



**Interim Consolidated Financial Results for the Period
Ended January 31, 2006** (English Translation of “Kessan Tanshin”)

March 3, 2006

Company Name: **Nippon Parking Development Co., Ltd.**

Exchanges Listed: TSE1, JASDAQ

Securities Code: 2353

Location of Company Headquarters: Osaka Prefecture

(U R L <http://www.n-p-d.co.jp>)

Position of Representative: President and Representative Director

Name: Kazuhisa Tatsumi

Position of Contact Person: Vice President & Managing Director

Name: Taro Ujike T E L (06) 6227-6777

Date of Board of Directors Meeting for Business Results: March 3, 2006

US GAAP not applied

1. Interim consolidated results for the period ending Jan. 31, 2006 (from Aug. 1, 2005 to Jan. 31, 2005)

(1) Consolidated Financial Results

(Note) Amounts truncated to the nearest million yen.

	Net Sales		Operating Income		Ordinary Income	
	Yen Mln	%	Yen Mln	%	Yen Mln	%
Interim to:						
January 2006	2,623	23.1	526	21.3	846	96.8
January 2005	2,130	28.3	434	48.1	429	40.5
Fiscal Year to:						
July 2005	4,512		979		1,019	

	Net Income		Earnings per Share		Fully Diluted Earnings per Share	
	Yen Mln	%	Yen		Yen	
Interim to:						
January 2005	499	88.1	147.73		145.31	
January 2004	265	59.8	79.63		77.19	
Fiscal Year to:						
July 2005	612		183.13		178.76	

- (Notes)
- Earnings from minority interests: Jan. 2006 --¥ Mln, Jan. 2005 -- ¥ Mln, July 2005: --¥ Mln.
 - Average consolidated outstanding shares: Jan. 2006: 3,382,041, Jan. 2005: 3,335,412, July 2005: 3,343,152
A 1:12 stock split was effected on Nov. 19, 2004. In addition, average outstanding shares for the Jan. 2005 period and the July 2005 period assume this split was effected at the beginning of the period.
 - Changes in accounting method: Yes
 - Change rates in sales, operating income, ordinary income and net income refer to comparisons to the same period a year previous.

(2) Consolidated Financial Condition

	Total Assets	Shareholders' Equity	Shareholders' Equity Ratio	Book Value per Share
	Yen Mln	Yen Mln	%	Yen
Interim to:				
January 2006	4,492	2,175	48.4	640.08
January 2005	2,182	1,577	72.3	471.10
Fiscal Year to:				
July 2005	3,885	1,995	51.4	591.99

(Note) Consolidated outstanding shares at the end of each period: Jan. 2006: 3,398,871, Jan. 2005: 3,349,458, July 2005: 3,371,571

(3) Status of Consolidated Cash Flows

	Cash Flow from Operating Activities	Cash Flow from Investing Activities	Cash Flow from Financing Activities	End of Period Cash and Cash Equivalents
	Yen Mln	Yen Mln	Yen Mln	Yen Mln
Interim to:				
January 2005	57	△85	△462	1,080
January 2004	145	△593	△65	727
Fiscal year to:				
July 2005	659	△1,278	949	1,572

(4) Consolidated subsidiaries and affiliates reflected under the equity method.

Consolidated subsidiaries: 3 Non-consolidated companies reflected under the equity method: 0 Affiliated companies reflected under the equity method: 0

(5) Changes in the scope of consolidation and in companies reflected under the equity method

Consolidated subsidiaries: 1 added, 0 deleted Companies reflected under the equity method: 0 added, 0 deleted

2. Forecast for the Full Fiscal Year to July 2006 (from Aug.1, 2005 to July 31, 2006)

	Sales	Ordinary Profit	Net Income
	Yen Mln	Yen Mln	Yen Mln
Fiscal Year to: July 2006	6,000	1,800	1,044

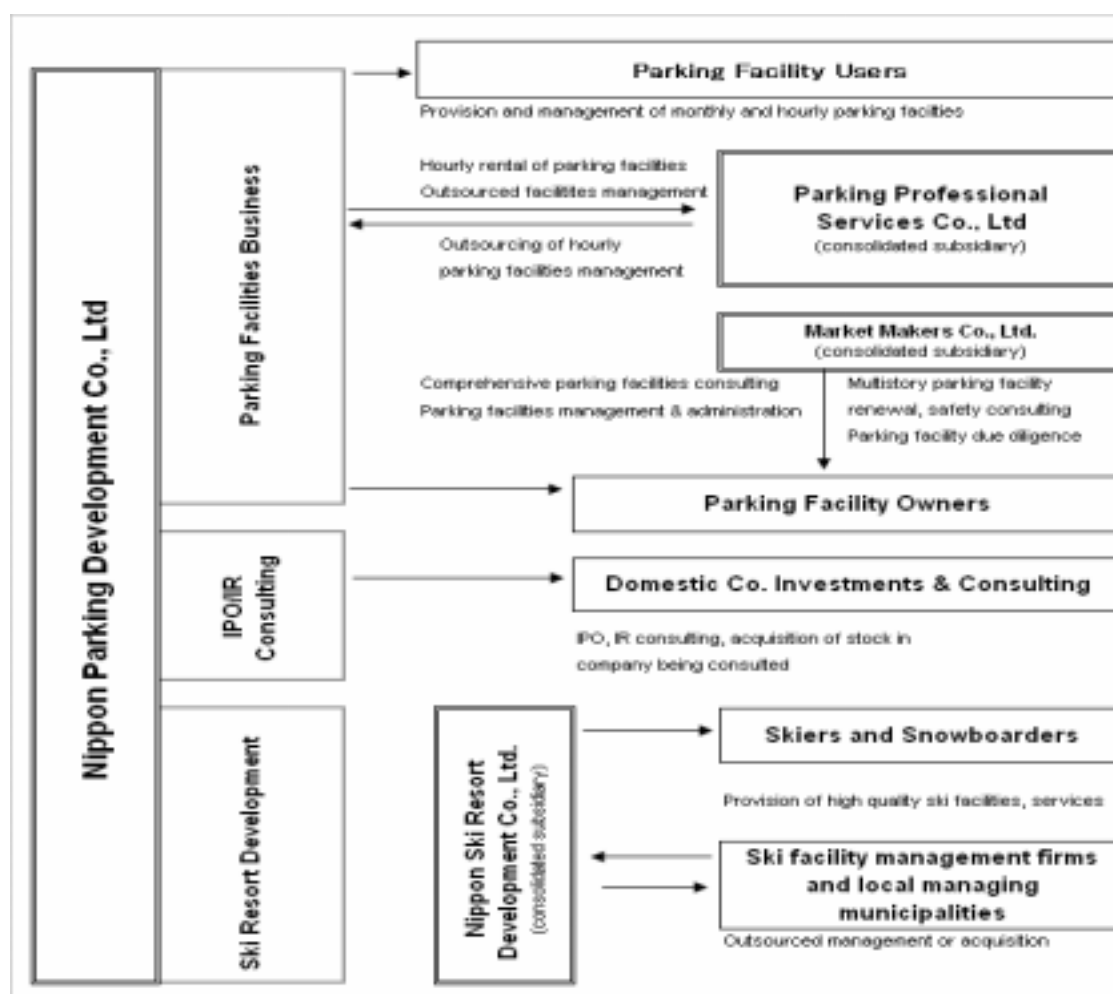
(Reference) Earnings per share for the full fiscal year: ¥307.93

※ The above forecast is based on the data available at the time this document was created. Actual results can differ materially from these forecasts due to various unforeseen factors.

1. The Nippon Parking Development Group

The Nippon Parking Development Group consists of the parent company and three subsidiaries, two of which are related to the parking facilities business (Parking Professional Services Co., Ltd. and Market Makers Co., Ltd), and one of which (Nippon Ski Resort Development Co., Ltd.) which is involved in the revitalization of ski facilities. The Group provides consulting-based services for parking facilities, including direct operations to more effectively use underutilized parking facilities, leasing operations to refer trusted customers to underutilized parking facilities, management operations that provide outsourced parking facility administration, parking facility due diligence and renewal consulting, and VA service operations to introduce potential clients to income producing parking facilities. In addition, an unlisted affiliate began IPO support for unlisted companies and IR consulting for listed companies as a new service from the current fiscal year. Nippon Ski Resort Development Co., Ltd. was established in December 2005 to develop new ski facilities revitalization services.

(Diagram of Nippon Parking Development's business relationships)



*Nippon Ski Resort Development Co., Ltd. was established in December 2005, and has minimal impact on earnings. In addition, the business flow shown in the above diagram is after ski facilities are acquired or a management outsourcing contract is won.

2. Management Policies

(1) Basic Group Policies

Based on a philosophy of “a happy business relationship” with all associated with our business, we believe our mission is to provide solutions that have merit for parking facility owners, users and the society in general as we continually strive to provide the most advanced parking facility services. In addition, the Group aims to close the gap between users and providers of ski facilities with the establishment of Nippon Ski Resort Development Co., Ltd. in December 2005.

(2) Basic Policy Regarding Distribution of Profits

Since our listing on February 18, 2003 on the JASDAQ, Nippon Parking Development has strived for continuous profit growth and to provide shareholder returns commensurate with this growth. With our listing on the first section of the Tokyo Stock Exchange on January 4, 2005, we have resolved not only to strive for continuous growth, but also decide our dividend payout policy each year based on our medium-term business development and capital efficiency. With regard to the dividend payout for the current fiscal year, Nippon Parking Development plans to pay an end of period dividend per share of ¥200, based on the above-described policy.

(3) Approach and Policy Regarding Minimum Trading Unit

Nippon Parking Development has successively lowered the minimum trading unit for its shares in order to improve market liquidity and to increase the number of shareholders. On September 19, 2003 and on July 20, 2004, we effected 1:3 stock splits, and effected a 1:21 stock split on November 19, 2004. Going forward, we intend to carefully consider our shareholder structure and share trading liquidity before deciding to further lower our minimum trading unit.

(4) Goals Used as Management Indicators

The Nippon Parking Development Group is aware of the size of demand in the underdeveloped parking facilities market given user needs and potential demand from corporate and business restructuring in addition to the shift in the parking facility supply-demand balance because of urban redevelopment, and is daily impressed with the speed at which demand is being created. While a clear competitor to Nippon Parking Development has yet to emerge despite this market environment, as was seen last fiscal year when we borrowed funds, our proactive approach to the business seeks leveraged management to let no opportunity for profit go unchallenged. Going forward Nippon Parking Development intends to provide high management visibility with objective management benchmarks as we seek to continuously expand our business domain.

In terms of specific benchmark indicators, we are emphasizing balanced growth potential, profitability, financial stability and efficiency rather than being swayed by specific indicators as we strive to achieve high growth that is both stable and efficient, while at the same time emphasizing shareholder returns. Regarding specific indicators, we are emphasizing continued high levels of ordinary income growth, ordinary income profit to sales, shareholders' equity ratio, return on equity and dividend payout. With regard to return on equity in particular, our aim to consistently achieve an ROE level that is among the highest among listed companies.

(5) Medium-Term Management Strategies for the Group

The Nippon Parking Development Group has been able to achieve growth through a “non-asset” business model by supplying solutions for the efficient utilization of mainly underutilized mechanical multistory parking facilities attached to buildings that offer parking facility owners both stable income and risk reduction, while providing parking facility users with reduced costs and increased convenience. Over the medium term, we intend to proactively seek the effective utilization of the mandatory parking facilities attached to more than 50,000 buildings nationwide based on this basic business model, but will also proactively seek to acquire parking facilities in the event that acquisition provides greater merit to the Group. In addition to providing consulting services for newly built buildings with attached parking facilities from the design stage, we also intend to continue actively developing renewal consulting service for existing facilities, while at the same time proactively seeking orders from public institutions for outsourced facilities management in an effort to enhance the quality of the parking facilities currently being supplied and thereby increase the convenience of these facilities for users. Specifically, we will continue to strengthen our metropolitan area marketing activities in order to achieve a directly managed ratio of 30% of all buildings requiring parking facilities (approximately 10,000 buildings) in the three main metropolitan regions of Kanto, Chubu and Kinki. Special emphasis is being placed on the Aoyama and Shibuya areas in Tokyo, on the Sakae and Meieki areas in Nagoya, and on the Shinsaibashi area in Osaka, where we are particularly emphasizing an increase in hourly parking facilities. In addition, we continue to receive orders for properties in the surrounding cities of these three major metropolitan areas. We are also efficiently and selectively expanding regionally and responding to market needs through our business tie-up with Taisei Co., Ltd. (2nd Section Nagoya Stock Exchange) and through information gathered through dealings with local financial institutions, such as our entry into the Hiroshima market last fiscal year and the planned entry into the Sapporo market this year. Henceforth, we intend to proactively expand into regional cities where we do not yet have a presence, and in some cases will be directly acquiring parking facility properties. In addition, by expanding our consulting business for the retail industry, we intend to respond to various parking facilities market needs and expand the Nippon Parking Development Group. In doing so, we believe we can revolutionize parking services market, improve its image and thereby maximize satisfaction while continuing to generate profits.

In the IPO/IR consulting business, we are providing pre-listing support for unlisted companies based on our experience in listing on the JASDAQ as well as the first section of the Tokyo Stock Exchange. In addition, by becoming shareholders in the companies we provide support for, we are working to support the long-term growth of such firms, and are positioned to enhance the value of these companies through IR consulting after these firms are listed.

In addition, we have entered the ski facilities revitalization business through the establishment of Nippon Ski Resort Development Co., Ltd. in December 2005.

(6) Significant Issues Requiring Management Response

The Nippon Parking Development Group has grown through the provision of effective solutions for underutilized parking facilities. From June of this year, we expect to see significant changes in the supply-demand balance for parking facilities as the result of the outsourcing of illegal parking onsite enforcement and a further clarification of the responsibilities of drivers who park illegally. We view these changes as business opportunities, and believe that one key to future growth for the Group will be the ability to quickly identify customer needs and provide optimal solutions. In continually working to create the internal capability to provide responses to the external environment, we are aware of the following specific issues that need to be addressed, and will endeavor to strengthen these areas going forward.

(a) Maintenance of Customer Satisfaction

The Nippon Parking Development Group aims to provide optimal solutions that ensure the continued satisfaction of both parking facility owners and users. In addition, in terms of providing a customer response we are working to enhance the content of our working manual as well as continually striving to improve employee capabilities and morals. In manned hourly parking facilities, we are working to provide the optimal mix of services to meet the needs of each parking facility by introducing new college graduates and senior employees that retire early from large corporations. By applying our philosophy of providing services such as valet parking for high class restaurants, hotels and other facilities that have heretofore been absent in the parking facilities market, we aim to maintain and continually enhance customer satisfaction.

(b) Differentiation Strategy

As there are few legal barriers to entry in the parking facility market, we have competed with a large number of operators nationwide since our establishment, ranging from large corporations to small-scale individual operators. However, since Nippon Parking Development was listed there is as yet no rival operating in the same business domain. The parking facilities business environment is expected to noticeably change with the more stringent enforcement of illegal parking from this June, which we believe will stimulate demand. The Nippon Parking Development Group intends to maintain its superior market position by continually raising the de facto barriers to entry by providing high quality hardware and software-oriented services to differentiate its services from other companies, including operational know-how (profit maximization through a mix monthly, daily and hourly rental), abundant information (the latest information on corporations who are the main users of monthly contracted parking), consulting from the design stage for new building and commercial facility construction, renewal and safety consulting for existing multi-story parking facilities, and valet services for luxury hotels, boutiques and restaurants.

(c) Investment Strategy for the IPO/IR Consulting Business

With the IPO/IR consulting business which Nippon Parking Development began this year, the Company aims to use its experience in aiding and providing proposals for companies wishing to list in order to optimally prepare them for listing, and to provide listed companies with aid and proposals for IR activities and capital policies. In terms of the selection of which companies with which to contract these services, there is no particular emphasis on any one industry, while we will consider direct investments in those companies that adhere to legal regulations depending on an evaluation of the management capabilities and business domains of these companies, and will seek contracts with those companies determined by the investment business headquarters to have continuous growth potential after listing. The investment business headquarters will provide hands-on consulting for such companies with the aim of improving internal controls, optimal capital strategies and corporate value enhancement in conjunction with investment and the acquisition of stock options. In addition to working to increase the number of companies contracted and invested in, we intend to further utilize our various personnel resources to improve the capabilities of the people in charge of key functions, thereby contributing to the corporate value of the company being consulted.

(7) Basic Corporate Governance Philosophy and Policies Implemented

(a) Basic Corporate Governance Philosophy

Nippon Parking Development believes that an important responsibility of management is to ensure transparency, fairness, prompt and appropriate decision making, and timely, accurate disclosure. We are therefore working to enhance the Company's corporate governance.

(b) Status of Corporate Governance Policies Implemented

(1) Board of Directors

The board of directors consists of seven members, including one outside director, and meets more than one time a month to actively debate

and decide on important management issues. In principle, three corporate auditors attend each board of directors' meeting to provide oversight over board director executive activities.

(2) Board of Auditors

The Board of Auditors currently consists of three members, all of which are outside auditors. These auditors and the Board of Auditors oversee the executive activities of the managing directors based on audit policies and auditing plans. In addition, the auditors attend Board of Director meetings, inspect important corporate documents, and conduct onsite inspections of the respective branches and hourly rental parking facilities, and report on their findings to the Board of Directors. In addition, these auditors and the Board of Auditors regularly receive reports from the internal auditors assigned to the internal audit office regarding operating audit methods and results, as well as reports on the audit methods and results of accounting audits performed by the Company's accounting auditor, Delloite Touche Tohmatsu.

(3) Internal Auditing

To validate the effectiveness of the Company's internal auditing system, the internal audit office conducts operational audits of Nippon Parking Development and its consolidated subsidiaries. These audits are highly effective and much more than superficial as the results of these audits are reported to the respective audit departments and specific recommendations are made. In addition, the internal audit office functions completely separate from other divisions in an effort to functionally provide for an enhanced and strengthened audit function.

(4) Risk Management

In terms of risk management, while each part of the organization has heretofore responded according to the nature of the risk, a legal department was established in September 2005 in order to strengthen risk management for the Company as a whole. In addition, while a compliance group was previously established within the management planning office to handle compliance for the Company as a whole, the legal department will henceforth serve as the main department for ensuring legal compliance, and in addition will be actively promoting activities to raising internal awareness regarding compliance.

(5) Accounting Audits

In terms of accounting audits, Nippon Parking Development has retained Delloite Touche Tohmatsu Audit Corporation to provide accounting audits in accordance with the special exception to the Commercial Code and with the Securities and Exchange Law. Nippon Parking Development has established an environment in which this audit corporation can provide independent, third-party audits from a fair and objective standpoint. For the accounting period under review, the names of the CPAs, continuous number of years engaged, and structure of those involved in providing support for auditing activities for the fiscal year under review are as follows.

Name of CPA Performing the Audit:

Designated employees, employees performing the audit: Yasunori Matsumoto, Suguru Seto

*Continuous number of years engaged: No names have been included because all members have served less than 7 years.

Structure of those Involved in Providing Support for the Audit: CPAs: 3 Accountant Assistants: 4 Others: 2

(6) Director and Auditor Compensation

Compensation paid to Nippon Parking Development's board of directors and auditors as director compensation or audit compensation for the fiscal year under review was as follows.

Directors' Compensation, Others

Compensation paid to directors: ¥30 million Compensation paid to auditors: ¥3 million

Auditor Compensation

Compensation paid for services provided as defined under Article 2 Paragraph 1 of the CPA Law: ¥14 million

Compensation in Addition to the Above: None

(7) IR, Disclosure

Nippon Parking Development discloses corporate information in accordance with the stock exchange's "Regulations Regarding the Timely Disclosure of Corporate Information for Issuers of Listed Marketable Securities (hereafter, timely disclosure regulations), and also proactively discloses information which it believes will enhance management transparency. In addition, information meetings for analysts and fund managers are held following the announcement of full-year and interim financial results, where we proactively disclose Nippon Parking Development's growth strategy and other management information. We have also proactively conducted IR activities for foreign investors from the before last, and have prepared English language versions of our financial results as well as an English language investor guide, and held one-on-one meetings with investors in Europe in November 2005. Going forward, in addition to regularly holding individual meetings with foreign investors, we intend to proactively disclose information to foreign investors through such measures as preparing an English language annual report. Nippon Parking Development's IR activities for individual investors include the semi-annual mailing of business reports, and the holding of information meetings following our annual shareholders' meeting. Last December, we held a company information meeting for individual investors in Tokyo. In addition, presentation materials from information meetings for institutional

investors and individual investors are posted on our home page after these meetings are held for the convenience of those who could not attend these meetings.

In the future, we plan to hold information meetings for individual investors in cities other than Osaka and Tokyo.

(c) Summary of Personal Relationships between the Company, its Board Directors and Outside Auditors

There are no conflicts of interest in terms of personal relationships, capital participation or transactions between the Company and its one outside board director, or between its three outside auditors.

(d) Measures to Strengthen Corporate Governance over the Most Recent Year

Nippon Parking Development’s Board of Directors meet more than once a month, and for the interim accounting period for the July 2006 fiscal year met a total of 11 times including unscheduled meetings in order to deliberate and decide on important management issues.

In addition, Nippon Parking Development’s Board of Auditors held six meetings during the interim accounting period for the July 2006 fiscal year met a total of six times in order to determine audit policies and to create audit plans. Each auditor attends board of director meetings according to these audit policies and plans, inspects important documents, conducts on-site audits of the Company’s sites and hourly parking facilities, and oversees the executive activities of the board of directors.

Moreover, as Nippon Parking Development believes that “shareholder, customer, employee and corporate information assets are highly valuable assets”, we have taken measures to protect these assets from various threats, and in the interest of being able to provide greater security and services, have created basic information security standards and are working for thorough compliance among all the Nippon Parking Development Group’s managers and employees. As one step in strengthening our information security, the Nippon Parking Development Group’s information security management system simultaneously was certified in December 2004 for the international “BS7799-2:2002” standard, and the domestic “ISMS Ver. 2.0 Appropriateness Evaluation System” standard, and these certifications were all renewed in December 2005. With these certifications as one milestone, we will continue working to further strengthen information security through the continued effective improvement and review of our information security management systems.

3. Consolidated Operating Results and Financial Condition

(1) Operating Results

(a) Overview of Results for the Fiscal Year Ended July 2005

For the interim consolidated period under review, Japan’s economy, while affected by soaring oil prices and continue future uncertainties, continued to recover strongly supported by high levels of corporate profits, increasing capital expenditures, expanding personal consumption and improving employment conditions.

In the parking facilities market, further progress was seen in real estate securitization particularly in central Tokyo given the impact of the introduction of asset impairment accounting, and stronger emphasis on income-producing real estate. Corporate building owners, financial institutions, JREITs (real estate investment trusts) continued to emphasize improved profitability on parking facilities attached to buildings while parking facility users continued to emphasize lower operating costs, while Nippon Parking Development endeavored to continue maintaining and improve service levels in responding to such demand and in proactively marketing our services.

<<Interim Consolidated Operating Results by Business Segment>>

Sales by Segment	Interim (From Aug. 1, 2005 to Jan. 31, 2006)	Previous Fiscal Year (From Aug. 1, 2004 to Jan. 31, 2005)	YoY Change(%)
	Amount (¥ thousands)	Amount (¥thousands)	
Directly Managed Business	2,230,196	1,905,867	117.0
Leasing Business	68,166	68,049	100.2
Management Business	187,652	85,136	220.4
VA Services Business	57,315	60,454	94.8
IPO/IR Consulting Business	56,470	---	---
Other Businesses	23,963	11,276	212.5
Total	2,623,765	2,130,783	123.1

<<Directly Managed Sales by Region>>

Directly Managed Business	Interim (From Aug. 1, 2005 to Jan. 31, 2006)	Previous Fiscal Year (From Aug. 1, 2004 to Jan. 31, 2005)	YoY Change (%)
	Amount (¥ thousands)	Amount (¥ thousands)	
Kanto	1,235,325	1,004,181	123.0
Kinki	763,647	723,051	105.6
Tokai	161,664	127,551	126.7
Chugoku	27,647	—	—
Kyushu	41,910	51,083	82.0
Total	2,230,196	1,905,867	117.0

<<Monthly-only Directly Managed Facilities, Combined Hourly Directly Managed Facilities, Total Directly Managed Facilities by Region, and Total Contracted Units versus Total Unit Capacity>>

Directly Managed	As of Jan. 31, 2006	As of Jan 31, 2005	YoY (%) Change	As of Jan 31, 2006	As of Jan 31, 2005	YoY (%) Change	As of Jan 31, 2006	As of Jan 31, 2006	YoY (%) Change
	Monthly Directly Managed Facilities			Combined Hourly Directly Managed Facilities			Total Directly Managed Facilities		
	(Number) Contracted Units	(Number) Contracted Units		(Number) Contracted Units Unit Capacity	(Number) Contracted Units Unit Capacity		(Number) Contracted Units	(Number) Contracted Units	
Kanto	214	162	132.1	31	28	110.7	245	190	128.9
	3,751	3,063	122.5	1,482	1,241	119.4	5,233	4,304	121.6
Kinki	71	62	114.5	39	37	105.4	110	99	111.1
	1,044	1,002	104.2	1,705	1,610	105.9	2,749	2,612	105.2
Tokai	18	15	120.0	11	9	122.2	29	24	120.8
	269	248	108.5	374	302	123.8	643	550	116.9
Chugoku	2	---	---	1	---	---	3	---	---
	29	---	---	88	---	---	117	---	---
Kyushu	13	11	118.2	3	4	75.0	16	15	106.7
	187	191	97.9	101	125	80.8	288	316	91.1
Total	318	250	127.2	85	78	109.0	403	328	122.9
	5,280	4,504	117.2	3,750	3,278	114.4	9,030	7,7827	116.0
				6,066	5,161	117.5			

※ “Contracted Units” as listed above represent the number of parking units contracted between the Company and parking facility owners, while “Unit Capacity” represents the total of parking units available. As hourly combined directly managed facilities include services other than contracted parking spaces, these units are included in “total unit capacity”.

In the directly managed business, the favorable trend in existing properties continued. In new properties, the emphasis was on Aoyama and the Shibuya regions in Tokyo, where good increases were seen in hourly parking properties. On the other hand, efforts were made to provide optimal services that matched the special characteristics of each area, including the conversion of hourly parking facilities to monthly parking facilities in response to market trends in adjacent areas. In addition, given the emphasis on the acquisition of properties offered by privately issued funds, sales in the Directly Managed business reached ¥2,230.196 million (up 17.0% year-on-year) and accounted for 85.0% of total sales.

Leasing business sales were ¥68.166 million (up 0.2% year-on-year), and Management business sales were ¥187.652 million (up 120.4% year-on-year) because of strong growth in sales from large-scale hour parking facilities management. On the other hand, VA Service sales declined to ¥57.315 million (down 5.2% year-on-year) because of the absence of large-scale consulting contracts recorded in the first half of the previous year, even though consulting services for parking facilities management and safety were actively promoted. In addition,

sales of the newly added IPO/IR Consulting business which provides IPO consulting for unlisted companies and IR consulting for listed companies were ¥56.470 million. As a result, total sales for the interim period under review were ¥2,623.765 million (up 23.1% year-on-year).

While we provided efficient services tailored for the special characteristics of each region such as the conversion of hourly parking facilities into monthly parking facilities, the increase in hourly parking facilities resulted in higher personnel expenses for a larger number of staff assigned to hourly parking facilities. As a result, the gross profit margin on sales was 42.3% (down 0.3 percentage points year-on-year).

In terms of S.G. & A. costs, we actively invested in future expansion, including increased investment in personnel resources which resulted in higher personnel costs, better security for information systems, strengthened corporate governance, and strengthened IR activities as well as CI strategies. As a result, the S.G. & A. ratio to sales was 22.2% (and flat year-on-year), while operating income reached ¥526.924 million (up 21.3% year-on-year).

While proceeds (¥266.786 million) from the sale of a portion of investment securities held and dividend distributions from silent partnerships (¥47.391 million), and dividends received (¥11.920 million) were recorded during the period, interest payments on new borrowings in the previous fiscal year (¥4.513 million), new stock issue expenses (¥2.934 million) due to the exercise of stock options and others were also recorded, which resulted in ordinary income of ¥846.318 million (up 96.8%), while net income for the period was ¥499.626 million (up 88.1% year-on-year).

(b) Outlook for the Coming Fiscal Year

While sharp rises in the prices of oil and other raw materials due to development of the Chinese economy is a concern for corporate profits, we believe that Japan's economy is continuing to recover favorably, as seen by rising consumer prices and improved employment conditions. The Nippon Parking Development Group believes that the acceleration in real estate securitization and the increased emphasis on profitability because of the introduction of asset impairment accounting is a business opportunity. In addition, we believe that the introduction of the amended Road Law in June of this year will work to stimulate sales of hourly parking facilities. By strengthening our consulting for new buildings with required parking facilities from the design stage, proactively promoting renewal consulting for existing multi-story parking facilities and providing high value-added solutions, strengthening transactions with regional financial institutions, insurance companies and real estate fund management companies, and increasing orders from large scale commercial facilities, we intend to increase the degree of recognition among general parking facility users of Nippon Parking Development's business.

For the full fiscal year ending July 2006, we are forecasting ¥6,000 million in net sales, ¥1,800 million in ordinary income and ¥1,044 million in net income for the period. In addition, sales forecasts for each business segment are as follows.

	Amount (¥ million)	YoY Change (%)
Directly Managed Business	5,075	129.3
Leasing Business	159	96.4
Management Business	321	150.6
VA Services Business	325	176.9
IPO/IR Consulting Business	62	---
Other Businesses	58	228.0
Total	6,000	133.0

(2) Consolidated Financial Condition

Cash and cash equivalents (hereafter, funds) on hand for the interim period under review reflected cash inflows of net income before taxes and minority interests of ¥845.880 million and proceeds from the sale of a portion of investment securities of ¥738.051 million, versus cash outflows from the acquisition of investment securities of ¥706.808 million, acquisitions of operating investment securities of ¥172.446 million, corporate tax payments of ¥289.744 million, investments in silent partnerships of ¥140.896 million, and dividend payments of ¥674.314 million. As a result, funds at the end of the interim reporting period were ¥1,080.653 million and ¥491.394 million lower than at the end of the previous interim accounting period.

The status of respective cash flows during the period was as follows.

(Cash Flows from Operating Activities)

Net cash inflows from operating activities were ¥57.125 million (versus net inflows of ¥145.168 million for the previous interim accounting period). While this was largely due to a large increase in income before income taxes and minority interests of ¥845.880 million (versus ¥455.248 million in the previous interim period), corporate tax payments of ¥289.744 million (¥210.399 million in the previous interim), proceeds from the sale of investment securities of ¥266.786 million (¥2.802 million in the previous interim), and an increase of ¥172.446 million in investments in operating investment securities were also recorded.

(Cash Flows from Investing Activities)

Net cash used in investing activities was ¥85.740 million (versus a cash outflow ¥593.449 million for the previous interim accounting period). This mainly reflected ¥738.051 million in proceeds from the sale of investment securities (versus cash inflows of ¥69.257 million in the previous interim) and ¥99.041 million in proceeds from redemptions and dividend payouts from silent partnerships (versus ¥9.587 million the previous interim), versus a cash outflow of ¥706.808 million (versus ¥759.001 million in the previous interim), a cash outflow from new investment in silent partnerships of ¥140.896 million (versus ¥121.746 the previous interim) and a cash outflow from a ¥50.0 million short-term loan.

(Cash Flows from Financing Activities)

Net cash used in financing activities was ¥462.779 million (versus a cash outflow of ¥65.837 million for the previous interim accounting period). This net cash outflow mainly reflected a ¥200.000 million cash inflow from long-term borrowings (versus none the previous interim period) and a cash inflow of ¥44.934 million from the exercise of stock options (versus ¥13.452 million in the previous interim), compared to a cash outflow from dividend payments of ¥674.314 million (versus ¥79.290 million the previous interim) and repayment of long-term borrowings of ¥33.40 million (versus none the previous interim period).

The major cash flow indicators for the period are as follows.

	Recent Three Interim Periods			Recent Two Fiscal Years	
	Interim to Jan. 2004	Interim to Jan. 2005	Interim to Jan. 2006	Fiscal Year to Jul. 2004	Fiscal Year to Jul. 2005
Shareholder Equity Ratio (%)	70.5	72.3	48.4	69.3	51.4
Current Value Base Equity Ratio (%)	1,172.8	2,876.6	2,017.0	1,920.4	1,657.5
Years to Repay Debt	---	---	20.4	---	1.5
Interest Coverage Ratio	408.2	210.8	11.8	1,361.9	243.0

(Notes) Shareholders' Equity Ratio: Shareholders' Equity/Total Assets
 Current Value Equity Ratio: Market Capitalization/Total Assets
 Years to Repay Debt: Interest-bearing Debt/Operating Cash Flow
 Interest Coverage Ratio: Operating Cash Flow/Interest Paid

1. All of the above are based on values contained in the consolidated financial statements.
2. Market capitalization is calculated using end of period stock price times end of period outstanding shares.
3. Operating cash flow used is operating cash flow as reflected in the statements of consolidated cash flows. Interest-bearing debt used is that portion of debt reflected on the consolidated balance sheet for which interest paid. In addition, interest payments used is as reflected under interest paid in the consolidated statement of cash flows.

4. Interim Consolidated Financial Statements

*English Translation of “KESSAN TANSHIN”

(1) Interim Consolidated Balance Sheets

(¥ thousands)

Unit: Thousands of Yen	Interim to Jan. 31, 2006		Interim to Jan. 31, 2005		Fiscal Year to Jul. 31, 2005	
	Amount	(% Total)	Amount	(% Total)	Amount	(% Total)
(Assets)						
I. Current Assets						
1. Cash and bank deposits	1,080,653		727,701		1,572,047	
2. Accounts receivable	71,637		28,278		98,947	
3. Operating investment securities	226,574		---		---	
4. Deferred tax assets	14,962		15,214		25,489	
5. Advances	82,296		75,821		71,838	
6. Prepaid expenses	26,942		25,272		22,559	
7. Short-term loans	50,000		---		---	
8. Others	44,506		2,901		2,949	
9. Allowance for doubtful accounts	---		(31)		(130)	
Total Current Assets	1,597,573	35.6	875,156	40.1	1,793,702	46.2
II. Fixed Assets						
1. Tangible assets ※1						
(a) Buildings and structures	10,310		12,395		11,764	
(b) Machinery and equipment	9,177		---		---	
(c) Tools, instruments & fixtures	24,290		24,050		25,181	
Total Tangible Assets	43,777	1.0	36,445	1.7	36,945	1.0
2. Intangible assets						
(a) Software	38,801		15,476		42,578	
(b) Software under construction	2,200		11,733		---	
(c) Others	755		856		805	
Total Intangible Assets	41,756	0.9	28,066	1.3	43,384	1.1
3. Investments and other assets						
(a) Investments in securities	2,176,576		685,644		1,474,360	
(b) Investment in silent partnerships	407,794		322,188		318,908	
(c) Deposits and Guarantees	224,606		216,443		217,494	
(d) Deferred Tax Assets	249		18,032		249	
(e) Others	133		107		107	
Total Investments & Other Assets	2,809,360	62.5	1,242,415	56.9	2,011,118	51.7
Total Fixed Assets	2,894,895	64.4	1,306,927	59.9	2,091,448	53.8
Total Assets	4,492,468	100.0	2,182,084	100.0	3,885,151	100.0

(1) Interim Consolidated Balance Sheets

(¥ thousands)

Unit: Thousands of Yen	Interim to Jan. 31, 2006		Interim to Jan. 31, 2005		Fiscal Year to Jul. 31, 2005	
	Amount	(% Total)	Amount	(% Total)	Amount	(% Total)
(Liabilities)						
I Current Liabilities						
1. Accounts payable-trade	5,898		9,373		52,617	
2. Long-term borrowings to be paid within one year	133,200		---		66,800	
3. Accrued liabilities	35,960		22,677		54,588	
4. Accrued expenses	37,659		6,655		13,616	
5. Income taxes payable	352,016		188,439		282,324	
6. Consumption taxes payable	35,232		27,073		38,358	
7. Advances received	149,324		96,813		128,731	
8. Deposits received	43,953		23,227		42,643	
9. Others	10,157		---		---	
Total Current Liabilities	803,402	17.9	374,260	17.2	679,679	17.5
II Fixed Liabilities						
1. Long-term borrowings	1,033,400		---		933,200	
2. Deferred tax liabilities	214,425		---		20,501	
3. Guarantees received	265,693		229,901		255,837	
Total Fixed Liabilities	1,513,518	33.7	229,901	10.5	1,209,538	31.1
Total Liabilities	2,316,921	51.6	604,161	27.7	1,889,218	48.6
(Minority Interests)	---	---	---	---	---	---
(Shareholders' Equity)						
I Common stock	487,852	10.9	441,526	20.2	457,137	11.8
II Capital surplus	355,149	7.9	340,447	15.6	340,447	8.8
III Retained earnings	988,432	22.0	816,483	37.4	1,163,120	29.9
IV Net unrealized gains on other securities holdings	344,112	7.6	(20,534)	(0.9)	35,227	0.9
Total Shareholders' Equity	2,175,547	48.4	1,577,923	72.3	1,995,933	51.4
Total Liabilities, Minority Interests and Shareholders' Equity	4,492,468	100.0	2,182,084	100.0	3,885,151	100.0

(2) Interim Consolidated Statements of Income

(¥ thousands)

Unit: Thousands of Yen	Interim to Jan. 31, 2006			Interim to Jan. 31, 2005			Fiscal Year to Jul. 31, 2005		
	Amount		% Total	Amount		% Total	Amount		% Total
I Net Sales		2,623,765	100.0		2,130,783	100.0		4,512,208	100.0
II Cost of Sales		1,512,611	57.7		1,222,826	57.4		2,554,847	56.6
Gross Profit		1,111,153	42.3		907,956	42.6		1,957,361	43.4
III S.G. & A. *1		584,229	22.2		473,451	22.2		978,267	21.7
Operating Income		526,924	20.1		434,505	20.4		979,093	21.7
IV Other Income									
1. Interest received	686			6			14		
2. Dividends received	11,920			6,699			15,596		
3. Gain from the sale of marketable securities	266,786			2,802			2,802		
4. Gains from investment in silent partnerships	47,391			2,408			40,977		
5. Miscellaneous income	400	327,185	12.5	14	11,931	0.6	996	60,387	1.3
V Other Expenses									
1. Interest paid	4,513			688			2,491		
2. New stock issue expenses	2,934			15,728			16,653		
3. Losses on the sale of marketable securities	---			24			24		
4. New company setup expenses	343			---			---		
5. Losses on investments in silent partnerships	---	7,791	0.3	---	16,441	0.8	1,052	20,221	0.4
Ordinary Income		846,318	32.3		429,994	20.2		1,019,259	22.6
VI Extraordinary Gains									
1. Gains on the sale of fixed assets *2				32,507			32,507		
2. Reversals of allowance for doubtful accounts	130	130	0.0	163	32,670	1.5	65	32,572	0.7
VII Extraordinary Losses									
1. Losses on the sale of fixed assets *3	568			3,817			3,950		
2. Expenses to return office premises to original state	---	568	0.1	3,600	7,417	0.3	3,600	7,550	0.2
Income before Income Taxes and Minority Interests		845,880	32.2		455,248	21.4		1,044,282	23.1
Corporate and Local Taxes	353,717			186,547			439,189		
Income Tax Adjustments	(7,464)	346,253	13.2	3,096	189,643	8.9	(7,150)	432,039	9.5
Net Income for the Period		499,626	19.0		265,604	12.5		612,242	13.6

(3) Interim Consolidated Statements of Retained Earnings

(¥ thousands)

	Interim to Jan. 2006		Interim to Jan. 2005		Fiscal Year to July 31, 2005	
Unit: Thousands of Yen	Amount		Amount		Amount	
(Capital Surplus)						
I Balance at the beginning of the period I		340,447		340,447		340,447
II Increase in Capital Surplus						
(1) Stock issuance due to exercise of stock options	14,702	14,702	---	---	---	---
III End of Period Capital Surplus		355,149		340,447		340,447
(Retained Earnings)						
I Retained earnings at the beginning of the period		1,163,120		663,168		663,138
II Increase in retained earnings						
(1) Net income for the period	499,626	499,626	265,604	265,604	612,242	612,242
III Decrease in retained earnings						
(1) Cash dividends	674,314		79,290		79,290	
(2) Directors' Bonuses	---	674,314	33,000	112,290	33,000	112,290
IV Balance of Retained Earnings at the End of the Period		988,432		816,483		1,163,120

(4) Consolidated Statements of Cash Flows

(¥ thousands)

Unit: Thousands of Yen	Interim to Jan. 31, 2006	Interim to Jan. 31, 2005	Fiscal Year to July. 31, 2005
Unit: Thousands of Yen	Amount	Amount	Amount
I Cash Flows from Operating Activities			
1. Income before income taxes and minority interests for the period	845,880	455,248	1,044,282
2. Depreciation expenses	10,226	7,046	15,395
3. Increase (decrease) in allowance for doubtful accounts	(130)	(163)	(65)
4. Gain on the sale of fixed assets	---	(32,507)	(32,507)
5. Loss on the retirement of fixed assets	568	3,817	3,950
6. Gain on the sale of investment securities	(266,786)	(2,802)	(2,802)
7. Loss on the sale of investment securities	---	24	24
8. Gain on investment in silent partnerships	(47,391)	(2,408)	(40,977)
9. Loss on investment in silent partnerships	---	---	1,052
10. New stock issue expense	481	156	605
11. Interest and dividends received	(12,606)	(6,706)	(15,610)
12. Interest paid	4,513	688	2,491
13. Decrease (increase) in accounts receivable	27,310	(7,356)	(78,025)
14. Decrease (increase) in operating investment securities	(172,446)	---	---
15. Decrease (increase) in prepaid expenses	(4,065)	2,134	5,067
16. Decrease (increase) in advances paid	(10,457)	5,157	9,140
17. Decrease (increase) in guarantees paid	1,641	(32,234)	(30,435)
18. Increase (decrease) in notes and accounts payable	(46,719)	6,179	49,422
19. Increase in advances received	20,592	9,299	41,217
20. Increase (decrease) in accounts payable	(17,918)	(15,495)	16,267
21. Increase (decrease) in deposits received	1,310	(7,317)	12,098
22. Increase in guarantees received	9,856	10,087	36,023
23. Increase (decrease) in accrued expenses	24,042	(2,391)	4,569
24. Increase (decrease) in accrued consumption taxes	(3,126)	(10,148)	1,136
25. Director bonuses paid	---	(33,000)	(33,000)
26. Others	(25,679)	2,243	10,038
Subtotal	339,094	349,549	1,019,361
27. Interest and dividends received	12,606	6,706	15,610
28. Interest paid	(4,830)	(688)	(2,713)
29. Income taxes paid	(289,744)	(210,399)	(372,842)
30. Net Cash Provided by Operating Activities	57,125	145,168	659,416

Unit: Thousands of Yen	Interim to Jan. 31, 2006	Interim to Jan. 31, 2005	Fiscal Year to July. 31, 2005
Unit: Thousands of Yen	Amount	Amount	Amount
II Cash Flows from Investing Activities			
1. Acquisitions of fixed assets	(13,553)	(10,891)	(22,358)
2. Proceeds from the sale of fixed assets	---	229,525	229,525
3. Acquisitions of intangible assets	(3,154)	(15,931)	(32,775)
4. Purchases of marketable securities	(706,808)	(759,001)	(1,453,701)
5. Proceeds from the sale of marketable securities	738,051	69,257	69,257
6. Investment in silent partnerships	(140,896)	(121,746)	(165,934)
7. Proceeds from redemption and dividend payouts from silent partnerships	99,401	9,587	94,573
8. Short-term loans	(50,000)	---	---
9. Deposits paid	(9,422)	(6,724)	(9,731)
10. Deposits recovered	669	12,502	12,658
11. Others	(26)	(26)	(26)
Net Cash Provided by Investing Activities	(85,740)	(593,449)	(1,278,513)
III Cash Flows from Financing Activities			
1. Proceeds from long-term borrowings	200,000	---	1,000,000
2. Retirement of long-term borrowings	(33,400)	---	---
3. Proceeds from the sale of stock	44,934	13,452	28,614
4. Dividends paid	(674,314)	(79,290)	(79,290)
Net Cash Provided by Financing Activities	(462,779)	(65,837)	949,324
IV Increase (decrease) in cash and cash equivalents	(491,394)	(514,118)	330,227
V Outstanding cash and cash equivalents at the beginning of the period	1,572,047	1,241,820	1,241,820
VI Cash and cash equivalents at the end of the period	1,080,653	727,701	1,572,047

Significant Accounting Policies Used in the Preparation of Interim Consolidated Financial Statements

Interim to Jan. 31, 2006	Interim to Jan. 31, 2005	Fiscal Year to July 31, 2005
<p>1. Scope of Consolidation Three subsidiaries are consolidated: Parking Professional Services Co., Ltd., Market Makers Co., Ltd., Nippon Ski Resort Development Co., Ltd. Of the above, because Nippon Ski Resort Development Co., Ltd. was newly established during the current interim period, it has been included in the consolidated accounts.</p>	<p>1. Scope of Consolidation Two subsidiaries are consolidated. Parking Professional Services Co., Ltd. and Market Makers Co., Ltd.</p>	<p>1. Scope of Consolidation Same as left</p>
<p>2. Scope of Application of Accounting Under the Equity Method (1) There are no non-consolidated subsidiaries or affiliates reflected under the equity method. (2) There are no non-consolidated subsidiaries or affiliates reflected under the equity method.</p>	<p>2. Scope of Application of Accounting Under the Equity Method Same as left</p>	<p>2. Scope of Application of Accounting Under the Equity Method Same as left</p>
<p>3. Items related to the accounting year for consolidated subsidiaries during the current interim accounting period. The accounting year for consolidated subsidiaries was the same as the parent company for the current period.</p>	<p>3. Items related to the accounting year for consolidated subsidiaries during the current interim accounting period. Same as left</p>	<p>3. Items related to the accounting year for consolidated subsidiaries during the current interim accounting period. The accounting year for consolidated subsidiaries was the same as the parent company for the current period.</p>
<p>4. Items concerning accounting standards. (1) Valuation method for major assets. (a) Marketable securities Other marketable securities (including operating investment securities) Securities whose current value is available are valued at the quoted price as of the end of the period (with valuation differentials being calculated using the total capital applied method and assuming a liquidation cost based on the moving average method). Securities whose fair value is not available are valued at cost using the moving average method. (2) Method of depreciation used for major depreciable assets (a) Tangible fixed assets Depreciation is calculated using the declining balance method. However, the straight line method is used for buildings (excluding buildings with attached parking facilities) for buildings acquired after April 1998. In addition, the useful lives applied are as follows. -Buildings and structures: 9~15 years -Tools, instruments, fixtures: 4~10 years -Machinery: 15 years (b) Intangible assets Depreciation is calculated using the straight line method. However software for internal company use is depreciated over a five year estimated useful life period. (3) Accounting for major allowances and reserves. (a) Allowance for doubtful accounts An allowance for doubtful accounts is used to provide against estimated losses. 1. General receivables Based on historical bad debt ratios 2. Receivables from counterparties in danger of bankruptcy The estimated irrecoverable portion is recorded based on collectability.</p>	<p>4. Items concerning accounting standards. (1) Valuation method for major assets. (a) Marketable securities Other marketable securities Same as left Securities whose current value is available are valued at the quoted price as of the end of the period (with valuation differentials being calculated using the total capital applied method and assuming a liquidation cost based on the moving average method). Securities whose fair value is not available are valued at cost using the moving average method. (2) Method of depreciation used for major depreciable assets (a) Tangible fixed assets Depreciation is calculated using the declining balance method. However, the straight line method is used for buildings (excluding buildings with attached parking facilities) for buildings acquired after April 1998. In addition, the useful lives applied are as follows. -Buildings and structures: 10~15 years -Tools, instruments, fixtures: 4~20 years (b) Intangible assets Same as left (3) Accounting for major allowances and reserves. (a) Allowance for doubtful accounts Same as left</p>	<p>4. Items concerning accounting standards. (1) Valuation method for major assets. (a) Marketable securities Other marketable securities Same as left Securities whose current value is available are valued at the quoted price as of the end of the period (with valuation differentials being calculated using the total capital applied method and assuming a liquidation cost based on the moving average method). Securities whose fair value is not available are valued at cost using the moving average method. (2) Method of depreciation used for major depreciable assets (a) Tangible fixed assets Depreciation is calculated using the declining balance method. However, the straight line method is used for buildings (excluding buildings with attached parking facilities) for buildings acquired after April 1998. In addition, the useful lives applied are as follows. -Buildings and structures: 10~15 years -Tools, instruments, fixtures: 4~10 years (b) Intangible assets Same as left (3) Accounting for major allowances and reserves. (a) Allowance for doubtful accounts Same as left</p>
<p>(4) Accounting for major lease transactions</p>	<p>(4) Accounting for major lease transactions</p>	<p>(4) Accounting for major lease transactions</p>

<p>All finance leases except for those for which ownership of the leased assets is transferred to the lessee are accounted for as operating leases.</p>	<p>Same as left</p>	<p>Same as left</p>
<p>(5)Other significant accounting policies important to the preparation of the current interim consolidated financial report. (1) Treatment of consumption taxes. Net of consumption taxes method 5. Scope of funds included in the Interim Consolidated Statements of Cash Flows Funds included in the interim consolidated statements of cash flows (cash and cash equivalents) consist of short-term, highly liquid investments that are easily converted into available funds with minimal risk of price fluctuation, including cash on hand, demand deposits and time deposits maturing within three months of the date acquired.</p>	<p>(5)Other significant accounting policies important to the preparation of the current interim consolidated financial report. (1) Treatment of consumption taxes. Same as left 4. Scope of funds included in the Consolidated Statements of Cash Flows Same as left</p>	<p>(5)Other significant accounting policies important to the preparation of the current interim consolidated financial report. (1) Treatment of consumption taxes. Same as left 4. Scope of funds included in the Consolidated Statements of Cash Flows Funds included in the interim consolidated statements of cash flows (cash and cash equivalents) consist of short-term, highly liquid investments that are easily converted into available funds with minimal risk of price fluctuation, including cash on hand, demand deposits and time deposits maturing within three months of the date acquired.</p>

(Basic material items important to the preparation of interim consolidated financial statements)

Interim to Jan. 31, 2006	Interim to Jan. 31, 2005	Fiscal Year to July 31, 2005
<p>The Nippon Parking Development Group has heretofore adopted accounting standards that are common for general business corporations. However, accounting standards for the Investment Business Headquarters have been changed from the current interim accounting period to accounting standards that more accurately reflect the nature of the division's business activities, which is that of an investment company. As a result, as changes have been made which go beyond accounting classifications used heretofore, including transfers of assets from the fixed asset classification to current assets and from non-operating income to operating income, these changes have been treated as changes in accounting method.</p> <p>These changes, which are aimed to better reflect a consulting business that provides IPO support and capital participation in unlisted companies and consulting to enhance corporate value for listed companies, have been reflected in Nippon Parking Development's corporate charter in a resolution submitted to the Company's shareholders on October 26, 2005, and are the result of the establishment of an investment business headquarters whose main business operations are as described above.</p> <p>As a result of these changes, ¥226.574 million in recorded investment securities have been reclassified as operating investment securities. In addition, net sales of ¥56.470 million have been recorded for the current interim period.</p>	<p>-----</p>	<p>-----</p>
<p>(Accounting Standards for Fixed Asset Impairment)</p> <p>Fixed asset impairment accounting has been applied from the current interim reporting period in accordance with the Business Accounting Council's "Opinion Letter Concerning the Establishment of Accounting Standards for Fixed Asset Impairment", dated August 9, 2002, and the "Corporate Accounting Standards Guideline #6", dated October 31, 2003. This change has no impact on reported earnings.</p>	<p>-----</p>	<p>-----</p>
<p>(Accounting Standards for Reserves for Director Bonuses)</p> <p>The "Corporate Accounting Standards Guideline #4" (issued on November 29, 2005 by the Corporate Accounting Standards Committee) has been applied from the current interim reporting period. This change has no impact on reported earnings.</p>	<p>-----</p>	<p>-----</p>

Notes to the Financial Statements:

(Related to the Interim Consolidated Balance Sheet)

Interim to Jan. 31, 2006	Interim to Jan. 31, 2005	Fiscal Year to July 31, 2005
*1. Accumulated depreciation on fixed assets ¥25.114 million	*1. Accumulated depreciation on fixed assets ¥26.640 million	*1. Accumulated depreciation on fixed assets ¥19.546 million
*2. Treatment of consumption tax. Consumption tax paid and received in advance is netted out, with the unpaid portion being recorded in accounts.	*2. Treatment of consumption tax. Same as left	*2. Treatment of consumption tax. -----

(Interim Consolidated Income Statement)

Interim to Jan. 31, 2006	Interim to Jan. 31, 2005	Fiscal Year to July 31, 2005
1. The breakdown of major selling, general and administration account items are as follows. Wage Benefits ¥149.737 million	*1. The breakdown of major selling, general and administration account items are as follows. Wage Benefits ¥139.141 million	1. The breakdown of major selling, general and administration account items are as follows. Wage Benefits ¥292.193 million
3. The details of losses on the sale of fixed assets are as follows. ¥ Mln Buildings & Machinery 0.423 Land 0.144 <hr/> Total 0.568	*2. The details of proceeds from the sale of fixed assets are as follows. ¥ Mln Buildings & Machinery 10.627 Land 21.879 <hr/> Total 32.507 *3. The details of losses on the sale of fixed assets are as follows. ¥ Mln Buildings & Machinery 1.660 Land 2.156 <hr/> Total 3.817	2. The details of proceeds from the sale of fixed assets are as follows. ¥ Mln Buildings 6.195 Machinery & Equipment 4.431 Land 21.879 <hr/> Total 32.507 *3. The details of losses on the sale of fixed assets are as follows. ¥ Mln Buildings & Machinery 1.788 Land 2.161 <hr/> Total 3.950

(Interim Consolidated Statement of Cash Flows)

Interim to Jan. 31, 2006	Interim to Jan. 31, 2005	Fiscal Year to July 31, 2005												
Relationship between the reported value of cash and cash equivalents at the end of the period and amounts as shown on the balance sheet are as follows. As of Jan. 31, 2006, ¥ Mln	Relationship between the reported value of cash and cash equivalents at the end of the period and amounts as shown on the balance sheet are as follows. As of Jan. 31, 2005, ¥ Mln	Relationship between the reported value of cash and cash equivalents at the end of the period and amounts as shown on the balance sheet are as follows. As of Jul. 31, 2005, ¥ Mln												
<table border="1"> <tr> <td>Cash & cash equivalents account</td> <td>1,080.653</td> </tr> <tr> <td>Cash & cash equivalents</td> <td>1,080.653</td> </tr> </table>	Cash & cash equivalents account	1,080.653	Cash & cash equivalents	1,080.653	<table border="1"> <tr> <td>Cash & cash equivalents account</td> <td>727.701</td> </tr> <tr> <td>Cash & cash equivalents</td> <td>727.701</td> </tr> </table>	Cash & cash equivalents account	727.701	Cash & cash equivalents	727.701	<table border="1"> <tr> <td>Cash & cash equivalents account</td> <td>1,572.047</td> </tr> <tr> <td>Cash & cash equivalents</td> <td>1,572.047</td> </tr> </table>	Cash & cash equivalents account	1,572.047	Cash & cash equivalents	1,572.047
Cash & cash equivalents account	1,080.653													
Cash & cash equivalents	1,080.653													
Cash & cash equivalents account	727.701													
Cash & cash equivalents	727.701													
Cash & cash equivalents account	1,572.047													
Cash & cash equivalents	1,572.047													

(Lease Transactions)

Interim to Jan. 31, 2006	Interim to Jan. 31, 2005	Fiscal Year to July 31, 2005																																																				
Leases other than those where the transfer of ownership to the lessee is allowed are treated as operating leases.	Leases other than those where the transfer of ownership to the lessee is allowed are treated as operating leases.	Leases other than those where the transfer of ownership to the lessee is allowed are treated as operating leases.																																																				
1. The equivalent acquisition price, cumulative depreciation and values at the end of the interim reporting period are as follows.	1. The equivalent acquisition price, cumulative depreciation and values at the end of the interim reporting period are as follows.	1. The equivalent acquisition price, cumulative depreciation and values at the end of the interim reporting period are as follows.																																																				
¥ Mln	¥ Mln	¥ Mln																																																				
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2. End of period unexpired leases	2. End of period unexpired leases	2. End of period unexpired leases																																																				
¥ Mln	¥ Mln	¥ Mln																																																				
Under 1 year	3.274	3.950																																																				
Over 1 year	5.393	6.245																																																				
Total	8.667	10.196																																																				
3. Lease payment, equivalent depreciation and equivalent interest paid.	3. Lease payment, equivalent depreciation and equivalent interest paid.	3. Lease payment, equivalent depreciation and equivalent interest paid.																																																				
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Lease payment	2.512	6.076																																																				
Equivalent depreciation	2.325	5.565																																																				
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Straight-line depreciation, assuming the lease period as the useful life for calculating the outstanding balance.	Same as left	Same as left																																																				
5. Method of calculating equivalent interest.	5. Method of calculating equivalent interest.	5. Method of calculating equivalent interest.																																																				
Equivalent interest is the difference between total lease payments and the equivalent purchase cost of the lease, with the interest rate method being used to allocate interest paid for each period.	Same as left	Same as left																																																				

(Marketable Securities)

End of the Current Interim Consolidated Reporting Period (January 31, 2006)

1. Other marketable securities where current market value is available

¥ Mln

Type of Instrument	Acquisition Cost	Amount Reflected in the Consolidated Balance Sheets for the Current Interim Period	Differential
(1) Stocks	1,505.509	2,041.576	536.066
(2) Bonds	---	---	---
(3) Others	60.946	105.074	44.127
Subtotal	1,566.456	2,146.650	580.194

2. Marketable securities with no current market value.

¥ Mln

Details	Amount Reflected in the Consolidated Balance Sheets for the Current Interim Period
Other Marketable Securities Non-listed stocks (excluding those traded over the counter)	256.500

End of the Previous Interim Consolidated Reporting Period (January 31, 2005)

1. Other marketable securities where current market value is available

¥ Mln

Type of Instrument	Acquisition Cost	Amount Reflected in the Consolidated Balance Sheets for the Current Interim Period	Differential
(4) Stocks	720.266	685.644	(34.622)
(5) Bonds	---	---	---
(6) Others	---	---	---
Subtotal	720.266	685.644	(34.622)

2. Marketable securities with no current market value.

There were no applicable items in the previous interim consolidated reporting period.

Previous Fiscal Year Consolidated Reporting Period to July 31, 2005

1. Other marketable securities with current market values

¥ Mln

	Type of Instrument	Acquisition Cost	Amount Reflected in the Consolidated Balance Sheets for the Current Interim Period	Differential
Instruments where acquisition cost exceeds book value	(1) Stocks	745,948	805,560	59,612
	(2) Bonds	---	---	---
	(3) Others	---	---	---
	Subtotal	745,948	805,560	59,612
Instruments where acquisition cost does not exceed book value	(1) Stocks	569,018	568,800	(0.218)
	(2) Bonds	---	---	---
	(3) Others	---	---	---
	Subtotal	569,018	568,800	(0.218)
Subtotal		1,314,966	1,374,360	59,394

2. Marketable securities with no current market value

¥ Mln

Details	Amount Reflected in the Consolidated Balance Sheets for the Current Interim Period
Other Marketable Securities Non-listed stocks	100,000

(Derivative Transactions)

The company does not engage in any derivatives transactions.

(Segment Information)

<Segment Information by Business Category>

For the consolidated interim accounting period from August 1, 2005 to January 31, 2006, the previous consolidated interim accounting period from August 1, 2004 to January 31, 2005, and the previous consolidated accounting period from August 1, 2004 to July 31, 2005.

The main business activity of the Nippon Parking Development Group was the management and administration of parking facilities, and as the sales, operating income and assets from the management and administration of parking facilities business accounts for over 90% of total sales, operating income and assets, no segment information has been included.

<Segment Information by Geographical Area>

For the consolidated interim accounting period from August 1, 2005 to January 31, 2006, the previous consolidated interim accounting period from August 1, 2004 to January 31, 2005, and the previous consolidated accounting period from August 1, 2004 to July 31, 2005.

The Company had no sales outside of Japan.

<Overseas Sales>

For the consolidated interim accounting period from August 1, 2005 to January 31, 2006, the previous consolidated interim accounting period from August 1, 2004 to January 31, 2005, and the previous consolidated accounting period from August 1, 2004 to July 31, 2005.

(Note) History of calculated interim (current) earnings per share and fully diluted interim (current) earnings per share.

	Interim to Jan. 31, 2006	Interim to Jan. 31, 2005	Fiscal Year to July 31, 2005
Interim (current) net income per share			
Interim (current) net income (¥ Mln)	499.626	265.604	612.242
Interim (current) net income not available to common shareholders	---	---	---
Interim (current) net income available to common shareholders (¥ Mln)	499.626	265.604	612.242
Average number of common outstanding shares during the period	3,382,041 shares	3,335,412 shares	3,343,152 shares
Interim (current) net income adjustments			
Adjusted interim (current) net income per share	---	---	---
Increase in common shares outstanding	56,412 shares	105,577 shares	81,702 shares
Details of increase in common shares			
New stock options	56,412 shares	105,577 shares	81,702 shares
Overview of adjusted interim (current) earnings per share not included in the above calculations because there was no impact from share dilution	---	---	---

(Other Important Subsequent Items)

Interim to Jan. 31, 2006	Interim to Jan. 31, 2005	Fiscal Year to July 31, 2005
On February 20, 2006, a portion of the investment securities held by the Company were sold.	-----	-----
<p>Details of Investment Securities Sold</p> <p>Co. Name Taisei Co., Ltd.</p> <p>Amount Sold ¥746 million (650,000 shares)</p> <p>Gains from the Sale ¥226 million</p> <p>Counterparty</p> <p>Sold to Taisei Co., Ltd.</p> <p>Date of Sale February 10, 2006</p> <p>Method of Sale Sold through the "off market purchase of one's own stock" effected by Taisei Co., Ltd. through the Nagoya Stock Exchange.</p>		