Interim Consolidated Financial Results for the Period Ended January 31, 2007

(English Translation of "Kessan Tanshin") March 2, 2007

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

Exchanges Listed: TSE1, JASDAQ

Securities Code: 2353 Location of Company Headquarters: Osaka Prefecture

（ＵＲＬ http://www.n-p-d.co.jp）

Position of Representative: President and Representative Director
Name: Kazuhisa Tatsumi
Position of Contact Person: Executive Director & Finance General Manager
Name: Shuhei Suzuki ＴＥＬ 81－3－3218－1904

Date of Board of Directors Meeting for Business Results: March 2, 2007

US GAAP not applied

1. Interim consolidated results for the period ending Jan. 31, 2007 (from Aug. 1, 2006 to Jan. 31, 2007)

(1) Consolidated Financial Results (Note) Amounts truncated to the nearest million yen.

	Net Sales		Operating Income		Ordinary Income	
Interim to:	Yen Mln	%	Yen Mln	%	Yen Mln	%
January 2007	3,280	25.0	410	(22.0)	536	(36.6)
January 2006	2,623	23.1	526	21.3	846	96.8
Fiscal Year to: July 2006	5,548		1,127		1,824	

	Net Income		Earnings per Share	Fully Diluted Earnings per Share
Interim to:	Yen Mln	%	Yen	Yen
January 2007	315	(36.9)	92.09	91.18
January 2006	499	88.1	147.73	145.31
Fiscal Year to: July 2006	1,069		315.09	309.34

(Notes) 1. Earnings from minority interests: Jan. 2007 --¥ Mln, Jan. 2006 -- ¥ Mln, July 2006: --¥ Mln.
2. Average consolidated outstanding shares: Jan. 2007: 3,421,371, Jan. 2006: 3,382,041, July 2006: 3,394,147
3. Changes in accounting method: No
4. 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
Interim to:	Yen Mln	Yen Mln	%	Yen
January 2007	7,803	2,060	26.4	601.48
January 2006	4,492	2,175	48.4	640.08
Fiscal Year to: July 2006	6,244	2,329	37.3	681.30

(Note) Consolidated outstanding shares at the end of each period: Jan. 2007: 3,425,667, Jan. 2006: 3,398,871, July. 2006: 3,419,115

(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
Interim to:	Yen Mln	Yen Mln	Yen Mln	Yen Mln
January 2007	(277)	(1,581)	1,309	1,687
January 2006	57	(85)	(462)	1,080
Fiscal year to: July 2006	346	(735)	1,053	2,236

(4) Consolidated subsidiaries and affiliates reflected under the equity method.
Consolidated subsidiaries: 2 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: 0 added, 1 deleted Companies reflected under the equity method: 0 added, 0 deleted

2. Forecast for the Full Fiscal Year to July 2007 (from Aug.1, 2006 to July 31, 2007)

	Sales	Ordinary Profit	Net Income
	Yen Mln	Yen Mln	Yen Mln
Fiscal Year to: July 2006	6,605	1,450	835

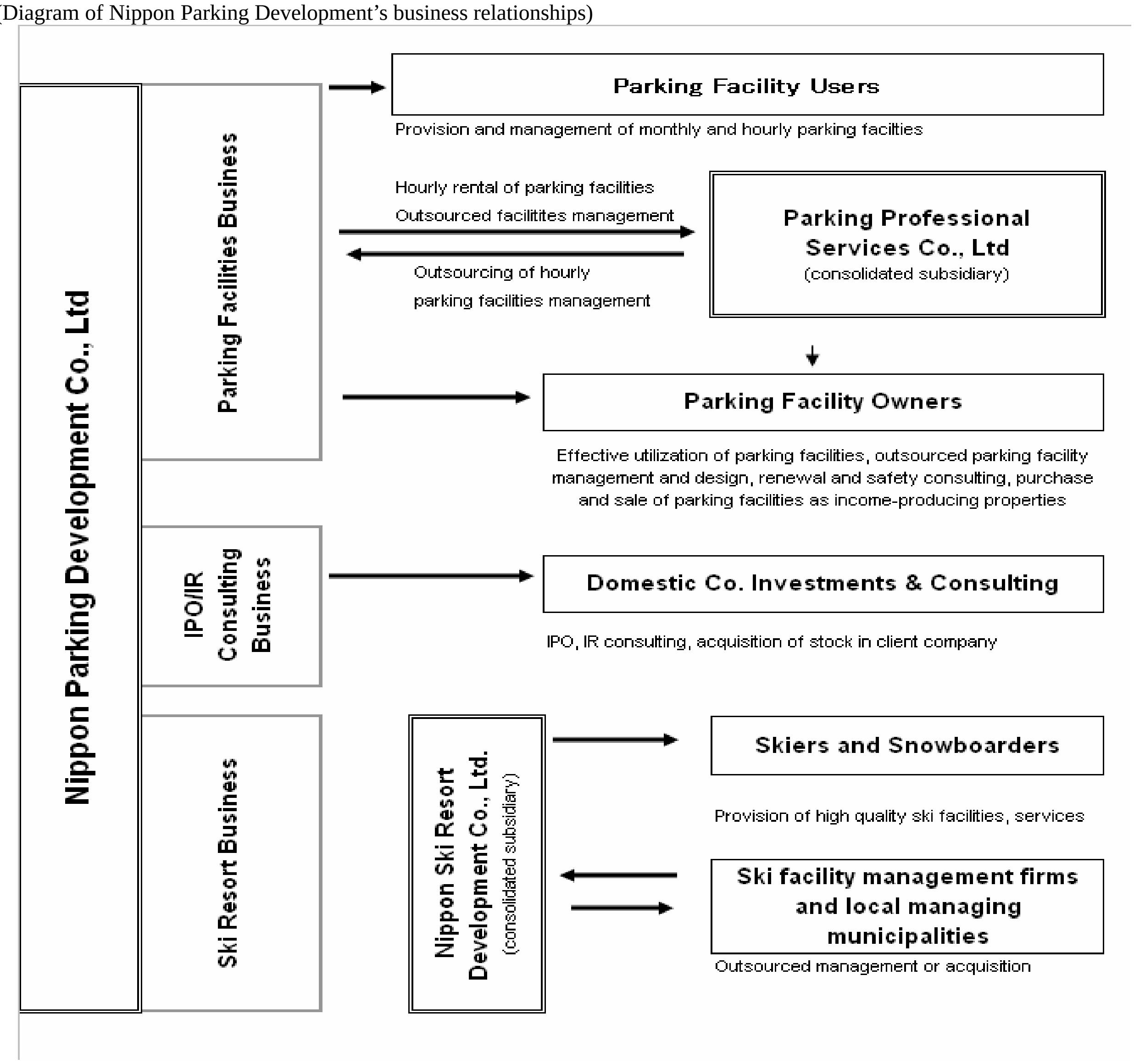
(Reference) Earnings per share for the full fiscal year: ¥243.90

※ 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 two consolidated subsidiaries–one subsidiary related to the parking facilities business (Parking Professional Services Co., Ltd.), and one of which is involved in the revitalization of ski facilities (Nippon Ski Resort Development Co., Ltd.). The Group provides consulting-based services primarily aimed at more effective use of parking facility assets, including direct operations, design, renewal and safety consulting. Other operations include IPO support for unlisted companies and IR consulting for listed companies, as well as ski resort revitalization through Nippon Ski Resort Development Co., Ltd.

(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” for all involved, we focus on the revitalization of underutilized resources, and in so doing endeavor to provide a high level of satisfaction all involved.

In the parking facilities business, the Company and its 100%-owned subsidiary, Parking Professional Services Co., Ltd., believe our mission is to provide solutions that have merit for parking facility owners, parking space users and the society at large. Based on this philosophy, we endeavor to consistently provide advanced parking facility services. In the IPO/IR consulting business, we are working to maximize corporate value by targeting venture companies with superior business models that can achieve breakthrough growth with our support.

In addition, we are focusing on the ski resort business, where, as in the parking facilities business, various gaps exist between ski resort operators that are experiencing management difficulties because of past large capital expenditures and declining users, and ski resort users, who are giving up on skiing because they are dissatisfied with ski resort facilities and services. The Company’s 100%-owned subsidiary, Nippon Ski Resort Development Co., Ltd., works to fill such gaps and revitalize ski resorts.

(2) Basic Policy Regarding Distribution of Profits

The Company believes it is important to aim for sustainable growth while at the same time providing shareholder returns commensurate with this growth, and as a result determines its dividend payout for each reporting period based on medium-term business plans and capital efficiency.

For the reporting period under review, we have decided to pay period-end dividend of ¥200 per share based on this basic profit.

(3) Goals Used as Management Indicators

The Nippon Parking Development Group is well aware of the increased emphasis on profitability arising from the introduction of asset impairment accounting, the size of potential demand in the under-developed parking facilities market, and the potential demand from corporate groups with ongoing corporate restructuring and business re-engineering. We are also reminded daily of the shifting balance in parking facility supply-demand due to urban redevelopment and the construction of new buildings in the Tokyo area, and of the speed at which new parking facility demand is being created in regional cities because of the formation of JREITs and private-issue REIT funds. Consequently, we have heretofore placed priority on business expansion over the meeting of specific management indicators. Going forward, we will continue to pursue continuous business expansion while also practicing highly transparent management through the use of objective management indicators. Rather than being overly dependent on specific indicators, however, our focus will be on balancing growth potential, profitability, balance sheet soundness and efficiency as we pursue stable and efficient high growth while at the same time practicing shareholder friendly management.

In terms of specific management indicators, we intend to maintain high levels of ordinary income growth, operating income to sales margins and net income return on shareholders’ equity. For shareholders’ equity ratio in particular, we aim to maintain a level that is consistently among the highest of all listed Japanese companies.

(4) Medium-Term Management Strategies for the Group

The Nippon Parking Development Group will continue to develop its parking facilities, IPO/IR consulting and ski resort business. Its main parking facilities business is a “non-asset” business model through which the Group offers parking facility owners solutions for the efficient utilization and risk minimization of mechanical parking facilities attached to buildings, while at the same time providing parking facility users with reduced cost and enhanced convenience, as well as making a social contribution to the reduction of traffic accidents and road congestion caused by illegal parking. Going forward, we intend to maintain this basic business model and to further enhance the quality of parking facilities provided, by focusing on the provision of already well-established revenue-producing solutions particularly in the Tokyo region, the provision of consulting services from the design stage for newly built buildings and commercial facilities requiring attached parking. The provision of high value-added services for existing parking facilities that have heretofore not been provided in Japan such as valet parking and doorman services for luxury hotels, boutiques and restaurants.

In the three major metropolitan areas of Kanto, Chubu and Kinki, we intend to further strengthen our marketing to owners of buildings requiring parking facilities and provide users with highly safe and convenient facilities.

While emphasizing major cities, we will also continue to efficiently and selectively develop regional markets in response to demand in major regional cities. One such example is the Sendai branch we opened in December 2006. In addition, we have adopted a different business model for regional development from our traditional non-asset business model, with the aim of directly owning regional parking facilities while carefully considering the efficiency of each investment. Through such parking facility business development activities, we aim to dramatically change the image and market for parking facilities in continuing to provide maximum satisfaction and profit creation.

Based on the above approach, we believe we can further strengthen our position as the major parking facilities company.

In the IPO/IR consulting business, we provide support for targeted companies that enhance corporate value. Our aim in providing this support is to gain the confidence of target companies by enhancing corporate value to allow heretofore unlisted companies to conduct their IPO, and to allow already listed companies are able to achieve an upgraded listing. In order to do this, we intend to continue acquiring the necessary human resources in order to further enhance our proposal capabilities.

A base has been established for the revitalization of San-Alpena Kashimayari ski resort, which is our first ski resort revitalization project. We continue to pursue other such projects and to further strengthen our ski resort business through a mixture of methodologies, including acquisitions and management contracts.

Based on the above initiatives, we intend not only to further strengthen our core parking facilities business, but will also be working to further strengthen our IPO/IR consulting and ski resort business.

(5) 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.

For the Group’s new businesses, favorable progress has been seen in the conclusion of IPO/IR consulting contracts with high quality unlisted venture companies, while there are also new developments in the ski resort business, including new acquisitions.

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.

For manned hourly parking facilities in particular, we are working to thoroughly expand and improve our operating manual, while also thoroughly implementing programs to increase customer satisfaction in order to provide enhanced services.

By applying our philosophy of providing services 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.

The Nippon Parking Development Group intends to maintain its superior market position by continually raising the de facto barriers to entry through the provision of services that represent a combination of high value-added soft and hard services, including proprietary operating know-how (combinations of monthly, daily and hourly parking to maximize revenues), 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) Expansion of New Businesses

Since its founding, the Nippon Parking Development Group has specialized in the parking facilities business based on a philosophy of “a happy business relationship” for all involved in focusing on the revitalization of underutilized resources to provide a high level of satisfaction all involved.

We have entered the IPO/IR consulting and ski resort business based on this same philosophy.

As a solid business footing has yet to be established for each of these new businesses, we believe it is necessary to further enhance the level of these services.

In the IPO/IR consulting business, we are focusing on the hiring of superior staff with specialist knowledge, training and the identification of promising venture companies with superior business models, to which we can provide hands-on support to enhance corporate value.

In the ski resort business, ski resort selection and the maintenance and improvement of service levels is extremely important. During the period under review, we acquired the first ski resort and implemented a revised management structure in addition to renewing the restaurant facilities. We intend to apply the operational know-how gained from this project for the acquisition or winning of management contracts for other projects in order to further refine our ski resort selection and due diligence capabilities, and by implementing various risk controls, to improve the profitability of targeted ski resorts.

3. Consolidated Operating Results and Financial Condition

(1) Operating Results

(a) Overview of Results for the Six Months to January 2007

Japan's economy during the period under review was characterized by a clear recovery in corporate profits and expanding capital expenditures, while the tone of personal consumption also brightened. On the other hand, there was continued concern regarding the sharp appreciation of crude oil prices and the prospect of higher interest rates, although the economy continued to consistently expand, albeit mildly.

In the real estate market, there was active formation of not only office building and commercial facility REITs and private funds, but also residential housing private funds and REITs, which resulted in continued competition for high quality properties in both the Tokyo area as well as in regional cities. In terms of the operating environment for the parking facilities market, a revised Road Traffic Law was implemented, illegal parking laws were more strictly enforced and policing of illegal parking was strengthened by the partial outsourcing of illegal parking enforcement to private firms, which resulted in an increased social awareness of the illegal parking problem. That said, a decline in the rate of underutilization of mandatory attached parking facilities due to the implementation of the revised Road Traffic Law and the economic recovery resulted in higher rents being paid by the Group to parking facilities owners, which was a new negative factor that affected the Group's financial performance during the period.

<<Interim Consolidated Operating Results by Business Segment>>

Sales by Segment	Previous Fiscal Year (From Aug. 1, 2005 to Jan. 31, 2006)	Interim (From Aug. 1, 2006 to Jan. 31, 2007)	YoY Change (%)
	Amount (¥ thousands)	Amount (¥ thousands)	
Parking facilities Business	2,567,295	3,039,403	118.4
IPO/IR Consulting Business	56,470	75,600	133.9
Ski Resort Business	---	165,288	---
Total	2,623,765	3,280,292	125.0

<< Parking Facilities Business Sales by Region>>

Parking Facilities Business	Previous Fiscal Year (From Aug. 1, 2005 to Jan. 31, 2006)	Interim (From Aug. 1, 2006 to Jan. 31, 2007)	YoY Change (%)
	Amount (¥ thousands)	Amount (¥ thousands)	
Hokkaido	---	17,240	---
Tohoku	---	71	---
Kanto	1,392,800	1,712,711	123.0
Kinki	881,788	909,468	103.1
Tokai	205,792	281,958	137.0
Chugoku	36,272	51,911	143.1
Kyushu	50,641	66,042	130.4
Total	2,567,295	3,039,403	118.4

Contracted Number of Properties and Parking Units by Region in the Parking Facilities Business

Parking Facilities Business	As of Jan. 31, 2006	As of Jan 31, 2007	YoY (%) Change	As of Jan 31, 2006	As of Jan 31, 2007	YoY (%) Change	As of Jan 31, 2006	As of Jan 31, 2007	YoY (%) Change
	Monthly Directly Managed Facilities			Combined Hourly Directly Managed Facilities			Total Directly Managed and Managed Facilities		
	Number Contracted Units	Number Contracted Units		Number Contracted Units	Number Contracted Units		Number Contracted Units	Number Contracted Units	
Hokkaido	--- ---	4 59	--- ---	--- ---	2 0	--- ---	--- ---	6 59	--- ---
Tohoku	--- ---	--- ---	--- ---	--- ---	1 40	--- ---	--- ---	1 40	--- ---
Kanto	214 3,751	240 4,160	112.1 110.9	33 1,482	48 2,060	145.5 139.0	247 5,233	288 6,220	116.6 118.9
Kinki	71 1,044	95 1,338	133.8 128.2	44 1,705	49 1,588	111.4 93.1	115 2,749	144 2,926	125.2 106.4
Tokai	18 269	21 276	116.7 102.6	15 374	21 480	140.0 128.3	33 643	42 756	127.3 117.6
Chugoku	2 29	7 108	350.0 372.4	2 88	5 121	250.0 137.5	4 117	12 229	300.0 195.7
Kyushu	13 187	19 251	146.2 134.2	4 101	9 162	225.0 160.4	17 288	28 413	164.7 143.4
Total	318 5,280	386 6,192	121.4 117.3	98 3,750	135 4,451	137.8 118.7	416 9,030	521 10,643	125.2 117.9

※ "Contracted Units" as listed above represent the number of parking units contracted between the Company and parking facility owners. In addition, as no lease contract is signed between the Company and owners for managed hourly parking facilities, only the number of facilities is reflected, while the equivalent number of contracted parking units has not been included.

In the parking facilities business, favorable increases were seen in existing parking facilities management and administration for hourly parking facilities, supported by the immediate policing of illegal parking as a result of the implementation of the revised Road Traffic Law. In regional cities, contracts for new facilities recorded strong growth as the result of marketing activities and the establishment and expansion of the Sapporo Branch in April 2006 and the Sendai Branch in December 2006. In Tokyo on the other hand, we were unable to correctly grasp owner needs amidst the economic recovery, increasing competition from other firms, changes in the market, and decreasing opportunities for revenue return proposals, which resulted in a substantial shortfall of new property acquisitions compared to planned levels. As a result of these factors, net sales in the parking facilities business were ¥3,039.403 million (up 18.4% year-on-year).

IPO/IR consulting business revenues were ¥75.600 million (up 33.9% year-on-year) on an increase in consulting contracts mainly for unlisted venture firms, and the partial sale of marketable securities held in those IPO/IR consulting client companies where these holdings were anticipated to increase the synergy effects between the Company and the consulting client.

In the ski resort business, a warm winter nationwide resulted in little snowfall during the ski season meant that the slopes were not fully ski-able until the year-end and New Year holidays. The combination of the warm winter and limited snowfall resulted in a decline in the number of visitors, and as our marketing strategy of targeting those users higher average expenditures mainly among those who have visited the resort took longer to implement than anticipated, revenue growth was less than originally planned. As a result, net sales for the ski resort business were ¥165.288 million (no previous year comparison is available). Given the above, total Group-wide consolidated sales were ¥3,280.292 million (up 25.0% year-on-year).

The aggregate gross margin was 37.5% (4.8 percentage points lower year-on-year), reflecting the emergence of deficit and low profitability properties as the result of rising property prices in mainly Tokyo due to the implementation of the Road Traffic Law and the economic recovery, as well as increased rents paid to parking facility owners for facilities acquired in the fourth quarter of the fiscal year to July 2006, when the emphasis was on expanding property acquisitions.

In terms of S.G. & A. costs, increased expenses in the parking facilities business were mainly attributable expand and increase efficiency, including increased employee head counts in mainly sales, increased depreciation expenses due to active system investment, and increased property lease expenses arising from the establishment of new branches. In the ski resort business, while every effort was made to reduce unnecessary costs, investments were made in renewing restaurant facilities and in enhancing the resort's ability to attract customers. As a result, the S.G. & A. expense ratio was 25.0%, which resulted in operating income of ¥410.913 million (minus 22.0% year-on-year).

In other income, proceeds from the sale of investment securities (¥98.035 million), a dividend distribution from a private fund and investment returns from a silent partnership (¥30.736 million) were recorded, while non-operating expenses such as interest payments (¥19.597 million) on an increase in borrowings taken on to improve relations with financial institutions and for the acquisition of a ski resort were also recorded. As a result, ordinary income was ¥536.457 million (minus 36.6% year-on-year) and net income of ¥315.068 million (down 36.9% year-on-year) were recorded, which represents the first decline in profits since the Company was listed.

(b) Outlook for the Coming Fiscal Year

While there are future uncertainties regarding the Japanese economy, including the trend in the US and Chinese economies and the raising of short-term interest rates following the Bank of Japan's abandonment of its zero interest rate policy, we believe the Japanese economy can continue expanding given the outlook for improvement in corporate profits.

In the parking facilities business, we aim to achieve growth by actively marketing services to meet customer service and quality needs in Tokyo by leveraging our strengths in operations and solutions to acquire flagship manned hourly parking management contracts on the one hand, while leveraging our accumulated information to acquire many unmanned monthly parking facilities contracts from owners with high revenue needs.

In regional cities on the other hand, as private real estate funds and REITs continue to expand regionally and in light of the implementation of the revised Road Traffic Law, we aim to enhance our capability to provide solutions centering on the directly managed business. In addition, we have also set our sites on the acquisition of directly owned properties in regional cities utilizing our strengthened marketing capabilities with the opening of branches such as the Sendai branch which was opened during this fiscal year. In addition, we intend to actively seek outsourcing contracts from private issue real estate funds and REITs for parking facilities management and administration, and by further promoting valet services for luxury hotels, boutiques and restaurants as well as renewal and safety consulting services for mechanical parking facilities, we aim to differentiate ourselves from other firms and to increase the brand recognition value of the Group.

In the IPO/IR consulting business, our focus is on providing support for unique and competitive venture companies to be listed on the stock market, and will particularly focus on discovering and nurturing unlisted venture companies that not only possess high growth potential, but also have sound, transparent management. With regards to our investment activities, our emphasis is not on short-term gains, but on profit maximization over the medium term by providing support with staff with front-line experience in each area to achieve enhanced corporate value for the target company over the medium to long term.

In the ski resort business, we will continue working to strengthen the various services of the Sun-Alpena Kashimayari ski resort (the first project acquired this fiscal year) by renewing the resort's restaurant and other facilities, reducing excess costs, and achieving substantial improvements in service levels as well as profitability. Based on the experienced gained with this first project, we also intend to expand our business domain in this area to include outsourced management and consulting in order to not only produce a profit, but to also contribute to the winter sports industry and to the revitalization of local economies.

For the full fiscal year ending July 2007, we are forecasting ¥6,605 million in net sales, ¥1,150 million in ordinary income and ¥1,450 million in net income for the period, net income 835million. In addition, sales forecasts for each business segment are as follows.

	Amount (¥ million)	YoY Change (%)
Parking Facilities Business	6,025	110.1
IPO/IR Consulting Business	180	229.8
Ski Resort Business	400	---
Total	6,605	119.1

(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 ¥541.376 million, increased short-term borrowings of ¥1,400 million, increased long-term borrowings of ¥800 million, proceeds from the sale of investment securities of ¥1,046.306 million, compared to cash outflows of ¥559.465 million from the payment of corporate taxes, ¥768.816 million from the acquisition of fixed assets, ¥1,898.984 million from the acquisition of marketable securities, ¥247.433 million from the repayment of long-term borrowings, and ¥683.823 million from the payment of dividends. As a result, funds on hand at the end of the interim to January 31, 2007 declined by ¥548.836 million from the end of the previous fiscal year to ¥1,687.897 million.

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

(Cash Flows from Operating Activities)
Net cash used in operating activities was ¥277.426 million (versus a net inflow of ¥57.125 million for the previous interim accounting period). While net income before income taxes and minority interests contributed ¥541.376 million, cash outflows included ¥559.465 million for the payment of corporate taxes, while ¥229.533 million was used to purchase additional operating investment securities.

(Cash Flows from Investing Activities)
Net cash used in investing activities was ¥1,581.237 million (versus a cash outflow ¥85.740 million for the previous interim accounting period). This mainly reflected a cash inflow of ¥1,046.306 million from the sale of investment securities and a ¥102.468 million cash

inflow from the redemption of investment securities, compared to a cash outflow of ¥1,898.984 million for the purchase of additional investment securities, and a cash outflow of ¥768.816 million for the acquisition of fixed assets.

(Cash Flows from Financing Activities)
Net cash gained from financing activities ¥1,309.827 million (versus a cash outflow of ¥462.779 million for the previous interim accounting period). This net cash inflow mainly reflected cash outflows of ¥683.823 million for dividend payments and ¥247.433 million for the repayment of long-term borrowings, compared to cash inflows of ¥1,400 million from increased short-term borrowings and ¥800.000 million from increased long-term borrowings.

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

	Recent Three Interim Periods			Recent Two Fiscal Years	
	Interim to Jan. 2005	Interim to Jan. 2006	Interim to Jan. 2007	Fiscal Year to Jul. 2005	Fiscal Year to Jul. 2006
Shareholder Equity Ratio (%)	72.3	48.4	26.4	51.4	37.3
Current Value Base Equity Ratio (%)	2,876.6	2,017.0	514.9	1,657.5	1,128.4
Years to Repay Debt	---	20.4	---	1.5	7.6
Interest Coverage Ratio	210.8	11.8	---	243.0	22.7

（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. Years to repay debt and interest coverage ratio cannot be calculated for the interim to January 2007 because operating cash flow was negative for the period.

(3) Business and Other Risks

The following is a list of the major conceivable business and other possible risks regarding the Group's businesses as of the date of announcement of financial results. Being aware of such risks, while it is the Group's policy to avoid these risks or to respond to them when they occur, readers are advised to carefully consider these risks as well as information contained in other sections of this report when considering to invest in the Group's stock. In addition, the Group makes no representation that the factors given below are a complete list of all of the risks associated with investment in Nippon Parking Development's stock.

A. Characteristics of the Business

(1) Business Characteristics and Dependency on the Parking Facilities Market

The Nippon Parking Development Group is involved in the effective utilization of parking facilities. Specifically, the Group leases underutilized parking facilities (empty parking spaces) and sub-leases these spaces on a monthly or hourly bases to parking facility users (directly managed business), introduces and acts as a broker to introduce customers to parking facilities (leasing business), provides outsourced parking facility management and administration services (management business), provides parking facilities management consulting, renewal consulting and introduces parking facilities as income-producing properties (VA services business).

The characteristic of the Group's business is that it mainly focuses on commercial areas within major metropolitan centers (metropolitan Tokyo, Osaka and other major regional cities), and its marketing activities are aimed at providing mainly "directly managed" subleasing of primarily office building, commercial building and other facilities with attached or accompanying multi-story mechanical parking facilities. Required parking facilities are those facilities so-deemed by local government ordinance for newly constructed or expanded buildings above a certain size in terms of floor space, the majority of which are located in urban areas.

As a significant amount of parking space within parking facilities in urban areas, and especially required parking facilities, is underutilized, the Group leases the entire amount of underutilized parking space from parking facility holders (owners) and rents it to third parties on a monthly basis. Depending on the parking facility, the Company also considers the owner's wishes, location of the parking facility, and condition as well as capacity of the facilities in combining monthly parking services with hourly parking administration. Hourly parking services are provided by the Group's employees in the form of manned parking facility administration. The Group's "directly managed" services do not merely refer to the administration of ground level self-service (coin operated) parking for individual vehicles, but also refer to the effective administration of various types of parking facilities, including mainly multi-story mechanical parking facilities inside or attached to buildings and other facilities that hold dozens of vehicles, as well as coin parking.

Because the Group has developed its business centering on its "directly managed" business, the proportion of this business to total sales is high. In addition, as essentially all of the Group's sales are dependent on the parking facilities market, the Group's business performance or financial condition could be materially affected by a shrinking market for parking facilities or an increase in parking facility supply that would lead to lower parking fees and shrinking profit margins.

(2) Directly Managed Business Risk

a) Parking Facility Owner Income Guarantees

As the majority of contracts signed under the directly managed business with parking facility owners commit the Group to lease a number of parking spaces in bulk, the Group incurs monthly fixed costs in the form of pre-set payments to owners, whether or not the Group has any revenues.

Consequently, should the Group fail to recruit the planned number of general users, or parking fees decline due to intensified competition, it could be forced to lower rental fees. In addition, should the Group experience a decline in revenues as the result of an increase in contract cancellation from existing users, while on the other hand continue to be obligated to pay monthly lease fees to facility owners; it could experience losses from leased parking facilities where the income yield is minus.

In order to avoid such losses, the Group conducts research on the supply-demand situation as well as rent levels in the area where the facility is located, and only signs contracts for those facilities it believes can be operated profitably. In addition, for those facilities where it is determined that ensuring profitability would be relatively difficult under normal contract terms, the Group adopts a "volume payment system" for monthly parking fees for only those parking spaces that have continuing general user contracts in order to avoid negative income yield on the facility. Moreover, in addition to providing the parking facility owner with information specific to surrounding properties, the Group provides comprehensive revenue and expense planning services based on the Group's accumulated information about the parking facilities market as a whole combined with administrative know-how in an effort to secure a contract that is profitable for both the owner and the Group. As a result, we believe the Group's procurement prices are contracted at relatively cheaper levels than actual market prices in each area. The Group also uses other methods to avoid negative income yield, reduces expenses in the early stages of the contract and to allow for flexible review of contract conditions. These include clauses with owners that provide for a rent-free period (the period in which procurement expenses are waived), clauses that allow for contract cancellations within the contract period provided that a three month notice period is given, or clauses that provide for a review of rent levels given changes in economic conditions.

This notwithstanding, there is no guarantee that such losses can be completely avoided. Thus an increase in facilities with negative income yields could have a material impact on the Group's business performance or financial condition.

b) Possibility of Lease Contracts with Owners Being Cancelled within a Short Period

When the Group procures a parking facility, it signs a contract with the owner in which Nippon Parking Development becomes the tenant. The initial contract period for most contracts is two years, and while these contracts are automatically renewed for one year after expiration of the contract period, the parties to the contract can cancel the contract early provided that three months written notice is given to the counterparty. The terms of the contract state that the cancellation becomes effective even without agreement of the counterparty. Consequently, it is possible that the Group could lose income from the facility in a relatively short period of time if the parking facility owner suddenly decides to cancel the contract.

As the Group provides parking facility owners with optimal proposals and solutions, we believe owners recognize the value of these services. In cases where parking facility owners retract their policy of renting to third parties, or where other companies can provide the parking facility owner with a better solution, or where the owner of parking facilities leased by the Group decides that it is more advantageous to administer and manage the facility themselves, cancellations of lease contracts with the Group or reduction in the number of parking spaces leased could have a material impact on the Group's business performance or financial condition.

c) Administration of Hourly Parking Facilities

For the interim to January 31, 2007, the proportion of hourly parking rental sales to total sales was relatively high at 44.1%, and is an important business for the Group. The hourly parking rental business is managed using the Group's proprietary know-how in order to increase the asset turnover ratio for the parking facility, enhance the revenue potential for the parking facility owner and the Group, and to respond to the needs of general users. In actual operations, in addition to ensuring safety when vehicles are being guided into the facility and fulfilling our responsibility to store the vehicle—including the valet services that are provided for some customers (where the Group's employees are entrusted with moving the car and parking it as well as returning the car to the driver)—the Group takes the utmost care in fulfilling its safety and storage responsibilities. In addition, the Group has sufficient insurance to cover accidents, casualties and other contingencies.

This notwithstanding, in the event that the Group is unable to attract sufficient general users because of mistaken analysis of the surrounding environment, it is possible that the Group would be unable to achieve revenues as initially planned. In addition, claims arising from accidents or misdeeds that are the Group's fault and could lead to claims which if not dealt with in an appropriate and timely manner could lead to a loss of customer trust, result in contract cancellations, damage claims and social criticism that could have a material effect on the Group's future development, business performance or financial position.

(3) Concentration of Sales Area

Because the Group has focused its sales efforts on commercial areas in urban centers where there are many buildings that require parking facilities, the majority of parking facilities administered and managed are concentrated in metropolitan Tokyo and Osaka prefecture. Of total consolidated sales of ¥3,280.292 million for the interim ended January 2007, parking facilities located in metropolitan Tokyo and Osaka area accounted for a significant ¥1,712.711 million (52.2%) and ¥909.468 million (27.7%) of total sales, respectively. In addition, the Group plans to continue actively developing the capital region centering on metropolitan Tokyo. As a result, earthquakes, large fires or other unforeseen disasters in these regions could significantly damage properties that the Group administers and manages, and because of closures or other factors could hinder marketing activities, such disasters could have a material impact on the Group's business performance or financial condition.

B. Special Legal Restrictions

There are no special legal restrictions that govern the rental, administration or management of the Group's parking facilities-related businesses. In terms of national and local public organizations, the "Parking Facilities Law" contains provisions relating to the accountability to provide comprehensive, planned parking facilities and the responsibilities regarding establishment of mandatory attached parking facilities, while the "Road Traffic Law" contains traffic regulations as determined by Prefectural and City government safety commissions, while the "Law Regarding the Securing of Storage Space for Automobiles" (Car Storage Law) requires that automobile owners secure a place to store (park) their automobile.

As these laws were formulated to ensure smooth traffic flow and safety, there presently is no legislative movement to relax these legal restrictions. However, if regulations contained in these laws were to be relaxed, the Group's business performance and financial position could be materially affected by declining parking demand in the areas where the Group conducts its business, a decline in rental (parking) fees, or a decline in the number of parking facilities.

C. Personal Information Security

The Group holds a significant amount of information regarding its customers, as information collected from customers contracting for monthly parking such as driver's license copies, automobile inspection certificates and car insurance certificates. The Company takes the utmost precautions to protect and appropriately manage such information, including prohibiting personal information recorded on paper from leaving the Group's premises, having personal information that is stored electronically managed by the responsible manager through a terminal located in a security room established by the Group that is not connected to the corporate network, and having notebook computers secured with fingerprint recognition, and preventing information in all personal computers from being copied onto external storage media.

The Group's internal information security has been strengthened to meet third-party certification organization requirements, and was certified for "ISO/IEC27001:2005" international information security management system standards in February 2007. In addition, the Group continues working to increase internal awareness of information security by holding internal training sessions.

This notwithstanding, public trust in the Group could be negatively affected, and damage claims could arise from external leaks of customer personal information, which could materially affect the Group's business performance and financial position.

D. Competition

The parking facilities industry of which the Group is part has no particular legal barriers to entry, and because the barriers to entry are relatively low, there are many competitors nationwide, ranging from individual, small-scale businesses to large corporations. In addition to competing with these industry participants, the Group also competes with real estate developers who provide rental buildings with attached parking facilities. Further, the Group expects that more competitors will enter the business from other industries. In order to successfully compete with such competitors, the Group intends to continue providing solutions that meet customer needs, and to raise customer satisfaction as well as clearly differentiating its services from competing companies, while at the same time working to increase sales and earnings by expanding its business base through the acquisition of new customers and raising the ratio of repeat users for its hourly parking services.

However, in the event that costs increase due to measures taken to meet this competition, and profits on rents received decline because of intensified competition, or if customers determine there is no merit in the services the Group provides, the Group could see a material impact on business performance or financial position as the result of cancellations in parking facility lease contracts.

E. Method of Recovering Sales Proceeds

The method used to recover the monthly sales proceeds of the Group for monthly parking contracts is mainly direct fund transfers from general users, cash payments and automatic deduction from user accounts through such services provided by financial institutions and consumer finance companies. The sales proceeds received from such automatic account deductions are held from two to 10 days by the financial institutions and consumer finance companies with which the Group has service contracts. Consequently, unforeseen circumstances could result in the Group failing to receive the contracted amount of sales proceeds in any particular month. In addition to causing losses, the additional time and expense spent in establishing a different method of recovering sales proceeds could have a material impact on the Group's business performance or financial position.

F. Investment in the Businesses of Other Companies

At a general meeting of its shareholders in October 2005, a resolution was approved to change the Group's corporate charter to allow for additional business development, and the IPO/IR consulting business was inaugurated from the July 2006 fiscal year.

This IPO/IR consulting business provides consulting services for unlisted and already listed companies, and the Group sometimes directly acquires stock in the company receiving such consulting as an investment in that company's business. Consequently, there is a risk that the Group will not be able to recover its invested capital or that adequate investment returns cannot be obtained. This could have a material impact on the Group's business performance and financial condition if these risks are realized.

As of the end of January 2007, the outstanding balance of investment securities treated as operating assets was ¥803.966 million and 10.3% of total assets shown on the Group's consolidated balance sheet. When these investments are made, specialist staff with the appropriate knowledge and experience perform due diligence on the candidate company's business, major shareholders, quality of management, business plans and operating environment, and select companies for investment through an evaluation of quantitative and qualitative factors. Thereafter, the Group, through its daily consulting activities, closely monitors the financial and management condition of the company, and provides support in continuously improving management.

G. Entry into the Ski Resort Business

The Group established Nippon Ski Resort Development Co., Ltd. as a wholly-owned subsidiary in December 2005 and entered the ski resort management business.

Thereafter, this subsidiary purchased the Sanalpina Kashimayari ski resort located in Ohmachi City, Nagano Prefecture from the Shinshu Gakuen educational foundation and the Kyoiku Kikaku Center Co., Ltd. in August 2006 for ¥550.000 million, and current is making preparations to begin operations for the resort during the winter season of this year. Given seasonal factors such as the amount of snowfall and factors that would inhibit the execution of the planned opening, this project could have a material impact on the Group's business performance and financial condition.

H. Stock Price Fluctuation Risk

As of the end of January 2007, the Group held ¥2,407.557 million (current market value base) worth of marketable investment securities, mainly in companies where there are synergy effects with the Group's parking facilities business. These assets account for 30.9% of the Group's total assets as shown on its consolidated balance sheet. The unrealized loss on the value of these assets after the effect of tax accounting is ¥71.475 million. Given fluctuations in future stock prices, these unrealized losses could expand further and have a material impact on the Group's business performance or financial condition.

4. Interim Consolidated Financial Statements

*English Translation of "KESSAN TANSHIN"

(1) Interim Consolidated Balance Sheets

(¥ thousands)

	Interim to Jan. 31, 2006		Interim to Jan. 31, 2007		Fiscal Year to Jul. 31, 2006	
	Amount	**(% Total)**	**Amount**	**(% Total)**	**Amount**	**(% Total)**
(Assets)						
I. Current Assets						
1. Cash and bank deposits	1,080,653		1,687,897		2,236,733	
2. Accounts receivable	71,637		132,765		76,694	
3. Operating investment securities	226,574		803,966		352,932	
4.Investment in silent	---		200,000		200,000	
partnerships	---		6,915		---	
5. Inventories	14,962		30,543		57,193	
6. Deferred tax assets	82,296		106,118		90,002	
7. Advances	26,942		49,940		18,240	
8. Prepaid expenses	50,000		66,000		50,000	
9. Short-term loans	44,506		123,764		70,627	
10. Others						
Total Current Assets	1,597,573	35.6	3,207,912	41.1	3,152,425	50.5
II. Fixed Assets						
1. Tangible assets ※1						
(a) Buildings and structures	10,310		510,518		13,555	
(b) Machinery and equipment	9,177		33,490		8,510	
(c) Vehicles	---		13,795		4,014	
(d) Tools, instruments & fixtures	24,290		91,073		35,207	
(e) Land	---		141,526		---	
Total Tangible Assets	43,777	1.0	790,405	10.1	61,288	1.0
2. Intangible assets						
(a) Software	38,801		60,145		33,931	
(b) Software under construction	2,200		---		4,675	
(c) Others	755		654		704	
Total Intangible Assets	41,756	0.9	60,799	0.8	39,311	0.6
3. Investments and other assets						
(a) Investments in securities	2,176,576		2,642,557		1,954,683	
(b) Investment in silent partnerships	407,794		697,124		731,104	
(c) Investments in affiliates	---		31,287		---	
(d) Long-term loans	---		64,000		---	
(e) Deposits and Guarantees	224,606		256,449		240,764	
(f) Deferred Tax Assets	249		53,147		65,023	
(g) Others	133		133		133	
Total Investments & Other Assets	2,809,360	62.5	3,744,701	48.0	2,991,709	47.9
Total Fixed Assets	2,894,895	64.4	4,595,906	58.9	3,092,309	49.5
Total Assets	4,492,468	100.0	7,803,818	100.0	6,244,734	100.0

(1) Interim Consolidated Balance Sheets

(¥ thousands)

	Interim to Jan. 31, 2006		Interim to Jan. 31, 2007		Fiscal Year to Jul. 31, 2006	
	Amount	(% Total)	Amount	(% Total)	Amount	(% Total)
(Liabilities)						
I Current Liabilities						
1. Accounts payable-trade	5,898		78,392		42,212	
2. Short-term borrowings	---		1,700,000		300,000	
3.Long-term borrowings to be paid within one year	133,200		1,110,532		433,200	
4. Accrued liabilities	35,960		117,170		46,391	
5. Accrued expenses	37,659		48,860		36,843	
6. Income taxes payable	352,016		227,939		561,230	
7. Consumption taxes payable	35,232		25,691		50,119	
8.Deferred tax liabilities	---		---		2,508	
9. Advances received	149,324		193,881		166,608	
10. Deposits received	43,953		120,312		67,004	
11. Others	10,157		2,880		---	
Total Current Liabilities	803,402	17.9	3,625,659	46.5	1,706,119	27.3
II Fixed Liabilities						
1. Long-term borrowings	1,033,400		1,792,035		1,916,800	
2. Deferred tax liabilities	214,425		---		---	
3. Guarantees received	265,693		325,660		292,009	
Total Fixed Liabilities	1,513,518	33.7	2,117,695	27.1	2,208,809	35.4
Total Liabilities	2,316,921	51.6	5,743,354	73.6	3,914,928	62.7
(Minority Interests)	---	---	---	---	---	---
(Shareholders' Equity)						
I Common stock	487,852	10.9	---	---	---	---
II Capital surplus	355,149	7.9	---	---	---	---
III Retained earnings	988,432	22.0	---	---	---	---
IV Net unrealized gains on other securities holdings	344,112	7.6	---	---	---	---
Total Shareholders' Equity	2,175,547	48.4	---	---	---	---
Total Liabilities, Minority Interests and Shareholders' Equity	4,492,468	100.0	---	---	---	---
(Net Assets)						
I Shareholers' Equity						
1. Capital stock	---	---	532,256	6.8	511,578	8.2
2. Capital surplus	---	---	387,944	5.0	367,266	5.9
3. Retained earnings	---	---	1,189,528	15.2	1,558,283	24.9
Total	---	---	2,109,730	27.0	2,437,128	39.0
II Valuation and Conversion Differential	---	---	(49,266)	(0.6)	(107,670)	(1.7)
1.Valuation loss on other	---	---	(49,266)	(0.6)	(107,670)	(1.7)
marketable securities	---	---	---	---	347	0.0
Total	---	---	---	---	---	---
III Stock options	---	---	2,060,463	26.4	2,329,805	37.3
IV Minority Holdings	---	---	7,803,818	100.0	6,244,734	100.0
Total Net Assets						
Total Liabilities and Net Assets						

(2) Interim Consolidated Statements of Income

(¥ thousands)

	Interim to Jan. 31, 2006			Interim to Jan. 31, 2007			Fiscal Year to Jul. 31, 2006		
	Amount		% Total	Amount		% Total	Amount		% Total
I Net Sales		2,623,765	100.0		3,280,292	100.0		5,548,486	100.0
II Cost of Sales		1,512,611	57.7		2,050,850	62.5		3,208,311	57.8
Gross Profit		1,111,153	42.3		1,229,441	37.5		2,340,174	42.2
III S.G. & A. ※1		584,229	22.2		818,527	25.0		1,212,256	21.9
Operating Income		526,924	20.1		410,913	12.5		1,127,918	20.3
IV Other Income									
1. Interest received	686			2,931			3,170		
2. Dividends received	11,920			13,627			24,207		
3. Gain from the sale of marketable securities	266,786			98,035			603,324		
4. Gains from investment in silent partnerships	47,391			30,736			84,128		
5. Miscellaneous income	400	327,185	12.5	3,199	148,531	4.5	3,221	718,052	13.0
V Other Expenses									
1. Interest paid	4,513			19,597			14,728		
2. New stock issue expenses	2,934			---			3,559		
3.	---			272			---		
4. Losses on the sale of marketable securities	---			2,696			---		
5. New company setup expenses									
6. Losses on investments in silent partnerships	343			---			343		
7.Miscellaneous losses	---			---			3,036		
	---	7,791	0.3	420	22,987	0.7	2	21,670	0.4
Ordinary Income		846,318	32.3		536,457	16.3		1,824,299	32.9
VI Extraordinary Gains									
1. Gains on the sale of fixed assets ※2	---			3,999			---		
2. Gains on stock options	---			3,429			---		
3. Reversals of allowance for doubtful accounts	130	130	0.0	---	7,429	0.2	130	130	0.0
VII Extraordinary Losses									
1. Losses on the sale of fixed assets ※3	568			2,510			724		
2. Expenses to return office premises to original state	---			---			1,703		
3. Accident payment expense	---	568	0.1	---	2,510	0.0	15,616	18,044	0.3
Income before Income Taxes and Minority Interests		845,880	32.2		541,376	16.5		1,806,385	32.6
Corporate and Local Taxes	353,717			230,359			753,344		
Income Tax Adjustments	(7,464)	346,253	13.2	(4,051)	226,308	6.9	(16,436)	736,908	13.3
Net Income for the Period		499,626	19.0		315,068	9.6		1,069,476	19.3

（3）Interim Consolidated Statements of Retained Earnings

(¥ thousands)

	Interim to Jan. 2007	
	Amount	
(Capital Surplus)		
I Balance at the beginning of the period I		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
(Retained Earnings)		
I Retained earnings at the beginning of the period		1,163,120
II Increase in retained earnings		
(1) Net income for the interim period	499,626	499,626
III Decrease in retained earnings		
(1) Cash dividends	674,314	
(2) Directors' Bonuses	---	674,314
IV Balance of Retained Earnings at the End of the Interim Period		988,432

Statement of Changes in Shareholders' Equity

Interim to January 2007（from August 1, 2006 to January 31, 2007）

(¥ thousands)

	Shareholders' Equity				Valuation, Conversion Adjustments	Exercise of Stock Options	Minority Holdings	Total Net Assets
	Common Stock	Capital Surplus	Retained Earnings	Total Shareholders' Equity	Other marketable securities valuation			
Balance as of July 31, 2006	511,578	367,266	1,558,283	2,437,128	(107,670)	347	---	2,329,805
Change during the interim period								
Issuance of new stock（Exercise of stock options）	20,678	20,678	---	41,356	---	---	---	41,356
Dividends on reserves	---	---	（683,823）	（683,823）	---	---	---	（683,823）
Net income for the interim period	---	---	315,068	315,068	---	---	---	315,068
Change in non-shareholders' equity items during the interim period（Net）	---	---	---	---	58,404	（347）	---	58,056
Total change during the interim period	20,678	20,678	（368,754）	（327,398）	58,404	（347）	---	（269,341）
Balance as of January 31, 2007	532,256	387,944	1,189,528	2,109,730	（49,266）	---	---	2,060,463

Interim to January 2006（from August 1, 2005 to July 31, 2006） (¥ thousands)

	Shareholders' Equity				Valuation, Conversion Adjustments	Exercise of Stock Options	Minority Holdings	Total Net Assets
	Common Stock	Capital Surplus	Retained Earnings	Total Shareholders' Equity	Other marketable securities valuation			
Balance as of July 31, 2005	457,137	340,447	1,163,120	1,960,706	35,227	---	---	1,995,933
Change during the fiscal year								
Issuance of new stock（Exercise of stock options）	54,440	26,819	---	81,259	---	---	---	81,259
Dividends on reserves	---	---	（674,314）	（674,314）	---	---	---	（674,314）
Net income for the period	---	---	1,069,476	1,069,476	---	---	---	1,069,476
Change in non-shareholders' equity items during the period（Net）	---	---	---	---	（142,897）	347	---	（142,549）
Total change during the fiscal year	54,440	26,819	395,162	476,422	（142,897）	347	---	333,872
Balance as of July 31, 2006	511,578	367,266	1,558,283	2,437,128	（107,670）	347	---	2,329,805

(4) Consolidated Statements of Cash Flows

(¥ thousands)

	Interim to Jan. 31, 2006	Interim to Jan. 31, 2007	Fiscal Year to July. 31, 2006
	Amount	Amount	Amount
I Cash Flows from Operating Activities			
1. Income before income taxes and minority interests for the period	845,880	541,376	1,806,385
2. Depreciation expenses	10,226	35,399	23,958
3. Increase (decrease) in allowance for doubtful accounts	(130)	---	(130)
4. Gain on the sale of fixed assets	---	(3,999)	---
5. Loss on disposal of fixed assets	568	2,510	724
6. Gain on the sale of investment securities	(266,786)	(98,035)	(603,324)
7. Loss on the sale of investment securities	---	2,696	---
8. Gain on investment in silent partnerships	(47,391)	(30,736)	(84,128)
9. Loss on investment in silent partnerships	---	---	3,036
10. New stock issue expense	481	---	3,559
11. Stock award expenses	---	272	---
12. Stock compensation expenses	---	3,082	347
13. Reversal of stock option reserves	---	(3,429)	---
14. Interest and dividends received	(12,606)	(16,559)	(27,377)
15. Interest expense	4,513	19,597	14,728
16. Decrease (increase) in accounts receivable	27,310	(56,070)	22,252
17. Increase in inventories	---	(6,915)	---
18. Decrease (increase) in operating investment securities	(172,446)	(229,533)	(374,486)
19. Decrease (increase) in prepaid expenses	(4,065)	(29,467)	5,864
20. Decrease (increase) in advances paid	(10,457)	(16,116)	(18,163)
21. Decrease (increase) in guarantees paid	1,641	(13,894)	(11,657)
22. Increase (decrease) in notes and accounts payable	(46,719)	36,179	(10,404)
23. Increase in advances received	20,592	27,273	37,877
24. Increase (decrease) in accounts payable	(17,918)	47,508	(6,873)
25. Increase (decrease) in deposits received	1,310	53,308	24,360
26. Increase in guarantees received	9,856	33,650	36,172
27. Increase (decrease) in accrued expenses	24,042	10,985	22,217
28. Increase (decrease) in accrued consumption taxes	(3,126)	(24,185)	11,760
29. Others	(25,679)	(28,276)	(35,740)
Subtotal	339,094	256,619	840,958
30. Interest and dividends received	12,606	16,559	27,377
31. Interest paid	(4,830)	(20,798)	(15,264)
32. Corporate and other tax refunds	---	29,657	---
33. Income taxes paid	(289,744)	(559,465)	(506,375)
34. Net Cash Provided by Operating Activities	57,125	(277,426)	346,696

(¥ thousands)

	Interim to Jan. 31, 2006	Interim to Jan. 31, 2007	Fiscal Year to July. 31, 2006
	Amount	**Amount**	**Amount**
II Cash Flows from Investing Activities			
1. Acquisitions of fixed assets	(13,553)	(768,816))	(39,359)
2. Proceeds from the sale of fixed assets	---	17,000	---
3. Expenditures for the disposal of fixed Assets	---	(1,932)	---
4. Acquisitions of intangible assets	(3,154)	(28,918)	(6,915)
5. Purchases of marketable securities	(706,808)	(1,898,984)	(2,041,315)
6. Proceeds form the sale of marketable securities	738,051	1,046,306	1,944,939
7. Proceeds from investment in silent Partnerships	---	102,468	---
8. Expenditures for investment in silent Partnerships	(140,896)	(32,806)	(696,971)
9. Proceeds from redemption and dividend payouts from silent partnerships	99,401	66,235	165,867
10. Short-term loans	(50,000)	(16,000)	(50,000)
11. Long-term loans	---	(64,000)	---
12. Deposits paid	(9,422)	(2,171)	(18,933)
13. Deposits recovered	669	380	7,320
14. Others	(26)	---	(26)
Net Cash Provided by Investing Activities	(85,740)	(1,581,237)	(735,395)
III Cash Flows from Financing Activities			
1.Increase in short-term borrowings	---	1,400,000	300,000
2. Proceeds from long-term borrowings	200,000	800,000	1,500,000
3. Retirement of long-term borrowings	(33,400)	(247,433)	(150,000)
4. Proceeds from the sale of stock	44,934	41,083	77,699
5. Dividends paid	(674,314)	(683,823)	(674,314)
Net Cash Provided by Financing Activities	(462,779)	1,309,827	1,053,385
IV Increase (decrease) in cash and cash equivalents	(491,394)	(548,836)	664,686
V Outstanding cash and cash equivalents at the beginning of the period	1,572,047	2,236,733	1,572,047
VI Cash and cash equivalents at the end of the period	1,080,653	1,687,897	2,236,733

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

Interim to Jan. 31, 2006	Interim to Jan. 31, 2007	Fiscal Year to July 31, 2006
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.	1. Scope of Consolidation Two subsidiaries are consolidated. Parking Professional Services Co., Ltd. and Nippon Ski Resort Development Co., Ltd. Market Makers Co., Ltd. was merged into Nippon Parking Development Co., Ltd. from September 1, 2006.	1. Scope of Consolidation The three subsidiaries are Parking Professional Services Co., Ltd., Market Makers Co., Ltd, and Nippon Ski Resort Development Co., Ltd. Of the above, as Nippon Ski Resort Development Co., Ltd. was newly established during the period, it was included in the scope of consolidation.
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.	2. Scope of Application of Accounting Under the Equity Method (1) Same as left (2) There are no affiliates not subject to the equity method. (3) Parking Capital One (Yugen) is an affiliate not subject to the equity method. The above affiliate not included in equity accounts accounted for a negligible amount of consolidated net income and retained earnings for the period, and has it has negligible financial impact on the Group's financials, has been excluded from the scope of equity accounting.	2. Scope of Application of Accounting Under the Equity Method (1) Same as left (2) There are no non-consolidated subsidiaries or affiliates subject to the equity method of accounting.
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.	3. Items related to the accounting year for consolidated subsidiaries during the current interim accounting period. Same as left	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.
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. (b) Inventories ----------------------- (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 - Machinery 15 years -Tools, instruments, fixtures: 4~10 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.	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. (b) Inventories (1) Products Last in, first out cost method (2) Supplies Last in, first out cost 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: 8~75 years - Machinery & equipment 5~17 years - Vehicles 4~12 years -Tools, instruments, fixtures: 3~17 years (b) Intangible assets Same as left	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. (b) Inventories ----------------------- (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: 10~18 years - Machinery & equipment 15 years - Vehicles 6 years -Tools, instruments, fixtures: 4~15 years (b) Intangible assets Same as left

Interim to Jan. 31, 2006	Interim to Jan. 31, 2007	Fiscal Year to July 31, 2006
(4) Accounting for major lease transactions All finance leases except for those for which ownership of the leased assets is transferred to the lessee are accounted for as operating leases.	(4) Accounting for major lease transactions Same as left	(4) Accounting for major lease transactions Same as left
(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)Other significant accounting policies important to the preparation of the current interim consolidated financial report. (1) Treatment of consumption taxes. Same as left	(5)Other significant accounting policies important to the preparation of the current interim consolidated financial report. (1) Treatment of consumption taxes. Same as left
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.	5. Scope of funds included in the Consolidated Statements of Cash Flows Same as left	5. 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.

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

Interim to Jan. 31, 2006	Interim to Jan. 31, 2007	Fiscal Year to July 31, 2006
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 a 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. 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. 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.	--------------------------------	The Group changed the method of accounting for operating investment securities from the current fiscal year from to reflect the characteristics of the investment business. As a result, marketable securities related to the operations of the investment business have been reclassified from fixed assets to current assets on the consolidated balance sheet, and from other income and expenses on the income statement to operating income and expenses. This change reflects a resolution passed on October 26, 2005 to change the Company's charter to establish an investment business headquarters to conduct activities including investment in unlisted companies and IPO support and consulting for listed companies to enhance corporate value. Because of this change, ¥352,932 thousand worth of operating investment securities has been recorded. In addition, disclosed sales for the IPO/IR consulting business initiated during the current fiscal year were ¥78,312 thousand.
(Accounting Standards for Fixed Asset Impairment) 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.	--------------------------------	(Accounting standards for impairment of fixed assets) Accounting standards for impairment of fixed assets were adopted during the current fiscal year in accordance with "Opinion Regarding the Establishment of Accounting Standards for Fixed Asset Impairment" (Business Accounting Council, August 9, 2002) and "Policy for the Application of Fixed Asset Impairment Accounting Standards" (October 31, 2003, Accounting Standards Board of Japan Directive #6).This change had no effect on reported earnings for the current fiscal year.
(Accounting Standards for Reserves for Director Bonuses) 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.	--------------------------------	(Accounting standards for director bonuses) "Accounting Standards for Director Bonuses" (Business Accounting Council, November 29, 2005) were applied from the current fiscal year. This change had no effect on reported earnings for the current fiscal year.

Interim to Jan. 31, 2006	Interim to Jan. 31, 2006	Interim to Jan. 31, 2006
	(Accounting standards for the disclosure of net assets on the consolidated balance sheets) From the interim consolidated reporting period under review, "Accounting Standards for the Disclosure of Net Assets on the Balance Sheet (Corporate Accounting Standards Directive #5, December 9, 2005) and "Directive for the Application of Accounting Standards for the Disclosure of Net Assets on the Balance Sheet Statement" (Corporate Accounting Standards, Directive #8, December 9, 2005) have been applied. The equivalent amount of shareholders' equity recorded heretofore is ¥2,060.463 million. In addition, due a change in consolidated financial statement regulations, the portion of net assets as reflected in the consolidated balance sheets for the current fiscal year are based on these amended consolidated financial statement regulations.	(Accounting standards for the disclosure of net assets on the consolidated balance sheets) "Accounting Standards for the Disclosure of Net Assets on the Balance Sheet" (Corporate Accounting Standards, Directive #5, December 9, 2005) and "Directive for the Application of Accounting Standards for the Disclosure of Net Assets on the Balance Sheet Statement" (Corporate Accounting Standards, Directive #8, December 9, 2005) have been applied from the current fiscal year. The equivalent amount of shareholders' equity recorded heretofore is ¥2,329.458 million. In addition, due to a change in consolidated financial statement regulations, the portion of net assets as reflected in the consolidated balance sheets for the current fiscal year are based on these amended consolidated financial statement regulations.
	(Accounting standards for stock options, others) "Accounting Standards for Stock Options, Others" (Business Accounting Council, Corporate Accounting Standards Directive #8, December 27, 2005) and "Application of Accounting Standards for Stock Options, Others" (Business Accounting Council, Corporate Accounting Standards Directive #11, December 27, 2005) have been applied. As a result, stock compensation expenses of ¥3.082 million have been recorded, which reduced reported operating income, ordinary income and net income before taxes and minority interests by ¥3.082 million. Due to the forfeiture of stock option rights by the beneficiaries, however, stock option compensation expenses of ¥3.429 million have been reversed and recorded as extraordinary gains, which resulted in an increase in pretax income before taxes and minority interests of ¥347 thousand.	(Accounting standards for stock options, others) "Accounting Standards for Stock Options, Others" (Business Accounting Council, Corporate Accounting Standards Directive #8, December 27, 2005) and "Application of Accounting Standards for Stock Options, Others" (Business Accounting Council, Corporate Accounting Standards Directive #11, December 27, 2005) have been applied from the current fiscal year. As a result, stock compensation expenses of ¥347 thousand have been recorded, which reduced reported operating income, ordinary income and net income before taxes and minority interests by ¥347 thousand.
	(Standards for Business Combination Accounting, Others) "Business Combination Related Accounting Standards" released on October 31, 2003 by the Business Accounting Council and "Accounting Standards for Corporate Divestitures and Others", Corporate Accounting Directive #7, December 27, 2005, and "Application of Accounting Standards for Business Combinations and Divestitures", (Corporate Accounting Directive #10, Business Accounting Council, December 27, 2005), have been applied.	

Notes to the Financial Statements:

(Related to the Interim Consolidated Balance Sheet)

Interim to Jan. 31, 2006	Interim to Jan. 31, 2007	Fiscal Year to July 31, 2006
※1. Accumulated depreciation on fixed assets ¥25.114 million	※1. Accumulated depreciation on fixed assets ¥62.077 million	※1. Accumulated depreciation on fixed assets ¥33.651 million
*2 --------------------	※2. Collateralized assets and liabilities Collateralized assets - Marketable securities ¥122.370 million Collateralized liabilities -Due for repayment in one year Long-term borrowings ¥50.000 million Long-term borrowings ¥37.500 million Total ¥87.500 million	※2. -----------------------
※3. Treatment of consumption tax. Consumption tax paid and received in advance is netted out, with the unpaid portion being recorded in accounts.	*3. Treatment of consumption tax. Same as left	*3. Treatment of consumption tax. ---------------------------

(Interim Consolidated Income Statement)

Interim to Jan. 31, 2006	Interim to Jan. 31, 2007	Fiscal Year to July 31, 2006
※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 ¥209.327 million	※1. The breakdown of major selling, general and administration account items are as follows. Wage Benefits ¥350.236 million
*2. ----------------------	※2. The details of proceeds from the sale of fixed assets are as follows. ¥ Mln Buildings & Machinery 0.344 Land 3.655 Total 3.999	※2. The details of proceeds from the sale of fixed assets are as follows. ----------------------
※3. The details of losses on the sale of fixed assets are as follows. ¥ Mln Buildings & Machinery 0.423 Other (telephone rights) 0.144 Total 0.568	※3. The details of losses on the sale of fixed assets are as follows. ¥ Mln Buildings & Machinery 2.056 Tools & fixtures 0.136 Other (telephone rights) 0.318 Total 2.510	※3. The details of losses on the sale of fixed assets are as follows. ¥ Mln Buildings & Machinery 0.423 Other (telephone rights) 0.300 Total 0.724

(Related to the Statement of Changes in Shareholders' Equity)

Current Interim Reporting Period (from August 1, 2006 to January 31, 2007)

1. Type of shares issued and total outstanding type and outstanding amount of treasury stock

(Unit: Shares)

	Fiscal Year to July 2006 Number of Shares	Interim to January 2007 Shares Increased	Interim to January 2007 Shares Decreased	Number of Shares at the end of January 2007
Issued Shares Common stock (Note)	3,419,115	6,552	---	3,425,667
Total	3,419,115	6,552	---	3,425,667
Treasury Shares Common stock	---	---	---	---
Total	---	---	---	---

(Note) The increase in the total number of common stock shares of 6,552 was due to the exercise of stock options.

2. Items concerning stock options and treasury stock warrants.
   The outstanding amount of stock options at the end of the current fiscal year was ¥347 thousand.
3. Items concerning dividends from reserves for the current fiscal year
   A regular meeting of shareholders held on October 26, 2006 resolved the following.
   Dividends on common stock

(1) Total cash dividend	¥683,823 thousand
(2) Dividend per share	¥200
(3) Cutoff date	July 31, 2006
(4) Effective date	October 26, 2006

Previous Fiscal Year (from August 1, 2005 to July 31, 2006)

1. Type of shares issued and total outstanding type and outstanding amount of treasury stock

(Unit: Shares)

	Fiscal Year to July 2005 Number of Shares	Fiscal Year to July 2006 Shares Increased	Fiscal Year to July 2006 Shares Decreased	Number of Shares at the end of July, 2006
Issued Shares Common stock (Note)	3,371,571	47,544	---	3,419,115
Total	3,371,571	47,544	---	3,419,115
Treasury Shares Common stock	---	---	---	---
Total	---	---	---	---

(Note) The increase in the total number of common stock shares of 47,544 was due to the exercise of stock options.

2. Items concerning new stock options and treasury stock options.
   The balance of new stock options at the end of the period was ¥347 thousand.

3. Items concerning dividends from reserves for the current fiscal year
   A regular meeting of shareholders held on October 26, 2005 resolved the following.
   Dividends on common stock

(1) Total cash dividend	¥674,314 thousand
(2) Dividend per share	¥200
(3) Cutoff date	July 31, 2005
(4) Effective date	October 27, 2005

4. Items concerning dividends from reserves for the end of the current fiscal year
   A regular meeting of shareholders held on October 26, 2006 resolved the following.
   Dividends on common stock

(1) Total cash dividend	¥683,823 thousand
(2) Source of dividends	Retained earnings
(3) Dividend per share	¥200
(4) Cutoff date	July 31, 2006
(5) Effective date	October 26, 2006

(Interim Consolidated Statement of Cash Flows)

Interim to Jan. 31, 2006	Interim to Jan. 31, 2007	Fiscal Year to July 31, 2006
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.	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.	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	As of Jan. 31, 2007, ¥ Mln	As of Jul. 31, 2006, ¥ Mln
Cash & cash equivalents account 1,080.653	Cash & cash equivalents account 1,687.897	Cash & cash equivalents account 2,236. 733
Cash & cash equivalents 1,080.653	Cash & cash equivalents 1,687.897	Cash & cash equivalents 2,236. 733

(Lease Transactions)

Interim to Jan. 31, 2006

Leases other than those where the transfer of ownership to the lessee is allowed are treaded as operating leases.

1. The equivalent acquisition price, cumulative depreciation, cumulative impairment, and values at the end of the interim reporting period are as follows.

¥ Mln

	Equivalent Acquisition Cost	Cumulative Depreciation	End of Period Amount
Tools & Fixtures	11.982	5.211	6.770
Software	6.804	5.056	1.748
Total	18.787	10.268	8.518

2. End of period unexpired leases

¥ Mln

Under 1 year	3.274
Over 1 year	5.393
Total	8.667

3. Lease payment, charges to the lease asset impairment account, equivalent depreciation and equivalent interest paid.

¥ Mln

Lease payment	2.512
Equivalent depreciation	2.325
Equivalent interest paid	0.088

4. Method of calculating equivalent depreciation.
Straight-line depreciation, assuming the lease period as the useful life for calculating the outstanding balance.

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.

(About impairment accounting)
There are no impairment losses attributed to lease assets.

Interim to Jan. 31, 2007

Leases other than those where the transfer of ownership to the lessee is allowed are treaded as operating leases.

1. The equivalent acquisition price, cumulative depreciation, cumulative impairment, and values at the end of the interim reporting period are as follows.

¥ Mln

	Equivalent Acquisition Cost	Cumulative Depreciation	End of Period Amount
Tools & Fixtures	12.422	6.636	5.805
Software	4.504	3.734	0.770
Total	16.947	10.370	6.570

2. End of period unexpired leases

¥ Mln

Under 1 year	3.344
Over 1 year	3.486
Total	6.831

3. Lease payment, charges to the lease asset impairment account, equivalent depreciation and equivalent interest paid.

¥ Mln

Lease payment	1.671
Equivalent depreciation	1.607
Equivalent interest paid	0.051

4. Method of calculating equivalent depreciation.
Same as left

5. Method of calculating equivalent interest.
Same as left

(About impairment accounting)
Same as left

Fiscal Year to July 31, 2006

Leases other than those where the transfer of ownership to the lessee is allowed are treaded as operating leases.

1. The equivalent acquisition price, cumulative depreciation, cumulative impairment, and values at the end of the interim reporting period are as follows.

¥ Mln

	Equivalent Acquisition Cost	Cumulative Depreciation	End of Period Amount
Tools & Fixtures	11.401	5.479	5.922
Software	4.504	3.283	1.220
Total	15.906	8.762	7.143

2. End of period unexpired leases

¥ Mln

Under 1 year	3.218
Over 1 year	4.053
Total	7.272

3. Lease payment, charges to the lease asset impairment account, equivalent depreciation and equivalent interest paid.

¥ Mln

Lease payment	4.277
Equivalent depreciation	3.918
Equivalent interest paid	0.148

4. Method of calculating equivalent depreciation.
Same as left

5. Method of calculating equivalent interest.
Same as left

(About impairment accounting)
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 Interim Consolidated Reporting Period（January 31, 2007）

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	2,787.309	2,697.143	(90.166)
(2) Bonds	---	---	---
(3) Others	213.746	220.847	7.101
Subtotal	3,001.055	2,917.990	(83.065)

2. Marketable securities with no current market value. ¥ Mln

Details	Value Reflected on Consolidated Balance Sheet
Other Marketable Securities Non-listed stocks	528.533

Previous Fiscal Year Consolidated Reporting Period to July 31, 2006

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	279.266	334.356	55.089
	(2) Bonds	---	---	---
	(3) Others	62.400	70.600	8.200
	Subtotal	341.666	404.956	63.289
Instruments where acquisition cost does not exceed book value	(1) Stocks	1,592.040	1,382.661	(209.379)
	(2) Bonds	---	---	---
	(3) Others	271.446	235.998	(35.448)
	Subtotal	1,863.487	1,618.659	(244.828)
Subtotal		2,205.153	2,023.615	(181.538)

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	284.000

(Derivative Transactions)

The company does not engage in any derivatives transactions.

(Related to Stock Options)

Interim period to January 31, 2007 (from August 1, 2006 to January 31, 2007)

Items expensed and amount of expense recorded during the interim period.

Stock compensation expense: ¥3.082 million

*In addition, because awarded new stock options were forfeited during the period, ¥3.429 million in extraordinary gains were recorded due to the reversal of new stock option expenses.

Previous Fiscal Year（from August 1, 2005 to July 31, 2006）

1. Details of stock options, size and status of changes

(1) Stock option details

	Fiscal Year to July 2002	Fiscal Year to July 2004	Fiscal Year to July 2004
Number of persons eligible for awards by position	Company directors 1 Company employees 6	Company directors 5 Company auditors 2 Company employees 21 Subsidiary company directors 3 Subsidiary company employees 9 Companies with which the company has signed a consulting contract 1	Company directors 5 Company auditors 2 Subsidiary company directors 3 Companies with which the company has signed a consulting contract 1
Number of stock options（Note）1	Common stock: 90,720 shares	Common stock 51,912 shares	Common stock 3,696 shares
Date awarded	July 15, 2002	November 5, 2003	July 21, 2004
Exercise conditions	(Note) 2	(Note) 2	(Note) 2
Years of employment required	No restrictions	No restrictions	No restrictions
Exercise period	July 16, 2004 July 15, 2007	November 1, 2005 October 31, 2008	November 1, 2005 October 31, 2008
Exercise conditions	(Note) 3	(Note) 3	(Note) 3

	Fiscal Year to July 2006	Fiscal Year to July 2006	Fiscal Year to July 2006
Number of persons eligible for awards by position	Company employees 6 Company part-timers 1	Company directors 6 Company auditors 2 Company employees 14	Company employees 3
Number of stock options（Note）1	Common stock 1,400 shares	Common stock 17,000 shares	Common stock 3,000 shares
Date awarded	September 2, 2005	April 25, 2006	July 14, 2006
Exercise conditions	(Note) 2	(Note) 2	(Note) 2
Years of employment required	No restrictions	No restrictions	No restrictions
Exercise period	November 1, 2006 October 31, 2009	November 1, 2007 October 31, 2010	November 1, 2007 October 31, 2010
Exercise conditions	(Note) 3	(Note) 3	(Note) 3

(Note) 1. Equivalent amounts converted into shares.

2. After the awarding of the options and to the exercise date (the first day that the respective options can be exercised), the individual must remain a director, auditor or employee of the Company or the Group. However, this restriction will not apply if there is a suitable reason as determined by the Board of Directors, such as resignation from the Company or regular retirement due to an end of the individual’s duties as a director or auditor. In addition, for companies that have signed consulting contracts with the Company, the condition is that the consulting contract with the Company remains valid.

3. The conditions for the exercise of options are as follows.

a. That the owner of the option is a director, auditor or employee of the Company or the Group at the time the options are exercised. However, this condition can be waived given a suitable reason as determined by the Board of Directors such as resignation from the Company or regular retirement due to the end of the individual’s duties as a director or auditor. In addition, for companies that have signed consulting contracts with the Company, the condition is that the consulting contract with the Company remains valid.

b. In the event that the owner of the options dies, the individual’s heirs will inherit the right to exercise the options.

c. It is forbidden to pledge or otherwise transfer the options to other parties.

d. Other conditions regarding the exercise of the options are as described in the options transfer contract signed between the Company and the receiver of the options as determined by a resolution by the Board of Directors and ratified at a general meeting of the shareholders.

(2) Size of stock options and changes in status

The number of outstanding stock options for the current fiscal year has been converted into the equivalent amount of shares.

a. Number of stock options

（Unit: Shares）

	July 2002	July 2004	July 2004
Date awarded	July 15, 2002	November 5, 2003	July 21, 2004
Prior to determination of rights			
Balance at the end of the previous fiscal year	---	50,274	3,696
Awarded	---	---	---
Lapsed	---	---	---
Determination of Rights	---	50,274	3,696
Balance at the end of the fiscal year	---	---	---
After determination of rights			
Balance at the end of the previous fiscal year	49,329	---	---
Determination of rights	---	50,274	3,696
Exercised	39,123	8,379	42
Lapsed	---	693	---
End of fiscal year balance	10,206	41,202	3,654

	July 2006	July 2006	July 2006
Date awarded	September 2, 2005	April 25, 2006	July 14, 2006
Prior to determination of rights			
Balance at the end of the previous fiscal year	---	---	---
Awarded	1,400	17,000	3,000
Lapsed	100	---	---
Determination of rights	---	---	---
Balance at the end of the fiscal year	1,300	17,000	3,000
After determination of rights			
Balance at the end of the previous fiscal year	---	---	---
Determination of rights	---	---	---
Exercised	---	---	---
Lapsed	---	---	---
End of fiscal year balance	---	---	---

b. Unit Price Information

（Unit: Yen）

	July 2002	July 2004	July 2004
Date awarded	July 15, 2002	November 5, 2003	July 21, 2004
Exercise price	706	6,312	17,869
Average stock price at the time of option exercise	22,257	22,932	22,115
Fair unit price（as of Award date）	---	---	---

	July 2006	July 2006	July 2006
Date awarded	September 2, 2005	April 25, 2006	July 14, 2006
Exercise price	18,867	25,980	24,533
Average stock price at the time of option exercise	---	---	---
Fair unit price（as of Award date）	---	---	5,063

2. Method of estimating fair unit price for stock options

For the stock options during the current fiscal year that were awarded on July 14, 2006, the method of determining fair unit price is as follows.

a. Valuation Method Used

Black Scholes Model, Two Factor Model and other Eclectic Methods

	July 14, 2006 Stock Options
Stock price volatility (Note 1)	41%
Projected remaining life (Note 2)	2 years and 9 months
Estimated dividend (Note 3)	¥200/share
Riskless rate (Note 4)	0.92%

b. Stock Option Fundamental Value and Method of Estimation

(Note 1) Stock price volatility is estimated from the two years and nine months prior to the award date.

(Note 2) As a rational estimation is difficult due to the lack of historical data, it was assumed that the options would be exercised mid-way in the allowable exercise period.

(Note 3) July 2006 forecast dividends are based on actual dividends for July 2005.

(Note 4) A JGB bond yield of a duration approximating projected remaining life has been used.

3. Method of estimating the number of stock options exercised.

As it is fundamentally difficult to reasonably estimate future lapses in option rights, a method that reflects the actual number of lapses has been used.

4. Amount that affects the consolidated financial statements.

Stock compensation expenses under the stock option program ¥347 thousand.

(Segment Information)

<Segment Information by Business Category>

Interim to January 31, 2007

For the interim consolidated interim accounting period from August 1, 2006 to January 31, 2007, sales and operating income by segment are as follows.

Interim Consolidated Reporting Period to January 31, 2007 (from August 1, 2006 to January 31, 2007) ¥Mln

	Parking Facilities Business	IPO/IR Consulting Business	Ski Resort Business	Total	Eliminations and Corporate	Consolidated
Net Sales						
(1) Sales to customers	3,039.403	75.600	165.288	3,280.292	----	3,280.292
(2) Intersegment sales and transfers	---	---	0.685	0.685	(0.685)	---
Total	3,039.403	75.600	165.973	3,280.977	(0.685)	3,280.292
Operating expenses	2,368.191	48.673	226.330	2,643.194	226.183	2,869.378
Operating ncome (loss)	671.212	26.926	(60.356)	637.783	(226.869)	410.913

(Notes) (1) Business segmentation method and details of each segment.

Businesses are segmented considering the nature of the business and are divided into the following.

Parking Facilities Business: Parking facilities integrated consulting, management and administration

IPO/IR Consulting Business: IPO support for unlisted companies, IR consulting for listed companies, sale of operating marketable securities.

Ski Resort Business: Integrated ski resort consulting, management and administration

(2) Of the above recorded operating expenses, adjustment values for eliminations and corporate include expenses related to Group administration, personnel administration, accounting and other common administrative expenses that cannot be accurately appropriated to each segment.

Previous Fiscal Year to July 31, 2006 (from August 1, 2005 to July 31, 2006)

For the consolidated accounting year to July 31, 2006, segment information by business category has not been included because the main business activity of the Group, i.e., sales, operating income and attributable assets for the management and administration of parking facilities, accounted for over 90% of total sales, operating income and assets.

<Segment Information by Geographical Area>

For the previous interim consolidated fiscal year from August 1, 2005 to January 31, 2006, the interim accounting period from August 1, 2006 to January 31, 2007, and the previous fiscal year from August 1, 2005 to July 31, 2006, as the Company had no consolidated overseas subsidiaries or branches, segment information by geographical area has not been included.

<Overseas Sales>

For the previous interim consolidated fiscal year from August 1, 2005 to January 31, 2006, the interim accounting period from August 1, 2006 to January 31, 2007, and the previous fiscal year from August 1, 2005 to July 31, 2006, the Company had no overseas sales.

<Business Combination Related>

For the interim reporting period (from August 1, 2006 to January 31, 2007)

The following transactions with entities effectively controlled by the Company occurred.

1. Overview of the name of company that was merged or name and nature of merged businesses, legal form of business combination, name of company after the business combination and reason for the transaction.

(1) Names of companies at time of combination and nature of business.

(a) Combining company

Name: Nippon Parking Development Co., Ltd. (the Company)

Nature of business: Integrated consulting for parking facilities.

(b) Combined company

Name: Market Makers Co., Ltd.

Nature of business: Renewal and maintenance services for multistory parking facilities.

(2) Legal form of combination

Purchase acquisition, with the Company being the surviving entity.

(3) Name of company after combination

Nippon Parking Development Co., Ltd.

(4) Overview of the transaction including the reason for the transaction.

Market Makers Co., Ltd. was absorbed into Nippon Parking Development Co., Ltd. as the best option to improve the corporate value of the Group as a whole by strengthening the multistory parking facility renewal and maintenance business of Market Makers Co., Ltd.

2. Overview of Accounting Methods Used

Based on “Business Combination Related Accounting Standards” (Business Accounting Council, October 31, 2003), “Business Divestiture Related Accounting Standards” (Accounting Standards Board of Japan, December 27, 2005, Directive #7), “Guidance Regarding Business Combination and Business Divestiture Accounting Standards” (Accounting Standards Board of Japan, December 27, 2005, Directive #10), the combination was accounted for as a transaction under common control.

(Earnings per Share Information)

Interim to Jan. 31, 2006		Interim to Jan. 31, 2007		Fiscal Year to July 31, 2006	
Net assets per share	¥640.08	Net assets per share	¥601.48	Net assets per share	¥681.30
Interim earnings per share	¥147.73	Interim earnings per share	¥92.09	Interim earnings per share	¥315.09
Fully Diluted:		Fully Diluted:		Fully Diluted:	
Interim earnings per share	¥145.31	Interim earnings per share	¥91.18	Interim earnings per share	¥309.34

(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, 2007	Fiscal Year to July 31, 2006
Interim (current) net income per share			
Interim (current) net income (¥ Mln)	499.626	315.068	1,069.476
Interim (current) net income not available to common shareholders	---	---	---
Interim (current) net income available to common shareholders (¥ Mln)	499.626	315.068	1,069.476
Average number of common outstanding shares during the period	3,382,041 shares	3,421,371 shares	3,394,147 shares
Fully diluted interim (current) earnings per share			
Adjusted interim (current) net income per share	---	---	---
Increase in common shares outstanding	56,412 shares	34,122 shares	63,124 shares
Details of increase in common shares New stock options	56,412 shares	34,122 shares	63,124 shares
As there is no potential dilution, overview of potential dilution no included in the calculation of interim (current) fully diluted earnings per share.	---	Stock options granted by resolution of a regular meeting of shareholders on October 29, 2003. (Stock Options) Common stock 3,654 shares Strike price ¥17,869 Stock options granted by resolution of a regular meeting of shareholders on October 27, 2004. (Stock Options) Common stock 1,300 shares Strike price ¥18,867 Stock options granted by resolution of a regular meeting of shareholders on October 26, 2005. (Stock Options) Common stock 17,000 shares Strike price ¥25,980 Stock options granted by resolution of a regular meeting of shareholders on October 26, 2005. (Stock Options) Common stock 3,000 shares Strike price ¥24,533	Stock options granted by resolution of a regular meeting of shareholders on October 26, 2005. (Stock Options) Common stock 17,000 shares Strike price ¥25,980 Stock options granted by resolution of a regular meeting of shareholders on October 26, 2005. (Stock Options) Common stock 3,000 shares Strike price ¥24,533

(Other Important Subsequent Items)

Interim to Jan. 31, 2006	Interim to Jan. 31, 2007	Fiscal Year to July 31, 2006
On February 10, 2006, a portion of the investment securities held by the Company were sold. Details of Investment Securities Sold Co. Name: Taisei Co., Ltd. Amount Sold: ¥746 million (650,000 shares) Gains from the Sale: ¥226 million Counterparty Sold to: Taisei Co., Ltd. Date of Sale: February 10, 2006 Method of Sale: Sold through the "off market purchase of one's own stock" effected by Taisei Co., Ltd. through the Nagoya Stock Exchange.	-------------------------------------	Consolidated subsidiary Nippon Ski Resort Development Co., Ltd. signed a business transfer agreement and purchased the Sun-Alpena Kashimayari ski resort on August 10, 2006 with the aim of managing this ski resort. An overview of this contract is as follows. (1) Parties in the transaction - Shinshu Gakuin Incorporated - Kyoiku Kikaku Center Co., Ltd. (2) Address of assets acquired Omachi-shi, HiraKashimayari Kurosawa Kogen (3) Type of assets acquired Sun-Alpena Kashimayari ski resort land, buildings, ski lift facilities, and other rights to the management of the ski resort. (4) Transfer date September 1, 2006 (5) Purchase amount ¥550 million