



August 29, 2012

For Immediate Release

Company Name: PARCO Co., Ltd.
Company Representative: Kozo Makiyama,
President, Representative Executive Officer
Stock code: 8251, TSE 1st Section
Inquiries: Akio Kobayashi,
Senior Manager, Public Relations Office

Dissolution of capital and business alliance with Development Bank of Japan

PARCO Co., Ltd. ("PARCO") resolved at a meeting of its Board of Directors held today (August 29, 2012) to dissolve its capital and business alliance (the "Alliance") with Development Bank of Japan ("DBJ") concluded on August 25, 2010, and agreed with DBJ to dissolve the Alliance as of today. The details follow.

1. Reason for dissolution

Aiming to achieve the goals outlined in its medium-term business plan announced on August 25, 2010, PARCO entered into the Alliance with DBJ on the same date, with the objectives of strengthening the operating foundation supporting the company's business strategy and securing funds for strategic investment of a certain scale, and then proceeded with its medium-term business plan.

Subsequently, from July 9, 2012 to August 20, 2012, J. FRONT RETAILING Co. Ltd. conducted a tender offer for shares of PARCO. DBJ, judging that PARCO's corporate value would benefit from becoming part of the J. FRONT RETAILING group, entered into a subscription agreement with J. FRONT RETAILING. Based on the subscription agreement, DBJ exercised of all of its stock acquisition rights for unsecured convertible bonds with stock acquisition rights on August 1, 2012. It then tendered in the tender offer all of the common shares issued to it as a result of exercising these stock acquisition rights.

Based on this and following confirmation of dealings to date pursuant to the Alliance and following consultation on continuation of the Alliance with DBJ, it was mutually agreed by PARCO and DJB to dissolve the Alliance.

2. Details of dissolution

The alliance agreement entered into between PARCO and DJB on August 25, 2012 ends as of today, August 29, 2012.

3. About Development Bank of Japan

(1) Name	Development Bank of Japan Inc.
(2) Location	9-1, Otemachi 1-chome, Chiyoda-ku, Tokyo
(3) Title and name of representative	Toru Hashimoto, President & CEO
(4) Type of business	Finance and insurance
(5) Capital	¥1,198,316 million
(6) Date of establishment	October 1, 2008
(7) Major shareholders and shareholding ratio	100% owned by the Ministry of Finance of Japan

(8) Relationship with PARCO	Capital	2.87% ownership interest in PARCO	
	Personnel	No material personnel relationships exist between PARCO and DBJ, nor are there any material personnel relationships between parties and companies affiliated with PARCO and parties and companies affiliated with DBJ	
	Business	Banking transactions	
	Related party status	DBJ is not a related party of PARCO. Furthermore, related persons and related companies of DBJ are not related parties of PARCO	
(9) Consolidated business performance and financial status over the past three years			
Fiscal year	Fiscal year ended March 31, 2010	Fiscal year ended March 31, 2011	Fiscal year ended March 31, 2012
Net assets	¥2,327,538 million	¥2,409,995 million	¥2,461,065 million
Total assets	¥15,595,740 million	¥14,845,213 million	¥15,579,881 million
Net assets per share	¥52,829.56	¥55,118.08	¥56,259.53
Ordinary revenue	¥347,921 million	¥345,189 million	¥318,775 million
Ordinary income	¥51,905 million	¥95,015 million	¥99,213 million
Net income	¥39,893 million	¥101,583 million	¥77,313 million
Net income per share	¥970.47	¥2,328.63	¥1,772.27
Dividend per share	¥230.00	¥1,147.00	¥856.00

4. Future schedule

(1)	Meeting of Board of Directors	August 29, 2012
(2)	Agreement to dissolve alliance agreement	August 29, 2012

5. Future outlook

The dissolution of the alliance agreement will have no impact on PARCO's results.

- (Reference) Consolidated earnings forecasts for fiscal year ending February 28, 2013 (announced July 5, 2012) and consolidated results for fiscal year ended February 29, 2012 (millions of yen)

	Net sales	Operating income	Ordinary income	Net income
FY2012 earnings forecasts (fiscal year ending February 2013)	274,000	10,700	10,300	5,200
FY2011 results (fiscal year ended February 2012)	259,789	9,168	8,966	4,319

Ends