	151	(513)
Total income taxes	2,500	3,591
Net income	4,547	5,444

(3) Non-consolidated statements of changes in net assets

(Millions of yen)

	Fiscal year ended February 29, 2012	Fiscal year ended February 28, 2013
Shareholders' equity		
Capital stock		
Balance at the beginning of current period	26,867	26,867
Changes of items during the period		
Issuance of new shares-exercise of subscription rights to shares	–	7,500
Total changes of items during the period	–	7,500
Balance at the end of current period	26,867	34,367
Capital surplus		
Legal capital surplus		
Balance at the beginning of current period	6,100	6,100
Changes of items during the period		
Issuance of new shares-exercise of subscription rights to shares	–	7,500
Total changes of items during the period	–	7,500
Balance at the end of current period	6,100	13,600
Other capital surplus		
Balance at the beginning of current period	21,428	21,426
Changes of items during the period		
Disposal of treasury stock	(1)	98
Total changes of items during the period	(1)	98
Balance at the end of current period	21,426	21,524
Total capital surplus		
Balance at the beginning of current period	27,528	27,526
Changes of items during the period		
Issuance of new shares-exercise of subscription rights to shares	–	7,500
Disposal of treasury stock	(1)	98
Total changes of items during the period	(1)	7,598
Balance at the end of current period	27,526	35,124
Retained earnings		
Legal retained earnings		
Balance at the beginning of current period	681	681
Changes of items during the period		
Total changes of items during the period	–	–
Balance at the end of current period	681	681
Other retained earnings		
General reserve		
Balance at the beginning of current period	12,811	12,811
Changes of items during the period		
Total changes of items during the period	–	–
Balance at the end of current period	12,811	12,811

(Millions of yen)

	Fiscal year ended February 29, 2012	Fiscal year ended February 28, 2013
Retained earnings brought forward		
Balance at the beginning of current period	14,019	17,168
Changes of items during the period		
Dividends from surplus	(1,399)	(1,652)
Net income	4,547	5,444
Total changes of items during the period	3,148	3,791
Balance at the end of current period	17,168	20,960
Total retained earnings		
Balance at the beginning of current period	27,512	30,661
Changes of items during the period		
Dividends from surplus	(1,399)	(1,652)
Net income	4,547	5,444
Total changes of items during the period	3,148	3,791
Balance at the end of current period	30,661	34,452
Treasury stock		
Balance at the beginning of current period	(61)	(150)
Changes of items during the period		
Purchase of treasury stock	(111)	(0)
Disposal of treasury stock	21	144
Total changes of items during the period	(89)	143
Balance at the end of current period	(150)	(7)
Total shareholders' equity		
Balance at the beginning of current period	81,846	84,904
Changes of items during the period		
Issuance of new shares-exercise of subscription rights to shares	-	15,000
Dividends from surplus	(1,399)	(1,652)
Net income	4,547	5,444
Purchase of treasury stock	(111)	(0)
Disposal of treasury stock	20	242
Total changes of items during the period	3,057	19,032
Balance at the end of current period	84,904	103,937
Valuation and translation adjustments		
Valuation difference on available-for-sale securities		
Balance at the beginning of current period	290	265
Changes of items during the period		
Net changes of items other than shareholders' equity	(24)	211
Total changes of items during the period	(24)	211
Balance at the end of current period	265	476

(Millions of yen)

	Fiscal year ended February 29, 2012	Fiscal year ended February 28, 2013
Total net assets		
Balance at the beginning of current period	82,136	85,169
Changes of items during the period		
Issuance of new shares-exercise of subscription rights to shares	–	15,000
Dividends from surplus	(1,399)	(1,652)
Net income	4,547	5,444
Purchase of treasury stock	(111)	(0)
Disposal of treasury stock	20	242
Net changes of items other than shareholders' equity	(24)	211
Total changes of items during the period	3,032	19,244
Balance at the end of current period	85,169	104,413