

Consolidated Financial Report for the Fiscal Year Ended October 2012

December 13, 2012

Company name: PARK24, Co., Ltd Stock Listing: First Section of the Tokyo Stock Exchange
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Scheduled day of annual shareholders' meeting: January 29, 2013
Scheduled day of commencing dividend payment: January 30, 2013
Scheduled day of submission of a financial report: January 30, 2013
Preparation of Supplementary Financial Data: ☒ Yes / None
Information meeting for financial results to be held: ☒ Yes / None (for analysts and institutional investors)

(Figures are rounded down to the nearest one million yen)

1. Consolidated business results for the fiscal year ended October 2012(Nov. 1, 2011 – Oct. 31, 2012)

(1) Consolidated financial results (Figures in percentages denote the year-on-year change.)

	Net sales		Operating profit		Recurring profit		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Year ended October 2012	139,547	12.5	17,809	34.0	17,317	36.2	9,670	47.7
Year ended October 2011	124,080	9.6	13,292	3.5	12,711	7.0	6,546	0.9

(Reference) Comprehensive income: Fiscal year ended October 2012: 9,237 million yen(41.1%)
Fiscal year ended October 2011: 6,548 million yen(2.1%)

	Net income per share	Net income per share after dilution	ROE	Ratio of recurring profit to total capital	Ratio of operating profit to sales
	Yen	Yen	%	%	%
Year ended October 2012	67.37	66.98	21.7	15.3	12.8
Year ended October 2011	45.94	45.81	16.3	12.5	10.7

(Reference) Equity in earnings of affiliates: Fiscal year ended October 2012: 30million yen
Fiscal year ended October 2011: 54 million yen

(2) Consolidated financial conditions

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
Year ended October 2012	117,808	47,893	40.4	330.44
Year ended October 2011	108,935	41,685	38.0	290.70

(Reference) Shareholders' equity: Fiscal year ended October 2012: 47,544 million yen
Fiscal year ended October 2011: 41,443 million yen

(3) Consolidated financial conditions

	Cash flow from operating activities	Cash flow from investment activities	Cash flow from financial activities	Closing balance of cash and cash equivalents
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Year ended October 2012	28,794	(18,743)	(10,009)	12,028
Year ended October 2011	20,999	(18,738)	(2,755)	11,981

2. Dividend status

(Base date)	Dividend per share					Annual dividends	Payout ratio (consolidated)	Ratio of dividends to net assets (consolidated)
	End of Q1	End of Q2	End of Q3	End of term	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal 2011	—	0.00	—	30.00	30.00	4,276	65.3	10.6
Fiscal 2012	—	0.00	—	35.00	35.00	5,035	52.0	11.3
Fiscal 2013 (projection)	—	0.00	—	35.00	35.00		45.1	

3. Projections of consolidated business results for the term ending October 31, 2013 (from November 1, 2012 to October 31, 2013)

(%: changes from the same period of the previous year)

	Net sales		Operating profit		Recurring profit		Net income		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Interim	74,500	10.8	8,700	7.7	8,500	8.3	4,700	10.0	32.63
Full year	155,000	11.1	20,500	15.1	20,000	15.5	11,200	15.8	77.68

Notes

- (1) Important changes of subsidiaries during the term
(change of specified subsidiaries that lead to a change in the scope of consolidation): No
- (2) Changes in accounting principles and procedures and the presentation method, etc. of consolidated financial statements (those which are included in change of basic important matters for the preparation of consolidated financial statements)
 - 1) Changes associated with the revision of accounting principles, etc.: Yes
 - 2) Change other than 1): No
 - 3) Changes in accounting estimates : No
 - 4) Restatement : No
- (3) Number of shares issued (common stock)
 - 1) Number of shares issued at the end of the term (including treasury stock) (shares)
Fiscal year ended October 2012: 150,344,504 Fiscal year ended October 2011: 149,023,304
 - 2) Number of treasury stock at the end of the term (shares)
Fiscal year ended October 2012: 6,460,837 Fiscal year ended October 2011: 6,460,877
 - 3) Average number of shares during the term:
Fiscal year ended October 2012:: 143,540,996 Fiscal year ended October 2011: 142,492,733

* Explanation about the proper use of financial projections and other important notes:

This financial summary is not subject to the financial statement audits under the Financial Instruments and Exchange Act, and the financial statement audits under the Financial Instruments and Exchange Act had not been completed at the time of disclosure.

* Explanation about the proper use of financial projections and other important notes:

(Note about forward-looking statements)

The projections above represent an outlook for the future and assumptions about uncertain factors that might affect future results, based on information available as of the date of the announcement of this document. Actual results may differ from the projections as a result of factors arising in the future.

For notes on the use of performance forecasts and assumptions for performance forecasts, please see "1. Business Results, (1) Analysis of operating results" on page1.

1. Analysis of Operating Results and Financial Position

(1) Analysis of consolidated operating results

(i) Operating results for the fiscal year under review

During the term under review (from November 1, 2011 to October 31, 2012), the Japanese economy showed some signs of moderate recovery in personal spending and capital expenditures driven by reconstruction demand after the earthquake and the effect of the government policies, including a subsidy program to promote sales of eco-friendly cars. However, the outlook for the Japanese economy remained uncertain, given a number of concerns including weak exports and production, reflecting the decelerating global economy with the European debt crisis as a backdrop, the established appreciation of the yen, and the peeling of policy effects, as well as the constraint of electric power supply and the continuation of deflationary trends.

In this environment, the Group sought to achieve a comfortable automobile society by increasing the number of parking facilities and parking spaces in the Parking Business. It also endeavored to expand the revenue base of the rent-a-car service and create a market for the car sharing service in the Mobility Business.

As a result, during the term under review, the Group reached a new high in sales and profit at each level, posting net sales of 139,547 million yen (up 12.5% year on year), operating profit of 17,809 million yen (up 34.0%), and recurring profit of 17,317 million yen (up 36.2%). Net income stood at 9,670 million yen (up 47.7%).

Results by business segment are as follows:

Parking Business

On the development front, the Group focused on improving profitability while promoting dominant area development. As a consequence, the numbers of Times parking facilities and parking spaces managed at the end of the term under review were 11,764, up 10.0% from the end of the previous fiscal year, and 395,784, up 10.8%, respectively. The total number of parking facilities managed, including monthly parking and facility management services, rose 8.7% from the end of the previous fiscal year, to 13,166, and the total number of parking spaces managed increased 8.2%, to 494,672.

On the earnings front, in addition to the development of new lucrative parking lots, the Group took action to improve the profitability of existing sites based on analyses of TONIC (Times Online Network & Information Center) data. Meanwhile, the Group continued to carry out a range of initiatives to enhance convenience for customers, including the promotion of electronic and credit card payments, the sale of parking tickets to commercial facilities near parking facilities, and flexible changes in parking fees. As a result, sales in this segment (including intersegment sales) stood at 111,596 million yen (increasing 8.8% year on year), and operating profit was 23,434 million yen (up 21.4%).

Mobility Business

In the rent-a-car service, the Group sought to expand its customer base by adding new sales offices to its sales network, stepping up its corporate marketing activities and carrying out campaigns tailored to area characteristics. In the car sharing service, which is still in the early stages of development, the number of members stood at 150,370 at the end of the term, up 109.3% from the end of the previous fiscal year, reflecting increased visibility through increases in the number of car sharing vehicles and customer-oriented promotional activities. The road service, launched following the acquisition of Rescue Network Co., Ltd. shares in March last year, also performed solidly overall.

As a result, the total number of vehicles in the Mobility Business segment at the end of the term under review rose 12.7% from the end of the previous fiscal year, to 29,578 (of which, the number of vehicles for the car sharing service was 4,503), sales in the segment (including intersegment sales) reached 28,120 million yen (increasing 27.3% year on year), while operating profit was 7 million yen (compared with an operating loss of 109 million yen a year ago).

(ii) Outlook for next term

The outlook for the Japanese economy looks likely to remain in the balance, given a number of concerns including the prolonged appreciation of the yen and the continuation of deflationary trends, in addition to uncertainties over the external economic environment such as those in Europe and China.

Notwithstanding this environment, the Group is aiming to increase both sales and profits by expanding revenue sources through aggressive business promotion.

In the Parking Business, we will aim to increase the number of parking spaces to be developed in the next term to 67,000 spaces, up 10.3% year on year, mainly concentrating on the development of the Times Partner Service ("TPS") by taking in the outsourcing needs of corporate customers among other initiatives.

In the Mobility Business, we will expand the car-sharing service (to the number of car sharing vehicles at the end of the term to 7,000, up 55.5% from the end of the previous fiscal year) and improve service quality in the rent-a-car service by strengthening marketing activities targeting the corporate sector, enhancing backyard functions, and improving store operations.

From April 2013 we will use a uniform brand name, Times, for our services, changing the name of our rent-a-car service from MAZDA Car Rental to Times Car Rental and the name of our car sharing service from Times PLUS to Times Car PLUS. In addition, we will expand uses of points of Times Club, a members-only points reward program for drivers, and will launch a premium member program. Through these initiatives, we will increase the visibility of Times and customers' convenience. We will also expand our networks of parking facilities and mobility services and will promote integration of the two networks.

Through these activities, the Group plans to post net sales of 155,000million yen, operating profit of 20,500 million yen, recurring profit of 20,000 million yen, and net income of 11,200 million yen in the fiscal year ending October 31, 2013, posting figures that represent new all-time highs.

(2) Analysis of consolidated financial position

(i) Assets, liabilities and net assets

Total assets at the end of the fiscal year under review rose 8,873 million yen from the end of the previous fiscal year, to 117,808 million yen. The increase was primarily attributable to a rise in total property, plant, and equipment, including machinery, equipment, and vehicles and lease assets, of 6,919 million yen.

Total liabilities increased 2,665 million yen, to 69,915 million yen. Major increases and decreases included rises in lease obligations of 1,349 million yen, accounts payable-other of 522 million yen, notes payable-facilities of 1,175 million yen, and income taxes payable of 2,361 million yen and a decline in long- and short-term loans payable of 4,061 million yen.

Net assets rose 6,207 million yen, to 47,893 million yen, as net income of 9,670 million yen and other positive factors more than offset dividend payments of 4,276 million yen and other negative factors.

(ii) Cash flows

Cash and cash equivalents at the end of the fiscal year under review increased 46 million yen from the end of the previous consolidated fiscal year, to 12,028 million yen.

The cash-flow situation by category for the fiscal year was as follows:

(Net cash from operating activities)

Net cash generated by operating activities rose 7,795 million yen from a year ago, to 28,794 million yen. The major reason for the increase was the total of depreciation and amortization, impairment loss, and income before income taxes and minority interests of 31,455 million yen. The main negative factor was income taxes paid of 5,981 million yen.

(Net cash from investing activities)

Net cash used in investing activities was 18,743 million yen (cash outflows increased 4 million yen from a year ago). This figure primarily reflects purchases of property, plant and equipment of 14,767 million yen associated with the opening of parking facilities and the acquisition of vehicles for the rent-a-car service, and the purchase of long-term prepaid expenses of 3,236 million yen.

(Net cash from financing activities)

Net cash used in financial activities was 10,009 million yen (cash outflows increased 7,254 million yen from a year ago), attributable primarily to a net decrease in short-term loans payable of 8,196 million yen, repayment of long-term loans payable of 6,778 million yen, and repayments of lease obligations of 2,792 million yen, as well as dividend payments of 4,283 million yen, which offset proceeds from long-term loans payable of 10,900 million yen.

(Changes in cash flow-related indicators)

	October 2012 Year end	October 2011 Year end	October 2010 Year end
Shareholders' equity ratio (%)	41.5	38.9	42.2
Market capitalization-based shareholders' equity ratio (%)	167.6	119.6	116.7
Number of years for debt redemption (Years)	1.5	2.2	1.9
Interest coverage ratio (Times)	78.2	48.8	38.3

(Note) Shareholders' equity ratio: Shareholders' equity / Total assets

Market-capitalization-based shareholders' equity ratio: Market capitalization / Total assets

Number of years for debt redemption: Interest-bearing debt / Cash flow from operating activities

Interest coverage ratio: Cash flow from operating activities / Interest payments

* Each indicator is calculated based on consolidated financial data.

* Market capitalization is calculated by multiplying the term-end closing share price by the term-end number of shares issued (after treasury stock deduction).

- * Operating cash flow is cash flow from operating activities of the statement of consolidated cash flow.
- * Interest bearing debt includes all interest bearing debt posted in the consolidated balance sheet.
- * Interest payments are the amount of payments of interest included in the statement of consolidated cash flow.

(3) Basic policy of profit distribution and dividend for the term under review and next term

With respect to profit distribution, we place priority on enhancing our corporate value through earnings growth. Our basic policy under this concept is to secure internal reserves as future investment funds and to return surplus funds to shareholders primarily in the forms of dividends.

We will allocate internal reserves for research and development and for capital expenditure to create a new automobile society and maximize corporate value. To this end, we will consider potential alliances and make timely investments.

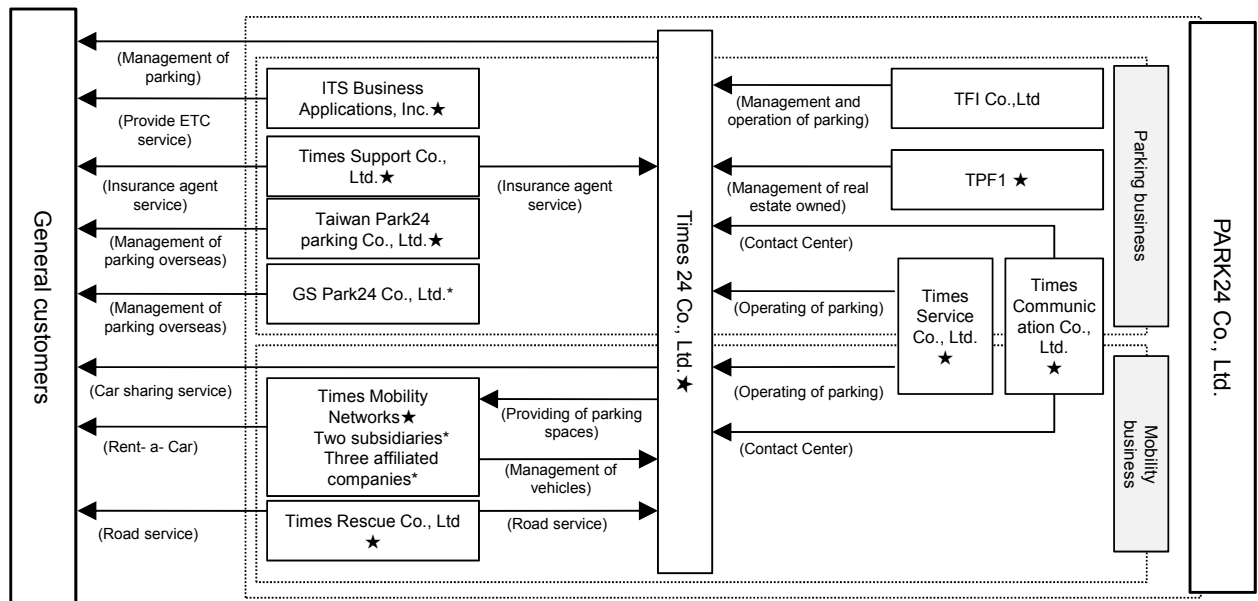
Under our basic policy, we will not pay an interim dividend but will pay a year-end dividend of 35 yen per share for the fiscal year under review. The dividend payout ratio will be 52.0%. We also plan to pay a year-end dividend of 35 yen per share (with no interim dividend) for the next term. The dividend payout ratio will be 45.1%.

2. Status of the PARK24 Group

The Group (the Company and its affiliates) consists of the Company, 11 consolidated subsidiaries, two non-consolidated subsidiaries, and four affiliates. The Group manages and operates parking facilities, rents and trades vehicles, and develops related businesses.

The following chart shows the businesses of Group companies and relations among them:

(*) The trade name of Rescue Network Co., Ltd. was changed to Times Rescue Co., Ltd. on November 1, 2012.



★ Consolidated subsidiary * Affiliated company, accounted for by the equity method

The businesses of the Group are as follows:

- Parking Business:** The Group provides pay-by-the-hour and pay-by-the-month parking facilities services under sublease agreements for renting idle land lots from landowners and administration trustee agreements for managing parking facilities on behalf of their owners. The Group also manages and operates incidental facilities of parking facilities.
- Mobility Business:** The Group provides rent-a-car service at its rent-a-car premises nationwide and operates and seeks to expand car-sharing service to promote new methods of using cars. It also provides road service for handling car accidents and trouble.

3. Management Policy

(1) Basic management policy

The basic policy of the Park24 Group is to play a role in the creation of a new motoring society that is safe, secure, and comfortable under the slogan of "People, Cars, Communities, and (Times)." Based on this policy, we will create new value in the motoring society by expanding our network of parking facilities and mobility businesses and harness our management resources.

The Group will respond to the trust and expectations of all stakeholders by sustaining overall growth and fulfilling its corporate social responsibility through the activities described above.

(2) Targeted management indices

The Group believes that its main business challenge is achieving and ensuring strong growth and profitability. It places the utmost emphasis on the rate of growth in recurring profit and strives to maintain double-digit growth.

(3) Medium-term and long-term business strategies

The Park24 Group aims to continue to expand Times parking facilities that form the platform for its services and establish mobility networks to achieve sustained growth.

In the Parking Business, we will focus our efforts on TPS, which has large growth potential, and at the same time strengthen areas in which we are dominant to achieve 500,000 vehicles for Times parking facilities by fiscal 2014.

In the Mobility Business, we will accelerate the deployment of vehicles to Times parking facilities to promote the Times PLUS car-sharing service and seek to create a new market by quickly developing and establishing an environment in which people can use cars if they go to a Times parking facility. In the rent-a-car service, we will enhance new store openings in areas where high profitability can be expected and at the same time create a new rent-a-car service. Through these efforts, we plan to establish a mobility network constituting 40,000 vehicles.

By establishing and harmonizing both the Times parking facilities network and mobility network, the Group aims at creating a comfortable motoring society.

(4) Challenges

The Group is tackling the following challenges to create a comfortable motoring society and achieve continued growth:

(i) Optimizing the parking supply-demand balance

Aiming to create towns without street parking, we strive to optimize the supply-demand balance through the development of parking facilities geared to future supply-demand trends.

(ii) Establishing parking facility network

To create a Times Network that forms the platform for new services, we will focus our efforts on TPS, which enjoys large growth potential, and at the same time strengthen areas in which we are dominant.

(iii) Promoting high added value parking facilities

In response to highly safe and ecofriendly cars and highly developed roads, TONIC (Times Online Network & Information Center) will also be used at Times parking facilities to introduce services with improved convenience.

(iv) Establishing the car sharing market

To establish a car sharing market that provides a new means of transportation, we aim at developing an environment in which people can use cars if they visit a Times parking facility by rapidly supplying vehicles for car sharing.

(v) Establishing the mobility network

We will establish a network of rent-a-car sites to respond to the diversifying needs of drivers and at the same time seek to develop an environment in which people can travel safely and securely, relying on incidental services such as road services.

(vi) Fostering efficiency through optimal allocation and harmonization of management resources

We aim at strengthening the financial position of the Group by enhancing productivity through the optimal allocation and harmonization of management resources, including manpower, goods and capital.

4. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Unit: million yen)

	As of October 31, 2011 Previous consolidated fiscal year	As of October 31, 2012 Consolidated fiscal year
Assets		
Current assets:		
Cash and deposits	11,997	12,044
Notes and accounts receivable—trade	5,056	5,757
Inventories	553	620
Merchandise	53	41
Supplies	500	578
Prepaid expenses	6,322	6,544
Deferred tax assets	744	1,131
Other	973	1,832
Allowance for doubtful accounts	(41)	(40)
Total current assets	25,608	27,891
Noncurrent assets:		
Property, plant and equipment:		
Buildings and structures	17,089	20,118
Accumulated depreciation	(6,652)	(7,429)
Buildings and structures, net	10,437	12,689
Machinery, equipment and vehicles	31,535	36,802
Accumulated depreciation	(12,850)	(15,018)
Machinery, equipment and vehicles, net	18,684	21,784
Tools, furniture and fixtures	9,224	10,523
Accumulated depreciation	(6,261)	(7,395)
Tools, furniture and fixtures, net	2,963	3,127
Land	24,654	24,657
Lease assets	14,689	18,531
Accumulated depreciation	(4,136)	(6,551)
Lease assets, net	10,553	11,980
Construction in progress	544	518
Total property, plant and equipment	67,837	74,757
Intangible assets:		
Goodwill	2,068	1,711
Other	1,016	1,092
Total intangible assets	3,085	2,804
Investments and other assets		
Investment securities	1,371	1,308
Long-term prepaid expenses	5,565	5,967
Lease and guarantee deposits	2,881	3,052
Deferred tax assets	1,623	1,424
Deferred tax assets for land revaluation	431	—
Other	537	614
Allowance for doubtful accounts	(6)	(11)
Total investments and other assets	12,403	12,355
Total noncurrent assets	83,327	89,917
Total assets	108,935	117,808
Liabilities		
Current liabilities:		

(Unit: million yen)

	As of October 31, 2011 Previous consolidated fiscal year	As of October 31, 2012 Consolidated fiscal year
Notes and accounts payable—trade	1,056	1,143
Short-term loans payable	16,417	8,234
Current portion of long-term loans payable	5,745	11,756
Lease obligations	2,574	3,054
Accounts payable—other	4,737	5,259
Accrued expenses	2,030	2,316
Income taxes payable	3,439	5,801
Provision for bonuses	958	1,078
Provision for directors' bonuses	99	100
Notes payable—facilities	1,637	2,813
Other	2,520	2,995
Total current liabilities	41,218	44,555
Noncurrent liabilities:		
Bonds with subscription rights to shares	1,000	1,000
Long-term loans payable	13,290	11,401
Lease obligations	6,570	7,439
Provision for retirement benefits	891	800
Provision for directors' retirement benefits	223	262
Asset retirement obligations	3,404	3,711
Other	652	744
Total noncurrent liabilities	26,031	25,360
Total liabilities	67,249	69,915
Net Assets		
Shareholders' equity:		
Capital stock	6,864	7,435
Capital surplus	8,618	9,188
Retained earnings	36,259	41,653
Treasury stock	(9,343)	(9,343)
Total shareholders' equity	42,399	48,934
Other accumulated comprehensive income:		
Valuation difference on available-for-sale securities	75	37
Revaluation reserve for land	(620)	(1,052)
Foreign currency translation adjustments	(411)	(375)
Total other accumulated comprehensive income	(956)	(1,389)
Subscription rights to shares	242	348
Total net assets	41,685	47,893
Total liabilities and net assets	108,935	117,808

(2) Consolidated Profit and Consolidated Loss Statement
Consolidated Profit

(Unit: million yen)

	From November 1, 2010 to October 31, 2011 Previous consolidated fiscal year	From November 1, 2011 to October 31, 2012 Consolidated fiscal year
Net sales	124,080	139,547
Cost of sales	90,825	100,124
Gross profit	33,254	39,422
Selling, general and administrative expenses	19,962	21,613
Operating income	13,292	17,809
Non-operating income:		
Interest income	2	0
Dividend income	6	4
Equity in earnings of affiliates	54	30
Penalty income charged to customers for cancellation of parking facilities	26	50
Void ticket	114	140
Other	149	125
Total non-operating income	354	352
Non-operating expenses:		
Interest expenses	432	369
Expense incurred for evacuation of parking facilities	441	385
Other	61	90
Total non-operating expenses	935	844
Recurring income	12,711	17,317
Extraordinary income:		
Gain on sales of noncurrent assets	419	—
Total extraordinary income	419	—
Extraordinary loss:		
Loss on retirement of noncurrent assets	18	12
Impairment loss	297	45
Loss on disaster	111	—
Loss on adjustment for changes of accounting standard for asset retirement obligations	1,147	—
Total extraordinary loss	1,575	58
Income before income taxes and minority interests	11,554	17,259
Income taxes—current	5,620	7,733
Income taxes—deferred	(611)	(143)
Total income taxes	5,008	7,589
Income before minority interests	6,546	9,670
Net income	6,546	9,670

Consolidated Statement of Comprehensive Income

(Unit: million yen)

	From November 1, 2010 to October 31, 2011 Previous consolidated fiscal year	From November 1, 2011 to October 31, 2012 Consolidated fiscal year
Income before minority interests	6,546	9,670
Other comprehensive income		
Valuation difference on available-for-sale securities, before tax	15	(37)
Revaluation reserve for land	-	(431)
Foreign currency translation adjustment, before tax	(3)	15
Share of other comprehensive income of associates accounted for using equity method	(10)	20
Total other comprehensive income	1	(433)
Comprehensive income	6,548	9,237
(Comprehensive income attributable to)		
Owners of the parent	6,548	9,237

(3) Consolidated Statements of Shareholders' Equity

(Unit: million yen)

	From November 1, 2010 to October 31, 2011 Previous consolidated fiscal year	From November 1, 2011 to October 31, 2012 Consolidated fiscal year
Shareholders' equity		
Capital stock		
Balance at beginning of the fiscal year	6,834	6,864
Net increase/decrease during the fiscal year		
New share issues (exercise of share subscription rights)	30	571
Total of increase/decrease during the fiscal year	30	571
Net increase/decrease during the fiscal year	6,864	7,435
Capital surplus		
Balance at beginning of the fiscal year	8,588	8,618
Net increase/decrease during the fiscal year		
New share issues (exercise of share subscription rights)	29	570
Total of increase/decrease during the fiscal year	29	570
Balance at end of the fiscal year	8,618	9,188
Retained earnings		
Balance at beginning of the fiscal year	33,988	36,259
Net increase/decrease during the fiscal year		
Cash dividends	(4,274)	(4,276)
Net income	6,546	9,670
Disposition of treasury shares	—	(0)
Total of increase/decrease during the fiscal year	2,271	5,393
Balance at end of the fiscal year	36,259	41,653
Treasury stock		
Balance at beginning of the fiscal year	(9,343)	(9,343)
Net increase/decrease during the fiscal year		
Acquisition of treasury shares	(0)	—
Disposition of treasury shares	—	0
Total of increase/decrease during the fiscal year	(0)	0
Balance at end of the fiscal year	(9,343)	(9,343)
Total shareholders' equity		
Balance at beginning of the fiscal year	40,067	42,399
Net increase/decrease during the fiscal year		
New share issues (exercise of share subscription rights)	60	1,141
Cash dividends	(4,274)	(4,276)
Net income	6,546	9,670
Acquisition of treasury shares	(0)	—
Disposition of treasury shares	—	0
Total of increase/decrease during the fiscal year	2,331	6,534
Balance at end of the fiscal year	42,399	48,934
Other accumulated comprehensive income		
Valuation difference on available-for-sale securities		
Balance at beginning of the fiscal year	59	75
Net increase/decrease during the fiscal year		
Net increase/decrease except in owners' equity	15	(37)
Total of increase/decrease during the fiscal year	15	(37)

(Unit: million yen)

	From November 1, 2010 to October 31, 2011 Previous consolidated fiscal year	From November 1, 2011 to October 31, 2012 Consolidated fiscal year
Balance at end of the fiscal year	75	37
Revaluation reserve for land		
Balance at beginning of the fiscal year	(620)	(620)
Net increase/decrease during the fiscal year		
Total of increase/decrease during the fiscal year	—	(431)
Balance at end of the fiscal year	—	(431)
Net increase/decrease during the fiscal year	(620)	(1,052)
Foreign currency translation adjustments		
Balance at beginning of the fiscal year	(397)	(411)
Net increase/decrease during the fiscal year		
Net increase/decrease except in owners' equity	(13)	36
Total of increase/decrease during the fiscal year	(13)	36
Balance at end of the fiscal year	(411)	(375)
Total valuation and translation adjustments		
Balance at beginning of the fiscal year	(958)	(956)
Net increase/decrease during the fiscal year		
Net increase/decrease except in owners' equity	1	(433)
Total of increase/decrease during the fiscal year	1	(433)
Balance at end of the fiscal year	(956)	(1,389)
Subscription rights to shares		
Balance at beginning of the fiscal year	116	242
Net increase/decrease during the fiscal year		
Net increase/decrease except in owners' equity	126	105
Total of increase/decrease during the fiscal year	126	105
Balance at end of the fiscal year	242	348
Minority interests		
Balance at beginning of the fiscal year	2	—
Net increase/decrease during the fiscal year		
Net increase/decrease except in owners' equity	(2)	—
Total of increase/decrease during the fiscal year	(2)	—
Balance at end of the fiscal year	-	-
Total net assets		
Balance at beginning of the fiscal year	39,228	41,685
Net increase/decrease during the fiscal year		
New share issues (exercise of share subscription rights)	60	1,141
Cash dividends	(4,274)	(4,276)
Net income	6,546	9,670
Acquisition of treasury shares	(0)	—
Disposition of treasury shares	—	0
Net increase/decrease except in owners' equity	125	(327)
Total of increase/decrease during the fiscal year	2,457	6,207
Balance at end of the fiscal year	41,685	47,893

(4) Statements of consolidated cash flow

(Unit: million yen)

	From November 1, 2010 to October 31, 2011 Previous consolidated fiscal year	From November 1, 2011 to October 31, 2012 Consolidated fiscal year
Net cash provided by (used in) operating activities:		
Income before income taxes and minority interests	11,554	17,259
Depreciation and amortization	12,292	14,150
Loss on adjustment for changes of accounting standard for asset retirement obligations	1,147	—
Impairment loss	297	45
Increase (decrease) in provision for retirement benefits	10	(90)
Increase (decrease) in provision for directors' retirement benefits	19	39
Interest and dividends income	(8)	(5)
Interest expenses	432	369
Loss (gain) on sales of noncurrent assets	(419)	-
Loss on retirement of noncurrent assets	18	12
Decrease (increase) in notes and accounts receivable—trade	(1,316)	(700)
Decrease (increase) in inventory	902	1,223
Increase (decrease) in notes and accounts payable—trade	194	80
Decrease (increase) in accounts receivable—other	619	(292)
Decrease (increase) in prepaid expenses	(576)	308
Increase (decrease) in accounts payable—other	(126)	617
Increase (decrease) in notes payable—facilities	123	241
Others, net	1,992	1,879
Subtotal	27,157	35,138
Interest and dividends income received	8	5
Interest expenses paid	(430)	(368)
Income taxes paid	(5,736)	(5,981)
Net cash provided by (used in) operating activities	20,999	28,794
Net cash provided by (used in) investment activities:		
Payments into time deposits	(16)	(16)
Proceeds from withdrawal of time deposits	16	16
Purchase of property, plant and equipment	(15,297)	(14,767)
Proceeds from sales of property, plant and equipment	1,034	51
Purchase of intangible assets	(548)	(381)
Purchase of investment in securities	—	20
Proceeds from sales of investment securities	12	—
Purchase of investments in subsidiaries resulting in change in scope of consolidation	(845)	—
Purchase of long-term prepaid expenses	(2,837)	(3,236)
Others, net	(255)	(429)
Net cash provided by (used in) investment activities	(18,738)	(18,743)

(Unit: million yen)

	From November 1, 2010 to October 31, 2011 Previous consolidated fiscal year	From November 1, 2011 to October 31, 2012 Consolidated fiscal year
Net cash provided by (used in) financing activities:		
Net increase (decrease) in short-term loans payable	7,383	(8,196)
Proceeds from long-term loans payable	2,100	10,900
Repayment of long-term loans payable	(5,433)	(6,778)
Repayments of lease obligations	(2,575)	(2,792)
Proceeds from issuance of common stock	60	1,141
Purchase of treasury stock	(0)	—
Cash dividends paid	(4,289)	(4,283)
Others, net	—	0
Net cash provided by (used in) financing activities	(2,755)	(10,009)
Effect of exchange rate change on cash and cash equivalents	(1)	5
Net increase (decrease) in cash and cash equivalents	(495)	46
Cash and cash equivalents at beginning of period	12,476	11,981
Cash and cash equivalents at end of period	11,981	12,028

(5)Note on going concern assumptions

Not applicable

(6)Material matters as base in preparation of consolidated financial statements

1. Matters related to the scope of consolidation

Number of consolidated subsidiaries: 11

Times24 Co., Ltd.

Times Service Co., Ltd.

Times Communication Co., Ltd.

TPF-1 Limited

Taiwan Park24 Parking Co., Ltd. (Taiwan)

ITS Business Applications Co., Ltd.

Times Mobility Networks Co., Ltd.

Times Support Co., Ltd.

TPF-3 Limited

Rescue Network Co., Ltd.

TFI Co.,Ltd.

Increase through establishment: 1

TFI Co.,Ltd.

Number of non-consolidated subsidiaries: 2

MAZDA Car Rental Fukuoka Corporation

MAZDA Car Rental Oita Corporation

The total assets, net sales, net income/loss (commensurate with the equity held by the Group), and retained surplus (commensurate with the equity held by the Group) of the two non-consolidated subsidiaries were all small amounts, and the effects on the consolidated financial statements were minor.

2.Matters related to application of the equity method

Number of equity method non-consolidated subsidiaries: 2

MAZDA Car Rental Fukuoka Corporation

MAZDA Car Rental Oita Corporation

Number of affiliated equity method companies: 4

GS Park24 Co., Ltd. (South Korea)

MAZDA Car Rental Saitama Corporation

MAZDA Car Rental Koshin Corporation

MAZDA Car Rental Ehime Corporation

We apply the equity method to the financial statements of the equity method subsidiaries and affiliates based on their provisional settlements of accounts made on the consolidated closing date.

3. Matters related to the closing date etc. of the consolidated subsidiaries

The fiscal year ends of consolidated subsidiaries other than TFI Co., Ltd. and Taiwan Park24 Parking Co., Ltd. (Taiwan) are the same as the consolidated fiscal year end. The fiscal year ends of TFI Co., Ltd. and Taiwan Park24 Parking Co., Ltd. (Taiwan) are March 31 and September 30, respectively. With respect to the preparation of consolidated financial statements, TFI Co., Ltd. uses financial statements for provisional settlement as of October 31, and Taiwan Park24 Parking Co., Ltd. (Taiwan) uses financial statements as of the fiscal year end, and an adjustment is made for important transactions undertaken in the period up to the end of the consolidated fiscal year.

4. Matters related to the accounting standards

(1) Important appraisal standards and appraisal method for assets

A. Short-term investment securities

(a) Other securities

Securities with a market price

We adopt the market value method based on market prices on the closing date of the consolidated accounting period. (Variances from the valuation at term end are all included directly in capital; costs of products sold during the term are calculated using the moving average method.)

Securities without a market price:

We adopt the cost method based on the moving average method.

B. Inventories

(a) Merchandise

The cost method from the individual method (Balance sheet values are written down in accordance with falls in profitability.)

(b) Supplies

The last purchase method (Balance sheet values are written down in accordance with falls in profitability.)

(2) Important method of depreciation of fixed assets

A. Property, plant and equipment

(a) Property, plant and equipment other than leased assets

We adopt the fixed rate method. However, we adopt the straight line method for buildings (excluding equipment attached to buildings) acquired on and after April 1, 1998

Major useful lives:

Buildings: Six to 50 years

Structures: Ten to 45 years

(b) Leased assets

Leased assets relating to finance lease transactions without the transfer of ownership

We adopt the straight line method. The lease period is set to durable years, and the residual value is set to zero.

B. Intangible assets

We adopt the fixed amount method. However, for software used by the Company, we adopt the fixed amount method based on the usable period within the Company (five years)

C. Long-term prepaid expenses

We adopt primarily the fixed amount method.

(3) Important standards for appropriation of allowances

A. Allowance for doubtful accounts

To prepare for losses incurred by defaults on accounts receivable, etc., given the loan loss ratio for general credits and the individual collectability for specific credits such as doubtful debts, etc., we post the estimated uncollectible amount

B. Provision for bonuses

The amount expected to be paid as bonuses is posted for the payment of bonuses

C. Provision for directors' bonuses

The amount expected to be paid as directors' bonuses is posted for the payment of directors' bonuses.

D. Provision for retirement benefits

The retirement benefit obligation estimated based on the projected retirement benefit obligation at the end of the current consolidated fiscal year is posted as retirement benefit allowances for employees. Past service cost was appropriated for expenses in a lump sum when the system was changed. Actuarial differences are appropriated pro rata using the fixed amount method over the following consolidated fiscal years (five years), a period that is not beyond the average remaining service years of employees calculated at the time of occurrence.

E. Provision for directors' retirement benefits

To prepare for payment of officers' retirement allowances, the amount of payment required at the end of term under the officers' retirement allowance rules is posted.

(4) Matters related to the amortization of goodwill
Goodwill is amortized equally over ten years.

(5) Scope of funds for consolidated cash flow statement

Funds (cash and cash equivalents) in the consolidated cash flow statement consist of cash on hand, liquid deposits and short-term investments that can be readily converted into cash with a low risk of fluctuations in value, and with a redemption date within three months of the acquisition date.

(6) Other important matters for production of the consolidated financial statements

Accounting treatment of consumption tax

We adopt the net of tax method for consumption tax.

(7) Changes in accounting policies

The Accounting Standard for Earnings Per Share (Accounting Standards Board of Japan [ASBJ] Statement No. 2 on June 30, 2010) and the Guidance on Accounting Standard for Earnings Per Share (ASBJ Guidance No. 4 published on June 30, 2010) were applied in the fiscal year under review.

The Company has changed the method by which it calculates diluted net income per share as follows: For stock options that vest after a specified service period, the Company now includes the portion of stock options' fair value attributable to future service when calculating the cash proceeds assumed to be receivable upon exercise of the stock options.

The effect of the application is described in the note to per share information.

(8) Additional information

Application of the Accounting Standard for Accounting Changes and Error Corrections

The Company applied the Accounting Standard for Accounting Changes and Error Corrections

(ASBJ Standard No. 24 on December 4, 2009) and the Guidance on Accounting Standard for Accounting Changes and Error Corrections (ASBJ Guidance No. 24 on December 4, 2009) to accounting changes and corrections of prior period errors that were made on or after November 1, 2011.

(9) Explanatory notes

(Notes to consolidated balance sheet)

1 Breakdown of inventories

	(Million yen)	
	As of October 31, 2011 Previous consolidated fiscal year	As of October 31, 2012 Consolidated fiscal year
Merchandise	53	41
Supplies	500	578
Total	553	620

2 Pledged assets

Fiscal year ended October 31, 2011

20 million yen in investments in securities are deposited as security for business dealings.

Fiscal year ended October 31, 2012

10 million yen in investments in securities are deposited as security for business dealings.

3 Shares of non-consolidated subsidiaries and affiliated companies

(Million yen)

	As of October 31, 2011 Previous consolidated fiscal year	As of October 31, 2012 Consolidated fiscal year
--	--	--

Investment securities (shares): 1,056 1,105

- 4 The land for business purposes is revalued, and the resulting variance is posted in net assets under the Act on Revaluation of Land (No. 34 promulgated on March 31, 1998) and the Law to Amend the Act on Revaluation of Land (promulgated on March 31, 1999).

• Method of revaluation

The value of land is based on the price calculated according to the method determined by the Director General of the Tax Administration Agency and announced for determining land prices that form the basis for calculating the taxable value of land value tax pursuant to Article 16 of the Land Value Tax Law (Land No. 69 of 1991) stipulated in Article 2, Item 4 of the Order for Enforcement on the Act on Revaluation of Land (Government Order No. 119 promulgated on March 31, 1998). Reasonable adjustments, including price adjustments by depth, are made to the value.

- Date of revaluation: October 31, 2000

(Million yen)

	As of October 31, 2011 Previous consolidated fiscal year	As of October 31, 2012 Consolidated fiscal year
--	--	--

Variance between the market value of revalued land at the end of the term and the book value after revaluation 31 14

(Notes to statement of consolidated cash flow)

- 1 Relationship between cash and cash equivalents at the end of the fiscal year and amounts in accounts in the consolidated balance sheet(As of October 31, 2012)

(Million yen)

	From November 1, 2010 to October 31, 2011 Previous consolidated fiscal year	From November 1, 2011 to October 31, 2012 Consolidated fiscal year
--	--	--

Cash and deposits 11,997 12,044

Time deposits whose deposit terms exceed three months (16) (16)

Cash and cash equivalents 11,981 12,028

(Lease transactions)

- 1 Finance lease transactions without a transfer of ownership prior to the application of the Accounting Standard for Lease Transactions

The transactions are accounted for in a manner similar to accounting treatment for ordinary rental transactions. Details are as follows:

(As lessee)

- (1) Amounts equivalent to the acquisition price, total sum of depreciation, total sum of impairment losses, and balance at the end of the fiscal year of leased assets

(Million yen)

	As of October 31, 2011 Previous consolidated fiscal year		
	Amount equivalent to acquisition price	Amount equivalent to total sum of depreciation	Amount equivalent to balance at the end of term
Parking facilities	7,508	6,899	608

(Million yen)

	As of October 31, 2012 Previous consolidated fiscal year		
	Amount equivalent to acquisition price	Amount equivalent to total sum of depreciation	Amount equivalent to balance at the end of term
Parking facilities	3,907	3,702	204

(2) Amount equivalent to balance of unearned lease fees at the end of term

(Million yen)

	As of October 31, 2011 Previous consolidated fiscal year	As of October 31, 2012 Previous consolidated fiscal year
Amount equivalent to balance of unearned lease fees at the end of term		
Less than one year	1,033	468
Over one year	607	136
Total	1,641	604

(3) Lease fees paid, reversal of leased assets impairment account, amount equivalent to depreciation, amount equivalent to interest paid, and impairment loss

(Million yen)

	From November 1, 2010 to October 31, 2011 Previous consolidated fiscal year	From November 1, 2011 to October 31, 2012 Consolidated fiscal year
Lease fees paid	1,718	1,049
Amount equivalent to depreciation cost	801	400
Amount equivalent to interest paid	55	24

(4) Method of calculating amounts equivalent to depreciation cost and to interest

Method of calculating the amount equivalent to depreciation cost

The amount equivalent to depreciation cost for each term is calculated by the constant percentage method where the lease period is assigned to the effective life, and 10% is assigned to residual value, then the amount is multiplied by ten ninths

Method of calculating the amount equivalent to interest

While the disparity between the total sum of lease fees and the amount equivalent to the acquisition price of lease assets is set as the amount equivalent to interest, we adopt the interest method for distribution to the respective terms.

(Impairment loss)

There are no impairment losses allotted to leased assets.

2 Finance lease transactions

(As lessee)

Finance lease transactions without a transfer of ownership

(1) Details of lease assets

Property, plant and equipment

Primarily tools and equipment including equipment in the Parking Business

(2) Method of depreciating lease assets

The depreciation method is described in "4. Matters related to accounting standards, (2) Important method of depreciation of fixed assets" of "Material matters as base in preparation of consolidated financial statements."

(Deferred tax accounting)

1 Breakdown of deferred tax assets and deferred tax liabilities by source

(Million yen)

	From November 1, 2010 to October 31, 2011 Previous consolidated fiscal year	From November 1, 2011 to October 31, 2012 Consolidated fiscal year
Deferred tax assets		
Current assets		
Business tax and business office tax payable	334	499
Provision for bonuses	401	409
Other	208	222
Subtotal	944	1,131
Provision for valuation	(200)	—
Total current assets	744	1,131
Noncurrent assets		
Provision for retirement benefits	365	305
Provision for directors' retirement benefits	91	91
One-time write-off of assets	148	155
Depreciation	360	331
Deferred tax assets related to revaluation	431	374
Asset retirement obligations	1,375	1,315
Other	339	542
Subtotal	3,113	3,116
Provision for valuation	(129)	(841)
Total noncurrent assets	2,983	2,275
Total deferred tax assets	3,727	3,407
Deferred tax liabilities		
Noncurrent liabilities		
Valuation difference on securities	(52)	(0)
Removal costs for asset retirement obligations	(872)	(841)
Other	(11)	(8)
Subtotal	(936)	(851)
Total deferred tax liabilities	(936)	(851)
Net deferred tax assets	2,790	2,555

(Note) Net deferred tax assets in the previous fiscal year and fiscal year under review are included in the following items on the consolidated balance sheet:

	From November 1, 2010 to October 31, 2011 Previous consolidated fiscal year	From November 1, 2011 to October 31, 2012 Consolidated fiscal year
Current assets - Deferred tax assets	744	1,131
Noncurrent assets - Deferred tax assets	1,623	1,424
Noncurrent assets - Deferred tax assets related to revaluation	431	—
Noncurrent liabilities - Deferred tax liabilities	8	—

2 Breakdown of difference between the legally effective tax rate and the actual effective tax rate after applying tax effect accounting by major cause

	As of October 31, 2011 Previous consolidated fiscal year	(%) As of October 31, 2012 Previous consolidated fiscal year
Legally effective tax rate	41.0	41.0
(Adjustment)		
Provision for valuation	0.5	1.8
Items permanently excluded from expenses including entertainment expenses	0.8	0.5
Permanent differences including dividends income	—	(2.0)
Residence tax on a per capita basis	0.5	0.4
Effect of tax rate change	—	1.5
Other	0.5	0.8
Effective tax rate after applying tax effect accounting	43.3	44.0

3 Amendment of the amount of deferred tax assets and deferred tax liabilities due to the effect of change in corporate tax rates

Following the introduction on December 2, 2011 of the Act for Partial Revision of the Income Tax Act, etc. for the Purpose of Creating Taxation System Responding to Changes in Economic and Social Structures (Act No. 114 of 2011) and the Act on Special Measures for Securing Financial Resources Necessary to Implement Measures for Reconstruction following the Great East Japan Earthquake (Act No. 117 of 2011), corporate tax rates were reduced and the special reconstruction corporate tax was imposed for the fiscal years beginning on or after April 1, 2012. In line with these changes, the effective corporate tax rate used to measure deferred tax assets and liabilities are changed from 41.0% to 38.0% for temporary differences expected to be eliminated in or after the fiscal year beginning on November 1, 2012. The rate will be changed from 41.0% to 35.6% for temporary differences expected to be eliminated in or after the fiscal year beginning on November 1, 2015.

As a result of this change, net deferred tax assets at the end of the fiscal year under review declined 251 million yen, and income taxes-deferred posted in the fiscal year under review rose 251 million yen.

(Segment information)

Segment information

1. Overview of reported segments

The business of the Company is categorized into two reported segments by service: the Parking Business and the Mobility Business. Separate financial information is available for each of the reported segments in accordance with the constituent units of the Company and the Group, and the Board of Directors reviews each reported segment regularly to determine the distribution of management resources and to evaluate financial results.

The following is a description of each reported segment:

(1) Parking Business: Operations relating to management and operation of parking sites

(2) Mobility Business: Automobile-related operations relating to the rent-a-car service, car sharing service, and road service

2. Method of calculating net sales, profits or losses, assets, obligations and other flows by segment

The accounting treatment for reported segments is generally similar to the descriptions under "important matters for production of the consolidated financial statements." Profits of reported segments are figures based on operating profit. The Company does not allocate assets and liabilities to reported segments.

3. Information on sales, profits or losses and other flows by reported segment
Previous consolidated fiscal year (from November 1, 2010 to October 31, 2011)

(Unit: million yen)

	Reported segment			Adjustment (Note) 1	Amount on consolidated profit and loss statement (Note) 2
	Parking Business	Mobility Business	Total		
Sales					
Sales to external customers	102,010	22,069	124,080	—	124,080
Internal sales or amount of transfer between segments	550	27	578	(578)	—
Total	102,561	22,097	124,659	(578)	124,080
Segment profit (loss)	19,303	(109)	19,193	(5,901)	13,292
Others					
Depreciation	3,431	6,247	9,679	618	10,297
Amortization of long-term prepaid expenses	1,731	213	1,945	1	1,947

(Note) 1. An adjustment of minus ¥5,901 million in segment profit (loss) includes an amortization of goodwill of minus ¥331 million (amortized balance: ¥2,068 million) and Company-wide expenses of ¥5,570 million. Company-wide expenses are mainly expenses that do not belong to either of the reported segments. Those expenses are relating to the administration division, including the general affairs department.

2. Segment profit (loss) is adjusted in accordance with operating profit in the consolidated profit and loss statement.

3. Renaming of segment

The Rent-a-Car Business has been renamed the Mobility Business in the fiscal year under review.

The road service operated by Rescue Network Co., Ltd. has been added to the segment.

Consolidated fiscal year under review (from November 1, 2011 to October 31, 2012)

Consolidated fiscal year under review (from November 1, 2011 to October 31, 2012)

(Unit: million yen)

	Reported segment			Adjustment (Note) 1	Amount on consolidated profit and loss statement (Note) 2
	Parking Business	Mobility Business	Total		
Sales					
Sales to external customers	111,460	28,086	139,547	—	139,547
Internal sales or amount of transfer between segments	135	34	169	(169)	—
Total	111,596	28,120	139,717	(169)	139,547
Segment profit (loss)	23,434	7	23,441	(5,631)	17,809
Others					
Depreciation	4,137	7,433	11,571	534	12,105
Amortization of long-term prepaid expenses	1,738	305	2,044	0	2,044

(Note) 1. An adjustment of minus ¥5,631 million in segment profit (loss) includes an amortization of goodwill of minus ¥356 million (amortized balance: ¥1,711 million) and Company-wide expenses of ¥5,275 million. Company-wide expenses are mainly expenses that do not belong to either of the reported segments. Those expenses are relating to the administration division, including the general affairs department.

2. Segment profit (loss) is adjusted in accordance with operating profit in the consolidated profit and loss statement.

Relevant information

Previous consolidated fiscal year (from November 1, 2010 to October 31, 2011) and Consolidated fiscal year under review (from November 1, 2011 to October 31, 2012)

1. Information according to product and service

Similar information is disclosed in Segment Information, and a statement is therefore omitted.

2. Information according to region

(1) Net sales

Net sales in Japan to external customers account for more than 90% of the total net sales in the consolidated profit and loss statement, and a statement is therefore omitted.

(2) Property, plant and equipment

Property, plant and equipment in Japan account for more than 90% of the total property, plant and equipment in the consolidated balance sheets and a statement is therefore omitted.

3. Information according to major customer

No external customer accounts for more than 10% of net sales on the consolidated profit and loss statement, and a statement is therefore omitted.

Information concerning impairment loss of noncurrent assets according to reported segment

Previous consolidated fiscal year under review (from November 1, 2010 to October 31, 2011)

(Unit: million yen)

	Reported segment			Total
	Parking Business	Mobility Business	Total	
Impairment loss	294	2	297	297

Consolidated fiscal year under review (from November 1, 2011 to October 31, 2012)

(Unit: million yen)

	Reported segment			Total
	Parking Business	Mobility Business	Total	
Impairment loss	45	—	45	45

Information concerning amortization of goodwill and amortized balance according to reported segment

Previous consolidated fiscal year (from November 1, 2010 to October 31, 2011) and Consolidated fiscal year under review (from November 1, 2011 to October 31, 2012)

Related information is described in the segment information section, and the information is omitted here.

Information concerning gain on negative goodwill according to reported segment

Not applicable

(Per share information)

	From November 1, 2010 to October 31, 2011 Previous consolidated fiscal year	From November 1, 2011 to October 31, 2012 Consolidated fiscal year
Shareholders' equity per share	290.70yen	330.44 yen
Net income per share	45.94 yen	67.37 yen
Net income per share after adjustment of latent shares	45.81 yen	66.98 yen

(Note) The grounds for the calculation of Net income per share and Net income per share after adjustment of latent shares are as follows:

Item	From November 1, 2010 to October 31, 2011 Previous consolidated fiscal year	From November 1, 2011 to October 31, 2012 Consolidated fiscal year
Net income per share		
Net income (million yen)	6,546	9,670
Net income associated with common shares (million yen)	6,546	9,670
Average number of shares issued during the term (thousand shares)	142,492	143,540
Net income per share after adjustment of latent shares		
Increase in common shares(thousand shares)	426	832
[Of which, equity warrants] (thousand shares)	(33)	(436)
[Of which, bonds with warrants] (thousand shares)	(393)	(396)
Summary of latent shares not included in the calculation of net income per share after adjustment of latent shares as they do not have a dilution effect	Stock options pursuant to the provisions of Articles 280-20 and 280-21 of the former Commercial Code (with warrants) (Resolution of the annual meeting of shareholders held on January 26, 2006) Number of warranted shares: 1,811,400 shares Exercise price:2,138 yen	Stock options pursuant to the provisions of Articles 280-20 and 280-21 of the former Commercial Code (with warrants) (Resolution of the annual meeting of shareholders held on January 26, 2006) Number of warranted shares: 1,789,400 shares Exercise price:2,138 yen

(Changes in accounting policies)

The Accounting Standard for Earnings Per Share (Accounting Standards Board of Japan [ASBJ] Statement No. 2 on June 30, 2010) and the Guidance on Accounting Standard for Earnings Per Share (ASBJ Guidance No. 4 published on June 30, 2010) were applied in the fiscal year under review.

The Company has changed the method by which it calculated diluted net income per share as follows: For stock options that vest after a specified service period, the Company now includes the portion of stock options' fair value attributable to future service when calculating the cash proceeds assumed to be receivable upon exercise of the stock options.

If the accounting standard is not applied, diluted net income per share for the previous fiscal year was 45.81 yen.

(Significant subsequent events)

Not applicable

.Non-Consolidated Financial Statements

(1) Non-Consolidated Balance Sheet

(Unit: million yen)

	As of October 31, 2011 Previous fiscal year	As of October 31, 2012 Fiscal year
Assets		
Current assets:		
Cash and deposits	1,199	1,111
Accounts receivable–trade	3	3
Merchandise	61	74
Prepaid expenses	259	306
Short-term loans receivable to subsidiaries and affiliates	9,189	6,622
Accounts receivable–other	1,173	1,405
Deferred tax assets	85	90
Other	7	14
Allowance for doubtful accounts	(15)	(0)
Total current assets	11,964	9,627
Noncurrent assets:		
Property, plant and equipment:		
Buildings	8,351	9,083
Accumulated depreciation	(2,134)	(2,467)
Buildings, net	6,216	6,616
Structures	106	121
Accumulated depreciation	(57)	(65)
Structures, net	48	56
Machinery and equipment	408	408
Accumulated depreciation	(214)	(247)
Machinery and equipment, net	194	161
Vehicles	16	16
Accumulated depreciation	(12)	(5)
Vehicles, net	3	10
Tools, furniture and fixtures	4,918	5,820
Accumulated depreciation	(3,020)	(3,815)
Tools, furniture and fixtures, net	1,898	2,004
Land	23,436	23,439
Construction in progress	403	425
Total property, plant and equipment	32,200	32,714
Intangible assets:		
Software	779	822
Other	58	81
Total intangible assets	837	903

(Unit: million yen)

	As of October 31, 2011 Previous fiscal year	As of October 31, 2012 Fiscal year
Investments and other assets		
Investment securities	289	177
Stocks of subsidiaries and affiliates	9,707	9,420
Investments in other securities of subsidiaries and affiliates	8	8
Investments in capital	1	1
Long-term loans receivable from subsidiaries and affiliates	734	—
Claims provable in bankruptcy, claims provable in rehabilitation and other	10	10
Long-term prepaid expenses	7	5
Lease and guarantee deposits	1,427	1,470
Deferred tax assets	1,428	1,072
Deferred tax assets for land revaluation	431	—
Other	238	271
Allowance for doubtful accounts	(11)	(10)
Total investments and other assets	14,272	12,428
Total noncurrent assets	47,311	46,046
Total assets	59,276	55,673
Liabilities		
Current liabilities:		
Short-term loans payable	1,750	750
Current portion of long-term loans payable	3,694	8,348
Accounts payable—other	397	572
Accrued expenses	312	393
Income taxes payable	88	112
Advances received	103	110
Deposits received	1,359	1,935
Provision for bonuses	125	154
Provision for directors' bonuses	84	70
Other	38	20
Total current liabilities	7,952	12,466
Noncurrent liabilities:		
Bonds with subscription rights to shares	1,000	1,000
Long-term loans payable	11,848	3,500
Long-term lease and guarantee deposited	91	91
Provision for retirement benefits	149	132
Provision for directors' retirement benefits	168	188
Asset retirement obligations	154	157
Total noncurrent liabilities	13,411	5,069
Total liabilities	21,364	17,536

(Unit: million yen)

	As of October 31, 2011 Previous fiscal year	As of October 31, 2012 Fiscal year
Net Assets		
Shareholders' equity:		
Capital stock	6,864	7,435
Capital surplus		
Legal capital surplus	8,618	9,188
Total capital surplus	8,618	9,188
Total capital surplus		
Legal retained earnings	82	82
Other retained earnings		
General reserve	19,592	19,592
Retained earnings brought forward	12,399	11,846
Total retained earnings	32,073	31,521
Treasury stock	(9,343)	(9,343)
Total shareholders' equity	38,213	38,802
Valuation and translation adjustments:		
Valuation difference on available-for-sale securities	76	38
Revaluation reserve for land	(620)	(1,052)
Total valuation and translation adjustments	(544)	(1,014)
Subscription rights to shares	242	348
Total net assets	37,911	38,137
Total liabilities and net assets	59,276	55,673

(ii) Non-Consolidated Profit and Loss Statement

(Unit: million yen)

	From November 1, 2010 to October 31, 2011 Previous fiscal year	From November 1, 2011 to October 31, 2012 Fiscal year
Net sales	52,038	11,731
Cost of sales	37,832	1,990
Gross profit	14,206	9,741
Selling, general and administrative expenses	8,180	4,962
Operating income	6,025	4,778
Non-operating income:		
Interest income	71	72
Dividend income	5	4
Rent income of real estate	29	—
Penalty income charged to customers for cancellation of parking facilities	17	—
Void ticket	51	—
Other	161	35
Total non-operating income	337	112
Non-operating expenses:		
Interest expenses	289	208
Cost of real estate rent	10	—
Expense incurred for evacuation of parking facilities	173	—
Other	101	38
Total non-operating expenses	574	246
Ordinary income	5,789	4,645
Extraordinary income:		
Gain on sales of noncurrent assets	419	—
Total extraordinary income	419	—
Extraordinary loss:		
Impairment loss	266	—
Loss on disaster	52	—
Loss on adjustment for changes of accounting standard for asset retirement obligations	1,094	—
Total extraordinary losses	1,413	—
Income before income taxes	4,795	4,645
Income taxes—current	2,296	517
Income taxes—deferred	□204	403
Total income taxes	2,091	920
Net income	2,704	3,724

(iii) Non-Consolidated Statements of Shareholders' Equity

(Unit: million yen)

	From November 1, 2010 to October 31, 2011 Previous fiscal year	From November 1, 2011 to October 31, 2012 Fiscal year
Shareholders' equity		
Capital stock		
Balance at beginning of the fiscal year	6,834	6,864
Net increase/decrease during the fiscal year		
New share issues (exercise of share subscription rights)	30	571
Total of increase/decrease during the fiscal year	30	571
Balance at end of the fiscal year	6,864	7,435
Capital surplus		
Legal capital surplus		
Balance at beginning of the fiscal year	8,588	8,618
Net increase/decrease during the fiscal year		
New share issues (exercise of share subscription rights)	29	570
Total of increase/decrease during the fiscal year	29	570
Balance at end of the fiscal year	8,618	9,188
Total capital surplus		
Balance at beginning of the fiscal year	8,588	8,618
Net increase/decrease during the fiscal year		
New share issues (exercise of share subscription rights)	29	570
Total of increase/decrease during the fiscal year	29	570
Balance at end of the fiscal year	8,618	9,188
Retained earnings		
Legal retained earnings		
Balance at beginning of the fiscal year	82	82
Net increase/decrease during the fiscal year		
Total of increase/decrease during the fiscal year	—	—
Balance at end of the fiscal year	82	82
Other retained earnings		
General reserve		
Balance at beginning of the fiscal year	19,592	19,592
Net increase/decrease during the fiscal year		
Total of increase/decrease during the fiscal year	—	—
Balance at end of the fiscal year	19,592	19,592
Retained earnings brought forward		
Balance at beginning of the fiscal year	13,969	12,399
Net increase/decrease during the fiscal year		
Cash dividends	(4,274)	(4,276)
Net income	2,704	3,724
Disposition of treasury shares	—	(0)
Total of increase/decrease during the fiscal year	(1,570)	(552)
Balance at end of the fiscal year	12,399	11,846
Total retained earnings		
Balance at beginning of the fiscal year	33,644	32,073
Net increase/decrease during the fiscal year		
Cash dividends	(4,274)	(4,276)

(Unit: million yen)

	From November 1, 2010 to October 31, 2011 Previous fiscal year	From November 1, 2011 to October 31, 2012 Fiscal year
Net income	2,704	3,724
Disposition of treasury shares	—	(0)
Total of increase/decrease during the fiscal year	(1,570)	(552)
Balance at end of the fiscal year	32,073	31,521
Treasury stock		
Balance at beginning of the fiscal year	(9,343)	(9,343)
Net increase/decrease during the fiscal year		
Acquisition of treasury shares	(0)	—
Disposition of treasury shares	—	0
Total of increase/decrease during the fiscal year	(0)	0
Balance at end of the fiscal year	(9,343)	(9,343)
Total shareholders' equity		
Balance at beginning of the fiscal year	39,724	38,213
Net increase/decrease during the fiscal year		
New share issues (exercise of share subscription rights)	60	1,141
Cash dividends	(4,274)	(4,276)
Net income	2,704	3,724
Acquisition of treasury shares	(0)	—
Disposition of treasury shares	—	0
Total of increase/decrease during the fiscal year	(1,510)	589
Balance at end of the fiscal year	38,213	38,802
Valuation and translation adjustments		
Valuation difference on available-for-sale securities		
Balance at beginning of the fiscal year	60	76
Net increase/decrease during the fiscal year		
Net increase/decrease except in owners' equity	15	(37)
Total of increase/decrease during the fiscal year	15	(37)
Balance at end of the fiscal year	76	38
Revaluation reserve for land		
Balance at beginning of the fiscal year	(620)	(620)
Net increase/decrease during the fiscal year		
Net increase/decrease except in owners' equity	—	(431)
Total of increase/decrease during the fiscal year	—	(431)
Balance at end of the fiscal year	(620)	(1,052)
Total valuation and translation adjustments		
Balance at beginning of the fiscal year	(560)	(544)
Net increase/decrease during the fiscal year		
Net increase/decrease except in owners' equity	15	(469)
Total of increase/decrease during the fiscal year	15	(469)
Balance at end of the fiscal year	(544)	(1,014)
Subscription rights to shares		
Balance at beginning of the fiscal year	116	242
Net increase/decrease during the fiscal year		
Net increase/decrease except in owners' equity	126	105
Total of increase/decrease during the fiscal year	126	105
Balance at end of the fiscal year	242	348
Total net assets		
Balance at end of previous fiscal year	39,279	37,911

(Unit: million yen)

	From November 1, 2010 to October 31, 2011 Previous fiscal year	From November 1, 2011 to October 31, 2012 Fiscal year
Net increase/decrease during the fiscal year		
New share issues (exercise of share subscription rights)	60	1,141
Cash dividends	(4,274)	(4,276)
Net income	2,704	3,724
Acquisition of treasury shares	(0)	—
Disposition of treasury shares	—	0
Net increase/decrease except in owners' equity	142	(363)
Total of increase/decrease during the fiscal year	(1,368)	225
Balance at end of the fiscal year	37,911	38,137