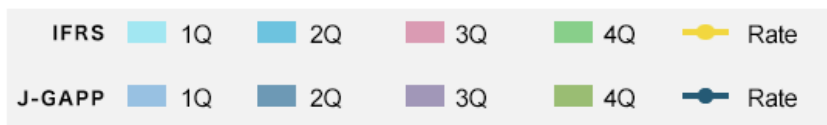
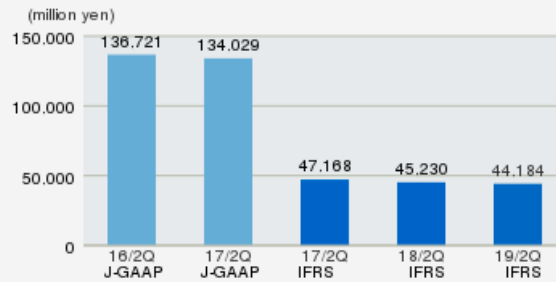


The Company has adopted IFRS from the first quarter of the fiscal year ending February 28, 2018.

### Topics

Operating revenue decreased due to various factors including strong theater performances in our Entertainment business and large construction contracts in our Space Engineering and Management Business in the same period of the previous fiscal year and decreased sales at our NEUVE A Retail Business, despite strong contributions from PARCO\_ya Ueno and Kyoto ZERO GATE, which opened last fiscal year, and Harajuku ZERO GATE, which opened in March, that maintained performance for our Shopping Center business amid struggling sales across PARCO stores. Full-year results forecasts for the fiscal year ending in February 2019 have been revised in the Q2 financial results announced on October 5

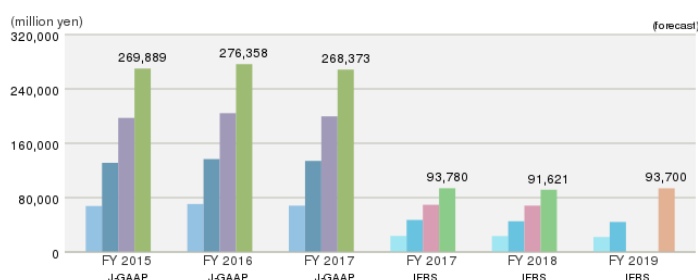
### Operating revenue



## Financial Highlights

### Operating revenue(IFRS)

#### Net sales(J-GAAP)

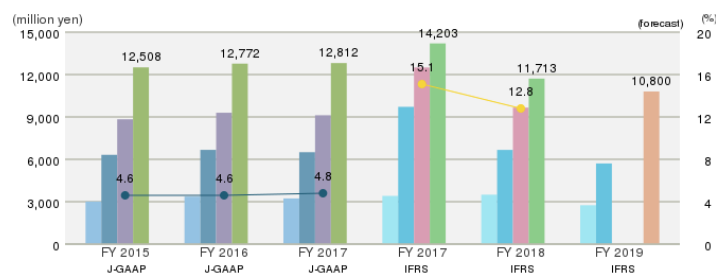


		2015/2 (J-GAAP)	2016/2 (J-GAAP)	2017/2 (J-GAAP)	2017/2 (IFRS)	2018/2 (IFRS)	2019/2 (IFRS)
Operating revenue (IFRS) (million yen)	Full Year	269,889	276,358	268,373	93,780	91,621	93,700 (forecast)
	3rd Quarter	197,300	204,230	199,599	69,496	68,252	
	2nd Quarter	131,183	136,721	134,029	47,168	45,230	44,184
	1st Quarter	67,670	70,620	68,208	23,706	23,508	22,026

The Company has adopted IFRS from the first quarter of the fiscal year ending February 28, 2018.

Operating revenue decreased due to various factors including strong theater performances in our Entertainment business and large construction contracts in our Space Engineering and Management Business in the same period of the previous fiscal year and decreased sales at our NEUVE A Retail Business, despite strong contributions from PARCO\_ya Ueno and Kyoto ZERO GATE, which opened last fiscal year, and Harajuku ZERO GATE, which opened in March, that maintained performance for our Shopping Center business amid struggling sales across PARCO stores.

### Operating profit / Operating income margin

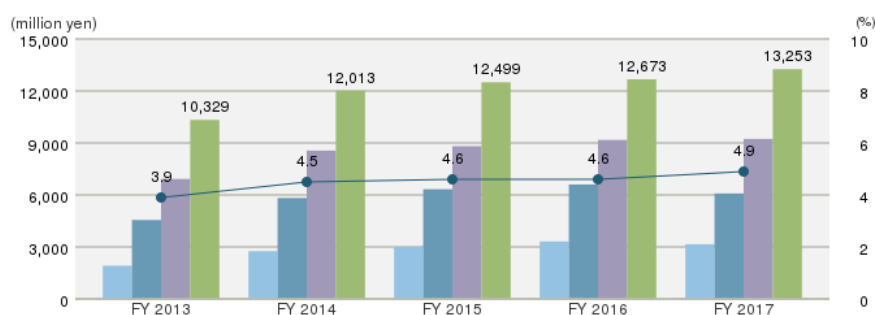


		2015/2 (J-GAAP)	2016/2 (J-GAAP)	2017/2 (J-GAAP)	2017/2 (IFRS)	2018/2 (IFRS)	2019/2 (IFRS)
Operating profit (million yen)	Full Year	12,508	12,772	12,812	14,203	11,713	10,800 (forecast)
	3rd Quarter	8,834	9,295	9,119	12,500	9,660	
	2nd Quarter	6,319	6,669	6,504	9,716	6,666	5,707
	1st Quarter	3,011	3,363	3,231	3,412	3,497	2,750
Operating income margin (%)	Full Year	4.6	4.6	4.8	15.1	12.8	

The Company has adopted IFRS from the first quarter of the fiscal year ending February 28, 2018.

Operating profit and profit declined due to the reversal of allowance from the closure of Otsu Parco recorded in the same period of the previous fiscal year.

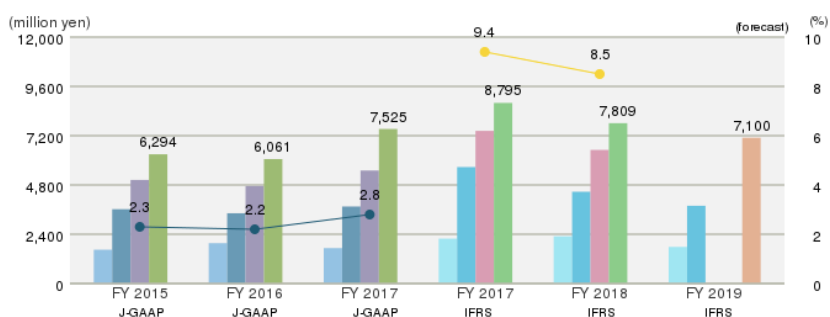
### Ordinary income / Ordinary income margin



		2013/2	2014/2	2015/2	2016/2	2017/2
Ordinary income (million yen)	Full Year	10,329	12,013	12,499	12,673	13,253
	3rd Quarter	6,922	8,560	8,811	9,175	9,232
	2nd Quarter	4,554	5,824	6,329	6,602	6,085
	1st Quarter	1,918	2,755	2,998	3,314	3,157
Ordinary income margin (%)	Full Year	3.9	4.5	4.6	4.6	4.9

### Profit attributable to owners of the parent / Profit attributable to owners of the parent ratio(IFRS)

### Net income attributable to parent / Net income attributable to parent margin(J-GAAP)



		2015/2 (J-GAAP)	2016/2 (J-GAAP)	2017/2 (J-GAAP)	2017/2 (IFRS)	2018/2 (IFRS)	2019/2 (IFRS)
Profit attributable to owners of the parent (IFRS) (million yen)	Full Year	6,294	6,061	7,525	8,795	7,809	7,100 (forecast)
	3rd Quarter	5,045	4,749	5,503	7,434	6,507	
	2nd Quarter	3,619	3,422	3,751	5,672	4,469	3,786
	1st Quarter	1,647	1,965	1,725	2,186	2,301	1,784
Profit attributable to owners of the parent ratio (%)	Full Year	2.3	2.2	2.8	9.4	8.5	

The Company has adopted IFRS from the first quarter of the fiscal year ending February 28, 2018.

Profit decreased as a result of the decrease in operating profit and other factors.



## Financial Highlights

### Shopping Complex Business(PARCO, PARCO(Singapore))

		2015/2 (J-GAAP)	2016/2 (J-GAAP)	2017/2 (J-GAAP)	2017/2 (IFRS)	2018/2 (IFRS)	2019/2 (IFRS)
Revenue (IFRS) (million yen)	Full Year	243,783	248,078	239,447	53,864	51,351	
	3rd Quarter	178,261	183,318	178,759	40,764	38,235	
	2nd Quarter	118,836	122,478	119,597	27,483	25,513	25,490
	1st Quarter	61,364	62,725	60,964	13,741	12,850	12,872
Operating income (million yen)	Full Year	11,317	11,549	11,738	13,179	10,964	
	3rd Quarter	8,277	8,614	8,515	12,034	9,465	
	2nd Quarter	5,914	6,151	5,913	9,256	6,617	5,764
	1st Quarter	2,831	2,979	2,873	3,057	3,245	2,767

### Retail Business(NEUVE A)

		2015/2 (J-GAAP)	2016/2 (J-GAAP)	2017/2 (J-GAAP)	2017/2 (IFRS)	2018/2 (IFRS)	2019/2 (IFRS)
Revenue (IFRS) (million yen)	Full Year	19,802	21,473	21,640	21,532	21,216	
	3rd Quarter	14,008	15,169	15,281	15,193	15,179	
	2nd Quarter	9,663	10,395	10,458	10,404	10,597	9,927
	1st Quarter	4,789	5,055	5,167	5,129	5,199	4,934
Operating income (million yen)	Full Year	647	694	435	205	75	
	3rd Quarter	226	259	71	-60	-305	
	2nd Quarter	282	318	154	26	-192	-3
	1st Quarter	130	105	39	33	-18	32

### Space Engineering and Management Business(PARCO SPACE SYSTEMS)

		2015/2 (J-GAAP)	2016/2 (J-GAAP)	2017/2 (J-GAAP)	2017/2 (IFRS)	2018/2 (IFRS)	2019/2 (IFRS)
Revenue (IFRS) (million yen)	Full Year	18,983	19,969	20,242	20,528	21,399	
	3rd Quarter	14,422	15,625	15,380	15,361	16,781	
	2nd Quarter	9,232	10,429	10,687	10,619	10,273	9,990
	1st Quarter	4,888	6,171	5,661	5,700	5,695	4,949
Operating income (million yen)	Full Year	328	433	629	773	652	
	3rd Quarter	261	439	548	524	693	
	2nd Quarter	118	203	408	393	299	165
	1st Quarter	96	209	302	293	323	83

### Other Business(PARCO Digital Marketing, PARCO's Entertainment Business)

		2015/2 (J-GAAP)	2016/2 (J-GAAP)	2017/2 (J-GAAP)	2017/2 (IFRS)	2018/2 (IFRS)	2019/2 (IFRS)
Revenue (IFRS) (million yen)	Full Year	6,891	6,850	6,774	6,137	6,158	
	3rd Quarter	5,240	5,048	5,093	4,600	4,689	
	2nd Quarter	3,130	3,524	3,295	3,021	2,781	2,692
	1st Quarter	1,817	2,087	1,480	1,326	1,931	1,154
Operating income (million yen)	Full Year	256	132	58	45	53	
	3rd Quarter	118	13	27	18	-122	
	2nd Quarter	30	16	54	46	-55	-198
	1st Quarter	-16	94	36	40	-43	-119